U.S. Congress.

Congressional Record

PROCEEDINGS AND DEBATES

OF THE

FIRST SESSION OF THE SIXTY-EIGHTH CONGRESS

OF

THE UNITED STATES OF AMERICA

AND INDEX

VOLUME LXV—PART 4

FEBRUARY 26 TO MARCH 14, 1924

(Pages 3129–4228)

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SENATE.

TUESDAY, *February 26, 1924.*

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father, though the clouds may hang about our earth this morning, we rejoice in the fact that Thou art shining always upon us and even through a frowning providence Thou dost have a smiling face. May we see light always in Thy light and interpret duty as Thou dost indicate it to us by Thy providence in the varying conditions of life that present themselves. Be with us this morning, we beseech of Thee, and help us each to realize the blessedness of that state described in Thy Word, where a man shall be as a hiding place from the wind, and a covert from the tempest; as rivers of water in a dry place, as the shadow of a great rock in a weary land. We ask in Jesus' name. Amen.

The reading clerk proceeded to read the Journal of the proceedings of the legislative day of Friday, February 22, 1924, when, on request of Mr. LODGE and by unanimous consent, the further reading was dispensed with and the Journal was approved.

REMOVAL OF SHIPPING BOARD OFFICES FROM WASHINGTON.

The PRESIDENT pro tempore laid before the Senate the following communication from the chairman of the United States Shipping Board, which was read, and ordered to lie on the table, as follows:

UNITED STATES SHIPPING BOARD,
Washington, February 25, 1924.
(File 51426.)

The PRESIDENT OF THE SENATE,
Washington, D. C.

SIR: Referring to Senate Resolution No. 155, which was transmitted by the Secretary of the Senate, I have the honor to advise you that the United States Shipping Board has no plans to move the offices of the United States Shipping Board Emergency Fleet Corporation from Washington to the city of New York, nor is the matter being considered.

The president of the Fleet Corporation also advises that that corporation has no such intention.

Respectfully,

T. V. O'CONNOR, *Chairman.*

INCREASE IN FREIGHT RATES.

Mr. JONES of Washington. Mr. President, I have a letter from one of my constituents in the nature of a petition that I think is worthy of the RECORD. It deals especially with the freight-rate situation and the proposition that freight rates should be so regulated that the products which can best stand the higher freight rates shall be required to pay them. I want to call attention to one statement in the letter, as follows:

> Whenever we ask the Interstate Commerce Commission for any reduction in rates they promptly advise us that they are required by the transportation act to make and maintain sufficient rates to produce an average earning of 5½ per cent on all railroads. Whenever we ask the railroads for any consideration regarding rates they promptly advise us that the Interstate Commerce Commission will not sanction any reduction in rates and that rates must "go up" rather than down, until the required earning is secured for all railroads.

I called that statement to the attention of the Interstate Commerce Commission and I have their reply. I ask that their reply, together with the letter from my constituent, may be printed in the RECORD and referred to the Committee on Interstate Commerce. I hope that that committee, or at least the chairman of it, will note the letter from my constituent and the letter from the Interstate Commerce Commission.

There being no objection, the letters were referred to the Committee on Interstate Commerce and ordered to be printed in the RECORD, as follows:

YAKIMA, WASH., *February 11, 1924.*

Hon. W. L. JONES,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I have been making quite a study of the freight-rate problem on our apples. I am fully convinced that a lower rate is necessary, not only for the continuation of the apple business, but for the continuance of freight revenues for the railroads themselves. A good many hundred acres of orchards are being pulled out this year, and a very large number of growers who had some of the older varieties, or considerable Jonathan acreage, are compelled to give up their orchards and abandon them to the mortgage companies.

Whenever we ask the Interstate Commerce Commission for any reduction in rates they promptly advise us that they are required by the transportation act to make and maintain sufficient rates to produce an average earning of 5½ per cent on all railroads. Whenever we ask the railroads for any consideration regarding rates they promptly advise that the Interstate Commerce Commission will not sanction any reduction in rates and that rates must "go up" rather than down until the required earning is secured for all railroads.

Attached please find copy of letter I received from the Interstate Commerce Commission bureau of statistics. You will note from this letter that the Northern Pacific and Great Northern both declared dividends of 7 per cent in 1921 and 5 per cent and 5½ per cent, respectively, in 1922, and had a good many million dollars surplus net income. The Union Pacific declared dividends of 14 per cent in 1921–22, and had from $8,000,000 to $10,000,000 net income in addition.

According to the Wall Street Journal of January 12, 1924, the Union Pacific showed a much better profit, namely, 15 per cent net earnings on its stock in 1923 as compared to 12½ per cent in 1922. The fruit railroads out of California in 1923 showed 12 per cent net earnings for the Southern Pacific and 14 per cent for the Sante Fe.

The reports to the Interstate Commerce Commission made by the Great Northern show the net operating income for the first 10 months of 1923 was $18,569,505, which was more than all of 1922. Their report to the Interstate Commerce Commission also shows that their net operating income for October alone was $5,294,338, being the largest net operating income for any month in the history of the Great Northern. The net operating income for the Northern Pacific for October was $3,342,542, or 55 per cent over the same month in 1922.

One of the Northern Pacific officials advised me that the Yakima Valley was the only thing that saved them from a loss this year.

Please note also from the Interstate Commerce Commission letter that the Milwaukee had about $11,000,000 deficit in 1921 and about $6,000,000 deficit in 1922. They have done better in 1923, but is it not plain that it is unfair for the apple growers of Washington (who are paying over $20,000,000 freight this year) to be charged the present tremendous high freight rates in order to offset the loss of the Milwaukee and other similar railroads, which never should have been built? If the fruit growers were making money, it might be all right to levy rates on them to make up for the monumental blunder of building the Milwaukee, but the apple growers are simply up against it, and absolutely can not afford to pay the present rates. Just how it is going to help the railroads to have thousands of acres of orchards pulled up, and hundreds of families ruined, is beyond my comprehension. It seems to me the transportation act compels the Interstate Commerce Commission and the railroads to use inflexible and unjust rules.

Suppose we admit that the railroads need the present revenue. Why should not the freight rates be levied on the commodities that can afford to pay them? In other words, why compel the railroads to charge more than the traffic will bear on our apples, when such policy can have but one effect, the destruction of their present revenues,

In this connection, permit me to call your attention to the injustice of the flat horizontal increase in freight rates. When we planted our orchards the rate was 50 cents per box, without heater charge; now it is 75 cents per box, plus a heater charge of about 5 cents, or 60 per cent increase.

The Joint Commission of Agricultural Inquiry made a very exhaustive study of freight rates in 1921. They took 2,022 cars of barreled apples, with an average haul of 400 miles, and found that the producer of the apples received 80 cents out of every dollar of their wholesale price, while the railroads received 11.65 cents out of every dollar for refrigeration and all other charges. In the case of boxed apples, the commission made a study of 1,466 carloads, with an average haul of 2,800 miles and found that the shipper received 54.65 cents out of every dollar, and the railroads received 35.17 cents out of every dollar. You can see by comparing these figures, that a 50 per cent flat increase or decrease in freight rates would not make very much difference to the barreled-apple shipper, while a 50 per cent increase or decrease in freight rates on boxed apples would make about 20 per cent difference. Apples were a good price in 1921; this year, with lower prices, the railroads get a much larger per cent, intensifying the injustice of the horizontal increase.

I have just returned from a hearing before the fact-finding commission at Salt Lake City. I made a statement for the record there, putting in a great many figures which I think show that the ruin of reclamation in the West is being caused by this flat horizontal increase in freight rates, with great injustice to the long haul. The condition on many of the projects is pitiable, much worse than on ours. Their banks have been greatly impaired and credit facilities are in many cases a thing of the past. In my opinion, the high freight rates in Montana and the Dakotas are part of the cause for the terrible times in those States. Before the fact-finding commission, I appealed to the commission to ask the railroads for relief, and ask the Interstate Commerce Commission for a change in their inflexible rules, permitting the railroads of the West to reduce their rates so they would not be more than the traffic will bear. I feel the railroads are really the partners of the fruit growers and farmers of the West in developing this country, and that the policy of the Interstate Commerce Commission apparently required by the transportation act is ruining the West, while the East and the sections with the short haul have an increase (which really does not affect them greatly) and are having wonderfully prosperous times. The farmers of our valley and the people of the West have borrowed about to the limit of their credit, thinking times would change. I sincerely hope they will, but having paid $300 per acre freight, or about $100,000 on my orchards this year, you can see it is possibly plainer to me than to others where my profit and the profit of the people of the West goes.

I dislike to write you so long a letter, but I really feel the situation is almost desperate to the section you represent.

Very respectfully yours,

H. M. GILBERT.

INTERSTATE COMMERCE COMMISSION,
BUREAU OF STATISTICS,
Washington, D. C., February 4, 1924.

Mr. H. M. GILBERT,
Richey & Gilbert Co., Yakima, Wash.

DEAR SIR: We have received your letter of January 24 to the secretary of the commission, with respect to the gross and net earnings of a number of roads named therein. We give below a statement which we think will answer your purposes:

Gross and net earnings of certain railroads.

Road and item.	1921	1922
Southern Pacific Co.:		
Net railway operating income	$33,686,560.90	$40,459,532.34
Net income	27,526,526.98	24,907,729.72
Dividend declared	20,639,195.82	20,662,854.32
Rate of dividend per cent	6	6
Northern Pacific Ry. Co.:		
Net railway operating income	19,843,926.17	19,490,514.47
Net income	22,065,309.17	15,056,929.80
Dividend declared	17,360,000.00	12,400,000.00
Rate of dividend per cent	7	5
Great Northern Ry. Co.:		
Net railway operating income	12,866,410.94	17,276,307.84
Net income	28,462,925.78	10,865,672.19
Dividend declared	17,462,973.50	13,097,264.25
Rate of dividend per cent	7	5¼
Union Pacific R. R. Co.:		
Net railway operating income	28,351,909.67	26,621,319.14
Net income	34,307,524.50	36,587,339.71
Dividend declared	26,210,900.00	26,210,900.00
Rate of dividend per cent	14	14
Chicago, Milwaukee & St. Paul Ry.:		
Net railway operating income	5,117,329.40	13,284,244.57
Net deficit	10,962,616.70	5,999,707.07
Dividend declared	None.	None.
Rate of dividend	None.	None.

Very truly yours,

M. O. LORENS, *Director.*

INTERSTATE COMMERCE COMMISSION,
OFFICE OF THE SECRETARY,
Washington, February 21, 1924.

Hon. WESLEY L. JONES,
United States Senate, Washington, D. C.

MY DEAR SIR: I have your letter of February 19, 1924, concerning the level of freight rates in connection with the requirements of the transportation act, 1920.

As you know, that portion of the above-cited act to which you refer has been incorporated in the interstate commerce act in section 15 (a). For your ready reference the following is quoted from the provisions of that section:

"(2) In the exercise of its power to prescribe just and reasonable rates the commission shall initiate, modify, establish, or adjust such rates so that carriers as a whole (or as a whole in each of such rate groups or territories as the commission may from time to time designate) will, under honest, efficient, and economical management and reasonable expenditures for maintenance of way, structures, and equipment earn an aggregate annual net railway operating income equal, as nearly as may be, to a fair return upon the aggregate value of the railway property of such carriers held for and used in the service of transportation: *Provided*, That the commission shall have reasonable latitude to modify or adjust any particular rate which it may find to be unjust or unreasonable, and to prescribe different rates for different sections of the country.

"(3) The commission shall from time to time determine and make public what percentage of such aggregate property value constitutes a fair return thereon, and such percentage shall be uniform for all rate groups or territories which may be designated by the commission. In making such determination it shall give due consideration, among other things, to the transportation needs of the country and the necessity (under honest, efficient, and economical management of existing transportation facilities) of enlarging such facilities in order to provide the people of the United States with adequate transportation."

In its report under Docket 13293, Reduced rates, 1922, the commission found that on and after March 1, 1922, a fair return as contemplated by the above provision would be 5.75 per cent of the aggregate property value as a uniform percentage for all rate groups or territories designated by this commission.

The above considerations are general in their character and do not in any manner preclude individual rate adjustments involving both increases and decreases. As you know, reports are constantly being issued by the commission providing for reductions in rates where such action has been found warranted under the existing circumstances. Moreover, tariffs and supplements are being received from the different carriers which bring about various advances and reductions in individual rate items through voluntary action on their part.

I believe the above considerations will remove any misunderstanding under which your constituent may be laboring; if not, however, I would be pleased to advise further in the premises.

Respectfully,

G. B. MCGINTY, *Secretary.*

PETITIONS AND MEMORIALS.

Mr. ROBINSON presented resolutions adopted by the Rotary Club of the Hot Springs National Park and the board of governors of the chamber of commerce of Fayetteville, both in the State of Arkansas, favoring the continuance of the transportation act of 1920, which were referred to the Committee on Interstate Commerce.

He also presented a letter in the nature of a memorial from A. N. Johnson, proprietor of the Tuckerman Record, of Tuckerman, Ark., remonstrating against the practice of the Government in selling printed envelopes, which was referred to the Committee on Printing.

He also presented a letter in the nature of a petition from Ben B. Weil, of Pine Bluff, Ark., praying for relief of the shortage of labor on farms in the South, due to stringent immigration laws, which was referred to the Committee on Immigration.

He also presented a resolution adopted by Local No. 200, National Federation of Federal Employees, of Dallas, Tex., requesting Congress to give careful consideration to the reclassification of the field service as provided for in the Sterling-Lehlbach Classification Act of 1923, which was referred to the Committee on Civil Service.

Mr. PEPPER presented a memorial of the Philadelphia (Pa.) Board of Trade, remonstrating against the passage of House bill 5635, to provide for a deep waterway for ocean-going vessels from the Great Lakes to the Atlantic Ocean by way of the St. Lawrence River and the Welland Canal, which was referred to the Committee on Commerce.

Mr. BURSUM. Mr. President, I have a petition sent to me from New Mexico, which reads as follows:

We, the undersigned citizens of the United States of America and residents of New Mexico, having noticed the unjust fight being waged against the soldiers' adjusted compensation bill now pending before Congress by selfish interests, who are trying to make Congress believe that the majority of the people are against said bill, do hereby, in mass meeting assembled, petition and urge you as our representatives to stand and vote for the said compensation bill, that the majority of the people in this State, as far as we know, are in favor of that measure. Thanking you in advance, we are,

Yours truly,

The petition is not signed by veterans or by ex-service men, but is signed by citizens generally as a result of a mass meeting in that portion of the State. I agree with the declaration that the majority of our people are in favor of the passage of the adjusted compensation bill. Our people feel and believe that the delay has already been longer than is justifiable under the circumstances. I agree with them that we ought to have action. Something should be done. A settlement is due, a settlement is demanded, and a settlement ought to be accorded.

The PRESIDENT pro tempore. The petition will be referred to the Committee on Finance.

Mr. CAMERON. I present a letter from Governor Hunt, of Arizona, together with a communication from Cactus Chapter, No. 2, Disabled American Veterans of the World War, relative to certain sections of the report of the committee investigating the Veterans' Bureau, which I ask may be printed in the RECORD and referred to the Committee on Finance.

There being no objection, the letters were referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE, STATE HOUSE,
Phoenix, Ariz., February 19, 1924.

Hon. RALPH CAMERON,
Washington, D. C.

MY DEAR SENATOR: My attention has been called to paragraph 10 of the report of the committee appointed by Congress to investigate the Veterans' Bureau.

The Disabled Veterans of the World War, as well as ex-service men generally, are very much exercised over this section. They feel humiliated and insulted by it. Some of them have called upon me to discuss the matter. In addition I have received a communication from the Disabled American Veterans of the World War, Phoenix Chapter, No. 1, setting forth their views. The disabled men in the hospitals at Prescott and Tucson are very much disturbed.

The disgraceful, inefficient, and fraudulent administration of the United States Veterans' Bureau has been bad enough, and the handling of this problem so utterly reprehensible that it is doubtful if the injustices perpetrated can ever be rectified.

As I understand the law, the disabled veterans have been voted compensation, not a charity dole, and when Congress adopted the law providing for compensation it had no intention of setting up a bureaucratic governing institution to expend the money of the disabled veterans. The money, as I understand it, is the property of the veterans and is under their control as regards its expenditure, the same as any other personal property they may possess. That general condition is, of course, modified in the case of insane or mentally defective victims of the war.

The proposal to further restrict the compensation paid veterans indicates the menace of bureaucracy, which is developing so rapidly in this country. It appears to me that these men who have given their health to their country in its time of trial should not be harassed and humiliated further by the bungling management of governmental clerks. In justice to Maj. Gen. Frank T. Hines, I believe that he has done excellent work in straightening out the chaos created by his predecessor.

I trust that Congress will not place any further hardship in the way of disabled veterans who are struggling back toward health, and that they will not be treated in such a manner as will lower their self-respect. From data submitted to me by disabled men it appears that there is ample legislation and regulation now in effect to enforce discipline for hospitalized disabled men.

I call these matters to your attention in order that you may know the way the disabled men feel about the proposed legislation.

Respectfully yours,

GEO. W. P. HUNT, *Governor.*

DISABLED AMERICAN VETERANS OF THE WORLD WAR, CACTUS CHAPTER, NO. 2.

Resolution.

TUCSON, ARIZ., *February 15, 1924.*

DEAR SIR: At a regular meeting of Cactus Chapter, No. 2, Disabled American Veterans of the World War, held on the 15th instant, the undersigned committee was appointed and empowered to prepare and present to you on behalf of the disabled ex-service men in this community our protest against the enactment into law of sections 7, 10, 13, 18, and that portion of section 14 which seeks to take away automatic reinstatement of insurance, of the recommendations of the special committee of the United States Senate appointed to investigate the affairs of the United States Veterans' Bureau.

Section 7, basing compensation on the veteran's previous occupation, would cause untold confusion in ratings and would result in a great deal of injustice. Of two veterans suffering from exactly the same injury or disease, one might be rated as totally disabled and the other as having no disability whatsoever, depending upon what their previous occupations were. A carpenter would be totally disabled if he had suffered the loss of both legs, yet under this recommendation a bookkeeper who had lost both legs would not be entitled to such a rating because he possibly could still keep a set of books. We believe that compensation should be based solely on the physical condition of the veteran and nothing else.

Section 10 of said report recommends the arbitrary withholding of compulsory allotment of not more than three-fourths of a disabled veteran's compensation. Such high-handed and autocratic procedure on the part of any governmental agency is without precedent in the annals of American history. So far as we have been able to ascertain no previous attempt has ever been made in this country to create wards of the Government by declaring free-born white male citizens of the United States above the age of 21 years to be incapable of administering their own private affairs. The men who were disabled in the honorable service of this country are not children, nor are they imbeciles, idiots, or lunatics. We resent any imputation or insinuation that we are any less capable of handling our own individual financial affairs than the millions of other young American citizens who did not go to war. A large number of disabled veterans in hospitals have made investments in real estate and other kinds of property. To arbitrarily withhold full payment of compensation from these men would, in effect, result in a virtual confiscation of the property they have acquired in cases where the same has not been fully paid for.

Shall a veteran be penalized for entering a hospital and making every effort to regain his health in order that he may once more assume all the duties and privileges of the average American citizen? It would seem so, for the recommendation is that this wholesale guardianship be applied only to men in the hospitals.

The enactment of such a law would in effect deprive the men in hospitals of their full rights of citizenship comparatively the same as common criminals. The average American citizen has the absolute right to conduct and manage his private business affairs according to the dictates of his own brain without any interference or dictation from any individual or Government official. Are the disabled men in hospitals to be deprived of their full rights of American citizenship? Certainly they committed no crime by serving the United States in time of war and they should not forfeit any of their rights of citizenship because they were disabled in the service of their country. Is the Government to adopt the paternal attitude of the father who promises to give his son $500 if he will not smoke cigarettes before he is 21 years old, and say to the disabled veterans we are going to pay you $80 per month compensation, but we are going to hold out $60 of that amount which we will pay you when you leave the hospital provided you do not die before you leave the hospital?

Section 13 provides that retroactive awards of compensation shall be more strictly limited. An award of compensation is based on the extent of the claimant's disability at the time of his examination on his application for compensation. The Veterans' Bureau has been known to take as long as two years to adjust a claim for compensation. Surely a man is entitled to compensation from the time he became disabled, if at all, and not simply from the time his claim is finally adjusted by the bureau.

Section 18 would deny vocational training to thousands of veterans who have been sick for a number of years. Some of them may ultimately improve sufficiently to become feasible for training. With no provisions for permanent compensation in sufficient amounts for these veterans we must strongly protest the enactment into law of this section. This section provides that training must be begun on or before June 30, 1924, and vocational training is limited to those disabled veterans who made application therefor on or before June 30, 1923. Is the man who only recently became disabled from an injury received in service to be discriminated against in such unjust manner? Is he not entitled to as much consideration and the same fair treatment as was accorded the man whose disability became apparent on the day he was injured or shortly thereafter?

We do not doubt that the people of the United States want to see the disabled veterans of the late war receive fair and just treatment at the hands of the Government they served and we do not believe the people of this country would countenance for one moment the passage of laws putting into effect the above recommendations of the special Senate committee composed of Senators ODDIE of Nevada, REED of

Pennsylvania, and WALSH of Massachusetts. We therefore earnestly and sincerely urge that you use your best efforts to oppose and prevent the enactment of any laws putting these recommendations into effect.

Respectfully submitted.

CACTUS CHAPTER, No. 2, D. A. V. W. W.,
By CLAUDE SMITH,
A. E. LARSEN,
P. M. BROWN,
THOS. JOHNSON,
G. F. STONER,
C. R. SOLLERS,
Committee.

Mr. SHIPSTEAD presented a resolution adopted by the Christopher Columbus Society, of Minneapolis, Minn., protesting against the passage of the so-called Johnson selective immigragration bill, as being discriminatory, which was referred to the Committee on Immigration.

Mr. SHIPSTEAD. Mr. President, by request I present a letter from N. W. Upham, of St. Paul, Minn., transmitting a large number of petitions relative to the so-called Mellon tax plan. I ask that the letter, together with the body of one of the petitions may be printed in the RECORD, and all of the petitions, with the letter of transmittal, referred to the Committee on Finance.

There being on objection, the letter and petitions were referred to the Committee on Finance, and the letter, with the body of one of the petitions, was ordered to be printed in the RECORD, as follows:

THE CAPITAL NATIONAL BANK OF ST. PAUL,
St. Paul, Minn., February 9, 1924.

Senator HENRIK SHIPSTEAD,
United States Senate, Washington, D. C.

HONORABLE SIR: I have the honor to send you under separate cover a number of petitions requesting the adoption by Congress of a tax-reduction plan substantially along the lines recommended by the Hon. Andrew W. Mellon, Secretary of the Treasury of the United States. These petitions have been sent to us from all over the country, a vast majority being from St. Paul and Minneapolis and the Northwest States. Their distribution is as follows:

St. Paul (including Minneapolis)	473
Minnesota	63
North Dakota	35
Wisconsin	30
Iowa	30
Montana	25
Nebraska	19
South Dakota	9
Michigan	9
Kansas	4
Wyoming	4
California	3
Utah	3
Illinois	2
Colorado	2
Oregon	1
Arkansas	1
Missouri	1
Washington	1
Ohio	1
Total	716
	45
	761

I sincerely trust that this expression of opinion, relative to tax reduction, will meet with your consideration.

Respectfully,

N. W. UPHAM.

To the Congress of the United States:

I respectfully urge and request Congress to take an aggressive and persistent stand for lower Federal taxes and to support a tax-reduction plan substantially along the lines recommended in letter dated November 10, 1923, from the Hon. Andrew W. Mellon, Secretary of the Treasury of the United States, to the Hon. WILLIAM R. GREEN, acting chairman, Committee on Ways and Means of the House of Representatives, and to refrain from voting in favor of any legislation which will interfere with the carrying out of such tax-reduction program.

REPORTS OF COMMITTEES.

Mr. KEYES. From the Committee to Audit and Control the Contingent Expenses of the Senate I report back favorably without amendment Senate Resolution 162, authorizing the Committee on Territories and Insular Possessions during the Sixty-eighth Congress to hold hearings and employ a stenographer. The resolution is in the usual form, and I ask unanimous consent for its immediate consideration.

Mr. MOSES. I object.

Mr. KING. Let the resolution be reported.

The PRESIDENT pro tempore. The resolution will be read for the information of the Senate.

The resolution (S. Res. 162) submitted by Mr. WILLIS on the 16th instant, was read as follows:

Resolved, That the Committee on Territories and Insular Possessions, or any subcommittee thereof, be, and hereby is, authorized during the Sixty-eighth Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer at a cost not exceeding 25 cents per hundred words to report such hearings as may be had in connection with any subject which may be before said committee, the expenses thereof to be paid out of the contingent fund of the Senate, and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

The PRESIDENT pro tempore. The junior Senator from New Hampshire asks unanimous consent for the immediate consideration of the resolution. Is there objection?

Mr. MOSES. I object.

The PRESIDENT pro tempore. Objection is made, and the resolution will go to the calendar.

Mr. KEYES. From the Committee to Audit and Control the Contingent Expenses of the Senate I report back favorably Senate Resolution 158, submitted by the Senator from Delaware [Mr. BALL] on the 13th instant, directing the Committee on the District of Columbia to investigate and have a survey made of housing and rental conditions in the District of Columbia.

Mr. BALL. I ask unanimous consent for the immediate consideration of the resolution.

Mr. MOSES. I object.

The PRESIDENT pro tempore. Objection is made, and the resolution will go to the calendar.

Mr. KEYES. From the same committee I report back favorably Senate Resolution 157, submitted by the Senator from Montana [Mr. WHEELER] on the 13th instant, directing a committee to investigate the failure of the Attorney General to prosecute or defend certain criminal and civil actions wherein the Government is interested.

Mr. ROBINSON. I ask unanimous consent for the immediate consideration of the resolution.

Mr. MOSES. I object.

The PRESIDENT pro tempore. The resolution will go to the calendar.

REPORTS OF THE COMMITTEE ON NAVAL AFFAIRS.

Mr. HALE, from the Committee on Naval Affairs, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (S. 264) for the relief of Charles H. Willey (Rept. No. 173); and

A bill (S. 1013) for the relief of Gordon G. MacDonald (Rept. No. 174).

APPROPRIATIONS FOR TREASURY AND POST OFFICE DEPARTMENTS.

Mr. WARREN. From the Committee on Appropriations I report back favorably with amendments the bill (H. R. 6349) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1925, and for other purposes, and I submit a report (No. 172) thereon. I give notice that I shall ask for the consideration of the bill probably Thursday morning.

The PRESIDENT pro tempore. The bill will be placed on the calendar.

MEMORIAL ADDRESS ON THE LATE PRESIDENT HARDING.

Mr. WILLIS. Mr. President, I desire to make a very brief statement touching the program for to-morrow. I remind Senators that on January 24 the Senate agreed to the House concurrent resolution providing for a joint meeting of the House and Senate on Wednesday, February 27, for the services in memory of the late President Warren G. Harding. There was sent to Senators in their mail this morning a notice and the official program. If they do not have it before them, they will find it printed in the RECORD at page 2808. The concurrent resolution provides that the two Houses shall meet in joint session at 12 o'clock noon. I am simply calling attention to the matter that Senators may have it in mind and so that when the Senate concludes its business for the day it may recess or adjourn until perhaps 11.45 to-morrow.

Mr. LODGE. Mr. President, in view of the statement just made by the Senator from Ohio as chairman on the part of the Senate of the Committee on Memorial Services in honor of President Harding, I ask unanimous consent that to-day when the Senate adjourns or takes a recess, as the case may be, it be to meet at 11.45 to-morrow morning.

The PRESIDENT pro tempore. The Senator from Massachusetts asks unanimous consent that when the Senate concludes its business to-day it shall adjourn or take a recess, as the case may be, until 11.45 to-morrow morning. Is there objection to the request? The Chair hears none, and it is so ordered.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SHEPPARD:

A bill (S. 2625) to detach Jim Hogg County from the Corpus Christi division of the southern judicial district of the State of Texas, and attach the same to the Laredo division of the southern judicial district of said State; to the Committee on the Judiciary.

A bill (S. 2626) to amend an act entitled "An act making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1924, and for other purposes"; to the Committee on Military Affairs.

By Mr. LENROOT:

A bill (S. 2627) granting a pension to Edward D. Hassett; to the Committee on Pensions.

A bill (S. 2628) providing for a preliminary survey of the Wolf River in Wisconsin to ascertain some method to control floods; to the Committee on Commerce.

A bill (S. 2629) for the relief of Frank Murray; and

A bill (S. 2630) for the relief of F. M. Gray, Jr., Co.; to the Committee on Claims.

By Mr. ROBINSON:

A bill (S. 2631) to increase the cost of public building at Russellville, Ark.; to the Committee on Public Buildings and Grounds.

By Mr. WARREN:

A bill (S. 2632) for the relief of Henry Wagner (with accompanying papers); to the Committee on Military Affairs.

By Mr. MOSES:

A bill (S. 2633) granting a pension to Mary L. Simmons (with accompanying papers); to the Committee on Pensions.

By Mr. HALE:

A bill (S. 2634) authorizing the Secretary of War to convey to the State of Maine certain land in Kittery, Me., formerly a part of the abandoned military reservation of Fort McClary (with accompanying papers); to the Committee on Military Affairs.

By Mr. PEPPER:

A bill (S. 2635) for the relief of Jabez Burchard; to the Committee on Naval Affairs.

By Mr. NORRIS:

A bill (S. 2636) granting a pension to Pearl Brown; to the Committee on Pensions.

By Mr. REED of Pennsylvania:

A bill (S. 2637) granting permission to Lieut. Col. Charles G. Mortimer, United States Army, to accept decoration of officer of the French Legion of Honor; to the Committee on Military Affairs.

By Mr. SPENCER:

A bill (S. 2639) granting a pension to Daniel Burkhart (with accompanying papers); to the Committee on Pensions.

A bill (S. 2640) for the purchase of a rifle range at Liberty, Mo.; to the Committee on Military Affairs.

A bill (S. 2641) to establish the department of public welfare and to determine its functions, and for other purposes; to the Committee on the District of Columbia.

By Mr. LODGE:

A bill (S. 2642) to renew and extend certain letters patent; to the Committee on Patents.

By Mr. NEELY:

A bill (S. 2643) granting a pension to George W. Johnson; and

A bill (S. 2644) granting a pension to Clarence G. Stonestreet; to the Committee on Pensions.

By Mr. WILLIS:

A bill (S. 2645) to amend the organic act of the Philippine Islands, approved August 29, 1916; to the Committee on Territories and Insular Possessions.

By Mr. PEPPER:

A joint resolution (S. J. Res. 87) authorizing the erection of a flagstaff at Fort Sumter, and for other purposes; to the Committee on the Library.

DISQUALIFICATION FROM SERVICE ON QUASI JUDICIAL COMMISSIONS.

Mr. ROBINSON. Mr. President, I desire to introduce a bill for reference to the Committee on the Judiciary, and I request consent to make a very brief statement concerning it.

Some days ago I submitted a resolution expressing the sense of the Senate that members of the Tariff Commission should not participate in hearings and in decisions by that commission in cases where the members of their immediate families appeared to have a pecuniary interest in the result. I am now introducing a bill to provide for disqualification under specified conditions of members not only of the Tariff Commission but of the Federal Trade Commission and the Interstate Commerce Commission. It seems necessary that the rule of disqualification for members of quasi judicial tribunals shall be definitely established by statute.

The bill provides that when any members of the commissions designated—namely, the Tariff Commission, the Interstate Commerce Commission, and the Federal Trade Commission—are interested in any special or private way in proceedings before the respective bodies, or whenever they have been of counsel for any person having a direct and pecuniary interest in proceedings before them, or where they have appeared as a material witness or acted as attorney or legislative agent or representative in respect to the subject matter of such proceeding or investigation, or whenever such members shall be within four degrees related to or connected with persons who have a private and pecuniary interest, such members shall be deemed to be disqualified to take part in the hearings and decisions of the commission and shall be required to note their disqualification upon the record.

The second section of the bill establishes a process by which parties interested in proceedings or investigations before such commissions may test out and have determined by the commission itself the alleged disqualification of members of such commission.

The measure also provides in section 3 that the commission itself shall finally determine questions of disqualification of any member and denies the member a question as to whose disqualification is raised the privilege of voting on the issue.

Section 4 makes clear the intention not to disqualify members of said commission from participating in proceedings before the respective bodies of which they are members merely because they shall have been interested in or connected with general agricultural, manufacturing, transportation, or other business or with any labor organization, but such disqualification must be based on a special or private interest.

I believe, Mr. President, there is necessity and demand for legislation upon this subject. That is disclosed by the proceedings which prompted the introduction of the resolution to which I have already referred and which I hope may be acted upon by the Senate as soon as other business in this body permits. The bill is not intended to supersede the resolution and is broader and more effective and more specific, in that its provisions apply to the Interstate Commerce Commission and the Federal Trade Commission, as well as the Tariff Commission, and in that it defines as a rule of law the circumstances and conditions under which members of these quasi judicial tribunals shall not be permitted to participate in the proceedings before their respective bodies.

I ask that the bill may be referred to the Committee on the Judiciary, and I request that it be considered by that committee at an early day.

The bill (S. 2638) to provide for the disqualification, under specified conditions, of any member of the Interstate Commerce Commission, the Federal Trade Commission, or United States Tariff Commission to participate in certain proceedings or investigations, and for other purposes, was read twice by its title and referred to the Committee on the Judiciary.

PENSION LEGISLATION.

Mr. DIAL. Mr. President, I hardly ever see much that the Republican Party does for which it should be praised, but it was my pleasure yesterday afternoon to read in the Washington Evening Star that the President of the United States had put the brakes on as to increases of pensions. I was delighted to read his conclusion, and I hope it will be followed by Congress.

My recollection is, Mr. President, that in 1879 a pension bill was passed by Congress appropriating $37,000,000 for Civil War pensions. About a quarter of a million pensioners drew their quota as a result of that legislation. About 1901 the number of pensioners had increased to about 1,000,000. The amount of money appropriated at that time for the payment of such pensions was $157,000,000. About 1920 the number of pensioners had decreased back to about a quarter of a million, but the sum of money then appropriated for the payment of the pensions was in the neighborhood of $258,000,000. Subsequently additional pensions have been granted in larger

amounts. Since I have been a Member of this body I believe that two such increases have been made.

Last year an attempt was made to increase the pensions of pensioners of the Civil War by about $108,000,000. Some of the members of the Senate opposed it, but there were very few who did so. However, President Harding saw the injustice of the proposed increase and he vetoed the bill and sent it back to Congress. I complimented President Harding on the floor of the Senate for the action he then took. The bill was then redrawn, carrying an appropriation of something like $65,000,000, and we had a hard time here to defeat it by preventing it from coming up. I fought the bill in season and out of season, and I am gratified that it did not come up and, of course, did not pass.

At that time there were a couple of other pension bills pending, one being an omnibus pension bill, which I aided in defeating, and another a bill to pension Civil War telegraph posthole diggers. The proponents of that bill were so anxious to raid the Treasury that they introduced a bill proposing to pension the telegraph posthole diggers. The idea of robbing the Treasury by trying to pay people who dug postholes during the Civil War, perhaps a thousand miles from a bullet, shows to what extent those who wish to raid the Treasury will go. I filibustered against that bill, and am glad that it did not come up. I do not think anyone will ever have the temerity again to introduce such a bill.

Mr. President, I notice that there is now pending in the Senate Senate bill No. 5, which, I believe, has been favorably reported by the Committee on Pensions. That bill proposes to increase by $55,000,000 the appropriations which are already being provided for pensions. It was to that bill, I understand, the President had reference on yesterday. I hope that Senators and Members of the other House will not consider laying further burdens upon the taxpayers of this country.

I sympathize with veterans who have become disabled, but there are old soldiers' homes now to take care of the Civil War veterans, and those veterans are already drawing pensions of around $50 a month, and perhaps some are drawing even larger pensions.

Mr. President, I ask to have inserted in the RECORD, as a part of my remarks, the letter of the Secretary of the Interior, Doctor Work, in response to an inquiry in reference to the pending pension bill to which I have referred.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE INTERIOR,
Washington, January 31, 1924.

Hon. H. O. BURSUM,
Chairman Committee on Pensions, United States Senate.

MY DEAR SENATOR: Responding to your request dated January 16, 1924, for information relative to Senate bill 5, I have to advise you as follows:

(a) The number of Civil War soldiers on the roll of pensioners December 31, 1923, was 158,851.

(b) The number of Civil War soldiers on the roll December 31, 1923, at a rate exceeding $72 per month was 140; the number pensioned at $72 per month was 41,278, 40,811 of whom were pensioned under section 2 of the act of May 1, 1920.

(c) The number of applications filed under section 2, act of May 1, 1920, between July 1, 1923, and December 31, 1923, was 9,480—an average of 1,580 per month.

(d) The number of claims under section 2, act of May 1, 1920, allowed between July 1, 1923, and December 31, 1923, was 8,532—an average of 1,422 per month.

(e) The number of claims under section 2, act of May 1, 1920, pending December 31, 1923, was 5,244.

(f) The number of deaths of Civil War soldiers, per month, since July 1, 1923, was:

July	1,714
August	1,487
September	1,554
October	1,711
November	1,770
December	1,472
Total	9,708

The monthly value of the pension represented by those thus dropped from the roll on account of death was $580,971.

Attention is invited to the fact that the months of January, February, March, and April usually show a much higher death rate among Civil War soldiers. It is quite probable that during the 12 months of the present fiscal year approximately 26,000 of this class will be dropped from the roll on account of death.

(g) The additional cost which would be entailed should section 1 of this bill (S. 5) be enacted into law would, for the fiscal year ending June 30, 1925, be approximately $17,700,000. These figures are the result of computing the increased annual value of the pensions payable to Civil War soldiers under this bill and deducting losses due to the death of 26,000 of these soldiers during the next fiscal year.

The number of Mexican War soldiers is so small and their death rate so high that there will likely be a slight decrease in the cost of paying pensions to them whether the bill becomes a law or not.

(h) The number of Civil War soldiers and Mexican War soldiers that would receive benefit by the enactment in excess of probable allowances under section 2, act of May 1, 1920, is, approximately, Civil War soldiers, 110,000; Mexican War soldiers, 15. This estimate is based upon the assumption that about 15 per cent of these two classes of pensioners will be allowed pension at $72 per month by June 30, 1924.

(i) The number of Civil War widows on the roll December 31, 1923, was 257,320. The number receiving $40 per month and less than $50 per month was 320; the number receiving $50 per month and over was 113. The number of such widows who are 60 years of age and under 74 years of age was 95,279; the number over 74 years of age was 149,998. The number of widows, by class, whose pension will be increased by this bill under suggested amendments (60 to 73 years of age, $35 per month; 74 and older, $45 per month) is 90,279 who are from 60 to 73 years of age, and 141,998 who are 74 years of age and older. The number of widows who have died since July 1, 1923, is 9,404; the monthly value of the pension thus terminated is $282,120; but this is fully offset by the amount payable on original allowances during the same period.

The net additional cost involved by the increase would be, approximately, $5,416,740 for 90,279 who are 60 to 73 years of age; $25,559,640 for 141,998 who are 74 years of age and older; total, approximately, $30,976,380. In this estimate 13,000 remarried widows and 11,723 who are under 60 years of age have been eliminated.

(j) The number of applications filed by Civil War widows, act of May 1, 1920, per month, since July 1, 1923, is 884; total, 5,304.

(k) The average age of Civil War soldiers January 1, 1924, was 80.5 years. The average age of Civil War widows January 1, 1924, was 74.15 years. This statement is based upon the examination of more than 500 typical cases in each class.

(l) The number of Mexican War soldiers on the roll December 31, 1923, was 41; the number benefited by the bill, 20. There would be no additional cost for the reason that the death rate will be so high that the net result will perhaps be a slight decrease.

(m) The number of deaths of Mexican War soldiers since July 1, 1923, was 8.

(n) The number of widows of the War of 1812 on the roll December 31, 1923, was 39; Mexican War widows, 1,549. The number benefited by the bill would be by July 1, 1924, about 1,400. The number of such widows who have died since July 1, 1923, is, War of 1812, 1; Mexican War, 79. The additional cost, making allowance for deaths in 1925, would be approximately $200,000.

(o) The number of remarried widows now on the roll is 13,000; the number who have died since July 1, 1923, 850. There will be none benefited by the bill; consequently, no additional cost.

(p) The number of minor children, including helpless children, on the roll December 31, 1923, was 15,643; the number dropped since July 1, 1923, 2,844; the monthly value of which was $11,922. The additional cost involved in section 5 of this bill will be approximately $450,000.

(q) The number of probable beneficiaries under section 6, the approximate cost, and the average age of probable beneficiaries are very difficult to estimate. Your attention is invited to Report No. 837, accompanying H. R. 211 (67th Cong., 2d sess.), submitted by Mr. LANGLEY from the Committee on Invalid Pensions, in which it is stated that from the best information obtainable it was believed that at that time the number of beneficiaries who are contemplated by section 6 was 9,000. Estimating that since the date of the above-mentioned report, March 27, 1922, 15 per cent of those referred to in section 6 have died, the number remaining would be by June 30, 1924, about 7,500. The ages of such persons would be, presumably, about the same as other Civil War pensioners. The cost of pensioning these persons would hardly be a factor during the fiscal year of 1925, as the nature of these claims and the character of the evidence required to show service, in the absence of record of service in the War Department in most of the classes of persons enumerated, will make prompt adjudication impossible.

(r) The number of Army nurses on the roll December 31, 1923, was 73; the number deceased since July 1, 1923, 8. All who are now on the roll would be entitled to increase at an additional cost of $11,000.

(s) The number of Indian war soldiers and Indian war widows on the roll December 31, 1923, was, soldiers, 3,469; widows, 2,880. The number who have died since July 1, 1923, is, invalids, 166; widows, 71. Approximately 3,400 soldiers would be entitled to increase to at least $30, and 2,700 widows would be eligible to $20 per month. Additional cost, soldiers, $300,000; widows, $200,000; total, $500,000.

(t) The number of Spanish War soldiers on the roll December 31, 1923, was 75,721; the number dropped since July 1, 1923, 733, the monthly value of which was $15,074. No data has been compiled

upon which to base estimates as to the grades, average age, degree of disability, and other factors which would enter into the question of rate. It is not clear from the wording of the bill whether the rates provided can be automatically allowed. If automatically allowed, the cost for the first year would be approximately $8,000,000; if dependent on application and proof of degree of inability to earn a support by manual labor, $5,000,000, the difference in cost being due to the difference in number of claims allowed during the first year. The number of applications for increase filed per month since July 1, 1923, was an average of 1,803; total, 11,180. The total number of allowances for the same period was 4,185.

(u) The number of persons on the roll December 31, 1923, for loss of both arms or both legs, or total disability of the same, or for loss of sight of both eyes, was 174. The death rate of these particular classes is not of record, as they are not segregated from other general law pensioners. It is estimated that the additional cost of increasing all pensioners on the roll on account of the loss of limbs in varying degrees would be $265,000.

(v) The expenditures for pensions during the fiscal year 1923 aggregated $263,012,500.18. The amount of the appropriation for the fiscal year 1925 is $222,500,000. Assuming that this amount will cover obligations under present conditions for 1925 and that the present bill will not become operative before the beginning of the fiscal year 1925, the difference in cost for pensions between the years 1923 and 1925 will be an increase of approximately $14,448,000 for the year 1925 over the amount expended in 1923. It is estimated that the reduction in the cost of Civil War pensions for the fiscal year 1926 will amount to approximately $11,000,000.

Attention is especially invited to the fact that in making the foregoing estimates it has been assumed that the proposed legislation would not become effective until about July 1, 1924. This qualification has special reference to the estimates of the probable cost of increasing all Civil War soldiers to $72 per month and of the provisions for increasing the pension of war with Spain soldiers.

The enactment of this bill in its present form will add to expenditures for pensions for 1925 approximately $55,000,000.

Very truly yours,

HUBERT WORK.

NAVAL OIL LAND LEASES—PERSONAL EXPLANATION.

Mr. WALSH of Montana. Mr. President, on yesterday morning I was accorded the privilege by the Senate to call the attention of this body to a statement emanating from the Republican National Committee and its news organ, the National Republican, charging that I was responsible for the legislation under which the leases of the naval oil reserves were made. The Senator from Utah [Mr. SMOOT] was decent enough—and I thank him for it—to arise in his place and substantiate the statement which I made to the effect that the leases were not made at all under the provisions of the act of February 25, 1920, the passage of which I advocated in this body. To-day from the same source comes a repetition of the calumny and an aggravation of the statement. It asserts as follows:

Senator WALSH'S statement that the naval oil reserves were not leased under the act of February, 1920, which he so earnestly advocated, but under the act of June, 1920, is a quibble for the purpose of misrepresenting the facts. * * * The Federal leasing act under which all public oil reserves are leased, whether naval or otherwise, was enacted in February, 1920. It was amended June 1, 1920, through the medium of a rider on the naval appropriation bill, so as to give the Secretary of the Navy complete control of naval oil reserves. Secretary Daniels wrote the amendment and Senator WALSH supported it when it came before the Senate.

I should like to have the attention of the senior Senator from Utah, if he will be kind enough to give it to me.

Mr. President, the leasing act of February, 1920, did not, as thus asserted, authorize the leasing of "all public oil reserves, whether naval or otherwise." As a matter of fact, the leasing act of February, 1920, did not authorize the leasing of any public reserves, naval or otherwise.

Again, the article says:

It was amended June 1, 1920, through the medium of a rider on the naval appropriation bill, so as to give the Secretary of the Navy complete control of naval oil reserves.

It was not amended by the act of June 4, 1920. The act of June 4, 1920, was not an amendment of the act of February 25, 1920, in any shape, form, or manner. It was in no sense an amendment of the act of February 25, 1920. But, Mr. President, if it were an amendment of the act of February 25, 1920, I am not to be charged with it, unless as a matter of course I supported the amendment. The statement says I did so.

Secretary Daniels wrote the amendment and Senator WALSH supported it when it came before the Senate.

That is not true, as the record itself discloses. I had nothing at all to do with it. I said nothing about it and neither did any other Member of the Senate on the floor say anything about it, except the Senator from Utah introduced some amendments, which were accepted without debate and without discussion. I respectfully ask the Senator from Utah if I made an accurate statement of the facts?

Mr. SMOOT. The Senator from Montana has made the statement just as I understand it to be.

Mr. WALSH of Montana. Now, Mr. President, I ask any Republican Member to arise in his place and question the accuracy of the statement which I have made concerning the record, if it is in any respect inaccurate.

Mr. LENROOT. Mr. President, the statement of the Senator from Montana is entirely correct, with possibly one exception; that the act of February, 1920, did authorize the leasing of producing wells in the reserves and a compromise of existing claims by the President.

Mr. WALSH of Montana. I wish to ask the Senator, then, is it not also a fact that none of the leases were executed under the provisions of that clause in the act of February 25, 1920?

Mr. LENROOT. None of the leases in question here; no, none of them.

Mr. WALSH of Montana. Now, Mr. President, having demonstrated that the Republican National Committee and its news organ are inveterate liars, I shall not trouble the Senate any further with anything that they or either of them may say upon this subject. I desire to add at this time, however, that it is perfectly obvious that they are engaged, not in enlightening the public concerning the facts of this matter, but in misrepresenting the facts to the public in order to bring discredit upon the investigation and thus hamper and retard and, if possible, destroy the effect of the committee's work; for it must be conceded that it is useless for us to go on with this investigation unless the public has confidence in the purpose which actuates us in the development of these facts.

But, Mr. President, there is another matter to which I desire to call the attention of the Senate.

My esteemed friend the junior Senator from California [Mr. SHORTRIDGE] in the course of some remarks made upon this general subject here upon the floor some time ago inquired why Senator WALSH was so dilatory about bringing these facts before the public, nearly two years having elapsed before they were made public, and the suggestion and the inquiry thus made by the junior Senator from California was taken up and reechoed in the public press a few days ago by Mr. Vanderlip. I congratulate the junior Senator from California upon his associate.

I take occasion at this time to put in the RECORD the chronology of this matter for the purpose of determining how dilatory anyone was and particularly how dilatory I was in discharging the duty imposed upon us by the committee.

April 15, 1922: Senator KENDRICK introduced his resolution requesting the Secretary of the Interior and the Secretary of the Navy to inform the Senate whether negotiations were pending for the leasing of the Teapot Dome, which was agreed to.

April 21, 1922: Senator LA FOLLETTE introduced his resolution directing the Secretary of the Interior to transmit to the Senate all records relating to the naval oil reserves.

April 22, 1922: Vice President Coolidge laid before the Senate a joint communication from the Acting Secretary of the Interior and the Secretary of the Navy transmitting, in response to Senator KENDRICK'S resolution, information relative to negotiations with private parties for the operation of lands included in naval petroleum reserve No. 3, which was ordered to lie on the table and to be printed.

April 28, 1922: Senator LA FOLLETTE delivered an address in support of his resolution authorizing the Committee on Public Lands and Surveys to investigate the entire subject of leases upon naval oil reserves.

April 29, 1922: Senator LA FOLLETTE'S resolution passed the Senate unanimously; yeas 58; nays none.

June 7, 1922: Secretary Fall transmitted to Senator SMOOT, chairman of the Committee on Public Lands and Surveys, all documents called for in Senator LA FOLLETTE'S resolution.

June 7, 1922: Secretary Fall transmitted to President Harding a report concerning the handling of all the naval petroleum reserves, with the request that it may be referred to the Committee on Public Lands and Surveys for their consideration.

June 8, 1922: Message from the President of the United States transmitting, in response to Senator LA FOLLETTE'S resolution, a communication from the Secretary of the Interior submitting information concerning the naval reserve oil leases. Referred to the Committee on Public Lands and Surveys.

That report, thus made by Secretary Fall, advised the Senate through the President that pursuant to that part of the resolution which directed the transmission to the Senate of copies of all documents relating to these leases compilation of such documents was in process of completion. By that time, as my recollection is, several drayloads of these documents had been transmitted to the Committee upon Public Lands and Surveys, and the letter of Secretary Fall said that the work was still going forward. That was on June 8, 1922.

August 25, 1922: Senator KENDRICK delivered an address in the Senate on the leasing of the Teapot Dome.

That session of the Congress of the United States terminated on September 22, 1922. On June 8 the collection of these documents was not yet complete. Three months thereafter the Senate adjourned for the session.

The Congress reconvened on the 20th day of November, 1922, in special session but adjourned pursuant to the Constitution on December 4, 1922. During the period intervening between June and September the Public Lands Committee was holding hearings on the matter of the Red River (Okla.) oil leases, and during the second session of the Sixty-seventh Congress, and these were concluded on September 12, 1922. Those hearings were protracted and important.

Mr. LENROOT. Mr. President, with the Senator's permission, I might add that a subcommittee of the Committee on Public Lands and Surveys also spent some three weeks investigating the Pueblo Indian matters.

Mr. WALSH of Montana. Reference is made to that in the RECORD which I have here.

The Senate reconvened on December 4, 1922.

December 20, 1922: The official minute book of the Committee on Public Lands and Surveys, at page 49, has the following:

Upon motion of Senator WALSH communications were sent to the following: Mayor W. A. Blackmore, of Casper, Wyo.; Gov. Robert D. Carey, of Wyoming; and Mr. G. B. Morgan, State geologist of Wyoming, asking if they had additional information concerning the Salt Creek and Teapot structures since their recent communications to Senator LA FOLLETTE.

In the course of the speech of the Senator from Wisconsin [Mr. LA FOLLETTE] made in the month of April, 1922, he had referred to communications which he had received from these distinguished citizens of the State of Wyoming. Some seven or eight months had elapsed, and the committee desired to get further information from them, and communication was opened up with them for that purpose. That was on December 20.

January 3, 1923: The official minute book of the Committee on Public Lands and Surveys, at page 51, has the following:

Answers to wires sent the following at last meeting were read: Messrs. Blackmore, Carey, and Morgan.

Naval oil leases were discussed. Senator WALSH moved that the committee engage two experts, unbiased geologists, to make an investigation of the situation and report for the use and information of the committee. Carried. The geologists to be named at the next meeting.

The Public Lands Committee was holding hearings in the matter of the Pueblo Indian land bills during the fourth session of the Sixty-seventh Congress, commencing January 15, 1923.

January 24, 1923: The official minute book of the Committee on Public Lands and Surveys at page 69 has the following:

Considered matter of appointment of geologists to investigate Teapot Dome situation. Subcommittee appointed as follows to select two geologists: Senators SMOOT, chairman; LENROOT, and WALSH of Montana.

February 3, 1923: The official minute book of the Committee on Public Lands and Surveys, at page 79, has the following:

Senator SMOOT reported that the subcommittee appointed to confer with the geologists in connection with the Teapot Dome had met Messrs. Clapp and Lewis and recommended that they be employed at a salary of $175 a day and expenses until the work was completed. The geologists would start about March 1, 1923, and would complete the examination within 60 days and submit a report. The recommendation was agreed to, and Senator SMOOT agreed to ask for an appropriation in the usual manner.

The geologists were to commence their work on March 1, 1923, and the session of the Congress would come to an end on the 4th day of March, under the Constitution. As a matter of fact, the weather was so severe at that time that it was impossible for them to get to work; and the work was delayed, according to my recollection, until about the 1st of June, 1923.

February 23, 1923: The official minute book of the Committee on Public Lands and Surveys, at page 93, has the following:

Moved to proceed with the hearings on the naval oil reserves resolution, commencing October 15, 1923, and that for the purpose of taking testimony five members of the committee will constitute a quorum.

I should say there that I made every possible effort to induce a majority of the members of the committee to remain after the adjournment of the session on March 4, 1923, to take up this matter as soon as the geologists made their report. I think that my ardency in urging that course will be sustained by the statement of any member of the committee who will speak upon the matter. However that may be, the Senate then adjourned, and it was agreed that we should begin the hearings on the 15th day of October, 1923.

October 15, 1923: A quorum of the Committee on Public Lands and Surveys not being present, the hearing in the matter of the leasing of the naval oil reserves was put off until October 22, 1923.

October 22, 1923: Hearings commenced on Senate resolutions providing for an investigation of the subject of leases upon naval oil reserves.

This, I think, Mr. President, ought to dissipate the contention on the part of anybody that there was any delay on the part of the committee, or any member of the committee, in the discharge of the duties imposed upon them by the joint resolution.

SPEECH OF SENATOR JAMES A. REED.

Mr. MOSES. Mr. President, noting the return of the senior Senator from Mississippi [Mr. HARRISON] to the floor a few minutes ago, I supposed he had come in here with a certain purpose, but as he has since left the floor I have concluded that I was wrong in that deduction. I had assumed that he would present for printing in the RECORD a very powerful speech delivered by one of our colleagues last night in the city of St. Louis. Since he is not here to do it, I ask unanimous consent that there may be printed in the RECORD, according to the print contained in the New York Tribune of this morning, the speech delivered by the senior Senator from Missouri [Mr. REED] in St. Louis last evening.

The PRESIDENT pro tempore. Is there objection?

Mr. ROBINSON. I object, Mr. President.

Mr. MOSES. Then I regret that I shall have to read the speech and give to it a rhetorical emphasis which perhaps printing in the RECORD might not do.

Mr. ROBINSON. I demand the regular order.

The PRESIDENT pro tempore. The regular order is demanded. The regular order is the introduction of bills and joint resolutions. The Senator from New Hampshire is out of order.

Mr. NORRIS. Mr. President, I have no desire to take up the time of the Senate on that subject. I want to say just a word in reference to what the Senator from Montana has said.

The PRESIDENT pro tempore. The regular order has been called for.

Mr. MOSES. The regular order is the introduction of bills and joint resolutions.

Mr. NORRIS. I understand that I can be taken off my feet by an objection.

The PRESIDENT pro tempore. If there be no further bills and joint resolutions, the introduction of concurrent and other resolutions is in order.

RESERVOIR OR POWER SITES.

Mr. LENROOT. The bill (S. 665) to amend section 13, chapter 431, of an act approved June 25, 1910 (36 Stat. L. p. 855), so as to authorize the Secretary of the Interior to issue trust and final patents on lands withdrawn or classified as power or reservoir sites, with a reservation of the right of the United States or its permittees to enter upon and use any part of such land for reservoir or power-site purposes, was introduced by the Senator from Utah [Mr. SMOOT] and referred to the Committee on Public Lands and Surveys. It was favorably reported and is now upon the calendar. I ask that it be taken from the calendar and referred to the Committee on Indian Affairs.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

LAND CLAIMS OF NORTHERN PACIFIC RAILROAD.

Mr. LENROOT. I also desire to ask unanimous consent that there be printed in the RECORD——

Mr. NORRIS. Mr. President——

Mr. MOSES. Mr. President, I thought I had the floor.

The PRESIDENT pro tempore. The Senator has not the floor.

Mr. MOSES. Then I will stay here demanding it.

Mr. LENROOT. I ask unanimous consent that there be printed in the RECORD a letter addressed to me as chairman of

the Committee on Public Lands and Surveys by the President of the United States relative to the Northern Pacific land-grant matter.

There being no objection, the letter of the President was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, February 23, 1924.

MY DEAR SENATOR: I desire to bring to your attention a letter from the Secretary of Agriculture under date of February 19, 1924, in reference to the claim asserted by the Northern Pacific Railroad to large areas of valuable timberland within the national forests.

The possible loss of public title to these resources, which have been protected and developed for many years at public cost, arises under an adjudication of the land grand made by Congress to the Northern Pacific Railroad in 1864. It is my understanding that the legislation conveying this grant of 40,000,000 acres of public land was, in effect, a contract or covenant between the United States and the railroad company under which mutual obligations were assumed. Certain features of these obligations, particularly on the part of the Government, have from time to time been reviewed and determined by the Federal courts, but their decisions were confined necessarily and purposely to the immediate issues brought before them. At no time does there appear to have been a comprehensive review or determination of the entire transaction covering the mutual equities and obligations created by the covenant if the grant to the Northern Pacific Railroad may purposely be so designated.

The statements contained in the letter from the Secretary of Agriculture raise serious questions as to the extent to which the railroad company may have obtained undue benefits from the grant, and also as to the extent of its compliance with the obligations imposed upon it by the legislation which conferred the grant. I believe that these questions should be fully determined before a final settlement of the matter is effected, and before further public lands are patented to the company. From the nature of the case, and particularly the broad and varied equities which it involves, it would seem that such a determination and settlement can be made only by the Congress.

The United States has granted lavishly of its public resources to aid the extension of transportation facilities and thereby the economic development of the Western States. No question as to the wisdom of that policy is involved in this issue. Nor is any question involved as to the legal and moral obligation of the Government to discharge in full the contractual obligations which it assumed for the accomplishment of public benefits. That the legal and equitable claims of the grantee should be fully weighed and safeguarded goes without saying. But it is still more imperative that the interests of the public, both in the possession and conservation of valuable natural resources and in the accomplishment of the purposes for which the grant was made be adequately protected in an equitable settlement of this question.

The Secretary of Agriculture in a letter to me states further a summary of the facts involved in this matter, as they have been developed through a painstaking investigation. The full record of that investigation has no doubt been placed at your disposal. I quote from the letter of Secretary Wallace, dated February 19, 1924:

> "In April, 1921, the Supreme Court rendered a decision (256 U. S. 51) with regard to lands in the indemnity limits of the grant to the Northern Pacific, holding that lands in these limits could not be withdrawn by the United States if they were needed to satisfy the acreage of the grant.
>
> "The tentative adjustment made by the Department of the Interior shows the grant to be deficient some 3,900,000 acres.
>
> "Large areas of national forest lands are within the indemnity limits of the grant. It follows that should the tentative adjustment become final a large acreage of these national forest lands will pass to the Northern Pacific.
>
> "When this situation became evident this department, through the Forest Service, began a thorough investigation of the Northern Pacific grants. As a result of this investigation certain representations were made to the Department of the Interior, and on January 24, 1924, I addressed a letter to the Secretary of the Interior and asked him to join with me in sending to Congress a proposed joint resolution directing the Secretary of the Interior to withhold his approval of the adjustment of the Northern Pacific land grants until Congress shall have made a full and complete inquiry into them.
>
> "The Secretary of the Interior complied with this request, and the proposed resolution was sent to Congress and was introduced in the House by Hon. N. J. SINNOTT, chairman of the Committee on the Public Lands, and in the Senate by Senator LENROOT.
>
> "As this matter no doubt will come to your attention, if it has not already, I desire to give you a brief statement of the reasons for this action by this department.
>
> "The case in which the Supreme Court (256 U. S. 51) defined the measure of the Northern Pacific grants did not take into consideration, and properly so, many other questions which I believe should be considered by Congress before the case reaches the point where the Northern Pacific may take these national forest lands.
>
> "The defaults of the Northern Pacific were numerous and flagrant, and the supplementary benefits allowed by the Government were many and lavish, but in the absence of action by Congress the courts and the administrative departments were and are without authority to consider the resulting equities, but have been forced to act as though the company had complied with every term of the grant, both in spirit and letter. Congress, as the contracting power in this case, has the power and authority to determine what weight shall be given to such violations of the grant and such beneficial concessions. It alone can inquire into the grants for the purpose of ascertaining whether they have been fairly satisfied to date by the United States, taking into consideration the equitable and other features of the grants that were not before the Supreme Court when it handed down its decision. (256 U. S. 51.)
>
> "I submit that if the proof is sufficient to show that the Northern Pacific failed to meet the requirements of its agreement, or that the Northern Pacific has already received a greater acreage or greater values than it was equitably entitled to receive, Congress has ample authority to save these national forest lands to the Government. I believe an investigation by Congress would show:
>
> "1. That the land grants were made for the purpose of aiding in the construction of the railroad. The total gross receipts of the Northern Pacific to June 30, 1917, from the sale of the lands from its grant amounted to $136,118,533.14. The cost of constructing the road did not exceed $70,000,000. The sale of lands has more than paid for the cost of constructing the railroad.
>
> "2. That the Northern Pacific failed to construct 1,507.21 miles of its railroad within the time required by law, thereby rendering the granted lands subject to forfeiture.
>
> "3. That the Northern Pacific failed to dispose of certain of its lands to settlers at not to exceed $2.50 per acre as required by the law. A somewhat similar provision in the Oregon & California grant was held by the Supreme Court to be an enforceable covenant. (238 U. S. 393.)
>
> "4. That the Northern Pacific failed to dispose of hundreds of thousands of acres of its lands at public sale as required by law.
>
> "5. That hundreds of thousands of acres of poor land in the Northern Pacific grant were erroneously classified as mineral. This land was turned back to the United States and the railroad acquired mineral indemnity rights therefor which were applied in part on more valuable lands in the indemnity limits.
>
> "6. That under a rule of law laid down by the Supreme Court the Northern Pacific has been erroneously allowed 1,500,000 acres too much land in the State of Washington.
>
> "7. That over 500,000 acres of land credited to the Northern Pacific should be deducted, because of conflict with the land grant of another road and the erroneous fixation of the land grant limit lines.
>
> "8. That approximately 640,000 acres of land have been erroneously allowed the Northern Pacific by reason of the Tacoma overlap.
>
> "9. That the Northern Pacific has received approximately 600,000 acres of land to which they were not entitled under their grant in the Wallula overlap.
>
> "10. That the Northern Pacific has been allowed to make over 1,300,000 acres of indemnity selections in its second indemnity belt, whereas these selections should have been confined to the first indemnity belt.
>
> "11. That for lands erroneously patented to the Northern Pacific the Government should be entitled to receive at least what the railroad received from the sale of these lands instead of $1.25 per acre.
>
> "12. That the Northern Pacific under the Mount Rainier Park act of March 2, 1899, relinquished to the United States thousands of acres of commercially valueless land and received therefor selection privileges applicable to the finest lands they could find in the States of Oregon, Washington, Idaho, Montana, North Dakota, Minnesota, and Wisconsin.
>
> "I am sending with this letter a mimeographed pamphlet, which is in the nature of a brief, dealing with the whole matter. This brief was filed by the Forest Service of this department with the General Land Office on July 12, 1923.
>
> "The resolution which has been introduced in Congress does not attempt to take any land from the Northern Pacific. It merely holds the adjustment of the grant and the issuance of further patents in abeyance until Congress has had an opportunity to make an inquiry into the land grants so that it may pass such legislation as it may deem right and proper.
>
> "It is my opinion that the case is beyond question one for the action of Congress. It would be extremely unfortunate if 3,000,000

acres of national-forest lands should be lost to the United States if Congress has the authority to save them under legislation which, in the light of all the law and the facts, would be fair and just to the Northern Pacific Railway Co."

For the reasons set forth by the Secretary of Agriculture I heartily concur in his recommendation that the entire matter should receive the attention of Congress. I therefore urge upon your committee the importance of action as early as possible which shall look to the fullest protection of the public interests herewith concerned. The recital of the facts has deeply interested me, and it is this interest, together with the conviction that a highly important public interest can only be effectively protected by appropriate congressional action, that prompts me to write you.

Most sincerely yours,

CALVIN COOLIDGE.

Hon. IRVINE L. LENROOT,
Chairman Committee on Public Lands,
United States Senate, Washington, D. C.

AMENDMENT OF FEDERAL FARM LOAN ACT, ETC.

Mr. FLETCHER submitted an amendment intended to be proposed by him to the bill (S. 2295) to amend the Federal farm loan act and the agricultural act of 1923, which was referred to the Committee on Banking and Currency and ordered to be printed.

ETHEL ROBERTS LOOP.

Mr. WATSON submitted an amendment (with an accompanying paper) proposing to appropriate $4,000 to pay Ethel Roberts Loop, widow of Carl R. Loop, late consul at Catania, Italy, one year's salary of her deceased husband, who died while at his post of duty of illness incurred in the Consular Service, intended to be proposed by him to the State and Justice Departments appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

ADDRESS OF SENATOR M'KELLAR ON WASHINGTON'S BIRTHDAY.

Mr. ASHURST. Mr. President, I have here a copy of an address delivered by the Senator from Tennessee [Mr. MCKELLAR] on Washington's Birthday, at Chattanooga, Tenn., where a great auditorium in honor of the ex-service men of the World War was dedicated. I have had the privilege of reading the address. It contains no offensive partisanship; it is a very excellent address, and is very brief. I ask that it may be inserted in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS DELIVERED BY SENATOR KENNETH MCKELLAR AT CHATTANOOGA, TENN., ON FRIDAY, FEBRUARY 22, 1924, AT THE SERVICES DEDICATING A GREAT AUDITORIUM IN HONOR OF THE EX-SERVICE MEN.

My fellow citizens, I have been asked to do an impossible thing to-day, namely, to eulogize fittingly, in five minutes, the greatest mortal man that probably the world ever produced, the late lamented Woodrow Wilson. Of course, it can not be done. I can only hope, in the time accorded me, to point out some leading facts in his life.

I was never an intimate of President Wilson's, but we were warm friends. I stood by him and his administration, and I knew him well. No one could come in touch with his wonderful and engaging personality, and not be his admirer. Since I have served in the Congress I have seen and known many great men in this country and from all parts of the world. I have touched hands with Presidents, rulers, kings, and princes; but I have never known a man in high place who so admirably fitted it, who so greatly adorned it, as President Wilson.

What constitutes greatness in a man is dependent upon many conditions. The age in which he lives, the race to which he belongs, the people from whom he springs, the Nation of which he is a citizen, his position in life, his moral character, his mental capacity, his education, his principles, his purposes, his ideals, his personality, his opportunities, his failures, his accomplishments, his successes, must all be taken into consideration.

Considering all these things, I think it can safely be said that Woodrow Wilson was the most remarkable figure that has ever arisen above the horizon of time and that he is entitled to first place among the sons of men.

AS A MAN AND CITIZEN.

Woodrow Wilson was born of a race of thinkers and doers. His people before him were clean and honest; Presbyterianly religious, and law-abiding, and he inherited all these rich and admirable qualities. As a boy, as a young man, as a son, as a brother, as a husband, as a father, and as a Christian gentleman, his life was devoted and blameless. He loved his family and his family loved him. He was intensely patriotic, but at the same time loved all mankind.

He had a master mind. He was the greatest scholar in the land. He was the greatest master of the English language that we had. He was the highest authority on civil government. He was an expert in economics. He was an historian without a peer. He was an orator equal to the best. His personality was the most remarkable of any man I have ever known. He was the greatest democrat in the highest and best meaning of that word that the world ever knew. In my humble judgment he was the greatest statesman of this or any other age.

AS PRESIDENT.

Because of his ability, because of his extraordinary education, because of his wonderful mental capacity, because of his experience as president of one of our greatest universities and as governor of his own State, because of his expert knowledge of civil government and of his mastery of economics, with a knowledge of history unsurpassed, no man ever came to the presidential chair so well equipped as was Woodrow Wilson.

Under his administration our Nation reached its greatest power. There was no scandal that arose during the eight years of his service. His administration was clean. His administration was honest. His administration was uplifting. In short, our country reached its greatest prosperity at home and its widest influence abroad. Under it we became the first power in all the world.

Woodrow Wilson never took a selfish position for our country. He wanted and would have no other nation's territory. He wanted and would have no indemnity in war. His sole object was to make our great, rich, powerful Nation the instrument of bringing about a perpetual peace among all nations, and instituting a rule of righteousness and justice among the children of men. He loved all mankind. He wanted America to take the lead not in putting mankind under the yoke of America but in uplifting and aiding all mankind, and especially in seeking to do away with the horrors of war, and to lead all nations to rise to higher, better, and nobler things.

He wanted "the world made safe for democracy." He wanted all agreements between nations to be "open and openly arrived at." He wanted "pitiless publicity" in all public affairs. He wanted all peoples to be governed by "self-determination." He wanted "the seas to be free to all nations and to all people." He wanted to abolish war, to abolish selfish and secret diplomacy, to abolish a desire for the territory of others. His ideals were the highest, his purposes the purest in every affair of life. His ideals, though ahead of his time, were the greatest ideals that were ever put forth by any mortal man.

WORLD LEADER.

No man before him was ever such a world figure. No man was ever revered by so many and such various peoples. No man was ever known to so many people. No man ever advocated policies affecting so many people. No man ever before caused so many nations to agree to keep the peace. No man ever had such a dominating influence in the world's affairs. He was known and believed in by all peoples, by all races, and by all nations. His ideals were discussed wherever civilization existed. He was the one masterful, outstanding figure of the world during the last century.

All greatness is relative. Washington's success could not have been excelled in his day in the surroundings which he had. Lincoln's success could not have been excelled in his day in his surroundings. What they would have done if they had been in Wilson's place of enlarged opportunities, of course, no one knows. We Americans might well believe either might have done as well. We know that neither could have done better. But the opportunities were not theirs. They were Woodrow Wilson's, and we all know that he lived up to his opportunities.

He was the Commander in Chief and the actual leader of the largest army ever organized on the face of the earth. That Army was successful in the greatest war ever fought among men. For two years after April 6, 1917, when we entered the war, Woodrow Wilson was the actual commander and ruler of the destinies of the world. He dominated the world more completely than Alexander or Caesar or Napoleon ever did. And, because of the wonderful success of his undertakings up to that time, and because of the wonderful feat of transporting 2,000,000 men across German-submarine-infested seas, there to fight and win the greatest military victory ever achieved, it can easily be seen that Wilson was the foremost war leader that ever appeared on the scene in the affairs of men. But he led in no unrighteous war. His foremost purpose was to lead the world through a war in which he had had no part in starting into everlasting peace.

I believe he was the greatest President that ever sat in the presidential chair, and the greatest world leader, civil or military, of this or any other age. In his ideals, his purposes, in his crusader-like determination to win the world to a higher and nobler existence and to bring about a permanent peace he was more like the great Prince of Peace than any man who ever lived on the face of the earth. As the days, as the years, and as the ages go by his fame will grow and increase, and his name will be praised by all who love peace, justice, freedom, and righteousness everywhere. The purposes that guided his life and the ideals for which he stood will stand as a monument to him that time will but make more enduring.

When 10,000 years shall have rolled away his name will still be a household world throughout the world, and it will be from everlasting to everlasting.

ENFORCEMENT OF NATIONAL PROHIBITION ACT.

Mr. DALE. Mr. President, I offer an amendment intended to be proposed as a substitute for the resolution (S. Res. 171) offered by the Senator from New Jersey [Mr. EDWARDS], and I ask to have it printed and lie on the table.

The amendment in the nature of a substitute was ordered to be printed and to lie on the table, as follows:

Whereas on the night of the 15th day of February, 1924, on Pennsylvania Avenue, in the city of Washington, Hon. FRANK L. GREENE, a United States Senator from the State of Vermont, while walking peaceably along the Avenue, was struck and severely wounded by a gunshot: Therefore be it

Resolved, That the Judiciary Committee of the Senate be authorized and directed to investigate the facts and circumstances leading up to the shooting and report its findings to the Senate, as to placing the responsibility for the act committed and providing measures to change the existing conditions under which similar deplorable acts may occur, together with such other conclusions and recommendations as to said committee may seem proper.

WILLIAM J. DONALD.

Mr. WARREN submitted the following resolution (S. Res. 172), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate be, and he hereby is, authorized and directed to pay out of the contingent fund of the Senate to William J. Donald the sum of $228.33, being the amount received by him per month as clerk to the Hon. Samuel D. Nicholson, late a Senator from the State of Colorado.

PROSECUTION OF CLAIMS AGAINST THE GOVERNMENT BY EX-OFFICIALS.

Mr. NORRIS. Mr. President——

Mr. MOSES. Mr. President——

Mr. NORRIS. Mr. President, I have a resolution to offer if I can get recognition.

The PRESIDENT pro tempore. The Senator from Nebraska.

Mr. NORRIS. I desire to offer a Senate resolution calling on the Secretary of the Treasury for certain information. I ask that it be read. Then I will ask unanimous consent for its present consideration.

The PRESIDENT pro tempore. The Secretary will read the resolution.

The reading clerk read the resolution (S. Res. 173), as follows:

Resolved, That the Secretary of the Treasury be, and he is hereby, directed to furnish the Senate the following information:

1. Give the name of any ex-Member of the House of Representatives or of the Senate, or any ex-Cabinet officer, who, within two years after he had served in the House or the Senate, or held official position as head of one of the departments of the executive government, and who, since the 1st day of January, 1918, has appeared as attorney or agent, or who is a member of any firm or partnership appearing as attorney or agent, before the Department of the Treasury, or any of its bureaus, divisions, or subdivisions, in advocacy of any claim of any kind against the Government of the United States.

2. If there has been any such appearance as outlined in paragraph 1, then give in full and in detail the nature of the claim, the amount of money involved, the amount of money, if any, allowed such claimant, and the final disposition of the matter involved.

3. If there has been any correspondence between the Treasury Department or any of its branches, divisions, or officials, and any of the persons described in paragraph 1, in relation to the subject matter outlined in paragraph 1, then supply the Senate fully with all such letters or copies thereof.

The PRESIDENT pro tempore. The Senator from Nebraska asks unanimous consent for the immediate consideration of the resolution. Is there objection?

Mr. WATSON. Mr. President——

The PRESIDENT pro tempore. The Chair hears no objection, and the resolution is agreed to.

Mr. NORRIS. Mr. President, I have a similar resolution to offer——

Mr. WATSON. May I ask the Senator a question about the resolution which has already been passed?

Mr. NORRIS. Certainly.

Mr. WATSON. I am assuming that the Senator has examined the statutes so as to know whether the Secretary of the Treasury can give us the information the Senator seeks without violating any of those statutes. Very much of the information in the Treasury Department the Secretary can not give to the public, and I was just wondering whether the Senator had examined the statutes.

Mr. NORRIS. I have not made an examination of the statutes for that purpose, but I assume there is nothing wrong in the Secretary of the Treasury giving the information I have called for in this resolution.

Mr. ASHURST. Mr. President, there is a statute, forty years or more old, prohibiting persons who were in the employ of the Government from taking cases against the Government. There was a statute passed in 1917 prohibiting certain other persons from appearing before the Government departments within two years after they severed their relations with the Government.

Mr. MOSES. I do not understand that those are the statutes to which the Senator from Indiana refers. The Senator from Indiana is referring to the statute which makes certain information in the custody of the Treasury Department not open to the public.

Mr. ASHURST. Oh, I did not understand the Senator's inquiry.

Mr. NORRIS. Mr. President, I desire to offer resolutions, word for word, like the resolution just passed, directed to the Secretary of the Interior, one directed to the Secretary of the Navy, another to the Secretary of War, another to the Attorney General, and another one in the same language, except that it puts in the usual phrase, "if not incompatible with the public interest," directed to the Secretary of State; and still another one, which I will ask to have read, because it is somewhat different, directed to the Shipping Board. I ask unanimous consent for the present consideration of these other resolutions, directed to the heads of the various departments, and I suppose it will not be necessary to read them, because they are in the same language.

The PRESIDENT pro tempore. The Secretary will read the first resolution for information.

Mr. NORRIS. Mr. President, if the Senate is willing to take my word for it, I ask that the reading of the resolutions be dispensed with. As I said, they are in the same language employed in the resolution which was just passed, except that the one directed to the Secretary of State has the clause in it that he is to furnish the information "if not incompatible with the public interest."

The PRESIDENT pro tempore. Will the Senate consent to pass upon the unanimous-consent request without the reading of the resolutions?

Mr. ROBINSON. Let the resolution be read, Mr. President, and let us consider them one at a time.

The PRESIDENT pro tempore. The Secretary will read the first resolution.

The reading clerk read the resolution (S. Res. 174), as follows:

Resolved, That the Secretary of State be, and he is hereby, requested, if not incompatible with the public interests, to furnish the Senate the following information:

1. Give the name of any ex-Member of the House of Representatives or of the Senate, or any ex-Cabinet officer, who, within two years after he had served in the House or the Senate, or held official position as head of one of the departments of the executive government, and who, since the 1st day of January, 1918, has appeared as attorney or agent, or who is a member of any firm or partnership appearing as attorney or agent, before the Department of State, or any of its bureaus, divisions, or subdivisions, in advocacy of any claim of any kind against the Government of the United States.

2. If there has been any such appearance, as outlined in paragraph 1, then give in full and in detail the nature of the claim, the amount of money involved, the amount of money, if any, allowed such claimant, and the final disposition of the matter involved.

3. If there has been any correspondence between the Department of State, or any of its branches, divisions, or officials, and any of the persons described in paragraph 1 in relation to the subject matter outlined in paragraph 1, then supply the Senate fully with all such letters or copies thereof.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

Mr. MOSES. Mr. President, this being a debatable question, I ask for recognition.

The PRESIDENT pro tempore. The Chair is of the opinion that it is not debatable.

Mr. MOSES. A request for the consideration of a resolution by unanimous consent is not debatable?

The PRESIDENT pro tempore. Not before 1 o'clock.

Mr. MOSES. Then, Mr. President, I will wait eight minutes.

Mr. HARRISON. Mr. President, I ask unanimous consent that the Senator from New Hampshire may proceed.

Mr. NORRIS. I object to that. It is only eight minutes before he will be able to take up what he wants to speak about.

Mr. MOSES. If the Senate will give me unanimous consent for the printing of a speech by a Senator, I will not take any time at all. In my capacity as watchdog of the RECORD, being chairman of the Committee on Printing, I have often had occasion to object to the insertion of extraneous matter in the RECORD, but the unbroken rule has been that a speech delivered by a Senator, anywhere, on any subject, should be printed in the RECORD if unanimous consent was asked for. I asked for unanimous consent to print in the RECORD the speech made by the senior Senator from Missouri [Mr. REED] last night in the city of St. Louis. It was refused. In view of the return of the senior Senator from Mississippi [Mr. HARRISON] to the floor, I again ask unanimous consent for the printing of the speech in the RECORD.

The PRESIDENT pro tempore. The Senator from Mississippi has submitted a request for unanimous consent.

Mr. HARRISON. I only asked unanimous consent that the Senator might proceed. I am very anxious to hear him, but there is pending his request for unanimous consent.

Mr. ROBINSON. I object. Let the proceedings of the Senate be in regular order.

The PRESIDENT pro tempore. Does the Senator from Arkansas object?

Mr. ROBINSON. I do. I call for the regular order.

The PRESIDENT pro tempore. The question is on agreeing to the resolution which has just been read.

The resolution was agreed to.

The resolution (S. Res. 175) was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Secretary of the Interior be, and he is hereby, directed to furnish the Senate the following information:

1. Give the name of any ex-Member of the House of Representatives or of the Senate, or any ex-Cabinet officer, who, within two years after he had served in the House or the Senate, or held official position as head of one of the departments of the executive government, and who, since the 1st day of January, 1918, has appeared as attorney or agent, or who is a member of any firm or partnership appearing as attorney or agent, before the Department of the Interior, or any of its bureaus, divisions, or subdivisions, in advocacy of any claim of any kind against the Government of the United States.

2. If there has been any such appearance, as outlined in paragraph 1, then give in full and in detail the nature of the claim, the amount of money involved, the amount of money, if any, allowed such claimant, and the final disposition of the matter involved.

3. If there has been any correspondence between the Interior Department, or any of its branches, divisions, or officials, and any of the persons described in paragraph 1 in relation to the subject matter outlined in paragraph 1, then supply the Senate fully with all such letters or copies thereof.

The resolution (S. Res. 176) was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Secretary of the Navy be, and he is hereby, directed to furnish the Senate the following information:

1. Give the name of any ex-Member of the House of Representatives or of the Senate, or any ex-Cabinet officer, who, within two years after he had served in the House or the Senate, or held official position as head of one of the departments of the executive government, and who, since the 1st day of January, 1918, has appeared as attorney or agent, or who is a member of any firm or partnership appearing as attorney or agent, before the Navy Department, or any of its bureaus, divisions, or subdivisions, in advocacy of any claim of any kind against the Government of the United States.

2. If there has been any such appearance, as outlined in paragraph 1, then give in full and in detail the nature of the claim, the amount of money involved, the amount of money, if any, allowed such claimant, and the final disposition of the matter involved.

3. If there has been any correspondence between the Navy Department, or any of its branches, divisions, or officials, and any of the persons described in paragraph 1 in relation to the subject matter outlined in paragraph 1, then supply the Senate fully with all such letters or copies thereof.

The resolution (S. Res. 177) was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Secretary of War be, and he is hereby, directed to furnish the Senate the following information:

1. Give the name of any ex-Member of the House of Representatives or of the Senate, or any ex-Cabinet officer, who, within two years after he had served in the House or the Senate, or held official position as head of one of the departments of the executive government, and who, since the 1st day of January, 1918, has appeared as attorney or agent, or who is a member of any firm or partnership appearing as attorney or agent, before the Department of War, or any of its bureaus, divisions, or subdivisions, in advocacy of any claim of any kind against the Government of the United States.

2. If there has been any such appearance, as outlined in paragraph 1, then give in full and in detail the nature of the claim, the amount of money involved, the amount of money, if any, allowed such claimant, and the final disposition of the matter involved.

3. If there has been any correspondence between the Department of War, or any of its branches, divisions, or officials, and any of the persons described in paragraph 1 in relation to the subject matter outlined in paragraph 1, then supply the Senate fully with all such letters or copies thereof.

The resolution (S. Res. 178) was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Attorney General be, and he is hereby, directed to furnish the Senate the following information:

1. Give the name of any ex-Member of the House of Representatives or of the Senate or any ex-Cabinet officer who within two years after he had served in the House or the Senate, or held official position as head of one of the departments of the executive government, and who, since the 1st day of January, 1918, has appeared as attorney or agent, or who is a member of any firm or partnership appearing as attorney or agent, before the Department of Justice, or any of its bureaus, divisions, or subdivisions, in advocacy of any claim of any kind against the Government of the United States.

2. If there has been any such appearance, as outlined in paragraph 1, then give in full and in detail the nature of the claim, the amount of money involved, the amount of money, if any, allowed such claimant, and the final disposition of the matter involved.

3. If there has been any correspondence between the Department of Justice, or any of its branches, divisions, or officials, and any of the persons described in paragraph 1 in relation to the subject matter outlined in paragraph 1, then supply the Senate fully with all such letters or copies thereof.

The resolution (S. Res. 179) was read, as follows:

Resolved, That the United States Shipping Board be, and it is hereby, directed to furnish the Senate the following information:

1. Give the name of any ex-Member of the House of Representatives or of the Senate, or of any ex-Cabinet officer, who, within two years after he had served in the House or the Senate, or held official position as head of one of the departments of the Government, and who, since the 1st day of January, 1918, has appeared as attorney or agent, or who is a member of any firm or partnership appearing as attorney or agent before the United States Shipping Board or the Emergency Fleet Corporation, or any of the officers or officials or branches of either the United States Shipping Board or the Emergency Fleet Corporation, in advocacy of any claims of any kind requiring action thereon by the United States Shipping Board or the Emergency Fleet Corporation, or any of the officers or officials of the United States Shipping Board or Emergency Fleet Corporation.

2. If there has been any such appearance, as outlined in paragraph 1, then give in full and in detail the nature of the claim, the amount of money involved, the amount of money, if any, allowed such claimant, and the final disposition of the matter involved.

3. If there has been any correspondence between the United States Shipping Board or the Emergency Fleet Corporation, or any officer or official of the United States Shipping Board or the Emergency Fleet Corporation, and any of the persons described in paragraph 1 in relation to the subject matter outlined in paragraph 1, then supply the Senate in full with all such letters or correspondence.

4. If any of the persons described in paragraph 1 have appeared as attorneys or agents, or if any of such persons are members of any partnership or firm appearing as attorneys or agents, before the United States Shipping Board or the Emergency Fleet Corporation, or before any official of the United States Shipping Board or the Emergency Fleet Corporation, either directly or through correspondence, since the 1st day of January, 1918, in behalf of any person, firm, or corporation, asking for any official action upon the part of the United States Shipping Board or the Emergency Fleet Corporation, or any officer or official thereof, then supply the Senate fully with such information, together with the correspondence, if any, thereon.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution? The Chair hears none.

SPEECH OF SENATOR JAMES A. REED.

Mr. MOSES. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state the inquiry.

Mr. MOSES. By which clock is the Presiding Officer going, the one which he faces or the one behind him?

The PRESIDENT pro tempore. The Chair does not feel that he is called upon to announce in advance a decision about

the timepiece. Is there objection to the present consideration of the resolution? The Chair hears none.

Mr. MOSES. Mr. President, is the resolution now debatable?

The PRESIDENT pro tempore. It is debatable after 1 o'clock.

Mr. MOSES. Mr. President——

The PRESIDENT pro tempore. The hour of 1 o'clock having passed, the Chair recognizes the Senator from New Hampshire.

Mr. MOSES. Mr. President, I shall not repeat to the Senate nor for the edification of the galleries what I said before about the rupture of the unbroken custom of printing in the RECORD upon request any speech delivered by any Senator on any subject anywhere. But since the sensitive leader of the minority—I am not sure that it is the minority, however, in view of recent events—since the titular leader of the minority has objected to printing in the RECORD the report of a speech delivered by the senior Senator from Missouri [Mr. REED] in the city of St. Louis last night, in pursuance of a campaign which the senior Senator from Missouri doubtless deems to be well advised, and being wholly unwilling that the readers of the CONGRESSIONAL RECORD should lose the vigorous language and terse arguments presented by the senior Senator from Missouri, I shall have to read the speech as it appears on the front page——

Mr. ROBINSON. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New Hampshire yield to the Senator from Arkansas?

Mr. MOSES. I yield to the Senator.

Mr. ROBINSON. Does not the Senator think that the matter should be discussed in the Senate, and that all political speeches made by candidates for the Presidency upon both sides should be discussed in the Senate?

Mr. MOSES. We have had all sorts of discussions of all kinds of speeches. There are Senators here who seem to make of a speech delivered anywhere in the country a text for a sermon in the Senate. This, however, is an absolutely unique situation. This is a candidate for the Presidency from the Senator's party, the only announced candidate on the other side of the Chamber. I beg the pardon of the Senator from Alabama [Mr. UNDERWOOD], who is not here; but if he should deliver a good speech I certainly would not object to having it printed in the RECORD.

Our practice has been to print speeches of Senators, it makes no difference what the subject matter nor where delivered nor under what circumstances. Invariably the speech of a Senator is printed in the RECORD, and this one is going to be printed in the RECORD, because I am going to read it.

Mr. HARRISON. Mr. President, may I ask the Senator a question before he proceeds?

Mr. MOSES. I yield to the Senator from Mississippi.

Mr. HARRISON. The Senator would not object to printing in the RECORD some speeches made by the Senator from California, Mr. HIRAM W. JOHNSON——

Mr. MOSES. I have not the slightest objection, Mr. President.

Mr. HARRISON. The Senator did not wait until I finished. I was referring to the Senator from California, for whom some papers report the Senator from New Hampshire as being in favor of for President, while other papers quote him as being against him.

Mr. MOSES. Oh, I have not the slightest objection. Those are speeches the Senator wants to have printed in the RECORD?

Mr. HARRISON. Yes; they are some speeches of the Senator from California [Mr. JOHNSON]. The Senator will have no objection to those being inserted in the RECORD?

Mr. MOSES. Certainly not. I will not object to printing in the RECORD the speech of a Senator made anywhere.

Mr. FLETCHER. Mr. President, may I inquire of the Senator whether he knows that the report he has is a correct report of the speech delivered?

Mr. MOSES. I prefaced by saying that I should read it as it appeared in the New York Tribune of this morning, which, being a reputable newspaper, I presume is fairly correct.

Mr. FLETCHER. I do not know that that is a sufficient verification of the truth of the report.

Mr. MOSES. The headlines:

> MCADOO HIRED FOR INFLUENCE, REED ASSERTS—NOT EMPLOYED BY DOHENY AND MORSE FOR LEGAL ABILITY, SAYS SENATOR OF RIVAL FOR NOMINATION—"WHEEDLED MONEY FROM GOVERNMENT"—EX-SECRETARY GOT HALF OF $100,000 SHIP BOARD GAVE FIRM IS CHARGE.
>
> ST. LOUIS, February 25.—United States Senator JAMES A. REED, in formally opening his campaign for the Democratic presidential nomination at a mass meeting here to-night, declared that in his opinion "not one-tenth of the corruption and iniquity which has existed is yet laid bare," in referring to the oil disclosures.
>
> He charged that William Gibbs McAdoo, former Secretary of the Treasury and an opponent for the nomination, expected to receive $1,094,000 in "legal fees" from E. L. Doheny, oil magnate; the Charles W. Morse interests; and motion-picture concern, although he "did not appear in a single lawsuit."
>
> MAKES BRIBERY CHARGE.
>
> The Senator reiterated his platform and reviewed the oil scandal at length. He said the disclosures—
>
> "warranted in saying that the people of the United States were, by bribery, deprived of these great oil deposits upon which the Nation must rely in the hour of extremity.
>
> "Facts are being constantly exposed and when the whole foul mess is known the American people will be convinced of the supreme necessity of purging the Government and driving from power every tainted man.
>
> "The evidence thus far taken involves the Attorney General to a certain degree and his department will be rigidly investigated."
>
> His speech in part follows:
>
> "I am asking the indorsement of the Democracy of Missouri and of the Nation for the presidential nomination.
>
> "Mr. McAdoo publicly announced he did not intend to enter the list against any home candidate, but, for reasons which are doubtless satisfactory to himself, he has singled me out as an exception to his general rule. He comes into the State of Missouri and is receiving some support.
>
> "Having been invited into the arena, I come and give my reasons why the attorney for Mr. Doheny should not receive the indorsement of the Missouri Democracy.
>
> DOHENY'S QUEST FOR INFLUENCE.
>
> "Mr. Doheny came to Washington. He was in search of influence, and to obtain it was willing to expend large sums of money. Mr. Doheny took into his employ five Cabinet or ex-Cabinet officers. I do not say these lawyers were corrupt. I do say that with the possible one exception, Garrison, they were not employed for their legal ability.
>
> "Doheny swore that he employed McAdoo shortly after he left the Cabinet, which was on December 16, 1918.
>
> "For his services at Washington Mr. McAdoo was paid $100,000. He was removed from that field of endeavor when the Democratic administration was succeeded by the Republican administration. Such is Doheny's own testimony. It remains uncontradicted.
>
> EMPLOYMENT BY MORSE.
>
> "But Doheny was not the only man who bought influence. There was Morse, who hired lawyers and paid them in commissions on coal contracts with foreign governments.
>
> "Morse will be remembered as the gentleman who wrecked a string of banks and got into the penitentiary.
>
> "Singularly enough, the same lawyer who convinced President Taft that Morse's complexion, which was superinduced by a diet of soap, indicated a speedy death by Bright's disease, now sits in the Cabinet as Attorney General of the United States.
>
> "After his release from the penitentiary Morse proclaimed himself a patriot and organized a concern to build ships. For his transactions with the Government he was indicted. On Mr. Morse's trial Mr. McAdoo appeared and testified for the defense. McAdoo's sworn testimony discloses that either before or shortly after he resigned as Director General of Railroads he became a member of the firm of McAdoo, Cotton & Franklin, and that he resumed the practice of law June 1, 1919.
>
> READ BRIEF BY ANOTHER.
>
> "About 90 days after McAdoo left the Government employ he entered the employment of Morse's companies. It should be noted that McAdoo's partner, Cotton, had been the attorney for the Emergency Fleet Corporation, and therefore for the Shipping Board.
>
> "Shortly after entering Morse's employment, Mr. McAdoo appeared before the Shipping Board on behalf of Morse's company and read a brief prepared by a lawyer named Gordon. He does not appear to have got very far with that case, the fact being that the Emergency Fleet Corporation contended that McAdoo did not know the facts of the controversy he was talking about.
>
> "On December 31, 1919, the transport company made a contract to pay McAdoo's firm 75 cents a ton on approximately 400,000 tons of coal to be shipped to the Italian Government.
>
> "The aggregate total expected to be shipped was 844,000 tons.
>
> "The amount expected to be collected by McAdoo was $744,000.
>
> "As a matter of fact, the coal actually shipped realized an indebtedness to the McAdoo firm of $165,712.64. The lawyers only got $33,304.45 in cash and some bad notes for the balance.

"Going along with these lucrative engagements was the employment by the moving picture people at an annual fee of $100,000.

"The total of fees thus far discovered which McAdoo expected to realize was $944,000.

"To this must be added the Doheny fees of $150,000.

"Total $1,094,000.

DID NOT APPEAR IN SUIT.

"For all this McAdoo did not appear in a single lawsuit. He was dealing for the most part in his domestic transactions with men who had been part of the administration when he was a member of the Cabinet.

"Thereupon McAdoo undertook process with which he was more familiar. He appealed to John Barton Payne, chairman of the Shipping Board, to advance to the Morse company $100,000, representing that it was necessary to have this money in order to prevent a receivership for the company. He evidently succeeded in convincing Judge Payne that the payment of this money was absolutely necessary to save Morse's company from bankruptcy.

GOT HALF OF MONEY.

"The money thus paid over was Government money. It was paid over on the claim that it was necessary to prevent bankruptcy. Nevertheless McAdoo charged and received for securing the $100,000 to prevent bankruptcy a fee of $50,000.

"I pause to inquire was he then engaged in ordinary legal service or in wheedling money out of the Government he had just served?

"The Groton Iron Works is another Morse company. It was in the hands of a receiver. In September, 1919, the same month Mr. McAdoo had earned the $50,000 fee I have just mentioned, he took up with the Shipping Board the question of lifting the receivership of the Groton Iron Works. As a result a contract was made between the Shipping Board and the United States Transport Co. (a Morse company) for the purchase of the vessels constructed at the Groton Iron Works under prior contracts with the Emergency Fleet Corporation. For this service McAdoo's firm charged the Groton Iron Works $50,000. It was claimed, however, that this sum actually was not paid.

NOT "LEGAL WORK."

"Again we observe that the work done is not what is ordinarily called 'legal work.' It consisted in securing action by the Government favorable to the Morse company.

"On December 30, 1919, Morse, his sons, and William Guggenheim, constituting the board of directors of the United States Transport Co., approved a contract to pay McAdoo's law firm $1 a ton on 444,000 tons of coal contracted to be shipped to France, Morse stating that the fee was in connection with negotiations of the French coal contracts.

"In his dealings with the French and Italian Governments he was transacting business with Governments to which he had shelled out American dollars during the war.

"But McAdoo called his cohorts together in solemn conclave at Chicago. He submitted to them, to their decision, the question: 'Am I an asset or a liability?' He admitted substantially all that Doheny had said except that he insisted he only got $150,000 from Doheny instead of $250,000, as Doheny had said. And thereupon, for no other apparent reason than that the amount had been reduced, these distinguished gentlemen set up a pæan of praise for McAdoo. With them it was the size of the fee, not its character."

Mr. President, I feel that I ought to apologize to the distinguished senior Senator from Missouri for not having been able to give to his words the force which I am sure he employed when uttering them at St. Louis last night.

Mr. HARRISON. Mr. President, before the Senator takes his seat may I ask him if he has a full copy of the speech of the senior Senator from Missouri, and if so, whether he would have any objection to putting it in the RECORD?

Mr. MOSES. An entire copy?

Mr. HARRISON. A copy of the entire speech.

Mr. MOSES. Oh, not the slightest, but I am afraid the senior Senator from Arkansas [Mr. ROBINSON] would object.

ARTICLE BY SENATOR STANFIELD AND SPEECHES BY SENATOR HIRAM W. JOHNSON.

Mr. HARRISON. I desire to read—it will not take long—from the Oregon Daily Journal of Tuesday, February 19, a very recent issue. The article is headed "McAdoo is given clean bill by Senator STANFIELD," and reads:

Insisting that "McAdoo was not in any way involved with the transaction between Doheny, Sinclair, and Secretary Fall," and that "President Coolidge has shown his fairness in selecting former Senator Atlee Pomerene as one of the legal investigators of the so-called oil scandals," and has thus "pulled him from the quagmire of senatorial defeat and given him the opportunity of coming before the American people," Senator R. N. STANFIELD, in Portland for a day, gave his impressions of recent developments in Washington and in national politics.

I am quoting Senator STANFIELD, the junior Senator from Oregon. It is needless for me to say that he is a Republican. I continue the reading:

"I am a member of the Public Lands Committee that has been conducting the investigation of the national oil leases," Senator STANFIELD said. "Up to date we have discovered nothing more than a number of suspicious circumstances. Many good names have been drawn into the scandal that are entirely irresponsible for any wrongdoing, if there was wrongdoing. McAdoo was not in any way involved with the transaction between Doheny or Sinclair and Secretary Fall."

Mr. President, I ask unanimous consent to have inserted in the RECORD some speeches, including the newspaper headlines, which have been made by the Senator from California [Mr. JOHNSON] in his campaign for the Presidency.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the matter will be printed in the RECORD.

The speeches referred to are as follows:

JOHNSON ATTACKS MOTIVES OF FORD IN COOLIDGE PLEA—ASKS WHAT LED MANUFACTURER TO CHANGE AFTER HE DENOUNCED GORGAS PLANT SALE—SEES PSYCHOLOGICAL SHIFT—AND WINDS UP BY REMARKING THAT FORD IS "A MARVELOUS BUSINESS MAN"—PRESIDENT WILL REPLY—FRIEND PREDICTS THAT A REPORT FROM WHITE HOUSE WILL BE ISSUED PROMPTLY.

[From the New York Times, December 23, 1923.]

WASHINGTON, December 22.—Senator HIRAM JOHNSON issued today a statement questioning the motives of Henry Ford in indorsing President Coolidge, and intimating that he was induced to announce his approval of the President by the introduction of Representative MADDEN'S bill to sell Muscle Shoals and the administration's tax reduction proposals, characterized by the California Senator as favorable to big business.

Senator JOHNSON issued the statement after conferring with his advisers, and after it became known that Mr. Ford had turned his influence actively for Coolidge delegates in Michigan. The statement reads:

"American politics present a most interesting psychological study. Henry Ford has declared for Mr. Coolidge because, as he says, Mr. Coolidge is 'safe.' Immediately the part of the press of the country representing special privilege, which has always denounced and caricatured Mr. Ford, gives him a certificate of character, and with open arms welcomes him to its ranks.

"Perhaps the time is propitious for Emma Goldman and Bill Haywood to return, declare for Mr. Coolidge, and be acclaimed by the same special privilege press. But in the light of Mr. Ford's previous utterances, just when did Mr. Coolidge, in Mr. Ford's opinion, become 'safe'?

"On the 13th day of October, after Mr. Coolidge had been in office for more than two months, and when Secretary Weeks had sold what Ford claimed to be a part of the Muscle Shoals project, Mr. Ford denounced in unmeasured terms the Secretary of War, and inferentially the administration, as being under the control of private interests inimical to the farmers, and the Secretary of War made an angry rejoinder.

CITES THE MADDEN BILL.

"Obviously, according to Mr. Ford, the administration of Mr. Coolidge was then unsafe and didn't even wish to do right. Thereafter Congressman MADDEN gave to the press the outline of a measure he would introduce in Congress, apparently for the administration, designed to give Mr. Ford Muscle Shoals and a plant of like character to that sold by Weeks. The message of the President on the 6th day of December was not inimical to this idea. Mr. MADDEN'S bill was then introduced and is now pending. On the 19th day of December Mr. Ford gives out his 'safe' interview.

"If his administration were under the influence of private interests on the 13th day of October, as Mr. Ford plainly said to the American public, what occurred between the 13th day of October and the 19th day of December to transmute the bitter denunciation of Mr. Ford against the administration then into enthusiastic advocacy now?

"Mr. Ford is entitled, of course, to his political opinions; equally, of course, these opinions can not control a Republican nomination. Mr. Ford was for Mr. Wilson when Mr. Wilson was President. Mr. Ford was for Mr. Harding when Mr. Harding was President Mr. Ford is for Mr. Coolidge while Mr. Coolidge is President. Mr. Ford is a marvelous business man."

COOLIDGE EXPECTED TO REPLY.

Administration advisers are confident that President Coolidge will reply to the arraignment of himself in the Johnson denunciation. It was said by a personal friend of the President that he would not allow the statement to go unanswered, and a formal reply is expected at once.

Some political observers say that the outburst of Senator JOHNSON instead of increasing his strength will prove a boomerang.

The campaign managers for President Coolidge are not disturbed by the Johnson attack. They say the country is becoming stronger each day for the President, especially in States where radical doctrines less than a year ago swept the party from its moorings.

Politicians recall the admission made a few days ago by Frank H. Hitchcock, manager for Senator JOHNSON, that the administration was assured of the southern Republican delegates. Mr. Hitchcock told his progressive followers that he would contest for delegates in North Carolina and Alabama only.

Mr. Slemp, accompanied by Richard Whaley, president of the rent board, left to-night for a 10-day vacation, which will be spent in playing golf in North Carolina and Florida. He is expected to look over the political field in the South.

FAIR PLAY IGNORED BY G. O. P. IN INCREASING DELEGATES, IS JOHNSON'S CHARGE—SOUTH UNDESERVING OF FAVORS CONFERRED, SENATOR CHARGES, CITING LIGHT HARDING VOTE—BITTERNESS IS PROJECTED INTO G. O. P. RANKS, AND TROUBLESOME FIGHT AT CONVENTION LOOMS—BREACH BETWEEN ADMINISTRATION FORCES AND CANDIDATES, AVOWED AND RECEPTIVE, IS WIDENED.

[From the Cincinnati Enquirer, December 14, 1923.]

WASHINGTON, December 13.—Action of the Republican National Committee yesterday in reversing the program for reapportionment of delegates to the Republican National Convention next June, demanded by the last Republican convention and recommended by the subcommittee appointed to carry out the instructions of that convention, has widened the breach between administration forces and friends of other active and receptive candidates for the Republican presidential nomination.

Unless the storm that has been raised by the eleventh-hour shift of a majority of the committee dies down to a mild flurry by the time the convention convenes the national committee has produced a situation that promises to be exceedingly troublesome in that convention.

As was anticipated yesterday, Senator HIRAM JOHNSON of California, opponent of President Coolidge, in a vigorous statement to-day branded the act to be "repugnant to every sense of fair dealing and just representation."

TO BE CAMPAIGN ISSUE.

That he will embrace this issue in his campaign in the Northern and Western States is not doubted for a moment, and the additional ammunition it has given to him will be employed to the limit in his preconvention campaign.

His feeling is shared less openly by other prospective candidates and their friends, who are asserting that it was done under pressure of White House influence and in the interest of the candidacy of President Coolidge.

The President demonstrated twice during the national committee session that he and his friends are in control of party machinery, the first time when he induced Fred W. Upham, of Chicago, to withdraw the entry of Chicago as a contender for the convention, thus paving the way for the selection of Cleveland, and the second time in the reapportionment decision.

TEXT OF STATEMENT.

Senator JOHNSON'S statement, issued after conference with Frank H. Hitchcock, his campaign manager, was as follows:

"The unfair and unjust representation from Southern States in the Republican National Conventions and the scandals connected with delegates from certain of those States, after many years of agitation led finally to the resolution of June 13, 1920, of the Republican National Convention, directing the Republican National Committee within a year to adopt a just and equitable basis of representation in future conventions.

"Within a year the national committee did adopt a new basis of representation and ever since the Republican National Committee has distributed, as part of its literature, the representation thus agreed upon.

MEANING IS ILLUSTRATED.

"I take two States as illustrating what was done and what now has been undone. South Carolina polled 2,600 votes for President Harding; Mississippi 11,500 votes. Under the mandate of the Republican National Convention, South Carolina was awarded four delegates and Mississippi four.

"The former action yesterday was rescinded, the mandate of the last Republican convention contemptuously ignored, and South Carolina now is given 11, and Mississippi 12, a total for the two States polling 14,000 Harding votes of 23 delegates.

"In these States there is no real political party. There is nothing Republican in them except a few officeholders, absolutely under the direction and control of the administration.

"South Dakota polled 110,000 votes for Harding and is given 13 delegates. Michigan polled 762,000 Harding votes, 50 times as many as South Carolina and Mississippi, and is given only 33 delegates. Nebraska polled 350,000 Harding votes, nearly 18 times as many as these two Southern States, and has 19 delegates. Indiana with 606,000 Harding votes, 45 times as many, has 33 delegates; California, polling 625,000 Harding votes, 44 times as many, is given 29 delegates. New Jersey with 611,000 Republican votes is given 31 delegates.

"And so it runs throughout the list of Republican States. The Republican States are penalized. The Southern States, where there is no Republican Party, and where delegations sometimes are a farce and a scandal, are rewarded. The resolution of the national convention has been discarded, the will of the Republicans of the party flouted.

CALLS ACT REPUGNANT.

"This kind of politics needs no characterization. The campaign commences with an act repugnant to every sense of fair dealing and just representation."

It has not been determined whether or not the Johnson organization will carry the fight against the committee's action yesterday to the national convention, although Senator ROBERT B. HOWELL, Nebraska, who yesterday fought the committee's decision, believes that this could be done successfully. Senator HOWELL takes the position that the committee, having reduced the southern representation within a year, as ordered by the 1920 convention, had no power at its meeting yesterday to reopen the question.

JOHNSON OPENS CAMPAIGN WITH ATTACK ON WORLD COURT PLAN—INSISTS UNITED STATES WOULD ULTIMATELY BE DRAWN INTO LEAGUE; CALLS TAX REDUCTION ISSUE "SMOKE SCREEN"; FAVORS BONUS; CRITICIZES ARMS SALE.

[From New York Tribune, January 4, 1924.]

CLEVELAND, January 3.—Senator HIRAM JOHNSON, in a frontal attack on the administration, opened his campaign for the Republican nomination for President here to-day. His utterances were taken to be virtually the platform on which he will carry his fight throughout the Nation. The full text of his address follows:

"I have no apologies to make for the rôle in which I appear here to-night. As an American, I am exercising an American's prerogative. I am exercising that prerogative not only because it is my pleasure to do so, but in response to requests from practically every State in this Union. I am here to-night under the auspices of men and women whose citizenship is a real and precious thing to them, with whom service to their common country is superior to all else, and who, while Republicans, have ever maintained their political and their personal independence. I am proud under their auspices to speak in this city and to the citizens of this State.

"Our appeal is made primarily to Republicans, but it concerns all who believe in popular government, and who foresee that a successful assault upon popular government may shake the very foundation of our institutions.

BEGINS IN "GOOD HUMOR."

"I begin this contest wholly philosophically and in entire good humor; but during its progress I shall not hesitate, as in every other political contest in which I have engaged, to express myself concerning policies with such force and emphasis as I can command, and without regard to whether my words shall be pleasing or soothing to those in positions of power, who arrogate to themselves the right to rule the rest of us.

"I have recently observed that certain people, including the distinguished Detroit manufacturer, have deplored that we should have an election this year, and perhaps at all; and many politicians rather hysterically denounce me because I have interfered with the serenity of the occasion, and have not permitted their plans for a nomination by default to be consummated. These gentlemen look upon the fundamental American right of your participation and mine in our politics as a sort of lese majesty, an unwarranted interference with their prerogative to rule, and a sacrilegious effort to prevent the divine right of succession.

"I shall not concede that collectors of revenue, United States marshals, postmasters, and other officeholders and politicians, high and low, who 'bend the pregnant hinges of the knee that thrift may follow fawning,' may themselves alone nominate candidates for the Presidency. I grant that they may sometimes succeed in nominating them, but I deny this is their exclusive privilege. And in the very inception, therefore, of this contest in a matter of utmost importance comes the clash of views.

"I demand that the rank and file of the Republican Party shall be consulted concerning the Republican nomination for President

and that the will of the rank and file shall prevail. The leaders upon the other side, by manipulation and otherwise, would have a different rule, and they have demonstrated by their recent actions their contempt for the men and women who in reality constitute the Republican Party. I ask no more than that the Republicans of the Nation shall nominate their candidate for President. Republicans should accept no less.

FEARS "POLLUTION" IN NAMING DELEGATES MAY "TAINT VERY CONVENTION ITSELF."

"I believe in direct primaries and in direct legislation. Our opponents do not. I insist that the Republicans in Ohio shall have an equal right in determining the nominee for President with the Republicans in South Carolina. Obviously, our opponents do not so believe. At the initial stage of this campaign belief in popular government stands in opposition to belief that government belongs to the few who, because they possess it for the moment, ruthlessly perpetuate themselves in power.

"The selection of a President begins with the apportionment of delegates to a national convention. Just as pollution at the source of a stream will pollute the whole stream, wrong and injustice in the selection of delegates to a national convention will permeate and taint the very convention itself.

"The selection of delegates from certain of the Southern States had become so corrupt and had created so many scandals that finally the Republican National Convention in 1920 passed a resolution commanding within a year the Republican National Committee to adopt a 'just and equitable basis' of representation in future national conventions. The national committee obeyed and within the year acted, and while its action did not constitute 'a just and equitable representation,' nevertheless, it reduced the delegates in Southern States where there is no Republican Party.

ACTION IS NULLIFIED.

"The reduction was a mere step in the right direction. It did not do justice to the real Republicans, but it furnished the basis for further reductions. This work of the national committee solemnly done after full hearings a few days ago in Washington, under the orders of our opponents, was nullified, and the scandalous and unfair representation accorded Southern States in past conventions was again given them.

"I speak of this outrageously unfair selection of delegates because there is a real service that we can render both our party and the Nation and because there is a fundamental principle at stake. The service we may render is to have conventions which honestly express the will of the Republican Party, and beyond that the principle for which we strive is that this Government belongs to all its people, the Republican Party belongs to all its members, the people themselves are entitled to govern the country, just as the membership of the Republican Party is entitled to govern that party.

DISCREDITED OFFICEHOLDERS.

"Nine Southern States—Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, South Carolina, Texas, and Virginia—polled 489,000 votes for President Harding. These nine Southern States have 134 delegates to the Republican National Convention. Ohio polled 1,182,000 votes for President Harding, and Ohio has 51 delegates to the Republican National Convention. Ohio polled two and a half times as many Republican votes as the nine Southern States, and these nine Southern States have more than two and a half times as many delegates as Ohio.

"The State of South Carolina polled for President Harding 2,600 votes and has 11 delegates to the Republican National Convention. Ohio polled 450 times as many Republican votes in 1920 as did South Carolina, and yet by the apportionment of delegates 1 Republican in South Carolina, where there is no Republican Party and where delegates are chosen by a few discredited Federal officeholders, equals more than 100 Republicans in Ohio in the councils of the Republican Party.

REPROACH TO PARTY.

"There is not the remotest possibility of a single Republican elector being chosen in any one of these nine Southern States, and yet the Republican National Committee recently, after it had reduced South Carolina to four delegates, and other Southern States in like fashion, with a hysterical fear of what would happen in States where there is the right of expression concerning the nomination for President, deliberately increased the representation again, contemptuously repudiated the mandate of the national convention of 1920, and broke faith with the rank and file of the Republican Party all over the land. These southern delegates are selected, as you know and as I know, by commands issued in the city of Washington to a very few Federal officeholders in the different States. A nomination by delegates thus selected, in number greatly disproportionate, is a reproach to the Republican Party.

"Our democracy is but an iridescent dream if year after year we permit a few bosses either to deny the right of expression to all the electors or where that expression is given to thwart it by hand-picked southern delegates. Popular government in those States where there are no primaries is a sham and a farce. A nomination made by delegates from States without presidential primaries in conjunction with purchased and hand-picked delegates from Southern States is not made by the will of the party but in spite of it. The recent action of the Republican National Committee is a reversion to the abhorrent conditions from which we thought we had emerged. It is this system upon which we war, and it is this system I challenge in this campaign. It is, in the last analysis, a test of popular government.

ATTACKS DECISION TO SELECT ALABAMA DELEGATES WITHOUT HOLDING PRIMARY.

"In Alabama the legislature has enacted a primary law. It is a peculiar law, doubtless designed to meet certain local conditions, but nevertheless it is a law under which the State guarantees an expression by its citizens of their preference for candidates for President. I have gone to the trouble, even in Alabama, to comply with that law and submit my candidacy to those who claim to be Republicans. Quite appropriately our opponents scoff at any right of ordinary people to participate in a nomination, and they have decreed that a State committee shall select Alabama's delegates to the Republican convention.

"In South Dakota it has taken two decisions of the supreme court of the State to enable me to get on a ballot. Our opponents were able to manipulate a small convention there, but fortunately that manipulation has forced them upon the ballot. I'll take my chances with the people of South Dakota, and we will demonstrate there in a primary that manipulation of a convention is totally dissimilar from the voting of a populace. We are in the open, asking only a chance for fair contest before the Republicans of the Nation. You may not sympathize with our aspirations, but as Americans loving fair play and the square deal you can neither sympathize with nor tolerate a system that makes a hundred of you only equal to one South Carolinian, and that would negative and nullify the free expression of those who make the Republican Party and win its victories.

"In olden days, when exactions and tyranny produced unrest and discontent which threatened internal dissension, kings invariably adopted the method of diverting or distracting the discontented and restless subjects by amusing them with foreign war. In the alluring picture of the glories of victory and the loot of conquest peoples forgot the wrongs they had been so eager to redress and monarchs again serenely went upon their way.

"In our day the modern policy for distracting and diverting the people, a little more subtle and perhaps more efficacious than that of olden times, is by appealing to cupidity and in the persuasive lure of material gain, causing all else to be forgotten. The philosophy of some powerful politicians to-day is that the 'tinkle of the guinea heals the hurt that honor feels,' and that the national conscience may be dulled, even dismissed, by the hope of money profit. I do not quarrel with the political strategy which transmutes what obviously had to be done, and would be done, into an entirely new discovery. I do not even criticise the other side of this contest for creating a beautiful mirage with a tax program which is designed to blind our people to everything domestic in character and obliterate the memory of our lack of foreign policy. The strategy, doubtless, from the standpoint of playing the game, is perfect. Is our intelligence sufficient to understand it?

TAX REDUCTION NO ISSUE.

"There can be no political issue on reduction of taxes. Everybody would reduce the expenditures of government to the least possible sum, and collect from the people only that sum. No one believes in high taxation. Everybody wishes low taxation and everybody believes in reduction of taxation. To inject as a false political issue into a campaign tax reduction is to cuttlefish the political waters so that nothing else may be seen. Let me ask the newspapers crying so loudly for the Mellon plan, the organizations that have been stimulated into activity for it without understanding it, and all the propagandists of big business, if you had to choose between reductions on small incomes and reductions on large incomes how would you stand? I venture the assertion that if the reduction of taxation of small incomes only were involved, there would be no propaganda, no pretended political issue about tax reduction."

URGES NATION CAREFULLY TO EXAMINE MELLON'S PLAN FOR TAX REDUCTION.

"Our Government overtaxed its people in the last year, and we find a surplus on hand of $350,000,000. It is perfectly obvious that no government has the right to overtax its people, and it

is equally plain that with a surplus of $350,000,000 we should meet our just obligations and we should reduce taxation just as much as it can be reduced. We must correct the condition of affairs by which we collected more than we should have collected in taxation, and we can only correct this condition of affairs by reduction of taxation.

"Just after the adjournment of Congress last year, in March, I believe, the chairman of the Ways and Means Committee of the House wrote the Secretary of the Treasury upon the subject of the reduction of taxes. The Secretary of the Treasury delayed his answer and replied finally in November, seven months thereafter, just before the meeting of Congress, and since then we have had before us in one form or another suggested plans for the reduction of our taxation.

FORMER ESTIMATE WRONG.

"At the commencement of any discussion of this plan let me recall to you that the estimate of the Secretary of the Treasury was that we would have a deficit of many more hundreds of millions than our present surplus amounts to, and upon this statement of a deficit the action of the late President Harding was predicated. Instead of a deficit we now have the surplus of $350,000,000. While, of course, the Treasury Department should not be subjected to criticism in any degree for an error in its estimate our experience with its former estimates would lead us as reasonable and prudent men to scrutinize with care its present estimates.

"We have never in this country had anything like the propaganda we now have in behalf of the so-called 'Mellon plan.' It was propaganda most carefully prepared and skillfully stimulated. It demands without the slightest knowledge of detail that the plan forthwith be adopted. We have encountered in this matter the very replica of what we encountered originally in the early days of the propaganda for the League of Nations. I recall how very good people would rush at us right after the promulgation of the league and hysterically ask if we did not wish to prevent war, and when timidly we responded affirmatively they would demand that we favor the League of Nations.

KNOW NOTHING OF PLAN.

"Recently interested parties have rushed at us concerning the tax proposition, demanded to know if we did not wish to reduce taxes, and when in common with all others we said that was our desire, they insisted forthwith the Mellon plan must be adopted. If we asked them what the Mellon plan was, none of them knew. But there was profit in it and profit is mighty appealing.

"There are 13,600,000 people in this country who pay taxes on incomes less than $10,000; there are only 330,000 who pay taxes on incomes over $10,000. The men who pay on incomes of $250,000 will save under the so-called 'Mellon plan' $49,000 a year. He who pays on $800,000 will save $63,000 a year; these who have incomes of $500,000 will be required to pay $117,000 less. The fortunate ones who have an income of $1,000,000 will save by the Mellon plan $252,000 a year, and the few who pay on an income of $5,000,000 will save $1,330,000 a year.

BELIEVES BONUS NO LONGER DEBATABLE, BUT SAYS TAXES CAN BE CUT, TOO.

"Who is it that is indulging in this propaganda that is sweeping over the country to-day, that is filling every newspaper and at the head of which are our bankers and the United States Chamber of Commerce? Do you imagine that it is the man who, by a reduction of taxes, will save $10 or $30 or $50 or $100, or do you think it is the individual who will save $30,000, $50,000, $100,000, $200,000, or $300,000? The concern of this tax scheme is not for the man of small income, who can least bear the burden, but the concern is for those of large incomes, who can best bear that burden. And they would have us forget our plighted faith and violate our promise in order that the full reduction sought might be accorded them.

"I would not have you misunderstand me at all.

"I would reduce the taxes of all of the people whenever it is possible to do so and keep our faith at the same time. In the matter of taxation, as in all other matters, I would be scrupulously just, to men of large incomes and of big business, but I recognize that great riches and big business have a happy faculty of looking out for themselves. Those of small incomes and small business must rely upon their Representatives. We would not be unjust to any, but we would begin tax reduction with the people who are least able to pay taxes.

BONUS NOT DEBATABLE.

"A part of the propaganda, particularly among those of big business interests, is directed against the so-called soldiers' adjusted compensation bill. From my standpoint this subject is no longer debatable. With very few exceptions the leaders of the Republican Party have pledged themselves and the party to the passage of this act. The late President Harding, just before the close of the campaign in 1920, in a speech at Cincinnati, unequivocally indorsed it. Subsequently, because of the Treasury estimate of a deficit, he vetoed it. It was denied then because we did not have enough to pay it. Upon the floor of the United States Senate the chairman of the Finance Committee pledged the Republican Party to the passage of the bill. The Senator from Indiana [Mr. WATSON], speaking for the administration, said, in so many words, it would be passed at the next session of Congress. The leader of the Republican Party in the Senate, the Senator from Massachusetts [Mr. LODGE], has declared himself and, so far as he could, his party for it. The whip of the Republicans in the Senate, the Senator from Kansas [Mr. CURTIS], has done likewise. The Republican Party has its faith avowed, and I would rather make no reduction in taxes upon large incomes than that our plighted faith should be violated. But we can pay the sums due under the adjusted compensation bill and reduce taxes, too. We have a surplus of $350,000,000.

URGES KEEPING OF PLEDGE.

"During the debate upon this adjusted compensation bill the estimate of the Treasury was that the first year the amounts to be paid under the adjusted compensation bill would be less than $100,000,000. We can reduce all of the taxes now existing on incomes under $10,000 exactly as in the plan presented, and we can reduce other taxes in some degree, and we also can keep our promise to pay the soldiers their due.

"The matter becomes, first, one of good faith and one of keeping a definite pledge. Before this extraordinary propaganda it was not difficult to argue for the adjusted compensation bill; but now, against our plighted word, is the saving suggested in a reduction of taxes upon incomes which do not necessarily require reduction.

"Let us not forget that the principle of adjusted compensation is a principle that our Government has already firmly established. We adopted that principle in regard to the business of the country. Congress passed a bill by which the compensation of those who were engaged in war contracts with the Government which ceased with the termination of the war was adjusted.

PRINCIPLE ADOPTED.

"We adopted the principle of adjusted compensation for the railroads of the land. The mining interests were taken care of by the war minerals act, and every business engaged with the Government during the war was compensated by the Government. Upon this principle of adjusted compensation we have paid out something near $3,000,000,000. Business insisted upon the principle of adjusted compensation, and business received the benefit of adjusted compensation. Business would now deny the same principle to the man who bared his body to shot and shell across the sea.

"When business sought to have its losses made good, and when the Government of the United States responded to its appeal, there was no cry about commercialized patriotism, no self-righteous stuff about fighting for the country's cause and seeking no other reward. There was the insistent demand by those dealing with the Government for compensation for money recompense for injury or loss or damage, although business during the war, you and I know, in many instances, profited far more than in any other period in history.

RECOGNITION DESERVED.

"This is not a question now of commercialized patriotism of the men who fought the war. This is a question of deserved recognition, in small degree, and that recognition is payment by the Government of an adjusted compensation. Contrast the $30 per month received by the soldier during the war with what those at home made during that period.

"O, ye business men, who protest against recognition of the soldier now, remember your attitude then, and remember you might not have had any business demanding that it receive its adjusted compensation from the Government but for the lad who was fighting in your behalf for $30 a month. Out of the $30 a month from many of them $15 were taken as an allotment for relatives and $6 a month to pay insurance, so that out of $30 a month the soldier had left, in many, many instances, an average of $9 a month, or 30 cents a day. He asks now pitifully small adjustment of the disparity in what was paid him and what was paid those who stayed at home; and he ought to have it in recognition of his service and his valor, his privations and his sacrifices, and it ought ungrudgingly to be given. And some business men paying taxes upon incomes of $100,000, $200,000, $500,000, or $1,000,000 per year would deny it.

ATTACKS MILLIONAIRES WHO "PRATE ABOUT COMMERCIALIZED PATRIOTISM."

"Not only was the principle of adjusted compensation recognized by our Government and accepted by our business men, and not only was the money paid to that upon that principle, but the

Government of the United States during the war and for some months thereafter actually paid a bonus to its civilian employees.

"We paid $20 a month during the war as a bonus, and we have paid to our employees in this bonus more than double the sum that is asked by the soldiers of the Republic. Certain of the great captains of industry in this Nation, those whose incomes are beyond the dream of avarice of the ordinary man, prate and prate and prate again about commercialized patriotism. When these gentlemen have paid back into the Treasury of the United States the profits they made during the war they may be heard about commercialized patriotism, but until that day arrives let them keep silent on the pitiful sum that is asked by the men who sheltered them and their business and enabled them to make their unholy profits.

"And, remember, this adjusted compensation bill can be passed and the sums due under it paid by the Government and taxes reduced, too.

"In arguments concerning taxation the advocates of reduction upon large incomes often indulge in pessimistic statements concerning industry and enterprise, and apparently hint at a lack of prosperity in our country. And yet these same people, when speaking generally of success for the party of which we are members, exultingly describe our great prosperity and express their optimism for business future and, I am certain, of its destiny.

"The United States to-day is the most prosperous Nation on the face of the globe, and in the coming years that prosperity will not only continue but increase. One section of our country alone is in distress, and because of the general prosperity elsewhere more actually do we feel the distress and more readily would we relieve it. The farmer to-day suffers not only from low prices but from the high cost of production. What he sells is low and what he buys is high. His dollar is below par.

"This is especially true of the farmer in the interior, where the greatly increased freight charges stand between him and his market. The wheat farmer suffers most. During the war the Government held down the price of wheat to a lower level than other commodities. It insisted on greatly increased acreage. The resulting overproduction has added much to the farmer's difficulties. Conditions with him are not normal so long as he is not able to exchange his day's labor with all other kinds of labor. He is entitled to a fair wage and a reasonable return on his capital. He is not getting it.

COOPERATION NECESSARY.

"Credit schemes alone will not save him from bankruptcy. He must have a market for his products at a fair price. In the recent presidential message he is told to help himself. The Government apparently is cold toward him and turns from directions where he may be benefited. Cooperation, of course, would aid him, but cooperation of millions is a difficult thing after all. The innumerable agents and experts of the Government should aid the farmers in effecting cooperation among themselves, but there should also be effective cooperation of the Government with the farmer. Nothing could be more disastrous to our Nation than the continuance of the demoralization of our leading industry, for in the wake of this demoralization distress follows in every industry.

"It is not sufficient, therefore, to say to the farmer that he must lift himself by his bootstraps from the terrible predicament in which he finds himself. The Government must aid him. It must obtain for him lower freight rates. It must in effective fashion scrutinize the spread between production and consumption. It must not only promote cooperation among farmers themselves, but itself must sympathetically cooperate with them.

PROTESTS AGAINST FAKE POLITICAL ISSUES OBSCURING FOREIGN POLICIES.

"For some years past I have insisted upon a definite foreign policy for America. The lesson of the late war written in lurid red is the evil of secret diplomacy. Upon European nations the terrible lesson has been in vain. The same motives, the like interests, the very mode of promoting them, the age-old diplomacy by which governments entangled themselves and peoples pay the price still obtain there.

"The prosperity and the safety of our Republic must rest in a different policy. No selfish interests must be permitted to turn us from that enlightened policy which has brought us our vaunted prosperity and our proud world position. Our vigilance must not be relaxed nor our vision obscured by any fake political issue, no matter how tempting the bait of profit may be. Our international relations, our foreign policy, are of transcendent importance. Upon the kind of policy we adopt depends the very prosperity of which we boast and the very perpetuity of our institutions. In a campaign like this it is, therefore, not only appropriate but necessary to our welfare that our foreign relations be discussed and that our people register their will concerning them.

MUST REND VEIL.

"I am well aware our opponents have relegated international affairs to the obscurity of the State Department, and with their overwhelming power of publicity would have an inevitable tax reduction a smoke screen hiding foreign policy. An enlightened public opinion must rend the veil and clear the atmosphere, for inextricably interwoven with taxes is foreign policy. To-day the taxes levied are the aftermath of war. The amounts you are required to pay are the direct result of our participation in the great conflict. If with vigilance relaxed you are, either through the willfulness or ignorance or mistake of leaders, carried into the vortex of the European maelstrom, if by one specious pretext or another the first false step is taken by which you may become embroiled abroad, taxes instead of being reduced will be increased and added burdens will be yours. From the material standpoint, in the present condition of the world, your country's foreign policy deeply concerns you; from the standpoint of the safety of the Nation you love, it is all important.

FOREIGN POLICY UNKNOWN.

"The American people to-day do not know what is the foreign policy of our Government, and I have no hesitation in saying it is their right to know that foreign policy. It may be that we do not know our foreign policy, because we have none, but even the fact that we have none the American people have the right to know. A foreign policy, which, in words, according to the late presidential message, says, 'We attend to our own affairs,' and which, in deeds, attends to the affairs not only of our neighboring nation but the nations in Europe as well; a foreign policy toward Russia, which in the presidential message holds out a welcoming hand and through the Secretary of State turns it back; a foreign policy that denies activity upon the Reparations Commission abroad and then indirectly participation in that Reparations Commission; a foreign policy which says the League of Nations is a closed incident, and then attempts to take us into a part of the league; a foreign policy which speaks against permanent political alliances, and then practically allies us with existing powers upon this hemisphere constitutes a record of foreign policy which needs the obscuring screen of a tax-reduction scheme.

"The striking similarity between the concluding paragraphs of the presidential message and the nebulous phrases of the League of Nations covenant, the departure of experts to sit with the Reparations Commission abroad, the fact that our foreign policy is in the hands of a Secretary of State and a Secretary of Commerce who have been ardent League of Nations advocates, would indicate that the League of Nations is not a closed incident and that our foreign policy is a very live issue in this campaign. Apparently our Government drifts now one way and now another in its relations with Europe.

"The belief seems prevalent that we can not have a policy unless it shall first be promulgated by some confederation, association, organization, or league of foreign countries. We timidly advance a thought one day and apparently do something diametrically contrary another. And only in these last few days this kaleidoscopic foreign policy of the Nation maintained in such inviolable secrecy by the State Department has taken another startling turn. The United States is furnishing arms and munitions to Obregon in Mexico to fight a revolution there. It is done, as stated by the Secretary of State, 'to maintain stability and order and constitutional procedure in the neighboring Republic.'

"Our policy, expressed now in so many words, is that the United States frowns upon revolutions and will lend its mighty strength to maintain existing power upon this hemisphere. The merits of the contest raging in Mexico I do not know, and they are immaterial to this discussion. But, whatever the merits of the revolt in Mexico, I have no hesitation in saying our action is immoral if not illegal. What a departure from the policy America has ever pursued! What an anomalous and paradoxical position is ours to-day, we who were born in revolution! The United States Government finally says now to the people inhabiting this continent: If you dare fight for what you may deem to be right; if you raise your hand against oppression or wrong, the most powerful Nation in the world, its genesis armed resistance, will come to the aid of those you think your oppressors and will maintain existing power.

LIKENS SALE OF ARMS TO MEXICO TO POLICIES OF METTERNICH HOLY ALLIANCE.

"Without invidious intent, but as indicating a different philosophy of government, I have characterized the present administration as 'reactionary.' History has its parallel of our opposition to revolution and of what we have done in furnishing arms and munitions to Obregon. In the complete metamorphosis of American policy the administration has turned to historic Old

World reaction. A hundred years ago there existed a league of nations in Europe, the Holy Alliance, which finally came under the control of the cunning and able master of secret diplomacy, Metternich, of Austria. The aims of this league, as expressed in words, were no less holy than the aims of those people who would to-day take us into Europe's controversies. Metternich, finally in absolute control of the league of nations of that day, definitely announced its policy no different from the policy now announced by our Government. Revolution by a long-suffering people in Piedmont Metternich ruthlessly stamped out with the armed forces of his league. A profligate monarch of Spain, who was driven from his throne by an indignant and outraged people, was restored again by the league's army, and was again—because he was constituted the authority—permitted to practice his exactions and cruelties, and it was all done upon the theory of maintaining the status quo. To-day we follow the Metternich policy of over a century ago, and free America announces the doctrine that revolution will be put down with our arms and constituted authority in neighboring nations will at all hazards be upheld.

SEEKS TO AVOID WAR.

"I abhor war. I will go to any length and make any sacrifice to preclude wars. I have fought these last five years in season and out, when I had few allies and again when I had many, for a consistent policy for our country which would preclude future wars. We who have been termed derisively 'isolationists,' who have been accused of lacking humanity, who have been denounced as without vision and wanting in love for our fellow kind have been actuated by the sole motive of humanity's welfare.

"To-day this country allies itself with war in Mexico. It does so through those who have talked eloquently of peace and of relieving humanity. Where are the leagues to enforce peace to-day, the organizations for outlawry of war, the individuals who talked, without understanding, of relieving the world's distress through a League of Nations court? Will they stand mute over this Mexican adventure that means a legacy of hostility and hatred for a generation to come? Will they have this country party to a little war that is a reality while pretending they desire to prevent future wars of their imagination? I will join with any association in this land, with any club or organization, with any league or association to protest against and to endeavor to prevent an American policy which makes us, because we furnish the arms and munitions, in reality a party to war."

CALLS LEAGUE TRIBUNAL FUTILE BODY WHICH IS REALLY NO COURT AT ALL.

"We stand upon such delicate ground to-day in our foreign relations that a single false step we may never be able to retract. Those who want to take us into Europe are anxious we should get in in any fashion. They would take us in by byways or indirection, confident that once started the irresistible force of circumstances and the inevitable logic of events will drive us further, until our old policy has been destroyed and we are inextricably involved. It is just this knowledge on the part of internationalists that makes them the advocates of the present administration. They pass with a smile the few words of the President on the league and seize with avidity his tepid indorsement of the League of Nations court. They know, just as you know, that we can not enter this creature of the league without ultimately being entangled with the league itself, and they know, just as you know, that once we are entangled with the league we are in Europe, and this is what they ardently desire. It is not a World Court we are asked to enter. It is the League of Nations court. It is a mistake to call it a World Court and a misnomer to call it a court at all. The President's description of it, 'The court is merely a convenient instrument of adjustment to which we could go but to which we could not be brought,' is the expression of its futility. What a naïve thing it is to say that it is a convenient instrument to which we could go but to which we could not be brought, for it is equally a convenient instrument to which other nations may go but to which they could not be brought. It is the confession that it can do nothing except by consent. It can sweetly request a wrongdoer to come before it, but the wrongdoer may refuse to come. It can not right a wrong committed by one of the powerful nations of Europe, because the offending nation can refuse to come, and then the matter is ended. Imagine such a court in your own community. Imagine that your neighbor commits a heinous wrong against you, and assume that you have appealed to the court, and your court then asks your neighbor to appear. Your neighbor, with the fruits of his wrongdoing, sits by and says, 'I don't propose to appear,' and the court responds, 'That ends the controversy.' Thus, the wrong exists, the fruits of it are possessed by the offender, and the innocent party has had the pleasure of appealing to a court that can not and will not help him. It is just that kind of a court the present administration proposes to take us into, and to take us into it under the guise that it is a court of international justice for the settlement of controversies between nations. The propaganda for this league court has been wholly misleading.

INSISTS ENTRY INTO COURT WOULD "FINALLY TAKE US INTO LEAGUE."

"Controversies between the great nations can not be settled by it. They can not even be brought into court without the consent of all parties. No wrong could ever be righted. The peace of the world can not be, in the slightest degree, affected by it, except so far as the nations concerned themselves agree. It is a terrible thing to tell our people that entry into the court would bring peace to a war-torn world and will settle controversies between grasping and contentious nations. And yet these very statements are echoed and reechoed throughout the land by public speakers, civic and religious associations, and really believed by many of the good people who pass resolutions in behalf of this misnamed court. If one of the powerful nations of Europe to-morrow seized with a lust of conquest should take by the storm arm a part of a neighbor's territory, the injured party could apply in vain until doomsday for relief from this league court.

HAGUE TRIBUNAL ACTIVE.

"In the present state of the world no one of the powerful exploiting nations will consent to have its wrong passed upon by the league court. Remember, we already have arbitration treaties with nearly every important country on earth, and by contract under these arbitration treaties all controversies are to be submitted to arbitration. The Hague Tribunal is in active existence now and is functioning with wider jurisdiction than the league.

"There is just one entry for our entry into the league court, and that is our entry will finally take us into the league. When we were first asked to join the League of Nations court last February, with reservations which the Secretary of State claimed would divorce it from the league, I said: 'If we now do what is asked the situation is this: We are wholly out of the league. We are in part of the league. By reservations we are out of the part of the league we are in. The part of the league we are in and from which by reservations we get out of functions as a part of the league with our assistance.'

"I received from one of the most earnest and intelligent advocates of the League of Nations in the West a letter in response. I do not indorse the statements in this letter. I would not assume to use its expressions, but it is refreshing in its intellectual honesty, and for that reason I dare quote it.

CALLS SCHEME ILLOGICAL.

"'You are quite right. Your strictures on the Hughes-Root-Taft plan to sneak into the back door of the League of Nations are "partly true." Hughes's arguments for it are at most partly true. The whole scheme is illogical, impractical, insincere, and cowardly. And I am for it. But not for these reasons. You, from your standpoint, will be quite right in being against it. There is no present practical situation calling for action. It is a purely academic, theoretical proposal. There are theoretical arguments for it, which are "partly true." You can make others, as good, against it. I am for it, because, as an opportunist, if the Government has not the courage to walk into the league by the front door, I am willing not to approve, but to submit to the alternative policy of sneaking in the back door. It will ultimately get us in. That is the final reason why you should be against it, and I for it. But in your immediate strictures on the manner of it I agree with you.'

"I quote this letter to you because it reveals the mind of the internationalist and states the case frankly, clearly, and exactly.

"Entry into the league court ultimately will get us into the league. An issue concerning the former of necessity makes the issue upon the latter. The difference is in the mode of going into the league, whether directly or by indirection. I am opposed to the league with or without reservations. But if this country is to be taken into it, I prefer to go in with full understanding by our people and in consonance with the honor and dignity of the Republic.

NOT AN "ISOLATIONIST."

"It is futile to call those who believe in our time-honored policy 'isolationists,' and it is worse to accuse us of a lack of humanity. This country has never been and never will be isolated from the rest of the world. In business, in finance, socially, commercially we are not isolated from Europe at all. There is just one sort of isolation which has been ours and upon which we now insist. It is isolation from the quarrels and controversies, the selfishness and the intrigue, the exploiting and the wars of Europe. No other isolation ever has been thought of, none could ever occur, and this sole form of isolation should continue not alone for our benefit but

for the benefit of all humanity. We can not aid war-torn people by becoming a party to their wars. We can not utilize our moral force, if such a thing be ours, by throwing it into a heterogeneous unmoral mass.

"We can only play our part and aid humanity by being ourselves and remaining free, unfettered, and independent, and it is upon this very theory that some of us have maintained the long and difficult struggle for our distinctive American policy. I would aid suffering humanity in whatever land it might be. I was proud of the ready response of our country to the great catastrophe in Japan. I am very proud to-day that under the auspices of General Allen funds are being collected in America to relieve want and destitution in Germany. I commend to you, just as I commend to the American people, the beneficent and generous efforts of General Allen and his colleagues to have this country do its part for the suffering German people. The war has long since passed for me. The destitution of the country which was our late enemy, children hungry there, women and the weak suffering, appeals to me with like force with suffering humanity the world over, and I would have our people extend them relief just as they have ever relieved the needy and the destitute, the hungry, and the suffering of peoples everywhere.

WANTS AMERICAN FOREIGN POLICY MADE BY UNITED STATES GOVERNMENT ALONE.

"The question after all of our foreign policy resolves itself into our wish for a distinctive American policy promulgated alone by ourselves, or a policy deferred for European conference and adopted abroad. I resent the timidity of this great Nation which precludes it from announcing a policy unless it shall be either in consonance or concert with foreign nations. We are differently situated from people beyond the sea, different geographically and different racially. There across shadowy borders the feuds and the hatreds of centuries are kept alive. Here a beneficent Creator has enabled us to work out our own salvation, apart from traditional vendettas and without the taint of virus of racial hatreds. Over there a single nationality is within the borders of a country. Here we have a heterogeneous mass of all nationalities. There by a common impulse a single nationality acts. Here we are endeavoring to weld into a homogeneous people those of every race and clime on earth.

"When we participate in controversies in Europe we invite among those who come from abroad the same controversies at home. And thus by entering Europe's troubles we become not only a part of them but we transplant them, too, in our own land. It is but natural that though men forswear allegiance, they do not forget the land of their birth, and when that land is embroiled with other foreign countries strong sympathies, hot enthusiasms are aroused. We want no race hatreds in our country. We want no imported traditional feuds. We invite them if we engage in Europe's controversies. We have traveled a single road for 130 years. Our path has been illumined by a definite policy under which we have grown to be the greatest and most powerful, the cleanest and the most moral Nation in the world. To turn aside now into an unknown and untried path and become a part of that from which our forefathers separated themselves, and between which and us the Lord put 3,000 miles of ocean, would mean the destruction of the one hope of civilization and humanity and the hazard of our own destiny."

JOHNSON DENOUNCES COOLIDGE POLICIES—CALIFORNIA SENATOR DECLARES ARMS SALE IMMORAL AND TAX REDUCTION A SCREEN—OPENS HIS FIGHT IN OHIO—HE SAYS THAT OFFICEHOLDERS ARE PICKING SOUTHERN DELEGATES TO DEFEAT HIM.

[From the New York Times, January 4, 1924.]

CLEVELAND, OHIO, January 3 (Associated Press).—A sharp attack on the Republican National Committee for increasing southern delegate representation in the national convention, a criticism of the administration for supplying arms and ammunition to the Obregon forces in Mexico, and a challenge to the Ohio Republican State Committee, which indorsed President Coolidge's candidacy, marked the opening address of Senator HIRAM JOHNSON of California in his campaign for the presidential nomination here to-night.

Senator JOHNSON scored the foreign policy of the administration, reiterated his Chicago speech in so far as it referred to his favoring a soldiers' bonus, cautioned the people to look carefully into the Mellon tax-reduction plan, although advocating a reduction in taxes, urged help for the farmers by the lowering of freight rates and the work of the cooperative societies, and finished with a scathing arraignment of the World Court.

"I have recently observed that certain people, including the distinguished Detroit manufacturer, have deplored that we should have an election this year," said Senator JOHNSON, "and perhaps at all; and many politicians denounce me because I have interfered with the serenity of the occasion and have not permitted their plans for a nomination by default to be consummated. I shall not concede that collectors of revenue, United States marshals, postmasters, and other officeholders may themselves alone nominate candidates for the Presidency.

"The leaders on the other side have demonstrated by their recent actions their contempt for the men and women who in reality constitute the Republican Party. Our opponents do not believe in direct primaries and direct legislation. I insist that the Republicans in Ohio shall have an equal right in determining the nominee for President with the Republicans in South Carolina. Obviously our opponents do not so believe."

SAYS COMMITTEE TOOK ORDERS.

Senator JOHNSON reviewed the action of the 1920 Republican convention in reducing the southern delegations, and said that it was "a step in the right direction," as it was a basis for further reductions. He told of the recent action of the national committee in Washington "under the order of our opponents" in giving the Southern States the original representation and termed it "scandalous and unfair."

"These southern delegates," he said, "are selected by commands issued in the city of Washington to a very few Federal officholders in the different States. The action of the national committee is a reversion to the abhorrent conditions from which we thought we had emerged."

Senator JOHNSON said that he had complied with the law of Alabama and expected his name to go on the ballot there, but that his opponents were trying to defeat the intent of the law by preventing the primary from taking place. He declared that it took two supreme court decisions to put his name on the ballot in South Dakota.

He threw down the gauntlet to the Ohio Republican State Committee by saying that no committee, "no matter how influential or how rich," could dictate to the people of Ohio as to who should represent the State at the national convention.

Referring to the "United States furnishing arms and munitions to Obregon in Mexico to fight revolution there," he said:

"It is done, as stated by the Secretary of State, 'to maintain stability and order and constitutional procedure in the neighboring Republic.' Our policy is that the United States frowns upon revolutions. The merits of the contest raging in Mexico I do not know, and they are immaterial in this discussion. But whatever the merits of the revolt, I have no hesitation in saying our action is immoral, if not illegal.

"What an anomalous and paradoxical position is ours to-day, we who were born in revolution. The United States Government finally says to the people inhabitating this continent: 'If you dare fight for what you deem to be right, if you raise your hand against oppression and wrong, the most powerful Nation in the world will come to the aid of those who you think are your oppressors and will maintain existing power.'"

The Senator compared this attitude with that of Metternich, of Austria and the Holy Alliance, saying:

"To-day we follow the Metternich policy of over a century ago, and free America announces the doctrine that revolution will be put down with our arms."

He then opened his guns on the administration's foreign policy.

"It may be that we do not know our foreign policy because we have none," he said. "But even the fact that we have none the American people have the right to know."

The Senator declared that the recent message of the President said, "We attend to our own affairs," but that in deeds we attend not only to the affairs of our neighboring nation but those of the nations of Europe. Though the message held out a "welcoming hand" to Russia, the administration, through the Secretary of State, "turns its back" on Russia.

"A foreign policy," said the Senator, "that says the League of Nations is a closed incident and then attempts to take us into a part of that league constitutes a record of foreign policy which needs the obscuring screen of a tax-reduction scheme.

MELLON BILL PROPAGANDA CHARGED.

"There can be no political issue on reduction of taxes. Everybody would reduce the expenditures of government to the least possible sum and collect from the people only that sum. No one believes in high taxation.

"We have never in this country had anything like the propaganda we now have in behalf of this so-called Mellon plan. It was propaganda most carefully prepared and stimulated. Under the Mellon plan the men who pay on $250,000 will save $49,000 a year; he who pays on $300,000 will save $63,000; those who have incomes of $500,000 will save $117,000; the fortunate one who has an income of a million will save $252,000; and the few who pay on $5,000,000 will save $1,330,000.

"Who is it that is indulging in this propaganda? Do you imagine it is the man who by a reduction will save $10 or $30 or $50 or $100, or do you think it is the individuals who will save in the thousands?

"I would not have you misunderstand me at all. I would reduce the taxes of the people whenever it is possible to do so and keep faith at the same time. I would be scrupulously just to men of large incomes and of big business, but I recognize that men of great riches and big business have a happy faculty of looking out for themselves. Those of small incomes and small business must rely upon their representatives."

Of the World Court he said:

"We can not enter this creature of the league without ultimately being entangled with the league itself. It is not a World Court we are asked to enter. It is the League of Nations court."

The Senator commended the work of General Allen and his colleagues in behalf of starving women and children in Germany.

JOHNSON SAYS UNITED STATES FOLLOWS IMMORAL POLICY IN MEXICO—MAY ALSO BE ILLEGAL, SENATOR HINTS; SEES A GRAVE POLITICAL CHANGE—AGAINST WORLD COURT; FOR SOLDIERS' BONUS—BUSINESS MEN, HE ASSERTS, MUST REPAY WAR PROFITS BEFORE TALKING PATRIOTISM.

[From the Washington Post, January 20, 1924.]

EVANSVILLE, IND., January 19.—The foreign policy of the Coolidge administration was attacked from two angles by Senator HIRAM JOHNSON of California here to-night. He not only reiterated his opposition to the World Court and the League of Nations, with or without reservations, but he objected strenuously to the selling of arms and munitions by the United States Government to the Obregon forces of Mexico.

"Our action in Mexico is immoral if not illegal," Senator JOHNSON said. "What a departure from the policy America has ever pursued. What an anomalous and paradoxical position is ours to-day, we who were born in revolution. The United States Government says to the people inhabiting this continent, 'If you dare fight for what you deem to be right, if you raise your hands against oppression or wrong, the most powerful Nation in the world, its genesis armed resistance, will come to the aid of those you think your oppressors and will maintain existing power.'

CALLS FOR WAR PROFITS.

"Without invidious intent, but as indicating a different philosophy of government, I have characterized the present administration as 'reactionary.'"

Senator JOHNSON declared that the bonus should be voted and given to our World War soldiers.

"Contrast the $30 per month received by the soldier during the war with what those at home made during that period," said the Senator. "Oh, ye business men who protest against recognition of the soldier now, remember your attitude then.

"Not only was the principle of adjusted compensation recognized by our Government, but the Government during the war and for some months thereafter actually paid a bonus to its civilian employees. Certain of the great captains of industry, whose incomes are beyond the dreams of avarice of the ordinary man, prate and prate about commercialized patriotism. When these gentlemen have paid back into the Treasury of the United States the profits they made in the war they may be heard about commercialized patriotism, but until that day arrives let them keep silent on the pitiful sum that is asked by the men who sheltered them and their business and enabled them to make their unholy profits.

CAN CUT TAX WITH BONUS.

"And remember this adjusted compensation bill can be passed and the sums due under it paid by the Government and taxes reduced, too."

Senator JOHNSON then went into the tax situation and contended that the Mellon plan worked in favor of the man with large income. He said there were 13,600,000 persons who pay taxes on incomes of less than $10,000, while 330,000 pay taxes on incomes of more than $10,000. He gave figures that purported to show that men who paid on incomes from $250,000 to $5,000,000 would save amounts ranging from $49,000 to $1,330,000 under the Mellon plan.

The Senator repeated his previous attack on the Republican National Committee restoring the number of southern delegates in the national convention.

JOHNSON CHARGES MIRAGE IN TAX BILL—CALIFORNIAN SAYS THE ADMINISTRATION IS USING IT AS A COVER FOR OTHER DEFECTS.

[From New York Times, January 19, 1924.]

CHICAGO, January 18.—In two Chicago speeches to-night Senator HIRAM W. JOHNSON attacked the Coolidge administration's handling of the Mellon tax-reduction plan more bitterly than he has done in his previous platform appearances since he became a candidate for President.

These, boiled down, are some of the descriptions which he applied to the subject:

"A false political issue.

"A beautiful mirage to blind our people.

"Cuttlefish inking the political waters.

"An appeal to cupidity."

The Senator spoke to a large meeting at the Broadway Armory, in the uptown section, and later at the Wendell Phillips High School, on the South Side, where the audience was largely colored.

In general, he followed the lines of his Cleveland talk, the first big speech of his campaign. He denounced the administration's political organization and the "rotten borough" decision of the Republican National Committee. The soldiers' bonus, he said, was no longer debatable. He condemned the sale of arms to Obregon, demanded assistance for the farmer, and combated all suggestion of compromise on the decision to keep aloof from the League of Nations.

"In olden days," he said at the Broadway Armory meeting, "when exactions and tyranny produced unrest and discontent which threatened internal dissention or revolution, kings invariably adopted the method of diverting or distracting the discontented and restless subjects by amusing them with foreign wars.

"In our day the modern policy for distracting and diverting the people, a little more subtle and perhaps more efficacious than in the olden times, is by appealing to cupidity, and in the persuasive lure of material gain causing all else to be forgotten. The philosophy of some powerful politicians to-day is that the jingle of the guinea helps the hurt that honor feels and that the national conscience may be dulled, even dismissed, by the hope of money profit.

"I do not quarrel with the political strategy which transmutes what obviously had to be done and would be done into an entirely new discovery. I do not even criticize the other side of this contest for creating a beautiful mirage with a tax program which is designed to blind our people to everything domestic in character and obliterate the memory of our lack of foreign policy. The strategy, doubtless, from the standpoint of playing the game, is perfect. Is our intelligence sufficient to understand it?

"There can be no political issue on reduction of taxes. Everybody would reduce the expenditures of Government to the least possible sum, and collect from people only that sum.

"To inject tax reduction as a false political issue into a campaign is to cuttlefish the political water so that nothing else may be seen.

"Let me ask the newspapers crying so loudly for the Mellon plan, the organizations that have been stimulated into activity for it without understanding it, and all the propagandists of big business, if you had to choose between reductions on small incomes and reductions on large incomes, how would you stand? I venture the assertion that if the reduction of taxation of small incomes only were involved there would be no propaganda, no pretended political issue about tax reduction.

"I am well aware that our opponents have relegated international affairs to the obscurity of the State Department, and with their overwhelming power of publicity would have an inevitable tax reduction as a smoke screen hiding foreign policy. An enlightened public opinion must rend the veil and clear the atmosphere, for inextricably interwoven with taxes is foreign policy."

Senator JOHNSON branded the sale of arms to the Mexican Government as "immoral if not illegal." He will speak to-morrow night at Evansville, Ind.

JOHNSON RENEWS 1920 BID FOR MICHIGAN VOTE—CONDEMNS MEXICAN ARMS SALE, WORLD COURT, LEAGUE, MELLON PLAN; URGES BONUS AND TAX CUT, IN DETROIT—HITS NATIONAL COMMITTEE—WILL NOT PERMIT COLLECTORS AND UNITED STATES MARSHALS TO NOMINATE, HE SAYS.

[From the New York Tribune, January 18, 1924.]

DETROIT, January 17.—Senator HIRAM JOHNSON of California, who won Michigan's support in the 1920 presidential preferential primaries, renewed his bid for the favor of Wolverine Republicans to-night in an address here.

In a speech which followed closely one recently made in Cleveland, Senator JOHNSON condemned the sale of arms to the Obregon government in Mexico; he assailed the World Court as the "creature of the league," and he reiterated his opposition to the league, "with or without reservations." He unqualifiedly advocated a soldiers' bonus, and was equally vigorous in favoring a reduction in taxes, at the same time expressing opposition to the Mellon tax plan.

HITS RESTORATION TO SOUTH.

Other high points in his address were his fling at the Republican National Committee for restoring to Southern States the representation taken from them by the 1920 convention, and his criticism of Henry

Ford and others for their statements that it would be better if no presidential election were held this year.

"Some politicians have rather hysterically denounced me," Senator JOHNSON said, "because I have interfered with the serenity of the occasion and have not permitted their plans for a nomination by default to be consummated. These gentlemen look upon this as sort of 'lese majeste.' I shall not concede that collectors of revenue, United States marshals, postmasters, and other officeholders may themselves alone nominate candidates for the Presidency."

Payment of a bonus, the Senator said, should be made "not as a question of commercialized patriotism, but as a question of deserved recognition in a small degree." With $350,000,000 surplus in the Treasury he believed it would be possible not only to pay the initial installment on the bonus but reduce taxes as well.

SAYS MELLON PLAN IS FOR RICH.

The Mellon plan drew the fire of the Californian's guns. He said persons of large incomes would benefit by the Treasury Secretary's program. "The concern of this tax scheme is not for the man of small income," he said, "but for the man of large income, who can best bear the burden. I would reduce taxes of all the people wherever it is possible to do so and keep faith at the same time."

Senator JOHNSON said he did not know the merits of the contest now raging in Mexico, adding that "they are immaterial in this discussion." The principle of the present administration's attitude toward the Obregon government, however, brought forth a broadside of criticism. "Free America," he said, "announces the doctrine that revolution will be put down with our arms, and constituted authority in neighboring nations will, at all hazards, be upheld. What an anomalous and paradoxical position is ours to-day, we who were born in revolution! Our Government says to the people who inhabit this continent: 'If you dare fight for what you may deem to be right, the most powerful nation in the world will come to the aid of those you think your oppressors and will maintain existing power.'"

JOHNSON AGAIN BIDS FOR MICHIGAN VOTE—CALIFORNIA SENATOR URGES BONUS AND OPPOSES MELLON PLAN.

[From the New York Herald, January 18, 1924.]

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Senator JOHNSON condemned sale of arms to the Mexican Government; he assailed the World Court as the "creature of the league," and reiterated his opposition to the league. He unqualifiedly advocated a soldiers' bonus and was equally vigorous in favoring a reduction in taxes, although opposing the Mellon plan.

He took a fling at the Republican National Committee for restoring to Southern States the representation taken from them by the 1920 convention, and criticized Henry Ford and others for their statements that it would be better if no presidential election were held this year.

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"Free America," he said, "announces the doctrine that revolution will be put down with our arms, and constituted authority in neighboring nations will, at all hazards, be upheld. What an anomalous and paradoxical position is ours to-day, we who were born in revolution. Our Government says to the people who inhabit this continent: 'If you dare fight for what you may deem to be right, the most powerful Nation in the world will come to the aid of those you think your oppressors.'"

The World Court is objectionable to the California Senator, he said, "because we can not enter it without being entangled in the league itself."

The Republican National Committee's action in restoring to Southern States the representation taken from them by the 1920 convention, he said, gives 134 delegates to nine Southern States, polling 489,000 Republican votes, while Ohio, where 1,182,000 vote the Republican ticket, will have only 51 delegates at the convention.

PROSECUTION OF CLAIMS AGAINST THE GOVERNMENT BY EX-OFFICIALS.

The Senate resumed the consideration of Senate Resolution 179, relative to the prosecution of claims against the Government before the Shipping Board or Emergency Fleet Corporation by ex-officials of the Government.

The PRESIDENT pro tempore. The question is on agreeing to the resolution.

The resolution was agreed to.

MESSAGE FROM THE HOUSE—ENROLLED BILL AND JOINT RESOLUTIONS SIGNED.

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the Speaker of the House had signed the following enrolled bill and joint resolutions, and they were subsequently signed by the President pro tempore:

S. 2189. An act granting the consent of Congress to the State Highway Department of North Carolina to construct a bridge across the Peedee River in North Carolina between Anson and Richmond Counties;

S. J. Res. 83. Joint resolution for the appointment of one member of the Board of Managers of the National Home for Disabled Volunteer Soldiers;

S. J. Res. 84. Joint resolution making appropriation for contingent expenses of the United States Senate, fiscal year 1924; and

H. J. Res. 160. Joint resolution to provide an appropriation for the prosecution of suits to cancel certain leases, and for other purposes.

INTERIOR DEPARTMENT APPROPRIATIONS.

The PRESIDENT pro tempore. Morning business is closed.

Mr. SMOOT. I ask unanimous consent that the Senate proceed to the consideration of House bill 5078, being the Interior Department appropriations bill.

The PRESIDENT pro tempore. Is there objection? The Chair hears none. The unfinished business will be proceeded with.

POLITICAL SPEECHES OF PRESIDENTIAL CANDIDATES.

Mr. ROBINSON. Mr. President, before the consideration of the appropriations bill proceeds I desire to address the Senate for just a moment, not upon the point of order but relative to the precedent set by the chairman of the Committee on Printing, the Senator from New Hampshire [Mr. MOSES], in reading into the RECORD a political speech purporting to have been delivered by the Senator from Missouri [Mr. REED] at some point in the country last night.

Mr. President, I objected to the insertion in the RECORD of the speech for a reason which I believe to be sound, and which I believe Senators who have respect for the proper proceedings of the Senate will indorse. It establishes an objectionable precedent. I have not the slightest objection to a free and full discussion of the conduct of any man who has been a Democratic political officeholder, and I think it right and proper that those who have avowed themselves candidates for the office of President of the United States should express their views touching the issues which they think may reflect upon the merits of their candidacy. This is not the proper forum to determine the propriety of conduct attributed to candidates.

The Senator from New Hampshire [Mr. MOSES], however, has posed as the protector of the RECORD. He has now set the precedent of inviting the insertion in the RECORD or the reading into the RECORD of political addresses delivered by various candidates for President of the United States. Of course, the purpose of the Senator from New Hampshire is manifest to everyone present who observes his conduct. It is a manifestation of the kind of statesmanship which usually characterizes debate upon the part of the Senator from New Hampshire, and it is an illustration of his views as to how the business of the Senate of the United States should be conducted. The Senator from New Hampshire is welcome, so far as I am concerned, to any consolation that he may derive by reason of the criticism of one Democratic candidate for the Presidency by another; but let me point out to the Senator from New Hampshire the distinction which the Senator from Missouri made in his speech, a distinction that is worth while—I doubt if the Senator from New Hampshire can comprehend it; but, nevertheless, it is a distinction proper to be made—and that is, the Senator from Missouri did demonstrate one fact, that Democratic Cabinet members when they want to make money get out of the Cabinet and Republicans when they want to make money get into the Cabinet. [Laughter.]

Mr. HEFLIN. Mr. President, I can hardly permit the hour to pass without saying a word in reply to the Senator from New Hampshire [Mr. MOSES]. He seems very much delighted—in fact, overjoyed—at finding that something has been said in criticism of a prominent Democrat. In the multitude of Republican officials who have been besmirched by their own bad conduct and wrongdoing, it must have been refreshing to the Senator from New Hampshire to find that somebody was speaking in criticism of a Democrat who had formerly held a Cabinet office.

As the Senator from Arkansas [Mr. ROBINSON] has said, I have no objection to turning on the light. I think that any candidate and every candidate for the office of President ought to be able to stand up before the searchlight; he ought to have the spotlight put on him, and unless he is such a man as should be exalted to that high place he ought to be rejected. If the spotlight had been turned on certain Republicans, we would not have the trouble and scandal that we now have.

It seems that there has been wrongdoing in every department of the Republican administration, and Senators, like the Senator from Nebraska [Mr. NORRIS], have been offering resolution after resolution in regard to this department and that department; he, a Republican, is crying out to have the light turned. So we have several investigations going on. Why? Because of the misconduct of Republicans now in office. The Senator from New Hampshire rises in his place and talks about something that a Democratic ex-Cabinet member has done in the private walks of life. I am not defending his acts; he will answer for himself; and if he has been guilty of wrongdoing let it come out; but the Senator from Arkansas has correctly sized up the situation. When a Democrat in office feels that he wants to make money he turns over the office with a clean record and gets out and enters some business as a private citizen to make money, while some Republicans seek to get into office for the purpose of making money, and when they get in they open the door to property that has been intrusted to their care and permit people to come in and help themselves, and there is a little toll left at the gate as they depart with the loot.

Cabinet officers who have been in office under Republican rule are rich now. Nobody knows how much money Fall got. A hundred thousand dollars, in my judgment, will not touch it, nor $200,000 nor $500,000, for I believe he got a million and more, and I do not believe Fall is the only one of them who got money. I think there were drippings from the oil sanctuary all down the line, and that they were getting theirs, more of them than Fall. These things are going on under a Republican administration.

Now, while the Senator from New Hampshire is gloating over something said about a Democrat who once held office in the Nation and who is seeking to hold another office, and who must have his claims passed upon at the judgment bar of the great Democratic Party, let him inquire what is the President doing this day toward stopping Doheny from pumping oil out of the wells yonder in California. That oil belongs to the Government. We have said the naval reserve leases were fraudulent; we have said they ought to be canceled; we have appointed two lawyers to have them canceled; and yet Doheny is here flourishing in the Capital, his pumps are running now, Sinclair's pumps are running, and the oil is being taken out every day by the thousands of barrels. I should like the Senator from New Hampshire to give his attention to that situation, and I should like to ask him to call the attention of the President to it. I did so on yesterday, and I am going to ask again now, What is the President doing to protect this property of the people? What is he doing to keep them from getting away with this great oil treasure that belongs to the American people?

Mr. McKELLAR. Mr. President——

Mr. HEFLIN. I yield to my friend from Tennessee.

Mr. McKELLAR. In addition to that, Mr. President, what is the Department of Justice doing and what are the two lawyers, whom we have confirmed at the request of the President, doing toward bringing these criminals to justice? The proof is almost positive that Mr. Sinclair and Mr. Doheny have bribed Mr. Fall and that Mr. Fall has accepted those bribes.

Weeks and even months have passed away, and there has not been a sign of any proceeding to bring these men to an accounting. No indictment has been returned, and, so far as I have been able to see in the public prints, no indictment is even being thought of against these men who the world knows are guilty, and they ought to be prosecuted.

I want to say again, if the Senator will permit me, that it is the duty of these lawyers that we have employed, it is the duty of the Department of Justice, to have indictments brought against these men, give them a speedy trial, and let the country know whether they are guilty or not guilty; and if they are guilty, as I believe they are guilty, they ought to be sent to the penitentiary like other criminals. It is an outrage that something is not done with these rich criminals. Have we come to such a pass that the criminal laws of our country are executed only against the poor people of the country and not against the rich? These men should be brought to justice, and brought to justice speedily.

Mr. HEFLIN. I thank the Senator from Tennessee for his suggestion. Mr. President, it has gotten to be common knowledge that the poor man and the poor woman do not escape when they offend against the law; but these fellows high in financial circles can buy their passports into any sort of crooked deal and get away with it. Money, money! You worship at the shrine of Mammon.

Mr. FLETCHER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Alabama yield to the Senator from Florida?

Mr. HEFLIN. I gladly yield to my friend from Florida.

Mr. FLETCHER. Is it not worth while, also, to remember what has been taking place in the Veterans' Bureau? What has become of Forbes? A strong indictment has been laid down here with reference to the frauds, the crookedness, the graft, the corruption in the Veterans' Bureau. Who has been prosecuting Forbes?

Mr. HEFLIN. That is a very pertinent suggestion that the Senator has made, and I want to say here what I have said once before: I have heard it said that one man who has been under investigation in that matter has stated that he dared the Attorney General to indict him. I imagine that he means by that that the Attorney General dare not indict him because of some knowledge that the Attorney General has, and some knowledge that he has in this connection regarding the Attorney General.

Mr. President, it is an awful situation that we have in this country.

There is going to be a house cleaning in this Nation. It ought to be had. As I said on yesterday, we ought all to pull together to that end, and not try to throw any chunks in the way of this investigation. We ought rather to help it along and say, whether they be Democrats or Republicans, "Turn on the light!" Let that become the national slogan. In addition to the slogan "Turn on the light," let us add "and turn the rascals out."

The Senator from West Virginia [Mr. ELKINS] gets into print this morning. If I recall correctly, he has been speculating in oil stocks. He is on slippery ground. Oil is a very slippery proposition, and yet they tell us that he has been dealing in oil. He suggests that whenever a Democrat gets up here and assails a Cabinet officer, some Republican on the other side runs up and tells the President to call for his resignation. I must admit, in view of that suggestion, that we are making some progress, because when we went after Denby, he never had you running up there then. You went up there to keep us from getting him out, but he knew more about it than you thought he did, and he got out. He got out when he was saying he would not get out. He got out when the President was saying he would not let him get out; but this thing called public opinion, aroused indignant public opinion, drove Denby out; the truth is mighty and it did prevail. Now, I submit if leaders on the other side are going up and telling the President that he ought to let these men out of the Cabinet, we are making some headway.

The Senator from West Virginia [Mr. ELKINS] suggests that he understands we have Mr. Mellon next on the rack. Well, that is not so bad. The Senator from West Virginia suggests that Mr. Weeks, Secretary of War, is next in order. Well, he seems to think that we are going down the line. Fall, Denby, Daugherty, Weeks, Mellon—call the roll! Who is it in this administration that can stand up with clean hands and say "Turn on the light"? Who is it?

In order that the Senator from New Hampshire may not get too far astray, I might ask him how the President came to appoint two oil attorneys first to handle this property of the Government. He appointed Mr. Gregory and Mr. Strawn.

I showed Mr. Strawn's connection with the oil people, and these two appointments were set aside. Why were these men selected at the outset? Did anybody think that we did not know or that somebody else did not know their connections? Why were these men first selected? I can ask that with more pertinency now, since Doheny has come to the Capital and is taking the rôle of leader of the Republican Party, and urging the country to stand by a Republican administration. May I not ask why were these two oil attorneys first named, and not set aside until we pointed out that they were oil attorneys? Let the Senator from New Hampshire ponder these questions as he goes along.

Another question, Mr. President, might be pertinent now. When Mr. Coolidge became President—cunning, cold, calculating, cautious Cal—they said: "Of all men, he is the best fitted. He has been in the Senate, presiding over that great body. He has heard the debates on everything. He is familiar with Congress and the action of Congress. He knows it all; and not only that, but he has been sitting with the Cabinet. He is, therefore, familiar with the duties of President, just the same

as if he had really been President. He, above all men, is fitted for this place." Then, when he came into the office of President and these billion-dollar oil reserves of the Navy came up for consideration and it was found that a Republican Cabinet where he had been sitting had discussed it, they said: "Why, he did not know anything at all about that. You will have to excuse him"; but as to all the other matters that did not amount to much he was right there when they were discussed. Then they said: "What about the debates in the Senate?" The Senator from Wisconsin [Mr. LA FOLLETTE] said: "Why, he was sitting in that chair when I discussed my resolution and went into it in detail"; and still some people talk about the President not knowing anything about this oil matter.

I want to remind the Senator from New Hampshire again, and remind the investigating committee again, that William Boyce Thompson, a stockholder in the Sinclair company, borrowed, with part of the securities of the Sinclair company, $3,000,000 on a dummy note while he was treasurer of the Republican campaign committee in New York in 1920. If that is not a fact, call witnesses before that committee and prove that it is not a fact. He borrowed $5,000,000 in all. Three million dollars of it was borrowed on a dummy note. Who got the benefit of that $3,000,000? The Republican campaign committee, the Republican Party.

So, Mr. President, from time to time, in order to keep the record straight and for the benefit of my friend from New Hampshire, it may be necessary to inject into the RECORD some of these very pertinent matters.

INTERIOR DEPARTMENT APPROPRIATIONS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 5078) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1925, and for other purposes.

Mr. OVERMAN. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Adams	Edwards	Ladd	Reed, Pa.
Ashurst	Elkins	La Follette	Robinson
Ball	Ernst	Lenroot	Sheppard
Bayard	Ferris	Lodge	Shipstead
Borah	Fess	McKellar	Shortridge
Brandegee	Fletcher	McKinley	Simmons
Brookhart	Frazier	McLean	Smith
Broussard	George	McNary	Smoot
Bruce	Glass	Mayfield	Spencer
Bursum	Gooding	Moses	Stanfield
Cameron	Hale	Neely	Stanley
Colt	Harris	Norbeck	Swanson
Copeland	Harrison	Norris	Trammell
Couzens	Heflin	Oddie	Walsh, Mass.
Cummins	Howell	Overman	Walsh, Mont.
Curtis	Johnson, Minn.	Pepper	Warren
Dale	Jones, N. Mex.	Phipps	Watson
Dial	Jones, Wash.	Pittman	Wheeler
Dill	Kendrick	Ralston	Willis
Edge	Keyes	Ransdell	

The PRESIDENT pro tempore. Seventy-nine Senators have answered to their names. There is a quorum present.

Mr. OVERMAN. Mr. President, before the question of order is submitted to the Senate I will ask the Chair to let me make another point of order, which I think involves one of the greatest questions which has come before the Senate in a long time. That question is, Have a few men sitting in the Treasury Department the right to submit to the Senate, in order to make it in order, an appropriation suggested by some Senator or some outsider who has more influence than I or other Senators have? Can some Senator or some outsider have an estimate submitted which is not authorized by law? If there is that power, we had better abdicate our powers as legislators and allow those men to estimate what some Senator or some outsider may get them to estimate through his influence.

The PRESIDENT pro tempore. The Chair regards it as his first duty to submit to the Senate the question of the relevancy of the amendment offered by the Senator from Wisconsin [Mr. LENROOT].

Mr. HARRISON. I have no objection to the Chair submitting that proposition to the Senate, but I do not want to lose any right to take an appeal from the decision of the Chair on the first proposition.

The PRESIDENT pro tempore. There will be abundant opportunity for an appeal.

Mr. LENROOT. With reference to an appeal from a decision of the Chair, I give notice that I shall urge that the time for an appeal has gone by and it is too late to appeal from the decision of the Chair.

Mr. OVERMAN. Mr. President, the Senator from Wisconsin is a fair man and wants to do what is right. He will remember that these rulings were all made just before adjournment, at one time, and really we did not have time enough to appeal. I hope the Senator will not raise that point.

Mr. LENROOT. Certainly the Senator from Wisconsin does not desire to be technical, but I appeal to the RECORD on that.

Mr. OVERMAN. The Senator can appeal to the RECORD, but he knows without appealing to the RECORD that it was just before adjournment, and the Chair said, "We will let this matter go over until to-morrow." I myself suggested that we were just on the point of reaching 6 o'clock, that we had been here all day, and that we had better adjourn until to-day.

Mr. LENROOT. Upon the question of the germaneness, frankly, I had no thought that there was any intention to appeal from the decision of the Chair, because there was nothing to indicate it.

Mr. OVERMAN. Mr. President, I can make another point, which I intend to do, which, I will say, involves this question. The point of order I made was under paragraph 2. I have not made a point of order under paragraph 1, but I intend to do so. That is the matter in connection with which I say the very integrity of the Senate is at stake.

The PRESIDENT pro tempore. In the view of the Chair the question now is, Is the amendment proposed by the Senator from Wisconsin [Mr. LENROOT] germane or relevant to the subject matter contained in the bill?

Mr. OVERMAN. That is not debatable, I believe.

The PRESIDENT pro tempore. That question is not debatable.

Mr. HARRISON. A parliamentary inquiry, Mr. President.

The PRESIDENT pro tempore. The Senator will state his inquiry.

Mr. HARRISON. As I recall the rule, an appeal can be taken from a decision of the Chair until intervening business shall have interposed. There has been no intervening business since the ruling of the Chair late yesterday afternoon.

The PRESIDENT pro tempore. The Chair has not ruled upon the question at all.

Mr. HARRISON. I understand that. The parliamentary inquiry I desire to propound is this: Would the taking of a vote on this division of the proposition be intervening business? It would be a part of the ruling of the Chair, would it not?

The PRESIDENT pro tempore. The Chair is very clear that that is not intervening business.

Mr. OVERMAN. The Chair holds, then, as I understand the Chair's ruling, that he will not permit me to submit this point of order——

The PRESIDENT pro tempore. The Chair is of the opinion that the rule requires the submission of this question to the Senate——

Mr. OVERMAN. Before any other point is made?

The PRESIDENT pro tempore. And if other points of order are to be made and other questions arise, after the point is submitted, the Chair will endeavor to deal with them at the time they arise. Does the Senator from North Carolina desire to take an appeal at this moment?

Mr. OVERMAN. No, Mr. President. I want to take an appeal on some rulings made yesterday, which I did not think I was precluded from taking, because we were just on the point of an adjournment.

The PRESIDENT pro tempore. The question is, as stated by the Chair, Is the amendment proposed by the Senator from Wisconsin germane or relevant to the subject matter contained in the bill?

Mr. LENROOT. I demand the yeas and nays.

The yeas and nays were ordered.

Mr. ROBINSON. I ask that the Chair state the question.

The PRESIDENT pro tempore. The question is, Is the amendment proposed by the Senator from Wisconsin germane or relevant to the subject matter contained in the bill?

Mr. OVERMAN. What is the amendment?

Mr. KENDRICK. Mr. President, has the Chair ruled upon the question?

The PRESIDENT pro tempore. The Chair is not permitted to rule. The standing rules of the Senate require that this question shall be submitted to the Senate without debate. The Secretary will call the roll.

Mr. BRUCE. Mr. President, though I was straining my ears to hear the statement of the question, I really do not know what the proposition is.

The PRESIDENT pro tempore. The Chair has stated the proposition.

Mr. BRUCE. Yes; but what is the subject matter to which the point of order relates?

The PRESIDENT pro tempore. The question is, Is the amendment offered by the Senator from Wisconsin germane or relevant to the subject matter of the bill?

Mr. BRUCE. What is the subject matter to which the amendment relates?

Mr. LENROOT. The appropriation of $370,000 for Howard University.

The PRESIDENT pro tempore. The Secretary will proceed with the roll call.

The Secretary proceeded to call the roll.

Mr. GLASS (when his name was called). I have a general pair with the junior Senator from Connecticut [Mr. McLEAN], in his absence I withhold my vote. If permitted to vote, I would vote "nay."

Mr. JONES of New Mexico (when his name was called). I transfer my general pair with the senior Senator from Maine [Mr. FERNALD] to the senior Senator from Tennessee [Mr. SHIELDS] and vote "nay."

Mr. LODGE (when his name was called). I have a general pair with the senior Senator from Alabama [Mr. UNDERWOOD]. I transfer that pair to the Senator from Vermont [Mr. GREENE] and vote "yea."

Mr. SIMMONS (when his name was called). I have a general pair with the junior Senator from Oklahoma [Mr. HARRELD]. I transfer that pair to the junior Senator from Arkansas [Mr. CARAWAY] and vote "nay."

Mr. SMITH (when his name was called). I have a general pair with the senior Senator from South Dakota [Mr. STERLING]. I transfer that pair to the senior Senator from Missouri [Mr. REED] and vote "nay."

The roll call was concluded.

Mr. DALE. I have a pair with the junior Senator from Mississippi [Mr. STEPHENS]. I transfer that pair to the junior Senator from Kansas [Mr. CAPPER] and vote "yea."

Mr. HARRISON. I desire to announce that my colleague, the junior Senator from Mississippi [Mr. STEPHENS] is unavoidably absent. He is paired with the junior Senator from Vermont [Mr. DALE], and if present and permitted to vote would vote "nay."

Mr. ASHURST. I desire to announce that the junior Senator from Massachusetts [Mr. WALSH] is unavoidably absent. If present, he would vote "yea."

Mr. CURTIS. I desire to announce the absence of the senior Senator from Maryland [Mr. WELLER]. If present, he would vote "yea." I also desire to announce the following pairs:

The senior Senator from Illinois [Mr. McCORMICK] with the senior Senator from Oklahoma [Mr. OWEN]; and

The senior Senator from New York [Mr. WADSWORTH] with the junior Senator from Utah [Mr. KING].

Mr. ROBINSON. The junior Senator from Arkansas [Mr. CARAWAY] is necessarily absent. If he were present, he would vote "nay."

The roll call resulted—yeas 54, nays 19, as follows:

YEAS—54.

Adams	Dale	Kendrick	Phipps
Ashurst	Dill	Keyes	Ralston
Ball	Edge	Ladd	Reed, Pa.
Bayard	Edwards	La Follette	Shipstead
Borah	Elkins	Lenroot	Shortridge
Brandegee	Ernst	Lodge	Smoot
Brookhart	Ferris	McKinley	Spencer
Bruce	Fess	McNary	Stanfield
Bursum	Frazier	Moses	Walsh, Mont.
Cameron	Gooding	Neely	Warren
Copeland	Hale	Norbeck	Watson
Couzens	Howell	Norris	Willis
Cummins	Johnson, Minn.	Oddie	
Curtis	Jones, Wash.	Pepper	

NAYS—19.

Broussard	Harrison	Overman	Smith
Dial	Heflin	Ransdell	Stanley
Fletcher	Jones, N. Mex.	Robinson	Swanson
George	McKellar	Sheppard	Trammell
Harris	Mayfield	Simmons	

NOT VOTING—23.

Capper	Greene	Owen	Underwood
Caraway	Harreld	Pittman	Wadsworth
Colt	Johnson, Calif.	Reed, Mo.	Walsh, Mass.
Fernald	King	Shields	Weller
Gerry	McCormick	Stephens	Wheeler
Glass	McLean	Sterling	

The PRESIDENT pro tempore. On this question the yeas are 54, the nays are 19. So the Senate holds that the amendment offered by the Senator from Wisconsin [Mr. LENROOT] is germane and relevant, and the Chair overrules the point of order made by the Senator from North Carolina [Mr. OVERMAN] and the Senator from Arkansas [Mr. ROBINSON].

Mr. OVERMAN. What point of order did the Chair overrule?

The PRESIDENT pro tempore. The Chair understands that the Senator from North Carolina made a point of order yesterday, and thereafter the Senator from Arkansas amplified the point of order and made another point of order.

Mr. OVERMAN. That is correct. I made but one point of order, and that was under paragraph 2 of Rule XVI. Now I make the point of order, and I think it involves a very vital question, under paragraph 1 of Rule XVI, which provides that no amendment shall add a new item of appropriation made unless it be made to carry out the provisions of some existing law or treaty, stipulation, or act, or resolution previously passed by the Senate during that session, or unless the same be moved by direction of a standing or select committee of the Senate, or is proposed in pursuance of an estimate submitted in accordance with law. I make the point of order that this appropriation has not been estimated for in pursuance of law. That is the point of order I make.

Mr. LENROOT. I make the point of order that that question has already been decided by the Chair and the point can not be renewed. That was one of the express points made by the Senator from Arkansas yesterday. It so appears in the RECORD, as follows:

> Mr. ROBINSON. I think perhaps the Chair did not hear my point of order. I make the point of order as follows:
>
> First, that the amendment is not in order because it is not proposed in pursuance of an estimate submitted in accordance with law.

The Chair ruled upon that last night. The Chair overruled the point of order and submitted the question of germaneness. The RECORD shows what then transpired.

Mr. OVERMAN. But that point of order was made under paragraph 3 of Rule XVI.

The PRESIDENT pro tempore. The Chair understands that the point of order that is now made by the Senator from North Carolina is exactly the point of order made by the Senator from Arkansas yesterday. The Chair expressed its opinion with regard to that point of order yesterday, as also the point of order raised under paragraph 3, that the amendment constituted general legislation.

Mr. OVERMAN. Under the circumstances that occurred, which the Chair remembers as well as everyone else, when the suggestion was made that we let the matter go over until today for such action as we should desire to take, does the Chair hold that I can not now take an appeal?

Mr. LENROOT. I appeal to the RECORD upon that.

Mr. OVERMAN. Well, read the RECORD.

Mr. LENROOT. I would like to read the entire RECORD on that subject. I read as follows:

> Mr. ROBINSON. Mr. President, I think we might just as well determine other points of order which are deemed to be applicable. I make the point of order, if it is in order to do so now, that the amendment is not in order because, first, it is not proposed in pursuance of an estimate submitted in accordance with law; second, because it is not germane or relevant to the subject matter in the bill.
>
> Mr. LENROOT. The Senator understands that the last point must be decided by the Senate; it can not be decided by the Chair.
>
> Mr. OVERMAN. Another ground on which a point of order might be based is that it is general legislation.
>
> Mr. ROBINSON. I think perhaps the Chair did not hear my point of order. I make the point of order as follows:
>
> First, that the amendment is not in order because it is not proposed in pursuance of an estimate submitted in accordance with law.
>
> Second, because the amendment proposes general legislation.
>
> Third, because it is not germane or relevant to the subject matter contained in the bill.
>
> The PRESIDENT pro tempore. The Chair had occasion to give some study to this matter a few days ago upon the point of order raised by the Senator from North Carolina [Mr. OVERMAN]. It is the opinion of the Chair that the amendment is proposed in pursuance of an estimate submitted in accordance with law. That disposes of any objection that can be made to the amendment so far as being in order is concerned under the first paragraph of Rule XVI. It is not objectionable to paragraph 2 because it is not moved by a standing or select committee of the Senate.
>
> There remains to be considered the point of order just made by the Senator from Arkansas [Mr. ROBINSON] under paragraph 3, which provides that—
>
> "No amendment which proposes general legislation shall be received to any general appropriation bill, nor shall any amendment not germane or relevant to the subject matter contained in the bill be received; nor shall any amendment to any item or clause of such bill be received which does not directly relate thereto; and

all questions of relevancy of amendments under this rule, when raised, shall be submitted to the Senate and be decided without debate; and any amendment to a general appropriation bill may be laid upon the table without prejudice to the bill."

The Chair overrules the point of order so far as it raises the question of the amendment being proposed in pursuance of an estimate submitted in accordance with law. It overrules the point of order so far as it relates to general legislation, because the Chair is of the opinion that it is not general legislation.

In accordance with the rule, the Chair submits to the Senate the question as to whether or not the amendment is germane. The question is, Shall the point of order be sustained because the proposed amendment is not germane to the provisions of the bill?

Mr. OVERMAN. Mr. President, it is pretty late. I think we had better let it go over until to-morrow.

There was not a suggestion of an appeal, but the pending question was the germaneness of the amendment, and that was all.

Mr. OVERMAN. It is very evident that I had no time to appeal, as the Chair was stating the question to the Senate, and I rose and asked, as I understood, that the whole matter go over until to-day.

Mr. LENROOT. I read the Senator's language. Then the Senator from Mississippi [Mr. HARRISON] said:

I have an amendment to offer that is very important, and there will be no discussion on it.

There was no suggestion or thought upon the part of anyone on the other side of the Chamber of an appeal.

Mr. MOSES. We have a question before the Senate.

And that question was only the question of germaneness.

The PRESIDENT pro tempore. Debate is not permitted.

Mr. LODGE. I move that the Senate proceed to the consideration of executive business.

Mr. ROBINSON. Will not the Senator from Massachusetts withhold that motion until to-morrow? It is late this evening.

Then there followed a discussion as to an adjournment or a recess, and there was no suggestion of an appeal upon the part of anybody. That being so, I submit that it is both too late to appeal, and the identical question having been decided by the Chair yesterday it can not now be renewed. There is an amendment pending which it has been decided is germane.

Mr. HARRISON. Mr. President, I understood the Senator from Wisconsin made a point of order to the suggestion of the Senator from North Carolina. The matter that is now pending is his point of order. Is not that right?

The PRESIDENT pro tempore. There is no point of order pending as the Chair understands.

Mr. HARRISON. I understood that the Senator from North Carolina had taken an appeal from a ruling of the Chair on yesterday afternoon and that the Senator from Wisconsin had made the point of order against the Senator taking an appeal at this time because it was too late.

The PRESIDENT pro tempore. The Chair has not so understood it.

Mr. LENROOT. No. The Senator from North Carolina this morning has not suggested an appeal, but he made a point of order that the matter was not submitted in pursuance of an estimate in accordance with law. I thereupon made the point of order that the question had been decided already by the Chair.

Mr. ROBINSON. The Senator from North Carolina can make the point of order when th bill gets into the Senate.

Mr. OVERMAN. I understand that I can do so, but I thought we might as well settle it now as at any time. A Senator does not usually take advantage of another at such a time on the eve of an adjournment. I did not think the Senator, with all due respect to him, for I like him, would make that point at this time.

Mr. LENROOT. I am very frank to say to the Senator from North Carolina that I think it is always in order to protect the rules of the Senate, which I know to be clearly against an appeal in these circumstances. I do not care in this particular case, however, because the Senator knows that he can take his appeal later on.

Mr. DIAL. Mr. President, the point of order that ought to be made is that there is nothing in the Constitution of the United States nor in the laws nor in the rules of the Senate authorizing us to donate money for this purpose. I know there is no use making such a point of order, but it ought to be permissible. Our devotion to the Constitution ought to preclude us from giving away the taxpayers' money. Further, if the Treasury is so full of funds that we are to be donating money to the schools of the country, it would serve a better purpose to divide it up equally and contribute to help build up military schools, so that we can train our young men to defend the country in time of need.

Mr. HARRISON. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator from Mississippi will state the inquiry.

Mr. HARRISON. I understood the Chair to rule that where a decision had been made by the Chair an appeal could be taken from that ruling in all cases except where intervening business had been interposed.

The PRESIDENT pro tempore. The Chair has not ruled upon that question at all.

Mr. HARRISON. I understood the Chair to so express himself; that that was a correct construction of the rule.

The PRESIDENT pro tempore. The Chair said the question of an appeal had not arisen.

Mr. HARRISON. I take an appeal now from the decision of the Chair on yesterday afternoon, and on that proposition I submit there has been no intervening business. The only thing that has been done was a motion to adjourn yesterday, and it was understood that the only reason why an appeal was not taken yesterday and that the matter was not fought out was because of the lateness of the hour and that the point of no quorum could be made and we would not be able to get a quorum at that time.

Yesterday, on page 3094 of the RECORD, occurred the following:

Mr. OVERMAN. Mr. President, does the Senator offer that amendment?

Mr. LENROOT. I do.

Mr. LODGE. It has been ruled on already.

Mr. HARRISON. Mr. President, I presume that a point of order will be made to get a quorum here if this amendment is pressed. Why can it not go over until to-morrow?

Mr. LENROOT. I am perfectly willing.

Throughout the discussion it is shown that the only reason why it was not proposed yesterday was because a point of order would be made and an appeal would be taken from it and the yeas and nays would be ordered. I submit that we can take an appeal from the decision of the Chair at any time except when intervening business has come up, and there has now been no intervening business. There is nothing in the rules to show that we have to take a appeal immediately. An appeal from the decision of the Chair will be taken, and no harm will be done by an appeal now being taken from the decision of the Chair, because the matter will not be discussed any more. Of course, a point of order can be made when we get the bill into the Senate, as has been suggested, but in view of what happened yesterday and the way the matter went over because of the lack of a quorum, it does seem to me that we ought to have the right to take an appeal on the first proposition.

Mr. BROOKHART. I suggest to the Senator from Mississippi that he ask unanimous consent that an appeal be considered at this time.

Mr. HARRISON. I ask unanimous consent that an appeal may be ordered by the Senate and that we vote on that proposition.

Mr. LENROOT. I have no objection to that course being taken, but I want to say to the Senator from Mississippi, and I take this opportunity of saying, that I can not agree at all to his contention that there must be intervening business in order to prevent an appeal. If the Chair rules on any question and debate goes on for a week the Senator would not say that an appeal could be taken a week later. There is no such rule as to intervening business.

Mr. WARREN. Mr. President, I must object to the request of the Senator from Mississippi. I think we ought to transact some business here.

The PRESIDENT pro tempore. The Chair has reached a very definite conclusion in regard to the matter. The Chair would be very slow to prevent an appeal upon any decision the Chair might make and therefore the question is, Shall the decision of the Chair stand as the judgment of the Senate?

Mr. OVERMAN. Is that debatable?

The PRESIDENT pro tempore. And upon that there is no debate as the Chair understands the rule.

Mr. OVERMAN. The Chair can hear me, I suppose. He has the right to do it.

Mr. SMOOT. Not on an appeal.

Mr. OVERMAN. On a question of order.

The PRESIDENT pro tempore. Does the Senator from North Carolina desire to debate the question?

Mr. OVERMAN. I desire to inform the Chair, and perhaps after he hears my statement he will reverse his ruling.

The PRESIDENT pro tempore. The Chair has already ruled upon the question.

Mr. OVERMAN. I understand that, but sometimes occupants of the chair reverse their rulings.

The PRESIDENT pro tempore. There may be an appeal from the decision of the Chair, but, as the Chair understands, the question is now for the Senate to determine. It is not a debatable question.

Mr. OVERMAN. The question is debatable.

The PRESIDENT pro tempore. It is not a debatable question.

Mr. LENROOT and Mr. OVERMAN. Why not?

The PRESIDENT pro tempore. The Senator can appeal from that decision also.

Mr. OVERMAN. An appeal is always debatable.

Mr. ASHURST. Mr. President, I am sure the Chair wants to be fair, and is fair, but I am certain he is temporarily in error. An appeal from the decision is debatable. I beg pardon of the Chair for the bald statement. I know that the Chair is uniformly fair, and wishes to be fair in this case.

The PRESIDENT pro tempore. The Chair wishes to decide all questions in accordance with the rules of the Senate.

Mr. ASHURST. With due deference to the Chair, I think the appeal is debatable.

The PRESIDENT pro tempore. On further consideration the Chair is inclined to think that the Senator from North Carolina is right and that the question is open to debate.

Mr. OVERMAN. Mr. President, I do not wish to be unduly persistent in this matter, but I do desire that my position in reference to it shall be known. I have been a member of the Committee on Appropriations for about 15 years. I have sometimes been called "the watchdog of the Treasury," but not so, Mr. President. However, I, together with my colleagues on the committee, have saved the Government millions of dollars by having such items as this cut out of appropriations bills. And I am sorry we did not cut this appropriation out in committee.

In order to show that I am not prejudiced in the matter, I desire to say that for 15 years I have supported every appropriation which has been proposed for Howard University. I was very much gratified on Friday last when three prominent colored men, representatives of leading churches of the city, came to me and said, "Mr. OVERMAN, we have always understood that you were the colored man's friend." I asked, "Where are you from?" They replied, "All three of us were educated at a college in your town." I have supported that college with my purse and with my sympathy.

I was reminded that 40 years ago, when the question came up of segregating the funds derived from taxes so that those which were paid by the white men should be used only for educating white people and only the funds derived from the taxation of colored people should be used for educating colored people, I fought the proposition, and succeeded in killing it. Those people remembered that. So the colored people in my State have been treated fairly and squarely; they have been educated and encouraged in every possible way. That statement of my position, Mr. President, shows that I am honest in this matter, and that I am now opposing this appropriation because there is no authority in law for it. Indeed, it is admitted on this floor, Mr. President, that there is no authority for this appropriation.

What is the history of this proposed appropriation? In the Appropriations Committee we found an estimate for $800,000 for the support of Howard University. I voted for an appropriation of $300,000.

Mr. SMOOT. The total estimate was for over $900,000.

Mr. OVERMAN. The total estimate, as the Senator from Utah suggests, was over $900,000. I voted for an appropriation of $125,000 for the salaries of officers, professors, and teachers, and for ice and stationery, and so on; for an appropriation of $30,000 for tools, material, salaries of instructors, and so forth; for an appropriation of $9,000 for the medical department; for an appropriation of $5,000 for material and apparatus, and so forth; for an appropriation of $3,500 for books, shelving, furniture, and so forth; for an appropriation of $20,000 for improvement of grounds and repair of buildings; for an appropriation of $15,000 for fuel and light; in short, for everything that was asked for the maintenance of Howard University.

Mr. President, I know there is a crying need and there has been a clamor for public buildings in every State and town in the Union; that there is a clamor for great buildings here in Washington; that there is a clamor for the soldiers' bonus; and the present condition of the Treasury caused me to raise the point that this appropriation had not been authorized by law. Apparently somebody stepped into the Treasury Department and suggested that General Lord and the Budget Bureau send the estimate down for the purpose of making the amendment in order.

Who did it? Was it done by any Member of Congress? The Budget Bureau ought to be investigated. They have no more power than have I to send down to Congress an estimate for an appropriation that is not authorized by law, and thereby seek to make it in order, for there is nothing in the law which gives them that right. The law prescribes what they shall do. The law prescribes that they shall compute and ascertain the probable amount of the revenues of the Government, then ascertain what is needed for the legitimate expenses of the Government under authorization of law, and send that information down to the Committee on Appropriations.

Mr. President, ever since I have been here, for 15 years, I have fought to hold down appropriations to the legitimate ends of government and to supply the legitimate needs of the Government. Now it is proposed that we shall appropriate $500,000 for a purpose that Congress has not authorized. I apprehend the appropriation has been suggested by some one at the Treasury Department and perhaps by somebody higher up than the Budget Bureau. Why should we do it? Why not appropriate $500,000 for the erection of a public building in some State? Why not appropriate for the soldiers' bonus? Why not appropriate other millions of dollars which are asked for instead of keeping the appropriations down to the legitimate ends of the Government.

Mr. President, from my course here, which I have related, much as I dislike to do so, it is evident that I am not prejudiced in this matter. I have been in favor of the colored man being educated. I have helped him; I have encouraged him. The fact that three of them from the college in my town came here and expressed entire satisfaction with my course in this matter demonstrates the rectitude of my position. When I told them I had voted for the appropriations I have mentioned they stated that they were perfectly satisfied; that they had not at first understood my position; that they had been misled by what they had seen in the newspapers to the effect that I was fighting the appropriation for Howard University. Those three men, who were my friends, whom I had helped, stated that they were satisfied.

I believe from the evidence that Doctor Durkee himself was satisfied with what we gave him and did not ask for this additional appropriation of $500,000.

I am going to read from his testimony. I wish to say, with the permission of the Senate, that those representing Howard University did not press the $500,000 appropriation. In the House, on a point of order, the item of $207,000 was stricken out, and that is what those representing the university were interested in, and they came before the committee in the effort to have that item restored. I voted for it, but I repeat they did not, before the committee, press for the $500,000 appropriation. I shall not read all the testimony, but Doctor Durkee, a very good man, an able man, and a great preacher, came before the committee and testified. He referred to what the House had done in reference to knocking out the item of $207,000 and requested that it be restored, but said hardly a word about the $500,000. I quote from his testimony before the committee:

Senator SMOOT. Was there anything else, Doctor Durkee, that you wanted to say other than that which is printed in the House hearings?

Doctor DURKEE. It was simply, sir, to request that the amount——

Senator SMOOT. You want the amount restored which the House committee recommended?

Doctor DURKEE. Just restored, sir. We are not asking for anything more.

That is the testimony of Doctor Durkee himself; he was requesting merely the item of $207,000. He wanted that item restored, and said they were asking for nothing more.

One of the members of the committee asked him about the House hearing, where he did go into the question of the $500,000 appropriation. He referred to that and said he would like to have it and supposed it was in order because it had been estimated for. I quote again from the hearings:

Senator SMOOT. It was never acted on.

Doctor DURKEE. The $500,000 was never acted on; but as, of course, the Budget makes report to the Senate, I presume it is entirely competent for the Senate, if it cares to do so, just to examine the whole thing; but we have been particularly pleading that the amount of $207,500 be restored, or else it will mean crushing the university.

Take this testimony and read it and it will be seen that all he asks for is the item of $207,000. As I have said, I voted for it, and the committee allowed it. Then, however, by a majority of one vote, the Committee on Appropriations proposed to allow $500,000 more for an item which, although it has been sent down here, is not authorized by law.

Mr. LENROOT obtained the floor.

Mr. ROBINSON. Mr. President——

The PRESIDING OFFICER (Mr. CURTIS in the chair). Does the Senator from Wisconsin yield to the Senator from Arkansas?

Mr. ROBINSON. I wish the floor in my own right.

Mr. LENROOT. Mr. President, I wish to indorse to the very fullest extent all the Senator from North Carolina has said with reference to his own attitude concerning appropriations generally and his service upon the Appropriations Committee. I am sure that no Senator who is acquainted with his service feels otherwise than that he has no ulterior motive in making the point of order, but it has been made in accordance with his general rule of protecting the Treasury.

But, Mr. President, the question presented by the Senator from North Carolina is a very important one. If this were the only instance in which the Budget may have sent an estimate to Congress that was not authorized by law—in other words, that did not have a legislative foundation—I should be very much inclined to agree with the Senator from North Carolina, but I want to call his attention to the fact that in this very bill there are no doubt dozens and dozens of items—and the same thing is true of every appropriation bill—for which estimates are submitted but for which there is no authority of law. The Senator must know that in the House of Representatives, under the rules that obtain there, very often there are stricken out on points of order whole pages of appropriations that have been reported in appropriation bills, but they are always restored in the Senate and are estimated for by the Budget. So that, Mr. President, if we adopt a rule that no appropriation shall be made, although the estimate comes in from the Budget Bureau, unless there is authority of law for the appropriation, we will be kept very busy in considering each appropriation bill striking out appropriations which are absolutely necessary to carry on the Government. The Government, I say, could not run efficiently if that rule were applied strictly to all the appropriations that are made by the Congress.

That being so, Mr. President, I am inclined to give to the rule the construction, not that it relates back to authority of law to make the estimate, but that it relates only to the estimate being sent to the Congress in the manner authorized and directed by law, and that has been done in this case. Therefore it satisfies the requirements of the rule.

The PRESIDING OFFICER (Mr. FESS in the chair). The Chair will ask the Senator from Mississippi on what question the appeal is taken.

Mr. HARRISON. The question is on the appeal from the decision of the Chair of yesterday touching the question that the estimate was not submitted in accordance with law.

The PRESIDING OFFICER. The question is, therefore, Shall the decision of the Chair stand as the judgment of the Senate?

Mr. LENROOT. Upon that I demand the yeas and nays.

The yeas and nays were ordered and the reading clerk proceeded to call the roll.

Mr. DALE (when his name was called). I have a pair with the junior Senator from Mississippi [Mr. STEPHENS], which I transfer to the junior Senator from Kansas [Mr. CAPPER], and will vote. I vote "yea."

Mr. LODGE (when his name was called). I have a general pair with the Senator from Alabama [Mr. UNDERWOOD]. I transfer that pair to the Senator from Vermont [Mr. GREENE], and will vote. I vote "yea."

Mr. SIMMONS (when his name was called). Making the same announcement as on a previous vote, and the same transfer of my pair, I vote "nay."

Mr. SMITH (when his name was called.) I have a general pair with the Senator from South Dakota [Mr. STERLING]. I transfer that pair to the Senator from Missouri [Mr. REED], and will vote. I vote "nay."

The roll call was concluded.

Mr. ASHURST. I desire to announce that the junior Senator from Massachusetts [Mr. WALSH] is unavoidably absent. If present, he would vote "yea."

Mr. ERNST. I transfer my general pair with the senior Senator from Kentucky [Mr. STANLEY] to the senior Senator from Maryland [Mr. WELLER], and will vote. I vote "yea."

Mr. JONES of New Mexico. I transfer my general pair with the Senator from Maine [Mr. FERNALD] to the Senator from Tennessee [Mr. SHIELDS], and will vote. I vote "nay."

Mr. HARRISON. My colleague [Mr. STEPHENS] is paired with the junior Senator from Kansas [Mr. CAPPER]. If my colleague were present, he would vote "nay."

Mr. CURTIS. I desire to announce the absence of the senior Senator from Maryland [Mr. WELLER]. If present, he would vote "yea" on this question.

I also desire to announce the following pairs:

The Senator from Illinois [Mr. MCCORMICK] with the Senator from Oklahoma [Mr. OWEN]; and

The Senator from New York [Mr. WADSWORTH] with the Senator from Utah [Mr. KING].

The result was announced—yeas 49, nays 18, as follows:

YEAS—49.

Adams	Edge	Keyes	Pepper
Ball	Edwards	Ladd	Phipps
Borah	Elkins	La Follette	Ralston
Brandegee	Ernst	Lenroot	Reed, Pa.
Brookhart	Ferris	Lodge	Smoot
Bruce	Fess	McKinley	Spencer
Bursum	Frazier	McLean	Walsh, Mont.
Cameron	Gooding	McNary	Warren
Copeland	Hale	Moses	Watson
Couzens	Howell	Neely	Willis
Curtis	Johnson, Minn.	Norbeck	
Dale	Jones, Wash.	Norris	
Dill	Kendrick	Oddie	

NAYS—18.

Bayard	Harris	Mayfield	Simmons
Broussard	Harrison	Overman	Smith
Dial	Heflin	Pittman	Trammell
Fletcher	Jones, N. Mex.	Ransdell	
Glass	McKellar	Sheppard	

NOT VOTING—29.

Ashurst	Greene	Shields	Underwood
Capper	Harreld	Shipstead	Wadsworth
Caraway	Johnson, Calif.	Shortridge	Walsh, Mass.
Colt	King	Stanfield	Weller
Cummins	McCormick	Stanley	Wheeler
Fernald	Owen	Stephens	
George	Reed, Mo.	Sterling	
Gerry	Robinson	Swanson	

So the decision of the Chair was sustained.

The PRESIDING OFFICER. The question now is on the amendment offered by the Senator from Wisconsin [Mr. LENROOT].

The amendment was agreed to.

Mr. LENROOT. Mr. President, I now offer a further amendment. At the end of line 21, page 102, I move to insert the following:

For equipment for additions to medical school buildings, $130,000.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 102, after line 21 and the amendment just agreed to, it is proposed to insert:

For equipment for additions to medical school buildings, $130,000.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wisconsin.

The amendment was agreed to.

Mr. LENROOT. Mr. President, I should like to ask a question concerning the salary of the Governor of Hawaii. Seven thousand dollars is appropriated for that purpose, and I find that the law provides for a salary of $10,000. Will the Senator explain why the law is not carried out?

Mr. SMOOT. Mr. President, I have not looked up the law, but I do know that the appropriation of $7,000 has been made for years and years past. It is estimated at $7,000, and no question has ever been raised before the committee about increasing it.

Mr. LENROOT. I think probably it arises through error, because the organic act was amended in 1921, and I want to read section 92:

That the following officers shall receive the following annual salaries, to be paid by the United States: The governor, $10,000.

Of course, there would be a claim for the difference, and it ought to be appropriated for, that being the fixed amount prescribed by law.

Mr. SMOOT. I will say to the Senator that there never has been a claim made for the higher amount. We have never received a letter on the subject from the governor, and I know that we have only appropriated $7,000 per annum for the governor since long before that law passed, and also since it was passed.

Mr. LENROOT. What does the Senator say about the fixed salary being provided for by law and our not appropriating for it? There certainly is a claim against the Treasury for the additional $3,000. I suggest that the matter go to conference, and I will offer an amendment making it $10,000.

Mr. SMOOT. I will accept that amendment with the view of going to conference with it, and then we will find out just why there has not been a claim made for it.

Mr. LENROOT. Very well, I offer the amendment, Mr. President.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 98, line 8, after the word "Governor," it is proposed to strike out "$7,000" and insert "$10,000."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wisconsin.

The amendment was agreed to.

Mr. HARRISON. Now, Mr. President, I should like to have the Senator from Utah be as good and kind to me as he was to the Senator from Wisconsin, and accept an amendment to go to conference.

Mr. SMOOT. The Senator knows that I will do anything in the world I can for him.

Mr. HARRISON. This is a good time to test the Senator. I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 47, after line 13, it is proposed to insert the following:

For the construction, equipment, and maintenance of a hospital for Indians at Philadelphia, Miss., and for incidental and all other expenses necessary for its proper conduct and management, including pay of employees, $25,000.

Mr. HARRISON. Mr. President, may I say that these poor unfortunates are in distress. They have no palatial school buildings. They have no equipment already installed. There is nothing to take care of them. There are just about 2,000 unfortunate Indians down there in Mississippi who need some relief. This amendment carries an appropriation of only $25,000 to erect a hospital for them. In view of the action of the Senate in just appropriating some half-million dollars to erect buildings out here for Howard University, I am quite sure, to keep up a consistent record, that they will give $25,000 to these unfortunate Indians.

Mr. SMOOT. I must keep up a consistent record, and, of course, I am compelled to make a point of order against the amendment.

Mr. HARRISON. I am very sorry the Senator makes the point of order.

Mr. SMOOT. I am compelled to do it.

Mr. HARRISON. I am not as fortunate as the Senator from Wisconsin was. I have not been able to bring pressure to bear on the departments of the Government to induce them to give me an estimate to go to the bureau, and consequently I have no estimate provided. If the Senator, with the strong influence that he exerts, wants to raise the point of order, I have to submit; but my poor people down there go without hospital facilities.

Mr. SMOOT. I am compelled to make the point of order.

The PRESIDING OFFICER. The point of order is sustained.

Mr. DIAL. Mr. President, while we are discussing the question of schools, I desire to state that I have been informed that some of the public schools in this city are still short of sufficient lighting facilities, and that is a matter which should be taken up and remedied.

Mr. ASHURST. Mr. President, yesterday an item on page 84, a committee amendment, engaged the attention of the Senate nearly all afternoon, and I have no disposition whatever to revive the question, if I could, but I am going to propose an amendment, so that it may go to conference. It has relation to the building of a road from the village of Main, on the old Santa Fe trail, up to the south boundary of the Grand Canyon. It in no sense revives the controversy which my worthy colleague and I had yesterday. I have submitted the amendment to him, and he advises me he is prepared to vote for it. It does not in any way, form, or fashion, here or elsewhere, revive the controversy which we had yesterday. It reads:

For the construction, repair, and maintenance, under the direction of the Secretary of the Interior, of an approach road from Main, Ariz., to the south boundary of the Grand Canyon National Park, $100,000.

The item on page 84 for the purchase of the Bright Angel trail will, of course, be in conference. It seems to me that the conferees ought to have liberty of movement and action, and that it would be wise to have this amendment go to conference also. Of course, I do not apprehend, do not want, or expect, that $200,000 would be appropriated or agreed upon by the conferees, but I want them to have full liberty of action. Therefore, I offer the amendment, in order that it may go to conference to be considered.

Mr. SMOOT. Mr. President, I am compelled to make a point of order against the amendment.

The PRESIDENT pro tempore. The Secretary will report the amendment.

Mr. ASHURST. Let it be reported.

Mr. SMOOT. Certainly. The Senator has just read it.

The READING CLERK. The Senator from Arizona proposes to insert, in the proper place, the following:

For the construction, repair, and maintenance, under the direction of the Secretary of the Interior, of an approach road from Main, Ariz., to the south boundary of the Grand Canyon National Park, $100,000.

Mr. ASHURST. Mr. President, of course, if my friend, the able Senator from Utah, makes a point of order and resists, and with contempt rejects, any approach I make looking toward a settlement of the question I can not help it. I have done my best, and I have been acting in good faith, so that when he gets into conference he will not be hedged into a Procrustean bed of fixity, but will have some latitude in which he can move as a conferee.

Mr. SMOOT. Mr. President, the only thing I object to is the Senator's statement that I reject this amendment with contempt. I have no contempt about the matter.

Mr. ASHURST. I know the Senator has not toward the item, but from the gesture with which the Senator made the point of order it looked as if he spurned any suggestion of settlement or compromise.

Mr. SMOOT. I am not spurning it.

Mr. ASHURST. I will withdraw the amendment.

The PRESIDENT pro tempore. Does the Senator from Utah make a point of order?

Mr. SMOOT. I do.

The PRESIDENT pro tempore. What is the point of order?

Mr. SMOOT. That it has not been estimated for.

Mr. ASHURST. I freely admit it is subject to a point of order.

The PRESIDENT pro tempore. The point of order is sustained.

Mr. ASHURST. I have one other amendment to offer, Mr. President, and I will take but a moment of time on it. In 1916 Congress authorized the construction of a diversion dam, with necessary controlling works, to irrigate 55,000 or 60,000 acres of Indian land, not an acre of land owned by whites, but all Indian land. The project is nearly complete. It requires about $300,000 more to complete it. The force is at work now. Their appropriation is about exhausted. If the force doing the work shall be scattered, if the teams of horses are taken away, it will cost the Government nearly $70,000 to reassemble this force to resume the work.

I have here a letter signed by President Coolidge urging this appropriation, which I will read. It is as follows:

THE WHITE HOUSE,
Washington, February 15, 1924.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration of Congress a supplemental estimate of appropriation for the Department of the Interior for the fiscal year 1924, pertaining to the Indian Service, amounting to $300,000.

The details of this estimate, the necessity therefor, and the reason for its submission at this time are set forth in the letter of the Director of the Bureau of the Budget transmitted herewith, with whose comments and observations thereon I concur.

Respectfully, CALVIN COOLIDGE.

Then here is a letter signed by H. M. Lord, Director of the Bureau of the Budget, as follows:

BUREAU OF THE BUDGET,
Washington, February 15, 1924.

SIR: I have the honor to submit herewith for your consideration, and upon your approval for transmission to Congress, a supplemental estimate of appropriation for the Department of the Interior for the fiscal year 1924, for completing the dam, with bridge superstructure, across the Gila River on the Gila Indian Reservation in Arizona, amounting to $300,000.

In support of this estimate the Secretary of the Interior, in a letter dated February 13, 1924, states as follows:

"Construction of the project was authorized by the act of May 18, 1916 (39 Stats. 129), and by the act of February 14, 1920 (41 Stats. 408), the cost was limited to $400,000. Actual construction work was started in the spring of 1922 and has been continued as rapidly as conditions would permit. The available funds out of the sums appropriated will be exhausted about the 1st of April.

"This project consists of a floating or Indian type weir, the fore apron of which is [illegible]ed to protect the piers supporting the bridge. Water is prevented from passing around the exposed end of the structure by a guide bank extending up the river at nearly right angles to the dam. This guide bank is of earth fill, heavily

armored with rock. The dam is protected on the downstream face by a broad, heavy talus of rock, and the dam rests on two rows of sheet piling totaling 3,000 feet in length. The bridge piers are supported by some 300 piles. At the present time all the piles have been driven and the guide bank and talus have been completed, which contains 120,000 cubic yards of rock. The work remaining to be performed is the placing of the concrete forming the dam and bridge and the construction of the necessary dikes to complete the structure. The work is now protected by temporary dikes, and unless construction work is continued there is grave danger of floods destroying that which has been accomplished.

"At the time the original estimates were prepared for this project there was a distance of 1,200 feet between the banks of the river. Due to erosion this distance has been increased to 2,400 feet, which doubles the quantity of work required in the construction, and since the cost of material, labor, and freight has greatly increased, it will be necessary to obtain additional funds to complete the project.

"The closing down of the work on the 1st of April, which will be necessary if funds are not made available, will result disastrously in that no benefit can be derived from the money already expended, and there will be grave danger, by reason of floods, of total destruction of the work already accomplished, making the total sum expended a complete loss. You will therefore see the exigency of the item."

The cost of this work is at present limited to $400,000. This amount has been appropriated and will be exhausted in a short time. The reasons for the increase in cost are given in the letter from the Secretary of the Interior quoted above. The additional amount of $300,000 is for the completion of the project. On the assurances of the Indian Service that the work will be fully completed on or before June 30, 1925, the estimate contains provisions increasing the limit of cost to $700,000 and making the additional $300,000 available until the end of the fiscal year 1925.

The above estimate of appropriation is required to meet an unforeseen contingency arising during the fiscal year indicated and since the transmission of the Budget for that year.

Approval of the estimate is recommended.

Very respectfully,

H. M. LORD,
Director of the Bureau of the Budget.

The PRESIDENT.

I can say no more. The argument is fully stated there, without the loss of a word, and I can say nothing else. Let this go to conference.

Mr. SMOOT. Mr. President, I agree with every word in this report, and I have no doubt but that the appropriation will be made, but it will be made in regular order. To-day the House is holding hearings on the first deficiency appropriation bill, and this is an appropriation for a deficiency of 1924. We are appropriating in this bill for the year 1925; I assure the Senator from Arizona that I am in full accord with every word that is said here. I have no doubt but what it will be in the deficiency bill, and will be passed before the 1st of April.

Mr. ASHURST. I thank the Senator.

Mr. SMOOT. Therefore, I shall have to make a point of order against it; or, if the Senator will withdraw it, I would prefer to have him do that.

Mr. ASHURST. I withdraw the amendment, because the Senator has so frankly and so manfully stated that he believes and thinks it will become a law before the 1st of April. I will not put him to the trouble of going into the RECORD with a point of order, and I withdraw the amendment.

Mr. JONES of Washington. Mr. President, on page 34, lines 13 to 17, there is provided an appropriation of $5,000 for the operation and maintenance, including repairs, of the Toppenish-Simco irrigation system, on the Yakima Reservation, Washington.

This is a part of a project that was provided for several years ago. When it was first provided for, my recollection is that it was estimated that the part that was to be taken up at that time would cost $200,000, and appropriations have been made to that extent, and to that extent the project was completed. This $5,000 is for maintenance and operation. As I said, however, that is only a part of what it was intended should ultimately be reclaimed, and there are about 17,000 acres more which it is possible to reclaim, and which ought to be reclaimed.

The Department of the Interior recommended to the Budget an appropriation of $200,000 for the extension of this project, but that was not submitted by the Budget to Congress.

The situation on that project, however, is pressing. These lands are very productive, and their reclamation for the benefit of the Indians is extremely important. I have a telegram here relating to the matter, in which it is stated:

Failure to get construction funds for Toppenish-Simcoe unit of Wabato project this would mean waiting another year for eleven hundred people eleven hundred years wasted life department recommended $200,000 Budget cut to $75,000.

The sender of this telegram was mistaken in that last statement. The Budget estimated $25,000, but that was for operation and maintenance and not for extension. I desire to offer the amendment which I send to the desk.

Mr. McKELLAR. What did the original law provide, and has it been fully carried out? Could these extensions be made under the law?

Mr. JONES of Washington. The original project, which we authorized to the extent of $200,000, has been appropriated for, and what was to be done with that money has been completed. The $5,000 proposed here is for maintenance and operation of that part of the work. The amendment I have offered proposes an extension.

The PRESIDENT pro tempore. The amendment will be read.

The READING CLERK. On page 34, line 13, after the word "for," insert the word "extension," and in line 17 strike out "$5,000" and insert "$55,000," so as to read:

For extension, operation, and maintenance, including repairs of the Toppenish-Simcoe irrigation system, on the Yakima Reservation, Wash., reimbursable as provided by the act of June 30, 1919 (41 Stat. L. p. 28), $55,000.

Mr. SMOOT. I am compelled to make the point of order against the amendment that it has not been estimated for.

The PRESIDENT pro tempore. What has the Budget estimated upon the matter?

Mr. JONES of Washington. The Budget has estimated $25,000 for operation and maintenance, including repairs. I must say that it has not submitted any estimate for extension of the project. I am sorry that I have to admit that, but it is the fact. I am sorry the Senator from Utah feels that he has to make the point of order.

Mr. SMOOT. It is just the same as a point of order made against other projects that have been presented on the floor during the consideration of the bill.

The PRESIDENT pro tempore. The Chair sustains the point of order. If there be no further amendments to propose as in Committee of the Whole, the bill will be reported to the Senate.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. SMOOT. I move that the Senate insist on its amendments and request a conference with the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the President pro tempore appointed Mr. SMOOT, Mr. CURTIS, and Mr. HARRIS conferees on the part of the Senate.

RELIEF OF AGRICULTURAL DISTRESS IN NEW MEXICO.

Mr. JONES of New Mexico. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the joint resolution (S. J. Res. 52) for the relief of the drought-stricken farm areas of New Mexico.

The PRESIDENT pro tempore. The Senator from New Mexico asks unanimous consent for the present consideration of Senate Joint Resolution 52.

Mr. JONES of Washington. Let it be reported.

The PRESIDENT pro tempore. The Secretary will read the joint resolution for information.

Mr. SMOOT. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The principal legislative clerk called the roll, and the following Senators answered to their names:

Adams	Cummins	Gerry	McKellar
Ashurst	Curtis	Glass	McNary
Bal:	Dale	Harris	Moses
Bayard	Dial	Harrison	Neely
Borah	Dill	Heflin	Norbeck
Brandegee	Edge	Howell	Norris
Brookhart	Elkins	Johnson, Minn.	Oddie
Broussard	Ernst	Jones, N. Mex.	Overman
Bruce	Ferris	Jones, Wash.	Pepper
Bursum	Fess	Kendrick	Phipps
Cameron	Fletcher	Keyes	Ransdell
Copeland	Frazier	Ladd	Reed, Pa.
Couzens	George	Lodge	Robinson

Sheppard	Spencer	Warren	Willis
Smith	Stanley	Watson	
Smoot	Trammell	Wheeler	

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). Sixty-two Senators have answered to their names. There is a quorum present. The Senator from New Mexico asks unanimous consent for the present consideration of Senate Joint Resolution 52.

Mr. CURTIS. Let it be reported.

The PRESIDING OFFICER. The Secretary will read the joint resolution.

The reading clerk read the joint resolution.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Mexico?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution (S. J. Res. 52), which had been reported from the Committee on Agriculture and Forestry with an amendment.

Mr. JONES of New Mexico obtained the floor.

Mr. BURSUM. Mr. President, will my colleague yield?

The PRESIDING OFFICER. Does the Senator from New Mexico yield to his colleague?

Mr. JONES of New Mexico. I yield.

Mr. BURSUM. I am just in receipt of a telegram relating to the joint resolution now pending, from the farmers and business men of Mountainair, N. Mex., which reads as follows:

MOUNTAINAIR, N. MEX., *February 23, 1924.*

Hon. H. O. BURSUM,
United States Senate, Washington:

Condition of farmers and merchants in Estancia Valley exceedingly critical and serious. Local banks unable to assist. The absolute financial requirements for feed, seed, and groceries can not possibly be met by local financing institutions. Some relief must be had immediately or 75 per cent of farmers must leave this valley. We urgently implore you to use every effort possible to secure the passage of JONES's Joint Resolution No. 30, and we heartily indorse your bill authorizing War Finance to extend practical assistance.

ROMUNDO ROMERO,	J. J. WHITE,
D. W. WOMACK,	C. E. BIGELOW,
JOHN H. DOYLE,	W. R. ORME,
M. B. CONDREY,	FREDERICO CHAVEZ,
G. O. CALDWELL,	MARSHALL ORME,
D. T. MCCULLOH,	*Relief Committee.*

I have another telegram, dated at Albuquerque, from the Albuquerque Chamber of Commerce, as follows:

ALBUQUERQUE, N. MEX., *February 23, 1924.*

Senator HOLM O. BURSUM,
Washington, D. C.:

Our farmers in Estancia Valley badly in need of funds for planting crop this year. Plenty moisture for a good crop but no funds. We would appreciate your efforts in securing Jones measure providing loan.

ALBUQUERQUE CHAMBER OF COMMERCE,
D. B. MCKEE, *Secretary.*

I also have another message from Albuquerque from the Nash Electrical Supply Co., which is as follows:

ALBUQUERQUE, N. MEX., *February 24, 1924.*

Senator H. O. BURSUM,
Washington, D. C.:

We respectfully request you use your utmost endeavor to secure passage of the Jones bill now before Congress. Entire farming population Estancia Valley in desperate need of immediate financial assistance for seed and personal needs until new crop is made.

NASH ELECTRICAL SUPPLY CO.,
By M. NASH.

Mr. JONES of New Mexico. Mr. President, we had this joint resolution before the Senate for consideration two or three weeks ago, and there intervened the various discussions to which we have all listened during the days when we have had before the Senate the appropriation bill which has just been passed. At the time the joint resolution was previously under consideration I made rather an extended statement regarding its merits. I do not care to impose upon the Senate any lengthy statement now unless it should be absolutely necessary.

The joint resolution was referred to the Committee on Agriculture and Forestry. We had extensive hearings before that committee, and the joint resolution now comes before the Senate with the unanimous report and support of the Committee on Agriculture and Forestry. The facts and circumstances were gone into at that time. I have on my desk now a number of telegrams and letters regarding the situation which the resolution is designed to meet, and I have never been acquainted with a situation which came with such touching appeal as does the one which is now presented to the Senate. I do not wish to take up the time of the Senate in the discussion of the joint resolution, but I am willing to do that if any Senator should desire to have further information upon the subject.

Mr. ROBINSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Arkansas?

Mr. JONES of New Mexico. I am glad to yield.

Mr. ROBINSON. I have been informed that an emergency condition exists in the State of New Mexico and that that condition is practically State-wide; that there have been a large number of bank failures; that it is impracticable to resume farming operations unless some arrangement is made to finance such operations from outside of the State; and that the crop failures, incident to the lack of moisture during recent seasons, have brought about a situation that justifies an extraordinary remedy. Is that correct?

Mr. JONES of New Mexico. The Senator from Arkansas is correct; and he would be justified in putting all the emphasis possible upon his statement.

Mr. SMOOT. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Utah?

Mr. JONES of New Mexico. I yield.

Mr. SMOOT. Mr. President, I am fully aware of the awful drought which has visited New Mexico not only during the past year but during the previous year also. I have not the least objection to this proposed appropriation, but I think there are one or two provisions which should be changed. I notice the joint resolution provides—

And not more than $15,000 may be used in the District of Columbia by the Secretary of Agriculture in the administration of this act.

Mr. President, that sum, I think, is altogether out of proportion. I do not think it will require $15,000 to hire people here in the District of Columbia to administer the proposed loans. The Senator from New Mexico knows that it would not cost half that to have a bank attend to the matter.

Not only that, but I do not think we ought to take any money out of this appropriation other than that which is absolutely necessary. The entire amount should be available for loans. It does seems to me, therefore, with no office rent to pay and, perhaps, no extra help to employ but merely assigning the work to some division of the Agricultural Department, $7,500 would be sufficient to cover every possible necessary expenditure. I do not wish to put the amount too low, but I should like every dollar of the money proposed to be appropriated to go to the purpose which Congress has in view, and that is to help the farmers in New Mexico.

Mr. JONES of New Mexico. I fully appreciate the expressions of the Senator from Utah, but I will say that the amount for administration carried in the joint resolution was fixed after conference with the Department of Agriculture. I know nothing about what it will cost, but the amount was suggested by the Department of Agriculture. If the Senator from Utah believes that the matter can be handled for less, I am quite willing to accept his judgment in reference to the subject.

Mr. SMOOT. I know that if the $15,000 be appropriated by the joint resolution to be expended by the Department of Agriculture it will be very easy, indeed, to have some one who is doing other work assigned to administer the provisions of the joint resolution and pay him out of that sum.

Mr. President, I wish it distinctly understood that I would not cramp the department for the need of a dollar; but I do not see how it is possible for the department to expend more than $10,000. I therefore offer an amendment to strike out "$15,000" and to insert "$10,000."

The PRESIDING OFFICER. The Senator from Utah offers an amendment, which will be stated.

The READING CLERK. In section 2, page 3, line 1, after the words "more than," it is proposed to strike out "$15,000" and to insert "$10,000."

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Utah.

The amendment was agreed to.

Mr. JONES of New Mexico. Mr. President, I now ask that the committee amendment to the joint resolution may be stated.

The PRESIDING OFFICER. The Secretary will state the committee amendment.

The READING CLERK. In section 1, page 2, line 3, after the word "seed," it is proposed to strike out "and such other pur-

poses" and to insert "feed, food, and for actual farming expenses, not including the purchase of equipment," so as to read:

That the Secretary of Agriculture is hereby authorized, for the spring and fall planting of 1924, to make advances or loans to farmers in the drought-stricken areas of New Mexico, where he shall find that special need exists for such assistance, for the purchase of seed, feed, food, and for actual farming expenses, not including the purchase of equipment, as he may find need for the cultivation of farm lands within the said State, not to exceed in any instance the sum of $6 per acre.

The amendment was agreed to.

Mr. DIAL. Mr. President, I understand the joint resolution proposes to authorize a direct loan to the individual. Is that correct, I will ask the Senator from New Mexico?

Mr. JONES of New Mexico. The Senator from South Carolina is quite right in his statement.

Mr. DIAL. Who is going to make the loan? What machinery is proposed to be set up for that purpose?

Mr. JONES of New Mexico. The whole matter is to be handled by the Secretary of Agriculture, and the loans are to be made in his discretion for the purposes specified in the joint resolution.

Mr. DIAL. Then will it not be necessary to employ local help in order to make the individual loans?

Mr. JONES of New Mexico. I doubt if it will be necessary to employ any local help to do so, but it may be that it will. The Secretary of Agriculture will be authorized under the joint resolution to do so, but he can get all the voluntary help he desires if he cares to use it.

Mr. SMOOT. Mr. President, will the Senator from South Carolina yield to me?

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Utah?

Mr. DIAL. I yield.

Mr. SMOOT. I have no doubt but that this appropriation will be administered in precisely the same way in which the appropriation for fertilizer was administered in the years past. We have at different times passed three or four appropriation bills for the sale of nitrates that came from Chile, and I do not think the department ever had any trouble about the matter. I think the work of administration has been done by the department itself, without asking for an additional appropriation.

Mr. DIAL. Were not the nitrates sold to the farmers for cash at cost? It was not a sale on credit to individual farmers.

Mr. SMOOT. I think there was a credit, the cash being subsequently paid by the individual farmers.

Mr. SMITH. No, Mr. President.

Mr. SMOOT. I did not say that the individual farmers did not pay for the fertilizer.

Mr. SMITH. I wish to state to the Senator from Utah that I was the author of the law covering the matter to which he has referred. The law provided that the nitrates should be sold for cash, and the cash was paid simultaneous with the delivery of the nitrates, but the Government did not use any outside help for the administration of the act. The Government used the agricultural demonstration agents, who were in the community, for the purpose of receiving and distributing the nitrates.

Mr. SMOOT. That is, the department utilized the agents of the Agricultural Department?

Mr. SMITH. Yes; in order to help the Department of Agriculture in the administration of the matter.

Mr. SMOOT. Then, whatever employees the Agricultural Department has in New Mexico could be used for this purpose.

Mr. BURSUM. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from New Mexico?

Mr. DIAL. I yield.

Mr. BURSUM. I desire to suggest that every county in the State has an agricultural agent under the agricultural college, and there is no trouble to obtain intelligent cooperation as well as reliable information through the several county agricultural agents in the State who may cooperate with the Agricultural Department.

Mr. JONES of New Mexico. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from New Mexico?

Mr. DIAL. I yield.

Mr. JONES of New Mexico. Since the Senator from Utah [Mr. SMOOT] has asked his question, I desire to say that I have had my mind refreshed upon the matter which he has discussed. I now state that the Department of Agriculture in handling previous loans has done so through the agricultural agents who are already in the employ of the Government, principally the agents of the farm-loan banks. The same machinery would be used in regard to these proposed loans as has been used with regard to other similar loans.

Mr. GEORGE. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Georgia?

Mr. DIAL. I yield.

Mr. GEORGE. I should like to ask the Senator from New Mexico a question. As I understand the cost of the administration in the District of Columbia is now limited to $10,000.

Mr. JONES of New Mexico. Yes.

Mr. GEORGE. Is that cost to be absorbed by the borrowers from this fund, or is it to be a loss to the Government?

Mr. JONES of New Mexico. The Secretary of Agriculture will charge interest on the loans, but the whole expense will be taken care of under the general appropriation of a million dollars. As I take it, however, the department will get back sufficient interest to have a margin to cover the expense.

Mr. GEORGE. But it would not get back as principal the $10,000, or so much of it as might be expended in the District of Columbia?

Mr. JONES of New Mexico. The interest upon the loan would come back to the Treasury.

Mr. GEORGE. I understand that; but the question I ask is, Is the cost of administration in the District of Columbia to be apportioned among the borrowers?

Mr. JONES of New Mexico. There is no provision in the joint resolution for that.

Mr. GEORGE. May I ask the Senator an additional question?

Mr. JONES of New Mexico. Certainly.

Mr. GEORGE. Is this money to be loaned throughout the State or in a particular portion of the State?

Mr. JONES of New Mexico. It is to be loaned throughout the State where, in the discretion of the Secretary of Agriculture, it is necessary.

Mr. GEORGE. Then the same emergency condition exists throughout the State?

Mr. JONES of New Mexico. Indeed it does. I can assure the Senator of that.

Mr. GEORGE. Would the Senator be kind enough to state the extent of bank failures in the State of New Mexico?

Mr. JONES of New Mexico. Mr. President, I am very glad to furnish the information. I must say, however, that it is disheartening even to recall the situation. I have before me a typewritten page, closely written with single space lines, listing the bank failures in New Mexico. The names of the banks are all given and the dates of the failures. I have here also a statement of how the banking capital and resources have been reduced.

Mr. GEORGE. Has the Senator the totals there?

Mr. JONES of New Mexico. I have the totals. For the national banks during the last year the banking resources were reduced from $40,000,000 to $35,000,000, a decrease of over $5,000,000; and for the State banks the banking resources decreased from $22,000,000 to $15,000,000, a decrease of about $7,000,000 in banking resources. In addition to that, further to assure the Senator as to the necessities of the situation, I may say that all the banks which are left have their resources absolutely tied up in a way that will not enable them to make additional loans even in cases where security is offered. The people whom it is desired to aid, however, are without security. For two years they have suffered under the extreme drought conditions there.

The livestock industry has been in a very depressed, indeed disastrous, condition. The cattle growers are nearly all bankrupt. The sheep growers were nearly in that condition, but they have been coming back, if I may use that expression; but owing to the bank failures, the banks have had to conserve all of their resources. I have telegram after telegram from the few banks which are operating and from the governor of the State appealing for this aid.

It was only a few days ago that the Federal reserve system, by airplane, sent into one community there a half million dollars to save the largest bank in the State. There is such a situation there, I believe, as has never existed anywhere else. If a calamity of any kind and of the most serious nature could ever appeal to the Congress of the United States, no more serious situation could be presented than that which exists to-day in my State. It is with exceedingly great regret that I feel called upon to make these statements, for we have resources there; but the population is sparse, and we have been afflicted

by this calamity, which does call upon the Congress of the United States for assistance at least as much as the call to feed the starving people of Russia or any other foreign country for whom we have appropriated money from the Treasury.

Talk about the disasters in San Francisco of a few years ago! They had something to come back with. We are utterly without the means of coming back; and I appeal to the Senator that in justice to these people and to a great element of the citizens of this country the relief should be afforded, and thus enable those people to preserve their homes, raise something, and bring back their resources, and give them an opportunity to progress in that State. It has been estimated by one of the bankers in the city of Santa Fe that the use of this $1,000,000 would mean at least $30,000,000 of crops to the people of that State.

Mr. GEORGE. Has the Senator available statistics indicating the number of farmers who would possibly be served by this appropriation?

Mr. JONES of New Mexico. I have an estimate by the representative of the Government at the Agricultural College of New Mexico. He is the statistician and in charge of the county agents. He estimates the number at between five and six thousand people.

Mr. DIAL. People or families?

Mr. JONES of New Mexico. Families—that is, farms.

Mr. DIAL. Mr. President, I sympathize deeply with those people. That goes without saying; but I believe that instead of making this loan it would be better policy to donate some money to those people.

In the debate the other day it developed that the people of New Mexico already owe the United States Government sums heretofore advanced which have not been paid back, I think something like $1,000,000.

Mr. JONES of New Mexico. No, Mr. President.

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from New Mexico?

Mr. DIAL. I do.

Mr. JONES of New Mexico. The Senator is in error about that. None of these other loans has ever been made to the people of New Mexico, that I recall; and I want to state this: The Federal farm loan banks have made very large loans, in the aggregate, to the people of New Mexico; and until last year their repayments—their payments of interest and obligations to the Federal farm loan banks—put New Mexico at the head of the list as the State coming nearest to being absolutely free from any further obligations to the banks, which had matured. Those people simply want an opportunity to make something for themselves, and there is not the slightest question but that they will come just as near making their repayments as any people in all this land.

Mr. DIAL. Then I unintentionally fell into error. My recollection was that the Senator from New Mexico said the other day that they were behind some 60 per cent of the payments on some loans.

Mr. JONES of New Mexico. That statement referred to the loans made up in the northwestern part of the United States, up in the Dakotas, in Kansas, and out in the State of Washington, I believe—eastern Washington—and in some of those Northwestern States.

Mr. DIAL. Loans that had been made by the Government?

Mr. JONES of New Mexico. By the Government.

Mr. DIAL. I got it mixed up with the Senator's State.

Now, Mr. President, I should like to ask the Senator from New Mexico if there is any security other than the crop required to secure the loan?

Mr. JONES of New Mexico. There is none provided for. That is the one security which is offered.

Mr. DIAL. That seems to me to be a very loose way for the Government to do business.

As I understand, this bill goes further than any bill that has ever heretofore passed Congress. In the case that my colleague cited awhile ago, where fertilizer was sold to the farmers at cost, they paid cash before delivery. That is indeed quite a different principle from this one. That was proper and should have been done; but for the Government to go into business, into the banking business or into the pawnbroking business, I might say, established a very dangerous precedent.

As we lawyers know, hard cases make bad law. Bad precedents will rise up here to plague us in the future, and I can not give my consent to the passage of this joint resolution.

I do not feel that we have the legal right or the moral right to donate the money of the taxpayers, or to go into the business of banking or merchandising, or the lien business, as we call it down South, lending money on a crop to be raised, and a crop that is not yet planted. I can not see where that will lead us to. The end would not be in sight.

I hope the joint resolution will not pass; and while it would be violating my conscience somewhat, I would vote to donate those people half a million dollars, and I am not strong on donations. My friend refers to the Russian donation. I voted against it and spoke against it. I did not feel we had a right to do it. This is simply paternalism run mad, and we will be here many days and many months and many years to meet similar bills if this precedent is established.

The condition in my State is not dissimilar from this, but I have not thought it was right to introduce a bill here to lend Government money directly to the farmers or to the merchants or to any other class of our people. Why not lend it to the fertilizer manufacturers, to the mill interests, or to the shoe factories, or to other industries over the country, to keep them from closing down and throwing people out of employment, if we are going to lend it to one class of people?

In my State during the last few years 9,000 farmers quit their farms and moved to town, to mill towns and other towns, anywhere they could get work. They absolutely failed at farming. Everything that they had was sold out. The boll weevil simply ate us up for several years down there, and is still continuing its ravages. One acre out of every six in South Carolina that was in cultivation two or three years ago was not in cultivation last year.

Why, Mr. President, a great many people just abandoned their farms and left their crops. They could not farm at all. That is the case all over the South. It is not peculiar to one section of our country alone. I can not see where we will end if this precedent is established; and then we might just as well let the United States Government go into the general banking business, and take care of everybody who has some misfortune. I hate to say anything against this measure. My good friend from New Mexico [Mr. JONES] is a sound legislator, and I venture to say that it took him a good, long while to get his own consent to advocate this principle. So, Mr. President, the fate of this measure is left to the Senate; but I must enter my protest against it. I do not feel that we are doing our duty to the taxpayers of this country in making a new departure, going farther than we have ever gone heretofore, at the very time when we are trying to get business stabilized and get people back on their feet, and at the time when we are trying to reduce taxes and see if we can not lessen the burdens of the people, so that we will bring back prosperity all over the country.

I hope the joint resolution will not pass.

Mr. JONES of New Mexico. Mr. President, I beg to assure my very warm friend from South Carolina that I should not be advocating this joint resolution unless the necessity were extreme.

Mr. DIAL. The necessity is great, no doubt.

Mr. JONES of New Mexico. At the suggestion of the Department of Agriculture, I desire to offer an amendment. On page 2, line 12, I move to strike out the period and insert the matter which I send to the desk.

The PRESIDING OFFICER. The Senator from New Mexico offers an amendment, which will be stated by the Secretary.

The READING CLERK. On page 2, line 12, after the word "designate," it is proposed to insert the following:

and to give a valid lien on the growing crops to be produced from money obtained through such loan or advance in manner and form as required by the laws of New Mexico, which said lien, when recorded, shall have priority in payment over all other liens or encumbrances of whatsoever kind on such crops.

The amendment was agreed to.

The joint resolution was reported to the Senate as amended, and the amendments were concurred in.

Mr. DIAL. Mr. President, I should like to ask the Senator from New Mexico whether there is any provision whereby these loans can be supervised, to see that the money is not diverted to some other use, and to see that it is not advanced more rapidly than the requirements of the crops will justify?

Mr. JONES of New Mexico. The Secretary of Agriculture is given complete jurisdiction of all those matters. The loans are to be made at his discretion, and under rules and regulations to be prescribed by him.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The PRESIDING OFFICER. Does the Senator from New Mexico desire the preamble adopted or stricken out?

Mr. JONES of New Mexico. I move the adoption of the preamble.

The preamble was agreed to.

The joint resolution as passed is as follows:

A joint resolution (S. J. Res. 52) for the relief of the drought-stricken farm areas of New Mexico.

Whereas many sections of New Mexico are impoverished because of a continued drought that has persisted for the past three years, and farmers so affected have borrowed money from all sources until now their credit facilities are exhausted, and they can no longer obtain funds to continue the cultivation of their farms; and

Whereas weather conditions now prevailing in New Mexico point to a very successful year for farming providing the farmers of these drought-stricken areas can obtain the necessary funds to operate their farms and thereby be able to recuperate their losses caused by repeated crop failures: Therefore be it

Resolved, etc., That the Secretary of Agriculture is hereby authorized, for the spring and fall planting of 1924, to make advances or loans to farmers in the drought-stricken areas of New Mexico, where he shall find that special need exists for such assistance, for the purchase of seed, feed, food, and for actual farming expenses, not including the purchase of equipment, as he may find need for the cultivation of farm lands within the said State, not to exceed in any instance the sum of $6 per acre. Such advances or loans shall be made upon such terms and conditions and subject to such regulations as the Secretary of Agriculture shall prescribe, including an agreement by each farmer to use the money obtained by him for the production of such crops as the Secretary of Agriculture may designate, and to give a valid lien on the growing crops to be produced from money obtained through such loan or advance in manner and form as required by the laws of New Mexico, which said lien, when recorded, shall have priority in payment over all other liens or encumbrances of whatsoever kind on such crops. A first lien on the crop to be produced from money obtained through this loan or advance made under this act shall, in the discretion of the Secretary of Agriculture, be deemed sufficient security therefor. All such loans or advances shall be made through such agencies as the Secretary of Agriculture shall designate, and in no instance shall any portion of funds obtained through the administration of this act be used for the payment of obligations other than those incurred under the regulations as provided by the Secretary of Agriculture in the administration and in accordance with the provisions herein contained.

SEC. 2. That for the purposes of this act there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $1,000,000, to be immediately available, and not more than $10,000 may be used in the District of Columbia by the Secretary of Agriculture in the administration of this act.

SEC. 3. That any person who shall knowingly make any false representation for the purpose of obtaining a loan or advance under the foregoing section upon conviction thereof shall be punished by a fine of not exceeding $1,000 or by imprisonment not exceeding six months, or both.

PROMOTION OF AGRICULTURE.

Mr. NORBECK. I move that the Senate take up for immediate consideration Senate bill 2250, to promote a permanent system of self-supporting agriculture in regions adversely affected by the stimulation of wheat production during the war, and aggravated by many years of small yields and high production costs of wheat.

Mr. CURTIS. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from South Dakota yield to the Senator from Kansas?

Mr. NORBECK. I do.

Mr. CURTIS. As I understand, it is the intention of the Senator from South Dakota to have this bill made the unfinished business, and then temporarily lay it aside?

Mr. NORBECK. That will be entirely satisfactory.

The PRESIDING OFFICER. The Senator from South Dakota moves that the Senate proceed to the consideration of Senate bill 2250.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 2250) to promote a permanent system of self-supporting agriculture in regions adversely affected by the stimulation of wheat production during the war, and aggravated by many years of small yields and high production costs of wheat, which had been reported from the Committee on Agriculture and Forestry, with amendments.

THE CALENDAR.

Mr. CURTIS. I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of the calendar under Rule VIII, and that only unobjected bills be considered.

The PRESIDING OFFICER. The Senator from Kansas asks unanimous consent that the unfinished business may be temporarily laid aside, and that the Senate may proceed to the consideration of bills on the calendar under Rule VIII, only unobjected bills to be considered. Is there objection?

Mr. ROBINSON. Mr. President, I inquire of the Senator from Kansas whether it is his purpose to proceed with other business after the conclusion of the calendar, if it shall be concluded?

Mr. CURTIS. I thought we would run with the calendar for about an hour, and then ask for an executive session, and after that adjourn.

Mr. ROBINSON. I have no objection.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kansas?

Mr. BRUCE. I object.

The PRESIDING OFFICER. The Senator from Maryland objects.

EXECUTIVE SESSION.

Mr. LODGE. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 10 minutes spent in executive session the doors were reopened, and (at 3 o'clock and 55 minutes p. m.) the Senate, in accordance with the order previously made, adjourned until to-morrow, Wednesday, February 27, 1924, at 11.45 o'clock a. m.

EXTENDING ARBITRATION CONVENTION WITH THE NETHERLANDS.

In executive session this day, the following agreement was ratified and, on motion of Mr. LODGE, the injunction of secrecy was removed therefrom:

To the Senate:

With a view to receiving the advice and consent of the Senate to its ratification, I transmit herewith an agreement signed between the United States and the Netherlands on February 13, 1924, extending from March 25, 1924, for a further period of five years the arbitration convention concluded between the two Governments on May 2, 1908.

For the information of the Senate I transmit also copies of notes exchanged between the Secretary of State and the minister of the Netherlands at the time of the signature of the agreement.

CALVIN COOLIDGE.

THE WHITE HOUSE, *February 18, 1924.*

THE PRESIDENT:

The undersigned, the Secretary of State, has the honor to lay before the President, with a view to its transmission to the Senate to receive the advice and consent of that body to ratification, if his judgment approve thereof, an agreement between the United States and the Netherlands, signed February 13, 1924, extending, from March 25, 1924, for a further period of five years the arbitration convention concluded between the two Governments on May 2, 1908.

At the time of the signature of the agreement notes were exchanged between the Secretary of State and the minister of the Netherlands confirming an understanding between the two Governments that in the event that the Senate gives its assent to the proposal made to the Senate by the President on February 24, 1923, that it consent, under certain stated conditions, to the adherence by the United States to the protocol of December 16, 1920, under which the Permanent Court of International Justice has been created at The Hague, and the Government of the Netherlands will not be averse to considering a modification of the convention of arbitration renewed by the agreement, or the making of a separate agreement providing for the reference of disputes mentioned in the convention to the Permanent Court of International Justice.

Copies of these notes are inclosed for the information of the Senate.

Respectfully submitted.

CHARLES E. HUGHES.

DEPARTMENT OF STATE,
Washington, February 15, 1924.

EXCHANGE OF NOTES.

The Secretary of State to the Netherlands Minister.

DEPARTMENT OF STATE,
Washington, February 13, 1924.

SIR: In connection with the signing to-day of an agreement for the renewal of the convention of arbitration concluded be-

tween the United States and the Government of the Netherlands May 2, 1908, and renewed from time to time, I have the honor, in pursuance of our informal conversations, to state the following understanding, which I shall be glad to have you confirm on behalf of your Government:

On February 24 last the President proposed to the Senate that it consent under certain stated conditions to the adhesion by the United States to the protocol of December 16, 1920, under which the Permanent Court of International Justice has been created at The Hague. In the event that the Senate gives its assent to the proposal, I understand that the Government of the Netherlands will not be averse to considering a modification of the convention of arbitration which we are renewing, or the making of a separate agreement, providing for the reference of disputes mentioned in the convention to the Permanent Court of International Justice.

Accept, sir, the renewed assurances of my highest consideration.

CHARLES E. HUGHES.

Jonkheer Dr. A. C. D. DE GRAEFF,
Minister of the Netherlands.

The Netherlands Minister to the Secretary of State.

No. 475. LEGATION DES PAYS-BAS,
Washington, D. C., February 13, 1924.

HON. CHARLES E. HUGHES,
Secretary of State, Washington, D. C.

SIR: With reference to your note of to-day I have the honor to state that the Royal Government has instructed me to inform you that in the event of the adhesion by the United States to the protocol of December 16, 1920, under which the Permanent Court of International Justice has been created at The Hague, the Government of the Netherlands will be willing to consider a modification of the convention of arbitration between the Government of the Netherlands and the United States, which we have renewed to-day, or to make a separate agreement providing for the reference of disputes mentioned in the convention to the Permanent Court of International Justice.

Accept, sir, the renewed assurances of my highest consideration.

A. DE GRAEFF.

The Government of the United States of America and Her Majesty the Queen of the Netherlands, desiring to extend for another five years the period during which the Arbitration Convention concluded between them on May 2, 1908, and extended by the agreement concluded between the two Governments on May 9, 1914, and further extending by the agreement concluded between the two Governments on March 8, 1919, shall remain in force, have respectively authorized the undersigned, to wit:

Charles Evans Hughes, Secretary of State of the United States of America, and

Jonkheer Dr. A. C. D. de Graeff, envoy extraordinary and minister plenipotentiary of Her Majesty the Queen of the Netherlands at Washington,

to conclude the following agreement:

ARTICLE I.

The Convention of Arbitration of May 2, 1908, between the Government of the United States of America and Her Majesty the Queen of the Netherlands, the duration of which by Article III thereof was fixed at a period of five years from the date of the exchange of ratifications, which period, by the agreement of May 9, 1914, between the two Governments was extended for five years from March 25, 1914, and was extended by the agreement between them of March 8, 1919, for the further period of five years from March 25, 1919, is hereby extended and continued in force for the further period of five years from March 25, 1924.

ARTICLE II.

The present agreement shall be ratified by the President of the United States of America, by and with the advice and consent of the Senate thereof, and by Her Majesty the Queen of the Netherlands, and it shall become effective upon the date of the exchange of ratifications, which shall take place at Washington as soon as possible.

Done in duplicate in the English and Dutch languages at Washington this 13th day of February, 1924.

[SEAL.] CHARLES EVANS HUGHES.
[SEAL.] DE GRAEFF.

NOMINATIONS.

Executive nominations received by the Senate February 26, 1924.

AMBASSADORS EXTRAORDINARY AND PLENIPOTENTIARY.

Charles Beecher Warren, of Michigan, to be ambassador extraordinary and plenipotentiary of the United States of America to Mexico.

William Phillips, of Massachusetts, now Undersecretary of State, to be ambassador extraordinary and plenipotentiary of the United States of America to Belgium and envoy extraordinary and minister plenipotentiary of the United States of America to Luxemburg.

ASSISTANT ATTORNEY GENERAL.

Ira K. Wells, of Kansas, to be Assistant Attorney General, vice William D. Riter, resigned.

PUBLIC HEALTH SERVICE.

Dr. Gregory J. Van Beeck to be assistant surgeon, to take effect from date of oath.

Dr. Frank J. Halpin to be assistant surgeon, to take effect from date of oath.

Asst. Surg. Russell R. Tomlin to be passed assistant surgeon, to rank as such from March 13, 1924.

These doctors have passed the examination required by law.

PROMOTIONS IN THE REGULAR ARMY.

To be lieutenant colonel.

Maj. Brainerd Taylor, Quartermaster Corps, from February 5, 1924.

To be major.

Capt. Edwin Albert Zundel, Field Artillery, from February 5, 1924.

To be captains.

First Lieut. Morgan Ellis Jones, Infantry, from February 5, 1924.

First Lieut. Fannin Adkin Morgan, Judge Advocate General's Department, from February 12, 1924.

First Lieut. George Howard Rarey, Infantry, from February 13, 1924.

First Lieut. Jacob Edward Uhrig, Infantry, from February 16, 1924.

To be first lieutenants.

Second Lieut. Joseph William Kullman, Infantry, from February 5, 1924.

Second Lieut. George Dewey Rogers, Infantry, from February 12, 1924.

Second Lieut. Robert Jones Merrick, Cavalry, from February 13, 1924.

Second Lieut. William Henry John Dunham, Coast Artillery Corps, from February 16, 1924.

Second Lieut. Irvin Alexander, Infantry, from February 19, 1924.

APPOINTMENTS, BY TRANSFER, IN THE REGULAR ARMY.

ADJUTANT GENERAL'S DEPARTMENT.

Capt. Eugene Manuel Landrum, Infantry (detailed in Adjutant General's Department), with rank from June 4, 1917.

SIGNAL CORPS.

Maj. James Byron Haskell, Coast Artillery Corps, with rank from February 22, 1923.

FIELD ARTILLERY.

Lieut. Col. James Perrine Barney, Quartermaster Corps, with rank from July 1, 1920.

POSTMASTERS.

ALABAMA.

Jethro D. Dennis to be postmaster at Marion, Ala., in place of H. C. Howze, resigned.

Ora B. Wann to be postmaster at Madison, Ala., in place of O. B. Wann. Incumbent's commission expired December 20, 1920.

ARKANSAS.

Benjamin B. Horton to be postmaster at Montrose, Ark., in place of J. R. Edwards. Office became third class October 1, 1923.

John M. Garrett to be postmaster at Vilonia, Ark., in place of T. W. Graddy, resigned.

CALIFORNIA.

Jesse D. Myers to be postmaster at Arlington, Calif., in place of J. D. Myers. Office became third class January 1, 1924.

Samuel W. Green to be postmaster at Isleton, Calif., in place of S. W. Green. Incumbent's commission expired February 11, 1924.

John F. Conners to be postmaster at Oakland, Calif., in place of J. J. Rosborough. Incumbent's commission expired February 11, 1924.

Frank T. Hawes to be postmaster at Centerville, Calif., in place of F. T. Hawes. Incumbent's commission expired February 11, 1924.

COLORADO.

Nettie Elliott to be postmaster at Loma, Colo., in place of Nettie Elliott. Office became third class January 1, 1924.

Paul C. Boyles to be postmaster at Gunnison, Colo., in place of P. C. Boyles. Incumbent's commission expired February 18, 1924.

Bessie Salabar to be postmaster at Bayfield, Colo., in place of C. A. Fowler. Incumbent's commission expired February 18, 1924.

John R. Munro to be postmaster at Rifle, Colo., in place of S. B. Pollock. Incumbent's commission expired February 18, 1924.

Ben H. Glaze to be postmaster at Fowler, Colo., in place of W. J. McDonald. Incumbent's commission expired February 18, 1924.

Alice A. Blazer to be postmaster at Elizabeth, Colo., in place of Mamie Weidner. Incumbent's commission expired February 18, 1924.

CONNECTICUT.

Sidney M. Cowles to be postmaster at Kensington, Conn., in place of W. W. Fagan. Incumbent's commission expired February 4, 1924.

Harry K. Taylor to be postmaster at Hartford, Conn., in place of D. A. Wilson. Incumbent's commission expired August 1, 1923.

Marshall Emmons to be postmaster at East Haddam, Conn., in place of James Bride, jr. Incumbent's commission expired February 4, 1924.

DELAWARE.

George W. Mitchell to be postmaster at Ocean View, Del., in place of G. F. McCabe. Office became third class October 1, 1923.

FLORIDA.

Frank Watts Hall to be postmaster at Labelle, Fla., in place of F. W. Hall. Incumbent's commission expired February 14, 1924.

IDAHO.

Hannah H. Bills to be postmaster at Kimberly, Idaho, in place of H. H. Bills. Incumbent's commission expired February 4, 1924.

John E. McBurney to be postmaster at Harrison, Idaho, in place of J. E. Wood. Incumbent's commission expired August 20, 1923.

Clarence P. Smith to be postmaster at Eden, Idaho, in place of C. P. Smith. Incumbent's commission expired February 4, 1924.

INDIANA.

William G. McNeelan to be postmaster at Holton, Ind., in place of G. D. Henderson. Incumbent's commission expired January 23, 1924.

IOWA.

Masel F. Sawin to be postmaster at Oto, Iowa, in place of F. L. Thompson, resigned.

Lewis H. Roberts to be postmaster at Clinton, Iowa, in place of B. M. Jacobsen. Incumbent's commission expired August 5, 1923.

KANSAS.

Anna M. Bryan to be postmaster at Mullinville, Kans., in place of A. M. Bryan. Incumbent's commission expires February 28, 1924.

George J. Frank to be postmaster at Manhattan, Kans., in place of F. D. Lamb. Incumbent's commission expires February 28, 1924.

Nora J. Casteel to be postmaster at Montezuma, Kans., in place of A. H. Wherritt, resigned.

Joseph V. Barbo to be postmaster at Lenora, Kans., in place of J. W. Frazier. Incumbent's commission expired January 23, 1924.

KENTUCKY.

Roy J. Blankenship to be postmaster at Hitchins, Ky., in place of R. J. Blankenship. Office became third class October 1, 1923.

Harvey H. Pherigo to be postmaster at Clay City, Ky., in place of H. H. Pherigo. Office became third class October 1, 1923.

Elizabeth A. Bradley to be postmaster at Van Lear, Ky., in place of M. L. Price, jr. Incumbent's commission expired February 11, 1924.

Lois Belcher to be postmaster at Greenville, Ky., in place of R. E. Wallace. Incumbent's commission expired February 4, 1924.

Fred Hall to be postmaster at Weeksbury, Ky., in place of Leander Johnson, resigned.

Sam H. Fisher to be postmaster at McRoberts, Ky., in place of G. H. Block. Incumbent's commission expired February 11, 1924.

LOUISIANA.

David S. Leach to be postmaster at Florien, La., in place of D. S. Leach. Office became third class January 1, 1924.

Augustine M. Dugas to be postmaster at Centerville, La., in place of A. M. Dugas. Office became third class January 1, 1924.

MAINE.

Parker B. Stinson to be postmaster at Wiscasset, Me., in place of P. B. Stinson. Incumbent's commission expired February 11, 1924.

Hiram W. Ricker, jr., to be postmaster at South Poland, Me., in place of H. W. Ricker. Incumbent's commission expired February 11, 1924.

Winfield L. Ames to be postmaster at North Haven, Me., in place of W. L. Ames. Incumbent's commission expired February 11, 1924.

Thomas E. Wilson to be postmaster at Kittery, Me., in place of N. R. Hubbard. Incumbent's commission expired February 11, 1924.

MARYLAND.

Harry A. Carroll to be postmaster at Havre de Grace, Md., in place of W. S. Kelly. Incumbent's commission expired February 24, 1924.

MASSACHUSETTS.

Fred C. Small to be postmaster at Buzzards Bay, Mass., in place of F. C. Small. Incumbent's commission expired February 4, 1924.

MICHIGAN.

Jens H. Wester to be postmaster at Sawyer, Mich., in place of J. H. Wester. Incumbent's commission expired January 26, 1924.

MINNESOTA.

Ida E. Marshall to be postmaster at Babbitt, Minn., in place of F. A. Jordan. Office became third class July 1, 1923.

Frederic E. Hamlin to be postmaster at Chaska, Minn., in place of F. E. Hamlin. Incumbent's commission expires February 28, 1924.

Alfred Gronner to be postmaster at Underwood, Minn., in place of Alfred Gronner. Incumbent's commission expired February 18, 1924.

Selma O. Hoff to be postmaster at St. Hilaine, Minn., in place of S. O. Hoff. Incumbent's commission expired February 18, 1924.

Francis S. Pollard to be postmaster at Morgan, Minn., in place of F. S. Pollard. Incumbent's commission expired February 18, 1924.

Charles G. Carlson to be postmaster at Gibbon, Minn., in place of C. G. Carlson. Incumbent's commission expired February 18, 1924.

MISSOURI.

Oliver P. Pettigrew to be postmaster at Bolckow, Mo., in place of R. E. Wilson, removed.

Lawrence J. Caster to be postmaster at Blythedale, Mo., in place of C. L. Canady. Incumbent's commission expired January 23, 1924.

Walter L. Hert to be postmaster at California, Mo., in place of N. C. Hickcox. Incumbent's commission expired January 23, 1924.

Melvin J. Kelley to be postmaster at Annapolis, Mo., in place of B. C. Gunter. Office became third class October 1, 1923.

NEW YORK.

Ruth W. J. Mott to be postmaster at Oswego, N. Y., in place of William Nacey. Incumbent's commission expired February 20, 1924.

Rose H. Munsey to be postmaster at Dryden, N. Y., in place of R. F. Chappuis. Incumbent's commission expired February 4, 1924.

Medose J. Robert to be postmaster at Au Sable Forks, N. Y., in place of R. T. Kenyon, resigned.

Elmer C. Wyman to be postmaster at Dover Plains, N. Y., in place of T. P. Whalen. Incumbent's commission expired August 5, 1923.

NORTH CAROLINA.

Hilliard C. Rector to be postmaster at Marshall, N. C., in place of W. C. Pope. Incumbent's commission expired January 26, 1924.

OHIO.

Orlando W. Schwab to be postmaster at Port Washington, Ohio, in place of C. V. Wiand. Office became third class October 1, 1923.

William H. Snodgrass to be postmaster at Marysville, Ohio, in place of Homer Southard. Incumbent's commission expired February 24, 1924.

Charles E. Kniesly to be postmaster at Bradford, Ohio, in place of P. R. Hart, removed.

Rufus A. Borland to be postmaster at West Jefferson, Ohio, in place of C. E. Kubitschack. Incumbent's commission expired February 24, 1924.

La Bert Davie to be postmaster at New Lexington, Ohio, in place of E. F. Lybarger. Incumbent's commission expired February 24, 1924.

Clem Couden to be postmaster at Morrow, Ohio, in place of W. F. Eltzroth. Incumbent's commission expired February 24, 1924.

Bayard F. Thompson to be postmaster at Jewett, Ohio, in place of A. Q. Arbaugh. Incumbent's commission expired February 24, 1924.

Elizabeth I. Grimm to be postmaster at Hopedale, Ohio, in place of W. S. Eagleson. Incumbent's commission expired February 24, 1924.

Andrew L. Brunson to be postmaster at Degraff, Ohio, in place of Frank Garver. Incumbent's commission expired February 24, 1924.

Elizabeth A. Krizer to be postmaster at Bremen, Ohio, in place of H. T. Purvis. Incumbent's commission expired February 24, 1924.

Edward M. Barber to be postmaster at Ashley, Ohio, in place of C. R. Wing. Incumbent's commission expired February 24, 1924.

Arthur L. Van Osdall to be postmaster at Ashland, Ohio, in place of J. E. Gates. Incumbent's commission expired February 24, 1924.

OKLAHOMA.

John P. Jones to be postmaster at Roff, Okla., in place of W. A. Allen, removed.

OREGON.

Fred C. Holznagel to be postmaster at Hillsboro, Oreg., in place of H. A. Ball. Incumbent's commission expired August 29, 1923.

PENNSYLVANIA.

Nathaniel Shaplin to be postmaster at Windgap, Pa., in place of W. D. Werkheiser. Incumbent's commission expired February 4, 1924.

Harry E. Pote to be postmaster at Marcus Hook, Pa., in place of C. H. Casey. Incumbent's commission expired February 18, 1924.

TENNESSEE.

Alfred V. Boyce to be postmaster at Manchester, Tenn., in place of J. H. McKenzie, resigned.

Thomas W. Williams to be postmaster at Lucy, Tenn., in place of T. W. Williams. Office became third-class October 1, 1923.

TEXAS.

Llewellyn R. Atkins to be postmaster at New Boston, Tex., in place of G. W. Morris. Incumbent's commission expired November 21, 1922.

Lilburn C. Graham to be postmaster at Lancaster, Tex., in place of J. C. Hawks. Incumbent's commission expired February 24, 1924.

VIRGINIA.

David G. Snodgrass to be postmaster at Meadowview, Va., in place of D. G. Snodgrass. Incumbent's commission expired August 29, 1923.

WEST VIRGINIA.

Guy E. McCutcheon to be postmaster at Reedy, W. Va., in place of R. L. McKinley. Incumbent's commission expired February 11, 1924.

CONFIRMATIONS.

Executive nominations confirmed by the Senate February 26, 1924.

PROMOTIONS IN THE NAVY.

MARINE CORPS.

Elias R. Beadle to be lieutenant colonel.
William B. Sullivan to be major.
Harry Paul to be captain.
John P. Adams to be captain.
William K. Snyder to be captain.
William T. Evans to be captain.

POSTMASTERS.

ALABAMA.

Roy A. Lifsey, Montgomery.

COLORADO.

John C. Straub, Flagler.
Edward F. Baldwin, Nucla.

KANSAS.

Harry Morris, Garnett.
Forrest L. Powers, Le Roy.
Andrew M. Ludvickson, Severy.

MAINE.

Hugh Hayward, Ashland.
William N. Dyer, Harrington.
Grace M. Flint, Hartland.
Harry S. Bates, Phillips.
George E. Sands, Wilton.

MINNESOTA.

Eva Cole, Delavan.

NEW HAMPSHIRE.

Ruby E. Lyford, Belmont.

NORTH DAKOTA.

William H. Lenneville, Dickinson.

OHIO.

Ida H. Cline, Kings Mills.
George B. Fulton, North Baltimore.
Oliver Ferrell, Pauiding.
Iris L. Bloir, Sherwood.
William S. Paisley, Toronto.
Ben F. Robuck, West Union.

SOUTH CAROLINA.

Malcolm J. Stanley, Hampton.

WEST VIRGINIA.

Fred F. Holroyd, Glen Rogers.
Willis O. Nichols, Oak Hill.
Thelma F. Settle, Page.
Orville O. Tope, Peach Creek.

WITHDRAWALS.

Executive nominations withdrawn from the Senate February 26, 1924.

MEMBER OF THE FEDERAL TRADE COMMISSION.

George B. Christian, jr., of Ohio, to be a member of the Federal Trade Commission.

PROMOTION IN THE ARMY.

COAST ARTILLERY CORPS.

Second Lieut. Bordner Frederick Ascher, Air Service, with rank from June 12, 1923, Lieutenant Ascher having resigned his commission as an officer in the United States Army.

HOUSE OF REPRESENTATIVES.

TUESDAY, *February 26, 1924.*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Keep us very near to Thee, blessed Lord, as we meet the duties and responsibilities of this day. May we be responsive to all that is good and true and turn aside from all that is evil and false. Be present and cause us to yield ourselves to Thy will; thus shall our examples and influences be reflections caught from Thee. Help us to learn wisdom from failure. Cheer us with the truth that he who never makes a mistake never makes a discovery. Deepen in us the virtues of reverence and gratitude and direct all the questions of our minds and the longings of our hearts. Amen.

The Journal of the proceedings of yesterday was read and approved.

IMMIGRATION.

Mr. CABLE. Mr. Speaker, the Immigration Committee has presented to the House and country a bill selective in principle, restrictive as to numbers, and humane in operation. It is intended as a permanent immigration policy of the United States. The act of 1917 is our basic immigration law. It seeks to exclude the undesirable, the physically, the mentally, and the morally unfit. The quota law, which expires June 30, 1924, as well as this bill, limits as to numbers. It applies to the nationals of the countries of Europe, Africa, Australia, New Zealand, and western Asia.

IMMIGRANT CERTIFICATES.

Under the provisions of the bill the intending immigrant must present with his passport a sworn statement as to his personal and family history, his physical condition, his ability to speak, read, and write, and his purpose of coming to the United States. For the first time in the history of our country our consul has the right to refuse to visé if in his opinion the immigrant is not admissible. The weaklings are weeded out before they start. Selection is made abroad of the best who apply. If admissible, in the opinion of the consul, the passport is visèed, and the immigrant is given an immigration certificate. Not more than 10 per cent of the total number allotted to each country may be issued in any one month, and a certificate is void two months after the date of its issue. The counting is made abroad and not at ports of entry. There will be no more racing of steamships across the oceans, as the immigrant's admission is not contingent upon the time of his arrival. This method will result in an even flow through Ellis Island throughout the entire year and thus eliminate the hardships and suffering from crowded conditions. The final inspection and medical examination will still be made at the ports of entry, but in a more thorough and careful manner.

NONQUOTA CERTIFICATES.

The bill permits and assists in the reuniting of families of American citizens. It is provided that an immigrant who is an unmarried child under 18 years of age, a father or mother over 55 years of age, husband or wife of a citizen of the United States may be admitted outside and irrespective of the quota. Application is made by the citizen to the Commissioner General of Immigration, who, if he finds it in order, shall, through the Secretary of State, authorize the consul to issue a nonquota certificate.

PERMIT.

If a resident alien wishes to visit his native land for a temporary visit, he may, before leaving, obtain a permit from the Commissioner General to reenter the country, and in such case he is not counted within the quota. At present such aliens are often prohibited by their own country from returning until the quota of his country is filled, as otherwise he is counted in the quota.

NONIMMIGRANTS.

Government officials and their families and aliens visiting the United States for business or pleasure need no certificates and are not subject to quota limitations and restrictions.

NATIONALITY.

Nationality is determined by place of birth. The bill seeks to amend the law by providing that the nationality of a minor child is fixed as that of its accompanying parent. It also provides that if the nationality of the wife is different from that of her husband, and if the quota for her country is filled, she shall be counted as of the husband's but without increasing the quota for his nation. This prevents the separation of families because of diverse nationality and quotas under the law.

PERSONS INELIGIBLE FOR CITIZENSHIP.

Immigration may be regulated by treaty or by law. I prefer the latter, as the law may be altered at any time to suit the needs of this Nation without the consent of the other country. When Roosevelt was President the Pacific coast was being flooded with Japanese laborers. The people protested. He negotiated the famous "gentleman's agreement" with Japan, not by the treaty or by law but through diplomatic communications.

This correspondence has never been published. By its terms we learn that Japan agreed to issue no passports to its nationals who are laborers seeking to come to the United States. However, their laborers do come to Mexico and are smuggled into our country over the border. President Taft altered its terms by a treaty so that the merchants and their families of Japan are permitted to enter. No other nation except Japan is permitted to regulate immigration of her nationals to the United States. The Supreme Court of the United States recently decided that a Japanese being a member of the yellow race is not eligible to citizenship. The question resolves itself into this: Shall we admit those who by law can not become naturalized? The committee said no and so stated in their bill.

Secretary of State Hughes has suggested placing Japan on a quota basis of the census of 1890 and thus admit annually but 246 Japanese. Such an act would constitute a surrender of our Japanese policy. To recognize their right to enter is the first step toward amending our naturalization laws to permit those of the yellow race to become citizens. Besides we are not sure that the census of 1890 will be adopted. The Senate Committee last week voted for the 1910 census and this would admit six times as many. If in the future the percentage plan of regulating immigration should be repealed or extended to a later census, the United States would then have a more difficult problem to solve. America has no room for those who can not become citizens, who can not and will not adopt our institutions and ideals. We have no place for those whose loyalty and allegiance is to another. Uncle Sam has a right to limit his household, both in numbers and in nationality.

ALIEN SEAMEN.

Several thousand aliens enter the United States unlawfully under the provisions of the seamen's act. By the terms of the proposed immigration bill it is the duty of the owner or master of the vessel upon arrival to hold on board, under penalty, all alien seamen until there may be a personal physical examination by the medical inspectors. If found to be admissible, each seamen is given a landing card for his temporary stay in the United States. If he stays beyond the expiration of the time stamped on the landing card, he is subject to arrest and deportation.

TWO PER CENT INSTEAD OF THREE PER CENT.

The present law calls for a 3 per cent quota. The proposed bill reduces the number to 2 per cent on 1890 census, or from 357,803 to 170,000. There are many reasons for this reduction, chief of which is the fact that we need no additional labor. There is to-day a large number of unemployed. This statement is based on reports received by the Department of Labor from their representatives stationed in every State in the Union.

Mills are closing and the workers are unable to find employment elsewhere. Many railroad and other shops and factories are being operated on part time a few days a week. From Massachusetts, for example, there comes the report that there is a slackening of industry and unemployment is on the increase. Nearly all of the textile mills are operated on part time and with reduced forces. There is not sufficient employment in other lines to absorb this surplus.

In Ohio there are a great many without work. In Pennsylvania there is a surplus in all classes of skilled mechanics as well as common labor. In the Philadelphia district a large number of married women have been seeking employment because their husbands are out of work. In the West the farm-labor supply is more than sufficient to meet the demands.

The United States has passed the point of assimilation. Of the 14,000,000 of foreign born residing here less than half are American citizens. The naturalization process averages 10 years. One and one-half million of our foreign population can not speak English. Alien colonies have sprung up in the large cities, where the circulation of foreign press papers runs into 6,000,000. Seventy-five per cent of those who come from other countries to the United States live in large cities. The population in many cases is one-third foreign born. In the States of New York, New Jersey, and Pennsylvania 35.4 per cent of the male population 21 years of age and over is foreign born; in the New England States 38.2 per cent; in Massachusetts, 41.9 per cent; Boston, 46.3 per cent; and in New York City, 53.4 per cent. These large alien colonies still hold to their foreign ideas and institutions. Our Nation is dotted with unassimilated groups—"alien islands" they may be called. It is thus necessary to reduce immigration.

Without restriction we would have a veritable migration of people from Europe. We have no work for them, no homes for their families, and no schools for their children. Conditions here are already crowded.

Mr. Nathan Grosshandler, of Youngstown, Ohio, was a witness before our committee. He is a publisher of several papers, two of which are in the foreign-language list. Last summer he visited Europe to study immigration. He himself had come to this country as an immigrant.

Part of Mr. Grosshandler's testimony was as follows:

I was in Bulgaria, Croatia, Serbia, Rumania, Czechoslovakia, Hungary, Austria, Poland, France, London, and God knows I was traveling so fast and working so hard that often after every two hours of travel I was in a different country. I was primarily interested, Mr. Chairman, in the countries that we have drawn labor from—Austria, Hungary, Italy, Czechoslovakia, Poland, Yugoslavia, and Rumania. * * *. Then, of course, I may make it broader, so it will give you a conception and give you the psychology of the masses that prevail in Europe to-day. I might just as well say to you honestly, you ask a hundred men if they want to come to America and you get a response ninety-nine times out of a hundred that they want to come to America. Those are the conditions. When you meet these conditions, Mr. Chairman, you have no more questions to ask, because everybody wants to come to America.

I quote also from Mr. Lothrop Stoddard, of Brookline, Mass.:

As I say, the number of people who desire to come to America is practically limitless. They must be numbered, taking Europe and the Near East together, literally by the tens of millions, and that pressure will increase, in my opinion, in the next 10 years. In other words, we have not a temporary condition but we have a permanent condition that is facing us in regard to the pressure of immigration, a waxing rather than a waning factor. And whatever dikes we set up against that flood, the pressure will be so great that, in my opinion, only legislation of a drastically restrictive nature, with no loopholes, will suffice to keep out the floods of people, largely of an undesirable character, and every loophole, in my opinion, must be carefully plugged, because it is a law of hydrodynamics that if you have a dike subjected to a great pressure the slightest crack in the dike will be sufficient to let the flood through.

Mr. Stoddard testified that he visited England, France, Germany, Switzerland, Czechoslovakia, Austria, Hungary, Yugoslavia, Bulgaria, Turkey, Syria, Palestine, Transjordania, Egypt, and Italy, and that he made the same inquiries of the nationals of every nation that he visited.

Our duty lies first with the foreign born who are here. It begins rather than ends with their admission. Close to 7,000,000 are not American citizens. The facilities of an education should be extended to them. Give them a chance to study. Open our night schools to the men. Send trained teachers into the homes for the women, for the wife and mother can not always leave her household duties to attend the evening schools. Permit them to learn our language, our history, and the ideals of this Nation, the duties and benefits of citizenship. It means the building of a bigger and a better America.

Further restriction of immigration is necessary because of the increase in the population of those who are here. The Bureau of the Census estimated that in 50 years hence we will be a Nation of 183,000,000, and in 100 years we will be one of 254,000,000 of people. There is no new land in the world to which our people, because of overpopulation, can migrate.

THE CENSUS OF 1890.

The present quota law is based on the census of 1910. The bill changes this to 1890, resulting in a reduction of the number of quota immigrants who may come from the south and east of Europe. A cry of discrimination has been raised because of this change. The quota of a country should not be determined by the number of foreign born who may happen to be here at a particular time, but should be based on the entire racial composition or cross section of our population. Each country should be entitled to a quota on the basis of the national stock of that country in the United States as it bears to our total population. This is clearly explained in an article appearing in the New York Times, March 1, 1924, written by Mr. F. H. Kinnicutt, of that city, a student and an authority on immigration problems, part of which is as follows:

I should like to point out that a careful study of the census figures shows that the discrimination is not in the proposed quotas, but in the existing quotas. The present law bases the quotas on the enumeration in the census of 1910 of the foreign born of each European country then alive in the United States, and takes no account of the racial elements by stocks in the country to-day. According to that law it is only the number of actual immigrants from each quota country here in 1910 which determines the quotas. No credit is given to any country by reason of the fact that the number of persons derived by descent from that country is greatly in excess of those who actually immigrated thence in the present generation. For instance, under the law of 1890 the joint quota for Great Britain and Ireland is 77,342. If it were apportioned according to the census figures of 1910 between England, Scotland, and Ireland, respectively, the quota of England and that of Scotland would be less than the quota of Russia, Poland, or Italy. In fact, during the last fiscal year in which the British and Irish quotas were exhausted before the end of the year fewer immigrants were allowed to enter the United States from England, fewer from Scotland, and fewer from Ireland than were permitted to enter from either Russia, Poland, or Italy. This result is certainly extraordinary. It amounts to a clear discrimination against the very peoples who principally settled the American Colonies and founded our civilization, and whose descendants constitute at least 50 per cent of our present white population, in favor of peoples who have only come in any numbers to the United States within the last 30 years.

Perhaps the greatest need in immigration legislation to-day, and certainly one of the prime considerations in the minds of Members of Congress in framing the pending bill, is the maintenance of at least that degree of racial homogeneity which the American people possess to-day. Judged by this principle, it is the present law—not the pending bill—which is open to objection. The former gives 44.6 per cent of our total quota immigration to the countries of Southern and Eastern Europe, including Asiatic Turkey and Palestine—an amount vastly in excess of what they could claim on any theory of proportional representation by races, with reference to the racial elements in our present population.

This will appear from an examination of the official figures of the 1920 census, which show that the total number of people of foreign stock in the United States in that year derived from the countries of southern and eastern Europe (including Asiatic Turkey and Palestine) is approximately 12,266,115, or 11.7 per cent of the total population of the United States in 1920. The above figure is reached by adding to the number of the foreign born from those countries the number of native born both of whose parents were born in those countries and one-half of the native born one of whose parents was born in those countries. Under the provisions of the Johnson-Lodge bill, 15.3 per cent of the total quota immigration would be apportioned to these same regions in southern and eastern Europe and near Asia. Obviously, this would be a liberal allowance, but in addition thereto the "newer immigration" would get the lion's share of the exemptions for near relatives of United States citizens, who, under the new bill, are exempted from quota restrictions. It is clear that the newer immigration, represented by the great wave from southern and eastern Europe since 1900, must have many more of these near relatives than the representatives of the older immigration now alive in this country, most of whom came over before 1900. It may incidentally be noted that the total number of foreign born from southern and eastern Europe alive in the United States to-day is only 6,422,727.

The figures given above show indisputably that the charge of unfairness and discrimination, as applied to the pending bill, which bases the quotas on the census of 1890 is entirely unfounded. That bill, in fact, merely preserves the racial status quo in the United States with respect to immigration more nearly than can be done by taking any other census as the basis. In other words, the proposed legislation, far from being aimed at any particular race, is based on broad considerations of public policy and the welfare of the country as a whole.

We should not disregard the descendants of those immigrants who settled our country, who fought bloody battles with the Indians, who won independence, formulated our Constitution, and developed this country across the Alleghenies and the Rockies to the Pacific coast. I refer to the Scotch, the Irish, the Welsh, the English, the Dutch, the Germans, and the French. Immigration from those countries began with our Colonies and continued ever since, but decreased in large numbers prior to 1910. The use of that census discriminates against their nationals. The foreign born from Ireland decreased over 500,000 in number between 1890 and 1910, and the foreign born from Germany decreased 474,000 in a like period of time. The coming in large numbers of the new immigration checked the flow of the old. The 1890 census is the one that gives to the nationals of all countries the fairest proportion of immigration based on the racial stock of those already here. In addition I call attention to the fact that Italy as a nation regulates her emigration. She permits her men to come here while prohibiting the wives and families. The provisions in the bill admitting fireside relatives of American citizens outside of the quota will reunite more families coming from southern and eastern Europe than the rest of quota countries.

This country clearly has a right to regulate immigration, to say who may come and who are not desirable. Certain foreign countries have deliberately given passports to such of their nationals as they wish to get rid of, and we have been taking them as immigrants. Experience has taught us that it is impossible to colonize our farm land.

Canada has attempted this, with the result that while 88,000 were encouraged to immigrate to that country last year and settle on the farms, yet in the same period 117,000 left Canada for the United States. The farmers in America do not need additional farm labor so much as they do a price for their products commensurate with the price they must pay for the articles they purchase. There is a surplus of farm products in

the United States to-day. A large influx of immigrants to work on the farms might cut the cost, but it would not increase the price received and therefore would not benefit the farmers, besides such a proposition would be used as a subterfuge, as the immigrant nine times out of ten would move from the farm into the city. To compel him to remain on the farm under threat of deportation would constitute a form of peonage and we have no room in America for that.

We should not permit foreign Governments and their representatives in this country to dictate to us in the matter of voting for a good, selective, restrictive, and humane immigration bill. In the words of our President—

American institutions rest solely on good citizenship. They were created by people who had a background of self-government. New arrivals should be limited to our ability to absorb them into the ranks of good citizenship. America must be kept American.

ADJUSTED COMPENSATION.

Mr. HOWARD of Nebraska. Mr. Speaker, I ask unanimous consent that I may have reproduced in the RECORD a series of resolutions adopted by the Chamber of Commerce of Auburn, Nebr.

The SPEAKER. The gentleman from Nebraska asks unanimous consent to extend his remarks in the RECORD for the purpose indicated. Is there objection?

Mr. LONGWORTH. Mr. Speaker, reserving the right to object, I did not catch the request of the gentleman.

Mr. HOWARD of Nebraska. It is so very odd I feared it might meet objection. It is a series of resolutions by a chamber of commerce actually in favor of the adjusted compensation bill. It is the only one of its kind in the world, and I wanted it to appear in the RECORD. [Laughter.]

Mr. LONGWORTH. The gentleman's appeal touches my heart, and I shall not object.

The SPEAKER. Is there objection?

There was no objection.

Mr. HOWARD of Nebraska. Mr. Speaker, under permission of the House I insert herewith as a part of my remarks the following resolutions:

OFFICE OF CHAMBER OF COMMERCE,
Auburn, Nebr., February 20, 1924.

Resolution.

Whereas adjusted compensation is an obligation owing from the United States Government to the former soldiers of the World War, long past due and unpaid; and

Whereas it is our judgment that adjusted compensation can be paid and Federal taxes at the same time be reduced; and

Whereas methods used by the forces opposing the enactment of the adjusted compensation bill are in our opinion unjustified, unfair, and un-American: Therefore be it

Resolved, That the Chamber of Commerce of Auburn, Nebr., hereby heartily indorses and urges the Members of Congress and Senators from the State of Nebraska to exert every effort to bring about the immediate passage of the American Legion fourfold adjusted compensation bill; and be it further

Resolved, That said Chamber of Commerce condemns tactics of selfish interest in seeking by forced propaganda and unfair methods of coercion to bring about the defeat of the adjusted compensation bill.

C. A. SOUDERS, *President.*
H. HEMMINGSEN, *Secretary.*

UNITED STATES HOSPITAL SERVICE.

Mr. SEARS of Florida. Mr. Speaker, before this debate becomes partisan I ask unanimous consent to address the House for two minutes.

The SPEAKER. The gentleman from Florida asks unanimous consent to address the House for two minutes. Is there objection?

There was no objection.

Mr. SEARS of Florida. Mr. Speaker, the tendency of the time seems to be to cast slurs upon those in public life. Criticism is passing to and fro, but I believe in giving credit to those to whom credit is due. It is natural for me to repeat it, because, as I have said several times, and my Republican friends know it, I am a partisan Democrat. However, when anyone is entitled to credit, I feel they should have that credit. I read a few days ago a very short statement written by one of the best newspaper writers in my State, if not in the South, a young man who served in the war, in which he congratulated the Congress and the Government upon the present way our hospitals are being conducted. In order that those who are now in charge of the Veterans' Bureau may know that at least one ex-service man appreciates what has been done for him, without taking up any further time, I ask unanimous consent that I may include this short article as an appendix to my remarks.

The SPEAKER. The gentleman from Florida asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

The newspaper article referred to is as follows:

NEWSPAPER MAN OUT OF HOSPITAL—FRANK L. HUFFAKER, OF TAMPA, PRAISES UNITED STATES VETERANS' BUREAU.

[From the Jacksonville Times-Union, February 20, 1924.]

Fully recovered from a physical breakdown resulting from spinal injury received while serving in the American Tank Corps in France, Frank L. Huffaker, of Tampa, for years one of Florida's best known newspaper men, reached Jacksonville Monday from Gulfport, Miss., where he has been undergoing treatment at one of the numerous veterans' hospitals of the Nation. He spoke with characteristic interest of his experiences, and particularly of the determined and increasingly effective efforts being made for rehabilitation of disabled veterans by the United States Veterans' Bureau and medical men cooperating with that organization.

"Were I to write the story of these hospitals, large and small," said Mr. Huffaker, "I'd do so under the heading, 'Cities of hope-deadened men.' This for the reason that thousands of these nerve-tied and otherwise disabled fellows, in spite of their efforts to express their ideals and earn livelihoods without Government support are, like too-tightly reined horses, thrown backward to find not treatment alone but food and beds as well in the Government hospitals, the efficiency of which is steadily growing. But for these places of refuge thousands of veterans, including muchly decorated men, would be better off had they been left on Flanders fields. Chief aids of the personnel of all these hospitals are the 'little mothers' of the 'greatest mother in the world,' the American Red Cross Society, and the equally capable and willing 'little fathers' of the Knights of Columbus. I only wish the American people could realize the noble and effective work representatives of these organizations are doing.

"The experiences of these men, a majority of whom suffer stoically and with an ever-ready display of good humor, was never so thoroughly typified to me as during memorial services held in honor of Woodrow Wilson in the Red Cross recreation hall at the Gulfport Hospital. I visualized the herculean efforts of that great soul to cast aside the shackles of a broken body in a last effort to thrust forth a world ideal, and then I realized that my fellow patients and therefore his minions in lesser degree were passing through the same throes because of their efforts to 'make the world safe for democracy.'"

EX-ATTORNEY GENERAL GREGORY.

Mr. CONNALLY of Texas. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting therein a statement which was handed out at the White House some time ago, including a letter from ex-Attorney General Gregory to the President, and the President's comment thereon. My warrant for asking this is that the gentleman from Ohio [Mr. FOSTER] some week or 10 days ago made some remarks in the House that seem to reflect on ex-Attorney General Gregory, and I think it is fair that this statement which was handed out at the White House be inserted in the RECORD.

The SPEAKER. The gentleman from Texas asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

Mr. CONNALLY of Texas. Mr. Speaker, under the leave granted to me to extend my remarks in the RECORD I beg to submit the following:

On February 1, 1924, the gentleman from Ohio [Mr. FOSTER] addressed the House and discussed the Teapot Dome and Doheny oil leases on the naval oil reserves. In the course of his remarks the following transpired:

Mr. FOSTER. When it is rumored that the President of the United States consults a Democratic member of the Supreme Court of the United States, and who recommends to him another Democrat from your State—a former Attorney General—and it then develops that such former Attorney General was an attorney for the Doheny interests, then President Coolidge should not appoint former Attorney General Gregory.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BLANTON. The Democrats would have picked some attorney wholly disconnected with oil leases.

Mr. LONGWORTH. I have just read a statement from the White House that the President is not going to appoint him. [Applause.]

In justice to Hon. T. W. Gregory, former Attorney General of the United States, to whom reference was made by the two

gentlemen from Ohio, it is only fair that the RECORD should contain the letter from Mr. Gregory to the President on the subject, and the President's comment thereon, as contained in a statement issued at the White House on February 2, 1924. They are as follows:

FEBRUARY 2, 1924.

Mr. President, on last Tuesday night, when I was in Austin, Tex., you stated to me over the long-distance telephone that you wished to employ me in the investigation of the leases of the naval oil reserves. You will recall that after expressing my appreciation I stated that I was not in close touch with the developments in the matter; that nothing occurred to me that would prevent me from serving, but that I would be in Washington Saturday afternoon—to-day—and would then confer with you on the subject. I had no idea that in saying this I was accepting an appointment or that you so understood it. I assumed that that would be decided when we conferred, and that in the meantime I would have an opportunity to go through my books and correspondence to see whether in the course of my private practice I had ever had any employments which might stand in the way. It was also my desire, before definitely committing myself, to confer with Senator WALSH of Montana, who has conducted the investigation of the Senate committee. I was very much surprised to read in the Texas newspapers the next morning that I had been appointed, but did not feel at liberty to make any public statement, and consistently declined to do so until I had seen you.

Of course, if it had been in my mind at the time of our telephone conversation that I had been employed by Mr. Doheny, directly or indirectly, or at any time, near or remote, that would have ended the matter at once, because I would have realized that however free from criticism such employment might have been, it would have disqualified me from acting as your counsel on the present occasion. I have no recollection of having seen or communicated with Mr. Doheny in my life, and at that time did not recall ever having had any business connection with him or with any company controlled by him.

I returned to Washington as quickly as possible, for the purpose of keeping my engagement with you, and arrived here this afternoon.

Yesterday while on the train my attention was called to a statement made the day before to the Senate Public Lands Committee by E. L. Doheny, to the effect that his company and several others employed me "to represent them before the President in regard to getting permits to drill oil wells in Mexico," and that "the Island Oil Co. billed us for $2,000 as our share of the fee that they paid Judge Gregory for this particular work."

I would have been at a loss to know what he was referring to except for his mention of the Island Oil Co. I remembered perfectly my employment by that company, although some of the details had passed out of my mind. I have now refreshed my recollection by examining data in my office. The facts are as follows:

In the fall of 1919 the firm with which I was then associated had among its regular clients the Island Oil & Transport Co., which is evidently the Island Oil Co. referred to. It was a small independent company without any connection whatever, so far as I have ever known, with either Mr. Sinclair or Mr. Doheny.

The Island Co. asked me to act for it in the concerted effort then being made by American oil companies to get the State Department to take action to prevent the threatened confiscation of their properties in Mexico, the Carranza government having refused to grant them permits to drill on their own property unless they accepted the provision of the new constitution vesting title to oil and other minerals in the Government.

The purpose was to secure some character of diplomatic action by the United States Government which it was hoped would place American oil companies on the same footing as those of Great Britain, the latter having been allowed to continue development. The facts in regard to all the interested companies were about the same, the law as to all was the same, and there was general cooperation among them in attempting to obtain relief.

I gave the matter attention for some months, and the Mexican authorities finally extended to the American companies the privilege enjoyed by those of Great Britain.

This result was brought about in December, 1919, or January, 1920, and my employment in the matter ended then and there. I rendered a bill to the Island Co. for $15,000, which it paid.

At some stage of the transaction the Island Co. stated that the work I did redounded to the benefit of other companies besides itself, and that, it being a small company, it would try to induce several of the others similarly situated to make contributions to the fee charged. I understood that some of them did so. The Huasteca Petroleum Co., which was controlled by Mr. Doheny, was one of these, and no doubt paid the Island Co. the $2,000 referred to by Mr. Doheny.

This phase of the matter had entirely passed out of my mind. But even at the time I never thought of my employment as an employment by Mr. Doheny or his company, and he evidently did not, as his testimony before the Senate committee, as reported in the press, is to the effect that he knew nothing about my connection with the transaction until within the last few days.

I have never felt that the transaction involved the slightest necessity for apologies, nor even for explanation, but for the unusual conditions which have arisen.

It is obvious, nevertheless, that the fact that one of Mr. Doheny's companies bore a part, however indirect and however small, of the expense of my employment by the Island Co. makes it inappropriate for me to act as your counsel in this matter.

Respectfully yours,

T. W. GREGORY.

To the PRESIDENT.

STATEMENT FROM THE WHITE HOUSE FEBRUARY 2, 1924.

The attached letter was made public at the White House to-day, accompanied by the following statement:

FEBRUARY 2, 1924.

The statement in the letter of Mr. Attorney Gregory to me regarding the conversation between him and me over the telephone and the inferences to be drawn from it are correct.

CALVIN COOLIDGE.

It will be noted from the correspondence set out above that Mr. Gregory, in the long-distance conversation referred to, was not employed by the President to conduct the prosecutions in connection with the leases on the naval oil reserves, and that it was not understood by the President that Mr. Gregory had agreed to accept such employment conditionally, but that the only agreement arrived at was that the President and Mr. Gregory should confer upon the arrival of Mr. Gregory in Washington on February 2. On February 1, at the very moment the gentleman from Ohio [Mr. FOSTER] was making his address, and at the very moment when the gentleman from Ohio [Mr. LONGWORTH] was making the statement that he had just read a statement from the White House that the President was not going to appoint Mr. Gregory, the ex-Attorney General was on the train en route to Washington, approximately a day's journey from the Capital.

The statement of the gentleman from Ohio [Mr. LONGWORTH] coming as it does from the Republican floor leader in the House of Representatives, and quoting a statement from the White House, must be deemed as authoritative. Its significance, however, lies in the fact that the White House gave out a statement to the effect that the President was not going to appoint General Gregory without consulting him, and without waiting for the conference which had been agreed upon between them. It seemed subject to the inference that the haste of the White House had been the cause of doing an injustice to Mr. Gregory, in thus terminating the matter without giving him an opportunity on his own accord to decline the employment, which he did upon arrival in Washington, at his conference with the President.

Mr. Gregory is a distinguished citizen of Texas, and for many years has occupied and now occupies an enviable place at the bar of that State. He served as Attorney General of the United States and his administration of that high office was characterized by great ability and by unflinching fidelity to the public interest. Both in public and in private his conduct in the practice of law has always been in accord with the highest and purest standards of professional honor and ethics. Though he declined employment in the naval oil reserve lease cases, through a fine sense of propriety, it may be said that had he accepted employment the Government would have had an able, fearless, honorable, and thoroughly ethical representative of its interests, capable of meeting any adversary in any forum.

RECKLESS DRIVING OF AUTOMOBILES.

Mr. LITTLE. Mr. Speaker, I ask unanimous consent to address the House for two minutes.

The SPEAKER. Is there objection?

Mr. GREEN of Iowa. Mr. Speaker, reserving the right to object, I shall not object to the gentleman having this opportunity, but I shall object to anything further.

The SPEAKER. Is there objection?

There was no objection.

Mr. LITTLE. Mr. Speaker, I would not have brought this up, but it is a matter of life and death. There are too many people killed around here by automobiles. I want to cite this situation to the House. This morning a poor woman in the employ of this House was, about 5 o'clock, going to her work. She got off the street car at the main door and a Cadillac machine, operated by two men, came by at 50 miles an hour and hit her. It dragged her for a block and a half, left her in a pool of blood on First Street, with one broken leg and one broken arm, with

probably death hanging over her, and got away. I have introduced a resolution to offer $500 reward for the arrest and conviction of the drivers of the car, which I hope in due time will come before the House. I call the attention of the House to the absolute and almost total indifference to human life among the automobile people around this town.

I think that this poor woman is entitled to just as much protection as the Speaker would be, and I hope the House will take advantage of this opportunity to offer this small reward so as to catch them. I think I know how to get detectives after them.

Mr. LINTHICUM. Mr. Speaker, will the gentleman yield?

Mr. LITTLE. Yes.

Mr. FREAR. Mr. Speaker, believing this to be an important subject of discussion, I make the point that there is no quorum present. I think the point should be made at this time.

Mr. LINTHICUM. I want to say to the gentleman from Kansas that the best way to protect human life in the future is for the District of Columbia to adopt some title system for automobiles, so that they can not be transferred promiscuously from one person to another without some record being made.

LEAVE OF ABSENCE.

Mr. DOWELL. Mr. Speaker, I ask unanimous consent that my colleague, Mr. KOPP, be excused for the day.

The SPEAKER. The gentleman from Iowa asks unanimous consent that his colleague, Mr. KOPP, be excused for the day. Is there objection?

There was no objection.

NO QUORUM—CALL OF THE HOUSE.

The SPEAKER. The gentleman from Wisconsin makes the point of order that there is no quorum present. Evidently there is no quorum present.

Mr. LONGWORTH. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will bring in the absentees, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Berger	Dominick	Kent	Rouse
Britten	Dupré	Kopp	Stalker
Burton	Edmonds	McFadden	Strong, Pa.
Carew	Fredericks	MacLafferty	Sullivan
Carter	Free	Martin	Taylor, Colo.
Cole, Ohio	Funk	Miller, Ill.	Thomas, Ky.
Corning	Geran	Morin	Tydings
Cramton	Gifford	Nolan	Vare
Cullen	Hayden	Porter	Vinson, Ga.
Curry	Hull, William E.	Reed, W. Va.	Wilson, La.
Dempsey	Kahn	Romjue	Winslow

The SPEAKER. Three hundred and eighty-seven Members have answered to their names. A quorum is present.

Mr. GREEN of Iowa. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The SPEAKER. The Doorkeeper will open the doors.

The doors were opened.

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled House joint resolution of the following title:

H. J. Res. 160. Joint resolution to provide an appropriation for the prosecution of suits to cancel certain leases, and for other purposes.

REVENUE ACT OF 1924.

Mr. GREEN of Iowa. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 6715, the revenue bill.

The SPEAKER. The gentleman from Iowa moves that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the revenue bill. The question is on agreeing to that motion.

The motion was agreed to.

The SPEAKER. The gentleman from Illinois will please take the chair.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes, with Mr. GRAHAM of Illinois in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 6715, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes.

Mr. GREEN of Iowa. Mr. Chairman, during the discussion that occurred last evening on the amendment I offered with reference to the gift tax it became fairly apparent, as I thought, that the House was not disposed to agree to the rates I presented in that amendment, but it also seemed to me that the Members of the House were disposed to agree to similar rates with similar intentions to those imposed upon inheritances. I, therefore, Mr. Chairman, withdraw the amendment which I offered last evening and will offer an amendment in place of it.

Mr. MILLS. Mr. Chairman, the gentleman, I take it, asks unanimous consent.

Mr. GARNER of Texas. The gentleman has the right to withdraw it.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent to withdraw the amendment referred to. Is there objection?

Mr. GREEN of Iowa. I will ask unanimous consent.

Mr. TILSON. I have no objection to the gentleman withdrawing it by unanimous consent, but he has not the right to withdraw without the consent of the committee.

The CHAIRMAN. The Chair understands the gentleman has not the right to withdraw it without the consent of the committee, but the gentleman asks unanimous consent to withdraw his amendment. Is there objection?

Mr. MILLS. Reserving the right to object, Mr. Chairman, do I understand that the gentleman from Iowa, having submitted the well-considered and thought-out plan that he submitted last evening, now proposes to withdraw it and offer another?

Mr. BLANTON. Mr. Chairman, I ask for the regular order.

Mr. MILLS. Do I understand that he now desires to withdraw that and offer a substitute?

Mr. GREEN of Iowa. If the gentleman from New York would spare his sarcasm, I would say, "Yes."

Mr. BLANTON. Mr. Chairman, I ask for the regular order.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GREEN of Iowa. Mr. Chairman, I offer an amendment which I send to the Clerk's desk.

The CHAIRMAN. The gentleman from Iowa offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. GREEN of Iowa: Page 150, after line 24, insert a new section as follows:

"SEC. 319. On and after January 1, 1924, a tax equal to the sum of the following is hereby imposed upon the transfer of property by gift, whether made directly or indirectly, by every person, whether a resident or nonresident of the United States:

"One per cent of the amount of gifts not in excess of $50,000;

"Two per cent of the amount by which the gifts exceed $50,000 and do not exceed $100,000;

"Three per cent of the amount by which the gifts exceed $100,000 and do not exceed $150,000;

"Four per cent of the amount by which the gifts exceed $150,000 and do not exceed $250,000;

"Six per cent of the amount by which the gifts exceed $250,000 and do not exceed $450,000;

"Nine per cent of the amount by which the gifts exceed $450,000 and do not exceed $750,000;

"Twelve per cent of the amount by which the gifts exceed $750,000 and do not exceed $1,000,000;

"Fifteen per cent of the amount by which the gifts exceed $1,000,000 and do not exceed $1,500,000;

"Eighteen per cent of the amount by which the gifts exceed $1,500,000 and do not exceed $2,000,000;

"Twenty-one per cent of the amount by which the gifts exceed $2,000,000 and do not exceed $3,000,000;

"Twenty-four per cent of the amount by which the gifts exceed $3,000,000 and do not exceed $4,000,000;

"Twenty-seven per cent of the amount by which the gifts exceed $4,000,000, and do not exceed $5,000,000.

"Thirty per cent of the amount by which the gifts exceed $5,000,000 and do not exceed $8,000,000.

"Thirty-five per cent of the amount by which the gifts exceed $8,000,000 and do not exceed $10,000,000.

"Forty per cent of the amount by which the gifts exceed $10,000,000.

"SEC. 320. The amount of the gifts subject to the tax imposed by section 319, in the case of residents, shall be the sum of all the gifts made by such resident during the calendar year, and in the case of nonresidents the sum of all gifts so made of property situated within the United States. If the gift is made in property, the fair market value thereof at the date of the gift shall be considered the amount of the gift subject to the tax,

"Where property is sold or exchanged for less than a fair consideration in money or money's worth, then the amount by which the fair market value of the property exceeded the consideration received shall, for the purpose of the tax imposed by section 319, be deemed a gift and shall be included in computing the amount of gifts made during the calendar year.

"SEC. 321. For the purpose of this tax the amount of the gift subject to the tax imposed by section 319 shall be determined—

"(a) In the case of a resident, by deducting from the total amount of such gifts—

"(1) An exemption of $50,000;

"(2) The amount of all gifts or contributions made within the calendar year to or for any donee or purpose specified in paragraph (3) of subdivision (a) of section 303, or to the special fund for vocational rehabilitation authorized by section 7 of the vocational rehabilitation act; ,

"(3) Gifts the aggregate amount of which to any one person does not exceed $500.

"(b) In the case of a nonresident, by deducting from the total amount of such gifts—

"(1) The amount of all gifts or contributions made within the calendar year to or for any donee or purpose specified in paragraph (3) of subdivision (a) of section 303, or to the special fund for vocational rehabilitation authorized by section 7 of the vocational rehabilitation act;

"(2) Gifts the aggregate amount of which to any one person does not exceed $500.

"SEC. 322. In case a tax has been imposed under section 319 upon any gift, and thereafter upon the death of the donor the amount thereof is required by any provision of this title to be included in the gross estate of the decedent then there shall be credited against and applied in reduction of the estate tax, which would otherwise be chargeable against the estate of the decedent under the provisions of section 301, an amount equal to the tax paid with respect to such gift; and in the event the donor has in any year paid the tax imposed by section 319 with respect to a gift or gifts which upon the death of the donor must be included in his gross estate and a gift or gifts not required to be so included, then the amount of the tax which shall be deemed to have been paid with respect to the gift or gifts required to be so included shall be that proportion of the entire tax paid on account of all such gifts which the amount of the gift or gifts required to be so included bears or bear to the total amount of gifts in that year.

"SEC. 323. Any person who within the year 1924 or any calendar year thereafter makes any gift or gifts of an aggregate value in excess of $10,000 shall, on or before the 15th day of the third month following the close of the calendar year, file with the collector a return under oath in duplicate, listing and setting forth therein all gifts and contributions by him made during such calendar year, and the fair market value thereof when made, and also all sales and exchanges of property owned by him made within such year for less than a fair consideration in money or money's worth, stating therein the fair market value of the property so sold or exchanged and that of the consideration received by him, both as of the date of such sale or exchange.

"SEC. 324. The tax imposed by section 319 shall be paid by the donor on or before the 15th day of the third month following the close of the calendar year, and shall be assessed, collected, and paid in the same manner and subject, in so far as applicable, to the same provisions of law as the tax imposed by section 301."

Mr. GREEN of Iowa. Mr. Chairman, this amendment is identical with the one which I offered last evening with the exception of a change in the rates and another change which I shall mention. The rates are made the same as in the inheritance tax, with an exemption of $50,000 to start with and then graded up by the same progression as in the tax upon inheritances. I have also made one further change, that of exempting entirely gifts to a single person to the extent of $500, made during the year, which Members of course understand would exempt such persons, no matter how many there were of these different persons. I have included this exemption for the purpose of avoiding any objection on the ground that the tax otherwise might apply to small charities and bonuses given by certain business concerns, or anything of that kind, although the exemption of $50,000 would be likely to be sufficient for that purpose.

Having made this statement, Mr. Chairman, I will now listen to the "carefully considered" objections of the gentleman from New York [Mr. MILLS].

The CHAIRMAN. The gentleman from New York is recognized.

Mr. MILLS. Mr. Chairman, it is, of course, impossible to make carefully considered objections to a measure which is submitted to you one minute before, and I do not propose to do so. But I want to congratulate the nominal chairman of the Ways and Means Committee on having obtained the consent of the acting chairman of the Ways and Means Committee and leader of this House to pass this amendment.

On yesterday the gentleman from Iowa introduced one of his pet measures, the so-called gift tax, and the gentleman from Texas [Mr. GARNER], the real leader in the matter of revenue legislation [applause], got up and informed the gentleman from Iowa that the form in which he submitted the amendment was unsatisfactory to him. Whereupon the gentleman from Iowa consulted the gentleman from Texas; the gentleman from Texas then rewrote the amendment for him [applause], and now having obtained the Garner stamp of approval, it is brought to the House this morning.

I want to say to my friend from Texas that I think he has much improved the amendment. As offered by the gentleman from Iowa yesterday this ridiculous situation might occur: A man might give his son $10,000 to set him up in business the first of the year, and thereupon—throughout the year, if you please—if he gave two pencils to his little daughter with which to go to school he would have to make a note of it and pay a tax; if he took his wife to the theater at any time during that year he would have to note that he paid $2 for the theater ticket and paid the tax, and every tip given to a bell boy or waiter would have to be carefully noted and be subject to the tax.

Of course, acting under the guidance and suggestions of the distinguished gentleman from Texas—who can improvise a tax law on the floor of this House, and he has done so in the last week [laughter and applause]—the matter is in fair shape.

I want to point out to the gentlemen of this House that that is exactly what we are doing. If the gentleman from Texas were the chairman of the Ways and Means Committee he would not introduce a gift tax or an inheritance tax without holding hearings, considering the matter, and submitting a report to this House; but as we are doing business to-day the gentleman from Texas has all the power, apparently, of the leader of a majority party without recognizing any of its responsibilities. [Laughter.] And, therefore, he has undertaken to write a revenue bill on the floor of this House. He has done so. That is the bill we are going to be called upon to vote on this week—not the bill reported by the committee, because this does not vaguely resemble the bill reported by the Ways and Means Committee, but is a bill written on the floor of this House by improvisation. You have heard of great musicians sitting down at a piano and improvising a tune. The gentleman from Texas sits at that table and improvises a revenue law and the House is asked to adopt it.

Why, gentlemen, in the future, if this practice is to be followed, this is what I would suggest; That the Ways and Means Committee report a bill with only the title, and that thereupon each Member of the House shall write on his cuff what he deems to be a wise measure of taxation; that the cuffs shall be handed to the gentleman from Texas and with his O. K. they shall be handed in at the desk and then voted on cuff by cuff. [Laughter and applause.]

Now, there are some obvious objections to this method of procedure——

Mr. LONGWORTH. Will the gentleman yield?

Mr. MILLS. Yes; I yield to the gentleman from Ohio.

Mr. LONGWORTH. In view of the action of the recent Democratic caucus, might not a collar be more suitable? [Laughter and applause.]

Mr. MILLS. I accept the suggestion. Now, as I say, there are some very obvious objections to this method of procedure, and before the gentleman from Texas gets through——

The CHAIRMAN. The time of the gentleman has expired.

Mr. GREEN of Iowa. Mr. Chairman, I ask unanimous consent that the gentleman from New York may proceed for such time as he desires. [Applause.]

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that the gentleman from New York may proceed for such time as he may require.

Mr. BLANTON. Mr. Chairman, I make the point of order that that is out of order.

Mr. GREEN of Iowa. Then, Mr. Chairman, I withdraw that request and ask unanimous consent that the gentleman from New York may be permitted to proceed for 10 additional minutes.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that the gentleman from New York may proceed for 10 additional minutes. Is there objection?

There was no objection.

Mr. MILLS. Mr. Chairman, I do not think I shall require more than two minutes, and I apologize to the House for taking up so much of its time; but I can not resist making this ob-

servation to my friend from Texas: That his method of procedure, while in some ways admirable and really a tribute to his genius, is bound, before he gets through, to involve him in very serious difficulty; and I have never seen a man more earnestly trying to get out of the pit he has dug for himself than the gentleman from Texas. He has created a great big deficit, and he knows that when he comes to the automobile taxes, whether he admits it or not, he is going to create a greater deficit. He has managed, by abandoning the fundamental principle of Democracy, namely, the rights of the States to be independent of the Federal Government and to have revenue which properly belongs to them, by abandoning that principle yesterday and depriving the States of one of their great sources of revenue he managed to gather in some $20,000,000. That helps a little, but only very little. Before the morning is out the gentleman is going to suggest a tax, I think, on cigarettes. I want to say to my friend from Texas [Mr. GARNER] that he is not even going to get $20,000,000 more. He is not going to get anything more from that suggestion.

I want to make this further prophecy now. When the gentleman from Texas gets through framing this Garner bill, improvised on the floor of the House, his $300,000,000 deficit will be increased to $325,000,000. Not only that, but he will have framed a bill for which your party will have to assume entire responsibility. [Applause.]

I do not know how my colleagues on the Republican side feel, but I want to say here and now that as the bill is written I can not support it, and will not support it [applause]; and it will be up to my friend from Texas to explain to the country how, in spite of his brilliant improvisation, he has passed through the House of Representatives a measure which will create a deficit of $325,000,000, at least, in the Treasury, and which may for that reason never become law. [Applause.]

Mr. GREEN of Iowa. Mr. Chairman——

The CHAIRMAN. The gentleman from Iowa is recognized. [Applause.]

Mr. GREEN of Iowa. Mr. Chairman, at the outset I want to congratulate my friend from New York on the magnificent argument he has made against this amendment. If he had any reasons to show why it ought not to be adopted, and I suppose he has because he will vote against this amendment, he did not present them. Instead of that he indulged in a flight of his imagination with reference to what had been going on between myself and the gentleman who is the leader upon the other side so far as this bill is concerned. The gentleman's imagination is such that it is not as usefully employed on the floor of this House as it would be if he were writing some novel or romance. [Laughter and applause.] The gentleman is using his energies in the wrong direction. I offered this amendment last night and I offered it after careful consideration, but the Members of the House did not seem disposed to accept the rates I had in it at that time.

Mr. MOORE of Virginia. Will the gentleman let me ask one question?

Mr. GREEN of Iowa. Just a moment, and then I will gladly yield to my friend from Virginia. If this amendment either as presented last night or as presented now was a useful and proper amendment, then the gentleman from New York ought to be using his powers to support it, if it is a good amendment. If it is not a good amendment, he ought to be able to give us some reason why it should not be adopted. The gentleman from New York with all his brilliancy, and he has brilliancy, has been found in this House here on every occasion, when we sought to introduce anything that would prevent evasion of a tax and its payment on a basis of fairness, equality, and justice, opposing those amendments or at least voting against them. [Applause.]

Just one word more and then I will yield to the gentleman. The gentleman talks about leadership. Who has been assuming leadership on this side? Why, the gentleman from New York, in the committee and elsewhere, has been usurping the powers of the chairman of the committee or those that ought to belong to the chairman of the committee. [Applause.] When I state that, I state only something that has been well known to everybody. In fact, he has gone further. He has been the whole committee.

Mr. WEFALD. The country knows it.

Mr. GREEN of Iowa. If the country does not know it, it is time they did know it.

Mr. WEFALD. The country knows it.

Mr. GREEN of Iowa. Now, gentlemen can take their choice. So far as I am concerned, I do not care whether a matter is approved by the gentleman from Texas [Mr. GARNER] or whether it is approved by the gentleman from New York [Mr. MILLS]. I will support it if it tends to prevent evasion under this law, and I will use my best endeavors to put it in the bill. [Applause.] Ever since I was connected with revenue matters, ever since I have been on the Ways and Means Committee, I have been endeavoring to get a gift tax inserted in the law. I proposed it at the first session when I was a member of that committee some 10 years ago. Ever since that time I have been laboring to get it inserted in the law, because I knew just exactly what would happen, namely, that these big estates would be gradually split up into different parts, thereby defeating both the income tax and the inheritance tax, and that is the reason our revenues are so rapidly decreasing from the big estates.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MOORE of Virginia. Mr. Chairman, I ask unanimous consent that the gentleman from Iowa may have five minutes more in order that I may ask a question.

The CHAIRMAN. The gentleman from Virginia asks unanimous consent that the time of the gentleman be extended five minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. MOORE of Virginia. I will ask the gentleman if it is not a fact that there was before the Ways and Means Committee a bill which included a tax upon estates and also a tax upon gifts, the Ramseyer bill, and whether or not those matters were the subject of more or less discussion in the committee?

Mr. GREEN of Iowa. No; they were not subjects of discussion in the committee; but I will say that they were the subject of discussion at a meeting which the gentleman from New York [Mr. MILLS] attended in my own office right off of this room.

Mr. McLAUGHLIN of Michigan. Will the gentleman yield to me?

Mr. GREEN of Iowa. Yes.

Mr. McLAUGHLIN of Michigan. The gentleman from New York has evidently recognized the very general feeling throughout the country in opposition to the accumulation of great wealth and the feeling in the country that it ought to be more generally distributed, and is it not true that the gentleman seems to feel that that objection can be removed by dividing up these great bodies of wealth among the members of the family and for the purpose of escaping taxation? [Applause.]

Mr. GREEN of Iowa. The gentleman is entirely right.

Now, Mr. Chairman, just one word more. As I stated yesterday, it is perfectly idle to increase the rates on the great incomes and it is perfectly idle to increase the rates on these big bequests if you do nothing in the way of checking the evasions that are continually going on. The amendment which I have offered is simply a corollary to the inheritance tax and goes necessarily with it. I want to say frankly that this amendment will not produce any considerable amount of revenue.

Mr. HUDSPETH. What are the exemptions, if my friend will tell us, please—up to what amount?

Mr. GREEN of Iowa. Fifty thousand dollars each year is exempted and then $500 gifts to any number of single individuals.

Mr. HUDSPETH. There was some confusion in our minds about that, and that is the reason I asked the gentleman the question.

Mr. GREEN of Iowa. Fifty thousand dollars is exempted to start with.

Mr. MORTON D. HULL. Why is the amount put at $500?

Mr. GREEN of Iowa. Five hundred dollars to any one individual in the course of a year, no matter how many separate individuals it may be given to.

Mr. MORTON D. HULL. If I am supporting a dependent relative and paying more than $500 a year, perhaps $1,000 a year, do I pay on that amount spent for support?

Mr. GREEN of Iowa. Such payments are not excepted, but you would have an exemption of $50,000 to start with, but if you paid more than a total of $50,000, you would be taxed.

Mr. YATES. Will the gentleman yield?

Mr. GREEN of Iowa. I will.

Mr. YATES. Have you made any attempt to estimate the amount of revenue that would be received by the gift tax?

Mr. GREEN of Iowa. I have just stated that I do not think that this amendment as a direct tax would produce any considerable amount of revenue. I doubt whether it will produce more than a million dollars. Its main purpose is not to produce a revenue, but is to stop evasion on the part of men of great wealth who are able to give away large sums of money. Indirectly, I think it will bring us a large item into the Treasury.

Mr. FREAR. And catch it in an inheritance tax.

Mr. GREEN of Iowa. Yes; or income tax.

Mr. MILLS. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Amend the amendment in line 5 by striking out the figure "1" and inserting the figure "2."

Mr. GRIFFIN. Mr. Chairman, can we have the amendment read as it would read if amended?

Mr. MILLS. Let me say to the gentleman that that is of no importance.

Mr. Chairman, I regret very much that the chairman of the Ways and Means Committee should feel that I have in any way attempted to assume the responsibilities of leadership. Nothing could be further from my thoughts. I have noted, however, on the Democratic side the affirmative, aggressive, partisan, Democratic character of the leadership offered by the gentleman from Texas [Mr. GARNER]. Personally, as a partisan, I commend the gentleman from Texas for the loyalty with which he is supporting his party. I want to say that I oppose the partisanship of my friend from Texas with what I consider to be a 100 per cent brand of Republicanism. [Applause.]

I have supported this bill with all the energy and enthusiasm and ability that I have because I believe in it, and if I have erred on the side of being too earnest about it I have no apologies to make. A man's duty on the floor of this House is to present his views, what he believes to be the views of his constituents, to the best of his ability, and when he does that I deny that he is subject to the criticism of the chairman of the Ways and Means Committee or anyone else in this House. [Applause.]

Now, the gentleman wants to know why I treat with levity the proposition which is now before the House. It is because, gentlemen, it is impossible to treat it in any other way. You can not treat it seriously because it accomplishes no serious purpose.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. MILLS. I can not yield.

Mr. GREEN of Iowa. How many times does the gentleman want to speak on this subject?

Mr. MILLS. I decline to yield. The gentleman wants to know why I oppose this amendment. Because it is wholly ineffective. The gentleman says he wants to prevent the splitting up of large estates to avoid an inheritance tax, and that he has submitted a plan that will do it. It is preposterous. A man could give away $49,000 to his son for 10 years and yet not pay one nickel of tax. He can give his son $100,000 for 10 years, and give him a million dollars, and only pay $5,000. The whole thing is a joke. It is a jest. I may disagree with some of the gentlemen here, and I know that I do on various tax measures.

But everyone will agree that the one kind of legislation which is bad and indefensible is legislation that kids the people into believing that you are accomplishing something when there is not the slightest chance of accomplishing anything. You can drive a horse and wagon through this amendment every year and every day in the year in so far as it purports to help the enforcement of the inheritance tax is concerned, and that is the reason it should be opposed.

Mr. NELSON of Wisconsin. Will the gentleman yield?

Mr. MILLS. I will.

Mr. NELSON of Wisconsin. Will the gentleman outline the kind of a gift tax that he would support and that would be effective?

Mr. MILLS. That question illustrates the difficulty of trying to write a bill on the floor of the House. The gentleman from Texas [Mr. GARNER] yesterday stated that when the Democrats were in control in the Ways and Means Committee they considered a gift tax very seriously and ran into so many difficulties that they abandoned it.

Mr. GARNER of Texas. Will the gentleman yield?

Mr. MILLS. I will.

Mr. GARNER of Texas. May I correct the gentleman? It was not while the Democrats were in charge, it was in 1921. If the Democrats had been in charge we would have written it into the law. [Applause.]

Mr. MILLS. I want to say that it is enormously difficult to improvise a tax of this kind and write it overnight. Here is the first thing that occurred to me: Why do you impose a tax on the donor? Here is a man who is parting with his property When you impose an income tax you impose it on the man receiving the income. When you impose an inheritance tax the tax comes out of the estate and the legatees. But here is an extraordinary form of taxation where you impose the tax on the man that parts with the property and try to attach a lien on the property in the hands of the new owner. I do not know to-day, from the reading of this bill, whether the lien shall attach in the hands of the party who buys it from the donee in good faith.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. GARNER of Texas. Mr. Chairman and gentlemen of the committee, what I told you in the opening of this debate has been confessed on the floor of the House this morning, and that is that Mr. MILLS, of New York, wrote this bill in the Ways and Means Committee and that 10 of his colleagues joined him in the report. I regret to hear the gentleman from New York [Mr. MILLS] state that the bill has been amended to the point where he can not support it. What amendment has been placed in this bill that brings Mr. MILLS to that conclusion? If Mr. MILLS and his associates in the beginning of the consideration of the Mellon bill had submitted it to their conference under the leadership of the gentleman from Iowa [Mr. GREEN], I undertake to say that a close tab on that conference would have revealed the fact that he would get only 108 Republicans to indorse the Mellon plan.

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. GARNER of Texas. Yes.

Mr. MILLS. How many Republicans on the teller vote voted for the so-called Treasury rates?

Mr. GARNER of Texas. One hundred and fifty-two, it is true, but I said in the beginning, before the gentleman from New York [Mr. MILLS] and before the Treasury Department got in their work. Then there were only 108 Republicans that you could find that would agree to support the Mellon plan. Is not that so, Mr. LONGWORTH? Now, gentlemen, since you have said that this is a Democratic bill and that we are responsible for it, I want to let the country know and the Republicans of the country understand that you wrote this bill. Why didn't you call in Mr. HAWLEY—he is the next one, if you did not want Mr. GREEN? Why didn't you call in Mr. TREADWAY, the next one? Why didn't you call on some other Member, older in service than the gentleman from New York [Mr. MILLS], to write this bill?

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. GARNER of Texas. Yes.

Mr. MILLS. While I consider it a great credit to have written the bill, I want to say flatly to my friend from Texas that I did not write it.

Mr. GARNER of Texas. I know the gentleman did not write it in his own handwriting.

Mr. MILLS. Oh, no.

Mr. GARNER of Texas. But the gentleman dictated the provisions of this bill more than any other man, practically.

Mr. MILLS. Oh, no. I say to the gentleman from Texas that that is not so.

Mr. GARNER of Texas. I shall ask every member of the committee if the gentleman from New York was not the most potential factor in the committee? Does any gentleman rise and say, "No"? Not a one. He helped to frame it at the Treasury Department. You will not deny that? The Secretary of the Treasury finds it necessary to summon the only man on the Ways and Means Committee who has the viewpoint that he has and who can approach him in money to write a bill, and then that gentleman comes in here and because, forsooth, we as the representatives of the people, whose duty it is and who the Constitution requires shall enact legislation, when we have seen fit to change a portion of the bill, rises in his place this morning and tells the world, "You have changed this; it is no longer the Mellon bill and my bill, and I do not propose to vote for it." I dare the people on the Republican side to follow the gentleman from New York on the final passage of the bill.

Mr. CRISP. Is it not true that the only fundamental changes made are that they adopted the so-called Garner rates instead of the 25 per cent rate and also authorized committees of the House and Senate by a majority vote to see income-tax returns?

Mr. GARNER of Texas. That is all. They say that this amendment is a joke. Do you suppose if OGDEN MILLS thought this was a mere gesture, he would be up here trying to ridicule it out of court? He knows what it will do.

Mr. MILLS. Mr. Chairman, if the gentleman will yield?

Mr. GARNER of Texas. The gentleman from New York knows that this amendment if it is adopted will prevent the transferring of large estates and avoiding paying estate taxes, that it will prevent the dividing up of large estates, and therefore escape from the high surtaxes. Those are the two things it will do, and in doing that in my opinion it will raise $25,000,000 in the Treasury next year. I say that it will raise that in the way of protection only, increasing the taxes on both estates and the surtaxes of those estates which have been divided up.

Let me ask you Republicans a question. You say you are not going to vote for this bill now. You surely will not say that, and when this bill comes up on its final passage I want to see how many of you are going to follow Mr. MILLS, because when you do that you are going to make a record, and when you go back home you have to meet that record, and the question is, and the question will be, "Do you like this law for the reduction of taxes better than the present law," and you can not make any other issue out of it to save your life. I do not think there is a single constituent in the United States that does not think we ought to have a tax reduction.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. CRISP. Mr. Chairman, I ask unanimous consent that the gentleman's time be extended for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. GARNER of Texas. Yes.

Mr. SNYDER. The gentleman has said that this gift tax would raise $25,000,000. The distinguished chairman of the Ways and Means Committee says that it would raise a million dollars. You gentlemen must have your wires crossed.

Mr. GARNER of Texas. Here is what the gentleman from Iowa says. He said it would raise probably a million dollars in taxes. I say that it will raise $25,000,000 by preventing the escape from other taxes.

Mr. GREEN of Iowa. I said that it would not raise very much as a direct tax.

Mr. GARNER of Texas. Certainly. Of course the gentleman from New York can not see that, because he does not want to see it. The New York viewpoint is such that it can not see anything outside of Wall Street.

Mr. SNYDER. Oh, let me tell the gentleman that I am in favor of this amendment.

Mr. GARNER of Texas. I am very glad to know that, and I take it all back, if it will do any good.

Mr. LAGUARDIA. I hope the gentleman will limit his definition of a New York viewpoint.

Mr. GARNER of Texas. I mean where they make the districts long and take in Fifth Avenue as a backbone.

Mr. LAGUARDIA. We have other streets in New York than Wall Street.

Mr. GARNER of Texas. There is one good thing about this occurrence this morning, and it is some consolation to those who believe this bill ought to become a law and passed as it has been written. The confession of the gentleman from New York, I imagine, is reflected by the gentleman from Ohio [Mr. LONGWORTH]. I imagine my friend from Ohio is very much weakened this morning about the ultimate success of his famous compromise.

Nobody knows what it is. Mr. FREAR has been asking for it half a dozen times through the press and on the floor of the House, but he has never given it to anybody. He is keeping it off with great secrecy, hoping to spring it suddenly and have all the Republicans follow. Gentlemen, are you going to do that when the time comes for the final passage of this bill? You have to go on record on the amendment. That is one thing certain. You have to go on record as between 44 and 25. You can not get away from that. That part of it you can not avoid. Your record is made. You can not avoid that.

Suppose you strike out 44 or fail to adopt 44 and leave 25. How many of you will support the motion to reconsider? How many Republicans on this side will it require to make a majority of them, a majority on this side of the Chamber against the Mellon plan? I make that statement, and I make it advisedly.

Mr. BEGG. Mr. Chairman, will the gentleman yield?

Mr. GARNER of Texas. Oh, there comes the substitute whip on the Republican side. [Laughter.] I guess I shall have to yield to him.

Mr. BEGG. The gentleman from Ohio would rather be the substitute whip on the Republican side than be the whip on the minority side. [Applause.]

Mr. GARNER of Texas. I do not doubt that; I do not question that.

Mr. BEGG. The gentleman is mistaken when he says a majority on this side are against the Mellon plan, because I know a majority on the roll call is on the other side; a majority is in favor of the Mellon bill, and a decided majority.

Mr. GARNER of Texas. How many? How much? Name them.

Mr. BEGG. Wait until you call the roll, and then you will find out.

Mr. GARNER of Texas. Tell us how many.

Mr. BEGG. We had 152 on the only opportunity we had to get a vote, with 13 absent.

Mr. GARNER of Texas. Does the gentleman say he has 152 to vote on the Mellon plan on the roll call?

Mr. BEGG. Absolutely, and more than that. [Applause.]

Mr. GARNER of Texas. I do not believe it.

Mr. BEGG. I would like to ask the gentleman from Texas another question.

Mr. GARNER of Texas. Does not the gentleman think he should give the whip a chance?

Mr. BEGG. I do not mean to step back for the whip.

Mr. GARNER of Texas. I will answer the gentleman.

Mr. BEGG. Are you not doing just exactly as we prophesied would happen when this great rule was put over in the rules, namely, when anybody can offer an amendment on the floor? We are now in passion legislating against Mr. MILLS because he happens to be wealthy.

Mr. GARNER of Texas. If the gentleman wants to make a speech I will get him time.

Mr. BEGG. Get me time. And in passion on the gentleman's side, when he stood up in his caucus and appealed to the Republicans to vote with the Democrats; and that has produced chaos. [Applause.]

Mr. GARNER of Texas. That is about as much information as the gentleman ever gives anyone, and that is none.

Mr. BLANTON. Mr. Chairman, I offer an amendment to the amendment; a substitute for the Mills amendment.

Mr. DAVEY. Mr. Chairman, I have an amendment to offer.

Mr. TREADWAY. Mr. Chairman, there is an amendment pending, and I rise in opposition to the amendment of the gentleman from New York.

Mr. DAVEY. This is an amendment to the amendment. Section 320——

The CHAIRMAN. The Chair is reminded that there is an amendment to the amendment, offered by the gentleman from New York.

Mr. TREADWAY. I rise in opposition to it.

Mr. BLANTON. I offer a substitute for the Mills amendment.

Mr. LONGWORTH. Mr. Chairman, it seems to me that the gentleman from Massachusetts [Mr. TREADWAY] is at least entitled to recognition.

The CHAIRMAN. The gentleman from Massachusetts is entitled to recognition if he has an amendment.

Mr. LONGWORTH. He wishes to speak in opposition to the amendment.

The CHAIRMAN. The Chair will state that he would recognize the gentleman from Massachusetts. If any gentleman offers an amendment to the amendment as a substitute, he would have the right to offer it, on which further debate could be had on the amendment itself.

Mr. BLANTON. I appeal to the parliamentary rules, Mr. Chairman.

Mr. TREADWAY. I ask for recognition as a member of the committee on the pending amendment.

The CHAIRMAN. The Chair does not think, on inspection of the substitute offered by the gentleman from Texas, that it is a substitute.

Mr. BLANTON. Why is it not? I offer an amendment to change the rate.

Mr. TREADWAY. It makes no difference how the gentleman offers it. Let the Chair rule upon it.

The CHAIRMAN. It looks to the Chair as if this were simply an amendment to the amendment, and it looks to the Chair as if it would not be in order.

Mr. BLANTON. Mr. Chairman, I rise to a point of order. Here is the situation——

Mr. TREADWAY. The Chair knows the situation, and has ruled. I claim that the gentleman from Texas is out of order.

Mr. BLANTON. The Chair knows the rules.

The CHAIRMAN. Let the gentleman from Texas make his point of order.

Mr. BLANTON. A point of order, Mr. Chairman. The fifth line starts out, "1 per cent above $50,000." The gentleman from New York [Mr. MILLS] offered to strike it out and make it 2 per cent. I offer a substitute to strike out "1 per cent" in the bill and make it "one-half of 1 per cent." That is a substitute. If it is not, I do not know how to write one.

Mr. TREADWAY. I make the point of order, Mr. Chairman, that that is an amendment to the third degree, and out of order.

The CHAIRMAN. The Chair thinks he understands what it is. The substitute offered by the gentleman from Texas [Mr. BLANTON] reads as follows: "Strike out '1 per cent' and insert 'one-half of 1 per cent.'" That is not a substitute amendment.

The gentleman from Massachusetts [Mr. TREADWAY] is recognized.

Mr. TREADWAY. Mr. Chairman, I always enjoy following the gentleman from Texas [Mr. GARNER]. I realize that he is more entitled to the floor than I am, but it is a great pleasure occasionally to have a little sport with him, even when we are discussing serious matters, and this is a serious matter, which he has discussed in a spirit of great levity.

The gentleman from Texas asks whether or not we are going to dare—he used the word "dare"—vote against the Garner amendment when it comes to final passage. He thinks there are very few, but I want to join that small group, and I do dare vote against the Garner amendment and I intend to do it on a roll call. [Applause.] There are at least 152 others who will do the same and we expect to be joined by some who were not present. So the gentleman from Texas can not get away with that facetiousness about the majority of the Republicans not being for the rates in the bill; they have been for them from the start, and, except for the confusion worse confounded which the gentleman from Texas has thrown into the steering gear of this machine, there would be no trouble about passing the bill; he is the one who is making the trouble, not the Republicans. [Laughter.]

Now, there has been considerable said here about leadership, and our distinguished chairman of the Ways and Means Committee has taken exception to those who differed with him on this bill. I am one of those who differed with him and that is the reason he has not had control of our committee; he has not stood for what the majority of his party wanted to be written into the bill. [Applause.]

The gentleman from New York [Mr. MILLS] has not assumed leadership in the committee, and it was extreme discourtesy to make such a statement as that. Nor has he written this bill. I defy the gentleman from Texas to bring forward the slightest proof that the gentleman from New York has had the writing of this bill. As a matter of fact, he has not had the writing of it.

Mr. HOWARD of Nebraska. Will the gentleman yield?

Mr. TREADWAY. I shall be very glad to yield. If the gentleman from Nebraska wishes to take the place of the Democratic leader, I shall be glad to yield.

Mr. HOWARD of Nebraska. I am not competent to do that.

Mr. TREADWAY. I think the gentleman is, and he is assuming his place now.

Mr. HOWARD of Nebraska. In his absence I do not intend to let the gentleman get away with a bluff.

Mr. TREADWAY. There is no bluff about it, as I am merely stating facts. I shall be very glad to hear the gentleman's question, if it is a question, but not a speech.

Mr. HOWARD of Nebraska. The question is this, my friend——

Mr. TREADWAY. Thank you.

Mr. HOWARD of Nebraska. And I am. [Laughter.] The gentleman distinctly stated that he dared the gentleman from Texas to prove a certain proposition.

Mr. TREADWAY. I repeat it.

Mr. HOWARD of Nebraska. I call to the gentleman's mind the fact that only two minutes ago the gentleman from Texas stood there and challenged any Member on your side to rise and disprove his statements.

Mr. TREADWAY. Yes; and in doing that he broke the confidence of an executive session of the committee. [Applause.] And that is the reason why nobody took the dare. When the gentleman from Nebraska is a little more familiar with procedure here he will ascertain that all committee matters are not supposed to be debated on the floor in the way they have been debated for the last week or so.

Mr. HOWARD of Nebraska. I am sufficiently familiar with JOHN GARNER to repel the insinuation that he broke any confidence. [Applause.]

Mr. TREADWAY. But we know the way in which he can insinuate and break confidences. Nobody has a higher respect for the gentleman from Texas than I have; I assure you of that.

There have been some very unfair insinuations on the part of the gentleman from Texas against the gentleman from New York [Mr. MILLS]. The insinuations are that he is influenced by his personal interests in regard to this bill. The gentleman from Texas makes that insinuation when he continually refers on this floor to the gentleman from New York as being a man of means and that, therefore, he, as the Representative of the people, would so far debauch his oath of office as to consider his personal interests in preference to his duty as a Congressman. I resent that insinuation. [Applause.] It is natural that the gentleman from New York should not be the one to reply in reference to his own affairs. I do not know anything about the gentleman's bank account, nor do I know anything about the bank account of the gentleman from Texas. But the insinuation that any man here would pretend or would dare to be so governed in his conduct in writing a measure of this kind and in assisting in its preparation would be influenced by his personal bank accounts is beneath the gentleman from Texas, and he should withdraw those statements and never make them again. [Applause.]

Mr. GREEN of Iowa. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes. Is there objection?

Mr. TAGUE. Mr. Chairman, reserving the right to object——

Mr. GREEN of Iowa. Mr. Chairman, I make it 15 minutes.

The CHAIRMAN. The gentleman from Iowa asks permission to modify his request and make it 15 minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. BLANTON. Mr. Chairman, I offer a substitute.

The CHAIRMAN. The gentleman from Texas offers a substitute, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLANTON as a substitute for the Green amendment: The Green amendment amended as follows: On page 1, line 5, strike out 1 per cent and insert in lieu thereof one-half of 1 per cent.

Mr. TILSON. Mr. Chairman, I make the point of order that the gentleman from Texas can not do by indirection what he can not do directly.

Mr. BLANTON. Mr. Chairman, the Clerk did not read all of my substitute. I have put it in the form of a substitute, and if the Chair will inspect it he will see it is in the nature of a substitute.

Mr. GREEN of Iowa. If my friend simply wants to speak, why does he not get recognition and go ahead?

Mr. BLANTON. That is what I am trying to do now, but I am trying to do it in an orderly way under the rules of the House.

The CHAIRMAN. The substitute of the gentleman from Texas [Mr. BLANTON] is rather informal but the Chair assumes it constitutes a substitute, unless objection is made to its form. The gentleman seeks to adopt the Green amendment with the change of certain language which he specifies.

Mr. BLANTON. I did not want to have to rewrite the whole proposition; that is all.

Mr. TILSON. Mr. Chairman, I have not the amendment before me, but is it not a change of the very paragraph that the gentleman from New York attempted to amend by his amendment, and if so, it is an amendment in the third degree.

Mr. BLANTON. No; it is a substitute, Mr. Chairman, pure and simple. But if it will better please the gentleman, I move to strike out the last two words.

Mr. TILSON. I make the point of order, Mr. Chairman, that that is an amendment in the third degree.

Mr. BLANTON. Then I insist on my substitute, Mr. Chairman, as it is clearly in order.

Mr. TILSON. There is already an amendment and an amendment thereto pending.

The CHAIRMAN. The Chair thinks the substitute is in order. It is informal, but in order.

Mr. BLANTON. Mr. Chairman, my object is to use five minutes on this pending question. I know that a belief has lodged itself unfortunately in the breasts of many of our distinguished members of the Ways and Means Committee that no one else here is interested in tax legislation but members of that committee, and that we other Members are guilty of lese majesty in attempting to speak on tax legislation. I know that idea seems to prevail. I am sorry to see it exhibited in such a broad-minded man, usually, as our friend from Connecticut [Mr. TILSON].

The gentleman from New York [Mr. MILLS] would have us believe that only he and the gentleman from Iowa [Mr. GREEN], and the gentleman from Texas [Mr. GARNER], and Mr. Secretary Mellon are interested in this revenue bill. Why, there are 435 Members of this Congress now framing this revenue bill in this Committee of the Whole House on the state of the Union. There are 110,000,000 people in the United States who are interested in it, and I want to say to the gentleman that when this bill is passed finally it is not the Mills bill or the Mellon bill or the Green bill or the Garner bill; it is the American

people's measure when it becomes the law of the land. The gentleman from New York [Mr. MILLS] intimates that he is going to vote against it, and therefore further intimates that the President will veto it after the House and Senate pass it.

Here is the situation: The people of the United States do not care how you designate this bill. They do not care how you name it. They do not care whether it is the Mellon bill or the Mills bill or the Green bill or the Garner bill or the Frear bill, but what they are interested in is the wording of its provisions and the fact that it reduces their taxes. That is the main point they are interested in, and I want to say to the distinguished gentleman from New York and every member of his party that if this bill passes as it is written, reducing the taxes of every citizen of the United States who pays an income tax, reducing it under the amount payable under the present law—I want to say to him and to his party that if his President vetoes it they are going to hear the biggest howl from the American people that they ever heard before, because the people are not going to stand for it.

Mr. KING. What does the gentleman mean by "his party"? I never heard of that party before.

Mr. BLANTON. I mean the 152 gentlemen about whom our friend from Ohio [Mr. BEGG] spoke so eloquently, otherwise known as the standpat regulars. I do not refer to the gentleman from Illinois, because he is not going to vote with Mr. MILLS on that proposition. And I do not mean the balance of the Republican majority, because they have seen the light on this proposition and they know that this bill has been amended in the interest of the people of America, and I doubt that they will ever vote against it, even under the whip and spur of the Republican steering committee.

Mr. WAINWRIGHT. Will the gentleman give way?

Mr. BLANTON. Certainly; I yield for a question.

Mr. WAINWRIGHT. How can we vote for this bill when we believe it creates a deficit?

Mr. BLANTON. That deficit has been created in the minds of a few parties in the hope it will form an excuse for a veto, but you can not fool the people on that. Take, for instance, the Frear amendment that we passed yesterday providing for an estate tax. The gentleman from New York knows what that tax, and also what this ancillary gift tax, will do, and Mr. FREAR knows what it will do and Mr. GARNER of Texas knows what it will do and every man on this floor who has studied the question knows what the estate tax and this gift tax will do. They substantially increase revenue. Mr. GARNER of Texas says that the Frear amendment passed yesterday and this amendment and his cigarette amendment, which he is going to offer, will bring from $110,000,000 to $130,000,000 more into the Treasury when they are passed. Those of you who talk about deficits, may I say to the distinguished gentleman, if you are afraid of deficits, why do you not vote for these amendments which will surely put $110,000,000 more into the Treasury per annum?

Mr. WAINWRIGHT. Mr. Chairman, will the gentleman give way for another question?

Mr. BLANTON. Certainly; I yield for a question always.

Mr. WAINWRIGHT. I understand the estimated deficit is about $320,000,000, and the gentleman has only accounted for $120,000,000 of the $320,000,000.

Mr. BLANTON. Yes, that is the administration rumor, but the distinguished gentleman was not here last year when Secretary of the Treasury Mellon told us that we had a deficit of $600,000,000 in the Treasury and told us we could not make adjusted compensation expenditures, and then a little later on he came back and told us he had made a mistake, and that there is a $300,000,000 surplus, which makes a difference of nearly $1,000,000,000, I will say to the distinguished gentleman. So, being a billion dollars out of balance, we can not rely upon such reports coming from Secretary Mellon.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. CELLER. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The Chair would state that certain gentlemen have advised the Chair that there are other amendments to the amendment which are desired to be presented, and for that reason the Chair thinks he should put the Mills amendment at this time and have it disposed of.

Mr. BLANTON. I ask leave to withdraw my substitute.

The CHAIRMAN. The question is on the amendment to the amendment offered by the gentleman from New York [Mr. MILLS].

Mr. LONGWORTH. Mr. Chairman, I understood the gentleman from New York to say that the amendment was a pro forma amendment.

The CHAIRMAN. It was; but the gentleman did not withdraw it. Without objection, the amendment will be withdrawn.

There was no objection.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent to withdraw my substitute.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to withdraw his substitute. Is there objection? [After a pause.] The Chair hears none.

Mr. TAGUE. Mr. Chairman——

The CHAIRMAN. The gentleman from Massachusetts is recognized.

Mr. TAGUE. During the heat of this debate the question that confronts me as a Member of this House is whether or not I have surrendered all my rights as a Member and have given up the privilege of offering an amendment or speaking for or against any measure that comes before this body simply because it may offend the taste of some individual. I happen to be a member of the committee that has reported this bill; but, Mr. Chairman, though I may be a member of this committee, I do not believe I have the right to usurp the rights of the membership of this House in presenting amendments or in presenting my views or allowing them to present their views to this House on so important a measure as this tax bill.

What are the facts? Much criticism is made here of Members on both sides of the aisle. I have respect and honor for every Member and every colleague of mine on the Committee on Ways and Means, no matter to which side of the aisle he may belong. I do not want to impugn the motive of any Member in the position he takes in this House, but I do not intend to sit here as a Member of this House and have the Members on this side of the aisle who are members of the committee told that they must assume a responsibility that has been denied them from the beginning. As one member of the committee, I want to say that so far as important provisions of this bill are concerned, we knew nothing about them until they were presented. The majority, to be sure, assumed that responsibility, but soon the responsibility had to come upon the shoulders of men who were competent to judge this situation.

There are able Members on that side of the committee but, gentlemen, no more so than the distinguished minority leader, the gentleman from Texas, on this side of the aisle, for upon this side of the aisle are Members who have served on this committee many years. It may not be out of place when I say the gentleman from Texas [Mr. GARNER], the gentleman from Arkansas [Mr. OLDFIELD], the gentleman from Missouri [Mr. DICKINSON], the gentleman from Georgia [Mr. CRISP], the gentleman from Mississippi [Mr. COLLIER], the gentleman from Tennessee [Mr. HULL], and the gentleman from Illinois [Mr. RAINEY] have all served on this committee and have drafted legislation for tax revenue and tariff longer, probably, than the majority of Members on the other side. If the younger Members of the House at least are not going to follow those who should understand the bill, then, Mr. Chairman, why should we follow those who, like myself, have had but one or two years in the drafting of important legislation.

I do not think it is within the keeping of any Member of this House to stand up here and say that because his views are not taken on the bill that it is unfit for the country, but with sober mind use our own judgment; and on the floor we ought to be at least able to judge of an amendment as it comes and vote upon it according to our own conscience.

I do not believe, Mr. Chairman, that this should be a partisan measure and I regret that an attempt is being made to make it a partisan measure. That was made possible before it came to the House. I want to say again and to repeat it, that I believe the time is going to come in this House when Members put upon an important committee as this is, whether Democrats or Republicans, will at least be permitted to know what is going on in the committee. [Applause.]

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. DAVEY. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Amendment by Mr. DAVEY to the Green amendment: On page 2 of the amendment, line 3, section 320, strike out "during the calendar year" and insert "prior to the death of said resident."

Mr. DAVEY. Mr. Chairman, it seems to me as the Green amendment now stands it has a decided weakness or loophole, provided it is intended to accomplish what was said of it. As I understood it, the Green amendment was intended to duplicate the rates of the Ramseyer amendment. It does and it does not. According to the Green amendment this tax is based upon the gifts made within a calendar year. So it seems to me it might

be possible for a man to make a gift of $100,000 or $1,000,000 per year for 10 or 20 years and escape the bulk of taxation by paying the lower rates on partial gifts each year.

The purpose of the amendment I have offered, in absolute good faith, is to take the total gifts prior to death and put those total gifts on exactly the same basis as that provided in the Ramseyer amendment. So I have offered the amendment to strike out the words "during the calendar year" and substitute "prior to the death of the said resident." The effect of this would be to make the sum total of the gifts made prior to death subject to the same rates as in the Ramseyer amendment.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. DAVEY. Yes.

Mr. GREEN of Iowa. We consulted the experts on that matter and they said it was entirely impracticable because it would make a difference in the rates every year unless they waited until the time of the death of the decedent, and that would not be practicable.

Mr. DAVEY. I would like to remind the gentleman of the modern definition of an expert, and that is an ordinary man 150 miles from home. The testimony of experts does not change the meaning of the English language or common sense.

Mr. GREEN of Iowa. I was not talking about expert witnesses, but expert draftsmen.

Mr. DAVEY. If you wish to put the tax on gifts on the same basis as the inheritance tax, you must base the tax on the sum total of the gifts and not allow the man to evade the higher tax on inheritances by making smaller gifts every year over a period of years. It seems to me that logic and common sense require that this amendment should be passed if you propose to tax gifts on the same basis that you tax inheritances.

Mr. BLACK of Texas. Will the gentleman yield?

Mr. DAVEY. Yes.

Mr. BLACK of Texas. Under the amendment the gentleman has offered the tax would not be collected each calendar year, but would be postponed until the year of the death of the donor.

Mr. DAVEY. Possibly; but I think that could be provided against.

Mr. BLACK of Texas. Does the gentleman think that ought to be done?

Mr. DAVEY. It is possible that another amendment might be required to perfect it.

Mr. ACKERMAN. Will the gentleman yield?

Mr. DAVEY. I will.

Mr. ACKERMAN. A man making gifts would have to keep an account of each gift that he made, not knowing when he was going to die?

Mr. DAVEY. That is obvious.

Mr. O'CONNELL of Rhode Island. Would there not be a possibility that the entire estate might be dissipated so that there would be nothing to pay any tax with?

Mr. DAVEY. I believe it is easily possible to amend the Green amendment so that the gift tax can be collected each year and at the end of each tax year to compute the tax on the total of the gifts up to that time, assessing the proper tax on the total up to that time and deducting the yearly taxes already paid. This would provide an increasing tax each year as the sum total of the gifts increased, and in the end the gift tax would be exactly the same as that provided on inheritances in the Ramseyer amendment.

The CHAIRMAN. The time of the gentleman has expired. The question is on the amendment to the amendment offered by the gentleman from Ohio [Mr. DAVEY].

The question was taken, and the amendment to the amendment was rejected.

Mr. CELLER. Mr. Chairman, I move to strike out the last word.

Mr. GREEN of Iowa. Mr. Chairman, all time has expired, and the gentleman can not debate his amendment.

The CHAIRMAN. All time has expired. The time was fixed by the committee. The question is on the amendment offered by the gentleman from Iowa [Mr. GREEN].

Mr. CHINDBLOM. Mr. Chairman, tellers.

Mr. LONGWORTH. Mr. Chairman, a division.

Tellers were ordered, and the Chair appointed Mr. GREEN of Iowa and Mr. BACHARACH to act as tellers.

The committee divided; and the tellers reported—ayes 191, noes 65.

So the amendment was agreed to.

Mr. McKEOWN. Mr. Chairman, I offer the following amendment to follow the amendment just adopted which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. McKEOWN: On page 150, following the amendment just adopted, insert a new title as follows:

"TAX ON EXCESS DWELLING HOUSE RENT.

"That on and after July 1, 1924, there shall be levied, collected, and paid annually the following special tax:

"1. Where the rent of a dwelling house is increased above the standard rent, as hereinafter defined, 50 per cent of the amount by which the rent payable exceeds the amount which would have been payable under the standard rent: *Provided*, That where the landlord has since April 7, 1917, and during the continuance of this title of this act incurs expenditures on the improvement or structural alteration of a dwelling house, not including decoration or repair, an increase of rent not exceeding 15 per cent per annum on the amount so expended shall not be deemed an increase for the purpose of this title.

"2. Whenever a standard rent, as herein defined, computed for a period of one year is not in excess of 10 per cent net of the capital value of the dwelling this title does not apply and the only return the landlord shall be required to render is an affidavit to the effect that the rent received during the taxable year does not exceed the standard rent defined herein.

"3. Where any person lets a dwelling house or any part thereof at a rent which includes payment in respect of the use of furniture, and the rent so charged is yielding or will yield the lessor a profit of 25 per cent per annum in excess of the standard rent of the dwelling or part of the dwelling house unfurnished, the excess rent shall be taxed 50 per cent.

"4. Where any person sublets more than one dwelling house or part of a dwelling house in excess of a standard rent, the excess rent shall be taxed 75 per cent.

"5. Any transfer to a tenant of any burden or liability borne by the landlord shall for the purposes of this title be treated as an increase where such transfer makes the tenancy on the whole less favorable to the tenant whether or not the sum payable by way of rent has increased; and the transfer to any landlord of any burden previously borne by a tenant where as a result thereof the tenancy as a whole is not less favorable to the tenant than the previous term, shall not be deemed an increase under this title, although the amount payable as rent be increased.

"6. For the purpose of this title the expression 'dwelling house' includes an apartment house, tenement house, or a one-family house; and the term 'standard rent' means the rent at which the dwelling house or part thereof was let on the 7th day of April, 1917, or where the dwelling house was not let on that date, the rent at which it was last let before that date; and in case of a dwelling house which was first let after April 7, 1917, it is the amount of rent computed for the period of one year which does not exceed 15 per cent of the capital value of the dwelling house, and the term 'capital value' means the fair market price or value of the property as of April 7, 1917; in case of property acquired on or before that date and in case of property acquired since that date the cost thereof; and in case of property acquired since April 7, 1917, by gift, bequest, devise, or inheritance the fair market price or value on the date so acquired; and the term 'net rent' means the amount of rent remaining after deducting the actual expenses of repairs, interest, taxes, fire insurance, fuel, light, labor, and other necessary expenses of like character.

"7. This title shall not apply to a dwelling house or part of a dwelling house let at a rent which includes payment in respect of board."

Mr. SANDERS of Indiana. Mr. Chairman, I reserve the point of order.

Mr. GREEN of Iowa. Mr. Chairman, I make the point of order that this is not a tax, but it is in effect a law intended to regulate the rentals of dwelling houses.

Mr. McKEOWN. Mr. Chairman, this is not subject to the point of order for the reason that this amendment is as much in order as the tax on excess profits. It is a new method of taxation and simply offers a new method by which to raise revenue. It does not undertake anywhere to regulate by inspection or otherwise the dwelling houses of the country. It is a tax on excess rentals. It is as much in order as the inheritance tax or the tax on gifts, or the tax on excess profits. I have drawn this amendment with the Supreme Court opinion in view, so as not to trespass upon the Constitution. The House has followed this question, and it has been decided two or three different times throughout this debate. The amendment simply offers a new title and a new system of taxation of excess rentals demanded on dwelling houses, just as excess profits are subject to tax in other directions. It is not a prohibitive tax; it is a tax that will have the effect of raising revenue. One billion and forty-seven million dollars was collected in rents in the United States in the course of a year. This will affect only the excess rentals.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. CHINDBLOM. Who is to determine what is an excess rental?

Mr. McKEOWN. That is to be determined by this rule, as set out in the statute, and by the commissioner just the same as he determines excess profits and the tax on profits from the sales of real estate.

Mr. CHINDBLOM. The commissioner of internal revenue would examine and review the returns to ascertain whether an excess rent had been charged.

Mr. McKEOWN. That is above 10 per cent; yes.

Mr. CHINDBLOM. What about a building that was not constructed before April 1917?

Mr. McKEOWN. The standard rate of rent is 15 per cent on the cost of construction or the price of property, the actual purchase price or the value of the property at the time it was purchased.

Mr. CHINDBLOM. And, of course, that is subject to review and examination by the Commissioner of Internal Revenue?

Mr. McKEOWN. Yes.

Mr. SANDERS of Indiana. Mr. Chairman, the gentleman from Oklahoma says that he has examined some Supreme Court decision which he thinks holds that this would be constitutional. That might be. Of course, the Chair does not primarily pass upon constitutional questions. This amendment is purely an amendment which seeks to regulate rents. The gentleman from Oklahoma would not deny that.

Mr. McKEOWN. Yes; I will.

Mr. SANDERS of Indiana. The purpose of this amendment is not to raise revenue, it is not to raise a tax, but it is for the purpose of regulating rents.

Mr. McKEOWN. Where in the amendment is anything said about regulating rents?

Mr. SANDERS of Indiana. The amendment singles out the sole proposition of rents and then undertakes to deal with excessive rents, and it comes within the ruling of the Chair which was sustained by the committee that an amendment can not be offered in a tax bill which has some ulterior purpose in view which has for its purpose the regulation of some matter and merely adds on the question of the tax. If the gentleman can do this, he can go out and regulate the price of coal, the price of shoes, the price of anything else in the whole category and merely say that if it exceeds a certain profit then it shall be subject to taxation. It opens up this tax bill to all of the wide, wild field of regulation of prices.

Mr. McKEOWN. Mr. Chairman, there is not a single thing in this amendment anywhere that attempts to regulate the proposition of rents. This is a flat-footed tax proposition. It taxes nothing but excess rents above a standard rent fixed in this amendment, and if excess profits are subject to taxation in tax measures, why are not excess rents above a standard rate of rent subject to taxation? Under the rule heretofore announced by the House in the consideration of this bill, it is absolutely in order. It is just as much in order as the amendment just adopted a few minutes ago. It does not undertake anywhere to regulate rents. It is a new taxation method. It offers another source of revenue. For the information of the Chair I will say that there was collected in accordance with the report of 1920, $1,047,000,000 as rents in a year. This bill provides a 50 per cent tax. The highest rate is 75 per cent where they sublet more than one residence for themselves. It simply lays a tax on all over 10 per cent net. The gentleman from New York [Mr. MILLS] did not even contend that this other measure was out of order, and it is not out of order under the ruling of the Chair. This meets the argument presented here by the distinguished gentleman from Georgia [Mr. CRISP] and by all of the parliamentarians. It offers a new system of taxation. There is nothing in the bill anywhere that seeks to regulate by inspection or anything of that kind. It is simply a taxing measure, offering to the House a new method by which to raise revenue to supply the deficiencies that may occur by reason of the reduction of other rates or the elimination of other rates. That is all its purpose. It has no other purpose than that. And that being the purpose, it evidently is in order under a former ruling of the Chair. I submit to the Chair that it is in order.

The CHAIRMAN. The gentleman from Oklahoma [Mr. MCKEOWN] offers an amendment which is to substitute a new title, and has in it several sections. The ruling of the committee, twice expressed, one on the matter of undistributed profits and the other on an excess-profits tax, was, as the Chair understands it, that any matter of internal-revenue tax would be admissible as an amendment to this bill, whether offered as an amendment to some section or as a new section or title. The ruling went no further than that, as the Chair understood it.

The Chair has had this matter under advisement for a little while, because of the fact that the amendment was printed in the RECORD, and there are some rulings which the Chair has found in which the principle is adhered to that the effect of the amendment must govern its germaneness, and not the purpose for which the amendment is offered. But that does not mean that everything that is offered as an amendment to this bill would be in order because it contains a tax. The Chair thinks that the common-sense and practical view of the matter would justify him in coming to the same conclusion that the Chair has arrived at from the offering previously of an amendment of this kind, to take into account what the apparent purpose of the amendment is; and in this case the Chair believes that he has the right to determine this matter from a consideration of this question, namely, whether this amendment imposes a new tax, whether that is its manifest purpose, or whether its manifest purpose is to do something else and it is attempted to incorporate through a provision in this revenue bill something alien to the subject matter.

This amendment in its first paragraph provides for the rent of a dwelling house, when, if it is above the standard rent as defined in the paragraph, 50 per cent of that increase over the standard rent should be taxed. Then the amendment provides that if the landlord increases the rent not exceeding 15 per cent on account of repairs, the amount so expended on repairs shall not be deemed an increase for the purpose of this title.

In the second paragraph the amendment provides that where the standard rent is not in excess of 10 per cent net of the capital value of the dwelling the amendment shall not apply, and the only return the landlord shall be required to render is an affidavit to the effect that the rent received during the taxable year does not exceed the standard rent as defined in the amendment.

In the third section the provision is that when a person lets a dwelling house or any part thereof at a rent which includes payment in respect of the use of furniture which will yield the lessor a profit of 25 per cent per annum in excess of the standard rent of the dwelling unfurnished, the excess rent shall be taxed 50 per cent.

Then the next section provides that if the landlord rents more than one dwelling house or part of a dwelling house in excess of a standard rent, the excess rent shall be taxed 75 per cent.

It is unnecessary for the Chair to go into a long dissertation on what this amendment does. The Chair has come to the conclusion, after looking it over and examining its contents, that it is a manifest attempt to regulate rents and that it comes within the purview of the ruling of the Chair on the amendment offered by the gentleman from Virginia [Mr. MOORE] on his corrupt practices amendment, and the Chair sustains the point of order.

Mr. McKEOWN. Mr. Chairman, I respectfully appeal from the decision of the Chair.

The CHAIRMAN. The gentleman from Oklahoma appeals from the decision of the Chair. The question is, Shall the decision of the Chair stand as the judgment of the committee? Those in favor of sustaining the decision of the Chair will rise and stand until they are counted.

The committee divided; and there were—ayes 142, noes 11.

The CHAIRMAN. So the decision of the Chair stands as the judgment of the committee. The Clerk will read.

The Clerk read as follows:

TITLE IV.—TAX ON CIGARS, TOBACCO, AND MANUFACTURES THEREOF.

SEC. 400. (a) Upon cigars and cigarettes manufactured in or imported into the United States and hereafter sold by the manufacturer or importer, or removed for consumption or sale, there shall be levied, collected, and paid under the provisions of existing law, in lieu of the internal-revenue taxes now imposed thereon by section 700 of the revenue act of 1921, the following taxes, to be paid by the manufacturer or importer thereof:

On cigars of all descriptions made of tobacco, or any substitute therefor, and weighing not more than 3 pounds per thousand, $1.50 per thousand;

On cigars made of tobacco, or any substitute therefor, and weighing more than 3 pounds per thousand, if manufactured or imported to retail at not more than 5 cents each, $4 per thousand;

If manufactured or imported to retail at more than 5 cents each and not more than 8 cents each, $6 per thousand;

If manufactured or imported to retail at more than 8 cents each and not more than 15 cents each, $9 per thousand;

If manufactured or imported to retail at more than 15 cents each and not more than 20 cents each, $12 per thousand;

If manufactured or imported to retail at more than 20 cents each, $15 per thousand;

On cigarettes made of tobacco, or any substitute therefor, and weighing not more than 3 pounds per thousand, $3 per thousand;

Weighing more than 3 pounds per thousand, $7.20 per thousand.

Mr. GARNER of Texas. Mr. Chairman, I offer an amendment: On page 152, line 8, strike out the figure "3" and insert the figure "4."

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. GARNER: On page 152, line 8, strike out the figure "3" and insert the figure "4."

Mr. GARNER of Texas. Mr. Chairman and gentlemen of the committee, I offer this amendment for the sole purpose of getting additional revenue in the Treasury and at the same time not injuring the business on which the tax is levied. If you gentlemen will look at the receipts for the last six months, from July 1, 1923, to January 1, 1924, you will see that in this bracket there is an increase in the revenue of nearly $11,000,000 and a gross increase in consumption of cigarettes of something over 8,000,000,000.

This is undoubtedly a peace-time tax. I remember, as many gentlemen here remember, that prior to the war and prior to the constitutional amendment and the Volstead Act, when we wanted money we simply increased the tobacco and liquor taxes and got additional money. That is the only way we had to adjust our accounts and keep the budget balanced, either by increasing the liquor or the tobacco tax and the custom-house taxes. Those were about all the taxes we levied prior to the income-tax amendment; so that this is admittedly a proper tax and has been, I presume, for some 40 or 50 years. I do not know how long it has been since we began taxing tobacco.

Now, levy this additional $1 per thousand on cigarettes and you get, in my opinion, $60,000,000 additional revenue. I was told by the gentleman from New York [Mr. MILLS] a while ago that I would be mistaken as to the estimate of the additional revenue. I can not believe I am mistaken. I have great respect for Mr. McCoy's estimates, and you have not heard me attacking them, except where in obedience to the Secretary he has made out estimates at different times and for the future.

Now, the Secretary of the Treasury recommended this tax. In 1921 he recommended it as one of the taxes which Congress should pass in order to lower the surtaxes. He recommended the lowering of the surtax from 65 to 25 per cent, 32 per cent the first year and 25 per cent in the following years; and in order to make up for that loss this was one of the taxes he recommended. In that recommendation he estimated that the increase in revenue would be $36,000,000 and over the first year and $57,000,000 thereafter.

Since that time the increase in the consumption of cigarettes has been tremendous; and since you are getting more than $200,000,000 a year out of this one bracket at the present time, I think it is safe to say that if you add one more dollar you can get $60,000,000 additional without cutting down the consumption of cigarettes, because the consumption of cigarettes has increased in one year to the extent of 8,000,000,000, and the revenue in the last six months has been something over $100,000,000.

I merely submit this increase of $1 for the purpose of getting additional revenue upon an article which we all admit is a legitimate article of taxation and that we can tax it all the traffic will bear. I believe that is the rule, that when you admit a thing is subject to taxation you can levy just such taxes as will get the largest amount of revenue into the Treasury, and I know that by increasing the amount from $3 to $4 you will get more revenue into the Treasury. I do not think it will have any effect on the manufacture of cigarettes.

I remember at one time there was in this section a cigarette tax of $4.50, but my friend from North Carolina—bless his memory——

Mr. HUDSPETH. Four dollars and fifty cents per thousand?

Mr. GARNER of Texas. Yes; my friend from North Carolina talked me down to $4, and when we got over to the Senate they talked me down to $3, and there you are. But still that bracket alone renders at the present time more than $200,000,000, with an increased consumption of 8,000,000,000 cigarettes in one year. I think that statement alone is sufficient to show that you can levy that additional dollar tax without injuring the business in any material way. It means a 1-cent additional tax on each package of 10 cigarettes.

I hope the committee will find it advisable to adopt the amendment I have offered.

Mr. MORTON D. HULL. What is the tax now?

Mr. GARNER of Texas. Three dollars a thousand. I submit the amendment to the consideration of the committee.

Mr. SANDERS of Indiana. What is the highest tax that has ever been levied?

Mr. GARNER of Texas. The highest tax that has ever been levied is $4.50. That was the amount carried in this section, as I tell you; then it was reduced to $4 and then the Senate reduced it to $3.

Mr. HUDSPETH. And the gentleman's amendment calls for $1 more than the amount now carried in this bill?

Mr. GARNER of Texas. Yes.

Mr. HAWLEY. Mr. Chairman and gentlemen of the committee, I rise to oppose the proposal on the ground that it will not increase the revenues of the Government, but that any additional tax will be reflected back upon the grower of the tobacco out of which cigarettes are made.

Let us agree on the facts first. The income from cigarettes weighing not over 3 pounds to the thousand—and those weighing more than that are an insignificant factor—was $182,000,000 for the fiscal year ending June 30, 1923. The consumption of cigarettes under the $3 tax has very largely increased. In 1917 the consumption was 35,000,000,000 cigarettes; in 1918, 46,000,000,000; and in 1919, 53,000,000,000. Then the present rate of tax took effect and reduced the consumption to 44,000,000,000 in 1920, or 9,000,000,000 less than in 1919; in 1921, the consumption increased about 1,000,000,000; in 1922 it increased 5,000,000,000, and in 1923 it has increased about 10,000,000,000, so that the consumption in 1923 was about 60,000,000,000 cigarettes.

Now, I submit to you that this tax is doing well; it has increased the production and the consumption; it has afforded the growers a fairly good return for their crops and it is making a great deal of money for the Government.

It does not follow that if you increase the tax rate one-third you will increase receipts one-third. The present rate is $3 per thousand for cigarettes not weighing more than 3 pounds to the thousand; that represents three-tenths of a cent on each cigarette or 6 cents on each package costing 15 cents for 20 cigarettes—that is, for a package of cigarettes costing 15 cents, such as Camel, Piedmont, and 90 per cent of all of them that are sold. When these cigarettes have paid a tax of 6 cents per package of 20 that leaves only 9 cents for the grower, the cost of manufacture, and the profit to manufacturer, wholesaler, and retailer.

If the tax is raised to $4 per thousand the tax on each cigarette is increased to four-tenths of a cent, or 8 cents for a package of 20, costing 15 cents—that is, there will be an 8-cent tax, and 7 cents will be left to be distributed to the grower, to the manufacturer, to the wholesaler, and to the retailer—7 cents out of the 15 cents.

I submit that at that point the judgment of Mr. McCoy and Mr. Adams—that the tax has reached its maximum earning—is correct. Mr. McCoy said that the 3-cent tax would earn the Government a constantly increasing revenue, which is proving to be an accurate forecast.

Mr. QUIN. Will the gentleman yield?

Mr. HAWLEY. Yes.

Mr. QUIN. Does the gentleman figure they would stop smoking cigarettes?

Mr. HAWLEY. I will come to that in due time. If at the 3-cent rate there is another increase of 10,000,000,000 for the next year, as there was for the past, there will be $30,000,000 additional revenue received, but if we raise the rate to $4 a thousand we jeopardize the continued growth of the industry and the continued increase in the use of cigarettes, with the probability, according to the actuary's estimates, that the consumption will be so reduced that the $4 tax will produce practically the same amount as a $3 tax.

Now, there are four possibilities in this proposed increase of the revenues. First, that it will reduce consumption and thus reduce the revenues, and I have already spoken of that. Second, the dealer will absorb the tax, but if he has only 7 cents left out of every 15 cents I think all will agree that he can not absorb the tax. It must be passed one way or the other. Now, the dealer might pass the tax on to the consumer and increase the price of each package of cigarettes. The usual rule is that with increased cost decreased consumption follows when the tax approaches the saturation point. If this were the only way in which tobacco could be used——

The CHAIRMAN (Mr. SANDERS of Indiana). The time of the gentleman has expired.

Mr. HAWLEY. Mr. Chairman, I ask for five minutes more.

The CHAIRMAN. The gentleman from Oregon asks unanimous consent to proceed for five additional minutes. Is there objection?

There was no objection.

Mr. HAWLEY. If this were the only way in which tobacco could be smoked the additional tax might be passed on to the consumer, but a man can smoke a cigar or a pipe or he can roll his own.

If we lose on the cigarette tax by reducing the consumption and people smoke pipes or cigars, we get less revenue, because the cigarette item is the great revenue producer in the tobacco list; and if a person wishes to continue to smoke cigarettes under the increased tax, we will also lose in taxes to the extent that they "roll their own." They have done that from time immemorial and will continue to do so, and if the amount charged them for a package of made cigarettes seems to be unreasonable, they will go back to the practice of using a bag of tobacco and papers.

But there is another possibility that I think is more serious, and that is it will reduce the price paid to the growers. At present the growers of the bright tobacco, which is made into cigarettes, receive about 23 cents a pound. That is about the price received for their crop last year. There were various grades; some sold for a higher rate and some for a lower rate; but the Virginia, North Carolina, and Kentucky bright tobaccos which go into the making of cigarettes, sometimes blended with Turkish or other tobaccos, were bought from the growers at about 23 cents. The grower is in the weakest position of all the persons involved in the transaction. The dealer can pass the tax on to the consumer, on the one hand, and if the consumer will not stand it and begins smoking a pipe or a cigar or makes his own cigarettes, then the manufacturer of the cigarette will endeavor to pass the tax back to the man who grows the tobacco; and that is the most likely contingency of the four, because the man who grows the tobacco is in the weakest position.

Mr. GARNER of Texas. Will the gentleman yield for a question?

Mr. HAWLEY. Yes.

Mr. GARNER of Texas. The gentleman will recall, because the gentleman was probably a member of the committee at that time, that in 1918, in making up this tax, I submitted certain figures to the Treasury Department upon the basis of raising $500,000,000 from receipts from the tobacco clause, and they gave me an estimate of $522,000,000 and the largest item was $4.50 in this bracket. The Treasury Department at that time did not oppose this rate and thought they would get more money at $4.50 than $4.

Mr. HAWLEY. The committee disagreed and in 1918 put in the present rate and in 1921 continued the present rate, and the present rates are earning a large and growing amount of revenue. It is a continually growing business and produces a continually increasing amount of revenue, and why disturb a tax that has proven successful from the standpoint of revenue, with the possibility of greatly injuring the planters who grow the tobacco and whose circumstances are not good at present?

Mr. HUDSPETH. Will my friend yield? You stated that this would increase the cost and thereby would decrease the consumption. Has my friend figured out, if the dealer passes this on to the consumer, what amount this would increase the price of a package of Camel cigarettes, for instance?

Mr. HAWLEY. Two cents for each package of 20 cigarettes costing 15 cents, so that he would pay 8 cents tax on a 15-cent package. And as the sale of cigarettes is now made on a bare margin of profit the tax will, if passed on to the consumer, increase the cost to him by the amount of the tax at least.

Mr. GARNER of Texas. One cent additional on each package of 10 cigarettes.

Mr. HAWLEY. They do not sell them in tens, as I understand it. They sell them in twenties.

Mr. GARNER of Texas. Some are sold in tens.

Mr. BURTNESS. As I understand the gentleman, the tax now being $3 a thousand——

Mr. HAWLEY. Three dollars per 1,000 for cigarettes not weighing over 3 pounds to the 1,000.

Mr. BURTNESS. Yes; that would be 6 cents on packages that sell for about 15 cents, or really a sales tax of 40 per cent; is not that correct?

Mr. HAWLEY. Yes; at the present rates, but 8 cents under the proposed amendment, or 53 per cent. Now, just one other point. It may be said that we can get some revenue from imported cigarettes. I have not here the statistics of imports, but let me quote you the facts.

The CHAIRMAN (Mr. DOWELL). The time of the gentleman has expired.

Mr. HAWLEY. Mr. Chairman, may I have one minute more?

The CHAIRMAN. The gentleman from Oregon asks unanimous consent to proceed for one additional minute. Is there objection. [After a pause.] The Chair hears none.

Mr. HAWLEY. The tariff on cigarettes is $4.50 a pound plus 25 per cent, which makes 1.69 cents for each cigarette. Add to that 0.4 of a cent for the tax collected here, and that will make a package of 10 cigarettes selling for 25 cents bear a tax of 21 cents, so you can readily see that there will be no sales.

Mr. GARNER of Texas. They are imported cigarettes.

Mr. HAWLEY. I am speaking of the fact that we would not get any income at all from the imported cigarettes. This would entirely cut that out.

Now, from the standpoint of the revenue, I believe we are getting more money now than we would under an increased rate, and from the standpoint of the grower we are giving him an opportunity to sell his tobacco at a moderately fair price, but if we put on this tax, the grower, being in the weakest position, will probably bear the increase, in large part at least, that arises out of the imposition of an increased tax.

Mr. ABERNETHY. Mr. Chairman and gentlemen of the committee, I dislike very much to take issue with my distinguished friend from Texas, and I would not do so but for the fact that this proposed tax which he has sprung here in the Committee of the Whole, without any consideration being given it by the Ways and Means Committee, creates a very unjust burden upon the State that I in part represent.

I want to call the attention of this House to the fact that North Carolina pays more revenue tax on tobacco than any other State in the Union. I want to call your attention to this further situation: The entire amount of cigarettes manufactured, weighing not more than 3 pounds per thousand, were 55,763,022,618. North Carolina alone made cigarettes to the amount of 26,619,287,857.

Now, I want to ask this House, in all fairness, is it right to raise $60,000,000, one-half of which will come out of one State alone, and that State paying more revenue on cigarettes than any other State in the Union?

As I understand it, we came here for the purpose of reducing taxes. I have gone just as far as I could with my friend from Texas [Mr. GARNER]. Some of you gentlemen may vote for this proposition on the theory it will help us raise a soldiers' bonus, but I want to call your attention to the fact that you are making the boys who smoke the cigarettes pay for their own bonus. The man who smokes cigarettes made in my State, like the Piedmont, and cigarettes of that character, are the fellows least able to pay the tax.

Mr. McKEOWN. Will the gentleman yield?

Mr. ABERNETHY. Yes.

Mr. McKEOWN. The gentleman's conclusion is that the boys who smoke will pay the tax?

Mr. ABERNETHY. Yes; in fact, what they do not pay will be taken off the price of tobacco paid to the farmer.

I represent people who not only raise tobacco but who smoke cigarettes.

Mr. GASQUE. Is not the tax passed on down to the farmer and also down to the consumer, so they get it both ways?

Mr. ABERNETHY. Yes; it does not help the men who make the cigarettes, nor does it help the farmer, nor does it help the consumer; it is like the nigger's fish trap—open at both ends, and catches them coming and going. [Laughter.] The manufacturer in a large measure passes it on to the consumer—what he does not take off the farmer in the reduced price paid for his tobacco.

Mr. WINGO. Will the gentleman yield?

Mr. ABERNETHY. Yes.

Mr. WINGO. Regardless of who is correct in this discussion, it seems that the tariff is not the only thing that is a local issue.

Mr. ABERNETHY. I am putting it up to this House. I do not have any hope of bucking against the situation here. I do not have any hope of defeating the amendment, because the motion of the gentleman from Texas [Mr. GARNER] will be acceded to by the House in all matters of taxation at this particular time, with the present temper of the House. I have been following the gentleman from Texas, but here is the parting of the ways. [Laughter.] I want to be absolutely frank about it.

Mr. DENISON. Will the gentleman yield? I think the gentleman is absolutely correct, and I am going to vote with him.

Mr. ABERNETHY. I hope so, and I hope I can get enough on this side to break the combination in this instance. That is the reason I am speaking. Now, I appeal to you gentlemen in all seriousness. Why should you take any State out of the 48 that is paying more tax on tobacco than any other State in the Union? Why do you want to put $30,000,000 additional tax on that one State in a bill that proposes to reduce taxation instead of increasing it? [Applause.]

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. ABERNETHY. Mr. Chairman, I ask for five minutes more.

Mr. HAWLEY. Mr. Chairman, I ask that all debate on this amendment and amendments thereto close in 20 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

Mr. FREAR. I object.

The CHAIRMAN. The question now is on the motion of the gentleman from Oregon.

Mr. SEARS of Florida. I thought the Chair said there was no objection to the request of the gentleman from North Carolina.

The CHAIRMAN. The gentleman from Wisconsin was on his feet.

Mr. SEARS of Florida. Then I object to the request of the gentleman from Oregon.

Mr. HAWLEY. Mr. Chairman, I move that all debate on the amendment and all amendments thereto close in 20 minutes.

Mr. FREAR. And I move to amend by making it 30 minutes.

The CHAIRMAN. Let the Chair ask the gentleman from Oregon if he makes his motion on the paragraph and all amendments thereto?

Mr. HAWLEY. Yes.

The CHAIRMAN. The gentleman from Wisconsin moves to amend by making it 30 minutes instead of 20, and the question is on the amendment to the motion.

The question was taken; and on a division (demanded by Mr. FREAR) there were 96 ayes and 80 noes.

So the amendment to the motion was agreed to.

The CHAIRMAN. The question now is on the motion as amended.

The question was taken, and the motion was agreed to.

Mr. ABERNETHY. Now, Mr. Chairman, I ask unanimous consent that I may proceed for five minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. LaGUARDIA. Will the gentleman yield?

Mr. ABERNETHY. Yes.

Mr. LaGUARDIA. The gentleman said that his State out of 48 was singled out for this tax. Has not the gentleman been soaking my State the last four or five days? [Laughter.]

Mr. ABERNETHY. What has been done was with your consent.

Mr. McKEOWN. Will the gentleman yield?

Mr. ABERNETHY. Yes.

Mr. McKEOWN. This tax will be paid mostly by the survivors of the World War that we taught to smoke cigarettes, will it not?

Mr. ABERNETHY. Absolutely. Now, I hope the House will give me attention, for this is a serious matter. I realize the situation I am up against by bucking the leader on our side, but this is the situation that confronts me. Here you are picking out cigarettes for taxation, going to raise the tax on them. If you are going to raise the tax on cigarettes why not raise it on all tobacco, cigars, and smoking tobacco, why do you put it on one form of tobacco like cigarettes that the poor boys are smoking. You say you are going to use the money for the bonus for the soldier boys, but I am opposed to the soldier boys paying for their own bonus by your increasing the tax on cigarettes. That is the situation. [Applause.] I hope that the amendment will be voted down. [Applause.]

Mr. BLANTON. Will the gentleman yield?

Mr. ABERNETHY. Yes.

Mr. BLANTON. What about the boys 14, 15, 16 years old?

Mr. ABERNETHY. There is a law against that.

Mr. BLANTON. Yes; but they all get them just the same if they happen to have a nickel or a dime.

Mr. ABERNETHY. This will not affect them.

Mr. FREAR. Mr. Chairman, I moved to have the time extended because we are informed by the gentleman from Texas who has offered the amendment that this amendment will raise fifty or sixty million dollars. I do not know whether he is right, nor does any one of us, nor will we know until the returns are all in. If it will do that, it will do much to do away with what is called a threatened deficit by some Members on the Republican side. If that be true, I would like to provide enough funds so that we will not have a deficit. I am trying to save the bill which others are trying to destroy. If the gentleman is right I want to support the amendment. I say this incidentally in passing, that in Russia this last year I bought cigarettes at 50 cents a package of 20, and two-thirds of them had long paper stems, not one-half as good as your North Carolina cigarettes that cost less than half. They bought them all over that country, so that I have no fear at all but what they will pay the extra 2 cents in this country for cigarettes; if not, they can roll their own cigarettes and many of us can do that.

The thing that impresses me most of all is this division among the two political parties on the floor. It is getting to be a very anxious moment with me. The last gentleman who spoke, the gentleman from North Carolina [Mr. ABERNETHY] complains about his insurgency in getting away from his party leaders and coming over on the Republican side, and it is a very unfortunate situation, because I know what insurgency means. During the last two or three days we have seen the spectacle of the distinguished gentleman from Texas [Mr. GARNER] coming over to the Republican side and lining up with the distinguished Republican leader on this side, and also other leaders on the Democratic side have occasionally come over and been mixing up with leaders on the Republican side and have gone through the line of tellers. The only ones thus far who have been criticized are the so-called insurgent Republicans who joined with the Democrats on one vote on income-tax rates. The leaders on the Democratic side have opposed practically all of the amendments that I have offered, as they have a right to do.

Mr. McKEOWN rose.

Mr. FREAR. In just a moment. I want to speak of one thing that is more important than cigarettes. Yesterday the distinguished Republican leader said that he is going to propose an amendment on the income tax rates before we get through the bill. We have had this bill before us for about two weeks. Every man who has an intelligent understanding of taxes knows that the brackets as well as the percentages determine what is in any bill, and yet we have the leader telling us that he has not yet decided what his compromise proposition is going to be, but he is going to bring it in here at some time. I say that is not fair to those of us who want to study any proposition that comes in. I have a right to learn what this compromise measure is going to be which we are going to be called upon to vote on here in two or three days. I am not sure that I am going to vote with the gentleman from Texas [Mr. GARNER]. I am not voting on any partisan bill, a Democratic measure or a Republican measure, but I want to vote for the very best measure that is offered in my judgment. I want to see what this compromise bill is to be, and I do not want the previous question moved later so that we can not discuss it. It is one of the most important provisions in the bill and involves a matter of $200,000,000 or more.

Mr. CLARKE of New York. I hope the gentleman will bring it in as soon as the gentleman will the question of the tax on cigarettes.

Mr. FREAR. I trust the tax on cigarettes will be brought in this afternoon, and I am supporting the gentleman from Texas for the second time.

Mr. OLIVER of New York. If the distinguished leader of the majority brings in a compromise suddenly, does the gentleman from Wisconsin not think that Mr. MILLS of New York will oppose it?

Mr. FREAR. Oh, I assume gentlemen on the Republican side are still in the majority, although I do not speak for a united vote on any measure or amendment that may be offered.

Mr. MOORE of Virginia. Mr. Chairman, will the gentleman yield?

Mr. FREAR. Yes, certainly.

Mr. MOORE of Virginia. The gentleman is a member of the Committee on Ways and Means?

Mr. FREAR. Yes; I have that honor.

Mr. MOORE of Virginia. And yet he says that his leader will not tell him what he has in his mind?

Mr. FREAR. I am simply saying that he said to the House yesterday that sometime he is going to propose a compromise measure, and I feel we are entitled to know what that is, because this is a nonpartisan measure, in my judgment.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. FREAR. Mr. Chairman, I ask unanimous consent to proceed for one minute more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. McKEOWN. Will the gentleman yield?

Mr. FREAR. Yes.

Mr. McKEOWN. I just want to know if it would be in order under the present rules of the House?

Mr. FREAR. I am not sure. The gentleman with seven or eight of his associates on his appeal did not secure many votes, so I shall have to leave it to him, although I think he is a good lawyer and well able to pass judgment.

Mr. Chairman, we are entitled to know and we ought to know what this compromise on income tax rates is to be, so that we can study it, because every man knows that one can juggle taxes, that he can juggle rates and schedules, and we want to see what it is. I am making no assertions but am sincere in asking for particulars as to this proposed compromise plan.

I am asking that a statement given out yesterday may be incorporated in the RECORD as part of my remarks. I do this without criticism of anyone, but the statement herewith speaks for itself.

STATEMENT ASKING FOR VIEW OF THE PROPOSED COMPROMISE PLAN.

Republicans who are more interested in legislation than in partisanship ask to see Mr. Mellon's mysterious revised 37½ per cent compromise for the original Mellon bill which it is announced Mr. LONGWORTH will offer as a substitute. Percentages mean little until relation to amounts contained in tax brackets are revealed. We ask to examine the brackets, percentages, and all parts of the plan to learn just what it means before it is sprung on the House after debate has closed. That is the only fair course to pursue with a great tax bill involving $200,000,000 in income-tax rates.

The so-called scientific Mellon bill juggled income rates and tax brackets so as to mislead the public. It used a 25 per cent tax rate for the $100,000 bracket whereas the 25 per cent bracket in existing law taxes incomes of only $54,000. The Mellon bill gave about 50 per cent reduction to large incomes but only 2 per cent cut on normal tax to the small taxpayer. This comes through juggling of tax brackets.

The Mellon bill can not be resurrected, but we ask to learn if Mr. Mellon's substitute is the Mellon bill under a different title and arrangement of brackets and rates.

Constant press reports of dissatisfaction among so-called insurgents credited to Mr. LONGWORTH we are not disturbed about. We do ask him to put his 37½ per cent Mellon revised tax plan in the RECORD, where it can be seen and studied. We have made no coalition with Democratic Members, and never have had any. The Garner plan is not nearly as good as the one we offered, either "scientifically" or to administer, but it is far more just than the Mellon bill. It favors 3,500,000 taxpayers, where the Mellon bill favors 4,223, who get $75,500,000 tax reduction, or 50 per cent more than the 3,500,000 will receive. That is not politics but a cold fact in dollars and cents. Politics had no part in our support of the Garner plan.

Twice we have offered compromises to our Republican colleagues that would greatly relieve small taxpayers, and as regularly they have been rejected by Mr. Mellon, who controls the situation, so we are justly suspicious of any tax plan not fully understood in advance.

We offered four amendments in this committee affecting tax-free securities, undistributed profits, publicity of records, and excess profits. All were sound in principle and would have provided more than enough to reduce corporate normal taxes and to finance a soldiers' compensation bill.

These amendments were opposed by Democratic leaders, whether called insurgents or irregulars, who joined with Republican leaders for that purpose, as they had a right to do without criticism. We asked others to offer inheritance and gift tax amendments, which include original proposals offered by me several weeks ago. No pride of authorship occurs over any good amendment.

Secretary Mellon strongly opposed all of these amendments and any soldiers' bonus and opposes many other views we hold. Responsibility for the result rests with his attempt to force his bill through Congress aided by a press propaganda costing several million dollars.

As one of the wealthiest men in the world and a controlling factor in scores of great corporations, his viewpoint and ours naturally differ, but that does not make his views a standard of Republicanism.

We are free to act as a group and have had many Members come to influence us to accept some proposal of Mr. LONGWORTH of a "sight unseen" jackknife plan that we suspect on analysis may be a twin sister of the Mellon plan. No one knows until it is submitted.

We insist Congress and the public are entitled to see any plan Mr. LONGWORTH expects to offer, in order that brackets, percentages, and estimates may be placed on the table for inspection.

After two weeks' debate and voting he still holds the mysterious "37½ per cent" proposal up his sleeve. We are not concerned in any party label on any tax plan, because it is not a political question, but we have supported the best plan thus far offered that will give relief to taxpayers least able to pay. Our own plan was better than either of the others now before the committee.

Five hundred million dollars was handed out by Congress last session to large income beneficiaries through the repeal of the excess-profits tax and reduction of surtaxes from 65 per cent to 50 per cent, the present rate. Ninety-four Republicans voted for the 50 per cent surtax rate last session, and we believe any 37½ per cent rates framed on the Mellon bill tax brackets, or half the rates of existing law, are unjust to taxpayers in the lower brackets, of whom 90 per cent receive under $10,000 incomes.

The House is entitled to know the facts. That has been the trouble with the Mellon rates, which were prepared in secret, by whom or by what interests no one has yet been willing to state. We ask to see and study the substitute plan and to discuss it, if necessary.

Mr. SEARS of Florida. Mr. Chairman, I hope my friend from Wisconsin [Mr. FREAR] will give me his attention, because I have listened with a great deal of pleasure to his remarks. He stated what we all know, that many on his side do not even know what program they are going to follow. I do not want to repeat a speech, but after my remarks of last week, wherein I stated I believed the gentleman from Wisconsin was sincere in his demand for 50 per cent, I repeat now that I will first have to see a record vote before I will believe that he has agreed to any compromise.

Mr. FREAR. There is no proposition before us for more than 50 per cent. My own proposition was defeated.

Mr. SEARS of Florida. That was two years ago.

Mr. FREAR. No; this time.

Mr. SEARS of Florida. I mean the old rate was 50 per cent two years ago. The gentleman is now arguing for 50 per cent. The Garner plan is 44 per cent. I think it was day before yesterday I again saw in the newspaper that the majority leader—and you people are in power still—was dealing with what he called the insurgents, on the Republican side, and was perhaps going to raise the ante—as I said in my remarks before. I said the other day that I refused to believe that the gentleman from Wisconsin [Mr. FREAR] was in the game, and I want to say that I do not believe that a majority of those 69 men who stand for 50 per cent and who still think it ought to be 50 per cent are going to make this deal.

Mr. FREAR. The maximum is 50 per cent, and that means nothing unless you know what bracket it comes in.

Mr. SEARS of Florida. The gentleman knows what bracket the 44 per cent comes in.

Mr. FREAR. Yes.

Mr. SEARS of Florida. In other words, the Democrats have laid their plan on the table?

Mr. FREAR. Yes.

Mr. SEARS of Florida. But you do not yet know where you are, as far as your party is concerned, and you are now asking to be told.

Mr. FREAR. Not to be told, but to learn what is their proposition.

Mr. SEARS of Florida. The gentleman ought to be in a party where he can learn.

Mr. FREAR. But we would have to be tied up then.

Mr. SNYDER. The gentleman said that the Garner plan was laid on the table. That is not the last table it is going to be laid on.

Mr. SEARS of Florida. That is about as correct as your first guess, for I still refuse to believe that all on the Republican side have forgotten the people back home, those who sent them to Congress. When I think of my good friend, Mr. MILLS, the gentleman from New York, shedding crocodile tears for the poor, because the inheritance taxes begin to increase after you reach $450,000, I wonder how many in our districts are worth that amount and how many it affects. But that is not the purpose which I desired to talk about. The final vote will tell exactly where each Member stands.

My good friend from North Carolina, Mr. ABERNETHY, is very deeply interested in North Carolina. He ought to be. It is a great State. But in my State we manufacture cigars. I

would like to get some changes made in the rates on cigars. But I realize——

Mr. ABERNETHY. Mr. Chairman, may I interrupt the gentleman?

Mr. SEARS of Florida. Certainly.

Mr. ABERNETHY. They do not tax cigars. Why should you be concerned?

Mr. SEARS of Florida. Oh, yes; they are in here.

Mr. ABERNETHY. Not this increase. That is the point I am making. You fellows who have cigars are not willing to tote fair with the cigarette folks.

Mr. SEARS of Florida. I remember, when the first tax was placed on cigarettes, the same argument was made to have it changed back, and for months and months or a year or more those who smoked cigarettes paid 10 cents a package and got only 8 cigarettes. You can buy them down town and at other places now for 12 and 13 cents a package, and it has not resulted in helping the producer. My good friend from North Carolina need not be concerned about $3 or $4 or $5 helping the producer. Just to show you I am correct, let me call your attention to the fact that while in the Capitol restaurant you pay 40 cents for a Florida grapefruit, the producer is getting only about 1 cent apiece and can not even sell all the fruit he has at that price.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SEARS of Florida. Mr. Chairman, at a later date I will go into this question fully. I will not ask for more time now, as I know we have had a hard day.

The CHAIRMAN. The time of the gentleman from Florida has expired. The question is on agreeing to the amendment, which the Clerk will again report for information.

The Clerk read as follows:

Amendment offered by Mr. GARNER of Texas: Page 152, line 8, strike out the figure "3" and insert in lieu thereof the figure "4."

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the Chairman announced that the ayes appeared to have it.

Mr. HAWLEY. A division, Mr. Chairman.

The CHAIRMAN. A division is called for.

The committee divided; and there were—ayes 109, noes 70.

Mr. ABERNETHY. Mr. Chairman, I demand tellers.

The CHAIRMAN. Tellers are demanded.

Tellers were ordered, and the Chairman appointed Mr. GARNER of Texas and Mr. ABERNETHY to act as tellers.

The committee again divided; and there were—ayes 117, noes 85.

So the amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Every manufacturer of cigarettes purchasing any cigarette paper made up into tubes (a) shall give bond in an amount and with sureties satisfactory to the commissioner that he will use such tubes in the manufacture of cigarettes or pay thereon a tax equivalent to the tax imposed by this section and (b) shall keep such records and render under oath such returns as the commissioner finds necessary to show the disposition of all tubes purchased or imported by such manufacturer of cigarettes.

Mr. DAVEY rose.

The CHAIRMAN. For what purpose does the gentleman from Ohio rise?

Mr. DAVEY. I move to strike out the last word.

The CHAIRMAN. The gentleman from Ohio moves to strike out the last word.

Mr. DAVEY. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. DAVEY. I would like to speak with reference to the Green amendment. Must I ask unanimous consent to proceed out of order?

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to proceed for five minutes out of order. Is there objection?

Mr. GREEN of Iowa. I shall have to object.

Mr. DAVEY. It is with reference to the Green amendment. I hope the gentleman will withhold his objection.

Mr. GREEN of Iowa. That has been fully discussed. I want to get along with the bill. We must stop these retroactive discussions.

Mr. DAVEY. This is a very serious proposal that I have.

Mr. GREEN of Iowa. I regret to have to object. The gentleman can get some time later on. I want to push along this afternoon.

Mr. DAVEY. It will take only five minutes, and then it will be through.

The CHAIRMAN. Objection is heard. The Clerk will read.

The Clerk read as follows:

(c) Sales or shipments of leaf tobacco by a dealer in leaf tobacco shall be in quantities of not less than a hogshead, tierce, case, or bale, except loose leaf tobacco comprising the breaks on warehouse floors, and except to a duly registered manufacturer of cigars for use in his own manufactory exclusively.

Dealers in leaf tobacco shall make shipments of leaf tobacco only to other dealers in leaf tobacco, to registered manufacturers of tobacco, snuff, cigars, or cigarettes, or for export.

Mr. McKEOWN. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Oklahoma moves to strike out the last word.

Mr. McKEOWN. Mr. Chairman and gentlemen of the committee, I rise to call your attention to the fact that in this section we have to deal entirely with the regulation of leaf tobacco. It has become a rule now—I suppose you would call it "the rule of expediency"—that any measure that has to do with regulation is out of order in the House. This shows you what the amendment to the rules has at last gotten us into, and I am not going to be the only one who is going to suffer from the rule. It is within the power of this House under the present rule to put out of order anything that is not expedient or anything that the House does not want to consider if there is a majority who prefer not to consider it. You have not any precedent now by which you can declare anything in order. You have not any precedent to govern yourselves except the rule of expediency. That is all you have got. [Applause.]

Here is an amendment, a provision, which, if it were offered now in this House the committee might not want to consider it, because, forsooth, it regulates leaf tobacco. I have offered an amendment to this House that did not have a single regulatory provision in it. It was a simple taxing method, but it was not expedient for the House to consider it.

I am going to say something else to you gentlemen on the committees in this House. I am going to say this: What inducement do you give a Member of this House who desires to exercise his rights as a Member here? What inducement do you give him who desires to prepare himself to legislate and comes here with that purpose in mind? Is it going to be that the committees of the House are going to report bills in and the rest of us just sitting by and take what you give us? So far as I am concerned, I am one Member who is not going to swallow everything that some committee or some department sends in here. [Applause.] That is the cause of the opposition I had to the so-called Mellon plan.

No department has the right to assume to give its name to a bill to be passed through the House of Representatives.

Now, what happens in this House when a man outside of a member of the committee offers an amendment? The committee will vote against him, even if it is a worthy amendment, because they do not want the bill amended.

Mr. GREEN of Iowa. I have repeatedly accepted amendments from Members outside of the committee. I did so yesterday.

Mr. McKEOWN. Well, they are very small amendments, and they are figured not to hurt anything when the gentleman accepts them.

I am telling you the truth when I say that the membership of this House is gagged when it comes to the proposition of offering an amendment to a bill, because they come on the floor with the determination that no amendments will be put onto the bill if they can help it, no matter who offers them and how worthy they are.

Now, gentlemen, I say that the proposition now is the rule of expediency; if your amendment is expedient and one that it is expedient to consider, it is in order and it can be considered; but if it is not expedient it will be ruled out of order, and the House can do so. That is what you now have in your rules. [Applause.]

The CHAIRMAN. The time of the gentleman has expired. The Clerk will read.

The Clerk read as follows:

(e) Every dealer in leaf tobacco—

(1) Who neglects or refuses to furnish the statement, to give bond, to keep books, to file inventory, or to render the invoices, returns, or reports required by the commissioner, or to notify the collector of the district of additions to his places of storage; or

(2) Who ships or delivers leaf tobacco, except as herein provided; or

(3) Who fraudulently omits to account for tobacco purchased, received, sold, or shipped;

shall be fined not less than $100 or more than $500, or imprisoned not more than one year, or both.

(f) For the purposes of this section a farmer or grower of tobacco shall not be regarded as a dealer in leaf tobacco in respect to the leaf tobacco produced by him.

Mr. KINCHELOE. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Kentucky offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. KINCHELOE: Page 160, strike out all of lines 9, 10, and 11, and insert the following:

"(f) For the purpose of this section a farmer or grower of tobacco or tobacco growers' cooperative association shall not be regarded as a dealer in leaf tobacco in respect to the leaf tobacco produced by him or handled by such association. As used in this section the term 'tobacco growers' cooperative association' means an association of farmers or growers of tobacco organized and operated as sales agent for the purpose of marketing the tobacco produced by its members and turning back to them the proceeds of sales, less the necessary selling expenses, on the basis of the quantity and quality of tobacco furnished by them.

Mr. GREEN of Iowa. Mr. Chairman, I will accept that amendment.

Mr. KINCHELOE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KINCHELOE. Has there been general unanimous consent granted to extend remarks in the RECORD?

The CHAIRMAN. Yes.

Mr. KINCHELOE. Then, Mr. Chairman, I ask unanimous consent, in the extension of my remarks, to print in the RECORD the regulations of the tobacco department of the Treasury relative to the existing law.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent to extend his remarks in the RECORD and include the regulations of the tobacco department of the Treasury relative to the existing law. Is there objection?

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kentucky.

The question was taken and the amendment was agreed to.

Mr. HAWLEY. Mr. Chairman, I ask unanimous consent to return to page 156 and amend lines 15 and 16 in accordance with the amendment just agreed to.

The CHAIRMAN. The gentleman from Oregon asks unanimous consent to return to page 156 for the purpose of submitting an amendment as indicated. Is there objection?

Mr. BLANTON. We want to know what the amendment is.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. HAWLEY: Page 156, line 16, strike out "reenacted without change," add a comma, and insert in lieu thereof the following: "Amended to read."

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. HAWLEY. The language to be stricken out is this: "Reenacted without change." Since we have made a change in the paragraph that language becomes untrue and the change is made to conform to the facts.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oregon.

The question was taken, and the amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

TITLE V.—TAX ON ADMISSIONS AND DUES.

SEC. 500. (a) On and after the date this title takes effect, there shall be levied, assessed, collected, and paid, in lieu of the taxes imposed by section 800 of the revenue act of 1921—

(1) A tax of 1 cent for each 10 cents or fraction thereof of the amount paid for admission to any place on or after such date, including admission by season ticket or subscription, to be paid by the person paying for such admission; but where the amount paid for admission is 50 cents or less, no tax shall be imposed;

(2) Upon tickets or cards of admission to theaters, operas, and other places of amusement, sold at news stands, hotels, and places other than the ticket offices of such theaters, operas, or other places of amusement, at not to exceed 50 cents in excess of the sum of the established price therefor at such ticket offices plus the amount of any tax imposed under paragraph (1), a tax equivalent to 5 per cent of the amount of such excess; and if sold for more than 50 cents in excess of the sum of such established price plus the amount of any tax imposed under paragraph (1), a tax equivalent to 50 per cent of the whole amount of such excess, such taxes to be returned and paid, in the manner and subject to the interest provided in section 603, by the person selling such tickets;

(3) A tax equivalent to 50 per cent of the amount for which the proprietors, managers, or employees of any opera house, theater, or other place of amusement sell or dispose of tickets or cards of admission in excess of the regular or established price or charge therefor, such tax to be returned and paid, in the manner and subject to the interest provided in section 603, by the person selling such tickets;

(4) In the case of persons having the permanent use of boxes or seats in an opera house or any place of amusement, or a lease for the use of such box or seat in such opera house or place of amusement (in lieu of the tax imposed by paragraph (1)), a tax equivalent to 10 per cent of the amount for which a similar box or seat is sold for each performance or exhibition at which the box or seat is used or reserved by or for the lessee or holder, such tax to be paid by the lessee or holder; and

(5) A tax of 1½ cents for each 10 cents or fraction thereof of the amount paid for admission to any public performance for profit at any roof garden, cabaret, or other similar entertainment, to which the charge for admission is wholly or in part included in the price paid for refreshment, service, or merchandise; the amount paid for such admission to be deemed to be 20 per cent of the amount paid for refreshment, service, and merchandise; such tax to be paid by the person paying for such refreshment, service, or merchandise. Where the amount paid for admission is 50 cents or less, no tax shall be imposed.

Mr. RAINEY. Mr. Chairman, I offer the following amendment: In line 17 on page 160 strike out the figures "10" and insert "20."

The CHAIRMAN. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. RAINEY: Page 160, line 17, strike out the figures "10" and insert in lieu thereof the figures "20."

Mr. RAINEY. Mr. Chairman, this clause, placing a tax on admissions and dues, has not been changed since 1918, except that in the act of 1921 admissions to theaters charging less than 10 cents were not taxed. The change proposed in this section in the pending bill exempts from taxation admissions of 50 cents or less.

This is intended to reach the moving-picture houses of the country. We have now added so much to the revenue in the cigarette tax, in the stock-distribution tax, in the estate tax, and I expect later on to introduce an amendment to the excise taxes which will restore the chewing-gum tax of 1918, that we can now venture, I think, to discuss some educational matters and to examine into the effect this tax has had upon the theaters of the country.

I do not intend to attempt to disturb the exemption which is given to admissions of 50 cents and under. I am indebted to Augustus Thomas, the great dramatic writer—who appeared before the Ways and Means Committee—for the alarming facts to which I shall call the attention of the committee.

Mr. Thomas appeared before the committee speaking for the National Theater Managers' Association, the Actors' Equity Association, the Authors' League of America, the Producing Managers' Association of New York, the International Theater Association, the Organization of the American Dramatists, and the Actors' Fidelity Association. These modest gentlemen, comprising these theatrical organizations, took just as little of the time of the committee as they could, and they have taken just as little time of the Members of the House as they possibly could, and, therefore, I am going to attempt to present their case.

There has been no propaganda exerted by them; there have been no flaming advertisements on moving-picture screens, but they have presented their case modestly through Augustus Thomas, one of the world's greatest playwrights, and this is their case:

The effect of this tax on theater admissions in three years has been to reduce the number of theaters in which the spoken drama is housed from 1,200 houses to 400 houses. In the medium sized and in the smaller cities in three years the number of theaters in which the spoken drama is housed has decreased from 800 to 200. In other words, this tax in three years has cut off 66 per cent of the theaters in the country, and 75 per cent of the theaters in the cities.

The CHAIRMAN (Mr. GRAHAM of Illinois). The time of the gentleman from Illinois has expired.

Mr. RAINEY. Mr. Chairman, I ask for five minutes more.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to proceed for five additional minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. RAINEY. There are still left out in the country towns and in smaller cities 500 community theaters and they are also rapidly disappearing.

It is unusual in the history of the world to impose a tax upon education, upon cultural instrumentalities, but that is what we do in this section.

Mr. TREADWAY. Will the gentleman yield?

Mr. RAINEY. I yield.

Mr. TREADWAY. Will the gentleman kindly tell the House the effect of his amendment on the higher-priced admissions?

Mr. RAINEY. Yes; that is what I want to do. The effect of the tax on the higher-priced admissions has been to reduce the number of theaters 66 per cent.

Mr. TREADWAY. No; the gentleman misunderstood me—the effect of his amendment on the higher-priced admissions.

Mr. RAINEY. The effect of my amendment on the higher-priced admissions will be to make the tax 1 cent for each 20 cents. It stands now at 1 cent for each 10 cents, and has stood at this rate since this tax has been in effect.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. RAINEY. I yield.

Mr. GREEN of Iowa. Does not the gentleman recognize that the number of what are commonly called legitimate theaters was cut down a great deal by the competition of the moving pictures before we had any admission tax at all?

Mr. RAINEY. I think that is true, but in the last three years there has not been much development in the movies. In the last three years there has been only this tax to which Mr. Thomas and his colleagues can trace the decreased number of theaters in that period. This tax operates exactly as if we put a tax collector at the door of every schoolhouse in the United States and demanded a tax of every pupil as he entered the schoolhouse.

Mr. DAVEY. Will the gentleman yield?

Mr. RAINEY. Yes, sir.

Mr. DAVEY. I was wondering if the depression of 1921 had anything to do with the decrease in the number of theaters after the lapse of the excessive prosperity of preceding years. I was wondering if that might not have had something to do with it.

Mr. RAINEY. It might have had something to do with it; yes.

Mr. TREADWAY. Suggesting an admission price of $2.50, the practical effect of the amendment would be as follows, would it not? The present law of 1 cent on each 10 cents, as in the bill, is a 10 per cent tax and therefore there would be a 25 cent tax on a $2.50 admission, and the purchaser would pay $2.75, whereas under the gentleman's amendment he would pay $2.63.

Mr. RAINEY. He would pay half as much in taxes; yes.

Mr. TREADWAY. Twelve and a half cents.

Mr. MOORE of Virginia. What has been the effect upon the revenue produced?

Mr. RAINEY. The revenues have been falling off. In 1918, on admissions we got $26,357,338.81; in 1919, $50,919,218.42; in 1920, $76,920,955.43; in 1921, $89,730,831.99; in 1922, $73,384,955.61; and in 1923, $70,175,197.11. Nineteen hundred and twenty-one was the peak year. It has commenced to recede again.

This amendment will not wipe out the tax. It is impossible to tell how much revenue will be lost, but we estimate that we lose probably $25,000,000 or $30,000,000 by permitting moving pictures charging an admission of 50 cents and less to operate without this tax, and this will probably remove from the revenue receipts an income perhaps as large.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. RAINEY. Mr. Chairman, may I have five minutes more?

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to proceed for five additional minutes. Without objection, it is so ordered.

Mr. BLANTON. Will the gentleman yield for a question?

Mr. RAINEY. Yes.

Mr. BLANTON. As an illustration, take the situation here in Washington and take a theater like Keith's, where a few years ago they charged $1 for high-class vaudeville. They now charge $2, and with the tax the admission is $2.20. Under the gentleman's amendment, if they wanted to go back to $1, which they ought to do in normal times, we would only get a tax of 5 cents.

Mr. RAINEY. I am not so much interested in vaudeville of the Keith type as I am in the drama, which has an educational and a cultural influence.

Mr. GARRETT of Tennessee. Will the gentleman yield?

Mr. RAINEY. I yield.

Mr. GARRETT of Tennessee. As I understand it, removing the tax, as is proposed in the bill, on the 50-cent shows, which are really the movies, the amendment proposed by the gentleman will substantially equalize, so far as the tax is concerned, the movie with the spoken drama.

Mr. RAINEY. That is it exactly. The section will give up about as much revenue for the spoken drama as we give up for the movies.

Mr. GARRETT of Tennessee. And it prevents favoritism, so far as the taxing power is concerned, to the movie as against the spoken drama.

Mr. RAINEY. Yes; that is it exactly.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. RAINEY. In just a moment I will be very glad to yield. In other words, under this clause as it stands now we have made it possible to see Douglas Fairbanks in his athletic stunts without paying a tax. We can see Pola Negri in her graceful Spanish dances without paying a tax. All of you gentlemen can do that if you so desire. We can see William S. Hart with his revolvers and his horse play without paying a tax.

Mr. SCHNEIDER. Will the gentleman yield?

Mr. RAINEY. We can see any of those people who figure in the scandals and in the murders and in the opium horrors of Hollywood—we can see any of them without paying a tax, but if we go down here to see a Shakesperean production or to see one of Augustus Thomas's dramas, or anything that provides a really proper emotional outlet for the people of this country, we are taxed for it.

Mr. LAGUARDIA. The amendment of the gentleman does not disturb the 50-cent exemption?

Mr. RAINEY. No; not at all.

Mr. LAGUARDIA. Does not the gentleman believe that to carry out his purpose we could bring that exemption up to $1?

Mr. RAINEY. I do not know that I understand exactly the effect of the gentleman's suggestion.

Mr. LAGUARDIA. Instead of the amendment suggested by the gentleman, I was asking if we could not bring the exemption up to $1 instead of 50 cents, as now in the bill.

Mr. RAINEY. That might, indeed, help some, and if I can not get this through I will offer that amendment, if the gentleman does not offer it himself.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. RAINEY. Yes.

Mr. GREEN of Iowa. I never went to see Pola Negri, perhaps the gentleman has, but when I went to see Douglas Fairbanks I had to pay a Government tax.

Mr. RAINEY. Well, you will not now, unless they charge over 50 cents.

Mr. SCHNEIDER. Will the gentleman yield?

Mr. RAINEY. Yes.

Mr. SCHNEIDER. We get a lot of Mellon tax propaganda in return for that admission.

Mr. RAINEY. Well, you can see that at the movies without paying a tax, as this bill now stands. You can go to the movies and you can suffer all the emotional pangs you feel like suffering, but there is nothing in the movies that appeals to the intellect.

The unspoken drama does not improve the English of the country. It does not have the cultural effect that the spoken drama does. Since we have put up the tax on estates and the tax on cigarettes to the amount of $60,000,000, as the gentleman from Texas states, has not the time come to do something for the education of the young of the country and the culture of the country? The taxes on the spoken drama are in effect a tax on culture; it is like reaching out from some unknown source with a hand of steel and throttling the sculptors as they produce their masterpieces, which appeal to the culture of those of this generation and the next. It is like stilling the hand of the painter at his work. We measure the culture, the progress, and the advance of any era in the history of the world by calling attention to the drama of that period and to the art of that period in all its forms. You might as well tax painting and sculpture as to tax the drama. [Applause.]

And may I call attention to the Chautauqua organizations of the country and to the lyceums. They struggle along now under many difficulties. In every community reached by these organizations a few public-spirited citizens guarantee that the receipts shall not fall below a certain amount. When there are deficits, the guarantors make them good, and there never were as many deficits as now. This amendment will relieve them of a great burden—this tax collected on single admissions. Has not the time come to relieve them from the war taxes they pay? The amendment suggested by the gentleman from New York [Mr. LAGUARDIA] would do it. The communities which sustain these Chautauquas have submitted

to these war taxes as long as they ought to submit. There ought to be a little propaganda started in favor of education and culture, and there ought to be less of the other kinds of propaganda to which this Congress has been subjected. The time has come when those who lead in the intellectual life of the smaller communities and who pay these Chautauqua deficits should demand of their Representatives here that they be relieved of the burden imposed by these war taxes. We may as well give them some relief now; if we fail, they will get it in the Senate, if they try. Neither the Senate nor the House can stand against the demands they can make. And the effort I am making now may have the effect of causing 5,000 communities throughout the land to demand of their Representatives that they be relieved of these taxes which bear so heavily on the intellectual life of the smaller cities. [Applause.]

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

Mr. TILSON. Mr. Chairman, in order to get the floor I rise in pro forma opposition to the amendment of the gentleman from Illinois, although I am really in favor of it. I am very glad to have the valuable aid of the gentleman from Illinois in securing the reduction on theater admissions. Since we have been giving away so many confidences in the committee, I wish to give away one of my own, but none other, and say that in the committee I strove strenuously to reduce the taxes on admissions. I wished to eliminate them altogether; but if it were not possible to eliminate the tax entirely, I contended that the exemption should go at least as high as $1. I was very desirous of favoring what in college days we were accustomed to call gallery gods. You all know the class I mean, the young man or young woman who wishes to see a good show but who can not afford to pay the fancy prices charged for an orchestra seat, but who can go into the gallery. One dollar will pay for a gallery seat at the very great majority of first-class performances of the spoken drama.

Mr. TREADWAY. Will the gentleman yield?

Mr. TILSON. Yes.

Mr. TREADWAY. Without further breaking confidences in the committee, is it not fair to say that the gentleman's position had considerable support from others of us in the committee?

Mr. TILSON. Yes; the gentleman from Massachusetts is entirely correct. We did our best in the committee, each one trying to have put into the bill the things he thought for the best interest of his constituents and of the country. On account of the revenue that must be raised, we could not do all that we should have liked to do, like taking the tax off of automobiles and many other things for which there is no sound economic reason for having to bear a discriminatory tax. But we could not remove all of these taxes on account of the loss of revenue.

The drama was one thing about which there was a very deep concern on the part of a number of members of the committee, and I for one am glad to have such valiant support as the gentleman from Illinois always gives when he favors a proposition.

Mr. HUDDLESTON. Will the gentleman yield?

Mr. TILSON. Yes.

Mr. HUDDLESTON. Is not the tax on theater tickets a form of sales tax?

Mr. TILSON. Yes it is a very heavy sales tax and there is no economic justification for it. The only justification is that we must raise the revenue somewhere, on some industry that can stand it. It is a practical question that we have been considering from the beginning.

Mr. BLACK of Texas. Will the gentleman yield?

Mr. TILSON. I will.

Mr. BLACK of Texas. Does not the gentleman think that it would be more just to remove the tax on transactions in the form of promissory notes and deeds of conveyance?

Mr. TILSON. Such taxes ought to be removed if they can be, but let me tell the gentleman that this is a tax on education. It is more than a tax on education because of the relaxation that the theater gives, the value of which to our human kind no one can estimate. The stimulation it gives may mean much more than can be measured by the price of admission or the tax.

Mr. YOUNG. Will the gentleman yield?

Mr. TILSON. Yes.

Mr. YOUNG. I sympathize with the gentleman in reducing taxes wherever it can be done, but I want to ask the gentleman has there been any request of the committee or of Congress, as far as the gentleman knows, from these parties concerned to take off the tax or reduce it?

Mr. TILSON. No, there has not; but I think some of us can see what the effect of a tax like this is.

Mr. NEWTON of Missouri. The gentleman from Illinois referred to the decrease of theaters which had been considerable. Does the gentleman attribute that to the tax on admissions?

Mr. TILSON. That is one of the reasons.

Mr. NEWTON of Minnesota. Coincidental with other causes.

Mr. TILSON. Undoubtedly the tax has had its effect, and I for one believe that the spoken drama as well as the moving pictures ought to be encouraged.

Mr. VESTAL. Will the gentleman yield?

Mr. TILSON. Yes.

Mr. VESTAL. Does not the gentleman think that a theater that charges $4 admission for a ticket ought to be taxed? [Applause.] Let them put the price down so that people can go to them; they have got the prices up where nobody can go.

Mr. TILSON. I have not the time to go into that. My position when overruled as to eliminating all admission taxes was to exempt the tickets up to $1. If the gift tax and the cigarette tax are going to produce so much revenue—which I think they will not—we may still be able to put the exemption up to $1.

Mr. GREEN of Iowa. Mr. Chairman, I ask unanimous consent that all debate upon this amendment and all amendments thereto close in 20 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MILLS. Mr. Chairman, I, too, like the gentleman from Connecticut [Mr. TILSON], am more than gratified to find myself on the same side with the distinguished gentleman from Illinois [Mr. RAINEY]. As he has so well stated, there is a serious situation in this country to-day. Throughout the country the small theater is rapidly disappearing. It is not entirely due to taxes. It is due to high transportation rates which make it difficult to transport the company from town to town for one-night stands. It is due to the great popularity of the movies, and it is due to high taxation. Mr. Chairman, if you want to look for the soul and the spirit of a nation, where do you look? You look to its literature and as part of that literature the spoken drama stands out. As Mr. Thomas so well pointed out to the Committee on Ways and Means, it is not fair to object by saying that at any one time the spoken drama as presented in the country in a given year, or even in a series of given years, can be classified as real literature. You never can tell what young man is maturing unknown and will some day develop the genius which will blossom forth and express in the written drama or in some written work the soul and spirit of America. Therefore anything which tends to discourage literary effort and production, which tends to discourage culture, is something which we should eliminate to the fullest possible extent.

Mr. BEGG. Mr. Chairman, will the gentleman yield?

Mr. MILLS. Yes.

Mr. BEGG. If this amendment be adopted, does it not affect all admissions for all kinds of entertainments, boxing matches, and everything above 50 cents? And if it does, what percentage of the total exemptions are the kind that the gentleman is talking about, as also were the gentleman from Connecticut and the gentleman from Illinois?

Mr. MILLS. There were two forms of tax exemptions proposed. One was to raise the exemption from 10 cents to 50 cents, or from a dollar to a dollar and a half. That is ill balanced because it relieves all those below a certain amount and exacts a full tax on all admissions above a certain amount. It is generally said that the poor man goes to the movies and that the rich man can well afford to pay a higher price for the legitimate drama, but anyone who has stood outside of the Metropolitan Opera House in New York City, for instance, at about 6 o'clock in the evening, and has seen the long line formed on Broadway prepared to wait two hours in the cold to buy the cheap seats in the gallery, will know that love of good music and fine opera is not limited to those sitting in the boxes. [Applause.] As Mr. Thomas pointed out to me, while a man of small means may not often go to the theater or opera, and may go to the movies frequently, he does like to save up and certainly three or four times a year at least go and see something that will give him intellectual and spiritual stimulus in the form of a real drama of merit.

Just raising the exemption is an ill-balanced proposition. The proposition which the gentleman from Illinois [Mr. RAINEY] suggests, and which was not suggested in the committee, appears to me to be eminently fair. If we can reduce the tax, reduce it right down the line, putting all of these enter-

tainments on exactly the same basis, and relieve them, if we are going to relieve them, by the same percentage. Do not say that we are going to relieve the movies, that we are going to relieve the cheaper forms of entertainment, but that we are going to keep the maximum war tax as it exists to-day on that sort of entertainment which can be classified as art and which is of real educational and cultural benefit to our people.

Mr. FREAR. Mr. Chairman, I am deeply touched by the plea which has been made for the Metropolitan audience, and I also have seen hundreds of people there in line sitting, standing, and waiting for the box office to open, and it touches my heart to feel that those people are not going to sit there longer with the present tax imposed upon them, but that if we cut this tax in half and make it a few cents less they will have their chairs and their boxes reserved all along Broadway, as you see them to-day sitting patiently waiting for the box office. I also feel sympathy, and I am honest about it, for the gentleman from Illinois [Mr. RAINEY], who has made an honest, persuading appeal and who by the way has come over on this side to join with the new Republican insurgents. I tell you it is a dangerous thing to be called an insurgent, and the new brand is here supporting his plea for theater tax reduction. He is right undoubtedly, and we heard Mr. Thomas speak correctly so far as the educational effect goes; we are all agreed with both gentlemen, but do you realize, gentlemen of the committee, that you have been scolded time after time by the gentleman from New York who just took his seat because by the Garner amendment you have reduced tax receipts two or three hundred million dollars below the amount of necessary Treasury receipts? Next comes the automobile tax, that will be urged for a tax cut, and on top of that you are going to have the same plea made for a cut in the jewelry tax. Then comes the bonus for soldiers, and the gentlemen who are to-day urging the theater tax cut will be lined up against the bonus. They were against the effort to put a little more money into the Treasury through increased cigarette tax, but when it comes to the reduction of theater taxes——

Mr. TILSON. Oh, I did not think that it would add anything to the Treasury receipts.

Mr. FREAR. If you gentlemen are going to have a deficit of over $200,000,000 which is threatened by these friends on this side, and of course it depends upon the particular measure on which gentlemen are speaking as to their support or opposition, I suggest that if you want to save your tax bill, my Democratic friends—and it is your bill they say it is over here on the Republican side—be careful about some of these propositions your new friends are trying to vote onto the bill.

Mr. BACHARACH. Mr. Chairman, will the gentleman yield?

Mr. FREAR. Yes; certainly.

Mr. BACHARACH. The purpose, as I recall it, before the committee in asking for a cut in the admission tax was to take care of the theaters in small communities.

Mr. FREAR. Yes, in part.

Mr. BACHARACH. It was not to take care of the theaters in the large centers.

Mr. FREAR. It has not been shown what amount of money would be taken from the Treasury; it has not been shown at all that it will add one person to the audience through increased attendance by cutting the tax, however desirable. Mr. Thomas came before us, and I admire him, but you can not eat your cake and keep it, and if you want to preserve your bill I suggest to you gentlemen not to approve some of these tax cuts. We can not grant all the appeals, however worthy. I do not question the weight of argument, but why jeopardize the bill with unexpected tax cuts if a deficit is threatened?

Mr. Chairman, I again call attention to the 37½ per cent compromise tax proposal that is to be offered some time by a distinguished gentleman on this side of the aisle, and again I urge that we may know what he expects to offer and will we be given time to discuss the mysterious plan. Again I offer further argument asking that we be permitted to see the plan and to study its effect. Thirty-seven and one-half per cent may mean many things and be as impossible as the Mellon bill.

Mr. Chairman, Republicans who are more interested in legislation than in partisanship ask to see Mr. Mellon's mysterious revised 37½ per cent compromise for the original Mellon bill which it is announced Mr. LONGWORTH will offer as a substitute. Percentages mean little until relation to amounts contained in tax brackets are revealed. We ask to examine the brackets, percenatges, and all parts of the plan to learn just what it means before it is sprung on the House after debate has closed. That is the only fair course to pursue with a great tax bill involving $200,000,000 in income-tax rates.

The so-called scientific Mellon bill juggled income rates and tax brackets so as to mislead the public. It used a 25 per cent tax rate for the $100,000 bracket, whereas the 25 per cent bracket in existing law taxes incomes of only $54,000. The Mellon bill gave about 50 per cent reductions to large incomes but only 2 per cent cut on normal tax to the small taxpayer. This comes through juggling of tax brackets.

The Mellon bill can not be resurrected, but we ask to learn if Mr. Mellon's substitute is the Mellon bill under a different title and arrangement of brackets and rates.

Constant press reports of dissatisfaction among so-called insurgents who are for the 37½ per cent cut we are not disturbed about. We do ask Mr. LONGWORTH to put his 37½ per cent Mellon revised tax plan in the RECORD where it can be seen and studied. We have made no coalition with Democratic Members and never have had any. The Garner plan is not nearly as good as the one we offered either "scientifically" or to administer, but it is far more just than the Mellon bill. It favors 3,500,000 taxpayers where the Mellon bill favors 4,223, who get $75,500,000 tax reduction, or 50 per cent more than the 3,500,000 will receive. That is not politics but a cold fact in dollars and cents. Politics had no part in our support of the Garner plan.

Twice we have offered compromises to our Republican colleagues that would greatly relieve small taxpayers, and as regularly they have been rejected by Mr. Mellon, who controls the situation, so we are justly suspicious of any tax plan not fully understood in advance.

We offered four amendments in this committee affecting tax-free securities, undistributed profits, publicity of records, and excess profits. All were sound in principle and would have provided more than enough to reduce corporate normal taxes and to finance a soldiers' compensation bill. All were refused.

These amendments were opposed by Democratic leaders, whether called insurgents or irregulars, who joined with Republican leaders for that purpose, as they had a right to do without criticism. We asked others to offer the inheritance and gift tax amendments, which include original proposals offered several weeks ago. No pride of authorship occurs over any good amendment.

Secretary Mellon strongly opposed all of these amendments and also any soldiers' bonus, and opposes many other views we hold. Responsibility for the result rests with his attempt to force his bill through Congress aided by a press propaganda costing several millions of dollars.

As one of the wealthiest men in the world and a controlling factor in scores of great corporations, his viewpoint and ours naturally differs, but that does not make his views a standard of Republicanism.

We are free to act as a group and have had many Members come to influence us to accept some proposal of Mr. LONGWORTH of a "sight unseen" jack-knife plan that we suspect on analysis may be a twin sister of the Mellon plan. No one knows until it is submitted. Why can not we see it?

We insist Congress and the public are entitled to see any plan Mr. LONGWORTH expects to offer in order that brackets, percentages, and estimates may be placed on the table for inspection.

After over two weeks' debate and voting he holds the mysterious "37½ per cent" proposal up his sleeve. We are not concerned in any party label on any tax plan, because it is not a political question, but we have supported the best plan thus far offered that will give relief to taxpayers least able to pay. Our own plan was better than either of the others now before the committee.

Five hundred million dollars was handed out by Congress last session to large income beneficiaries through the repeal of the excess-profits tax and reduction of surtaxes from 65 per cent to 50 per cent, the present rate. Ninety-four Republicans then voted for the 50 per cent surtax rate last session, and we believe any 37½ per cent rates framed on the Mellon bill tax brackets or on half the rates of existing law are unjust to taxpayers in the lower brackets, of whom 90 per cent receive under $10,000 incomes.

The House is entitled to know the facts. That has been the trouble with the Mellon rates, which were prepared in secret by whom or by what interests no one has yet been willing to state. We ask to see and study the substitute plan and discuss it, if necessary.

Mr. LAGUARDIA. Mr. Chairman, I have an amendment to submit.

Mr. GARNER of Texas. Mr. Chairman, I rise in opposition to the amendment.

Mr. LAGUARDIA. I have a substitute which I wish to offer.

The CHAIRMAN. The gentleman from New York offers a substitute, which the Clerk will report.

The Clerk read as follows:

Substitute offered by Mr. LAGUARDIA to the amendment offered by Mr. RAINEY: Page 160, line 21, strike out "50 cents" and insert "$1."

Mr. GREEN of Iowa. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. The gentleman will state the point of order.

Mr. GREEN of Iowa. Perhaps I did not understand the amendment when it was read. I ask unanimous consent that it be read again.

The CHAIRMAN. Without objection, the amendment will be read again.

The substitute amendment was again read.

Mr. GREEN of Iowa. Mr. Chairman, I withdraw the point of order. I did not understand the amendment as it was first read.

Mr. LAGUARDIA. Mr. Chairman, this would bring your exemption on taxes on admissions up to $1, and I believe it would serve the very purpose that the gentleman from Missouri is urging.

Mr. LONGWORTH. Mr. Chairman, will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. LONGWORTH. If I understand exactly the parliamentary status, the adoption of the gentleman's substitute would defeat the amendment of the gentleman from Illinois.

Mr. LAGUARDIA. It would.

Mr. GREEN of Iowa. It is a substitute, to take the place of it.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. CHINDBLOM. Would the gentleman like to have some information as to the amount of money involved? I ask that question not in any spirit of opposition.

Mr. LAGUARDIA. I wish the gentleman would give it now.

Mr. CHINDBLOM. The proposal of the committee creates a loss of approximately $33,000,000 out of $70,000,000 in last year's tax. The proposal of the gentleman from Illinois [Mr. RAINEY] would practically cut the remaining balance in half, so that it would leave us $18,500,000. The gentleman's [Mr. LAGUARDIA'S] amendment would take off about $7,000,000 more than the amendment offered by the gentleman from Illinois.

Mr. GARNER of Texas. Mr. Chairman, will the gentleman yield?

Mr. LAGUARDIA. Yes; but do not take up all my time.

Mr. GARNER of Texas. I wanted to get the accurate figures. The gentleman from Illinois is $8,000,000 short. The estimate was $73,000,000. The result is $73,000,000 less $40,000,000, which is $33,000,000.

Mr. CHINDBLOM. It was $73,000,000 in 1923 and $72,000,000 in 1924.

Mr. LAGUARDIA. That is enough, when we are $300,000,000 short—or ahead—according to the statement of the Secretary of the Treasury. [Laughter.]

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield for a moment?

Mr. LAGUARDIA. Yes.

Mr. GREEN of Iowa. It would tax the big prize fights, and I would like to see them taxed.

Mr. LAGUARDIA. I think a young man who has aspirations to come to Congress ought to go and see prize fights. He would at least learn not to hit below the belt. [Laughter.]

This would exempt admissions up to $1 and it would make it possible to encourage good music as well as high-class drama. If you simply reduce them by one-half, the public will not get the benefit of it. You are not going to decrease the cost of admissions as long as producers in large cities are in collusion with these ticket speculators. It was pointed out that high prices are charged for admissions in my city. It is quite true, but the amendment will not bring prices down, while my substitute will at least relieve all taxes under the $1 rate. If you exempt admissions up to $1 it would encourage high-class drama in the provinces—if I may refer to the rural districts as provinces—and at the same time it will bring a great deal of relief in the adjustment of the tax. I am informed by the collector of internal revenue in the theatrical district in New York, Mr. Charles Anderson, and his assistant, Mr. Charles Largy, that they have inaugurated a system of supervision and are now collecting taxes. Mr. Largy, who is an expert on excise taxes, believes that a cut in the tax will not redound to the benefit of the theater-going public, while the exemption up to $1 will surely benefit the public and tend to reduce theater admissions.

As to figures just now submitted, why, I will say, with all due deference, that the gentlemen have been off so often I am sure they are way off now on their estimate.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. KINDRED. Mr. Chairman, I ask unanimous consent that the gentleman may have five minutes more.

The CHAIRMAN. The time of the gentleman from New York has expired. The question is on agreeing to the substitute offered by the gentleman from New York [Mr. LAGUARDIA].

Mr. CHINDBLOM. Mr. Chairman, are not five minutes left?

The CHAIRMAN. Yes.

Mr. GARNER of Texas. I would like to be heard.

The CHAIRMAN. The gentleman from Texas is recognized against the substitute.

Mr. GARNER of Texas. I do not know what the substitute is, Mr. Chairman, but if gentlemen are interested enough to turn to the CONGRESSIONAL RECORD of February 16, page 2498, they will find a number of excise taxes, amounting to $461,256,330.75. We have recommended the repeal of these to the extent of $106,392,757.56.

Now, here is the situation as I see it: I would like to repeal every single one of these taxes—every one of them. But, gentlemen, if you are going to repeal them you have got to get the money somewhere else to run the Government. That is all there is about it, and you might as well understand it. And I am just a little bit suspicious of any proposition that comes along that cuts down the revenue by $20,000,000, and although the gentleman from Illinois [Mr. RAINEY], who has the best of purposes in mind, favors it, yet my friend from Connecticut [Mr. TILSON] and my friend from New York [Mr. MILLS] are very anxious that these taxes should be taken off.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. GARNER of Texas. Yes.

Mr. GREEN of Iowa. This being a substitute, it would do away with the Rainey amendment, if adopted, and would not take off as much money.

Mr. GARNER of Texas. I am in favor of any substitute or anything else that will avoid taking this money out of the Treasury. Remember we were collecting $70,000,000 from moving pictures and other admissions. We repeal this law $23,000,000 by exempting anything under 50 cents. We did that on the theory that the people who attended those shows are better able to afford paying the tax than those who attend the small shows. I do not know what the gentleman from Connecticut or the gentleman from New York is going to say about this tax. Just a while ago the gentleman from New York said we would get no revenue from the cigarette amendment that I offered. Yet he is here trying to repeal $20,000,000 of income that will be derived from the taxes in question.

That would be more than all the increase, according to the estimate, because you remember he said the estimate of the estate tax would not exceed $20,000,000, yet at one fell swoop he desires to remove that much revenue from this bill, which has been increased in the Committee of the Whole.

Mr. CRISP. Will the gentleman yield?

Mr. GARNER of Texas. Yes.

Mr. CRISP. Is it not true that these legitimate theaters are given a benefit under this bill in that the special seating tax on them is repealed?

Mr. GARNER of Texas. Yes; we have repealed the special seating tax on theaters also. We thought we had done pretty well to reduce this tax almost 50 per cent on admissions to the theaters of the country. I think that is a very fine reduction. If you would take some of these other taxes and split them up and then retain this tax it would suit me better than to cut out this entire tax.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. GARNER of Texas. Yes.

Mr. GREEN of Iowa. I received my information from the gentleman from Illinois [Mr. CHINDBLOM], but I misunderstood him when he spoke before, because it seems this would take off more than the Rainey amendment.

Mr. GARNER of Texas. If you will sustain the committee's arrangement as to this, we will vote down both of these amendments, and I hope the Committee of the Whole will vote down both of them.

Mr. LAGUARDIA. Is the gentleman now forming an unholy alliance?

Mr. GARNER of Texas. I have had some alliances with the gentleman from New York, but according to the vote it would appear that the gentleman is a little wishy-washy and can not hold on.

Mr. LAGUARDIA. The gentleman from Texas knows that the "gentleman from New York" is not wishy-washy at all.

Mr. BEGG. Will the gentleman yield?

Mr. GARNER of Texas. Yes.

Mr. BEGG. I would like to have somebody give some idea as to how many of these high-class educational entertainment admissions will be affected as compared to the other kind, which are purely recreational.

Mr. GARNER of Texas. I have not that information, but the gentleman from New Jersey [Mr. BACHARACH] is good enough to hand me this information: The number of theaters charging from 10 to 40 cents is 13,443; charging from 50 cents to 99 cents, 430; and charging $1 and more, 27. As I understand it that is the evidence of Mr. Pettyjohn and that is the information you want.

Mr. BEGG. Then this amendment in reality, if adopted, would affect any form of entertainment that charges more than 50 cents, like prize fights, horse racing, and everything?

Mr. GARNER of Texas. Yes; all character of entertainments. But, gentlemen, let me call your attention to the fact that we must have revenue. I had a letter from the Secretary of the Treasury this morning which I will put in the RECORD. I would like to have the attention of the gentlemen on my left, although I do not care about their attention particularly if they will not disturb me in talking to this side, in case they do not want to hear what I have to say. The Secretary of the Treasury this morning sent me an estimate, or a part of an estimate, which I have inserted in the RECORD to-day, as I have all estimates sent to me by the Secretary of the Treasury. He estimates that out of the income tax under the present bill there will be a loss of $483,000,000 for the calendar year 1925 and that under the rates of the so-called Mellon plan there would be a loss of $350,000,000, a mere mistake over his first estimate of $130,000,000.

I hope the committee will not cut out all of these taxes, so that the country will get the idea that we have a deficit in this bill.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. HAWLEY. Mr. Chairman, when the committee was considering the bill, after long examination and hearings of a week, we concluded that we could safely assign about $110,000,000 of the reduction to be effected to a reduction in the excise taxes. We then went through the list of excise taxes and selected those in which the industries affected by them were being injured by the taxes imposed. We took up the question of the admissions tax and we propose in this bill to reduce the tax on admissions, including the seating tax, some $33,000,000. That was a fair apportionment of the reduction to this industry, and it relieved the most necessitous cases.

Under the bill a person paying $4 for a theater ticket will pay 40 cents. Under the proposal of the gentleman from Illinois [Mr. RAINEY] a person will pay 20 cents, and that will reduce the taxes on this industry $51,000,000 out of $70,000,000 collected.

Now, the amendment of the gentleman from New York [Mr. LAGUARDIA], proposing that no tax shall be levied on admissions of $1 or less, reduces the tax $58,000,000, or $25,000,000 more than the committee thought it could allot to this industry in comparison with and in justice and in fairness to all other industries. If we are to further reduce this tax we will not have money enough to effect reductions already proposed and we are by so much more reducing the revenue.

Mr. LONGWORTH. Will the gentleman yield?

Mr. HAWLEY. Yes.

Mr. LONGWORTH. Which one of these amendments will result in the greatest reduction of revenue?

Mr. HAWLEY. The amendment offered by the gentleman from New York reduces it $58,000,000, and the amendment offered by the gentleman from Illinois reduces it $51,000,000, taking into account the reduction proposed by the committee.

The CHAIRMAN. All time has expired. The question is on the substitute offered by the gentleman from New York [Mr. LAGUARDIA].

The question was taken; and on a division (demanded by Mr. LAGUARDIA) there were—ayes 39, noes 129.

So the substitute was rejected.

The CHAIRMAN. The question now recurs on the amendment offered by the gentleman from Illinois [Mr. RAINEY].

The question was taken, and the amendment was rejected.

Mr. RAINEY. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. RAINEY: After the word "any," in line 18, page 160, strike out the word "place" and insert the following: "theater or opera house where spoken drama or opera is produced, to any Chautauqua or lyceum program or to any lecture."

Mr. RAINEY. Mr. Chairman, the effect of this amendment is to make the proposed tax of 1 cent for each 20 cents apply only to theaters where spoken drama is produced or to operas or to Chautauqua or lyceum programs or to lectures; that is all. The other entertainments will be still subjected to existing rates, including prize fights.

Mr. LONGWORTH. Would the gentleman be willing to include concerts?

Mr. RAINEY. I accept that amendment, "or concerts." I thank the gentleman.

Now, in my time, I ask to be read a letter addressed to the Ways and Means Committee by one of the greatest playwrights and dramatic writers of this generation.

Mr. YOUNG. Mr. Chairman, has not all time for debate on this amendment been exhausted?

The CHAIRMAN. No.

Mr. GREEN of Iowa. Did the gentleman intend to exempt prize fights?

Mr. RAINEY. Yes; the prize fights can pay all the tax you may put on them.

Mr. BACHARACH. Does the gentleman include baseball?

Mr. RAINEY. No, sir.

The Clerk read as follows:

FEBRUARY 5, 1924.

From: Augustus Thomas.

To: Ways and Means Committee, House of Representatives.

Subject: Re amusement tax.

GENTLEMEN: I am addressing this note to each member of the Ways and Means Committee. In doing so, I ask you not to mistake an effort at brevity for indifference. I write rather than project my nuisance value in personal calls.

I believe that the committee's present decision to remove the amusement tax from tickets of 50 cents and under is a mistake, for the following reasons:

1. It favors the motion picture almost exclusively as against the spoken drama.

2. It not only fails to relieve the spoken drama but adds to its burden, because it increases the advantage of the mechanical reproduction over the personal human attempt.

3. It invites the implication that the poor are not intelligent—the presumption that the motion picture is their preference.

4. It overlooks the historical value of the spoken drama, which the printer can preserve indefinitely, in favor of the celluloid picture, relatively ephemeral and relatively mute. An illuminating parallel would be to change a Member's "leave to print" in the CONGRESSIONAL RECORD to a leave to print only his portrait—perhaps, even while speaking.

5. As a tax reduction, it is not scientific. If the intention is to take from the $80,000,000 present amusement tax $33,000,000, or approximately, 40 per cent, the result can be more accurately devised by reducing the present 10 per cent tax to 6 per cent.

I respectfully submit that it is safer to reduce a patient's weight by training down all over than by any amputation. And in this case a horizontal reduction would be an acknowledgment of impartiality, whereas, a bloc detachment, discriminating against the higher sections of the business, has a punitive color that can not be in the committee's intentions, despite provocations by speculators.

I ask the committee to remember that, in asking for this consideration of the industry or profession, I do not have in mind the interest of managers or producers so much as I have the welfare of the people at large, who want the spoken drama and the better kinds of music as unhampered as the public safety will permit.

I had hope for unanimous consent to present this at the full meeting of the committee, feeling that five minutes so endured by them might conserve as many hours of further adjustment in the House, the Senate, and in the conference committees.

Respectfully yours,

AUGUSTUS THOMAS.

Mr. RAINEY. Mr. Chairman, I just want to add that the loss in revenue here will be negligible.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. GREEN of Iowa. Mr. Chairman, this amendment presents the greatest case of reversing I ever knew. The fact of the matter is the gentleman is doing just the opposite from what he really intends. This puts the tax load on the very objects he is trying to exempt and exempts prize fights and movies and all such things as that.

Mr. RAINEY. No; it does not accomplish anything of the kind.

Mr. TILSON. Oh, yes; it is perfectly plain that it does.

Mr. CHINDBLOM. The language is taxing only the things that are mentioned.

Mr. HAWLEY. Mr. Chairman, the bill at present reads that a tax of 1 cent for each 10 cents or fraction thereof of the amount paid for admission to any place on or after such date, and the gentleman's amendment——

Mr. RAINEY. Mr. Chairman, may I modify my amendment so that there will be no misunderstanding about it?

Mr. HAWLEY. The gentleman's amendment provides "a tax of 1 cent for each 10 cents or fraction thereof of the amount paid for admission to any theater where the spoken drama," and so forth—I can not recall all of it—and all other things, including prize fights and movies, are exempted from the tax and only the things the gentleman names are taxed.

Mr. RAINEY. Mr. Chairman, I would like to modify my amendment. I think the gentleman is right about that. I would like to modify my amendment so that it will read "any place except theaters," and so forth.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to modify his amendment. The Clerk will report the modification for the information of the committee.

Mr. HAWLEY. I ask, Mr. Chairman, that the paragraph as amended be read.

The CHAIRMAN. Without objection, the paragraph will be read as amended by the proposed amendment of the gentleman from Illinois.

The Clerk read as follows:

Amendment by Mr. RAINEY: Page 160, line 18, after the word "place," insert: "Except theater or opera house where spoken drama or opera is produced, to any Chautauqua or lyceum program or to any lecture or concert."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois.

The question was taken, and the amendment was rejected.

Mr. BLANTON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. BLANTON: Page 160, line 21, strike out "50" and insert in lieu thereof "20."

Mr. BLANTON. Mr. Chairman, if my amendment is adopted every 20-cent picture show in the United States will be exempt from tax, and only the ones charging admission fee above 20 cents will be taxed under the provisions of this bill. If you adopt my amendment you will add to this bill approximately $18,000,000 in taxes. In other words, you add about $18,000,000 to the taxes provided in this bill. If you want to raise revenue you can do it by this amendment without hurting the poor people who want to go to picture shows. They can not go to the 20-cent shows as they exist now without being taxed. Let me apply this amendment to the situation in Washington, because the situation is practically the same all over the United States. Take the 50-cent picture shows here in town, like the Rialto or the Metropolitan or the Columbia or the Palace, and such picture shows at 50 cents would still pay the tax, which they ought to do; but we have at least fifteen 20-cent picture shows scattered all over Washington, and after a picture is once shown at these 50-cent places it then goes to these other picture houses scattered over town and the same 50-cent picture is shown to the people for 20 cents, so that they get the benefit of it. They get to see the same identical 50-cent picture at the 20-cent shows that the people pay 50 cents for at the places I have mentioned.

Mr. CHINDBLOM. Is the gentleman altogether forgetting the lectures and the concerts which are usually priced at 50 cents?

Mr. BLANTON. There have been very few of them that I have attended that have been under $1 or $1.50 or $2. I want to say that if you can show me any concert that is staged now for 50 cents I will show you one that is not much account, and the people do not want to go to it. The ones that are good are charging as much as 75 cents, $1, $1.50, and $2, and I say that the people who go to them ought to pay the tax, and I am not in favor of reducing the tax on the higher-priced ones. The ones who are able to go to the high-priced ones, let them pay the tax; but there is a reason for taking the tax off the 20-cent picture shows. It is in behalf of the people of moderate circumstances, who are not able to pay more. If you want to raise this $18,000,000 additional revenue, vote for this amendment. If you do not want to raise it, vote against it.

Mr. TREADWAY. Mr. Chairman——

Mr. BLANTON. If the member of the Ways and Means Committee wants the floor, I will yield to the gentleman, as no other Member of the House has a right to take the floor if my distinguished friend from Massachusetts wants it.

Mr. TREADWAY. The facetiousness of the gentleman from Texas is illuminating, but he knows that I would not intrude on his rights. I supposed that his time had expired and that he had yielded the floor.

Mr. BLANTON. I am through, anyway, and gladly yield the floor.

Mr. GREEN of Iowa. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close in five minutes.

Mr. RAINEY. Will the gentleman make it 10 minutes?

Mr. GREEN of Iowa. I will make it 10 minutes, Mr. Chairman.

The CHAIRMAN. The gentleman from Iowa moves that all debate on this amendment and amendments thereto close in 10 minutes.

The question was taken, and the motion was agreed to.

Mr. TREADWAY. Mr. Chairman, I move to amend the amendment offered by the gentleman from Texas [Mr. BLANTON] by striking out "20," in line 21, and making it "75" cents.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Mr. TREADWAY moves to amend the amendment offered by Mr. BLANTON by striking out "20" and inserting "75"

Mr. TREADWAY. Mr. Chairman, a 75-cent exemption seems to me in a partial way to take care of the admissions to the spoken drama, referred to this afternoon. There is perhaps no theater where there are not some seats at 75 cents. If a person really wants that intellectual opportunity that our friend from Illinois describes, an educational opportunity, actually desires to attend the spoken drama, they can do so for 75 cents. I was in favor of this in the committee and I am still in favor of the exemption of the tax on admission prices. Seventy-five cents will not get into the prize ring nor other places that we do not want to exempt from taxation. It will mean a difference in the bill of $10,000,000. Last year under the taxes provided in the bill the revenue was $33,000,000, and the loss under this amendment would be $10,000,000. I think we can very well make the amount of the exemption at 75 cents.

The CHAIRMAN. The question is on the amendment to the amendment offered by the gentleman from Massachusetts.

The question was taken and the amendment to the amendment was rejected.

The CHAIRMAN. There are still five minutes of time left.

Mr. RAINEY. Mr. Chairman, I offer the following amendment to the amendment. After the section add the proviso——

Mr. BEGG. Mr. Chairman, there is a motion pending before the House.

The CHAIRMAN. There is an amendment pending.

Mr. RAINEY. Very well; I will withdraw my amendment and offer it after the amendment is disposed of.

Mr. LOWREY. Mr. Chairman, I want to offer a substitute for the amendment of the gentleman from Texas.

The Clerk read as follows:

Amendment by Mr. LOWREY as a substitute: Page 160, lines 21, 22, after the word "admission" at the end of line 20, strike out the semicolon and insert a period, and then omit all of lines 21 and 22.

Mr. LOWREY. Mr. Chairman, it seems to me that we have got the whole matter into a kind of a tangled web. The proposition of my friend from Texas is to cut down the amount to 20 cents. That would mean that all the cheapest shows—the shows in which there would be the least improvement and the least culture—should be free from tax and encouraged.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. LOWREY. Yes.

Mr. CHINDBLOM. Under the gentleman's amendment the tax on a 5-cent admission would be half a cent.

Mr. LOWREY. They would not put it as low as 5 cents.

Mr. CHINDBLOM. But there are 5 cents admissions.

Mr. LOWREY. If we are going to encourage anything, I fully agree with the proposition to encourage the entertainment that will really appeal to the literary and cultural side of the people and mean something to them. It seems to me that the bill as it stands encourages the cheaper shows, those that there would be less culture in, and taxes those that are more cultural.

But I believe that they are all in a sense a luxury. And I believe in the principle of taxing luxuries rather than necessaries. The gentleman from Texas said that if we make these changes, if we cut off this revenue, we must put it on somewhere else. I do not know where we could put on a tax better than to put it on the luxuries. I believe in making such revenues as are possible out of chewing gum, candy, soft drinks, admissions to places of amusement, and those things that are absolutely luxuries. They may have some value, of course, for recreational purposes, but at least they do not stand where necessities stand. Therefore I simply offer the amendment to go back to where we were and make no distinction, and let them stand on the same basis and tax all picture places and places of amusement.

Mr. CHINDBLOM. Since the gentleman is about through, I want to say that there are 5-cent admissions in some of the big cities for children in the galleries, and that at amusement parks there are 5-cent admissions. Of course, the gentleman's proposal would mean that they would have to charge an additional penny in order to collect the tax of half a cent.

Mr. LOWREY. I am willing to let it stand in that way.

The CHAIRMAN. The question is on the amendment to the amendment offered by the gentleman from Mississippi.

The amendment to the amendment was rejected.

The CHAIRMAN. The question now is on the amendment of the gentleman from Texas [Mr. BLANTON].

The question was taken, and the amendment was rejected.

Mr. RAINEY. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. RAINEY: Page 162, at the end of line 14, add the following:

"*Provided*, That no tax shall be imposed upon admissions to chautauqua or lyceum programs or to any lectures or concerts."

Mr. BLACK of Texas. Mr. Chairman, I make the point of order that the proviso is not germane to the paragraph, which deals with admissions to roof gardens, cabarets, and other similar entertainments.

Mr. BLANTON. I make the further point of order that this matter has been voted on once before where an attempt was made to exempt these same matters enumerated in the amendment of the gentleman from Illinois, and it was voted down.

Mr. RAINEY. Oh, the gentleman is mistaken. This simply attempts to exempt lectures, concerts, chautauqua programs, and lyceum programs. This provides that none of the five preceding paragraphs shall so operate as to provide for admission taxes to lectures, concerts, lyceums, or chautauquas.

Mr. BLANTON. I remind the Chair that in the amendment which sought to exempt the spoken drama, it also embraced all of these matters.

Mr. TILSON. Mr. Chairman, it is very clear that the committee has never voted this proposition down, and the omission of the words "spoken drama" makes it an entirely new amendment.

The CHAIRMAN. This amendment is offered at the end of paragraph (a). Paragraph (a) begins on page 160 and ends on page 162, with line 15. That is what constitutes the paragraph. The amendment is offered as an amendment to that paragraph as a proviso. That paragraph includes all kinds of entertainments, not only cabarets and roof gardens but almost everything else embraced in the realm of entertainment. The Chair thinks the amendment is germane to the paragraph and overrules the point of order.

The question is on the amendment offered by the gentleman from Illinois.

The question was taken; and on a division, the Chair having announced himself in doubt, there were—ayes 47, noes 112.

Mr. RAINEY. Mr. Chairman, I call for tellers.

The CHAIRMAN. The gentleman from Illinois demands tellers. All in favor of ordering tellers will rise and stand until counted. [After counting.] Four Members have risen, not a sufficient number, and tellers are refused.

So the amendment was rejected.

Mr. WINGO. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD by printing therein a letter from the governor of the Federal Reserve Board, with the exhibits, showing the effect of the proposal to require Federal reserve banks to pay 2 per cent interest on reserve balances.

The CHAIRMAN. The gentleman from Arkansas asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection? [After a pause.] The Chair hears none, and the Clerk will read.

Mr. HOWARD of Nebraska. Mr. Chairman, I might object—I do not know—if I had a chance.

Mr. BLANTON. Mr. Chairman, I make the point of order that when a gentleman is on his feet trying to get the attention of the Chair during the submission of a unanimous consent request he should be given the opportunity to object.

The CHAIRMAN. If the gentleman from Nebraska was trying to address the Chair at the time the Chair was putting the unanimous-consent request, the Chair will recognize him. The Chair will again put the request. The gentleman from Arkansas asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

The letter referred to is as follows:

FEDERAL RESERVE BOARD,
OFFICE OF THE GOVERNOR,
Washington, February 13, 1924.

Hon. OTIS WINGO,
House of Representatives, Washington, D. C.

MY DEAR MR. CONGRESSMAN: Pursuant to our telephonic conversation, I am inclosing for your information a copy of statements showing the net earnings of the Federal reserve banks for 1921, 1922, and 1923, and what would happen if 2 per cent interest were paid by the banks on realized balances to member banks.

You will note in 1923 the Federal reserve banks of the whole system would have lost, to be exact, $24,738,854, and in addition they could have paid no dividend, could have set apart no surplus, nor pay any franchise tax; whereas in 1922 the 12 Federal reserve banks would have lost $19,124,764 and only one bank in the system could have paid any part of its dividend; that was the bank at Philadelphia, which could have paid $120,976 on its dividend. You will note that none of the banks would have been able to have paid dividend, surplus, or franchise tax. In 1921 the banks could have paid 2 per cent interest, amounting to $33,457,380, but this was one of the unusual years that came about by financing the war and when the banks were imposing a 6 per cent and 7 per cent rediscount rate, which, as you know, was not very popular.

In my opinion, an attempt to pay 2 per cent interest on deposits is wrong in principle and should not be imposed upon the banks. If it should be imposed the Federal reserve banks will have to buy paper in the open market in competition with member banks and nonmember banks in order to make its dividend, interest, and expenses. I think you will agree that such practice would be detrimental to the individual banks.

It must be borne in mind well that at the time the banks were making these big profits it was while they were financing the war, and it should not be used as a pretext for the passage of an act to provide for 2 per cent interest on realized balances.

I am also handing you an analysis of the statements which will be self-explanatory.

Very truly yours,

D. R. CRISSINGER, *Governor.*

Average daily reserve balances of member banks with the Federal reserve banks during 1923 aggregated $1,872,000,000. It is apparent, therefore, that to pay interest at 2 per cent per annum on member bank reserve balances would have necessitated the Federal reserve banks earning approximately thirty-seven and one-half millions in excess of operating expenses and dividend requirements. During 1918, 1919, 1920, and 1921, when borrowings at the Federal reserve banks were at an unprecedented level because of the large demands for credit due to war conditions, the Federal reserve banks might have paid interest on member banks' reserve deposits and at the same time paid a franchise tax to the Government. During the past two years, however, when conditions have been more normal, borrowings from Federal reserve banks and consequently their net earnings have been on a greatly reduced scale. Net earnings of the banks during 1923 amounted to $12,700,000, while 2 per cent on reserve deposits of member banks would have amounted to about $37,450,000, or three times the net earnings. Of the net earnings of $12,700,000, $6,500,000 went to mem-

ber banks to pay the 6 per cent dividend on their capital stock and the balance was divided between the surplus accounts of the Federal reserve banks and the Government in the form of a franchise tax. Approximately the same results are shown for 1922, in which net earnings of the Federal reserve banks were $16,500,000, while 2 per cent interest on reserve deposits of member banks would have amounted to $35,600,000.

It is apparent from these figures that in normal times Federal reserve banks could not pay 2 per cent interest on reserve balances out of their current earnings.

It should also be borne in mind that any payment to the member banks in the form of interest on their reserve balances will affect materially the amounts paid to the United States Government as a franchise tax. During 1921, for example, the Government was paid a franchise tax of $63,100,000. If member banks had been paid 2 per cent interest on their reserve balances, the Government would have received only $33,800,000 as a franchise tax. In 1922 and 1923, however, when earnings of the reserve banks were on a much lower level and comparatively small portions of the 2 per cent interest on reserve balances of member banks could have been paid by the respective Federal reserve banks, the Government would have received no franchise tax, unless the Federal reserve act were so amended as to require the payment of a franchise tax to the Government before the payment of any interest to member banks on their reserve balances.

Net earnings of Federal reserve banks, distribution thereof, and effect upon such distribution if 2 per cent interest were paid on reserve deposits of member banks.

YEAR 1921.

Federal reserve bank.	Net earnings.	Actual distribution of net earnings.			Amount required to pay 2 per cent interest on reserve deposits of member banks.	Net earnings after payment of 2 per cent interest on reserve deposits of member banks.			
		Dividends paid.	Transferred to surplus.[1]	Franchise tax paid.[1]		Total.	Available for—		
							Dividends.	Surplus.	Franchise tax.
Boston	$4,281,353	$473,109	$524,974	$3,283,270	$2,195,080	$2,086,273	$473,109	$305,467	$1,307,697
New York	26,093,832	1,608,721	2,448,511	22,036,600	13,122,820	12,971,012	1,608,721	1,136,229	10,226,062
Philadelphia	5,339,454	517,663	898,873	3,922,918	2,024,100	3,315,354	517,663	696,463	2,101,228
Cleveland	6,284,383	660,228	2,329,442	3,294,713	2,766,520	3,517,863	660,228	2,052,790	804,845
Richmond	4,393,027	322,203	673,333	3,398,091	1,069,540	3,324,087	322,203	566,380	2,435,504
Atlanta	5,496,219	245,862	556,477	4,693,880	879,740	4,616,479	245,862	468,503	3,902,114
Chicago	14,505,117	853,785	1,365,133	12,286,199	4,704,460	9,740,657	853,785	888,687	7,998,185
St. Louis	2,951,926	270,253	1,042,564	1,639,109	1,242,860	1,709,066	270,253	918,277	520,536
Minneapolis	3,151,154	211,657	436,107	2,503,390	843,360	2,307,794	211,657	351,771	1,744,366
Kansas City	3,056,096	268,620	278,748	2,508,728	1,416,340	1,639,756	268,620	137,114	1,234,022
Dallas	1,613,564	252,211	1,361,353	----------	881,980	731,584	252,211	479,373	----------
San Francisco	4,920,500	435,361	947,898	3,537,241	2,250,580	2,669,920	435,361	722,841	1,511,718
Total	82,087,225	6,119,673	12,863,413	63,104,139	33,457,380	48,629,845	6,119,673	8,723,895	33,786,277

YEAR 1922.

Boston	$1,097,402	$481,951	$76,568	$538,883	$2,371,260	−$1,273,858	----------	----------	----------
New York	3,721,593	1,652,138	206,946	1,862,509	13,979,820	−10,258,227	----------	----------	----------
Philadelphia	2,236,876	541,552	839,960	855,364	2,115,900	120,976	$120,976	----------	----------
Cleveland	2,268,688	692,436	861,264	714,988	2,794,500	−525,812	----------	----------	----------
Richmond	867,448	333,321	53,413	480,714	1,123,100	−255,652	----------	----------	----------
Atlanta	672,730	256,618	41,611	374,501	958,600	−285,870	----------	----------	----------
Chicago	1,405,215	876,203	52,901	476,111	5,097,340	−3,692,125	----------	----------	----------
St. Louis	647,572	283,166	276,450	87,956	1,299,880	−652,308	----------	----------	----------
Minneapolis	782,695	213,774	56,892	512,029	891,980	−109,285	----------	----------	----------
Kansas City	783,036	275,655	50,738	456,643	1,538,760	−755,724	----------	----------	----------
Dallas	354,125	251,915	102,210	----------	953,360	−599,235	----------	----------	----------
San Francisco	1,660,356	448,306	121,205	1,090,845	2,498,000	−837,644	----------	----------	----------
Total	16,497,736	6,307,035	2,740,158	7,450,543	35,622,500	−19,124,764	120,976	----------	----------

YEAR 1923.

Boston	$1,252,135	$480,267	$77,187	$694,681	$2,516,440	−$1,264,305	----------	----------	----------
New York	3,043,679	1,749,239	129,444	1,164,996	13,787,240	−10,743,561	----------	----------	----------
Philadelphia	2,177,837	582,292	1,178,588	416,957	2,282,900	−105,063	----------	----------	----------
Cleveland	921,221	725,626	195,595	----------	3,167,400	−2,246,179	----------	----------	----------
Richmond	1,092,843	342,295	384,404	366,144	1,216,580	−123,737	----------	----------	----------
Atlanta	352,179	264,622	8,756	78,801	1,088,840	−736,661	----------	----------	----------
Chicago	1,178,355	904,371	27,398	246,586	5,512,720	−4,334,365	----------	----------	----------
St. Louis	1,182,163	296,810	407,070	478,283	1,399,500	−217,337	----------	----------	----------
Minneapolis	325,455	212,733	11,272	101,450	955,620	−630,165	----------	----------	----------
Kansas City	347,711	275,313	7,240	65,158	1,611,200	−1,263,489	----------	----------	----------
Dallas	332,282	251,429	80,853	----------	1,040,420	−708,138	----------	----------	----------
San Francisco	505,426	467,720	37,706	----------	2,871,280	−2,365,854	----------	----------	----------
Total	12,711,286	6,552,717	2,545,513	3,613,056	37,450,140	−24,738,854	----------	----------	----------

[1] As adjusted on Dec. 31, 1922, by charging to surplus account and paying to the Government an additional franchise tax for 1921.

Minus sign (−) indicates that the amount required to pay 2 per cent interest on reserve deposits of member banks exceeded net earnings by the amount shown.

The Clerk read as follows:

(b) No tax shall be levied under this title in respect of (1) any admissions all the proceeds of which inure (A) exclusively to the benefit of religious, educational, or charitable institutions, societies, or organizations, societies for the prevention of cruelty to children or animals, or societies or organizations conducted for the sole purpose of maintaining symphony orchestras and receiving substantial support from voluntary contributions, or of improving any city, town, village, or other municipality, or of maintaining a cooperative or community center moving-picture theater—if no part of the net earnings thereof inures to the benefit of any private stockholder or individual; or (B) exclusively to the benefit of persons in the military or naval forces of the United States; or (C) exclusively to the benefit of persons who have served in such forces and are in need; or (D) exclusively to the benefit of posts or organizations of war veterans, or auxiliary units or societies of any such posts or organizations, if such posts, organizations, units, or societies are organized in the United States or any of its possessions, and if no part of their net earnings inures to the benefit of any private stockholder or individual; or (2) any admissions to agricultural fairs if no part of the net earnings thereof inures to the benefit of any stockholders or members of the association conducting the same, or admissions to any exhibit, entertainment, or other pay feature conducted by such association as part of any such fair, if the proceeds therefrom are used exclusively for the improvement, maintenance, and operation of such agricultural fairs.

Mr. SEARS of Florida. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Page 163, line 9, after the semicolon, insert: "or (E) exclusively to the benefit of members of the police or fire departments of any city, town, village, or other municipality, or the dependents or heirs of such members."

Mr. GREEN of Iowa. Mr. Chairman, unless some member of the committee has objection, I will accept this amendment.

Mr. YOUNG. I have objection. There are too many of them in there now.

Mr. SEARS of Florida. Mr. Chairman, I do not want to take up the time of the committee. The facts are as follows: On last New Year's Day the firemen and the policemen of Jacksonville, Fla., gave an exhibition for the benefit of the disabled and retired firemen and policemen and for their wives and orphans. It was purely a charitable exhibition. No war tax was charged. In October, before giving this exhibition, they asked the Treasury Department to tell them whether any tax would be required. In November they again asked if any tax would be required.

Mr. BEGG. Mr. Chairman, will the gentleman yield?

Mr. SEARS of Florida. Yes.

Mr. BEGG. Was this carnival supervised and put on by one of these professional concerns that travel about, drumming up that sort of business?

Mr. SEARS of Florida. I shall come to that in a moment. On December 27 they took it up again with the Treasury Department, and on the 29th of December, just before New Year's Day, they were notified that a tax would be required, but in the meantime nearly all of the tickets had been allotted or sold, and, as I understand, no war tax was charged.

The field day was under the direct supervision of the city commissioners of Jacksonville, and my information is City Commissioner Fred Valz was the chairman. The city commissioners of Jacksonville, under a State law, are permitted to assess a tax against her citizens to take care of these people, but the funds were not sufficient, so they held this field day and expect to make same an annual event. I have here a list of the retired and disabled firemen and policemen and the list of the widows and minors, showing 26 in the police department and 17 in the fire department.

For the benefit of my good friend from Ohio [Mr. BEGG] I will illustrate. Two hundred tickets would be allotted a business man of Jacksonville. They would simply take those tickets to help out the firemen and policemen, because they appreciated what they did for them. This was purely a charitable proposition. The policemen and firemen simply staged this exhibition. One of the policemen would engage in a boxing match with a fireman, and so on. Many hundreds of people in Jacksonville bought tickets, but did not attend the performance; they simply bought the tickets to indicate their appreciation of what the firemen and policemen were doing. But the Treasury Department held that it was not purely a charitable entertainment, as some were on the retired list, and therefore the tax should have been collected. I understand the Treasury officials now realize that the tax should not have been imposed on such exhibitions as that referred to. I do not hesitate to state it was not my intention to tax same, and I do not believe it was the intention of Congress. But unless my amendment is adopted, in view of the ruling of the department, next year those who desire to assist the policemen and firemen must pay the tax.

So often we forget those who help us. These men risk their lives to save our lives and protect our property, and I sincerely trust my amendment will be adopted. If it is adopted, it will not only help this charitable cause—or benevolent, if you desire to so call it—at Jacksonville, Fla., but will also apply to every town or city.

I think, in fairness to those of the department who have handled this matter, I should say they have been very courteous to me.

The CHAIRMAN. The time of the gentleman from Florida has expired.

Mr. GREEN of Iowa. Mr. Chairman, I move that all debate on the amendment and all amendments thereto close in five minutes.

Mr. BLACK of Texas. I have an amendment to offer.

The CHAIRMAN. Does the gentleman from Iowa make his motion?

Mr. GREEN of Iowa. Yes; that all debate on this amendment and all amendments thereto close in five minutes.

The CHAIRMAN. The gentleman from Iowa moves that all debate on this amendment and all amendments thereto close in five minutes. The question is on agreeing to that motion.

The motion was agreed to.

Mr. BLACK of Texas. Mr. Chairman, I have an amendment which I offer to the Sears amendment. At the end of the Sears amendment add "and if no part of their net earnings inures to the benefit of any private stockholder or individual."

Mr. SEARS of Florida. That is covered in my amendment.

Mr. BLACK of Texas. What is the language of the gentleman's amendment in that respect?

Mr. SEARS of Florida. I will ask, Mr. Chairman, that my amendment be again read.

The CHAIRMAN. The Clerk, without objection, will again report the amendment.

Mr. BLACK of Texas. I would like to have my amendment read first, and then the amendment offered by the gentleman from Florida.

Mr. GREEN of Iowa. Mr. Chairman, I do not think the gentleman from Texas [Mr. BLACK] understood the amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. BLACK of Texas to the amendment offered by Mr. SEARS of Florida: At the end of the Sears amendment add "and if no part of their net earnings inures to the benefit of any private stockholder or individual."

Mr. GREEN of Iowa. No stockholder is concerned at all.

Mr. BLACK of Texas. Mr. Chairman, may we have the Sears amendment reported?

The CHAIRMAN. Without objection, the Clerk will report the Sears amendment, with the amendment of the gentleman from Texas added to it.

The Clerk read as follows:

Amendment offered by Mr. SEARS of Florida: Page 163, line 9, after the semicolon, insert "or (E) exclusively to the benefit of the members of the police or fire department of any city, town, village, or other municipality, or the dependents or heirs of such members; and if no part of their net earnings inures to any private stockholder or individual."

Mr. BLACK of Texas. The reason I offered the language is to make it conform to the other exceptions in the bill.

Now, I am not sure at all but what if the amendment offered by the gentleman from Florida is adopted, one of these entertainments could come along and advertise that it is for the benefit of the firemen and policemen and take a part of the proceeds for their private individual benefit, and I have offered identically the same language in order to protect the Treasury against an instance of that kind. I think we ought to do it.

Mr. HAWLEY. Mr. Chairman, will the gentleman yield?

Mr. BLACK of Texas. Yes.

Mr. HAWLEY. The provision requires that it shall be exclusively for the benefit of the policemen and firemen.

Mr. BLACK of Texas. Yes; but that is language that I am not certain would preclude a division of the proceeds.

Mr. HAWLEY. If I understand the amendment of the gentleman correctly, or any part of it, it is to forbid the payment to individuals. I just heard the amendment read. It is hard to know what application would be had.

Mr. BEGG. Mr. Chairman, will the gentleman yield?

Mr. BLACK of Texas. Yes.

Mr. BEGG. In your amendment you provide that no part of the proceeds shall inure to any individual?

Mr. BLACK of Texas. Yes.

Mr. BEGG. Could they not easily evade that by hiring a man and putting him in as an expense?

Mr. BLACK of Texas. They could probably do that in any of these other provisions of the bill. The only purpose I had in offering the amendment was to make it conform to the several paragraphs under discussion.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield for a statement?

Mr. BLACK of Texas. Yes.

Mr. CHINDBLOM. All the way through the bill we have used the word "shareholder" where stockholder is meant. It would be in conformity to the bill if the gentleman would change his amendment from "private stockholder" to "shareholder."

Mr. BLACK of Texas. My amendment is in the same language as the language of the paragraph under discussion.

Mr. CHINDBLOM. In the old bill?

Mr. BLACK of Texas. No; in the present bill.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Texas [Mr. BLACK] to the amendment offered by the gentleman from Florida [Mr. SEARS].

The question was taken, and the amendment to the amendment was rejected.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Florida.

The amendment was agreed to.

Mr. WATRES. Mr. Chairman, I desire to offer an amendment on page 163, line 4.

The CHAIRMAN. The gentleman from Pennsylvania offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. WATRES: Page 163, line 4, after the words "benefit of," insert "National Guard organizations."

Mr. GREEN of Iowa. Mr. Chairman, speaking for myself—I have not had time to consult the committee—I will personally accept the amendment.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. KNUTSON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Minnesota offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. KNUTSON: Page 163, line 14, strike out the words "as part of any such fair."

Mr. KNUTSON. Mr. Chairman, there are in this country a number of county fairs that were organized and are being conducted for the purpose of stimulating interest in agriculture. These fairs hang up a large number of prizes each year for livestock and farm products. A number of them have been conducted at a loss in the past few years, and they are giving entertainments during the winter months, the proceeds from which are covered into the treasury for the purpose of making up deficits made in the past.

I am sure there could be no objection to this amendment. The aggregate amount which the Federal Treasury would lose from the adoption of my amendment certainly could not be large, and I think if we adopt it it will result in putting all of these agricultural fairs on a sounder financial basis.

Mr. GREEN of Iowa. Mr. Chairman, I sympathize with the purpose of my friend from Minnesota, and I would be very glad to agree to this amendment if I did not fear it could be so easily abused and afford opportunity for evasion. Therefore I hope the amendment will be voted down.

Mr. KNUTSON. Mr. Chairman, have I used all of my time?

The CHAIRMAN. The Chair understood that the gentleman yielded the floor.

Mr. KNUTSON. I just yielded to the gentleman from Iowa. How can there be any evasion of this tax, any more than there can be an evasion of any other tax? The proceeds of these entertainments are covered into the fair treasury; no individuals are on the pay rolls of those fairs, consequently no individual will benefit from such entertainments. The fair as a whole and the community wherein the fair is situated are the beneficiaries.

Mr. GREEN of Iowa. Answering the question of the gentleman from Minnesota, I wish to say that we have given these fairs every advantage. So long as the entertainments are a part of the fairs we do not impose any tax on them.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota.

The question was taken; and on a division (demanded by Mr. KNUTSON) there were—ayes 47, noes 65.

Mr. KNUTSON. Mr. Chairman, I ask for tellers.

The CHAIRMAN. The gentleman from Minnesota demands tellers. Those in favor of ordering tellers will rise and stand until counted. [After counting.] Nine Members have risen, not a sufficient number, and tellers are refused.

So the amendment was rejected.

Mr. HILL of Maryland. Mr. Chairman, I offer an amendment. On page 163, line 4, after the words "National Guard organizations," which were just inserted, insert the words "Reserve officers' associations or organizations." That simply puts reserve officers' associations or organizations on the same footing with National Guard associations.

The CHAIRMAN. The gentleman from Maryland offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HILL of Maryland: At the end of the amendment just adopted, in line 4, on page 163, add the following: "Reserve officers' associations or organizations."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland [Mr. HILL].

The question was taken; and on a division (demanded by Mr. HILL of Maryland) there were—ayes 66, noes 30.

So the amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

(d) The price (exclusive of the tax to be paid by the person paying for admission) at which every admission ticket or card is sold shall be conspicuously and indelibly printed, stamped, or written on the face or back of that part of the ticket which is to be taken up by the management of the theater, opera, or other place of amusement, together with the name of the vendor if sold other than at the ticket office of the theater, opera, or other place of amusement. Whoever sells an admission ticket or card on which the name of the vendor and price is not so printed, stamped, or written, or at a price in excess of the price so printed, stamped, or written thereon, is guilty of a misdemeanor, and upon conviction thereof shall be fined not more than $100.

Mr. McKEOWN. Mr. Chairman, I make the point of order that this provision is not within the jurisdiction of this committee.

The CHAIRMAN. The Chair will hear the gentleman.

Mr. McKEOWN. The provision provides for a misdemeanor in the regulation of the sale of these tickets.

Mr. GREEN of Iowa. Mr. Chairman, the bill has been referred to the committee.

Mr. McKEOWN. I just want to call the attention of the committee to the fact that this is a taxing bill and should not contain anything in the nature of regulatory provisions, and this provision attempts to regulate and makes a violation of the regulations a misdemeanor.

Mr. GREEN of Iowa. Of course, the purpose of it is the collection of the tax.

Mr. McKEOWN. This committee has no right to provide penalties. That is a right which belongs to the Judiciary Committee.

Mr. GREEN of Iowa. This committee has been doing it ever since the organization of the Union.

Mr. McKEOWN. But that does not make it right.

The CHAIRMAN. The Chair finds that this was referred to the committee and the reference to the committee gives it jurisdiction. If a point of order is to be made, raising the jurisdiction of the committee to report a bill, it should be raised when the bill is reported to the House. The point of order is overruled.

Mr. RAMSEYER. Mr. Chairman, I move to strike out the last word in order to ask the chairman a question about paragraph (d).

Mr. GREEN of Iowa. On what page?

Mr. RAMSEYER. Page 163, at the bottom of the page which was just read. I want to know whether the regulation about printing and stamping these tickets applies only to tickets providing admissions to theaters where the taxes are imposed? In other words, is that regulation made mandatory upon the theaters which charge 50 cents and less?

Mr. GREEN of Iowa. I think it only applies to those where the tax is to be collected.

Mr. RAMSEYER. I wanted to be sure about that.

Mr. GREEN of Iowa. That is my understanding of the Treasury regulations.

The CHAIRMAN. The pro forma amendment is withdrawn and the Clerk will read.

The Clerk read as follows:

SEC. 501. On and after the date this title takes effect there shall be levied, assessed, collected, and paid, in lieu of the taxes imposed by section 801 of the revenue act of 1921, a tax equivalent to 10 per cent of any amount paid on or after such date, for any period after such date, (a) as dues or membership fees (where the dues or fees of an active resident annual member are in excess of $10 per year) to any social, athletic, or sporting club or organization; or (b) as initiation fees to such a club or organization, if such fees amount to more than $10, or if the dues or membership fees (not including initiation fees) of an active resident annual member are in excess of $10 per year; such taxes to be paid by the person paying such dues or fees: *Provided*, That there shall be exempted from the provisions of this section all amounts paid as dues or fees to a fraternal society, order, or association, operating under the lodge system. In the case of life membership a life member shall pay annually, at the time for the payment of dues by active resident annual members, a tax equivalent to the tax upon the amount paid by such a member, but shall pay no tax upon the amount paid for life membership.

Mr. ROGERS of New Hampshire. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from New Hampshire offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. ROGERS of New Hampshire: Page 164, line 24, after the word "system" insert a comma and the following: "or to any local fraternal organization among the students of a college or university."

Mr. GREEN of Iowa. Mr. Chairman, I have not had time to consult the members of the committee, but is there any objection to this?

Mr. GARNER of Texas. No; that is all right.

Mr. GREEN of Iowa. I will accept the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Hampshire.

The question was taken, and the amendment was agreed to.

Mr. WATKINS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Oregon offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. WATKINS: Page 165, line 4, after the word "membership" strike out the period, insert a colon, and the following: "*Provided*, That there shall be exempted from taxation under this section all amounts paid as dues or membership fees where the amount so paid is $50 or less per year to any institution or club organized and operated exclusively for social, recreational, educational, and other nonprofitable purposes, not organized for profit, and no part of the earnings of which inures to the benefit of any private shareholder or individual."

Mr. WATKINS. Mr. Chairman, the amendment is very brief and very plain. Its object is the thing I want to explain for just a moment. You have exempted by this section 501 fraternal societies, orders, or associations operating under the lodge system. Section 231 exempts the club itself.

In Portland we have an athletic club. It is an amateur association for the young men, women, and children of that community. It is an educational institution. There they conduct various games and classes for the development of the youth of that community. The fees are less than $50 and over $10; the institution is a civic pride, an asset, a club where the families of the city commingle. It is not an athletic club in the sense of holding exhibitions and prize fights and things of that kind for profit, but it is an institution developing the youth, training them, and I hope the committee will adopt this amendment.

Mr. YOUNG. Will the gentleman yield?

Mr. WATKINS. Yes.

Mr. YOUNG. It is a social club, is it not?

Mr. WATKINS. It is a social organization—recreational, or rather educational, I should say.

Mr. YOUNG. We have a number of clubs of that kind in the United States that are required to pay a tax. Why do you want to fill this bill with continual exceptions and exemptions?

Mr. WATKINS. This is an educational association and ought to be exempt.

Mr. LAGUARDIA. Will the gentleman yield? How would the gentleman's amendment help the club?

Mr. WATKINS. The club now is having a very hard time in getting young men, women, and children there to join, because they will not pay the tax and the dues, and if we will eliminate the tax from these dues then the young men and the children will join; at least we will eliminate the thing that has been an obstacle.

Mr. YOUNG. Will the gentleman yield?

Mr. WATKINS. Yes.

Mr. YOUNG. Are there not a great many clubs of this character in the United States that are having a hard time to get members to join them on account of the fees?

Mr. WATKINS. Yes; I have letters from business men all over my State stating that conditions in this country are terrible and that we are having terribly hard times under this administration, but that does not alter this situation. Here is an educational institution for the young men and the young women and children of the community, and here you are exempting chewing gum, yachts, motor boats, dirks, and bowie knives. Why can not you give these educational institutions, like the one in Portland and in other cities for aught I know, some chance to develop the youth and the children of the community? I do not think the tax amounts to anything, so far as the total is concerned, but it is very material to an institution of this character. President Harding was out there, and this club gave over its grounds for the occasion, for which no charges were made. If you go to any other club of this sort, you have to pay, but this institution affords an opportunity for things I have mentioned, and I hope the committee will adopt the amendment. It is almost a life and death matter, so far as this wonderful institution is concerned.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. WATKINS. Yes.

Mr. CHINDBLOM. Who pays the dues to this club?

Mr. WATKINS. The children and the young men—anyone a member. And by this act they have to pay the tax, too.

Mr. CHINDBLOM. Children pay $50 a year?

Mr. WATKINS. It is about $48 a year for regular members.

Mr. CHINDBLOM. And the children pay those dues?

Mr. WATKINS. Well, their parents pay them; yes, and whoever pays the dues must pay the tax. For the benefit of the House, before it takes action, I simply want to read a telegram from this institution. It is as follows:

Hon. ELTON WATKINS,

House of Representatives, Washington, D. C.:

Hundreds of young fellows in Multnomah Club at period of their lives when earnings are small are taxed 10 per cent of $48 dues, though club is locally exempt, being an educational institution. Would you talk to Representative HAWLEY on Ways and Means Committee asking limit in new revenue bill be raised from $10 to $50 per year so as to confine tax to actual luxury clubs as really intended? Hard enough to finance and keep members in club without this handicap. Consider many like organizations and small community clubs over entire country unjustly taxed by present law. Please do your utmost to get limit raised from $10 to $50 per year.

Cordially,

MULTNOMAH AMATEUR ATHLETIC CLUB,
H. A. SARGENT, *President.*

Now, gentlemen, this is a most worthy cause. It is an institution Portland is proud of, and I voice the sentiment of everyone in that fair city when I urge you to eliminate the tax on membership dues.

Mr. OLDFIELD. Is your colleague Mr. HAWLEY with you on this proposition?

Mr. WATKINS. I hope so, but I doubt it. No; I understand he is not.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. WATKINS. Yes.

Mr. LAGUARDIA. Does the gentleman say that the members of this athletic club would pay $48 a year and refuse to pay the extra $4.80 tax?

Mr. WATKINS. They are up against it; they are unable to pay this additional sum.

Mr. GREEN of Iowa. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close in five minutes.

Mr. GARNER of Texas. I move to amend that; I move that all debate and amendments thereto do now close.

The CHAIRMAN. The gentleman from Texas moves to amend the motion of the gentleman from Iowa by the provision that the debate now close.

The question was taken, and the amendment to the amendment was agreed to.

The motion as amended was agreed to.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from Oregon [Mr. WATKINS].

The question was taken; and on a division (demanded by Mr. WATKINS) there were 29 ayes and 79 noes.

So the amendment was rejected.

The Clerk read as follows:

TITLE VI.—EXCISE TAXES.

SEC. 600. There shall be levied, assessed, collected, and paid upon the following articles sold or leased by the manufacturer, producer, or importer, a tax equivalent to the following percentage of the price for which so sold or leased—

(1) Automobile trucks and automobile wagons (including tires, inner tubes, parts, and accessories therefor, sold on or in connection therewith or with the sale thereof), 3 per cent.

(2) Other automobiles and motor cycles (including tires, inner tubes, parts, and accessories therefor, sold on or in connection therewith or with the sale thereof), except tractors, 5 per cent.

(3) Tires, inner tubes, parts, or accessories for any of the articles enumerated in subdivision (1) or (2), sold to any person other than a manufacturer or producer of any of the articles enumerated in subdivision (1) or (2), 5 per cent.

(4) Cameras weighing not more than 100 pounds and lenses for such cameras, 10 per cent.

(5) Photographic films and plates (other than moving-picture films and other than X-ray films or plates), 5 per cent.

(6) Firearms, shells, and cartridges, except those sold for the use of the United States, any State, Territory, or possession of the United States, any political subdivision thereof, or the District of Columbia, 10 per cent.

(7) Cigar or cigarette holders and pipes composed wholly or in part of meerschaum or amber, humidors, and smoking stands, 10 per cent.

(8) Automatic slot-device vending machines, 5 per cent; and automatic slot-device weighing machines, 10 per cent. If the manufacturer, producer, or importer of any such machine operates it for profit, he shall pay a tax in respect to each such machine put into operation equivalent to 5 per cent of its fair market value in the case of a vending machine and 10 per cent of its fair market value in the case of a weighing machine.

If any manufacturer, producer, or importer of any of the articles enumerated in this section customarily sells such articles both at

wholesale and at retail, the tax in the case of any article sold by him at retail shall be computed on the price for which like articles are sold by him at wholesale.

The taxes imposed by this section shall, in the case of any article in respect of which a corresponding tax is imposed by section 900 of the revenue act of 1921, be in lieu of such tax.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 166, line 15, at the end of the line add the following: "*Provided*, That this paragraph (1) shall not apply to automobile trucks and automobile wagons (nor to the chassis thereof if sold separately) if the selling price of such chassis of such trucks or wagons is not in excess of $1,000."

Also, page 166, line 23, strike out the figure "5" and insert in lieu thereof the figures "2½."

Mr. McLAUGHLIN of Michigan. Mr. Chairman, these two amendments have been submitted to the chairman of the Committee on Ways and Means and to the ranking Democratic member of that committee and have been approved. They are willing to accept them just as I have prepared them, so I think it will not be necesary to discuss them at length.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. McLAUGHLIN of Michigan. Yes.

Mr. LAGUARDIA. Your amendment exempts trucks and motors under $1,000.

Mr. McLAUGHLIN of Michigan. It exempts trucks and automobile wagons if the chassis of them are sold not in excess of $1,000.

Mr. LAGUARDIA. Would that affect the production of anybody but Henry Ford?

Mr. McLAUGHLIN of Michigan. Ninety per cent of the trucks and wagons of this country that are used by people themselves would be exempt.

Mr. LAGUARDIA. Are there any other makes that sell for less than $1,000?

Mr. McLAUGHLIN of Michigan. I will read the gentleman a list of those that would be affected:

Buick, Chevrolet, Dodge, Ford, Dort, Gray, Durant, Mason, Maxwell, Overland, Olds, Reo, Star, and Vim.

It is not easy to learn with entire accuracy the selling price of chassis used in autotrucks and autowagons made by each and every one of these companies or by other companies, but I am confident I am speaking by the card when I say that all trucks and wagons of nearly every one of the companies I have named will be entirely exempt from taxation if my amendment shall be adopted, because the selling price of very nearly all chassis used in their trucks and wagons is not in excess of $1,000. As to other companies in the list I have given, a large percentage of their trucks and wagons will be exempted, because a large percentage are equipped with chassis which sell for $1,000 or less. You must understand the amendment I offer means that all autotrucks and autowagons, regardless of their other equipment and regardless of their selling price, will be entirely exempt from taxation if, and only if, the selling price of the chassis is not more than $1,000. It is to be the selling price of the chassis that will determine whether or not a truck or wagon, no matter how it may otherwise be equipped, shall pay a tax.

That is, every truck or wagon will be exempt if its chassis sells for no more than $1,000, and every truck and every wagon must pay the tax if its chassis sells for more than $1,000.

With all who assisted and advised with me I have given earnest thought to every plan and suggestion as to the form and substance of an amendment proper and necessary to carry into effect our purpose in this matter, and all agree that the selling price of the chassis is the only safe and proper basis to be considered. Autotrucks and autowagons have upper works of every conceivable form, style, and value, but every chassis is much the same as every other chassis except size and carrying strength and motive power. These elements or qualities largely, if not altogether, determine the selling price of the chassis. It is intelligently estimated that a chassis which sells for not more than $1,000 is the kind of chassis put into autotrucks and autowagons used by more than 90 per cent of all who carry, transport, or deliver their own products or their own goods. And I repeat that these are the people whom we wish by this amendment to benefit.

The amount of revenue that would be lost by the adoption of this amendment, as nearly as can be figured, is $3,600,000 out of a total now collected of $10,678,671.

Mr. SHERWOOD. What class of Overlands would it affect?

Mr. McLAUGHLIN of Michigan. All or nearly all of the Overlands would be exempt because the chassis of practically all Overland autotrucks and autowagons sell for $1,000 or less.

Mr. DYER. What would be the amount in tax if we adopted the gentleman's amendment?

Mr. McLAUGHLIN of Michigan. The amount collected last year on all the autotrucks and autowagons was a little more than ten and one-half million dollars.

Mr. YOUNG. Will the gentleman yield?

Mr. McLAUGHLIN of Michigan. Yes.

Mr. YOUNG. May I ask who made the estimates? They seem a little small.

Mr. McLAUGHLIN of Michigan. Estimates have been made by several gentlemen. They have come from several associations and organizations in the automobile and truck business, each one contributing his information, and they are practically in agreement, so I have accepted them as correct.

Mr. YOUNG. All these organizations that you read gave figures as to how it would affect their sales?

Mr. McLAUGHLIN of Michigan. No; each gave me data as to the entire autotruck and autowagon production and sales in this country. These organizations submitted statements, and my conclusion is that there were 370,000 autotrucks and autowagons manufactured in 1923, and that 262,500 of them used chassis the selling price of which was not more than $1,000.

Mr. GREEN of Iowa. If I correctly understand the gentleman's amendment, the purpose is to exempt all of these lighter trucks that are operated for the owner's own use and not used to carry freight commercially.

Mr. McLAUGHLIN of Michigan. Yes; my own view of the matter is, and the opinion of a great many with whom I have talked is, that the exemption ought to be given to the trucks and automobile wagons that are used by the people themselves exclusively for their own use and benefit, excepting the very large and very expensive ones that are largely used commercially. This would include practically all of the farmers' autos, all of the grocers', the butchers', and other dealers in a town, all except the great wholesalers and coal dealers in the cities who use very heavy and expensive cars, and the estimate is that it would give relief to 90 per cent of those who are using automobile trucks and automobile wagons for their own use.

Mr. GREEN of Iowa. And then the gentleman reduces the tax on accessories by one-half.

Mr. McLAUGHLIN of Michigan. Yes; but that is another item.

Mr. GARNER of Texas. How much is the loss on accessories and tires?

Mr. McLAUGHLIN of Michigan. My proposition is to reduce the tax on accessories, parts, repairs, and so forth, from 5 per cent to 2½ per cent. The amount collected under that item last year was $40,875,000. One-half would be a reduction of $20,437,000.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. GARNER of Texas. Mr. Chairman, I ask unanimous consent that he may have five minutes more.

The CHAIRMAN. Is there objection?

Mr. DYER. Mr. Chairman, reserving the right to object, I would inquire of the gentleman who is in charge of the committee how long he expects to run this evening? I think this a very important matter.

Mr. GREEN of Iowa. We expect to get through with the automobile taxes.

Mr. DYER. I think the Members generally ought to have an opportunity to discuss these items. The Ways and Means Committee spent a great deal of time upon them. I think we ought to have an opportunity to discuss them and not have the matter jammed through simply after conferring with the chairman of the committee and the ranking member on the other side.

Mr. GREEN of Iowa. Oh, the conference has been with the whole committee.

Mr. DYER. This is one of the largest industries in the country and involves a great deal of important matter and discussion. I do not think we ought to continue at this hour.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. DYER. I object.

Mr. GARNER of Texas. Mr. Chairman, I ask for recognition.

Mr. DYER. I withdraw my objection, Mr. Chairman.

The CHAIRMAN. Without objection, the gentleman from Michigan will proceed for five minutes.

There was no objection.

Mr. GARNER of Texas. Mr. Chairman, will the gentleman yield?

Mr. McLAUGHLIN of Michigan. Yes.

Mr. GARNER of Texas. Let me ask the gentleman from Michigan, so that the committee may understand the situation. Apparently the House desires to consider the question of the reduction of taxes on autotrucks and parts. If I understand the gentleman from Michigan, he has conferred with his colleague [Mr. CLANCY], also with the gentleman from Iowa [Mr. GREEN], and with other members of the Committee on Ways and Means. It seems to be the unanimous agreement among these gentlemen, as well as the manufacturers of these automobiles and their representatives, that we adopt the gentleman's amendment, which will reduce the tax on trucks and wagons on a basis of $1,000 and under, and to cut the tax on tires and accessories in half, which will reduce the revenue about $23,000,000. Is that correct?

Mr. McLAUGHLIN of Michigan. That is correct.

Mr. GARNER of Texas. If that is agreeable to the committee, we could avoid a great deal of delay and debate if we would adopt this amendment and go on home. The idea has been to get through with these things this afternoon so that we could start on something else to-morrow.

Mr. WINGO. But we are not going to have any session to-morrow.

Mr. GARNER of Texas. Oh, then we could start in on Thursday without having three or four hours' debate. If the agreement of the committee is that we can reduce these taxes by $23,000,000, surely we can get through with this tax to-night. [Cries of "Vote!"]

Mr. KINDRED. Mr. Chairman, will the gentleman from Michigan yield?

Mr. McLAUGHLIN of Michigan. Yes.

Mr. KINDRED. My district is very much interested in the automobile industry. I understand the gentleman will exempt truck chassis which sell for $1,000 or under. A great many users of trucks buy the trucks without the chassis. Would they be exempted?

Mr. McLAUGHLIN of Michigan. We exempt trucks and wagons with chassis which sells for less than $1,000.

Mr. KINDRED. Suppose the chassis is not sold and the truck is sold?

Mr. McLAUGHLIN of Michigan. Oh, there is always a chassis with a truck.

Mr. KINDRED. Some have a chassis on hand, but not the body.

Mr. McLAUGHLIN of Michigan. I think they might not get the exemption.

Mr. LONGWORTH. Mr. Chairman, will the gentleman from Michigan yield to me for the purpose of making a request for unanimous consent?

Mr. McLAUGHLIN of Michigan. Yes.

Mr. LONGWORTH. Mr. Chairman, I am impressed with what the gentleman from Texas [Mr. GARNER] has said. To-morrow we meet for memorial services of the late President and we will adjourn immediately after that. It seems to me that we can save a great deal of time if we are agreed on what we are going to do, and therefore I ask unanimous consent that the vote may be had upon this paragraph and all amendments thereto in 10 minutes.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent that all debate upon the paragraph and all amendments thereto close in 10 minutes. Is there objection?

Mr. CLANCY. Mr. Chairman, I reserve the right to object with the understanding that I get an opportunity to speak for from three to five minutes. I am the man who made this agreement on this question.

Mr. DAVEY. Mr. Chairman, I have an amendment.

The CHAIRMAN. Is there objection?

Mr. DYER. Mr. Chairman, reserving the right to object, may I inquire of the gentleman from Iowa if this unanimous-consent request would include subparagraph (8)?

Mr. GREEN of Iowa. Yes; but if the gentleman cares about it, I should think the gentleman from Ohio [Mr. LONGWORTH] would be willing to omit that.

The CHAIRMAN. Is there objection?

Mr. DYER. I object.

The CHAIRMAN. Objection is heard.

Mr. CLANCY. Mr. Chairman, regular order!

The CHAIRMAN. The regular order is that the gentleman from Michigan [Mr. McLAUGHLIN] is recognized.

Mr. REED of New York. Mr. Chairman——

Mr. DENISON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DENISON. I would like to know who has the floor and who is entitled to it?

The CHAIRMAN. The gentleman from Michigan [Mr. McLAUGHLIN] has two minutes remaining, if he cares to use them.

Mr. LONGWORTH. Mr. Chairman, will the gentleman yield to me?

Mr. McLAUGHLIN of Michigan. I yield to the gentleman from Ohio. I do not care to occupy the floor at all, except to answer questions.

Mr. LONGWORTH. Mr. Chairman, I ask unanimous consent that all debate on paragraphs 1, 2, and 3, and all amendments thereto, close at 6 o'clock.

Mr. O'CONNOR of Louisiana. Mr. Chairman, I object.

Mr. CLANCY. Mr. Chairman, I think I could clarify the situation if I got the floor.

Mr. McLAUGHLIN of Michigan. I do not care to occupy the floor, except to answer questions.

Mr. GREEN of Iowa. Mr. Chairman, I move that all debate on paragraphs 1, 2, and 3, and all amendments thereto, close at 6 o'clock.

Mr. DENISON. Mr. Chairman, I want to amend that motion by making it 6.30.

The CHAIRMAN. The gentleman from Iowa moves that all debate on subsections 1, 2, and 3, and all amendments thereto, close at 6 o'clock, and the gentleman from Illinois [Mr. DENISON] moves to amend that motion by making it 6.30.

Mr. O'CONNOR of Louisiana. Mr. Chairman, I desire to be heard in opposition to the motion.

Mr. TILSON. It is not debatable.

Mr. O'CONNOR of Louisiana. I would like to have the Chair rule on it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. DENISON] to the motion of the gentleman from Iowa.

The question was taken, and the amendment to the motion was rejected.

The CHAIRMAN. The question is on the motion of the gentleman from Iowa.

Mr. O'CONNOR of Louisiana. Mr. Chairman, I demand recognition for a moment. I put to the Chair a parliamentary inquiry, and the Chair absolutely ignored the inquiry I made. I believe I am entitled to that courtesy to be heard from the Chair and not some one of the mutual admiration society on the floor of this House. [Laughter.]

The CHAIRMAN. The Chair did not understand the gentleman from Louisiana when he addressed the Chair with a parliamentary inquiry.

Mr. O'CONNOR of Louisiana. I said enough to lead the Chair to believe to the contrary.

The CHAIRMAN. The gentleman will realize that in the existing confusion here it is sometimes difficult to understand exactly what the parliamentary situation is. Section 6 of Rule XXIII is as follows:

> The committee may, by the vote of a majority of the Members present, at any time after the five minutes' debate has begun upon proposed amendments to any section or paragraph of a bill, close all debate upon such section or paragraph or, at its election, upon the pending amendments only (which motion shall be decided without debate); but this shall not preclude further amendment, to be decided by debate.

So that there is no further debate.

Mr. DAVEY. Mr. Chairman, I offer a further amendment to the motion that the debate close at 6.15.

The CHAIRMAN. The gentleman from Ohio moves an amendment to the motion of the gentleman from Iowa that the debate close at 6.15 on these three subsections. The question is on agreeing to the amendment of the gentleman from Ohio to the motion of the gentleman from Iowa [Mr. GREEN].

The question was taken, and the amendment to the motion was rejected.

The CHAIRMAN. The question now recurs on the motion of the gentleman from Iowa that all debate on the subsections named and all amendments thereto close at 6 o'clock.

The motion was agreed to.

Mr. McKEOWN. Mr. Chairman, I make the point of order that there is no quorum present.

Mr. CLANCY. Mr. Chairman——

Mr. DENISON. Mr. Chairman, I offer a substitute to the amendment of the gentleman from Michigan [Mr. McLAUGHLIN].

Mr. McKEOWN. I mean to make the point of no quorum.

Mr. CLANCY. Mr. Chairman, unless I get recognition pretty soon I will make the point of no quorum.

Mr. TILSON. I make the point of order, Mr. Chairman, that the point of order is dilatory, because it is evident that there is a quorum present.

The CHAIRMAN. The gentleman from Oklahoma [Mr. MCKEOWN] makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and thirty-eight Members are present—a quorum.

Mr. DYER. Mr. Chairman, I move that the committee do now rise.

Mr. RAMSEYER. I make the point of order, Mr. Chairman, that the gentleman from Illinois has the floor and can not be taken off the floor by a motion to rise.

The CHAIRMAN. Yes. The gentleman from Illinois [Mr. DENISON] has the floor, and can not be taken off the floor by a motion that the committee rise. The Clerk will report the substitute offered by the gentleman from Illinois [Mr. DENISON].

The Clerk read as follows:

Amendment offered by Mr. DENISON as a substitute for the amendment offered by Mr. MCLAUGHLIN of Michigan: Page 166, line 11, strike out all after line 11 down to and including line 24, and substitute in lieu thereof the following:

"(1) Automobiles (including tires, inner tubes, parts, and accessories therefor, sold on or in connection therewith or with the sale thereof), except tractors, 3 per cent of the amount by which the price for which they are sold or leased exceeds $1,000 and does not exceed $3,000;

"(2) Automobiles (including tires, inner tubes, parts, and accessories therefor, sold on or in connection therewith or with the sale thereof), except tractors, 5 per cent of the amount by which the price for which they are sold or leased exceeds $3,000;

Mr. DENISON. Mr. Chairman, I have not consulted either the gentleman from Texas [Mr. GARNER] or anyone else about this amendment I have offered. I am simply presenting it to the committee for whatever it may be worth.

In effect this substitute strikes out of the bill the provision that levies a tax on automobile trucks and automobile wagons, and removes the tax entirely from those, and it also strikes out of the bill paragraph No. 3, the tax on automobile parts and accessories, and leaves the tax 3 per cent on the sale price of automobiles that are sold for between $1,000 and $3,000 and 5 per cent on automobiles the sale price of which is above $3,000. If my amendment is adopted, all taxes would be removed from automobiles that sell for less than $1,000.

Mr. NEWTON of Minnesota. Mr. Chairman, will the gentleman yield there?

Mr. DENISON. Yes.

Mr. NEWTON of Minnesota. I wanted to get an idea from the gentleman as to how this affects the revenue.

Mr. DENISON. I have read the hearings carefully, and I get what information I have from the printed hearings. By eliminating paragraph 3 from the bill and repealing all taxes on automobile parts and accessories we would lose about $40,000,000 a year in revenues. Eliminating the tax on automobile trucks and wagons would cost us about $11,700,000 in revenues. By removing the taxes entirely from automobiles that sell for less than $1,000 and by reducing the taxes to 3 per cent on automobiles that sell for more than $1,000 and less than $3,000 would cost us an indefinite amount of revenue. I have no estimate of the exact amount. The present tax on automobiles yields about $92,000,000 in revenues. Possibly my amendment would reduce that amount by about one-fourth or one-fifth.

Mr. COOPER of Wisconsin. Will the gentleman read the language which he says will remove the tax on automobile parts?

Mr. DENISON. I strike it out of the bill entirely. My idea is this: I think the time has come when Congress ought to quit trying to run the Government on automobiles. I feel we ought to take all taxes off of trucks and automobile wagons; they are not luxuries any more; they are things which people have to have to make a living; they are used to carry children to and from schools, and they are used in businesses of different kinds; they are used on the farms, around the factories, and for transportation purposes, and it seems to me Congress ought to try to find some way of financing the Government otherwise than by pyramiding taxes on automobile trucks and automobile wagons, and on automobile parts and accessories.

Mr. GARNER of Texas and Mr. CLANCY rose.

Mr. DENISON. Mr. Chairman, I believe I have the floor.

Mr. GARNER of Texas. I thought the gentleman had yielded the floor.

Mr. DENISON. I had not intended to do so until my time was up. I think the most indefensible tax in this whole bill is the tax on trucks and automobiles and automobile parts.

Mr. MCLAUGHLIN of Michigan. Mr. Chairman, would it be in order to prefer a unanimous-consent request?

Mr. DENISON. Mr. Chairman, I would like to know who has the floor. The gentleman from Texas has occupied about half the time to-day and I would like to have five minutes.

Mr. NEWTON of Minnesota. This ought not to come out of the gentleman's time.

Mr. KNUTSON. The gentleman has been interrupted during almost all of his time, and the gentleman has two minutes of actual time left.

Mr. DENISON. Mr. Chairman, I started to say that if there is any justification at all for continuing the tax on automobiles when they are sold, I can not see any justification at all for longer imposing this tax on repair parts. [Applause.] And that part of this bill ought to be stricken out entirely, because Congress ought not to try to finance the Government on the people's necessities and misfortunes.

There are now 15,000,000 automobiles in use in this country and 4,500,000 of these are owned by farmers. Possibly three or four times that many persons are using them for pleasure or recreation or for business or professional purposes. When the country was at war it was all right to levy a heavy tax on that many people. But we ought not to do so now. If you will adopt my amendment you will remove a heavy tax burden from a great number of our people who are least able and ought not to longer have to bear it.

Mr. DYER. Mr. Chairman, I move that the committee do now rise.

The question was taken; and on a division (demanded by Mr. DYER) there were—ayes 44, noes 76.

Mr. DYER. Mr. Chairman, I ask for tellers.

Mr. CRISP. Mr. Chairman, I make the point of order that the motion is dilatory and is made for the purpose of cutting off debate and preventing the gentleman from Michigan [Mr. CLANCY] from debating the amendment. There is a question of honor involved in it, because an agreement was made with the gentleman.

Mr. CLANCY. I made an honorable agreement with you gentlemen.

The CHAIRMAN. Those in favor of ordering tellers will rise and stand until counted. [After counting.] A sufficient number have risen, and tellers are ordered.

The CHAIRMAN appointed as tellers Mr. DYER and Mr. CRISP.

Mr. LONGWORTH. Mr. Chairman, may I make a unanimous-consent request? I ask unanimous consent that notwithstanding the fact that a time limit has been fixed, the gentleman from Michigan [Mr. CLANCY] may be permitted to proceed for five minutes.

The CHAIRMAN. The gentleman from Ohio, during a division of the committee, asks unanimous consent that the gentleman from Michigan [Mr. CLANCY] may proceed for five minutes notwithstanding the time limit fixed. Is there objection?

Mr. YOUNG. Mr. Chairman, I object.

The CHAIRMAN. The gentleman from North Dakota objects.

Mr. GARRETT of Tennessee. Mr. Chairman, is it in order to propound a parliamentary inquiry pending the vote?

The CHAIRMAN. The Chair is rather of opinion that a parliamentary inquiry would not be proper while the Members are passing through the tellers. The Chair has already ordered the tellers to take their places and the ayes to pass through. The ayes will pass between the tellers and be counted.

The committee again divided; and the tellers reported—ayes 22, noes 36.

So the motion was rejected.

Mr. OLDFIELD. Mr. Chairman, has all debate closed under this motion?

The CHAIRMAN. Under the motion the debate closed at 6 o'clock.

Mr. OLDFIELD. Mr. Chairman, I would like to ask unanimous consent to proceed for two minutes.

Mr. BEGG. I object.

Mr. MOORE of Virginia. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman from Arkansas asks unanimous consent to proceed for two minutes. Is there objection?

Mr. BEGG. I object.

The CHAIRMAN. The Chair hears none.

Mr. OLDFIELD. Mr. Chairman——

The CHAIRMAN. The committee will be seated.

Mr. BEGG. Mr. Chairman, I objected twice to that unanimous-consent request.

The CHAIRMAN. That may be true, but the Chair did not hear it.

Mr. BEGG. I will submit it to the House.

Mr. OLDFIELD. I have the floor, Mr. Chairman.

Mr. BEGG. Mr. Chairman, I make the point of order——

The CHAIRMAN. If the gentleman from Ohio says that he was objecting, the Chair will put the request again.

Mr. BEGG. I will leave it to the House. I will not even say so.

The CHAIRMAN. The gentleman from Arkansas asks unanimous consent to proceed for two minutes. Is there objection?

Mr. BEGG. I object.

Mr. MOORE of Virginia. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. MOORE of Virginia. I make this inquiry, Mr. Chairman. It was voted to close the debate at a certain time, but it was perfectly obvious that at least five minutes of that time was taken up in conversation between Members and the Chair. That being the case, does not the Chair think it is within the spirit of what the House intended that the debate should be extended at least five minutes? [Cries of "No!" "No!"]

The CHAIRMAN. The Chair will state the situation. The motion was stated very plainly that all debate on these three subsections close at a definite hour, namely, 6 o'clock. It was not 10 minutes or 15 minutes or any other time but a certain hour. That hour having arrived, under the Chair's construction of it, the time for debate has expired.

Mr. LaGUARDIA. Mr. Chairman, I ask unanimous consent that the gentleman from Michigan [Mr. CLANCY] may proceed for five minutes.

Mr. FREE. I object.

Mr. GARRETT of Tennessee. Mr. Chairman, I ask unanimous consent that I may proceed, not upon the subject, for three minutes.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent to proceed for five minutes out of order. Is there objection?

Mr. YOUNG. I object.

Mr. BEGG. I object.

Mr. LONGWORTH. I hope no gentleman on this side of the aisle will object to the leader of the minority having time.

Mr. BEGG. I will reserve the right to object.

Mr. YOUNG. I withdraw the objection.

Mr. BEGG. I reserve the right to object.

Mr. YOUNG. Is it about this parliamentary situation?

Mr. GARRETT of Tennessee. It is.

Mr. YOUNG. Then I object.

Mr. CRISP. Mr. Chairman, a parliamentary inquiry. I voted in the affirmative to close debate at 6 o'clock. This is the day that motion was made; is it in order for me to enter a motion to reconsider the vote by which the committee closed debate at 6 o'clock?

The CHAIRMAN. Not in Committee of the Whole.

Mr. CLANCY. Mr. Chairman, a parliamentary inquiry. I made an honorable agreement with the dean of the Michigan delegation to give him credit for the battle I have carried on for the repeal of these taxes. The understanding was that I would be allowed a few minutes to back him up. This honorable agreement——

Mr. BEGG. Regular order, Mr. Chairman.

The CHAIRMAN. The regular order is asked.

Mr. CLANCY. All I wanted to do with the two minutes——

The CHAIRMAN. The question is on the substitute offered by the gentleman from Illinois [Mr. DENISON].

The question was taken, and the motion was not agreed to.

Mr. DAVEY. Mr. Chairman, I have an amendment.

Mr. GARRETT of Tennessee. Mr. Chairman, I move the committee do now rise.

The CHAIRMAN. The question is on the motion of the gentleman from Tennessee that the committee do now rise.

The question was taken; and on a division (demanded by Mr. LONGWORTH) there were—ayes 82, noes 58.

Mr. GREEN of Iowa. Tellers, Mr. Chairman.

Tellers were ordered, and the Chair appointed as tellers Mr. GREEN of Iowa and Mr. GARRETT of Tennessee.

The committee again divided; and the tellers reported that there were 86 ayes and 59 noes.

So the motion to rise was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. GRAHAM of Illinois, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 6715, the revenue bill, and had come to no resolution thereon.

DISPENSING WITH CALENDAR WEDNESDAY.

Mr. LONGWORTH. Mr. Speaker, I am not entirely convinced as to the order for the memorial to-morrow and whether it included dispensing with Calendar Wednesday. Therefore to make certain I ask unanimous consent that the business on Calendar Wednesday, to-morrow, may be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

HOUR OF MEETING ON THURSDAY NEXT.

Mr. GREEN of Iowa. Mr. Speaker, I ask unanimous consent that when the House adjourn to-morrow it adjourn to meet on Thursday at 11 o'clock a. m.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

Mr. GARNER of Texas. Reserving the right to object, I want to ask the gentleman from Iowa and the gentleman from Ohio when they hope to conclude the consideration of this bill?

Mr. GREEN of Iowa. On Friday.

Mr. GARNER of Texas. I would like to have some sort of an agreement, for we are entitled to have as much knowledge on this side as to when you are to conclude the consideration of it as you have. I do not ask any advantage, I am asking this for the purpose of keeping you from taking advantage.

Mr. LONGWORTH. I will say that the gentleman has not so much difficulty in keeping his colleagues here as we seem to have on this side.

Mr. GARNER of Texas. I agree that we are a little more loyal.

Mr. LONGWORTH. It is not a question of loyalty, but because you are tied up tighter.

Mr. GREEN of Iowa. I will agree that there shall be no vote taken before Friday.

Mr. GARNER of Texas. But do you expect to have a vote on Friday?

Mr. GREEN of Iowa. I hope so.

Mr. GARNER of Texas. With that statement, Mr. Speaker, I have no objection to meeting at 11 o'clock.

The SPEAKER. Is there objection?

There was no objection.

ENROLLED BILLS SIGNED.

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills and joint resolutions of the following titles, when the Speaker signed the same:

S. 2189. An act granting the consent of Congress to the State highway department of North Carolina to construct a bridge across the Peedee River in North Carolina between Anson and Richmond Counties;

H. R. 3198. An act to authorize the States of Alabama and Georgia, through their respective highway departments, to construct and maintain a bridge across the Chattahoochee River at or near Eufaula, Ala., connecting Barbour County, Ala., and Quitman County, Ga.;

S. J. Res. 83. Joint resolution for the appointment of one member of the Board of Managers of the National Home for Disabled Volunteer Soldiers; and

S. J. Res. 84. Joint resolution making appropriation for contingent expenses of the United States Senate, fiscal year 1924.

THE IMMIGRATION BILL.

Mr. KIESS. Mr. Speaker, I present a privileged resolution from the Committee on Printing.

The Clerk read as follows:

House Resolution 185.

Resolved, That in accordance with paragraph 3 of section 1 of the printing act approved March 1, 1907, the Committee on Immigration and Naturalization of the House of Representatives be, and is hereby, authorized and empowered to have printed 600 additional copies of the hearings before said committee of the Sixty-eighth Congress, first session, on bills relating to restriction of immigration.

The resolution was agreed to.

ADJOURNMENT.

Mr. GREEN of Iowa. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 15 minutes p. m.) the House adjourned until to-morrow, Wednesday, February 27, 1924, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

378. A communication from the President of the United States, transmitting a communication from the Secretary of the Treasury and the Acting Director of the Bureau of the Budget, submitting a claim of the Powell Grocery Co., Asheville, N. C., against the United States, for damages caused by the negligence of an employee of the Public Health Service in the sum of $201.25, which requires an appropriation for its payment (H. Doc. No. 206); to the Committee on Appropriations and ordered to be printed.

379. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, reports on preliminary examination and survey of Glencove Creek, N. Y. (H. Doc. No. 207); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

380. A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation, "that the Secretary of War be, and he is hereby, authorized and directed to transfer to the Treasury Department for quarantine purposes that portion of La Costa Island, Fla., occupied by the Treasury Department as a quarantine station under revocable license from the War Department dated January 27, 1903"; to the Committee on Military Affairs.

381. A letter from the Secretary of War, transmitting a draft of proposed legislation "for the relief of the Keene Chemical Co."; to the Committee on Claims.

382. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of Fortescue Creek, N. J.; to the Committee on Rivers and Harbors.

383. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of Tillamook River, Oreg.; to the Committee on Rivers and Harbors.

384. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, reports on preliminary examination and survey of Frankfort Harbor, Mich. (H. Doc. No. 208); to the Committee on Rivers and Harbors and ordered to be printed, with illustration.

385. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of Delaware River from Trenton, N. J., to Easton, Pa.; to the Committee on Rivers and Harbors.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. JOST: Committee on the District of Columbia. H. R. 3689. A bill to amend the insurance laws of the District of Columbia; with amendments (Rept. No. 231). Referred to the Committee of the Whole House on the state of the Union.

Mr. KELLY: Committee on the Post Office and Post Roads. H. R. 6352. A bill to authorize the Postmaster General to fix the fees chargeable for registration of mail matter, and for other purposes; with amendments (Rept. No. 232). Referred to the Committee of the Whole House on the state of the Union.

Mr. ROBSION of Kentucky: Committee on Pensions. H. R. 7934. A bill to pension soldiers and sailors of the war with Spain, the Philippine insurrection, or the China relief expedition; without amendment (Rept. No. 233). Referred to the Committee of the Whole House on the state of the Union.

Mr. PERLMAN: Committee on the Judiciary. H. R. 3318. A bill to provide for the appointment of two additional judges of the District Court of the United States for the Southern District of New York; without amendment (Rept. No. 234). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. WEFALD: A bill (H. R. 7297) to authorize the acquisition of a site and the erection of a Federal building at Thief River Falls, Minn.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 7298) to authorize the acquisition of a site and the erection of a Federal building at Detroit, Minn.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 7299) to authorize the acquisition of a site and the erection of a Federal building at Hallock, Minn.; to the Committee on Public Buildings and Grounds.

By Mr. BUCKLEY: A bill (H. R. 7300) for the purchase of a post-office site and the erection thereon of a suitable building at Maywood, Ill.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 7301) for the purchase of a site and the erection thereon of a public building at Oak Park, Ill.; to the Committee on Public Buildings and Grounds.

By Mr. SEARS of Florida: A bill (H. R. 7302) to authorize the establishment of a Coast Guard station on the coast of Florida at or in the vicinity of Lake Worth Inlet; to the Committee on Interstate and Foreign Commerce.

By Mr. FULLER: A bill (H. R. 7303) to increase pensions of persons who served in the Army, Navy, or Marine Corps of the United States during the Civil War, and of widows and former widows of such persons, and Army nurses of said war; to the Committee on Invalid Pensions.

By Mr. LINEBERGER: A bill (H. R. 7304) to amend paragraph (c) of section 2 of the act approved May 26, 1922, and known as the narcotic drugs import and export act, and for other purposes; to the Committee on Ways and Means.

By Mr. SABATH: A bill (H. R. 7305) to purchase a site west of the Chicago River for the erection of a post-office building and to erect a post-office building thereon in the city of Chicago, Ill.; to the Committee on Public Buildings and Grounds.

By Mr. KUNZ: A bill (H. R. 7306) to purchase a site west of the Chicago River for the erection of a post-office building and to erect a post-office building thereon in the city of Chicago, Ill.; to the Committee on Public Buildings and Grounds.

By Mr. WINSLOW: A bill (H. R. 7307) to impose civil liability under certain circumstances upon owners of motor vehicles operated in the Canal Zone; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 7308) to provide for the method of measurement of vessels using the Panama Canal; to the Committee on Interstate and Foreign Commerce.

By Mr. MOREHEAD: A bill (H. R. 7309) to provide for the acquirement of a site and the erection of a Federal building at Pawnee City, Nebr.; to the Committee on Public Buildings and Grounds.

By Mr. FULMER: A bill (H. R. 7310) to prevent bucketing and illegal practices in bucket shops and exchanges in buying and selling stocks, bonds, debentures, cotton, corn, wheat, etc., to be known as United States antibucketing act; to the Committee on the Judiciary.

By Mr. FENN: A bill (H. R. 7311) for the registration of motor vehicles; to the Committee on Ways and Means.

By Mr. LANGLEY: A bill (H. R. 7312) to increase the pensions of those who have lost limbs or have been totally disabled in the same in the military or naval service of the United States; to the Committee on Invalid Pensions.

By Mr. BULWINKLE: A bill (H. R. 7313) to authorize the acquisition of a site and the erection thereon of a Federal building at Lincolnton, N. C.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 7314) to authorize the acquisition of a site and the erection thereon of a Federal building at Kings Mountain, N. C.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 7315) to authorize the acquisition of a site and the erection thereon of a Federal building at Newton, N. C.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 7316) to authorize the acquisition of a site and the erection thereon of a Federal building at Morganton, N. C.; to the Committee on Public Buildings and Grounds.

By Mr. HARRISON: A bill (H. R. 7317) to provide for the erection of a post-office building at Woodstock, Va.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 7318) to provide for the erection of a post-office building at Luray, Va.; to the Committee on Public Buildings and Grounds.

By Mr. FAIRFIELD: A bill (H. R. 7319) to amend the organic act of the Philippine Islands, approved August 29, 1916; to the Committee on Insular Affairs.

By Mr. JOHNSON of South Dakota: A bill (H. R. 7320) to amend the acts entitled "The war risk insurance act," "An act to establish a Veterans' Bureau," and "The vocational training act"; to the Committee on World War Veterans' Legislation.

By Mr. BECK: A bill (H. R. 7321) to incorporate the United States Agricultural Cooperative Marketing Association, to provide for a national cooperative marketing system, and for other purposes; to the Committee on Agriculture.

By Mr. STALKER: A bill (H. R. 7322) to enlarge and extend the post-office building at Ithaca, N. Y.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 7323) to authorize the enlargement, extension, and remodeling of the Federal building at Elmira, N. Y.; to the Committee on Public Buildings and Grounds.

By Mr. McKEOWN: A bill (H. R. 7324) to carry into effect the twelfth article of the treaty between the United States and the Loyal Shawnee and Loyal Absentee Shawnee Tribes of Indians proclaimed October 14, 1868; to the Committee on Indian Affairs.

By Mr. ANDREW: Concurrent resolution (H. Con. Res. 13) recommending that appropriate durable crosses, giving the same general effect as the wooden crosses, be designed and prepared for the graves in the American military cemeteries overseas, and that the present crosses be retained in those cemeteries until such crosses can be provided and erected; to the Committee on Military Affairs.

By Mr. ROSENBLOOM: Resolution (H. Res. 195) providing for an assistant clerk to the Committee on Enrolled Bills; to the Committee on Accounts.

By Mr. LITTLE: Resolution (H. Res. 196) offering a reward of $500, to be paid out of the contingent funds of the House of Representatives, for the arrest and conviction of the party who struck Mrs. Carrie Harris by automobile as she was getting off a street car on the morning of February 26, 1924; to the Committee on Accounts.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. COOK: A bill (H. R. 7325) granting a pension to Louisa Pennisten; to the Committee on Invalid Pensions.

By Mr. COOPER of Ohio: A bill (H. R. 7326) granting a pension to Lillian Ramsdell; to the Committee on Invalid Pensions.

By Mr. DOWELL: A bill (H. R. 7327) granting a pension to Elizabeth Couch; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7328) granting a pension to Polly Garbison; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7329) granting a pension to Edith Vore; to the Committee on Invalid Pensions.

By Mr. DOYLE: A bill (H. R. 7330) granting an increase of pension to Michael Quinian; to the Committee on Pensions.

By Mr. FAUST: A bill (H. R. 7331) granting a pension to Herman Mantler; to the Committee on Pensions.

By Mr. GIBSON: A bill (H. R. 7332) granting a pension to Augusta M. Moseley; to the Committee on Invalid Pensions.

By Mr. GLATFELTER: A bill (H. R. 7333) granting a pension to Lizzie Krebs; to the Committee on Invalid Pensions.

By Mr. HOWARD of Oklahoma: A bill (H. R. 7334) for the relief of Carl Puckett; to the Committee on Indian Affairs.

By Mr. HUDSPETH: A bill (H. R. 7335) granting a pension to Lemuel Gunter; to the Committee on Pensions.

By Mr. JOHNSON of Kentucky: A bill (H. R. 7336) granting a pension to James Self; to the Committee on Invalid Pensions.

By Mr. KNUTSON: A bill (H. R. 7337) granting a pension to Reka Butts; to the Committee on Invalid Pensions.

By Mr. LEAVITT: A bill (H. R. 7338) authorizing the Secretary of War to donate to the city of Great Falls, Mont., two German cannons or fieldpieces; to the Committee on Military Affairs.

By Mr. LEE of Georgia: A bill (H. R. 7339) granting an increase of pension to Charles S. Kinman; to the Committee on Pensions.

By Mr. LITTLE: A bill (H. R. 7340) for the relief of Charles W. Peppers; to the Committee on Claims.

By Mr. LONGWORTH: A bill (H. R. 7341) granting a pension to Harrett Schell; to the Committee on Pensions.

By Mr. MacGREGOR: A bill (H. R. 7342) granting a pension to Dorothy D. Grabenstatter; to the Committee on Pensions.

By Mr. MAGEE of Pennsylvania: A bill (H. R. 7343) for the relief of Charles Spanik; to the Committee on Claims.

By Mr. OLDFIELD: A bill (H. R. 7344) to authorize the National Society United States Daughters of 1812 to place a bronze tablet on the Francis Scott Key Bridge; to the Committee on the Library.

By Mr. PERLMAN: A bill (H. R. 7345) for the relief of Edward C. Roser; to the Committee on Claims.

By Mr. ROACH: A bill (H. R. 7346) granting a pension to Elizabeth Busick; to the Committee on Invalid Pensions.

By Mr. STALKER: A bill (H. R. 7347) granting a pension to Delnora Deuel; to the Committee on Invalid Pensions.

By Mr. SULLIVAN: A bill (H. R. 7348) granting an increase of pension to John M. Gartrell; to the Committee on Pensions.

By Mr. VARE: A bill (H. R. 7349) to award a medal of honor to Capt. Jacques M. Swaab; to the Committee on Military Affairs.

By Mr. WILLIAMS of Texas: A bill (H. R. 7350) for the relief of J. H. Wallace; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1359. By Mr. ALDRICH: Protest of What Cheer Lodge, No. 183, I. O. B. S., of Providence, R. I., against passage of the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1360. By Mr. ANDREW: Petition of Eliot School Alumni Association, of Boston, Mass., protesting against passage of Johnson immigration bill; to the Committee on Immigration and Naturalization.

1361. Also, petition of Sisterhood and the Men's Club of the Congregation Beth Hamadrash Hagodol, Crawford Street, Roxbury, Mass., protesting against passage of Johnson immigration bill; to the Committee on Immigration and Naturalization.

1362. By Mr. ARNOLD: Petition of sundry citizens of Wabash County, Ill., favoring a repeal of the war tax on motor vehicles and repair parts, etc.; to the Committee on Ways and Means.

1363. By Mr. BLOOM: Petition of John J. Boylan, secretary New York Letter Carriers' Association, of New York, N. Y., indorsing Edge-Kelly bill; to the Committee on the Post Office and Post Roads.

1364. By Mr. COOPER of Wisconsin: Petition of the University Cabinet of the National University in the city of Manila, P. I., favoring the passage of joint resolution introduced in the House of Representatives by Mr. Cooper of Wisconsin, entitled "Joint resolution to enable the people of the Philippine Islands to form a constitution and national government, and to provide for the recognition of their independence"; to the Committee on Insular Affairs.

1365. By Mr. CRAMTON: Petition of Constance Bement, librarian, and other employees of the public library at Port Huron, Mich., urging passage of the Edge-Kelly bill (H. R. 4123), a bill providing for an increase and readjustment of the salaries of post-office employees; to the Committee on the Post Office and Post Roads.

1366. Also, petition of Mrs. Austa M. Cox, State chairman of conservation, Michigan State Federation of Women's Clubs, Ann Arbor, Mich., on behalf of her organization, urging passage of the bill to establish a national wild life refuge on the upper Mississippi River; to the Committee on Agriculture.

1367. Also, petition of J. F. Powley and other residents of Deckerville, Mich., urging more stringent restrictions of immigration; to the Committee on Immigration and Naturalization.

1368. Also, petition of D. C. McLean and other residents of Deckerville, Mich., in behalf of more stringent restriction of immigration; to the Committee on Immigration and Naturalization.

1369. By Mr. FENN: Petition to accompany House bill 7311, for the registration of motor vehicles; to the Committee on Ways and Means.

1370. By Mr. FULLER: Petition of the Commercial Travelers' Mutual Accident Association of America, favoring reduction of drop-letter postage to 1 cent, increase of second-class rates, and legislation requiring each class of mail to pay cost of service; to the Committee on the Post Office and Post Roads.

1371. By Mr. GALLIVAN: Petition of Amshey Dowig Lodge, No. 354, I. O. B. A., Boston, Mass., protesting against Johnson immigration bill; to the Committee on Immigration and Naturalization.

1372. Also, petition of Joseph Middleby, jr. (Inc.), Boston, Mass., recommending early and favorable consideration of House bill 5552, which provides salary increases for postal employees; to the Committee on the Post Office and Post Roads.

1373. Also, petition of the Fish Rubber Co., Chicopee Falls, Mass., recommending repeal of subdivision 8, section 900, Title IX, of the revenue act of 1921, imposing a tax of 5 per cent on tires, inner tubes, etc.; to the Committee on Ways and Means.

1374. By Mr. GARBER: Resolution of the Rock Island Mechanical Foremen's Association, of Shawnee, Okla., condemning any effort to amend or modify or restrict the Esch-Cummings law; to the Committee on Interstate and Foreign Commerce.

1375. Also, petition from citizens of Cimarron County, Okla., for removal or reduction of nuisance and war taxes; to the Committee on Ways and Means.

1376. Also, petition of the Oklahoma Wheat Growers' Association of Enid, Okla., protesting against the McNary-Haugen bill; to the Committee on Agriculture.

1377. By the SPEAKER: Petition of 159 citizens of the town of Easthampton, Mass., favoring the passage of the adjusted compensation bill; to the Committee on Ways and Means.

1378. By Mr. KIESS: Petition of citizens of Jersey Shore, Pa., favoring House bill 2702 and Senate bill 742, proposing that all strictly military supplies be manufactured in Government-owned navy yards and arsenals and providing

for the stabilizing of production and employment in Government industrial establishments by the use of these plants for the manufacture of articles required by other departments of the Government; to the Committee on Naval Affairs.

1379. By Mr. MACGREGOR: Petition of the Montemaggiorese Republican Club, of Buffalo, N. Y., protesting against the passage of the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1380. By Mr. MORROW: Petition of Gallup Board of Education, Gallup, N. Mex., favoring the enactment of a Federal child labor law; to the Committee on the Judiciary.

1381. Also, petition of citizens of Las Cruces, N. Mex., favoring the reduction of the tax on industrial alcohol; to the Committee on Ways and Means.

1382. Also, petition of Gallup Board of Education, Gallup, N. Mex., favoring the limitation of the manufacture and distribution of habit-forming drugs; to the Committee on Interstate and Foreign Commerce.

1383. By Mr. NEWTON of Minnesota: Petition of Mr. Henry Johnstone and other citizens of Minneapolis, Minn., urging the Congress to enact into law legislation similar to that embraced in the Brookhart-Hull bill, requiring that all strictly military supplies be manufactured in Government-owned navy yards and arsenals, etc.; to the Committee on Naval Affairs.

1384. By Mr. O'CONNELL of Rhode Island: Petition of residents of Rhode Island, requesting repeal of motor-vehicle taxes; to the Committee on Ways and Means.

1385. By Mr. O'SULLIVAN: Petition of Naugatuck, Conn., Post 17, the American Legion, in favor of adjusted compensation measure; to the Committee on Ways and Means.

1386. By Mr. PATTERSON: Petition of 13 residents of Camden County, N. J., for repeal of war-excise taxes, including those on motor vehicles; to the Committee on Ways and Means.

1387. By Mr. ROBINSON of Iowa: Petition of employees of the Chicago, Rock Island & Pacific Railroad, Waterloo, Iowa, favoring the transportation act and asking that it be allowed to function without interference until it is proven that it is not a good piece of legislation; to the Committee on Interstate and Foreign Commerce.

1388. By Mr. SINCLAIR: Petition of Mississippi Division, Farm Labor Union of America, favoring the enactment of the Norris-Sinclair marketing bill; to the Committee on Agriculture.

1389. Also, petition of Mr. Henry W. Gill, deputy collector in charge of customs, and 11 others in Government service at Portal, N. Dak., in favor of a bill to abolish the personnel classification board and transfer its functions to the Civil Service Commission; to the Committee on the Civil Service.

1390. Also, petition of 68 residents of Crosby, N. Dak., and vicinity, in favor of the Norris-Sinclair marketing bill; to the Committee on Agriculture.

SENATE.

WEDNESDAY, *February 27, 1924.*

The Senate met at 11.45 o'clock a. m.

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father, we bless Thee for every day given unto us and for all of the privileges it may confer upon us. Help us to understand much more clearly the privilege of service and how we can best honor Thee and serve our country. Hear us as we anticipate further services in connection with a sad ceremony of thought and of serious contemplation. The Lord, our God, lead us always, through Christ Jesus. Amen.

The reading clerk proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. LODGE and by unanimous consent, the further reading was dispensed with and the Journal was approved.

CALL OF THE ROLL.

Mr. LODGE. Mr. President, I make the point of no quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Adams	Capper	Dill	Frazier
Ball	Colt	Edge	George
Bayard	Copeland	Edwards	Gerry
Brandegee	Couzens	Elkins	Gooding
Brookhart	Cummins	Ernst	Hale
Broussard	Curtis	Ferris	Harris
Bruce	Dale	Fess	Harrison
Cameron	Dial	Fletcher	Heflin
Howell	McNary	Ransdell	Stephens
Johnson, Minn.	Mayfield	Reed, Pa.	Swanson
Jones, N. Mex.	Moses	Robinson	Trammell
Jones, Wash.	Neely	Sheppard	Walsh, Mont.
Kendrick	Norbeck	Shipstead	Warren
Keyes	Norris	Shortridge	Watson
Ladd	Oddie	Simmons	Weller
La Follette	Overman	Smith	Wheeler
Lenroot	Pepper	Smoot	Willis
Lodge	Phipps	Spencer	
McKellar	Pittman	Stanfield	
McKinley	Ralston	Stanley	

The PRESIDENT pro tempore. Seventy-seven Senators having answered to their names, there is a quorum present.

MEMORIAL ADDRESS ON THE LATE PRESIDENT HARDING.

Mr. LODGE. Mr. President, in order to fulfill the terms of the concurrent resolution adopted by the Senate and the House by attending the ceremonies about to take place in memory of the late President Harding, I move, before we proceed to the Hall of the House, that the Senate adjourn.

The motion was agreed to; and the Senate (at 11.55 o'clock a. m.) adjourned until to-morrow, Thursday, February 28, 1924, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

WEDNESDAY, *February 27, 1924.*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Heavenly Father, hallowed be Thy name, lift upon us all the light of Thy holy countenance; establish Thou the work of our hands, the work of our hands establish Thou it. Through Christ. Amen.

MEMORIAL OF WARREN GAMALIEL HARDING.

The SPEAKER. The Clerk will read the resolution governing our action to-day.

The Clerk read as follows:

Concurrent Resolution 9.

Be it resolved by the House of Representatives (the Senate concurring), That the two Houses of Congress shall assemble in the Hall of the House of Representatives on the day and hour fixed by the joint committee, to wit, Wednesday, February 27, 1924, at 12 o'clock meridian, and that in the presence of the two Houses there assembled an address upon the life and character of Warren G. Harding, late President of the United States, be pronounced by Hon. Charles E. Hughes, and that the President pro tempore of the Senate and the Speaker of the House of Representatives be requested to invite the President and the two ex-Presidents of the United States, the former Vice President, the heads of the several departments, the judges of the Supreme Court, the ambassadors and ministers of foreign governments, the governors of the several States, the General of the Armies, and the Chief of Naval Operations to be present on that occasion; and be it further

Resolved, That the President of the United States be requested to transmit a copy of these resolutions to Mrs. Harding and to assure her of the profound sympathy of the two Houses of Congress for her deep personal affliction and of their sincere condolence for the late national bereavement.

The following was the official program of arrangements prepared by the joint committee of the two Houses:

MEMORIAL SERVICES FOR WARREN G. HARDING, FEBRUARY 27, 1924.

PROGRAM OF ARRANGEMENTS.

The Capitol will be closed on the morning of the 27th day of February, 1924, to all except Members and officers of Congress.

At half past 10 o'clock the east door leading to the rotunda will be opened to those to whom invitations have been extended under the joint resolution of Congress by the Presiding Officers of the two Houses, and to those holding tickets of admission to the galleries.

The Hall of the House of Representatives will be opened for the admission of those who have invitations, who will be conducted to the seats assigned to them, as follows:

The President of the United States and his Cabinet will occupy seats in front of and on the left of the Speaker.

The Chief Justice and Associate Justices of the Supreme Court will occupy seats in front of and on the right of the Speaker.

The General of the Armies and the Chief of Naval Operations will occupy seats back of the President and his Cabinet, on the left of the Speaker.

The ambassadors and ministers of foreign governments will occupy seats on the left of the Speaker in section A west.

The former Vice President and Senators will occupy seats back of the President and his Cabinet and the Supreme Court, and on the east and west side of the main aisle.

Governors of the several States will occupy seats on the right of the Speaker in section A east.

Representatives will occupy seats on the east and west side of the main aisle and back of the Senators and governors of the several States.

Ex-Members of the House will occupy seats assigned to them back of the Members.

The executive gallery will be reserved exclusively for the family of the President, the families of the Cabinet and of the Supreme Court, and the invited guests of the President.

The diplomatic gallery will be reserved exclusively for the families of the ambassadors and ministers of foreign governments. Tickets thereto will be delivered to the Secretary of State.

The House of Representatives will be called to order by the Speaker at 12 o'clock.

The Marine Band will be in attendance at half past 11 o'clock.

The Senate will assemble at 12 o'clock and, immediately after prayer, will proceed to the Hall of the House of Representatives.

The ambassadors and ministers will meet at half past 11 o'clock in the Ways and Means Committee room in the Capitol and be conducted to the seats assigned to them in section A, on the left of the Speaker.

The President of the Senate will occupy the Speaker's chair.

The Speaker of the House will occupy a seat at the left of the President of the Senate.

The Secretary of the Senate and the Clerk of the House will occupy seats next the Presiding Officers of their respective Houses.

The other officers of the Senate and of the House will occupy seats on the floor, at the right and left of the Speaker's chair.

The chairmen of the joint committee of arrangements will occupy seats at the right and left of the orator, and next to them will be seated the officiating clergymen.

Prayer will be offered by the Rev. James Shera Montgomery, Chaplain of the House of Representatives.

The Presiding Officer will then present the orator of the day.

The benediction will be pronounced by the Rev. J. J. Muir, Chaplain of the Senate.

FRANK B. WILLIS,
THEODORE E. BURTON,
Chairmen, Joint Committee.

The Doorkeeper, Mr. Bert W. Kennedy, announced

The President pro tempore and the Senate of the United States, the Chief Justice and the Associate Justices of the Supreme Court of the United States.

The ambassadors and ministers of foreign governments.

The President and the members of his Cabinet.

The SPEAKER. In pursuance of the arrangements made by the joint committee of Congress, the President pro tempore of the Senate will conduct the further proceedings of this joint meeting.

The PRESIDENT pro tempore of the Senate. The two Houses of Congress, with their invited guests, are assembled to pay a tribute to the memory of our late President, Warren G. Harding. You will now unite in prayer with the Reverend Doctor Montgomery, Chaplain of the House of Representatives.

The Rev. James Shera Montgomery, D. D., Chaplain of the House of Representatives, offered the following prayer:

Almighty God, consider and hear our prayer. In the midst of life's perils and uncertainties remember us. Thy ways are in the deep and Thy paths are in the mighty waters, yet Thy sovereignty over us is the sovereignty of love. May our Christian faith see through the shades and cleave steadfastly to Him who is the resurrection and the life. We pause with one accord in memory of him—the gentle, magnanimous husband, statesman, and patriot who has become a part of our Nation's history. Let this hour freshen our patriotism and deepen the springs of hope, faith, and devotion. Oh, hear us as we bestow the sweet and silent tokens of our affection and sorrow. He loved his country and his vision saluted a greater future for all humanity. May his simplicity, modesty, courage, and honor not willingly die out of our grateful hearts. Comfort her who sits in the shadows and yet in the glow of a wonderful memory. We commit her to Thy gracious, tender care. While there, with open page, answering love's unconscious call, to the last—a gentle smile and his own soul passed through the valley and became immortal. O Lord, our Lord, let the chambers of our hearts be hung with the visions of Jesus and His glory, and the wonder of His undying love shall echo and resound, and we shall be made secure from time and fate. Through Jesus Christ our Lord. Amen.

The PRESIDENT pro tempore of the Senate. It is now the agreeable duty of your presiding officer to present the Hon. Charles E. Hughes, who has been selected by a committee of Congress to deliver the address on this occasion.

The Hon. Charles E. Hughes then delivered the following address:

MEMORIAL ADDRESS IN HONOR OF THE LATE PRESIDENT HARDING.

We arrest our activities to pay tribute to the chosen leader who, well beloved and crowned with the most enviable honors that confidence and station can bestow, was taken from us in the midst of the administration of his trust and at the moment of the highest possibilities of service. It is fitting that we should render the official tribute of respect, but the significance of this occasion is far deeper than that. It is the tribute inspired by love of country, as laying aside the differences and controversies, which seem but trivial in the face of man's adventures and God's providence, we stand united by the indissoluble bonds of a common patriotism, knowing well that ungrateful republics can not endure. The temples of democracy will be but as vain vestiges of a vanished faith if their altar fires are not kept burning by the memory of those who have met the supreme test and have laid down their lives in heroic fidelity and self-sacrifice. But above all we give the tribute of the deep affection which moves us to speak in tender remembrance of a generous and kindly spirit who counted human fellowship more precious than all the pomp and circumstance of power. Not only those who had the privilege of intimacy but the vast multitude who bowed in grief at his passing had responded to the grace of his gentleness and called him brother and friend as well as President.

It was not a long life, and yet to go back to its beginning is to enter another world, to recall persons and events, governments, standards, and problems belonging to an epoch now definitely closed. When Warren Gamaliel Harding was born, on November 2, 1865, this country was standing aghast at the irreparable loss of the martyred Lincoln and confronted after the crisis of civil war and without his wise and generous leadership the suspicions, hatreds, and scandals of the period of reconstruction. In England the long career of Palmerston had ended and the first ministry of Gladstone had not yet begun. The conservatism which Bright and Gladstone were opposing was well evidenced by the shock caused by Gladstone's statement on the franchise: "I contend," said he, "that it is on those who say it is necessary to exclude forty-nine fiftieths of the working class that the burden of proof rests." In France Napoleon the Third was endeavoring to conceal the decadence of the Empire with a fatuous splendor. In Italy Cavour had been laying the foundation of Italian unity, but the essential successes of Victor Emanuel were yet to come. In Germany Bismarck was pressing to the fateful victories of Sadova and Sedan and with relentless will was forging the mechanism of German imperial power. Mill's Liberty and Darwin's Origin of Species had but recently appeared, and Das Kapital of Karl Marx was shortly to be published. The electric age was in its beginning and science was yet to win the victories which have given us the practical achievements of the gas engine, the moving picture, and the radio, more revolutionary than political theories.

Within the period of 55 years between his birth and his election to the Presidency the population of continental United States had risen from thirty-five millions to one hundred and six millions. The deep wounds left by the Civil War had been healed, and the Nation with the indomitable enthusiasm of a new and abiding sense of unity, solving one problem after another, superior to the strife of politics, the conspiracies of greed and the assaults of unreason, had steadily advanced to a prosperity and power such as a free people had never known before, and at its highest point of achievement and privilege had been able to bring its resources to the rescue of liberty itself. For in this same period old rivalries and conflicting interests had lavishly sown the seeds of conflict in Europe and the opportunities won by science and industry, ready to bless the millions of toilers with an orderly progress, were made to serve an insatiable lust of power, until in titanic struggle Europe was strewn with human wreckage, and now, with Romanoffs, Hapsburgs, and Hohenzollerns dethroned, amid economic disasters still unretrieved and hatreds still unquenched, with democracy saved but not assured, with many gloomy forebodings and yet with the potency and promise of vigorous and industrious peoples, is seeking earnestly readjustments, stability, and peace. A period has closed from which mankind will hereafter make its reckonings. It was at the very moment of transition that Warren G. Harding was called to leadership in this Republic.

He was equipped for his task by inheritance and training which were completely and typically American. He was neither helped nor hampered by exceptional environment. He suffered

neither from poverty nor from riches. His endowment was a keen mind and a strong body. Alert to opportunity, self-reliant, facile, and warm-hearted, he made his own way, owing his successes to his tireless persistence and his unquenchable ardor in living.

He belonged to the aristocracy of the plain people of this country. On his father's side he was of old colonial stock, going back to the Hardings who came from Scotland to Connecticut in the early part of the seventeenth century. He was directly descended from Nathan Harding, born in 1746 in Middle Haddam, part of what has been described as "that unique nutmeg section known as North, East, South, West, Middle, and other Haddams." The Hardings formed part of the migration which brought New England across the Alleghenies. They removed from Connecticut to Wyoming Valley, Pennsylvania, endured the hardships of frontier life, and did their part in the struggle for independence. The grandfather of Warren G. Harding pushed into Ohio and established himself on his own homestead clearing, near the village of Blooming Grove, in Morrow County. On that farm Warren G. Harding was born. His father not only cultivated the soil but studied medicine, taking up the arduous and useful life of the rural doctor. To this strong stock was united that of his mother, Phoebe Dickerson, of Dutch descent, belonging to the Van Kirk family of Pennsylvania, a woman of strong and noble character, profoundly religious.

It is easy to picture the life of a boy of such parentage and surroundings. It is the sort of life which has developed many of those who stand forth as the wisest and greatest of our statesmen. To those under the illusions of great cities it might seem unduly restricted. But it was the life of an individuality unsubmerged; of buoyant health nourished in the freedom of outdoors; of laborious tasks in winning sustenance from the soil where forest was being converted into farm; of the wholesome sports of an unspoiled boyhood on nature's playgrounds; of a daily routine shot through with a consciousness of responsibility and with the full understanding that boys had their share of the family burden and must find their place in the world by their own acumen and exertion. It was not a narrowing experience, for the ideals of education and refinement were never absent. There was attendance at the village school and later at the near-by college at Iberia. Warren was the eldest of eight children and must earn the money for his college course. So the days at school were interspersed with odd and varied undertakings—painting barns, driving teams, cutting corn, helping to grade the roadbed of the new railroad, and teaching at the district school. It was in the neighboring village of Caledonia that, as he said, he "first got printer's ink on his fingers." In the office of the Caledonia Argus he learned, while still a boy, to "stick type, feed press, make up forms, and wash rollers." When at 19 years of age he completed his college course, his father removed to Marion, and young Harding soon found his vocation as editor and publisher of a newspaper. Marion was then a town of 4,000 inhabitants and the Star was an infant daily with a slender hold on life. Warren Harding and a young friend acquired it with credit loaned by Warren's father, and the career of the journalist was begun.

Never was enterprise better suited to talent and temperament. It enlisted all his energies and excited an unbounded enthusiasm. Nothing was foreign to his efforts. He "deviled," set type, wrote, managed. He wrought with all the zest of adventure and with a rapidly developing facility. So long as he lived he never felt so much at ease as with a pencil in his hand. He had the advantage of a charming personality; he was strong, handsome, spirited. No disappointment could harden his heart; no trial could pervert his understanding or make him narrow or bitter.

It was in these early days that he was most blessed of fortune, winning the woman of his choice—Florence Kling—his partner in all his struggles and achievements, who with sagacity and never-failing loyalty worked by his side when opportunity was slender and only increased her efforts as his interests broadened, who brought rare grace and distinction to the discharge of the highest responsibilities, the sharer of every burden, his most trusted counselor, the companion of his soul, who with him forever will be enshrined in the memory of a grateful people.

The journalistic career affords the most valuable training school for public office because of its demand for the careful observation of events and tendencies, its opportunities for the intimate knowledge of politics, and the intelligent appraisal of policies. In a rapidly growing community, developing from a small town into a city, journalism is anything but impersonal. Of necessity young Harding was in touch with every interest of the community, throbbing with an expanding life. There could be no detachment; there was no place, as in the larger cities, for the mere looker-on with critical eye. The atmosphere was electric with enterprise. Trade was swiftly increasing, plants were being built and extended. New people were coming in to establish homes. These were the typical conditions revealing the American ideals of individual initiative and community cooperation, not the selfish individualism of those who seek to destroy their fellows, not the cooperation of groups aiming at an economic dominance, but the individualism which prizes equal opportunity and the cooperation which seeks to enhance that opportunity and thus to insure the prosperity of all. Young Harding identified his success with that of his town; he was a "booster," entering into every project of development, nursing every hope of expansion, whether industrial, commercial, religious, or philanthropic. He embodied the American spirit, carrying into the endeavors of the town the persistence and courage of his pioneer forbears who had made towns possible.

He was loyal to his political party and made a partisan paper successful. But it was indicative of his fine quality that the contests of politics, the rivalries of his journalistic world, the meanness of detractors and enemies never made him rancorous. He was ever Greatheart in newspaperdom. He not only had his principles but he codified and enforced them. This was his code as he proclaimed it for his paper:

> Remember there are two sides to every question. Get them both.
>
> Be truthful. Get the facts.
>
> Mistakes are inevitable, but strive for accuracy. I would rather have one story exactly right than a hundred half wrong.
>
> Be decent, be fair, be generous.
>
> Boost, don't knock.
>
> There is good in everybody. Bring out the good and never needlessly hurt the feelings of anybody.
>
> In reporting a political gathering give the facts, tell the story as it is, not as you would like to have it. Treat all parties alike. If there is any politics to be played, we will play it in our editorial columns.
>
> Treat all religious matter reverently.
>
> If it can possibly be avoided, never bring ignominy to an innocent man or child in telling of the misdeed or misfortune of a relative.
>
> Don't wait to be asked, but do it without asking, and, above all, be clean and never let a dirty word or suggestive story get into type.
>
> I want this paper to be so conducted that it can go into any home without destroying the innocence of childhood.

Could such a code be universally observed, most of our problems would solve themselves. Accuracy, fairness, decency—the three graces of journalism.

It is not surprising that one of such industry, such zest, such instinct for helpfulness, should have received political honors. He was an attractive speaker, and his personal charm, combined with his good judgment, brought him quickly into prominence. The object of his warmest admiration and his exemplar was William McKinley, and it was during McKinley's Presidency that Harding began his political career as State senator from the thirteenth Ohio district. Having served in the State senate for four years, from 1899 to 1903, he was elected lieutenant governor of Ohio in 1903. Defeated as a candidate for the governorship in 1910, he continued his journalistic work, and notwithstanding his party had been rent in twain and had lost the State in 1912, Harding was elected two years later to the United States Senate by a plurality of over 100,000, running 73,000 ahead of his ticket.

In the Senate he soon achieved a distinguished position. He was chairman of the Committee on the Philippines and served on the Committees on Foreign Relations, on Naval Affairs, on Commerce, on the Territories, on Expenditures in the Treasury Department, on Public Health, on Pacific Islands. He was neither eccentric nor spectacular nor censorious. Always quiet in manner and unassuming, he could not escape the distinction of his natural dignity and noble mien. His keen intelligence and common sense won for him general confidence and esteem while his unfailing friendliness made him universally beloved.

He came to the Senate soon after the outbreak of the European war and sat through the period of our own participation in the struggle and of the epochal controversy which followed the armistice. He had no patience with obstruction to the measures needed for the effective conduct of the war, no squeamishness about intrusting the President in such a national crisis with adequate powers. This was not outside the Constitution. It was to use the full constitutional power to preserve the Nation; the Constitution was not a weak contrivance which could not save itself. Whether it was the organization of a great Army by means of the selective service act or the provision of safeguards against plots and treacheries through the espionage act or the adoption of measures for the control

of food, ships, or trading with the enemy, he was ready with his support. He exercised his right of criticism; he was not a blind follower. But his policy was to help, to maintain national leadership without delays or hampering tactics. This was not to aggrandize the Executive office as such, but through the Executive to bring all the national power into exercise in order to support the national arms. While he recognized this temporary necessity, he demanded restoration to the normal methods of peace as soon as the exigency came to an end. Finally, when the war was won, he had strong and immovable convictions as to the final settlement. He was one of the 37 Senators who signed the declaration declaring their disapproval of the course taken at Paris in interweaving the covenant of the League of Nations with the peace treaty, and when the treaty of Versailles was under consideration he supported the reservations reported by the Committee on Foreign Relations.

He respected the rights of others to express their judgment, and he unflinchingly maintained his own. It was natural that the Republican convention of 1920, confronting a deadlock of the candidacies which had been most prominent in the preconvention campaign, and seeking a candidate who could furnish a basis for united action and face a severe contest with an unassailable record and a talent for composing differences, should turn to Senator Harding. Never was a party choice more completely vindicated. Carrying 37 States with the popular acclaim of a plurality of over 7,000,000, the new leader was swept into power amid an enthusiasm and with assurances of support almost unprecedented.

The Providence which guides the Nation works through the instinct of accommodation by which a free people, idealistic but with dominant practicality, is able in the midst of political strife to seize opportunities for harmonious adjustment. More than two years had passed since the armistice and we were still in a technical state of war. Rejecting the compact framed abroad, we were without an effective agreement establishing peace, opening the appropriate channels of intercourse with former enemies and safeguarding essential rights. We had expended about $40,000,000,000 on the World War, and in August, 1919, our national debt had reached its highest point at $26,500,000,000, or about ten times the amount of the national debt at the close of the Civil War. Our people were subject to a colossal burden of taxation. In 1917 the Federal Government's revenues from taxation were $1,035,000,000. In 1919 they had risen to $4,023,000,000, and in 1920 they amounted to $5,722,000,000. Economic conditions gave cause for the keenest anxiety. Our basic activities were hard hit in the inevitable reactions which followed the great expansion which was necessary to meet the demands of war. Nearly 5,000,000 workers were unemployed, and the country was looking forward with grave apprehension to a period of unparalleled suffering if conditions did not improve. As President Harding observed, "In the then existing temper of people everywhere, overwrought and exasperated at contemplated sacrifices barren of results for good, these conditions involved a menace to society." Already some were recommending a policy of public doles, a most desperate resort. Uncertainty and instability had followed the relaxing of the tension of the great struggle. The time for debate had passed; debate had been had. It was time that a controversy which could have no result but increased bitterness should end and that the path of permissible helpful effort should be sought. President Harding met the need of the hour. That need was conciliation and cooperation; he incarnated both.

He at once determined to end the technical state of war and to establish the necessary formal peace; and this he achieved with the least loss of time and in the only practicable way. He sought to relieve agriculture, to foster industry, to conserve the interests of our merchant marine. There was "a frank and confident appeal to a great people to apply their soundest sense and to cling to tried and trusted methods." There were conferences on unemployment and on housing. There were meetings of the representatives of industry, of labor, of transportation, of civic and commercial bodies.

President Harding rejoiced in the opportunity to bring "all groups, classes, interests, and sections into a splendid cooperation." Proceedings were taken speedily and efficiently to dispose of the governmental transactions incident to the war and requiring adjustment. President Harding went to the root of domestic problems by insistence on the immediate reduction of national expenditures and the lifting of the burdens of war taxation. He endeavored to reduce the staggering load of war debt by a gradual liquidation which the strictest economy could alone make possible. Said he:

> Our current expenditures are running at the rate of approximately five billions a year, and the burden is unbearable. There are two agencies to be employed in correction: One is rigid resistance to appropriation, and the other is the utmost economy in administration. Let us have both.

By the remarkable efficiency of his organization of Budget control, by the wisdom of Treasury management, by appropriate legislative and administrative encouragement of commerce and industry, by intelligent and organized attention to the problem of unemployment, the prophecies of cynics were brought to naught, confidence was restored, and, despite the exigencies that still remained and the important measures of relief still needed, there was achieved an extraordinary degree of progress. With industry revived, labor was fully employed. On June 30, 1923, the national debt had been reduced to $22,400,000,000, and the Government's program now calls for a reduction of half a billion a year. The indebtedness of Great Britain to the United States was funded on a sound basis, putting, as the President well said, "a fresh stamp of approval upon the sacredness of international obligations." The cost of government—that is to say, the expenditures of the Federal Government, exclusive of expenditures payable from postal revenues and the principal of the public debt—which had amounted to $6,139,000,000 in 1920 and to $4,880,000,000 in 1921 was reduced to $3,647,000,000 in 1923. The Treasury was able to balance the Budget and close the last fiscal year with a surplus of $309,000,000. And by virtue of this successful administration of the Government's business the people are now able to look forward with the utmost gratification to a further reduction of the tax load. In meeting domestic exigencies, in planning every remedial endeavor, President Harding constantly sought cooperation. He was not merely the Chief Executive, but endeavored to be the effective coordinator of the functions of government. Wherever he worked, whether in the limited range of early activities or in the broad sphere of national leadership, the mainspring of his action was always the intense desire to harmonize, to find a way of agreement, to bring about teamwork. He hated strife; his gospel was that of understanding.

It was with an intense desire to contribute to the promotion of peace and find avenues of helpfulness that he contemplated the chaotic conditions left by the Great War and our relations to other peoples. His was not the spirit of a narrow or selfish nationalism. He wished no commitment which would forfeit or impair the independence and liberty of action which was the heritage of the Republic. But he desired to safeguard this fortunate detachment from the ambitions and rivalries which had vexed the Old World not only to conserve our own security but that America might use her freedom for an enlarged service. Let these eloquent words of his inaugural address reveal his conviction and his outlook:

> The recorded progress of our Republic, materially and spiritually, in itself proves the wisdom of the inherited policy of noninvolvement in Old World affairs. Confident of our ability to work out our own destiny, and jealously guarding our right to do so, we seek no part in directing the destinies of the Old World. We do not mean to be entangled. We will accept no responsibility except as our own conscience and judgment, in each instance, may determine. Our eyes never will be blind to a developing menace, our ears never deaf to the call of civilization. We recognize the new order in the world with the closer contacts which progress has wrought. We sense the call of the human heart for fellowship, fraternity, and cooperation. We crave friendship and harbor no hate. * * *
>
> To-day, better than ever before, we know the aspirations of humankind, and share them. We have come to a new realization of our place in the world and a new appraisal of our Nation by the world. The unselfishness of these United States is a thing proven; our devotion to peace for ourselves and for the world is well established; our concern for preserved civilization has had its impassioned and heroic expression. There was no American failure to resist the attempted reversion of civilization; there will be no failure to-day or to-morrow. * * *
>
> America is ready to encourage, eager to initiate, anxious to participate in any seemly program likely to lessen the probability of war and promote that brotherhood of mankind which must be God's highest conception of human relationship. Because we cherish ideals of justice and peace, because we appraise international comity and helpful relationship no less highly than any people of the world, we aspire to a high place in the moral leadership of civilization, and we hold a maintained America, the proven Republic, the unshaken temple of representative democracy, to be not only an inspiration and example but the highest agency of strengthening good will and promoting accord on both continents.

These were not idle words to catch a transient applause. He meant what he said. He knew what it was vain to attempt; he had no illusions as to causes of European disorder. He knew that the evils which afflicted Europe could find no cure except in the abatement of strife and in settlements which could not be imposed from without, but could only be achieved when the powers directly concerned had a will to peace and were willing to agree. But his clear perception of existing difficulties made him only the more keen to find some opening for helpful effort, some way to further the cause nearest his heart, the cause of world peace, and that way was found.

His aspiration had long been declared. In accepting the nomination for the Presidency he had said:

I can hear in the call of conscience an insistent voice for the largely reduced armaments throughout the world, with attending reduction of burdens upon peace-loving humanity. We wish to give of American influence and example; we must give of American leadership to that invaluable accomplishment.

In his inaugural address he recorded his purpose and made his pledge:

We are ready to associate ourselves with the nations of the world, great and small, for conference, for counsel; to seek the expressed views of world opinion; to recommend a way to approximate disarmament and relieve the crushing burdens of military and naval establishments.

This pledge was kept. Opportunity was soon found, and in August, 1921, President Harding invited the great powers composing the group which, with the United States, had been described as the five principal allied and associated powers, Great Britain, France, Italy, and Japan, to meet for conference on the subject of limitation of armament, and four other powers—Belgium, China, the Netherlands, and Portugal—were invited in order that Pacific and Far Eastern questions, in which they were interested, might also be considered. The representatives of the powers convened on November 12, 1921, and the spirit of the meeting was finely expressed by the President in his opening address:

A world staggering with debt needs its burden lifted. Humanity which has been shocked by wanton destruction would minimize the agencies of that destruction. * * * The United States welcomes you with unselfish hands. We harbor no fears; we have no sordid ends to serve; we suspect no enemy; we contemplate or apprehend no conquest. Content with what we have, we seek nothing which is another's. We only wish to do with you that finer, nobler thing which no nation can do alone. We wish to sit with you at the table of international understanding and good will. In good conscience we are eager to meet you frankly and invite and offer cooperation. The world demands a sober contemplation of the existing order and the realization that there can be no cure without sacrifice, not by one of us, but by all of us. * * * Our hundred millions frankly want less of armament and none of war.

The conference is an instrument of diplomacy, not a substitute for it. Its contacts facilitate the negotiations of a group of powers, avoiding the delays and circumlocutions of separate communications through ordinary diplomatic channels and providing exceptional opportunities for the informal conversations which promote accord. Proposals may be direct and discussions immediate. Delegates form drafting committees to put suggested agreements to the test of statement.

The conference is a most efficient agency of diplomatic endeavor where the participants have a paramount common object and a common desire to overcome by candid interchanges of views the obstacles to its achievement. But the machinery of conference affords no escape from the essential condition of unanimity of action. When the representatives of independent sovereign States meet it is the dissenting opinion that is the prevailing opinion. If nations find their interests to be diverse and will not yield, there is no potency in a majority vote against them. And contacts may develop differences as well as agreements.

The distinctive feature of the Washington conference was the definite and limited character of its aim. As the President said, it did not seek "to remake humankind." It did not waste its time in futilities. It sought results, not the vanities of reiterated professions without accomplishment. It strove for limitation of armament, but in the field where it could labor with a measure of success, that of naval armament, it made that success possible by coupling with the discussion problems of the Far East and thus endeavoring to remove the causes of irritation and to find a basis for agreement as to principles and their application. The course of events in recent years, which this is not an appropriate occasion to describe, had unfortunately created an atmosphere of suspicion and distrust. Peoples who had every reason for cultivating the mutually beneficial relations of friendship had been developing a feeling of estrangement and antagonism. This was an unhealthy condition demanding remedy. The conference succeeded because suspicions were allayed. The limitation of great arms of naval warfare, the fighting ships of vast expense, was important, but the limitation of apprehensions was much more important. The menace of distrust gave place to the spirit of cooperation. The naval treaty, the four-power treaty, the two treaties in relation to China, were not simply formal engagements but the revelation of a new state of mind. They were not mere promises but in themselves accomplishments, a record of a change of heart.

There will always be problems in the Far East, but it is not too much to say that the Pacific and far eastern questions, as they existed at the time of the conference, with their menace to the peace of the world, are no more. The tranquilizing spirit of President Harding permeated the endeavors of the conference. With a broad-minded appreciation of every difficulty and every aim, he was generous in his confidence and ungrudging in his support, while his gracious personality happily and convincingly interpreted to the representatives of foreign powers the friendly disposition of the American people. And at the close he was able to say:

Stripped to the simplest fact, what is the spectacle which has inspired a new hope for the world? Gathered about this table nine great nations of the earth—not all, to be sure, but those most directly concerned with the problems at hand—have met and have conferred on questions of great import and common concern, on problems menacing their peaceful relationship, on burdens threatening a common peril. In the revealing light of the public opinion of the world, without surrender of sovereignty, without impaired nationality or affronted national pride, a solution has been found in unanimity, and to-day's adjournment is marked by rejoicing in the things accomplished. If the world has hungered for a new assurance, it may feast at the banquet which this conference has spread. * * * There were no victors to command, no vanquished to yield. All had voluntarily to agree in translating the conscience of our civilization and give concrete expression to world opinion. * * * Not all the world is yet tranquilized. But here is the example to imbue with new hope all who dwell in apprehension. At this table came understanding, and understanding brands armed conflict as abominable in the eyes of enlightened civilization. I once believed—

The President continued—

in armed preparedness. I advocated it. But I have come now to believe there is a better preparedness in a public mind and a world opinion made ready to grant justice precisely as it exacts it. And justice is better served in conferences of peace than in conflicts at arms. * * * No intrigue, no offensive or defensive alliances, no involvements have wrought your agreements, but reasoning with each other to common understanding has made new relationships among Governments and peoples, new securities for peace, and new opportunities for achievement and attending happiness. * * * It is all so fine, so gratifying, so reassuring, so full of promise, that above the murmurings of a world sorrow not yet silenced, above the groans which come of excessive burdens not yet lifted but soon to be lightened, above the discouragements of a world yet struggling to find itself after surpassing upheaval, there is the note of rejoicing which is not alone ours or yours, or of all of us, but comes from the hearts of men of all the world.

President Harding earnestly supported the cause of international justice. He desired the maintenance of adequate judicial administration by a permanent tribunal to which international controversies of a justiciable nature could be brought for judicial settlement. Wherever he saw an opportunity to aid in removing causes of strife he took advantage of it. He was especially alive to the importance of pursuing our traditional policy of cooperation with our sister Republics in this hemisphere. He was solicitous to establish our relations with Mexico on a sound basis. It gave him keen satisfaction that by the friendly offices which he was able to offer one of the gravest controversies which had vexed relations between Latin-American countries, that between Chile and Peru, was put on the way to settlement.

The Presidency of the United States is the most burdened office in the world. There centers the patriotic sentiment which is never satisfied with mere charters, constitutions, or abstractions, and ever attaches to the person of the Chief of State, the human symbol of national prestige and authority. There rest the powers of the constitutional Executive and even the restrictions of these powers create responsibilities. The President is charged with the conduct of our foreign relations; he must keep in touch with every important development

throughout the world. As demands of administration multiply and the range of the activities of the various executive departments widens he remains the sole primary administrative head, to whom each grave problem must come, the single ultimate coordinator of interdepartmental interests. As a part of the legislative power, the country looks to him for leadership in proposing and supporting legislative measures, although he is both more and less than a parliamentary leader, and must ever pay proper heed to the constitutional authority of the Congress. He must have his policies and expound them. In the midst of his administrative cares he must think of the people and make known his thoughts on every serious problem of government. The economic interests of the country present an ever-increasing complexity and he must understand them, not as an observer, but as the public trustee from whom the people expect intelligence and resourcefulness in diagnosing unwholesome economic conditions, in devising remedies, in encouraging sound hygiene, and in exposing injurious political quackery. As population grows and the machinery of government is extended in every direction, he remains but one, with no expansion of available hours and no enlargement of faculties or strength. But this is not all. To his constitutional burdens are added a host of others piled up by the appreciation and esteem of friends and supporters. No chief of state in any great power is so accessible as he. We are all oppressed by the volume of things, but no one so much as he. The typewriter facilitates the correspondence of others as well as our own. We have every facility in sending messages, but the busy officer receives a hundred for every one he wishes to convey. Ease of communication hampers good work. It may be one great difficulty with the world that everywhere grave problems wait on the attention of men who must consider them in the midst of innumerable vexing demands. Our national leader finds it impossible to escape his extraconstitutional burdens.

He depends for his support and success only in part upon the intelligent conduct of the Government's business, which few of the people are in a position to know intimately and accurately appreciate, and very largely upon the impression that he gives in response to a thousand importunities. He is under a strong temptation to endeavor to be all things to all men. I believe there was a time when communities depended upon local talent for great local occasions. Now they desire their celebrations to be graced by the head of the Nation or by some high official. For each invitation there is urged some special reason why it should be entertained. If the President can not come, he must send a message. No enterprise can point with pride to its anniversary without a presidential blessing.

Countless organizations demand for their undertakings the expression of his approval. Every human virtue must have his explicit encouragement. He must speak of homes, of thrift, of mothers, of fathers, of schools and curricula, of temperance, of play, of the ambitions of youth, of the solaces of age. He must be the guide, philosopher, and friend—the constant energizer and inspirer of the American people. These demands are natural and reflect the wholesome and abounding life of an idealistic people, cherishing aspirations which they desire to have expressed in the most influential manner, but they are demands which bear heavily upon one already overladen with official responsibilities.

President Harding was peculiarly susceptible to these requirements. John Hay wrote to Garfield when President elect:

> One thing thou lackest yet; and that is a slight ossification of the heart. I woefully fear you will try too hard to make everybody happy—an office which is outside your constitutional powers.

President Harding had no ossification of the heart. He literally wore himself out in the endeavor to be friendly. It was pain to him to refuse a courtesy; personal convenience could never be considered if it was an obstacle to any act of grace. He dealt personally with a vast correspondence, not being content with mere acknowledgments, but writing friendly letters with the touch of a keen human interest. His generous receptivity multiplied the appeals. He sought relaxation in the intimate contacts of old friendships, and this led him even in his diversions often to give himself to an undue exertion instead of rest.

The crisis came in his fateful western trip last summer. There had been solemn warning in the tragic experience of his distinguished predecessor, who, overcome by incessant labor, was struck down in the midst of fatiguing journeys and addresses in which he made response to the imperious demands of leadership. The Presidency is a superoffice, but nature, imposing her limitations upon the greatest, has supplied no supermen to fill it. President Harding's health had been impaired by the exceptional strain of the preceding winter, when to official cares had been added the heaviest burden of anxiety a devoted husband could bear. But as this burden was lifted and his skies brightened with the coming of the spring, his buoyant nature made light of the solicitude of those about him. He desired to make the trip to Alaska in order to see for himself its wonders, to appraise by personal examination the resources and exigencies of that great territory. Having been in office over two years, he wished to address the people upon the achievements of his administration and to present directly to them his conception of the solution of urgent problems. Above all, he craved the inspiration of direct contact with the people in many communities and the assurance of their personal interest and kindly support. That to every Executive, however masterful, is the wine of life.

> It is heartening—

Said President Harding—

> to those charged with the affairs of government to go out over the land and see the reflexes of sentiment and the measurable contentment and hopefulness that come from the enjoyment of fairly fortunate conditions. * * * It is a joy to get out and breathe the wholesome atmosphere of the expanding West.

He made his journey to Alaska, and in the course of six weeks delivered about 85 speeches, many of which had been carefully prepared and were most instructive discussions of a vast range of topics, such as the International Court of Justice, transportation problems, agriculture, law enforcement, taxation and expenditures, national business conditions, social justice, development, reclamation and water utilization, the Territory of Alaska; and there was another address, which he had written and personally released for publication but was unable to deliver, giving a comprehensive review of foreign relations.

Throughout his journey he was received with the most cordial greetings. Warmed and uplifted by the enthusiasm of the countless thousands who were fascinated by the charm of his presence and hung upon his words, and perhaps with an instinctive feeling, not less real because unexpressed, that he was transcending the limits of his strength and, borne by a current he was unable to resist, was hastening to the end, he displayed an earnestness and dignity and a convincing quality of utterance, especially in his extemporaneous speeches, by which he surpassed himself in eloquence and moving appeal.

It was just before the breakdown that he stepped on foreign soil at Vancouver and voiced our historic friendship for the people of the great Dominion.

> What object lesson of peace is shown to-day—

He exclaimed—

> by our two countries to all the world. No grim-faced fortifications mark our frontiers; no huge battleships patrol our divided waters; no stealthy spies lurk in our tranquil border hamlets. * * * Our protection is in our fraternity; our armor is our faith; the tie that binds more firmly year by year is ever-increasing acquaintance and comradeship through interchange of citizens; and the compact is not of perishable parchment, but of fair and honorable dealing, which, God grant, shall continue for all time.

It was after he was stricken and in his name, although not by himself, that the last address he had prepared was delivered, breathing the deeply religious sentiment which formed the basis of his philosophy of life and of the service and fellowship which make life attractive whether in station high or humble. And these were his last words to his fellow countrymen:

> We need less of sectarianism, less of denominationalism, less of fanatical zeal and its exactions, and more of the Christ spirit, more of the Christ practice, and a new and abiding consecration and reverence for God. I am a confirmed optimist as to the growth of the spirit of brotherhood. * * * We do rise to heights at times when we look for the good rather than the evil in others and give consideration to the views of all. The inherent love of fellowship is banding men together, and when envy and suspicion are vanquished fraternity records a triumph and brotherhood brings new blessings to men and to peoples. * * * Christ was the Prince of Peace, and we who seek to render His name glorious must move in the ways of peace and brotherhood and loving service.

Then swiftly came the end. The tired heart, pressed beyond its powers, could no longer respond. Not long before, in intimate converse, when informed of the gravity of his condition

and of the probability that if rescued from the immediate peril he would still be condemned to a life of invalidism and to the exercise of a constant care which would preclude the resumption of the routine of his labors, he had exclaimed:

Well, if that is so, this story might as well come to an end.

And that was true. The only life he desired—that of energy and usefulness—he could no longer hope to enjoy. Without warning and in a moment of apparent refreshment there was a slight movement and he was gone. The cares of his stewardship were lifted and he was at rest in God's peace.

To the people who with unfailing interest had followed his experiences and marveled at the extent of his activities and his apparently inexhaustible vigor the news of his illness and the grave bulletins issued from his bedside caused an indescribable shock, and as they were being comforted with some words of reassurance and hope was revived the final dread announcement was spread through the land by myriad messengers.

The Nation poured out its feelings in unprecedented tribute. As the body of the beloved President was borne from San Francisco across the continent to Washington it passed in the vast stretch of country through almost continuous lines of silent mourners, while in towns and villages and cities entire populations were massed to express not merely interest and respect but the sense of personal loss and profound grief. To the one most stricken and bereft, suddenly passing from the radiant sunshine to the darkest shadows but meeting destiny with a supreme courage, the heart of the people went out in deepest sympathy. In this emotion political differences were forgotten and the voices of criticism were hushed. A united people stood before the open tomb.

From the Executive Mansion and the Capitol, from the impressive official ceremonies, from the seat of highest distinction, and the center of the exercise of an influence which had extended throughout the world, the body of Warren G. Harding was brought to the city where he had won his first success and to his father's house. Never was there more impressive scene than this return to the place where in the strength and glory of young manhood he had put forth his earliest efforts. In a flash were revealed the ardor, the hope, the opportunities of this favored people; the privilege, the power, and vanity of human life.

Already, and immediately after the passing of the late President, among the hills of Vermont, in a father's house, and a boyhood home, stood another called to assume the responsibilities which permitted no hiatus in authority. Here was the symbol not only of the stability and continuity of administration of Government but of the constant renewal of the life of the Republic in modest, unspoiled homes, and stout patriotic hearts, where the old virtues of simplicity and sobriety, of industry and self-denial, are cherished and practiced, where are found the never-failing springs of our national strength. Without a moment's uncertainty or confusion, a new and skillful helmsman took his place at the wheel, and the ship of state, responding to his sure guidance, held on her course.

Warren G. Harding gave his life to his country. No one can do more than that. He exhausted himself in service, a martyr in fidelity to the interests of the people for whom he labored with a passionate devotion. He was a man of the people, indulging no consciousness of superiority, incapable of arrogance, separated from them neither by experience nor by pride nor by eccentricity. He was a brother to all whose strivings in countless communities, whose eagerness, adaptability, energy, venturesomeness, and common sense give the stamp of the American character. Nothing human was alien to him, and he had "the divine gift of sympathy." He wrought mightily for the prosperity of the Nation and for the peace of the world, but he clothed the exercise of power with the beautiful garment of gentleness. If American life, with all its possibilities of conflict and turmoil, is to be worth living, it must be lived in the spirit of brotherly understanding, of which he will ever be an exemplar in high office.

Let who has felt compute the strain
Of struggle with abuses strong,
The doubtful course, the helpless pain
Of seeing best intents go wrong.
We, who look on with critic eyes,
Exempt from action's crucial test,
Human ourselves, at least are wise
In honoring one who did his best.

The PRESIDENT pro tempore of the Senate. The Chaplain of the Senate will pronounce the benediction.

The Rev. J. J. Muir, Chaplain of the Senate, pronounced the benediction, as follows:

May the grace of our Lord, Jesus Christ, the love of God our Father, and the fellowship of the Holy Spirit be with us now and always. Amen.

The PRESIDENT pro tempore of the Senate. The purpose of the assembly having been now accomplished, it will be dissolved.

Thereupon the President and his Cabinet, the diplomatic corps, the Chief Justice and the Associate Justices of the Supreme Court, and the Senate retired.

The SPEAKER resumed the chair.

The SPEAKER. The Clerk will read the Journal of yesterday's proceedings.

The Journal of yesterday's proceedings was read and approved.

THE THANKS OF CONGRESS.

Mr. BURTON. Mr. Speaker, I ask unanimous consent for the present consideration of House Concurrent Resolution 14, which I send to the desk and ask to have read.

The Clerk read as follows:

House Concurrent Resolution 14.

Resolved by the House of Representatives (the Senate concurring), That the thanks of Congress be presented to the Hon. Charles E. Hughes for the able and appropriate memorial address delivered by him on the life and services of Warren G. Harding, late President of the United States, in the Representatives' Hall before both Houses of Congress and their invited guests on the 27th day of February, 1924, and that he be requested to furnish a copy for publication.

Resolved further, That the chairman of the joint committee appointed to make arrangements to carry into effect the resolutions of this Congress in relation to the memorial exercises in honor of Warren G. Harding be requested to communicate to Mr. Hughes the foregoing resolution, receive his answer thereto, and present the same to both Houses of Congress.

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

ADJOURNMENT.

Mr. LONGWORTH. Mr. Speaker, as a further mark of respect to the memory of the late President Harding, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 1 o'clock and 27 minutes p. m.), in accordance with order heretofore made, the House adjourned until to-morrow, Thursday, February 28, 1924, at 11 o'clock a. m.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. McKENZIE: Committee on Military Affairs. H. R. 4820. A bill to amend the act entitled "An act to readjust the pay and allowances of the commissioned and enlisted personnel of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service," approved June 10, 1922; with amendments (Rept. No. 236). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. HILL of Maryland: Committee on Military Affairs. H. R. 5465. A bill to provide for the advancement on the retired list of the Regular Army of Second Lieut. Ambrose I. Moriarity; with amendments (Rept. No. 237). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII,

Mr. SINNOTT introduced a bill (H. R. 7351) making appropriation for loan, reimbursable from tribal assets, to provide capital and credit for the purpose of encouraging industry and self-support among Indians having tribal rights on the Klamath Indian Reservation in Oregon, which was referred to the Committee on Indian Affairs.

SENATE.

THURSDAY, *February 28, 1924.*

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father and our God, we come this morning with gratitude as the recipients of Thy infinite mercy. We rejoice before Thee that Thou canst be to us a very near and a very accessible presence. We would have Thee rule in our hearts, direct all our plans, and ever be ready to succor us in time of need. Be very gracious in Thy dealings this day, and help us to fulfill Thy good pleasure. Through Jesus Christ, our Lord. Amen.

The reading clerk proceeded to read the Journal of yesterday's proceedings when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

CALL OF THE ROLL.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The principal legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Elkins	King	Robinson
Ball	Ernst	Ladd	Sheppard
Bayard	Ferris	La Follette	Shipstead
Borah	Fess	Lodge	Shortridge
Brandegee	Fletcher	McKellar	Simmons
Brookhart	Frazier	McKinley	Smith
Broussard	George	McLean	Smoot
Bruce	Gerry	McNary	Spencer
Bursum	Glass	Mayfield	Stanfield
Cameron	Gooding	Moses	Stanley
Capper	Hale	Neely	Stephens
Colt	Harris	Norbeck	Swanson
Copeland	Harrison	Norris	Trammell
Couzens	Heflin	Oddie	Wadsworth
Cummins	Howell	Overman	Walsh, Mass.
Curtis	Johnson, Calif.	Pepper	Warren
Dale	Johnson, Minn.	Phipps	Watson
Dial	Jones, N. Mex.	Pittman	Weller
Dill	Jones, Wash.	Ralston	Wheeler
Edge	Kendrick	Ransdell	Willis
Edwards	Keyes	Reed, Pa.	

Mr. CURTIS. I wish to announce that the Senator from Wisconsin [Mr. LENROOT], the Senator from Montana [Mr. WALSH], and the Senator from Colorado [Mr. ADAMS] are attending a hearing before the Committee on Public Lands and Surveys.

The PRESIDENT pro tempore. Eighty-three Senators have answered to their names. There is a quorum present.

MEMORIAL ADDRESS ON THE LATE PRESIDENT HARDING.

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had adopted a concurrent resolution (H. Con. Res. 14) providing that the thanks of Congress be presented to Hon. Charles E. Hughes for the memorial address delivered by him on the life and services of Warren G. Harding, late President of the United States, etc., in which it requested the concurrence of the Senate.

Mr. LODGE. I ask that the concurrent resolution just received from the House be laid before the Senate.

The PRESIDENT pro tempore. The Chair lays before the Senate a concurrent resolution of the House of Representatives, which will be read.

The concurrent resolution was read as follows:

House Concurrent Resolution 14.

Resolved by the House of Representatives (the Senate concurring), That the thanks of Congress be presented to the Hon. Charles E. Hughes for the able and appropriate memorial address delivered by him on the life and services of Warren G. Harding, late President of the United States, in the Representatives' Hall before both Houses of Congress and their invited guests on the 27th day of February, 1924, and that he be requested to furnish a copy for publication.

Resolved further, That the chairman of the joint committee appointed to make arrangements to carry into effect the resolutions of this Congress in relation to the memorial exercises in honor of Warren G. Harding be requested to communicate to Mr. Hughes the foregoing resolution, receive his answer thereto, and present the same to both Houses of Congress.

Mr. LODGE. I move that the Senate concur in the resolution of the House.

The concurrent resolution was considered by unanimous consent and agreed to.

Mr. WILLIS submitted the following concurrent resolution (S. Con. Res. 5), which was referred to the Committee on Printing:

Resolved by the Senate (the House of Representatives concurring), That there shall be printed and bound in cloth, in the form of eulogies, 24,000 copies of the oration delivered by the Hon. Charles Evans Hughes in the House of Representatives during the exercises in memory of the late President Warren G. Harding on February 27, 1924, including all the proceedings and the program of exercises, of which 8,000 copies shall be for the use of the United States Senate and 16,000 copies for the use of the House of Representatives.

The Joint Committee on Printing is hereby authorized to have the copy prepared for the Public Printer, who shall procure suitable photogravures to be bound with the proceedings.

STABILIZATION OF AGRICULTURE.

The PRESIDENT pro tempore. The Chair lays before the Senate a telegram from the Governor and other officers of Iowa, and members of the general assembly of that State, urging the passage of what is known as the McNary-Haugen bill, which, without objection, will be printed in the RECORD.

The telegram is as follows:

DES MOINES, IOWA, *February 22, 1924.*

A. B. CUMMINS,

President of the Senate, Washington, D. C.:

We, the undersigned, Governor and members of the Fortieth General Assembly of Iowa, recognize in the McNary-Haugen bill means of stabilizing agriculture on an equality with all other industries, and thus producing uniform prosperity in the United States.

T. E. Kendall, governor; John Hammill, lieutenant governor; J. H. Henderson, speaker of the house; Ben C. Abben, jr., Henry C. Adams, W. S. Baird, Geo. S. Banta, A. H. Bergman, M. L. Bowman, J. L. Brookhart, A. T. Brookins, Chas. S. Browne, J. D. Buser, W. A. Caldwell, Ed H. Campbell, T. C. Cessna, H. A. Darting, Chas. M. Dutcher, John J. Ethell, Chas. J. Fulton, F. C. Gilchrist, Wm. J. Goodwin, J. K. Hale, Geo. S. Hartman, W. G. Haskell, Perry C. Holdoegel, B. J. Horchem, James F. Johnston, D. W. Kimberly, J. A. McIntosh, H. J. Mantz, O. L. Mead, Julius A. Nelson, Byron W. Newberry, Charles Olson, Geo. B. Perkins, John R. Price, Carl W. Reed, S. C. Rees, E. W. Romkey, W. Schmedika, Ray P. Scott, J. O. Spaff, Frank Spane, A. J. Spinn, Ed M. Sloss, Ed M. Smith, I. N. Snook, B. M. Stoddard, Lloyd Thurston, J. C. Tuck, Harry White, John Wichman, John H. Aiken, C. E. Anderson, H. S. Berry, William R. Blake, Theo. C. Blume, A. V. Brady, John Bradley, David Brittain, C. R. Buffington, L. V. Carter, William C. Children, C. F. Clark, W. J. Colbert, E. J. Cole, W. S. Criswell, H. C. Dewar, Volney Diltz, H. N. Donhowe, W. J. Dooley, Clyde H. Doolittle, A. G. Dotts, George W. Edge, W. C. Edson, Frank W. Elliott, S. E. Fackler, L. B. Forsling, Henry Frahm, J. P. Gallagher, J. S. Garber, R. O. Garber, N. J. Gesman, D. M. Gibson, F. B. Gilbert, O. Gilbertson, William Gilmore, S. L. Graham, E. A. Grimwood, John T. Hansen, E. P. Harrison, H. C. Hattendorf, A. O. Hauge, E. P. Healy, G. E. Held, J. G. Hempel, M. L. Henderson, Fred Himebaugh, C. A. Hollis, Charles W. Huff, Francis Johnson, James A. King, C. A. Knutson, Frank C. Lake, Arthur Leonard, C. F. Letts, E. M. Lichty, Ernst Lieberknecht, Wm. L. Long, Fred C. Lovrien, J. C. McClure, Howard A. Mathews, E. C. Matthesen, Geo. E. Miller, T. E. Moen, T. W. Napier, Ole Natvig, A. C. Noble, T. J. O'Donnell, C. G. Oliver, John Olson, A. O. Ontjes, John Orr, Thomas Parsons, Geo. W. Patterson, Nels Peterson, Geo. W. Potts, Dr. T. E. Powers, L. T. Quirk, J. N. Ramsey, John M. Rankin, A. G. Rassler, Fred Rewoldt, jr., Chas. Rhinehart, Paul N. Robson, Ralph L. Rumley, Heike A. Rust, F. C. Sampson, Wm. E. G. Saunders, W. F. Schirmer, H. H. Schulte, C. H. Scott, W. C. Scott, Geo. F. Siemmons, C. D. Smith, Ward B. Smith, Theodore B. Stock, Arthur Stokesberry, John A. Storey, Werner Strippel, Oscar Ulstad, G. L. Venard, Earl W. Vincent, Brede Wamsted, John H. Weber, Alfred Williams, W. Walter Wilson, Thomas L. Wolfe, Ray A. Yenter.

VIOLATIONS OF ANTITRUST ACTS.

The PRESIDENT pro tempore laid before the Senate a communication from the Attorney General, in response to Senate resolution 73 (submitted by Mr. KING and agreed to January

21, 1924) directing the Attorney General to report to the Senate the particulars of cases sent to him by the Federal Trade Commission in violation of the Sherman and Clayton Acts, which was referred to the Committee on the Judiciary.

DISPOSITION OF USELESS PAPERS.

The PRESIDENT pro tempore laid before the Senate a communication from the Secretary of the Navy, transmitting, pursuant to law, a letter from the Judge Advocate General of the Navy describing certain valueless records which are no longer needed in the transaction of business and have no permanent value or historical interest, and asking for action looking toward their disposition, which was referred to a Joint Select Committee on the Disposition of Useless Papers in the Executive Departments. The President pro tempore appointed Mr. HALE and Mr. SWANSON members of the committee on the part of the Senate, and ordered that the Secretary notify the House of Representatives thereof.

PETITIONS AND MEMORIALS.

The PRESIDENT pro tempore laid before the Senate the following concurrent resolution of the Legislature of Oklahoma, which was referred to the Committee on Finance:

STATE OF OKLAHOMA,
Department of State.

To all to whom these presents shall come, greeting:

I, R. A. Sneed, secretary of state of the State of Oklahoma, do hereby certify that the following and hereto attached is a true copy of senate concurrent resolution 6, passed by the senate and house of representatives February 2 and 9, respectively, 1924, the original of which is now on file and a matter of record in this office.

In testimony whereof I hereto set my hand and cause to be affixed the great seal of State.

Done at the city of Oklahoma City this 20th day of February, A. D. 1924.

[SEAL.] R. A. SNEED,
Secretary of State.

Senate concurrent resolution 6. (By soldiers' relief committee.)

Memorializing Congress of the United States to consider and enact a law providing for adjusted compensation to soldiers, sailors, marines, and nurses who served honorably in the World War.

Whereas the soldiers, sailors, marines, and nurses who served honorably in the World War by their entrance into the service offered their service and their lives in defense of the Nation and its principles and evidenced the most supreme American patriotism, and by their entrance into the service abandoned their individual properties, vocations, and business at their respective homes and were deprived of the opportunity of participating in the opportunities commercially so profitable and wonderful by virtue of the activities of war; and

Whereas the compensation provided for and paid to those who served in the World War was less than 25 per cent of the most common wages paid for daily labor to civilians during the period of the war; and

Whereas subsequent to establishment of peace the National Government has paid to railroad corporations taken over during the war additional adjusted compensation to approximate amount of $824,000,000, and has paid to war contractors an additional adjustment on war contracts with the Government of an approximate amount of $700,000,000, and has paid to civilian Federal employees an adjusted compensation of $265,000,000, and to Federal civilian employees of Army and Navy an adjusted compensation of $235,000,000; and

Whereas it is not in keeping with the American policy to discriminate against its citizens, and especially should that not be done as against those who offered their lives and property in defense of the Nation during the World War; and

Whereas France, England, Australia, New Zealand, Italy, and Canada have heretofore paid adjusted compensation to their soldiers, sailors, marines, and nurses who served honorably during said war: Now, therefore be it

Resolved by the Senate of the State of Oklahoma (the House of Representatives concurring therein), That the Congress of the United States be, and is hereby, profoundly urged to give mature consideration and to enact a law making an adjustment in compensation to the soldiers, sailors, marines, and nurses who served honorably in the World War, to the end that the patriotic service during the war of the American soldier, sailor, marine, and nurse may be on a parity in so far as compensation for service is concerned with the common daily labor of those in civil life during the emergency.

That the Senators and Representatives in Congress from the State of Oklahoma are urged to support such a provision of law.

That a copy of this resolution be transmitted to both branches of Congress and a copy to each member of the Oklahoma delegation therein.

Adopted by the senate this the 2d day of February, 1924.

F. A. CALVERT,
Acting President of the Senate.

Adopted by the house of representatives this the 9th day of February, 1924.

W. D. MCBEE,
Speaker of the House of Representatives.

Correctly enrolled:

C. B. LEEDY,
Vice Chairman Committee of Enrolled and Engrossed Bills.

The PRESIDENT pro tempore also laid before the Senate a letter in the nature of a petition from the Society of Automotive Engineers (Inc.) praying for the passage of legislation authorizing the attendance of Government experts at meetings participated in by nongovernmental persons and that necessary appropriations be made therefor, which was referred to the Committee on Appropriations.

He also laid before the Senate telegrams in the nature of petitions from Mrs. Thomas G. Winter, president, and Mrs. Edward Franklin White, legislative chairman, of the General Federation of Women's Clubs, of Minneapolis, Minn., and Indianapolis, Ind., respectively, praying that the Isle of Pines be placed under the administration of the United States, which were referred to the Committee on Foreign Relations.

He also laid before the Senate a communication from Robert Lee Wright, of Washington, D. C., relative to certain letters patent, which, with the accompanying papers, was referred to the Committee on Patents.

Mr. WALSH of Massachusetts. I present for reference to the Finance Committee telegrams, letters, and resolutions from the State of Massachusetts, favoring the payment of adjusted compensation to veterans of the World War, which I have received from the following organizations: Lewis V. Dorsey Post, No. 112, American Legion, of Abington; Arlington Post, No. 39, American Legion, of Arlington; Michael J. Perkins Post, No. 67, American Legion, of South Boston; Department of Massachusetts, American Legion, of Boston; Peabody Post, No. 153, American Legion, of Peabody; James G. Shea Post, No. 190, American Legion, of Roslindale; Malden Post, No. 69, American Legion, of Malden; Scituate Post, No. 144, American Legion, of Scituate; Southbridge Post, American Legion, of Southbridge; Whitman Post, No. 22, American Legion, of Whitman; Edward H. Phillips Post, No. 102, American Legion, of Athol; Hudson Post, No. 100, American Legion, of Hudson; A. P. Gardner Post, No. 194, American Legion, of Hamilton; Charles A. Rice Post, American Legion, of Uxbridge; James F. Mahoney Post, No. 457, Veterans of Foreign Wars, of Roxbury; James J. Ollive Post, No. 722, Veterans of Foreign Wars, of Hyde Park; Service Star Legion, Old Colony Chapter of Massachusetts; citizens of the town of Franklin; board of aldermen of the city of Fall River; board of selectmen of North Andover; Fraternal Order of Eagles, Revere Aerie, No. 781, of Revere; and Oko Club, of Brockton.

The PRESIDENT pro tempore. The telegrams, letters, and resolutions will be referred to the Committee on Finance.

Mr. WALSH of Massachusetts. I also present telegrams, letters, and resolutions from the following organizations in the State of Massachusetts opposing the so-called Johnson immigration bill restricting immigration, which I request be referred to the Immigration Committee:

The Association for Protest Against Restricted Immigration, of Pittsfield; Board of Aldermen, of Malden; City Council, of Lawrence; City Council, of Revere; Board of Aldermen, of Chelsea; Board of directors of the Chelsea Chamber of Commerce, of Chelsea; City Council and mayor of Fitchburg; Eliot School Alumni Association, of Boston; American Citizens of Polish Descent of Fall River; Young Men's Hebrew Association, of Fitchburg; League of Jewish Women's Organizations, of Boston; Group 398, Polish National Alliance, of Boston; Congregation Sons of Abraham, of Worcester; The Associated Jewish Organizations of Massachusetts, of Boston; Committee of Polish-American Citizens of Webster; Polish Citizens of Northampton; Associated Young Men's and Young Women's Hebrew Associations of New England, of Fall River; Young Men's Hebrew Association, of Fall River; Polish-American Citizens' Club, of Adams; Young Women's Hebrew Association, of Lawrence; Polish Students' Club, of Boston; Associated Young Men's and Young Women's Hebrew Associations of New England, of Boston; Bethel Israel Synagogue, of Malden; Citi-

zens of Polish Extraction, of Worcester; North Adams Chapter of Hadassah, of North Adams; District Six of the Associated Young Men's and Young Women's Hebrew Associations of New England, of Woonsocket, R. I.; Young Women's Hebrew Association, of Fall River; Polish American Citizens' Club, of Lowell; American Citizens of Polish Birth, of Boston; Polish Citizens' Club, of Chicopee; Polish Uhlans' Society, of Chicopee; All United Polish Citizen Clubs, of Chicopee; Jewish Organizations of Holyoke; Board of Aldermen and the mayor of the city of Beverly; Sons of Calabrisa Mutual Aid Society, of North Adams; Lodge Trinacria Order of Sons of Italy, of Lawrence; St. Anthony Society, of Dedham; Lodge 847, Sons of Italy, of Southbridge; Societa Maritimma Madonna, of Boston; Society Pedarese, of Lawrence; Congregation Beth Israel, of Cambridge; Roslindale Lodge 1057, Sons of Italy in America, of Roslindale; Lodge Sogno d'Italia, of Belmont; Columbus Club, of Fall River; Lodge Vittorio Venelo 1035, Sons of Italy, of Fall River; Italian Citizens' Club of Massachusetts, of Fall River; Progressive Club, of Fall River; Society Trecastagnese of St. Alfio, of Lawrence; Loggia Cesare Battisti 632, O. F. D. Italian in America, of East Boston; Sicilian-American Citizens' Club, of Lawrence; Sivitaliano Benefit Society, of Worcester; First Bankers' Union (Inc.), of Boston; Sons of Italy, No. 1088, of South Barre; St. Annas Society, of South Barre; Italian Social Club, of South Barre; United Lodges, Sons of Italy, of Lynn; Lodge Archimede, No. 1042, Sons of Italy, of Lawrence; Order Daughters of Italy in America, of Everett; Society Basilicata, of Lawrence; Loggia Principedi 1045, of Dedham; Lodge Vitruna Romano, Order Sons of Italy in America, of Salem; New Century Club, of Boston; Lodge I. U. 904, Sons of Italy in America, of Attleboro; Sons of Italy, of Lowell; Lodge Italia Order Sons of Italy in America, of Cambridge; Congregation Agidath Israel, of Lynn; The Tuscany Mutual Benefit Society of Boston; Lodge Italia 506, Sons of Italy in America, of Cambridge; Italian-American Improvement Club, of Chelsea; Loggia Dante Alighieri, No. 309, of Lawrence; The Ligurian Auxiliary, of Boston; Lowell Lodge, No. 874, Independent Order of B'nai B'rith, of Lowell; Association Nazionale Combattenti Italiani, of Lawrence; The Mazzini Club, of Boston; Italian American Naturalization Club, of Leominster; Order of Sons of Italy, of Fitchburg; Jewish National Workers' Alliance of America, of Fall River; Loggia Gabriele D'Annunzio, No. 592, Order of Sons of Italy in America, of Beverly; Sons of Italy Lodge Piave Fiume, of Watertown; Independent Order B'nai B'rith, Fall River Lodge, No. 884, Fall River; and Italian Central Committee of Revere.

The PRESIDENT pro tempore. The telegrams, letters, and resolutions will be referred to the Committee on Immigration.

Mr. EDGE. I desire to have inserted in the RECORD and referred to the Finance Committee a letter addressed to the National Headquarters American Legion, Indianapolis, Ind., by De Witt Coleman Post, No. 167, of Tenafly, N. J., opposing "adjusted compensation for able-bodied veterans of the World War."

There being no objection, the letter was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

DE WITT COLEMAN POST, No. 167, AMERICAN LEGION,
Tenafly, N. J., February 9, 1924.

National Headquarters American Legion, Indianapolis, Ind.

DEAR SIRS: At a meeting of the De Witt Coleman Post, No. 167, American Legion, Tenafly, N. J., held on February 6, 1924, notices of which had been mailed to every member advising that a vote on adjusted compensation would be taken, and which meeting resulted in the largest attendance since organization, it unanimously voted that this post go on record as opposed to any form of adjusted compensation for able-bodied veterans of the World War, and it was further unanimously voted that the result of this vote as herein embodied in this letter be forwarded through proper channels to National and State headquarters of the American Legion, to be followed three day's later by copies of this letter to the President of the United States and the congressional Representative from this district and to the press.

H. LEROY DEMAREST,
Post Commander.
S. M. WEEKS,
Post Adjutant.

Mr. ROBINSON presented a resolution adopted by the St. Joseph's Mutual Aid Society, of Fort Smith, Ark., favoring the passage of the so-called Newton relief bill, which was referred to the Committee on Foreign Relations.

He also presented a petition of sundry clerks and carriers of the Forrest City (Ark.) post office, praying for the passage of legislation increasing the salaries of postal employees, which was referred to the Committee on Post Offices and Post Roads.

He also presented a letter from C. A. McDonald, secretary Federated Shop Crafts of the Missouri Pacific Railroad, of St. Louis, Mo., together with an article from the Kansas City Star, calling attention to propaganda being carried on by the railroads and some of their employees against amendments to the transportation act, which was referred to the Committee on Interstate Commerce.

Mr. REED of Pennsylvania presented a memorial of the Philadelphia (Pa.) Board of Trade, praying for the passage of legislation reducing the fees charged for the issuance of passports and visés, which was referred to the Committee on Foreign Relations.

Mr. KEYES presented the petition of Arthur S. Frazier and 65 other citizens in the State of New Hampshire, praying for the enactment of legislation repealing or reducing the so-called nuisance and war taxes, especially the tax on industrial alcohol, which was referred to the Committee on Finance.

Mr. NORBECK presented the petitions of Jesse J. Baker and 56 other citizens of Reliance and Oacoma; of Albert Schinn and 20 other citizens of Canton; of R. H. Fordyce and 61 other citizens of Hayti, Castlewood, Clear Lake, Bemis, Thomas, and Vienna; of Peter Schane and 59 other citizens of Roswell and Fedora; and of J. F. Shepard and 72 other citizens of Mellette, Brentford, and Conde, all in the State of South Dakota, praying for the repeal or reduction of the so-called nuisance and war taxes, especially the tax on industrial alcohol, which were referred to the Committee on Finance.

Mr. CAPPER. I present a resolution recently adopted by the National Farmers' Union, at Omaha, Nebr., favoring a Constitutional amendment prohibiting the further issuance of tax-exempt securities, which I ask may be printed in the RECORD and referred to the Committee on Finance.

There being no objection, the resolution was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

Resolution adopted by National Farmers' Union, Omaha, December 21, 1923.

The constantly growing volume of tax-exempt securities imposes an unjust burden on the owners of tangible property. We therefore urge the prompt submission of a constitutional amendment for the correction of this injustice. In this connection we renew our objection to the proposed sales tax and again demand the restoration of the excess-profits tax and the retention of the higher surtaxes on incomes. We also urge the enactment of a graduated inheritance and gift tax law that would take all of an estate in excess of $1,000,000.

Mr. CAPPER also presented the petition of Great Western Lodge, No. 24, Brotherhood of Locomotive Firemen and Enginemen, of the Missouri, Kansas & Texas Railway System, of Parsons, Kans., praying for the passage of legislation granting increased compensation to postal employees, which was referred to the Committee on Post Offices and Post Roads.

He also presented resolutions of the American Legion Auxiliary, Kansas department, of Topeka, Kans., favoring the enactment of legislation granting adjusted compensation to veterans of the World War, and requesting that the so-called Forbes investigation be pushed with all possible vigor, which were referred to the Committee on Finance.

He also presented a petition, numerously signed, of citizens of Girard, Kans., praying for the enactment of legislation granting adjusted compensation to veterans of the World War, which was referred to the Committee on Finance.

He also presented a resolution of the Chamber of Commerce, of Emporia, Kans., favoring the enactment of legislation restricting the production of narcotics to the medical and scientific needs of the world, which was referred to the Committee on Foreign Relations.

Mr. FESS presented a resolution of the Independent Order of B'nai B'rith, Portsmouth Lodge, No. 840, of Portsmouth, Ohio, protesting against the passage of the so-called Johnson selective immigration bill, as being discriminatory, which was referred to the Committee on Immigration.

He also presented a petition of sundry citizens of Holgate, Ohio, praying for the passage of legislation repealing or reducing the so-called nuisance and war taxes, especially the tax on industrial alcohol, which was referred to the Committee on Finance.

He also presented petitions, numerously signed, of citizens in the eighth congressional district of Ohio, praying for the

passage of legislation granting adjusted compensation to veterans of the World War, which were referred to the Committee on Finance.

He also presented a petition, numerously signed, of members of the New Era Club of Caldwell, Ohio, praying an amendment to the Constitution regulating child labor, which was referred to the Committee on the Judiciary.

He also presented a resolution adopted by Asbestos Workers Union No. 3 at the International Association of Heat and Frost Insulators and Asbestos Workers, at Cleveland, Ohio, favoring the enactment of legislation restricting the production of narcotics to the medical and scientific needs of the world, which was referred to the Committee on Foreign Relations.

He also presented a petition, numerously signed, of citizens of Dayton, Ohio, praying for the enactment of legislation repealing or reducing the so-called nuisance and war taxes, especially the tax on automobiles and parts, which was referred to the Committee on Finance.

Mr. JOHNSON of Minnesota presented the petitions of H. H. Stonjohann and 27 other citizens and of Walter Pilchkowskii and 60 other citizens, of Browns Valley and vicinity, in the State of Minnesota, praying for the passage of legislation repealing or reducing the so-called nuisance and war taxes, especially the tax on industrial alcohol, which were referred to the Committee on Finance.

He also presented the petitions of Mrs. J. D. Morrison and 40 others, of Winona; Earl B. Walters and 55 others, of Nashua; H. H. Brier and 15 others, of St. Paul; and J. C. Peterson and 120 others, of Blooming Prairie, all in the State of Minnesota, praying for the passage of legislation granting adjusted compensation to veterans of the World War, which were referred to the Committee on Finance.

He also presented the memorials of Albert A. Uecker and 62 others, of Gaylord, and E. H. Gade and 53 others, of Gaylord, in the State of Minnesota, remonstrating against the passage of legislation creating a Federal department of education, which were referred to the Committee on Education and Labor.

He also presented the petition of A. S. Durling and 57 other citizens, of Twin Valley and vicinity, in the State of Minnesota, praying for the enactment of legislation providing a $50,000,000 revolving loan to the livestock industry, which was referred to the Committee on Agriculture and Forestry.

He also presented the petition of Leonard Walch and 53 other citizens, in the State of Minnesota, praying for the enactment of legislation establishing a Federal agricultural export commission for the relief of agricultural conditions, which was referred to the Committee on Agriculture and Forestry.

He also presented the petition of F. H. Harvard and 24 other citizens of St. Paul, Minn., praying for the passage of Senate bill 742, requiring that all strictly military supplies be manufactured in the Government-owned navy yards and arsenals, etc., which was referred to the Committee on Military Affairs.

He also presented the petition of F. R. Johnson and 30 other citizens, of East Grand Forks, Minn., praying for the passage of legislation repealing or reducing the so-called nuisance and war taxes, especially the tax on motor vehicles, which was referred to the Committee on Finance.

He also presented the petitions of William Tordsen and 77 other citizens of Lakefield and vicinity, and of E. S. Haleman and 78 other citizens of Cass, Beltrami, and Morrison Counties, in the State of Minnesota, praying for the passage of the so-called Norris-Sinclair bill providing aid to agriculture, which were referred to the Committee on Agriculture and Forestry.

Mr. McLEAN presented petitions of the Women's Christian Association of Hartford; the West End Club of New Haven; and the Woman's Christian Temperance Union of Middletown, all in the State of Connecticut, praying an amendment to the Constitution regulating child labor, which were referred to the Committee on the Judiciary.

He also presented a resolution of the Meriden (Conn.) Woman's Club, favoring an amendment to the Constitution regulating child labor, which was referred to the Committee on the Judiciary.

He also presented a resolution of the Civitan Club of Hartford, Conn., favoring the making of appropriations adequate to carry out intent of the national defense act of 1920, which was referred to the Committee on Military Affairs.

He also presented memorials of the industrial committee of the Women's Christian Association of Hartford and the Woman's Club of Meriden, both in the State of Connecticut, remonstrating against the adoption of a constitutional amendment granting equal rights to women, which were referred to the Committee on the Judiciary.

He also presented a petition of Local No. 273, Moving Picture Machine Operators, of New Haven, Conn., praying for the enactment of legislation repealing the tax on theater admission tickets, which was referred to the Committee on Finance.

He also presented petitions of the New Haven Trades Council, of New Haven; the Central Labor Union of Meriden; and the Central Labor Union of Bridgeport, all in the State of Connecticut, praying for the enactment of legislation providing a workmen's compensation law for the District of Columbia, which were referred to the Committee on the District of Columbia.

He also presented papers in the nature of petitions of Tobacco Strippers' Union No. 12046; of Local No. 237, National Federation of Post Office Clerks; of Local No. 11, Bakery and Confectionery Workers; Division No. 3, Ancient Order of Hibernians; of Stereotypers' Union No. 27; of Whitney Lodge, No. 319, New England Order of Protection; of Aerie No. 242, Fraternal Order of Eagles; of Dorscht Lodge, No. 2 (Inc.); and Societa Giuseppe Garibaldi di Mutuo Soccorso, all of New Haven, Conn., praying for the enactment of legislation providing increased salaries to postal employees, which were referred to the Committee on Post Offices and Post Roads.

He also presented papers in the nature of petitions of Hudson Post, No. 71, the American Legion, of West Haven; of George A. Smith Post, No. 74, the American Legion, of Fairfield; the American Legion, Sixth District, Department of Connecticut; of citizens of Plainville; Howard G. Hilliard Post, No. 66, the American Legion, of Deep River; and of sundry citizens of Bridgeport, Ansonia, Derby, and Seymour, all in the State of Connecticut, praying for the enactment of legislation granting adjusted compensation to veterans of the World War, which were referred to the Committee on Finance.

He also presented memorials of Lodge Fiume and Gloria of Italy, Sons and Daughters of Italy, No. 985, of Naugatuck; Cristoforo Colombo Society, of Naugatuck; Societa C. Colombo M. S. Organizzata Giugn, of New Haven; citizens of Italian descent of Bridgeport, New Haven, Hartford, and South Norwalk; Societa Italiana di Mo. So., of Stafford Springs; and Italian-American Political Club, of Ansonia, all in the State of Connecticut, remonstrating against the passage of the so-called Johnson selective immigration bill as being discriminatory, which were referred to the Committee on Immigration.

Mr. FRAZIER presented petitions of Post No. 45, of Carson; Post No. 115, of Hettinger; Post No. 172, of Buxton; Post No. 201, of Minto; Post No. 116, of Grenora; Post No. 118, of Gilby; Post No. 193, of Edmore; Post No. 37, of Williston; Post No. 156, of Edinburg; Post No. 228, of Colfax; Post No. 143, of Cooperstown; Post No. 225, of Nortonville; Post No. 6, of Grand Forks; Post No. 117, of Kindred; Post No. 123, of Maddock; Post No. 203, of Warwick; Post No. 70, of Hatton; Post No. 36, of Oakes; Post No. 18, of Hope; Post No. 210, of Galesburg; Post No. 8, of Mayville; Post No. 7, of Mott; Post No. 113, of Hannaford; Post No. 190, of Shields; Victor B. Wallin Post, of Washburn; Hal Parker Post, of Cando; Post No. 170, of Hensel; Post No. 129, of Bisbee; Post No. 227, of Mountain; Post No. 99, of Ryder; Post No. 173, of Fort Yates; Post No. 219, of Enderlin; American Legion Post of Towner; Dan R. Richardson Post, of Linton; American Legion Post of Drayton; and Frank E. Curry Post, of Harvey, all of the American Legion, in the State of North Dakota; and of Post No. 229, the American Legion, of Westby, Mont., praying for the passage of legislation granting adjusted compensation to veterans of the World War, which were referred to the Committee on Finance.

He also presented the petition of J. H. Hampler and 22 other citizens of Bordulac, N. Dak., praying for the passage of legislation repealing or reducing the so-called nuisance and war taxes, especially the tax on industrial alcohol, which was referred to the Committee on Finance.

He also presented a resolution of the A. O. U. W. Lodge, of Edinburg, N. Dak., favoring the passage of legislation granting adjusted compensation to veterans of the World War and opposing the adoption of the so-called Mellon tax-reduction plan, which was referred to the Committee on Finance.

He also presented the petitions of W. R. Martin and 37 other citizens of De Sart; of Oscar Oium and 2 other citizens of Towner; of Mrs. Otis B. Skarloken and 10 other citizens of Hannaford; of Ole N. Egge and 7 other citizens of Hickson; of Arne Madland and 11 other citizens of McKenzie, all in the State of North Dakota, praying for the passage of the so-called Norris-Sinclair bill providing aid to agriculture, which were referred to the Committee on Agriculture and Forestry.

He also presented the petitions of Leon V. Lesher and 5 other ex-service men of Braddock; of G. A. Wendelin and 1 other citizen of Stanley; of J. W. Smith and 9 other citizens of Scranton; of John Wagner and 152 other citizens of Arthur; of M. H. Gilfoy and 44 other citizens of Garrison; of H. G. Piper and 48 other citizens of Garrison; of A. P. Statrom and 41 other citizens of Galesburg; of Roy Orser and 7 other ex-service men of Lone Tree; of Lloyd Orser and 5 other ex-service men of Colgate; and of Peter Leif and 22 other citizens of Wilton, all in the State of North Dakota, praying for the passage of legislation granting adjusted compensation to veterans of the World War, which were referred to the Committee on Finance.

He also presented a resolution adopted by the County Commissioners' Association of the State of North Dakota at Minot, N. Dak., favoring the enactment of legislation extending for three years the period in which the States may comply with the requirements of the Federal aid act, which was referred to the Committee on Agriculture and Forestry.

He also presented a resolution of the Bergen Township Farmers' Club, of Pekin, N. Dak., favoring the enactment of legislation establishing a Federal agricultural export commission for the relief of agricultural conditions, which was referred to the Committee on Agriculture and Forestry.

He also presented the petition of the Yellow Cab Co. and five other taxi companies of Minot, N. Dak., praying for the enactment of legislation reducing Federal licenses on taxi and bus service, which was referred to the Committee on Finance.

He also presented the petition of H. E. Fraser and 11 other rural letter carriers of Emmons County, N. Dak., praying for the enactment of legislation granting to rural carriers an equipment and maintenance allowance equal to that paid city mounted carriers, which was referred to the Committee on Post Offices and Post Roads.

He also presented the petition of Charles Knutson and 17 other citizens of Sargent County, N. Dak., praying for the enactment of legislation creating an export corporation and remonstrating against the adoption of the so-called Mellon tax-reduction plan, which was referred to the Committee on Agriculture and Forestry.

He also presented the petitions of A. Weber and 101 other citizens of Ashley, of Mike Schlenker and 131 other citizens of Wells County, and of W. Welin and 21 other citizens of Omemee, all in the State of North Dakota, praying for the enactment of legislation increasing the tariff duty on wheat, the repeal of the drawback provision and the milling-in-bond privilege of the Fordney-McCumber Tariff Act of 1922, and the establishment of a Government export agency, which were referred to the Committee on Agriculture and Forestry.

He also presented a resolution adopted by the Bergen Community Farmers' Club, of Pekin, N. Dak., favoring the enactment of legislation providing a $50,000,000 revolving loan to the livestock industry, which was referred to the Committee on Agriculture and Forestry.

He also presented the memorial of Walter Rick and 50 other citizens of McKenzie County, N. Dak., remonstrating against the adoption of the so-called Mellon tax-reduction plan, which was referred to the Committee on Finance.

He also presented the petition of Henry S. Grunde and 15 other citizens of Eddy County, N. Dak., praying for the adoption of the so-called Mellon tax-reduction plan, which was referred to the Committee on Finance.

He also presented the memorial of George Heilman and 24 other citizens of Golden Valley, N. Dak., remonstrating against the passage of legislation creating a Federal department of education, which was referred to the Committee on Education and Labor.

ADDRESS BY SENATOR BORAH.

Mr. WADSWORTH. Mr. President, on January 5 last the senior Senator from Idaho [Mr. BORAH] delivered a very interesting and instructive address in New York City before the National Republican Club on the general question of taxation. I ask unanimous consent that it be printed in the RECORD.

Mr. ROBINSON. Will the Senator repeat the statement? I could not hear it, although I endeavored to do so.

Mr. WADSWORTH. On January 5 last the senior Senator from Idaho [Mr. BORAH] delivered a very interesting and instructive address in New York City before the National Republican Club, a nonpartisan gathering, on the general question of taxation. I have a copy of it here, sent to me from New York City, and I ask unanimous consent that it be printed in the RECORD.

Mr. ROBINSON. I have no objection.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The address is as follows:

ADDRESS OF SENATOR WILLIAM E. BORAH, OF IDAHO, BEFORE THE NATIONAL REPUBLICAN CLUB JANUARY 5, 1924.

Senator BORAH spoke as follows:

"Mr. Chairman, Commander Spafford, and friends, I am a little at a loss to understand why I was invited here to discuss the subject which is before the club. I do not feel at all that I am an expert upon the subject which is before you, especially the tax-reduction feature of it. The Secretary of the Treasury has presented a plan for the reduction of taxes, and I would feel at a loss to undertake to add anything to what has been said by his representatives here upon that subject, or what has been said by the Secretary a number of times in public print. Whatever else may be said for or against Secretary Mellon, he is a financier. He has been caught with the goods on him and we know that he is. But I am tremendously interested, and have been for some time—indeed, ever since the signing of the armistice—in curtailing national expenditures and reducing taxes. I think it has reached a point where it is not only an economic problem but it is a moral problem, and I want to present the few remarks which I have to submit to you in a rather broad view of the subject of expenditure and of the reduction of taxes.

"While I should, of course, be greatly interested in any proposition for the reduction of taxes, yet I would not be so profoundly concerned about this matter if I did not feel that it is a move, the beginning of a nation-wide fight, including cities, States, and the National Government, to reduce expenditures and to relieve the country from the demoralizing effect of these increased taxes. [Applause.]

"I call your attention at the beginning to a few figures along this line. We may broaden the discussion to what seems to me to be really included in this move. The tax bill in 1913 for State, local, and Federal Government to the American people was $2,194,000,000. In 1921 it was $8,363,000,000. That was in the short space of eight years. Since that time the Federal burden has been somewhat reduced, but the State taxes were 8 per cent higher in 1922 than they were in 1921. The per capita tax in 1903 was $17.03; in 1913, $22.73; in 1922, $64.63; and in some of the cities $91 per capita.

"My friend across the table spoke of creeping paralysis. This is something worse. If this expenditure and this waste of public funds terminated with the war, or if it had been peculiar to the period of the war, we would not be so much alarmed over the situation, but it is a condition of affairs which has confronted us for the last 20 years, growing worse year by year, in city, in State, and Nation.

"I beg my friend here to my right—Commander Spafford—to bear in mind that some of us look upon this contest as involving the very institution which he and his comrades went forward to preserve. [Applause.]

"In 1913 we took 6.4 per cent of the national income for taxes. In 1922 we took 12.1 per cent. And now let me call your attention to a few figures which relate particularly to my own part of the country, because I have the good fortune, while not a member of the farm bloc, to live in a farmer's country.

"The farmers' tax bill in 1913 was $624,000,000. In 1922 it was $1,436,000,000. Measured by the ratio of income, the farmer's taxes of 1913 were 10.6 per cent on the return of his income, as compared with 4.1 per cent of the remainder of the community.

"In 1922 the ratio of the farmer was 16.6 per cent, leaving the balance of the community with 11 per cent. One of the most important features of our situation in the West is that of freight rates. We are practically cut off from the eastern part of this country by reason of the fact that while we produce, we can not reach you with our products without paying a bonus to the railroad. But, my friends, I realize that so long as we impose the taxes upon the railroads which we are doing, and at the rate at which we are doing, it is idle to tell the American farmer that you are going to reduce freight rates. [Applause.]

"Let me call your attention to this situation with reference to the railroad, because this tax question touches us at every point of life and from every angle of industrial activity.

"In 1892 the railroad tax per mile was $209; in 1902 it was $272; in 1913 it was $485; in 1922 it was $1,241 per mile.

"We are interested, therefore, in what I hope may prove a great movement to lift the burden and at the same time to call the attention of the American people to the fact that they are traveling along a road which means disaster.

"There is one thing that is very difficult for us western people to escape, and that is taxation, because everything we have got is

on top of the surface, very little in untaxed security. So I have in a humble way been an advocate of tax reduction and the curtailment of expenditure since the signing of the armistice, and that brought me in conflict with men whom no one desires to offend, not only for political reasons but for sentimental reasons, and that is the boys who were at the front during the great World War.

"Some time ago I contributed an article to the press upon the subject of agricultural conditions and the tax burden, and I mentioned the fact in one of the great agricultural counties of the West I had seen a newspaper carrying 6,000 items—notice of tax sales of different kinds of property—and I suppose I must have received a dozen letters from New York City alone asking me if I were not mistaken or if it was not a misprint; was not my figure 600 instead of 6,000? But I was not mistaken.

"The figures were correct, and they present a situation which, as I said a moment ago, makes the question of tax reduction and the curtailment of public expenditures not merely an economic question but a moral question which involves American homes and American families. In other words, these figures show the increase of taxes during the past six or eight years and to my mind present the most searching tragedy in American life to-day. The anxiety, the discouragement, and the broken plans underneath this tax burden, language is inadequate to tell.

"You people here in the East, in the great industrial center, know well your problem, and I also know that it is serious enough. Indeed, no man, woman, or child, no part of the entire country, and no kind of legitimate business escapes the demoralizing effect of these constantly increasing taxes and this constantly increasing tax burden. But while your situation here in the East is serious enough, in my mind, it is more serious elsewhere. Out in these great agricultural regions to which I call attention, where in the last analysis must be found the source of our national wealth and strength, the point from which we are fed, there is a condition far more serious than yours, and a patient, dogged struggle is going on to preserve homes and farms by reason in a large measure of these taxes which no one can appreciate who has not come in contact with them. These men and women who have tamed the desert, who under the most adverse circumstances have opened up farms and made homes, who have suffered and sacrificed, after 50 years of struggle now stand in mortal dread of the coming of the tax collector with his ever-increasing burden. They have seen their taxes mount from 300 per cent to 500 per cent in the brief space of a few years, and in thinking over what has happened, they are infinitely more alarmed about what may happen. This mad saturnalia for spending is even more alarming to them than their present plight. The question of tax reduction ought to be made a crusade in this country. [Applause.]

"Men may differ as to the details of the tax bill, but we ought not to differ, my friends, as to the task or as to the duty which devolve upon us at this time. The subject is here. It can be neither side-stepped nor mystified, and in my opinion, those who cavil or side-step the issue, those who refuse to meet it will find that it is a dangerous thing to deal in mere expediency with so grave a problem. There is one thing that we ought not to do in the present situation in this country and that is to underestimate either the intelligence or the intensity of thought of the American voter. A man may be for the bonus, if he thinks it is right, although I differ with him. A man can be for tax reduction and he ought to be. But you can not be for both. [Applause.] You can not take off a burden temporarily of one hundred and fifty or two hundred million dollars and add on a permanent burden of three to five billion dollars and call it a tax reduction. [Applause.]

"It would be too great a strain upon the credulity of the voter. [Laughter.] It would be a dangerous experiment. It would defeat any political party that would undertake it, and it ought to. When the political seas are calm and the voyagers are all happy and content, it may be all right to proceed upon the mere question of expediency or try to calculate how many votes are on one side or how many on another, but it is a dangerous experiment when there is a storm on and the people have concentrated their minds upon the question of how they are going to get relief.

"Now, permit me to digress just a moment. Of course, the whole fire upon this question now is centered upon Congress—a lack of unanimity. Well, of course, there is never unanimity in Congress. It would be a dull and monotonous place if that were so. But, my friends, I think there is a lack of unanimity with the administration. At a time when economy should be the cry and is the cry, at a time when the morals of those who are in favor of tax reduction is high, I dislike very much to see departments at Washington and the heads of departments coming in asking for increased appropriations of from fifty to a hundred million dollars. [Applause.]

"The Secretary of War has filed a report—a very able gentleman, also a financier—and he says there is no war in sight, but he wants to increase the Army to 150,000 and the National Guard to 268,000, I believe; and the Navy comes along and says it wants to tilt the guns a little at a cost of thirty millions and build $40,000,000 worth of airplanes.

"Now, my friends, of course we are not going to break down entirely upon the question of national defense, but in my opinion the strongest and most commanding nation upon the face of the earth to-day is the nation which is economically sound, economically strong, and whose people are happy, prosperous, and contented. [Applause.] We ought to present a united front upon the question of holding these tax burdens down to the necessity of the situation, and I trust that those who are in favor of tax reduction, especially some of the great papers of New York, all understand that they are demoralizing the fight very much by advocating that we take $100,000,000 and put it upon these unnecessary bureaus. If you want to defeat it, that is a good way to do it. In other words, it would be difficult to ask Congressmen and Senators to refuse the American soldier if you are going to contribute it to a cause which they do not think essential. I say that for the reason that I am interested in the tax reduction, and I am not interested in any particular individual.

"The great obstacle to be overcome in tax reduction is the bonus. I am very clear in my mind; I think everybody else is. I think Commander Spafford is perfectly clear on that proposition—that you can't have the bonus and tax reduction too. He says that he is in favor of tax reduction compatible with paying the bonus—compensation. [Laughter.]

"I assume, as Commander Spafford said, that those who favor the bonus are interested in the bonus or the compensation bill and want to do something to aid materially, economically, and financially those who were in the war. It doesn't make any difference how you arrive at the conclusion, what you want to do is to contribute something to the material comfort and welfare of those who were at the front or who were ready to go to the front. Well, my friends, in my opinion, there is no way in the world by which you can contribute to the welfare of the soldier at this time so much as to bring this country back to an economically sound basis. [Applause.]

"These brave men are now back in civil life. They have entered their several avocations, callings, and professions. They are a part of the economic and politic life of the country. If they stood apart, were segregated, and separated from the other portion of the country you might contribute something to their welfare and they might feel the material benefit of it, but just in so far as you hold back the American farmer, the American business man, or deaden the effort to get back to a prosperous condition in the country, just so far you affect every single ex-service man who is now part of the civil life of the country. They can not escape the effect of it upon the country any more than you business men can escape from the effect of it, because they are a part of it, and as said by the gentleman across the table, they will contribute in a very large measure to the payment of their own compensation. So, if we view it from the standpoint of material benefit alone, it seems to me that it is a mistake to assume that you can discourage business and discourage agriculture and continue to add to this burden and at the same time help the American ex-service man.

"But, my friends, I do not regard the economic argument as the most serious objection to the bonus or to compensation. I have felt from the beginning that it was a mistake, a very serious mistake, to put it upon that ground alone. If compensation can be justified as a matter of principle, if it can be sustained as a sound policy of government, then I would not regard the increase of taxes as a sufficient argument against the payment of the obligation, if it be such or so called. In other words, if there is any way by which to pay for such services in dollars and cents, if there is any rule of compensation by which you can estimate the value of such services, and finally, if it is wise and sound as a matter of government, if it is believed to be in the interest of institutions which rest at last upon the unpurchased and unpurchasable loyalty of the citizen, then let us call these young men to the pay window and apologize for these five years' delay. But, my friends, there is a very prevalent feeling in this country, a feeling now shared by hundreds and thousands of ex-service men, that this pittance, this belated dole, is neither compensation nor gratitude; that the exchange which the soldier will receive and the one which he will most cherish in the future comes not from the coffers of the Government but from the hearts and minds of the American people [applause], and that the acquittance which he in turn signs is not a Treasury receipt but a sense of duty gloriously performed.

"I think, my friends, if you could look into the hearts and read the minds of those who are opposed to the bonus, you would find there no lack of appreciation, no want of gratitude; but we can not bring ourselves to believe that it is any manifestation of appreciation or that it is any expression of gratitude to offer these men a charwoman's wage for the magnificent service which they performed during the war. [Applause.]

"Cæsar's legion, the Old Guard of Napoleon, Washington's veterans at Yorktown, Meade's men at Gettysburg, Grant's bronzed heroes of the Wilderness never faced a greater ordeal nor met that ordeal with finer fortitude and more gallant bearing than these men, practically untrained and undisciplined, met the ordeal in that indescribable hell at Chateau-Thierry and Belleau Wood; and when I am asked to fix a compensation as a legislator for such service at two or three dollars a day I can not but feel down in my heart that I am detracting from the record; that I am robbing the soldier of part of his great asset in the future struggle for success, an asset the value of which no one can overestimate. If I were a soldier with the record behind me that these men have, looking forward to the commendation and approval and support of my countrymen, seeking for success among 110,000,000 people, I would defy any man to write across my record 'Adjusted compensation.' [Applause.] It is not compensation; with all respect to those who call it such, it is absurd to call it compensation. Why, the boys carrying water upon the public works at Washington receive twice a day what these boys propose to take as compensation. No; if it were compensation, I ask you again, how would you fix it? What price would you fix? It was a service which they performed concerning which you can not fix a value in compensation, and in after years you will thank God that your Government didn't do so.

"The cry has been raised in this country by hundreds and thousands of ex-service men—for the disabled, everything; for the able-bodied, nothing. With all due respect to those who hold a different opinion, I think it was a glorious thing to do. It points magnificently in the right direction. It tells you and me of that reserve character, that reserve patriotism, that reserve citizenship upon which we depend in this country for the future more than we do upon constitutions and laws. The American soldier did a most distinguished service when he won the World War, as he did. [Applause.] No pen can adequately tell the story.

"If the American soldier will now give us a new rule in civil life, if he will give us a new rule in American politics, if he will lift this great American game above the level of expediency and gain, if he will help give us a party in this country which is not afraid to lose an election, and if he will give us a breed of public men who are not afraid to lose office, the glory of the past will not excel that of the future. [Applause.]

"We hear and see in these days from the American Legion and everybody else that the world is asking for leadership, that America is asking for leadership, brave, intellectual, moral leadership. Let us begin at home and now by taking the Federal Treasury out of politics, let us give the American taxpayer representation at Washington, and let us do, as some of these ex-service men have indicated, substitute principle for appropriation.

"Let me say to the Republican Party—I do not have an opportunity often to talk to a Republican club—as we face this task, that we want to bear in mind that in politics as in mechanics, the power which is to keep the engine going must be found outside of the machinery. [Applause.]

"The next election will be decided and determined by the voter who will care very little about the party whip and less about party appeal. The question which he will ask the party in power is, 'What have you done for the public weal?' and to that we will have to give answer. We can not win the next election upon anything that we put in the Cleveland platform. We can not win it upon party appeal. We can only win it upon the record which we will make in the Congress of the United States between now and the ides of next November. [Applause.]

"I listened to my friend Spafford, and I must say that in my opinion he made the strongest argument for the compensation bill that I have heard, but I listened with regret to one feature of it, and that is where he undertook to show where the votes were in the coming election. The figures didn't have a very pronounced effect upon me. I got used to that last summer when I was out home and Commander Owsley came into the State and made several speeches against me and booked me for defeat. Of course there are no politics in this. I had voted against the bonus from the beginning, but there was no politics in the speeches which he made against me. A man who has been in the Senate 17 years, at $7,500 a year, does not get very badly excited over the fact that he is going to be retired. [Applause.]

"No, my friends, there is another question involved. A great deal has been said lately about propaganda, on this side and upon that side, propaganda for the bonus, for compensation, propaganda for the tax bill. Well, of course there is propaganda everywhere. There is not anything that comes up in Congress that there is not an onslaught of this propaganda. If a public man undertook in these days to dissect that and to arrive at a conclusion where the most votes were he would be in the insane asylum inside of six months. There is only one way to deal with this miserable propaganda, and that is to sit down and take the bill itself and determine upon its merits and its demerits. That you may be able to do. If you have a conscience and a brain, there is no trouble about doing it, but no man on earth, even after listening to Commander Spafford, could tell where the most votes are upon this question. Better, infinitely better, that we do what we think is right, and let the question of votes take care of itself. If there were 10,000,000 votes upon the other side of the question it would still be the duty of a Senator who disbelieves in the bonus to vote against it. [Great Applause.] We do so not because we fail to appreciate these young men; we do so for the same reason that they performed their service, for the reason that you believed it to be in the interest of your country. Nothing could have deterred you from doing your duty, and I venture to believe that there are men in the Senate of the United States who feel under the same command to do their duty as they see it." [Applause and cheers.]

SITES AND APPROPRIATIONS FOR PUBLIC BUILDINGS.

Mr. FLETCHER. Mr. President, I ask unanimous consent to have printed in the RECORD the letter and exhibits submitted to the Senate on calendar day, January 29, 1924, by the Secretary of the Treasury in response to Senate Resolution No. 94, submitted by me, calling for information relative to sites acquired and appropriations necessary for the erection of certain public buildings; also a letter addressed to me by Assistant Secretary Moss under date of February 27, 1924.

Based upon the information contained in the letter from Assistant Secretary Moss it appears that there is now available in the Treasury of the United States $9,280,822 for the construction of the certain public buildings referred to in the exhibit which accompanied the letter of Secretary Mellon; that it would be necessary for Congress to appropriate $15,130,780 additional in order that those buildings may be constructed; and that in order to construct suitable buildings on sites heretofore acquired, for which no appropriations have been made, it would be necessary for Congress to appropriate $23,557,500.

Mr. President, it occurs to me that in view of the fact it has been publicly stated that the President is opposed to the enactment of a general public buildings bill it would be in order and appropriate and would show good faith on the part of Congress and the President, assuming that there will be no general public buildings legislation enacted during this session, to give careful consideration to the matter of appropriating the additional funds necessary for the purpose of constructing the buildings heretofore authorized, and also for the purpose of constructing buildings on those sites heretofore acquired for which no appropriations have yet been made.

The situation at this time is that in order to carry out the intent and purpose of Congress to erect buildings on those certain sites—appropriations for which have heretofore been made—it will be necessary to appropriate $15,130,780 in addition to the $9,280,822 heretofore appropriated; and in order to erect suitable buildings on sites heretofore acquired for which no appropriation has been made for the erection of buildings it will be necessary to appropriate $23,557,500, or a total of $38,688,280.

It is well known that there has been no general public buildings legislation since 1913; that millions of dollars have been appropriated for the purpose of acquiring sites for buildings on which no buildings have been erected; and that the Government is now occupying inadequate quarters in many cities and towns at an enormous rental—much greater than the cost would be should the Government own and occupy its own buildings.

It occurs to me it would be much better and that it would not greatly disturb the economic conditions of the country should these appropriations be made available immediately, assuming that a "general public buildings bill" would not meet the approval of the President at this time; and that at a later date Congress could well consider the advisability of enacting legislation for the purpose of acquiring additional sites and erecting suitable buildings thereon in other cities and towns throughout the country where the needs of the public service require and circumstances justify.

In several cases sites were donated on the assumption that a public building would be erected at once. The donors have been deprived of the use and rental of the properties. As an illustration of what is happening, on January 9, 1917, Mr. Charles Murray, sr., and wife, of De Funiak Springs, Fla., donated a valuable lot on which there were improvements returning a nice income, and soon thereafter the Government caused all improvements to be removed. So far as known the Government has not derived any income from that property and neither has Mr. Murray or any other person. It has enhanced greatly in value since 1917 because of the improvements made in the neighborhood.

Mr. President, that is illustrative of the situation over the country. Building sites have been donated or sold at low prices with the understanding that buildings would be erected thereon; in some instances buildings have been authorized and appropriations have been made to construct them, but the appropriation was later found to be inadequate, and now there is necessity for appropriating additional sums sufficient to erect the buildings. I submit these facts and ask that the documents to which I have referred may be printed in the RECORD, in connection with what I have stated on the matter.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

ERECTION OF PUBLIC BUILDINGS.

Letter from the Secretary of the Treasury, transmitting, in response to Senate Resolution 94, information relative to sites acquired and appropriations necessary for the erection of certain public buildings.

TREASURY DEPARTMENT,
Washington, January 24, 1924.

THE PRESIDENT OF THE SENATE.

SIR: In response to Senate Resolution 94, directing the Secretary of the Treasury to furnish certain data in reference to public buildings, I have the honor to submit the following:

The information desired, together with certain additional data not specifically called for by the resolution, but without which the statement in regard to the status of authorized buildings and sites would not be complete, is set forth in Exhibit A, as follows:

(a) Name of each city or town (by States) where authorizations have been made for acquisition of a site, construction of a building on site already owned, or for site and building.

(b) Date site was acquired; or, if not acquired, its present status.

(c) Consideration paid for each site.

(d) Amount authorized for site, site and building, or for building only.

(e) Balance available for building.

(f) Estimated cost of building on site authorized.

(g) Amount of increase required where existing authorization is insufficient.

There is also submitted Exhibit B, which includes the names of certain projects, mentioned in Exhibit A, where drawings have been prepared, or are contemplated, for buildings of a very simple type that may possibly be provided within the existing limit of cost by the adoption of much cheaper methods of construction than has been the practice heretofore of this department; or by furnishing space to satisfy present needs only, without room for future expansion; or by not including accommodations for Government activities that may be located in the places named but where the legislation is for a post office only.

Respectfully,

A. W. MELLON,
Secretary of the Treasury.

EXHIBIT A.

Names of cities where sites only or sites and buildings have been authorized, limit of cost of each project, amount authorized in each case, cost of land where sites have been acquired, date of acquisition by Government, balance available, estimated cost of project, and increase in limit required.

Place. (a)	Date site acquired. (b)	Cost of site. (c)	Amount authorized. (d)	Balance available. (e)	Estimated amount. (f)	Increase. (g)
Alabama:						
Albertville	June 9, 1917	$2,500	$5,000		$55,000	
Andalusia	Feb. 26, 1915	4,275	[1] 50,000	$45,000	110,000	$65,000
Attalla	Apr. 20, 1918	4,000	5,000		55,000	
Greenville	Jan. 23, 1917	5,000	5,000		95,000	
Spiveranga	Sept. 10, 1914	5,000	5,000		80,000	
Union Springs	Aug. 26, 1914	4,500	5,000		55,000	
Alaska:						
Fairbanks	Sept. 30, 1915	15,000	15,000		400,000	
Juneau	Sept. 2, 1911	22,500	[1] 200,000	177,500	477,500	300,000

[1] Site and building.

EXHIBIT A—Continued.

Names of cities where sites only or sites and buildings have been authorized, etc.—Continued.

Place. (a)	Date site acquired. (b)	Cost of site. (c)	Amount authorized. (d)	Balance available. (e)	Estimated amount. (f)	Increase. (g)
Arizona:						
Globe	Nov. 14, 1911	$15,000	[2] $15,000 [3] 100,000	$100,000	$225,000	$125,000
Prescott	Apr. 13, 1915	7,500	7,500		250,000	
Tucson	Apr. 29, 1914	15,000	15,000		425,000	
Arkansas:						
Brinkley	Sept. 30, 1918	3,735	5,000		55,000	
Conway	June 16, 1915	2,000	5,000		100,000	
El Dorado	Mar. 2, 1922	5,000	5,000		175,000	
Forrest City	May 28, 1917	4,500	5,000		65,000	
Marianna	Feb. 7, 1917	2,750	[1] 50,000	47,250	92,250	45,000
North Little Rock (Argenta).	Dec. 14, 1920	9,500	10,000		100,000	
Prescott	Aug. 24, 1914	(4)	[1] 50,000	50,000	65,000	15,000
Russellville	Feb. 17, 1917	5,000	[1] 50,000	45,000	130,000	85,000
Stuttgart	Not purchased		5,000		90,000	
California:						
Bakersfield	Aug. 23, 1911	17,500	[2] 20,000 [3] 135,025	135,000	250,000	115,000
Long Beach	Feb. 14, 1914	40,000	40,000		750,000	
Modesto	Dec. 28, 1916	17,000	20,000		175,000	
Red Bluff	Jan. 31, 1917	9,800	[1] 60,000	50,200	135,200	85,000
San Bernardino	June 17, 1913	16,500	20,000		200,000	
San Luis Obispo.	Oct. 30, 1916	7,500	[1] 80,000	72,500	115,000	42,500
San Pedro	Site not selected.		[1] 60,000	60,000	500,000	440,000
Colorado:						
Canon City	May 8, 1915	11,000	15,000		140,000	
Durango	Jan. 24, 1912	10,000	[2] 10,000 [3] 100,000	100,000	250,000	150,000
Monte Vista	May 22, 1916	2,000	10,000		100,000	
Montrose	Mar. 31, 1916	15,000	15,000		400,000	
Sterling	July 31, 1917	15,000	15,000		125,000	
Connecticut:						
Branford	June 8, 1917	9,600	[1] 55,000	45,400	60,400	15,000
Manchester	Aug. 22, 1911	42,000	15,000		100,000	
Mystic	Mar. 22, 1917	4,000	[1] 55,000	51,000	76,000	25,000
Putnam	Sept. 15, 1911	8,500	[1] 65,000	56,500	106,500	50,000
Delaware:						
Newark	Dec. 18, 1914	4,000	5,000		60,000	
District of Columbia:						
State, etc., department. [5]						
Florida:						
De Funiak Springs	Jan. 9, 1917	(4)	6,000		70,000	
Key West	Nov. 3, 1915	52,750	80,000		450,000	
Kissimmee	Oct. 9, 1914	5,000	6,000		70,000	
Lake City	Oct. 17, 1914	6,000	7,500		85,000	
Marianna	Nov. 16, 1916	4,000	[1] 70,000	66,000	151,000	85,000
Georgia:						
Canton	Aug. 20, 1916	5,000	5,000		80,000	
Douglas	Aug. 22, 1917	8,500	[1] 55,000	51,500	76,500	25,000
Eatonton	Apr. 10, 1917	3,000	5,000		85,000	
Madison	July 21, 1917	5,000	5,000		65,000	
Monroe	May 29, 1916	5,000	5,000		65,000	
Rossville	Apr. 3, 1915	5,000	5,000		70,000	
Sandersville	Aug. 12, 1915	5,000	5,000		65,000	
Thomson	Sept. 25, 1915	5,000	5,000		55,000	
Toccoa	Jan. 28, 1915	5,000	5,000		65,000	
Waynesboro	Apr. 13, 1915	4,098	5,000		70,000	
West Point	Apr. 28, 1916	6,000	[1] 50,000	44,000	69,000	25,000
Idaho:						
Caldwell	June 28, 1915	8,500	10,000		100,000	
Coeur d'Alene	May 3, 1912	18,200	[1] 100,000	86,800	251,800	165,000
Nampa	Jan. 15, 1917	6,200	10,000		125,000	
Sand Point	Aug. 9, 1918	(4)	[1] 70,000	70,000	115,000	45,000
Illinois:						
Batavia	Not selected.		[1] 95,000	95,000	95,000	None.
Carlinville	Mar. 10, 1917	8,000	10,000		95,000	
Carrollton	Sept. 14, 1918	7,000	7,000		100,000	
Chicago, West Side.			[6] 1,750,000			
Chicago, East Sixty-third.			[6] 50,000			
Cicero	June 19, 1915	6,000	7,000		100,000	
Geneseo	July 15, 1920	10,000	[1] 60,000	50,000	100,000	50,000
Havana	Nov. 14, 1916	9,000	10,000		110,000	
Highland	Sept. 30, 1914	4,000	7,000		80,000	
Jerseyville	Sept. 9, 1913	6,250	[1] 65,000	58,750	98,750	40,000
Mendota	Sept. 8, 1917	10,000	10,000		70,000	
Metropolis	Site not selected.		[1] 50,000	50,000	100,000	50,000
Mount Carmel	Sept. 23, 1914	20,000	[1] 75,000	55,000	115,000	60,000
Paxton	Site not selected.		[1] 60,000	60,000	100,000	40,000
Spring Valley	June 27, 1921	6,000	10,000		75,000	
Woodstock	Aug. 23, 1917	15,000	17,000		110,000	
Indiana:						
Bluffton	Oct. 9, 1918	11,500	[1] 70,000	58,500	98,500	40,000

[1] Site and building.
[2] Site.
[3] Building.
[4] Donated.
[5] Proposition taken up by Committee on Public Buildings and Grounds in their report to the Senate.
[6] These matters will require a survey of the entire Chicago situation.

EXHIBIT A—Continued.

Names of cities where sites only or sites and buildings have been authorized, etc.—Continued.

Place. (a)	Date site acquired. (b)	Cost of site. (c)	Amount authorized. (d)	Balance available. (e)	Estimated amount. (f)	Increase. (g)
Indiana—Contd.						
Clinton	Jan. 4, 1917	$6,800	[1] $80,000	$53,200	$73,200	$20,000
Decatur	Sept. 20, 1919	9,000	10,000	.....	125,000	.....
Greensburg	July 26, 1917	12,000	12,000	.....	140,000	.....
Lebanon	Apr. 3, 1917	9,000	10,000	.....	115,000	.....
Linton	Aug. 18, 1916	5,500	8,000	.....	95,000	.....
Mount Vernon	Sept. 15, 1911	7,500	7,500	.....	100,000	.....
Noblesville	Dec. 11, 1917	10,000	10,000	.....	110,000	.....
North Vernon	May 16, 1918	10,000	[1] 60,000	50,000	85,000	35,000
Plymouth	Not purchased	.....	10,000	.....	80,000	.....
Rochester	....do.....	.....	[1] 70,000	62,000	112,000	50,000
Salem	....do.....	.....	5,000	.....	60,000	.....
Warsaw	Oct. 27, 1921	10,000	10,000	.....	100,000	.....
Iowa:						
Albia	June 19, 1917	5,000	5,000	.....	100,000	.....
Cherokee	July 19, 1916	12,000	[1] 70,000	58,000	103,000	45,000
Des Moines	Aug. 15, 1919	65,000	{ [2] 100,000 [3] 250,000	250,000	600,000	350,000
Fairfield	Sept. 18, 1916	7,000	10,000	.....	100,000	.....
Marengo	Dec. 29, 1915	3,500	5,000	.....	75,000	.....
Newton	July 13, 1917	10,000	10,000	.....	125,000	.....
Oelwein	Aug. 23, 1915	8,000	8,000	.....	85,000	.....
Kansas:						
Holton	Sept. 22, 1911	4,500	7,500	.....	90,000	.....
Kentucky:						
Barbourville	Nov. 9, 1921	5,000	5,000	.....	50,000	.....
Central City	June 17, 1915	7,500	7,500	.....	60,000	.....
Elizabethtown	Dec. 23, 1916	4,000	7,500	.....	75,000	.....
Eminence	Oct. 11, 1915	6,850	8,000	.....	65,000	.....
Falmouth	Nov. 21, 1914	5,000	5,000	.....	60,000	.....
Harrodsburg	Mar. 24, 1917	7,500	10,000	.....	85,000	.....
Hodgenville	Aug. 28, 1917	2,500	5,000	.....	55,000	.....
Madisonville	Dec. 29, 1916	5,000	10,000	.....	90,000	.....
Murray	May 3, 1917	4,000	5,000	.....	60,000	.....
Paintsville	Aug. 10, 1917	4,000	5,000	.....	60,000	.....
Pikeville	Not purchased	.....	7,500	.....	75,000	.....
Prestonburg	Mar. 12, 1918	3,000	5,000	.....	60,000	.....
Shelbyville	June 10, 1911	10,000	{ [2] 10,000 [3] 50,000	50,000	100,000	50,000
Louisiana:						
Morgan City	Dec. 7, 1921	6,000	6,000	.....	60,000	.....
Thibodaux	Mar. 15, 1918	5,000	[1] 50,000	45,000	60,000	15,000
Maine:						
Caribou	Sept. 20, 1911	10,000	{ [2] 10,000 [3] 50,000	50,000	80,000	30,000
Fort Fairfield	Feb. 8, 1915	18,000	[1] 80,000	62,000	77,000	15,000
Hallowell	Mar. 13, 1912	6,500	20,000	.....	70,000	.....
Maryland:						
Salisbury	Apr. 21, 1917	10,500	[1] 90,000	79,500	104,500	25,000
Massachusetts:						
Amherst	June 5, 1923	10,500	[1] 80,000	69,500	99,500	30,000
Leominster	July 2, 1917	20,000	[1] 90,000	70,000	135,000	65,000
Malden	Site to be donated.	.....	150,000	150,000	250,000	100,000
Newburyport	May 3, 1912	25,000	{ [2] 25,000 [3] 70,000	70,000	140,000	70,000
Provincetown	Dec. 10, 1917	7,500	8,000	.....	90,000	.....
Southbridge	Nov. 11, 1915	18,000	[1] 80,000	62,000	122,000	60,000
South Framingham.	Dec. 19, 1916	18,000	25,000	.....	145,000	.....
Waltham	Oct. 17, 1911	46,051	[1] 115,000	68,900	178,900	110,000
Winchester	Mar. 31, 1916	19,500	[1] 75,000	55,500	120,500	65,000
Michigan:						
Benton Harbor	June 2, 1917	25,000	25,000	.....	160,000	.....
Boyne City	Aug. 14, 1911	8,000	10,000	.....	70,000	.....
Calumet	Not purchased	.....	20,000	.....	120,000	.....
Cheboygan	Oct. 2, 1906	7,900	[1] 70,000	62,100	87,100	25,000
Hastings	Dec. 30, 1918	6,300	[1] 81,000	74,700	124,700	50,000
Midland	Nov. 8, 1916	6,000	[1] 60,000	54,000	99,000	45,000
Wyandotte	Site not purchased.	.....	[1] 75,000	75,000	150,000	75,000
Minnesota:						
Duluth	Apr. 15, 1911	80,700	95,000	.....	650,000	.....
Fairmount	Site not purchased.	.....	65,000	60,000	115,000	55,000
Montevideo	Aug. 23, 1911	5,000	{ [2] 5,000 [3] 50,000	50,000	110,000	60,000
Mississippi:						
Holly Springs	Feb. 2, 1914	6,500	{ [2] 5,000 [3] 45,000	43,500	73,500	30,000
Water Valley	Apr. 29, 1916	5,000	[1] 50,000	45,000	75,000	30,000
Missouri:						
Aurora	Apr. 19, 1909	6,975	10,000	.....	90,000	.....
Caruthersville	July 18, 1918	4,000	5,000	.....	75,000	.....
Centralia	Sept. 11, 1914	6,000	7,500	.....	100,000	.....
Farmington	Jan. 30, 1918	5,000	5,000	.....	80,000	.....
Fayette	Mar. 28, 1917	4,000	[1] 55,000	51,000	91,000	40,000
Harrisonville	Oct. 27, 1916	5,000	[1] 52,500	47,500	67,500	20,000
Lamar	Aug. 22, 1914	7,000	10,000	.....	65,000	.....
Lebanon	Dec. 16, 1914	6,800	7,500	.....	75,000	.....
Liberty	Sept. 28, 1917	6,000	[1] 60,000	54,000	69,000	15,000
Mountain Grove.	Oct. 12, 1916	6,000	7,500	.....	80,000	.....
Sikeston	June 16, 1917	7,500	7,500	.....	75,000	.....
Trenton	Jan. 25, 1910	3,000	10,000	.....	90,000	.....
Unionville	Feb. 26, 1917	7,500	7,500	.....	55,000	.....
West Plains	Aug. 29, 1914	5,000	7,500	.....	75,000	.....
Nebraska:						
Central City	July 17, 1917	Donated	[1] 55,000	55,000	75,000	20,000

[1] Site and building. [2] Site. [3] Building.

EXHIBIT A—Continued.

Names of cities where sites only or sites and buildings have been authorized, etc.—Continued.

Place. (a)	Date site acquired. (b)	Cost of site. (c)	Amount authorized. (d)	Balance available. (e)	Estimated amount. (f)	Increase. (g)
Nevada:						
Fallon	June 11, 1917	$1,500	[1] $55,000	$53,500	$66,500	$13,000
Goldfield	Not acquired.	.....	[1] 75,000	75,000	75,000	None.
New Hampshire:						
Somersworth	Dec. 23, 1920	7,500	7,500	.....	60,000	.....
New Jersey:						
Bayonne	Nov. 19, 1913	25,000	{ [2] 25,000 [3] 100,000	100,000	250,000	150,000
East Orange	Oct. 9, 1911	48,696	{ [2] 60,000 [3] 125,000	125,000	390,000	265,000
Millville	Nov. 26, 1912	14,700	[1] 55,000	40,300	115,300	75,000
Montclair	Nov. 11, 1914	30,000	[1] 130,000	100,000	280,000	150,000
Passaic	Apr. 7, 1913	25,000	25,000	.....	{ [2] 50,000 [3] 425,000	.....
Red Bank	June 3, 1914	25,000	25,000	.....	125,000	.....
Salem	Mar. 2, 1917	10,000	10,000	.....	100,000	.....
Vineland	Nov. 8, 1915	10,000	[1] 70,000	60,000	120,000	60,000
Woodbury	Nov. 12, 1912	15,000	[1] 70,000	55,000	80,000	25,000
New Mexico:						
East Las Vegas	Dec. 27, 1917	9,000	[1] 125,000	116,000	116,000	None.
New York:						
Bath	Dec. 9, 1914	13,000	15,000	.....	90,000	.....
Binghamton	Mar. 22, 1916	100,000	100,000	.....	{ [2] 25,000 [3] 475,000	.....
Bronx	July 17, 1914	275,000	[3] 285,000	.....	.....	.....
Cohoes	Feb. 1, 1916	58,500	[1] 140,000	81,500	116,500	35,000
Dunkirk	Mar. 21, 1914	20,000	20,000	.....	170,000	.....
Fort Plain	Site not purchased.	.....	65,000	65,000	95,000	30,000
Long Island City.	Apr. 13, 1915	40,000	[1] 200,000	160,000	310,000	150,000
Lyons	Dec. 18, 1917	15,000	15,000	.....	90,000	.....
Nyack	Aug. 10, 1911	15,500	15,500	.....	100,000	.....
Oneida	Mar. 29, 1917	14,350	20,000	.....	110,000	.....
Saranac Lake	Jan. 12, 1917	18,500	[1] 90,000	71,500	111,500	40,000
Syracuse	Oct. 6, 1911	324,999	{ [2] 325,000 [3] 550,000	550,000	1,600,000	1,050,000
Utica	Sept. 20, 1911	99,500	100,000	.....	800,000	.....
Yonkers	June 22, 1917	338,000	[1] 500,000	160,300	550,000	390,000
Walden	Nov. 19, 1914	7,500	[1] 65,000	57,500	87,500	30,000
Waterloo	June 2, 1911	19,000	{ [2] 30,000 [3] 55,000	55,000	90,000	35,000
North Carolina:						
Edenton	Aug. 2, 1916	4,000	7,500	.....	85,000	.....
Lenoir	Aug. 24, 1915	4,500	8,000	.....	90,000	.....
Lumberton	Sept. 16, 1914	10,000	10,000	.....	115,000	.....
Mount Olive	Aug. 25, 1920	2,000	5,000	.....	75,000	.....
Mount Airy	Site not purchased.	.....	5,000	.....	100,000	.....
Rockingham	No appropriation.	.....	5,000	.....	75,000	.....
Rutherfordton	July 21, 1917	4,000	5,000	.....	65,000	.....
Thomasville	Sept. 13, 1917	8,000	[1] 55,000	47,000	82,000	35,000
Wadesboro	No appropriation.	.....	5,000	.....	70,000	.....
Wilson	May 28, 1909	10,000	[4] 60,000	50,000	250,000	200,000
North Dakota:						
Fargo	Apr. 9, 1915	23,500	25,000	.....	600,000	.....
Jamestown	Dec. 23, 1911	7,500	{ [2] 10,000 [4] 75,000	75,000	260,000	185,000
Ohio:						
Akron	Aug. 28, 1914	86,280	[1] 400,000	313,720	1,000,000	686,280
Conneaut	Nov. 8, 1911	15,000	15,000	.....	115,000	.....
Delphos	Not purchased	.....	7,000	.....	{ [2] [10] 10,000 [3] 90,000	.....
Fremont	Apr. 2, 1912	12,000	{ [2] 15,000 [3] 100,000	100,000	145,000	45,000
Jackson	July 31, 1911	10,000	10,000	.....	85,000	.....
Kenton	Nov. 2, 1916	14,000	[1] 80,000	66,000	131,000	65,000
Millersburg	Feb. 28, 1918	7,500	7,500	.....	70,000	.....
Napoleon	Sept. 15, 1916	7,500	7,500	.....	115,000	.....
New Philadelphia.	July 20, 1915	12,400	12,500	.....	120,000	.....
Niles	May 27, 1911	15,000	15,000	.....	110,000	.....
Sandusky	Mar. 30, 1917	55,000	[1] 215,000	160,000	280,000	120,000
St. Marys	Sept. 25, 1917	6,500	7,500	.....	75,000	.....
Steubenville	Sept. 23, 1912	35,000	270,000	235,000	235,000	None.
Urbana	June 3, 1911	13,000	15,000	.....	115,000	.....
Washington Court House.	Feb. 6, 1915	15,000	[1] 80,000	65,000	115,000	50,000
Wilmington	Site not purchased.	.....	[1] 75,000	75,000	130,000	55,000
Oklahoma:						
Frederick	Mar. 8, 1917	6,400	10,000	.....	90,000	.....
Hobart	May 28, 1915	10,000	10,000	.....	110,000	.....
Oregon:						
St. Johns	Not purchased	.....	5,000	.....	55,000	.....
Pennsylvania:						
Donora	Not selected.	.....	[1] 75,000	75,000	100,000	25,000
Dubois	Oct. 5, 1912	25,000	{ [2] 25,000 [3] 85,000	85,000	135,000	50,000
Franklin	Feb. 1, 1915	19,000	[1] 100,000	81,000	161,000	80,000
Kittanning	Sept. 30, 1909	15,000	15,000	.....	125,000	.....

[1] Site and building.
[2] Site.
[3] Building.
[7] New site or additional land.
[8] Additional land.
[9] This matter will require a survey of the entire Bronx situation.
[10] Additional for site.

EXHIBIT A—Continued.

Names of cities where sites only or sites and buildings have been authorized, etc.—Continued.

Place. (a)	Date site acquired. (b)	Cost of site. (c)	Amount authorized. (d)	Balance available. (e)	Estimated amount. (f)	Increase. (g)
Pennsylvania—Continued.						
Lancaster	Oct. 1, 1917	$127,833	$138,278		$500,000	
Lewistown	May 15, 1917	16,500	[1] 75,000	$58,500	103,500	$45,600
McKees Rocks	Sept. 7, 1916	14,500	[1] 80,000	65,000	100,000	35,000
Olyphant	Not selected		[1] 65,000	65,000	85,000	20,000
Pittsburgh	Pending	950,000	950,000		2,250,000	
Pittston	Mar. 25, 1919	20,000	[1] 100,000	80,000	230,000	150,000
Rochester	Aug. 4, 1911	25,000	30,000		65,000	
Sayre	Not selected		[1] 80,000	80,000	130,000	50,000
State College	Feb. 9, 1916	14,400	[1] 75,000	60,600	120,600	60,000
Tamaqua	Not purchased		[1] 75,000	48,000	123,000	75,000
Tarentum	July 28, 1911	20,000	[2] 20,000 / [3] 60,000	60,000	125,000	65,000
Tyrone	Aug. 2, 1918	25,000	25,000		150,000	
Waynesburg	Not selected		[1] 75,000	75,000	140,000	65,000
Rhode Island:						
Warren	June 8, 1916	10,000	10,000		75,000	
South Carolina:						
Dillon	Oct. 9, 1914	7,500	7,500		75,000	
Lancaster	Mar. 30, 1915	8,000	[1] 50,000	42,000	82,000	40,000
South Dakota:						
Chamberlain	Not selected		[1] 60,000	60,000	75,000	15,000
Milbank	July 7, 1917	4,000	7,500		65,000	
Vermillion	Jan. 4, 1917	2,500	7,500		85,000	
Tennessee:						
Athens	Dec. 24, 1914	5,000	[1] 50,000	45,000	115,000	70,000
Elizabethton	Not purchased		2,500		[10] 2,500 / [3] 70,000	
Franklin	Jan. 17, 1917	6,200	[1] 55,000	48,800	128,800	80,000
Huntingdon	Aug. 13, 1915	2,500	2,500		75,000	
Memphis sub-post office	Mar. 14, 1918	90,000	[1] 210,000	120,000	720,000	630,000
Rogersville	Dec. 30, 1916	2,250	3,000		65,000	
Tullahoma	June 28, 1919	6,000	[1] 50,000	44,000	74,000	30,000
Texas:						
Atlanta	Sept. 19, 1912	4,000	5,000		65,000	
Coleman	Oct. 12, 1915	1	5,000		70,000	
Comanche	Aug. 13, 1918	3,000	[1] 50,000	47,000	87,000	40,000
Crockett	Sept. 23, 1915	6,000	6,000		85,000	
Dallas	Apr. 18, 1914	280,000	800,000		2,000,000	
Georgetown	Oct. 5, 1914	5,000	5,000		85,000	
Gilmer	Jan. 23, 1917	5,000	[1] 55,000	50,000	70,000	20,000
Huntsville	Jan. 25, 1912	5,000	5,000		85,000	
Memphis	Mar. 16, 1916	2,600	7,500		75,000	
Mount Pleasant	Dec. 29, 1916	5,000	[1] 55,000	50,000	80,000	25,000
Orange	Apr. 10, 1915	5,000	[1] 60,000	55,000	110,000	55,000
Pittsburg	Feb. 21, 1917	5,000	[1] 55,000	50,000	65,000	15,000
Seguin	May 19, 1914	(4)	7,500		80,000	
Sweetwater	Nov. 19, 1914	6,500	7,500		90,000	
Taylor	Mar. 31, 1915	5,000	5,000		115,000	
Utah:						
Nephi	May 17, 1918	5,000	5,000		65,000	
Vernal	Mar. 15, 1918	4,750	[1] 50,000	45,250	130,250	85,000
Vermont:						
St. Johnsbury	June 26, 1917	8,500	[1] 100,000	91,500	146,500	55,000
Virginia:						
Buena Vista	Apr. 4, 1919	4,000	5,000		75,000	
Cape Charles	Not purchased		7,500		75,000	
Manassas	Dec. 19, 1919	3,750	5,000		65,000	
West Point	Sept. 23, 1915	5,000	5,000		55,000	
Woodstock	July 23, 1917	4,000	5,000		65,000	
Washington:						
Colfax	Oct. 25, 1917	5,500	7,000		75,000	
Pasco	July 12, 1916	10,000	10,000		75,000	
Seattle [11]	Jan. 11, 1912	169,500	[2] 200,000 / [3] 300,000	300,000	[12] 4,800,000	4,500,000
West Virginia:						
Hinton	Mar. 14, 1913	5,027	[2] 10,000 / [3] 50,000	50,000	85,000	35,000
New Martinsville	June 20, 1916	12,250	12,500		85,000	
Philippi	Apr. 13, 1914	8,000	8,000		60,000	
Williamson	Oct. 28, 1911	6,500	[2] 7,500 / [3] 50,000	50,000	250,000	200,000
Wisconsin:						
Madison	Nov. 19, 1923	336,448	[1] 550,000	213,552	853,552	640,000
Milwaukee, west side	No appropriation		100,000		350,000	
Mineral Point	Dec. 9, 1921	4,468	[1] 60,000	55,500	70,500	15,000
Monroe	Aug. 1, 1911	7,500	7,500		110,000	
Tomah	July 18, 1917	8,000	[1] 55,000	47,000	72,000	25,000
Waupun	Sept. 3, 1913	3,400	5,000		80,000	
Wyoming:						
Buffalo	Sept. 14, 1911	7,000	[2] 7,000 / [3] 62,500	62,500	97,500	35,000
Cody	Apr. 20, 1912	4,500	[2] 6,000 / [3] 50,000	50,000	125,000	75,000
Green River	Oct. 6, 1911	6,000	6,000		70,000	
Newcastle	Dec. 22, 1916	4,400	5,000		75,000	

[1] Site and building.
[2] Site.
[3] Building.
[4] Donated.
[10] Additional for site.
[11] Present site not suitable; changes in legislation contemplated.
[12] New site and building.

EXHIBIT B.

LIST OF BUILDINGS INCLUDED IN EXHIBIT A, WHERE DRAWINGS HAVE BEEN PREPARED OR ARE CONTEMPLATED.

California: Bakersfield, Red Bluff, and San Luis Obispo.
Georgia: Douglas and West Point.
Idaho: Sandpoint.
Illinois: Geneseo, Jerseyville, and Mount Carmel.
Indiana: Bluffton, Clinton, and North Vernon.
Kentucky: Shelbyville.
Louisiana: Thibodaux.
Maryland: Salisbury.
Massachusetts: Leominster.
Michigan: Cheboygan and Midland.
Mississippi: Water Valley.
Missouri: Fayette and Liberty.
Nevada: Fallon.
New Jersey: Vineland.
New Mexico: East Las Vegas.
New York: Cohoes, Saranac Lake, Walden, and Waterloo.
Ohio: Kenton, Steubenville, and Washington Court House.
Pennsylvania: Dubois, Franklin, Lewistown, Pittston, and State College.
Tennessee: Franklin.
Texas: Gilmer, Mount Pleasant, and Pittsburg.
Vermont: St. Johnsbury.
Wisconsin: Mineral Point.
Wyoming: Buffalo and Cody.

TREASURY DEPARTMENT,
OFFICE OF ASSISTANT SECRETARY,
Washington, February 27, 1924.

Hon. DUNCAN U. FLETCHER,
United States Senate.

MY DEAR SENATOR: Reference is made to your letter of February 22 asking to be furnished with certain totals of the amounts in connection with authorized public buildings and sites contained in Senate Document No. 28. These amounts are as follows:

(1) The total amount of appropriations available for the construction of certain buildings (col. e)---------- $9,280,822
(2) An estimate of the total additional amount necessary for Congress to appropriate in order that those buildings may be constructed (col. g)---------- 15,130,780
(3) The total amount estimated necessary to be appropriated for the construction of buildings on sites heretofore acquired for which no appropriation was made for the construction of a building (col. f)---- 23,557,500

Very truly yours,

MCKENZIE MOSS, *Assistant Secretary.*

ADDRESS BY NICHOLAS MURRAY BUTLER (S. DOC. NO. 55).

Mr. LODGE. I ask to have printed as a Senate document an address recently delivered before the Republican State Editorial Association at Indianapolis, Ind., by Dr. Nicholas Murray Butler, president of Columbia University, New York, on "The discontent with democracy."

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

INDIANS IN SAN JUAN COUNTY, UTAH.

Mr. SMOOT. The other day while the Interior Department appropriation bill was under consideration there was an item affecting the Piute Indians and a mistake was made in a statement on the floor of the Senate. The Commissioner of Indian Affairs has written me a letter calling attention to the mistaken statement, and I ask that his letter be printed in the RECORD so that both statements may appear there.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE INTERIOR,
OFFICE OF INDIAN AFFAIRS,
Washington, February 27, 1924.

MY DEAR SENATOR SMOOT: My attention has been attracted to a discussion on the floor of the Senate, in which you took part, during the consideration of certain items affecting Indians in the State of Utah. The discussion referred to took place on Thursday, February 21, and appears on pages 2883 and 2884 of the CONGRESSIONAL RECORD for that date.

As there seems to be some misunderstanding on your part and probably on the part of other members of the Senate regarding what this department has been doing, is now doing, and plans to accomplish for the benefit and in the interest of the Indians in San Juan County, Utah, your attention is respectfully invited to the following statement of conditions with respect to these Indians.

In April of last year instructions were issued to one of our allotting agents to proceed to Allen Canyon and that vicinity for the

purpose of assisting the Indians in making applications for allotments under the provisions of the fourth section of the general allotment act of February 8, 1887 (24 Stat. L. 388) as amended. The Indians affected by these instructions are members of two small bands of Utes and Piutes who were occupying tracts in Allen Canyon and that vicinity and also along Montezuma Creek, the Utes being led by an Indian named Polk and the Piutes by Old Posey, now dead. It became evident that there was not enough land suitable for allotments to these Indians outside of the boundaries of the La Sal National Forest, and after negotiations with the Department of Agriculture a considerable area consisting of about 13½ sections of land was eliminated from the forest by presidential order for the accommodation of these Indians. In this connection it may be said that some of the Indians had been occupying lands within the boundaries of the forest for a considerable period. Since that time the work has been progressing and applications have been filed in the local land office for the lands occupied and claimed by the Indians as individuals. These applications are being handled through the customary channels and will eventually result in the issuance of trust patents to the Indians concerned.

In addition to this phase of the work, a tract of 40 acres was withdrawn by order of the President dated August 23, 1923, for and as a school site. As section 27 of the act of June 30, 1919 (41 Stat. L. 3-34), prohibits the withdrawal of public lands by Executive order, proclamation, or otherwise for or as an Indian reservation, except by act of Congress, it became necessary to present the matter to Congress, where it is now pending. In the meantime authority has been obtained for the erection of a building on the tract withdrawn to be used as a schoolhouse. This work is being expedited as much as possible under existing conditions, and it is hoped that all arrangements may be completed for the teaching of the Indian children during the current year.

For your further information attention is invited to the fact that these two bands of Indians, numbering about 200 souls, have been placed under the supervision of the superintendent of the consolidated Ute agency at Ignacio, Colo., and reports on file indicate that he has outlined an extensive program involving the expenditure of more than $8,000 during the present fiscal year, as evidenced by the items here tabulated, which are taken from his report dated February 8, 1924:

Barbed wire, 20,000 pounds	$1,600
Staples, 500 pounds	50
Plowing for Indians who have no horses	600
Roads and bridges on road to canyon	1,000
Tools and machinery for farming, to loan to Indians by stockman	1,000
Blacksmith and carpenter tools for stockman to do repairing for Indians	400
Lumber for blacksmith and carpenter shop	400
Rations for Indians (beat to be purchased in open market after advertising)	1,000
Purchase of seeds for Indians	500
For other general expenses of administration that will occur during the present year	2,000
For small bills contracted by stockman since Sept. 1, 1923, such as hay, oats, camp outfit, and some few tools	200
Total	8,750

It may be added that no special appropriation has been asked for these particular Indians, for the reason that necessary funds have so far been obtainable from various sources, including Ute tribal funds available for use of Indians under the jurisdiction of the consolidated Ute agency. It is not believed that this office has been in any manner dilatory in extending relief to the Utes and Piutes in San Juan County, Utah, at least during the present administration, and you are assured that we intend to do everything necessary with such means as we have at our disposal for their benefit. A letter similar to this has been addressed to your colleague, Hon. WILLIAM H. KING.

Cordially yours,

CHAS. H. BURKE, *Commissioner.*

Hon. REED SMOOT,
United States Senate.

REPORTS OF COMMITTEES.

Mr. SMITH, from the Committee on Interstate Commerce, to which was referred the resolution (S. Res. 124) directing the Interstate Commerce Commission to secure information relative to amount of money expended for the purpose of creating public interest favorable to railroad sentiment, reported it with an amendment.

He also, from the same committee, to which was referred the bill (S. 1499) to promote the safety of passengers and employees upon railroads by prohibiting the use of wooden cars under certain circumstances, reported it with an amendment.

Mr. BALL, from the Committee on the District of Columbia, to which was referred the bill (S. 703) making an adjustment of certain accounts between the United States and the District of Columbia, reported it with an amendment and submitted a report (No. 177) thereon.

He also, from the same committee, to which was referred the bill (S. 1787) authorizing the extension of the park system of the District of Columbia, reported it without amendment and submitted a report (No. 178) thereon.

Mr. GOODING, from the Committee on Agriculture and Forestry, to which was referred the bill (S. 185) to promote agriculture by stabilizing the price of wheat, reported it with amendments, and without recommendation.

Mr. BURSUM, from the Committee on Military Affairs, to which was referred the bill (S. 2401) providing for the compensation of retired warrant officers and enlisted men of the Army, Navy, and Marine Corps, or any other service or department created by or under the jurisdiction of the United States Government, and warrant officers and enlisted men of the Reserve Corps of the Army and Navy, reported it with amendments and submitted a report (No. 179) thereon.

ENROLLED JOINT RESOLUTION PRESENTED.

Mr. WATSON, from the Committee on Enrolled Bills, reported that on yesterday they presented to the President of the United States the enrolled joint resolution (S. J. Res. 84) making appropriation for the contingent expenses of the United States Senate, fiscal year 1924.

WEST PEARL RIVER BRIDGE, LOUISIANA.

Mr. SHEPPARD. From the Committee on Commerce I report back favorably without amendment the bill (H. R. 4807) granting the consent of Congress to the State Highway Commission of Louisiana to construct, maintain, and operate a bridge across West Pearl River in the State of Louisiana, and I submit a report (No. 176) thereon. I ask unanimous consent for the present consideration of the bill.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the State Highway Commission of Louisiana to construct, maintain, and operate a bridge and approaches thereto across the West Pearl River at a point suitable to the interests of navigation, approximately 1 mile north of Pearl River station in the State of Louisiana, and in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

PEARL RIVER BRIDGE BETWEEN LOUISIANA AND MISSISSIPPI.

Mr. SHEPPARD. From the Committee on Commerce I report back favorably without amendment the bill (H. R. 4808) granting the consent of Congress to the construction, maintenance, and operation of a bridge across the Pearl River between St. Tammany Parish in Louisiana and Hancock County in Mississippi, and I submit a report (No. 175) thereon. I ask unanimous consent for the present consideration of the bill.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the State Highway Commission of Louisiana in cooperation with the proper authorities of the State of Mississippi, or of Hancock County, in the State of Mississippi, to construct, maintain, and operate a bridge and approaches thereto across the Pearl River at a point suitable to the interests of navigation between the Parish of St. Tammany in the State of Louisiana and the County of Hancock in the State of Mississippi, approximately 4½ miles northeast of Pearl River station in the State of Louisiana and 5 miles south of Nicholson in the State of Mississippi and in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HOWELL:

A bill (S. 2646) to provide for the expeditious and prompt settlement, mediation, conciliation, and arbitration of disputes

between carriers and their employees and subordinate officials, and for other purposes; to the Committee on Interstate Commerce.

By Mr. TRAMMELL:

A bill (S. 2647) providing employees' compensation for James McKay, who was injured while in the service of the Quartermaster Corps, United States Army; to the Committee on Claims.

By Mr. CURTIS:

A bill (S. 2648) to investigate the claims of and to enroll certain persons, if entitled, with the Omaha Tribe of Indians; to the Committee on Indian Affairs.

By Mr. CUMMINS:

A bill (S. 2649) granting an increase of pension to Ann J. Alexander;

A bill (S. 2650) granting a pension to Martha A. Williams;

A bill (S. 2651) granting a pension to Miriam Miller; and

A bill (S. 2652) granting a pension to Oscar Criswell; to the Committee on Pensions.

By Mr. JONES of Washington:

A bill (S. 2653) granting an increase of pension to Frank Baldwin Norris (with accompanying papers); and

A bill (S. 2654) granting an increase of pension to Pedro B. de G. Fernandez (with accompanying papers); to the Committee on Pensions.

By Mr. SPENCER:

A bill (S. 2655) to provide pensions for the aged, the blind, and other permanently disabled American citizens; to the Committee on Pensions.

By Mr. RANSDELL:

A bill (S. 2656) granting the consent of Congress to the construction of a bridge across the Mississippi River near and above the city of New Orleans, La.; to the Committee on Commerce.

By Mr. STANLEY:

A bill (S. 2657) allowing claims for the recovery of taxes paid on distilled spirits in certain cases; to the Committee on Finance.

By Mr. FRAZIER:

A bill (S. 2658) granting a pension to Bernard Mulhern; to the Committee on Pensions.

By Mr. BROOKHART:

A bill (S. 2659) granting a pension to Barbara O. Woodward (with an accompanying paper); to the Committee on Pensions.

By Mr. ELKINS:

A bill (S. 2660) granting an increase of pension to Leize Holmes Weaver;

A bill (S. 2661) granting a pension to Granville E. Hawkins; and

A bill (S. 2662) granting an increase of pension to Edna May Williamson; to the Committee on Pensions.

By Mr. SMOOT:

A bill (S. 2663) to standardize the procedure with reference to surety bonds running in favor of the United States, and for other purposes; to the Committee on Finance.

By Mr. SPENCER:

A bill (S. 2664) to amend paragraph 1406 of the tariff act of 1922; to the Committee on Finance.

By Mr. CAMERON:

A bill (S. 2665) granting a special pension to Charles Hurrle; to the Committee on Pensions.

By Mr. McNARY:

A bill (S. 2666) making appropriation for a loan, reimbursable from tribal assets, to provide capital and credit for the purpose of encouraging industry and self-support among the Indians having tribal rights on the Klamath Indian Reservation in Oregon; to the Committee on Indian Affairs.

By Mr. WHEELER:

A joint resolution (S. J. Res. 88) for the relief of the drought-stricken farm areas of Montana; to the Committee on Agriculture and Forestry.

AMENDMENTS TO TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATION BILL.

Mr. LODGE submitted an amendment proposing to appropriate $20,000, Mr. SPENCER submitted an amendment proposing to appropriate $80,000, and Mr. McKINLEY submitted an amendment proposing to appropriate $200,000 for the transmission of mail by pneumatic tubes or other similar devices in the cities of Boston, Mass., St. Louis, Mo., and Chicago, Ill., respectively, intended to be proposed by them severally to House bill 6349, the Treasury and Post Office Departments appropriation bill, which were ordered to lie on the table and to be printed.

PUBLICITY OF CERTAIN INCOME-TAX RETURNS.

Mr. McKELLAR. I submit a resolution and ask that it may be read, and will then ask unanimous consent for its immediate consideration.

The resolution (S. Res. 180) was read, as follows:

Senate Resolution 180.

Whereas the revenue act of 1921, section 257, provides, in part, as follows: "That the returns upon which the tax has been determined by the commissioner shall constitute public records, but they shall be open to inspection only upon order of the President and under rules and regulations prescribed by the Secretary and approved by the President"; and

Whereas the investigation of oil leases now being conducted by the Public Lands Committee of the Senate has disclosed that E. L. Doheny; E. L. Doheny, jr.; and H. F. Sinclair paid large sums of money to A. B. Fall while Secretary of the Interior under circumstances strongly indicating that said moneys were paid for illegal purposes; and

Whereas from said hearings it is not certain whether the sums were paid to A. B. Fall by E. L. Doheny, E. L. Doheny, jr., and H. F. Sinclair individually or whether they were charged to and paid by corporations controlled, or largely controlled, by those individuals; and

Whereas the income-tax returns of the said individuals and corporations hereinafter named, in which said individuals are interested, would no doubt show the true facts; and

Whereas the Bureau of Internal Revenue permits attorneys' fees and general expenses to be used as deductions in computing net taxable income, and it is advisable to know whether said sums have been so deducted in the income-tax returns of the said E. L. Doheny, E. L. Doheny, jr., and H. F. Sinclair, or the corporations controlled by them and hereinafter named; and

Whereas both E. L. Doheny and H. F. Sinclair have admitted that they contributed large sums to both political parties in the last presidential campaign, and it is desirable to know whether such sums so contributed by the said E. L. Doheny and H. F. Sinclair or by any one of the corporations controlled by them were deducted as attorneys' fees or general expenses in making their income-tax returns; and

Whereas it appears from said investigation that the Hyva Corporation, organized by H. F. Sinclair, was organized under peculiar circumstances and apparently for unnamed purposes, presumably for the purpose of escaping taxation contrary to section 220 of the revenue act of 1921; and

Whereas it appears from said hearings that by reason of said leases the Sinclair Consolidated Oil Co., the Mammoth Oil Co., the Selah Corporation, the Hyva Corporation, and H. F. Sinclair, all inseparably connected, have apparently made large profits in the acquirement and sale of stock in said companies, and that an investigation of the tax returns and settlements of each for the year that the leases were consummated and for the years prior and subsequent thereto is advisable; and

Whereas in like manner it appears from said hearings that E. L. Doheny, E. L. Doheny, jr., the Mexican Petroleum Co., and the Pan American Petroleum & Transport Co. likewise made large profits and that one or the other of them paid large sums in payment to the then Secretary of the Interior in connection with said leases, and that an investigation of the tax returns of E. L. Doheny, E. L. Doheny, jr., the Mexican Petroleum Co., and the Pan American Petroleum & Transport Co. for the year in which the leases were consummated and the years prior and subsequent thereto is necessary for the purpose of determining, among other things, whether or not said $100,000 paid to A. B. Fall, Secretary of the Interior, was accounted for in said tax returns or used as a deduction in computing net taxable incomes in one or the other of said companies or in the individual returns of E. L. Doheny or E. L. Doheny, jr.; and

Whereas it appears that the said A. B. Fall received, in addition to his salary and such other incomes as he may have received, the sum of $100,000 from E. L. Doheny and E. L. Doheny, jr., and in another year at least $25,000 from the attorney of H. F. Sinclair, and it is desirable to know whether such sums were included in the income-tax returns of the said A. B. Fall; and

Whereas it has been openly charged in the press that "scores of millions of dollars were wrongfully diverted from the Federal Treasury to the coffers of private oil companies through the interpretation of the discovery act by a special Treasury Department board," and that the truth or falsity of such heinous charges with respect to the oil companies in question can only be determined by an examination of the income-tax returns of said individuals and corporations above referred to: Now, therefore, be it

Resolved, That the President of the United States be, and he is hereby, respectfully requested to direct the Secretary of the Treasury to turn over to the Public Lands Committee of the Senate, as by law he is authorized to do, the income-tax returns filed by the said H. F. Sinclair, the Sinclair Consolidated Oil Co., the Mammoth Oil Co., the Hyva Corporation, the Selah Corporation, E. L. Doheny, E. L. Doheny,

jr., the Mexican Petroleum Co., the Pan American Petroleum & Transport Co., and A. B. Fall, together with all files, claims, papers, settlements, reports formal and informal, adjustments, memoranda, or refunds, and all other files and data attached thereto or connected therewith, in the years for which said leases were consummated and for the years prior and subsequent thereto.

Mr. McKELLAR. Mr. President, I ask unanimous consent for the immediate consideration of this resolution. It merely requests the President to direct the Secretary of the Treasury to furnish these tax returns to the Committee on Public Lands and Surveys, which is now examining this matter. It seems to me that it is a resolution that ought to be passed, and it is information that the Public Lands Committee ought to have.

The PRESIDENT pro tempore. Is there objection?

Mr. MOSES. Mr. President, I quite agree with the Senator that this is information which should be had; but in listening to the reading it occurred to me that there are some omissions from the list of corporations enumerated, and I desire to make some inquiry and possibly offer an amendment to the resolution. Therefore I shall have to object to its present consideration.

Mr. McKELLAR. I ask, then, that the resolution may be printed and lie on the table, and I give notice that I shall call it up to-morrow morning.

Mr. MOSES. I will say to the Senator that I want to see the resolution in printed form, and that is why I am making the objection.

Mr. McKELLAR. It will be printed right away, and the Senator can have it to-morrow morning.

The PRESIDENT pro tempore. The Senator from Tennessee desires that the resolution shall lie on the table?

Mr. McKELLAR. That it shall be printed and lie on the table.

The PRESIDENT pro tempore. That order will be made.

INCOME TAXES OF CORPORATIONS OWNING OIL WELLS.

Mr. KING. Mr. President, I offer a resolution, which I send to the desk and ask to have read.

The PRESIDENT pro tempore. The resolution will be read.

The resolution (S. Res. 181) was read, as follows:

Resolved, That the Secretary of the Treasury report to the Senate the number of corporations which have filed income-tax returns claiming deductions for depletion of oil wells, together with a statement of all deductions and discovery values which have been allowed such corporations, and also a statement of the number and amount of all claims which have been filed for the refund of taxes by such corporations, the grounds alleged for such refunds, what refunds have been allowed, and the number and description of claims for refund which are now pending.

Mr. KING. Mr. President, I can conceive of no objection to the adoption of the resolution; but, for fear that some Senator may not comprehend its full import, I give notice that I shall ask for its consideration to-morrow. In the meantime I ask that it be printed and lie on the table.

The PRESIDENT pro tempore. The resolution will be printed and lie over under the rule. Morning business is closed.

RENTAL CONDITIONS IN THE DISTRICT OF COLUMBIA.

Mr. EDWARDS obtained the floor.

Mr. BALL. Mr. President, if the Senator from New Jersey will permit me, I ask unanimous consent for the immediate consideration of Senate Resolution 158. I should like to state that this resolution simply authorizes a survey to find out the number of vacant houses in the District of Columbia at this time.

Mr. McKELLAR. What is the number of the resolution on the calendar?

The PRESIDENT pro tempore. The resolution is Order of Business 179. The Senator from Delaware asks unanimous consent for the immediate consideration of Senate Resolution 158. Is there objection?

Mr. McKELLAR. Let it be read.

Mr. EDWARDS. Mr. President, I have not yielded for legislation. I yielded for a question or some brief remarks.

The PRESIDENT pro tempore. The Chair will hold that the Senator from New Jersey will not lose the floor by yielding for the consideration of the resolution. The Secretary will read the resolution.

Mr. KING. Mr. President, I understand the Senator from New Jersey had the floor——

The PRESIDENT pro tempore. He had.

Mr. KING. And the Senator yielded for the purpose of introducing a resolution but not for its consideration. I ask the Senator from Delaware to lay aside his resolution temporarily, until the Senator from New Jersey has finished his remarks.

Mr. BALL. If that is the desire of the Senator from New Jersey, who has the floor, I certainly will.

PRESIDENTIAL APPROVAL.

A message from the President of the United States, by Mr. Latta, one of his secretaries, announced that on February 27, 1924, the President approved and signed the joint resolution (S. J. Res. 84) making appropriation for the contingent expenses of the United States Senate, fiscal year 1924.

BRITISH STEAMSHIP "BARON BERWICK" (S. DOC. NO. 56).

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Foreign Relations and ordered to be printed.

To the Congress of the United States:

I transmit herewith a report concerning a claim against the United States presented by the British Government for damages sustained by the British steamship *Baron Berwick* as a result of a collision in Quiberon Bay, France, on August 22, 1918, between that vessel and the U. S. S. *Iroquois* (now *Freedom*), and a further collision in Roscanvel Bay, France, on October 5, 1918, of the U. S. destroyer *Truxton* with the *Baron Berwick*. The report requests that the recommendation of the Secretary of War and of the Secretary of the Navy as indicated therein be adopted, and that the Congress authorize the appropriation of the sum necessary to pay the indemnity offered by the representative of the American Expeditionary Forces.

I recommend that, in order to effect a settlement of this claim in accordance with the recommendation of the Secretary of State, the Congress, as an act of grace and without reference to the legal liability of the United States in the premises, authorize an appropriation of an amount which will be equivalent to £6,200.

CALVIN COOLIDGE.

THE WHITE HOUSE, *February 28, 1924.*

ENFORCEMENT OF NATIONAL PROHIBITION ACT.

Mr. EDWARDS. Mr. President, I ask unanimous consent to address the Senate at this time in support of my resolution, No. 171; and I further request and will certainly appreciate it if Senators will not interrupt me. If they wish to ask me any questions when I am through, I shall be very glad to answer them if I can.

Mr. President, on the night of the 15th of February, 1924, a United States Senator was struck down by a stray shot while walking along Pennsylvania Avenue accompanied by his wife. Pennsylvania Avenue is the main thoroughfare in our National Capital and one of the historic thoroughfares of the world. It connects the Capitol Building with the White House. The appalling tragedy referred to occurred almost within the shadow of the Capitol. The newspaper stories are to the effect that there was a running battle between an agent of the national prohibition department and suspected bootleggers, in which pistol shots were freely exchanged, and that one going wild struck Hon. FRANK LESTER GREENE, a United States Senator from the State of Vermont, in the head. He is still in the hospital, his life hanging in the balance. Our common prayer is for his speedy and permanent recovery.

The circumstances surrounding this deplorable affair, the prominence and the official position of the innocent victim, the geographical setting, and the criminal recklessness of the prohibition agent and the bootlegger alike, make it stand out like a mountain against the sky. I have been waiting patiently for some one who advocates straight-out prohibition, or for some one who apologizes for the inexcusable excesses of the law-enforcement branch of the national prohibition department, to take official cognizance of this latest evidence of contempt for the general public in the alleged effort to enforce a law that is not enforceable. I have waited in vain. Therefore I have taken the initiative, so far as the Senate is concerned, and have introduced a resolution to investigate the national prohibition department. I do not understand the studied silence on the part of those in authority. To me it has a sinister aspect. Have we reached the point where it is no longer safe for United States Senators to walk along the principal thoroughfares of the Nation's Capital City? Is the law to enforce the eighteenth amendment to the Federal Constitution so much more sacred than the laws to enforce the other amendments that those charged with its enforcement

may without regard to the great third party, the public, engage in pistol duels with lawbreakers, alleged or real, in places where hundreds of people pass to and fro at all hours of the day and far into the night? Is the eighteenth amendment so much more holy and sacred than the fourth and fifth amendments that the enforcement branch of our national prohibition department is justified in violating either one or both of them to enforce it? If so, why?

If I have read the news dispatches aright, the running pistol duel between the prohibition agent and the suspected bootleggers the 15th instant was not an exceptional occurrence but is becoming typical of the methods pursued by the national prohibition department. There have been numerous stories in the public prints about similar running duels in thickly populated and much-traveled sections of our National Capital. The wonder has been that the lamentable tragedy which has riveted the country's attention on the unsavory situation existing in our National Capital was so long delayed. It sometimes takes a great tragedy to shock people into their senses. If the inexcusably careless shooting of a United States Senator will shock the law-enforcement officials in the national prohibition department into their senses to the extent that in the future they will have more regard for the lives of innocent bystanders, it will not have been altogether in vain. However, if it be true that the only way we have of judging the future is by the past, I am not sanguine that even this latest evidence of criminal recklessness and contemptuous disregard for human life will result in bringing about a changed attitude on the part of those in authority in the national prohibition department. They seem to be drunk with power. And like all officials drunk with power they are intolerant rather than tolerant, narrow and cruel rather than broad and sympathetic, Pharisees rather than Samaritans. Christ ended his ministry on earth with the great command that has come ringing down through the centuries, namely, to preach the gospel to all men everywhere. He did not tell us to shoot the gospel into all men everywhere. We are doing a lot of things in the name of Christ nowadays in a manner wholly contrary to anything He ever said or did or taught.

One of the reasons I have given in my resolution why the national prohibition department should be investigated is that it has been publicly charged in the house of its friends that it has broken down. This is a very serious charge. If true, it means that our national prohibition department is not functioning properly. The people are entitled to know whether the charge is founded in fact or in fiction. I would not have presumed to have asked the Senate to add to the number of investigations, either already under way or proposed, if the charge against the national prohibition department had been made solely by antiprohibitionists like myself. But when nationally known friends of prohibition and the Volstead Act make the charge, investigation to ascertain the facts is, in my judgment, justified.

On Sunday afternoon, October 14, 1923, before a mass meeting of delegates to a citizenship conference in the Central High School auditorium, in Washington, D. C., Gov. Gifford Pinchot of Pennsylvania, one of the outstanding drys in the country, a Republican, and incidentally mentioned as a candidate for the Presidency, delivered an address. He assured the world that prohibition can and will be enforced, had much praise for the work done by the State Police of Pennsylvania, had a kind word for the Department of Justice, but only criticism for the national prohibition department. For instance:

> The eighteenth amendment has been betrayed in the house of its friends. Measured by the respect accorded to it it has failed, and the reason is that no sincere, intelligent, and concerted nation-wide effort has ever been made to enforce it.

Further along, when telling of the troubles experienced by State enforcement officers, Pennsylvania's prohibition governor made this trenchant criticism of the national prohibition department:

> Unfortunately they are handicapped, because the most elementary principles of good business management have been disregarded in the organization of the Government enforcement work. * * * It is commonly believed, and I share that belief, that certain agents of the Federal department not only wink at the violation of the law but have served, or are serving, as collectors of the six or seven dollars a barrel graft money paid by brewers for immunity.

Three months later, January 16, 1924, when the ultradry Governor of Pennsylvania addressed the Anti-Saloon League jubilee convention in Washington, D. C., his strictures on the national prohibition department's law-enforcement program were even more severe, so severe, in fact, that National Prohibition Commissioner Roy A. Haynes issued a 3,000-word statement in reply. Incidentally that particular jubilee convention was to have been turned into a great law-enforcement rally, the effect of which would reach the farthest nook and corner of the country. But the split between the followers of Governor Pinchot and the followers of Commissioner Haynes became so pronounced that the ambitious program which had been so carefully prearranged was scrapped. The Washington Post is authority for the statement that "Prohibition ranks are split wide open as the result of the '30-year jubilee convention' of the Anti-Saloon League of America, held here to celebrate the fourth anniversary of the dry law going into effect." So that's that with reference to the jubilee law-enforcement convention, about which we heard so much before it convened, and about which we have heard so little since it adjourned. A more dismal failure has probably never been staged by a nation-wide convention of delegates in our National Capital. If the friends of prohibition are at sixes and sevens over their law-enforcement program, how can they expect to command the respect, much less the confidence, of the country, either in their sincerity or in their ability to carry out such a program?

Another biting criticism from an altogether different but friendly source is that of William Dudley Foulke in Good Government, the organ of the National Civil Service Reform League, New York City, republished in the National Municipal Review for January, 1924. The burden of Mr. Foulke's criticism is fairly well summed up in the first paragraph, which reads:

> Commissioner Haynes, of the prohibition enforcement bureau, who used so willingly the clause in the Volstead Act making political plunder of the field service of his unit, who turned out with such alacrity the Democratic scoundrels he found in office and appointed on the recommendations of Republican Congressmen and politicians an equal number of Republican scoundrels in their places, men who have made his service a byword of corruption and inefficiency, this man now publishes what he would have us believe is a fair account of the conduct of the prohibition enforcement service. For a long time his policy has been one of concealment and of insisting that all was going well.

As an illustration of the commissioner's program of concealment, Mr. Foulke tells us that in October, 1922, when the office of the prohibition officer in New York State was being investigated by a Federal grand jury the commissioner gave out a statement that the New York office was in "excellent condition." When the grand jury reported, it was to the effect that the New York office "had been conducted in a disgraceful manner." Mr. Foulke goes on to say that "6 of the enforcement officers and 27 of their dependents were indicted for conspiracy for violating the Volstead Act."

Mr. Foulke takes Commissioner Haynes to task for making an "outrageously disingenuous and misleading statement" in his twenty-first installment of "Prohibition Inside Out," published in the New York Times during the summer of 1923, the statement being to the effect that the prohibition force at that time was "99 per cent honest." Mr. Foulke counters with the statement that "a great proportion of your service is rotten to the core." Leading up to this climax are these illuminating observations:

> You tell us of the 43 convictions, but you say nothing of the almost "numberless" cases mentioned by President Harding in which "immediate dismissal" was necessary. Why are you silent on the Rhode Island service, which had to be reorganized from top to bottom? Why do you tell us nothing of the service in New York, where one director after another with his chief subordinates left the service with the marks of infamy upon his brow? Why nothing of Pennsylvania, where subordinates were actually dismissed by those higher up because they tried to enforce the law? Why nothing of Montana, Wisconsin, and elswhere, where your chief officers were faithless to their trust? I appeal from your misleading statistics to the common consciousness of the country that a great proportion of your service is rotten to the core.

There is other interesting information in Mr. Foulke's article showing that Commissioner Haynes's own figures prove "the enormous number of law violations"; that the report of the Attorney General to the President in regard to the enforcement of the Volstead Act differs very materially from the reports given to the public from time to time by Commissioner Haynes; and that "the inevitable inference is violations of the enforcemen act are increasing day by day and month by month, and that the failure of the bureau to enforce the law under the spoils system is becoming each year more apparent." With the merits of the question uppermost in Mr. Foulke's mind, namely, that absolutely every appointment made by the national prohibition commissioner should be from a civil-service register, as the result of examinations, I shall not deal at this time. My

sole purpose in bringing his views to the attention of the Senate is to use them as an argument in support of my resolution calling for an investigation of the national prohibition department.

Mr. President, that those Senators who are interested in how the prohibition department is being run may have the full benefit of the article from which I have quoted, I ask that it be printed in full at the end of my remarks under the caption "Prohibition Inside Out." It is brief, covering but four pages in the National Municipal Review.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. EDWARDS. Mr. President, it is a matter of official record that whereas the number of employees in the Washington Bureau of the national prohibition department increased from 503 to 699 from June 30, 1921, to June 30, 1923, and whereas the number of employees in the field service increased from 1,818 to 2,659 during the corresponding period, and whereas the total pay roll increased from $4,029,130 to $5,846,582 during the same period, there was an amazing increase between those dates in the number of criminal prosecutions commenced under the national prohibition act in the various district courts, also an amazing increase in the number of civil prosecutions in the various district courts. In brief, the number of criminal prosecutions increased from 29,114 to 49,021; that is, approximately, 20,000. The number of civil cases increased from 1,898 to 4,109; that is, more than 2,200. I submit herewith figures taken from the report of the Commissioner of Internal Revenue for the fiscal year ending June 30, 1922, giving the number of employees and the total pay roll for the years 1921 and 1922, and figures for 1923 given my office over the phone by the prohibition commissioner's office, they being omitted from the official report for that year:

Number of employees in Washington bureau June 30, 1921	503
Number of employees in field service June 30, 1921	1,818
Total	2,321
Number of employees in Washington bureau June 30, 1922	596
Number of employees in field service June 30, 1922	2,881
Total	3,477
Number of employees in Washington bureau June 30, 1923	699
Number of employees in field service June 30, 1923	2,659
Total	3,358

The total pay roll for the year 1921 was $4,029,130.

The total pay roll for the year 1922 was $6,045,073.

The total pay roll for the year 1923 was $5,846,582.

From the report of the Commissioner of Internal Revenue for 1923 we learn that on June 30, 1922, there were 29,562 cases pending in the division of litigation. During the year 178,482 cases were received. Of this number 71,903 represent new violations. One hundred and six thousand five hundred and seventy-nine represent cases transferred to the audit division following consolidation of bureau files. Final action was taken on 67,277 cases, leaving 140,767 cases pending at the close of the fiscal year 1923, as opposed to 29,562 pending at the close of the fiscal year 1922. These figures show how our national prohibition department is getting nowhere fast.

For the fiscal year ended June 30, 1923, there was collected under the tax and tax penalty provisions of the national prohibition act the sum of $728,924.23, as opposed to $1,979,586.94 collected for the fiscal year ended June 30, 1922. (Decrease charged to court decision holding that tax penalties under section 35 are not properly assessable and distrainable in the absence of a hearing or trial.) For the fiscal year ended June 30, 1923, the records show 254 indictments for conspiracy were found, netting 107 convictions and fines in the sum of $223,967.50.

FROM THE ATTORNEY GENERAL'S REPORT FOR 1921.

During the fiscal year ended June 30, 1921, there were 29,114 criminal prosecutions commenced under the national prohibition act in the various district courts. Of this number 21,297 cases were terminated during that period. There were 17,962 convictions. There were 765 acquittals. There were 391 cases dismissed on motion or demurrer. There were 2,179 cases discontinued. The aggregate amount of fines and penalties imposed was $3,360,298. There were 10,365 criminal prosecutions pending at the close of the year.

During the same fiscal year there were 1,898 civil prosecutions commenced under the national prohibition act in the various district courts. Six hundred and twenty-two cases were terminated during that period. The aggregate amount of judgments obtained by the United States was $64,735.

A great many cases that logically involve similar violations have been brought under the internal revenue laws and the customs statutes, the defendants being charged usually with violations of the revenue or customs laws and the national prohibition act in the same indictment or information. The figures set out above cover national prohibition cases only.

Mr. BRUCE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New Jersey yield to the Senator from Maryland?

Mr. EDWARDS. I yield.

Mr. BRUCE. I would simply like to make this addition to the statistics given by the Senator from New Jersey: The head of our Baltimore City Health Department has just reported that last year the deaths from alcoholism in the city of Baltimore were 150 per cent of what they were the year before.

Mr. EDWARDS. I thank the Senator from Maryland.

FROM THE ATTORNEY GENERAL'S REPORT FOR 1922.

During the fiscal year ended June 30, 1922, there were 34,984 criminal prosecutions commenced under the national prohibition act in the various district courts. Of this number 28,743 cases were terminated during that period. There were 22,749 convictions. There were 1,195 acquittals. There were 1,250 cases quashed on motion or demurrer. There were 3,549 cases dismissed. The aggregate amount in fines and penalties imposed was $4,041,456. There were 10,472 cases pending at the close of the year.

During the same fiscal year there were 2,157 civil prosecutions commenced under the national prohibition act in the various district courts. One thousand five hundred and thirty-seven cases were terminated during that period. The aggregate amount of judgments obtained by the United States was $120,255. There were 2,694 civil prosecutions pending at the close of the year.

The above figures cover only cases arising under the national prohibition act. In addition a great many cases have arisen under the internal revenue laws and the customs statutes involving similar violations.

FROM THE ATTORNEY GENERAL'S REPORT FOR 1923.

During the fiscal year ended June 30, 1923, there were 49,021 criminal prosecutions commenced under the national prohibition act in the different district courts. Of this number 42,730 cases were terminated. There were 34,067 convictions. There were 1,770 acquittals. There were 30,654 pleas of guilty; 4,857 cases were nolle prossed or discontinued; 2,036 cases were quashed or dismissed by motion or demurrer. Fines imposed during the year amounted to $5,832,389. At the close of the year 23,052 cases were pending.

During the same fiscal year there were 4,109 civil cases arising under the national prohibition act in the various district courts. Of this number 2,670 cases were disposed of. Judgments aggregating $170,298 were secured. There were 4,064 cases pending at the close of this fiscal year.

These figures are based only on matters arising under the national prohibition act and supplemental legislation. The existing internal revenue and customs laws contain provisions which are applicable to intoxicating liquors, but actions under such laws are not included in above figures. Since the act supplemental to the national prohibition act has been passed, and the decision of the Supreme Court in the Stafoff et al. cases, the customs laws and the internal revenue laws have been used frequently.

Mr. President, my resolution refers to the repeated charges that the national prohibition department holds in contemptuous disregard the fourth amendment and the fifth amendment. It might be well to direct attention again to them. The fourth amendment reads:

The right of the people to be secure in their persons, houses, papers, and effects against unreasonable searches and seizures shall not be violated, and no warrants shall issue, but upon probable cause, supported by oath or affirmation, and particularly describing the place to be searched and the persons or the things to be seized.

The fifth amendment reads:

No person shall be held to answer for a capital or otherwise infamous crime unless on a presentment or indictment of a grand jury, except in cases arising in the land or naval forces, or in the militia, when in actual service in time of war or public danger; nor shall any person be subject for the same offense to be twice put in jeopardy of life or limb; nor shall be compelled in any criminal case to be a witness against himself; nor be deprived of life, liberty, or property without due process of law; nor shall private property be taken for public use without just compensation.

Mr. Justice Clarke, of the United States Supreme Court, who delivered the opinion of the court in the case of Gouled *v.* United States (vol. 255, U. S. Reports), which involved the fourth and fifth amendments, said:

It would not be possible to add to the emphasis with which the framers of our Constitution and this court have declared the importance to political liberty and to the welfare of our country of the due observance of the rights guaranteed under the Constitution by these two amendments. The effect of the decisions cited is: That such rights are declared to be indispensable to the "full enjoyment of personal security, personal liberty, and private property"; that they are to be regarded as the very essence of constitutional liberty; and that the guaranty of them is as important and as imperative as are the guaranties of the other fundamental rights of the individual citizen—the right to trial by jury, to the writ of habeas corpus, and to due process of law. It has been repeatedly decided that these amendments should receive a liberal construction, so as to prevent stealthy encroachment upon or "gradual depreciation" of the rights secured by them by imperceptible practice of courts or by well-intentioned but mistakenly overzealous executive officers.

Further along in the same opinion Mr. Justice Clarke said with particular reference to the fourth amendment:

The wording of the fourth amendment implies that search warrants were in familiar use when the Constitution was adopted, and, plainly, that when issued "upon probable cause, supported by oath or affirmation, and particularly describing the place to be searched and the persons or things to be seized," searches and seizures made under them are to be regarded as not unreasonable, and therefore not prohibited by the amendment. Searches and seizures are as constitutional under the amendment when made under valid search warrants as they are unconstitutional, because unreasonable, when made without them.

Still further along in the same opinion, Mr. Justice Clarke lays down this proposition:

A rule of practice must not be allowed for any technical reason to prevail over a constitutional right.

In light of these observations on the fourth and fifth amendments by our highest judicial tribunal the country ought to know officially whether they are being flouted by the national prohibition department, as has been charged. If the charges are false, the sooner it is officially known the better for the national prohibition department. If the charges are true, the sooner it is officially known the better for the country.

There is no special sanctity about the eighteenth amendment. It is an integral part of our Constitution, and as such is the fundamental law of the land. But that is true of the other eighteen amendments also. It is undemocratic, unpatriotic, and un-American to single out any one amendment for special observance. To enforce one amendment by violating another is to commit a crime against the Constitution. The official who enforces the eighteenth amendment at the expense of the fourth, which regulates the power of search and seizure; or the fifth, which provides for due process of law, is himself a lawbreaker, equally culpable with the lawbreaker he seeks, and merits the same punishment. There can be no favored amendment. Each and every one of the 19 amendments is the fundamental law of the land. All are equally a part of the Constitution. And I want to warn those champions of the eighteenth amendment who excuse encroachments on the fourth or the fifth on the ground "the end justifies the means," that they are riding to a fall.

Mr. President, it is not my purpose to discuss our prohibition problem at this time. I shall do that later. My present purpose is to bring about an investigation of the national prohibition department along the lines indicated in the resolution which I introduced Monday, the 25th instant. And to that end I have deliberately incorporated in my remarks the estimate of that department by nationally known friends of prohibition law enforcement, excerpts from the official reports of the Commissioner of Internal Revenue for 1922 and 1923, and excerpts from the official reports of the Attorney General for 1921, 1922, and 1923. I have no pride of opinion with reference to the phraseology of my resolution and shall welcome any suggestion that will strengthen it and make it easier for the committee to make a thorough investigation. There is nothing personal or nothing partisan back of my resolution. The deplorable tragedy which prompted me to introduce it places the proposed investigation on a plane far removed either from personalities or partisanship. I am sure, Senators, regardless of our views on prohibition, we are agreed that steps must be taken to prevent the recurrence of such pitiful fiascoes as the one that resulted in the tragic shooting of one of our own number. It is unthinkable to me that the Senate will refuse to face the issue and decline to pass my resolution either as I have introduced it or in an amended form which will add more teeth to it.

APPENDIX.

[From National Municipal Review, January, 1924.]

PROHIBITION INSIDE OUT.

(By William Dudley Foulke.)

(Published by courtesy of Good Government, the organ of the National Civil Service Reform League, New York City.)

Commissioner Haynes, of the prohibition enforcement bureau, who used so willingly the clause in the Volstead Act making political plunder of the field service of his unit; who turned out with such alacrity the Democratic scoundrels he found in office and appointed, on the recommendations of Republican Congressmen and politicians, an equal number of Republican scoundrels in their places—men who have made his service a byword of corruption and inefficiency—this man now publishes what he would have us believe is a fair account of the conduct of the prohibition enforcement service. For a long time his policy had been one of concealment and of insisting that all was going well. I heard Mr. Haynes in August, 1922, in a speech at a Quaker reunion in my own town of Richmond, declare that his employees were "as high type a force as was found in the Government service," and condemn as "wet" propaganda all disparagement of their work.

On November 15, 1922, in testifying before the House Committee on Appropriations, he said: "We feel much gratified at the present functioning of our machinery." Even as late as last June Mr. Haynes declared in his report that his force was acting at a maximum efficiency under a limited appropriation. Instead of warning the friends of law and order to be on their guard, the effect of this was to lull them into false security. The unwarranted claims of satisfactory enforcement aided the violators of the law to get beyond control. The passing back and forth of the rum-running fleets which once moved under cover tells the story.

On October 4, 1922, the commissioner issued an official statement that the office of the prohibition officer in New York State was in excellent condition, though that office was then being investigated by a Federal grand jury, which reported on October 27 that it had been conducted in a disgraceful manner, and 6 of the enforcement officers and 27 of their dependents were indicted for conspiracy for violating the Volstead Act. The grand jury say in their report:

"Apparently the agents selected for active work of suppressing illegal traffic in whisky have been chosen principally for political reasons, when it was necessary to select men for this work who are worthy of confidence and of such stable character that they would not yield to the temptations to which it was well understood they would be subjected.

"These appointees, being exempt from the civil service laws, were appointed and removed without the restrictions which those laws impose, and consequently the office seems to have been made the dumping ground for influential politicians who secured appointments for their henchmen without proper regard for the qualifications of those chosen."

A little later District Attorney Hayward, quoted in the New York Tribune of December 30, 1922, said that the first knowledge in his office of a great conspiracy came a few weeks previously from a volunteer witness, though the office of the New York prohibition director had most of the facts as early as June and did not see fit to turn them over for prosecution. A chronology of the notorious violation of the laws disclosed by the newspapers presents an appalling array of crimes.

The commissioner has at last awakened from so much of his pipe dream as led him to tell us, and perhaps to believe himself, that all was going well. Concealment was no longer possible, and it became necessary to confess that violations of the law were widespread and dangerous. But still he insists that this is the fault of others—of lax enforcement by State and local officials and of general wickedness. That his own force of corrupt spoilsmen was at the bottom of the lawlessness—this he is still unwilling to confess.

In his twenty-first installment of "Prohibition Inside Out," published in the Times, he thus refers to the derelictions in his own service:

"Within the enforcement organizations we count the cost of the names of our men, dishonest, weak men, and few in number. * * * In mercy to the weak I refrain from turning the page which would reveal the names of those who are fallen by the wayside. * * * As the result of temptation in scores of forms and unceasingly offered, 43 officers of the prohibition unit have been adjudged guilty by the courts since the beginning of the administration. Even so, the force was 99 per cent honest."

A more outrageously disingenuous and misleading statement it would be hard to conceive. Because only 1 per cent had been actually convicted, therefore 99 per cent were honest. Does Mr. Haynes know the percentage of convictions in other crimes? The report of the committee of the bar association at Minneapolis tells us that last year in New York 260 murders were committed and 3 convictions were obtained. This was 1.15 per cent of the murders actually committed, yet here was a crime where the moral force of the community would be in favor of conviction. In respect to the liquor law public opinion is often adverse, and the proportion of violations which escape punishment must be very much larger. It is safe to say that the crimes committed

by prohibition agents exceed by many times the number of these agents, a single man often committing scores of them. In his very next article Mr. Haynes says the number of corrupt State officers is large and "those who have been caught are doubtless but a fraction of those who are guilty"; yet he would have us believe that he has caught and punished all the guilty in his own service, and that 99 per cent of his own subordinates are enforcing the law. We know from what we see daily around us that immense quantities of liquor are illegally sold every day with the connivance of prohibition officials. And yet Mr. Haynes says, "Of real corruption the per cent stands at about one-half of 1 per cent." Mr. Haynes, if you believe this, you are deceiving yourself, and the rest of us can no longer credit what you say. You tell us of the 43 convictions, but you say nothing of the "almost numberless cases" mentioned by President Harding in which "immediate dismissal" was necessary. Why are you silent on the Rhode Island service which had to be reorganized from top to bottom? Why do you tell us nothing of the service in New York, where one director after another, with his chief subordinates, left the service with the marks of infamy upon his brow? Why nothing of Pennsylvania, where subordinates were actually dismissed by those higher up because they tried to enforce the law? Why nothing of Montana, Wisconsin, and elsewhere, where your chief officers were faithless to their trust? I appeal from your misleading statistics to the common consciousness of the country that a great proportion of your service is rotten to the core.

Of course, you have some good men in it, men who have resisted enormous temptations, among them your roll of martyrs, as you call them, 30 cases you say, who have been slain in the prohibition service. The memory of these men deserves all honor at the hands of their countrymen, though it is a little hard to understand how such a case as that of John T. Foley, killed by the accidental discharge of his own gun, can be regarded as an instance of voluntary martyrdom.

These things continue and grow down to the present time. On July 1, 1923, Commissioner Haynes dismissed, in New York, 18 prohibition agents because they were "nonproducers." But the new appointments to fill their places were filled by the same political methods which created this nonproduction. On the same day dispatches from Chicago brought word that Roscoe C. Anderson, prohibition director, and John E. Easley, his chief agent, and nine others had been indicted for distributing among stockholders $200,000 worth of liquor stocks, and the Chicago district attorney then announced that charges of perjury against half a dozen agents would be brought before the next Federal grand jury.

Leon Ackerman and George Arnold Fugitt, agents attached to the District of Columbia force, were held under a bribery charge. Ackerman recently declared he had been the victim of a "frame-up" by other prohibition agents. We need not decide the equities between these worthy gentlemen. One way or the other, the guilt lay with members of this disreputable body.

In Mr. Haynes's "Prohibition Inside Out," we have many edifying cases of temptation resisted, of bootleggers skillfully entrapped, of attempted bribery foiled by the efforts of the faithful. As the parties are not named the stories can not be verified or disproved, and we do not hear of the cases where the bootleggers succeeded and the bribery prevailed. He talks, for instance, of the pretense of influences in district attorneys' offices and elsewhere protecting violations of the law, not of the real influences which for a long time actually prevailed. His articles reminded me of a story by Charles O'Conor, the eminent lawyer, once engaged in the prosecution of Tweed and his fellow conspirators. A member of the New York ring once said to him, "They are very disagreeable, these damned lies that the newspapers publish." "Yes; they must be very disagreeable," said Mr. O'Conor, "these damned lies that the newspapers publish, but I would not think that would be what you would find most disagreeable. I should think it would be the damned truths the newspapers publish which you would find objectionable, sir." So it is not the pretended influences of which Mr. Haynes had the best right to complain but the real influences which have prevailed.

But in spite of his desire to make them as small as possible, Mr. Haynes's account itself shows the enormous number of law violations. Take, for instance, the importations from the Bahamas. He says that in 1918 there was only wine of the value of £8,675 sterling and spirits of £6,370, but last year the wine was over £27,000 and the spirits over £100,000. The traffic from St. Pierre, he says, has been enormous, the natives becoming rich out of these profits. He tells of the traps and vaults for storing liquor, covered with soil, whence it is conveyed at night by trucks for shipment in cars loaded with vegetables and destined to be lost in transit. He tells us of farmers who have not raised a hundred dollars' worth of produce in years who now have fine touring cars; he tells of wild parties of rum runners, in which women participate. He tells us of a possible minimum of one million and a half gallons of importations for 1922; of the 29 vessels which were seized and 40 motor boats. He describes the wholesale smuggling at Detroit; the wholesale importations from Montreal across the New York border; he declares that Canada received many millions in taxes from these importations. He describes the highjackers, who rob and murder the bootleggers—the piracy which he says is rampant from the Caribbeans to Newfoundland, as well as in the Great Lakes and Puget Sound and Mexico. He talks much of protection of bootleggers by officials, but he gives his illustrations from the officials of different States and cities and not from his own subordinates. He seeks to divert us from a contemplation of present infamy by golden promises of future performance. Conditions may be bad to-day, but he endeavors to inspire faith by predicting the most satisfactory enforcement of prohibition in times to come. But was it not St. Paul himself who once defined faith as the "substance of things hoped for, the evidence of things not seen"? Was it not Alexander Pope who said, "Man never is but always to be blest"?

Unfortunately, we have no better means to gauge the future than by the past. The prohibition bureau has already been in operation over three years and a half. Have violations of the law increased or diminished during that time? Mr. Haynes tells us in his articles that the general decrease in arrests, prosecutions, and convictions for crime in general, and especially for drunkenness, is evidence that the Volstead Act has benefited the world. The decrease in prosecutions, he says, shows a great gain.

What, then, shall be said of the report of the Attorney General to the President in regard to the enforcement of the Volstead Act itself, which tells us that during the 41 months' period since that act was passed each year has brought an increase in prosecutions and convictions; that there have been at least 10,000 more convictions this year than last and 15,000 more than the year before? These figures, he says, not only show the rapid increase of prohibition cases but also indicate a stricter enforcement of the law. A more recent report of the Attorney General shows that the increase in convictions was even greater than that stated above.

Now, if, according to Mr. Haynes, diminished arrests and convictions show improvement as to other laws, does not an increase in convictions for violations of the Volstead Act show that conditions in regard to its enforcement are growing worse? The Attorney General tells us that the average of the last fiscal year is more than three times that of the first fiscal year. If these things mean merely increased vigilance in prosecutions, then what becomes of Mr. Haynes's argument that fewer arrests, prosecutions, and convictions mean fewer crimes? Do they mean merely diminished vigilance? His argument can not work both ways. The inevitable inference is that violations of the enforcement act are increasing day by day and month by month, and that the failure of the bureau to enforce the law under the spoils system is becoming each year more apparent.

The only possible chance for any amelioration of present conditions in the prohibition enforcement bureau is to provide that every place under the commissioner, from the top to the bottom, shall be included in the classified service, and that examinations shall be held not only for new appointments but in regard to the places which are held so largely by men who are now violating the law; that the men now holding these places be required to compete with other applicants, and that a thorough investigation be made by the Civil Service Commission as to the character and integrity, as well as the other qualifications, of all who apply.

RENTAL CONDITIONS IN THE DISTRICT OF COLUMBIA.

Mr. BALL. Mr. President, I ask unanimous consent for the immediate consideration of Senate Resolution 158, now on the calendar.

The PRESIDENT pro tempore. The Senator from Delaware asks unanimous consent to proceed to the consideration of Senate Resolution 158.

Mr. WILLIS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Delaware yield to the Senator from Ohio?

Mr. BALL. I yield.

Mr. WILLIS. Reserving the right to object, I desire to inquire of the Senator whether consideration of the resolution is liable to take any considerable time?

Mr. BALL. I think it will take but little time.

Mr. WILLIS. Let it be read. If it does take time I shall object.

The PRESIDENT pro tempore. The Secretary will read the resolution for information.

The reading clerk read the resolution, as follows:

Resolved, That for the purpose of providing the Senate with information to serve as a basis for such legislation, if any, as may in its judgment be found necessary in respect of housing and rental conditions in the District of Columbia, the Committee on the District of Columbia, or a duly authorized subcommittee thereof, is directed to investigate and cause to be made in the District of Columbia of—

(a) The number of vacant rooms, apartments, and dwelling houses that are available for rent as rental property or apartments, as defined in Title II of the food control and the District of Columbia rents act, approved October 22, 1919, as amended and extended; and the rent, including any bonus or other consideration, asked therefor.

(b) The number of uncompleted rooms, apartments, and dwelling houses, upon which construction has begun, that will become available for rent as rental properties and apartments, as so defined; and the rent, including any bonus or other consideration, to be asked therefor.

(c) The number of vacant dwelling houses and apartments that are available for sale, and the prices asked therefor.

(d) The number of uncompleted dwelling houses and apartments upon which construction work has been begun that will become available for sale, and the price to be asked therefor.

All such rooms, apartments, and dwelling houses shall be classified as to size and service, if any, rendered in connection therewith, to such extent as the committee or subcommittee finds it practicable. The committee or subcommittee shall make a final report of its investigation, with recommendations, to the Senate not later than March 15, 1924. For the purposes of this resolution the committee or subcommittee is authorized to avail itself of the services of the Commissioners of the District of Columbia and of the Rent Commission of the District of Columbia, and to make expenditures to be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee. The total of such expenditures shall not exceed $2,500.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

Mr. KING. I shall not object to the consideration of the resolution, and if the Senator from Delaware is going to make an explanation as to the importance and necessity for the passage of the resolution, I shall pretermit any questions regarding it.

Mr. BORAH. Mr. President, may I present a parliamentary inquiry before the Senate proceeds to the consideration of the measure? What is the status of the resolution which the Senator from New Jersey [Mr. EDWARDS] was discussing?

The PRESIDENT pro tempore. It has no status. It is lying on the table.

Mr. BORAH. Is it on the calendar?

The PRESIDENT pro tempore. It is on the table calendar.

Mr. BORAH. It has not yet gone to the Committee to Audit and Control the Contingent Expenses of the Senate?

The PRESIDENT pro tempore. It is lying on the table and has not been referred.

Mr. WILLIS. Mr. President, I understand I still have the floor.

The PRESIDENT pro tempore. The Chair recognized the Senator from Delaware. The Senator from Delaware has the floor.

Mr. EDGE. Mr. President, a parliamentary inquiry, if I may make it following that of the Senator from Idaho.

The PRESIDENT pro tempore. The Senator from New Jersey will state the parliamentary inquiry.

Mr. EDGE. Are we to understand that the resolution introduced by my colleague [Mr. EDWARDS] must necessarily go to the Committee to Audit and Control the Contingent Expenses of the Senate? Is it not one of those resolutions that would be covered by the general authority granted to the Committee on the Judiciary without having a special reference, and could be called up from the table at any time its sponsor saw fit to do so?

The PRESIDENT pro tempore. There is no provision in the resolution that the expenses of the investigation shall be paid from the contingent fund of the Senate, and therefore it is not referable to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. WILLIS. Mr. President——

The PRESIDENT pro tempore. The Senator from Delaware has the floor, and the question is, Will the Senate consent to his request for the consideration of the resolution?

Mr. WILLIS. I thought I had the floor and that I yielded to the Senator, but it appears that the Senator from Delaware has the floor, and I wonder if he will not yield to me.

Mr. BALL. I am willing to yield to the Senator from Ohio for a question.

Mr. WILLIS. I desire to know whether the Senator can assure us that there is agreement on the resolution? I wanted to take up a few moments of the time of the Senate in reply to the matter discussed by the Senator from New Jersey [Mr. EDWARDS].

Mr. BALL. I do not think there is any objection to the resolution. It makes provision for a survey of the city to learn whether there are sufficient houses of moderate rental to make it unnecessary for any further extension of the rent commission.

Mr. WILLIS. I think under those circumstances I ought to yield to the Senator, since I do not have the floor, anyway.

Mr. BALL. Under the circumstances I appreciate the consideration of the Senator.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Delaware?

Mr. FLETCHER. Mr. President, I want to inquire whether unanimous consent has been granted?

Mr. BORAH. No; it has not yet been granted.

Mr. BALL. I have asked for unanimous consent.

Mr. FLETCHER. Let the question be put. I do not know of any objection to the resolution.

Mr. ROBINSON. Mr. President, I have an amendment which I intend to propose if the resolution is to be considered. Pending the request of the Senator from Delaware, I ask that the amendment be read at the desk.

The PRESIDENT pro tempore. The Secretary will read the proposed amendment.

The READING CLERK. On page 2, after line 10, it is proposed to insert:

(e) Whether any organization, association, or combination, or any committee of persons representing real-estate owners or dealers, prescribe or attempt to control the rents or charges for housing accommodations in the District of Columbia, and, if so, the methods pursued in prescribing or attempting to control such rents or charges.

Mr. BALL. Mr. President, I have no objection to the proposed amendment. I intended to cover its subject matter, so far as I could.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Delaware?

Mr. ROBINSON. I have no objection to the consideration of the resolution.

Mr. COUZENS. Mr. President, reserving the right to object, I desire to say that I think the amount proposed to be appropriated for the investigation is entirely out of proportion to the object sought to be attained, particularly in view of the fact that the District Commissioners and the Rent Commission are to be used for this purpose. If the Senator from Delaware will agree to reduce the proposed amount to $1,000, I shall not object.

The PRESIDENT pro tempore. The Chair hears no objection.

Mr. KING. Mr. President——

Mr. MOSES. Wait a moment, Mr. President.

Mr. HEFLIN. The Senator from Michigan [Mr. COUZENS] was stating that he might object unless the resolution be amended. What is the amount now proposed to be appropriated by the resolution?

Mr. COUZENS. It is $2,500.

Mr. BALL. The resolution provides that not more than $2,500 shall be expended.

Mr. ROBINSON. Mr. President, I merely wish to state to the Senator from Michigan [Mr. COUZENS] that it occurs to me that the amount carried by the resolution to make the investigation is not excessive in any sense.

Mr. COUZENS. I think it is excessive.

Mr. ROBINSON. If the investigation is worth while and can be made for $2,500, comprehending all the inquiries which the resolution contemplates, and particularly the inquiry contemplated by the amendment, I should think——

Mr. BALL. I should like to make merely one brief statement. If the investigation is to be worth anything to the committee, it must be an independent investigation.

Mr. ROBINSON. Let me finish my sentence. I was saying that if the investigations contemplated by the resolution, and by the amendment which I intended to propose, could be made at an expense of not exceeding $2,500, I should think it was the cheapest investigation ever made under the direction of the Senate of the United States. I make that suggestion to the Senator from Michigan.

Mr. COUZENS. With all due respect to the Senator from Arkansas, let me say that in the Rent Commission and the District Commissioners we have the organization and the staff to do this work. Why should we pass a resolution which shall require a new organization and a new staff to ascertain the facts when we already have organizations in this District to do it? Unless the Senator from Delaware will agree to the amendment which I have suggested, I shall have to object to the consideration of the resolution until I shall have time further to investigate the matter.

Mr. BALL. Mr. President, if the Rent Commission is to make the investigation, we all know what the report will be. We can not get a fair and thorough investigation through the District Commissioners, for it would then have to be done probably through the police force or in some other way. If we are going to have an investigation at all, let it be an independent investigation, which will give to the Senate a fair and just idea of conditions. If conditions demand the extension of the Rent

Commission act, if that be necessary, let us have proof that such a demand is a just and fair one. If we are going to let the Rent Commission make the investigation, or if we are going to let the real-estate men make it, or if we are going to let the renters make it, we should get just the same report from holding hearings.

I can say to the Senator from Michigan that the investigation proposed by the resolution will not cost as much as would an ordinary hearing on this particular subject before such a hearing should have been completed. There is not a hearing held which continues over any length of time which does not cost at least $2,000. If we desire a hearing which will amount to anything and will give to the Senate any information that will be of benefit, let the amount of $2,500, as proposed in the resolution, be retained, for we could hardly get a report which would be intelligible and adequate for $1,000.

Mr. COUZENS. Mr. President, I should like to ask the Senator from Delaware why a report by the Rent Commission could not be relied upon? He has stated that no report could be obtained from the Rent Commission which could be relied upon.

Mr. BALL. My reply to that, Mr. President, is that the Rent Commission sees but one side of this proposition. Two-thirds of their petitions are from renters, and most of the cases which are decided by them are brought by tenants. The real estate men might claim that they would have the same right to make the investigation, if we go into the matter, as would the renters. Why not have an independent investigation which will give us the real conditions? I have not any more to say in reference to the matter, but if the Senate desires investigation, I should like to have it made in the proper manner.

The PRESIDENT pro tempore. The Chair hopes Senators will remember that a request for unanimous consent is not debatable.

Mr. HEFLIN. I demand the regular order, Mr. President.

The PRESIDENT pro tempore. The regular order is the request of the Senator from Delaware [Mr. BALL] for unanimous consent for the present consideration of the resolution. Is there objection?

There being no objection, the Senate proceeded to consider the resolution.

The PRESIDENT pro tempore. The question is upon agreeing to the resolution.

Mr. BALL. Before the resolution shall be passed I desire to offer an amendment to it.

Mr. ROBINSON. I also have offered the amendment to the resolution which I have sent to the Secretary's desk.

Mr. BALL. Will the Senator from Arkansas permit me first to have an amendment acted on, and his may be subsequently considered?

Mr. ROBINSON. Yes.

The PRESIDENT pro tempore. The Senator from Delaware offers an amendment, which will be stated by the Secretary.

The READING CLERK. On page 2, line 16, after the word "March" it is proposed to strike out "15" and insert "31," so that it will read:

> The committee or subcommittee shall make a final report of its investigation, with recommendations, to the Senate not later than March 31, 1924.

Mr. BALL. The amendment merely proposes to give two weeks more for making the investigation.

The PRESIDENT pro tempore. The question is on the amendment proposed by the Senator from Delaware.

The amendment was agreed to.

Mr. ROBINSON. I now offer the amendment which I sent to the desk a few moments ago.

The PRESIDENT pro tempore. The amendment will be stated.

The READING CLERK. On page 2, after line 10, it is proposed to insert:

> (c) Whether any organization, association, or combination, or any committee of persons representing real estate owners or dealers prescribe, or attempt to control the rents or charges for housing accommodations in the District of Columbia, and, if so, the methods pursued in prescribing or in attempting to control such rents or charges.

Mr. ROBINSON. Mr. President, I have been informed that there are now in the city of Washington a large number of vacant apartments and vacant houses for which occupants could be procured, and in many cases for which applications have been made, but, on account of the fact that the high prices or charges asked for the rooms, houses, and apartments are arbitrarily fixed by a committee representing an association of real estate dealers or owners, these houses and apartments remain vacant from month to month, and many of them have been vacant for more than a year.

On Sixteenth Street below U Street there is a new apartment house which offers for rent an apartment of five rooms, unfurnished, at a rental of $225 a month. An offer of $150 was made for those rooms but the person making the offer was given to understand that the rates were fixed by an agreement or understanding, or at the instance of a committee representing an association of owners of housing buildings and that the only way any reduction could be made would be through a system of subletting, or a pretense of subletting.

I do not know whether the Rent Commission has information respecting this pool or combination which is said to exist among the owners of housing facilities or among those who control housing facilities in the District of Columbia, but I do know that driving through the city one may observe hundreds of signs of vacant rooms and vacant houses and vacant apartments, and I also know that in many cases the rates charged or sought to be charged are extortionate and unreasonable so that people of limited means are totally unable to avail themselves of the houses and rooms. I have cited one illustration of which I have personal knowledge respecting a small apartment in a comparatively new apartment house on Sixteenth Street below U, for which a rental of $225 a month was asked for a bare, totally unfurnished, comparatively small apartment of five rooms. It is not astonishing that men and women who are compelled to work for $125 a month or $200 a month, or $300 a month, or even $500 a month find themselves unable to rent and occupy apartments of that character.

I think it is important and necessary, if this subject is to be dealt with by a commission of the Government, and if Congress is to interest itself in an attempt to regulate rentals of housing facilities and charges in the District of Columbia, to find out whether a combination among owners and the operators of apartment houses and buildings prescribes and controls the rates and charges. If so, the first thing to be done is to terminate that combination; and if existing statutes are not adequate, the Congress ought to pass a statute. We all know that during the last year or two many apartment houses have been constructed in the city of Washington. We know that there are now hundreds of vacant apartments, and the sole reason for it is that the rentals, being based upon the peak cost of construction, are so high that persons of ordinary means are unable to use them.

Mr. STANLEY. Mr. President——

The PRESIDING OFFICER (Mr. FLETCHER in the chair). Does the Senator from Arkansas yield to the Senator from Kentucky?

Mr. ROBINSON. I yield to the Senator from Kentucky.

Mr. STANLEY. I suggest to the Senator from Arkansas that if the condition at which he hints prevails—and I have much reason to believe that it does—all the other information is practically worthless, for it does not matter how many houses are available or how many of them are for rent or what it cost to build them if the rentals of the apartments and houses are not determined by the law of supply and demand.

Mr. ROBINSON. Well, Mr. President, I have not the slightest doubt that housing facilities in the District of Columbia are controlled by an organization among the operators and perhaps among the owners, and I have not the slightest doubt that the Rent Commission now knows that fact, but it certainly is desirable to ascertain the true facts respecting the subject.

Mr. JONES of Washington. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Washington?

Mr. ROBINSON. I yield to the Senator.

Mr. JONES of Washington. Does not the Senator think, then, that it would be well if we should call first on the Rent Commission to ask them about that fact? Because, if they do know it, that would settle the matter.

Mr. ROBINSON. The committee can get the information, under my amendment, from any source that it chooses.

Mr. JONES of Washington. Yes; of course that is true.

Mr. ROBINSON. And I take it for granted that the first thing the committee would do would be to obtain from the Rent Commission all the information it has upon every subdivision of the resolution.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Tennessee?

Mr. ROBINSON. I yield with pleasure to the Senator from Tennessee.

Mr. McKELLAR. Of course, unless this committee did examine the Rent Commission and report what it had to say about the matter the report would be virtually valueless. It will be done, I have no doubt.

Mr. ROBINSON. I want to leave the investigators as free a hand as possible to get all the information that is pertinent to the subject matter of the resolution; but I do think that the inquiry called for in the amendment is of equal if not greater importance to the other inquiries contemplated by the resolution.

Mr. BALL. Mr. President, will the Senator yield?

Mr. ROBINSON. Yes. I have concluded all the remarks I care to make.

Mr. BALL. I wish to say to the Senator while he is on his feet that the Rent Commission have been very seriously handicapped in getting such information. They requested that they might have an inspector to send out and get just such information. It was not granted, and the whole body of the commission now have to go out on inspection tours themselves. To make the Rent Commission effective and to get this information, of course they would have to have agents or an engineer—it ought to be an engineer—to inspect the construction of buildings and know their cost.

Mr. ROBINSON. I think there will be no difficulty in ascertaining that a price is arbitrarily fixed by a committee representing some association of real-estate owners or apartment-house operators on every apartment that is known to be for rent in the city of Washington. The location, the character of the tenants, the size of the apartment, all the facts and circumstances pertinent to the question, are taken into consideration, and then the owner or the lessee is informed as to what rates he can fix, and if he fixes a different rate he encounters the combined resentment of the other members of the association, and he does not often do it.

The only way in which lower rates are made is through the process of subletting. A "fake" lease is sometimes said to be executed, and the lessee then is permitted to sublet it in any way that he can; but the owner and operator of the building as a rule must exact the price which the combination or trust fixes for him. It is an intolerable condition.

Mr. SMITH. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from South Carolina?

Mr. ROBINSON. I do.

Mr. SMITH. I am not posted on the law as it pertains to these things, or the scope of the power of the Rent Commission. Do they have any jurisdiction over hotels as well as apartment houses?

Mr. BALL. They do not. They have no jurisdiction over hotels or business properties.

Mr. SMITH. That was intimated to me. I was hoping that there might be some legislation here that would reach the hotels as well, because the indications are that there must be some understanding amongst them as well as amongst the apartment houses.

Mr. JONES of New Mexico. Mr. President——

Mr. ROBINSON. I yield to the Senator from New Mexico.

Mr. JONES of New Mexico. The Senator from Arkansas has been referring to a question which has been in the minds of a great many for some time. I should like to inquire if the Senator has heard of any intimation that the control to which he refers extends also to the sales of property, the prices of real estate for sale, and the cost of construction?

Mr. ROBINSON. Yes; I have heard that the whole subject matter is controlled. I have no evidence further than a mere statement from persons who have attempted to buy property that they found that condition to exist, and for the reason that I regarded the evidence available for my consideration on that point somewhat inadequate I did not mention it; but I believe that it is worthy of inquiry.

Mr. JONES of New Mexico. I was just going to make that suggestion, that this investigation should extend not only to rental prices but to the prices of real estate and to the prices of construction. I have been strongly impressed that there is just as much a combination in regard to one of these phases of the housing problem in the District of Columbia as there is in regard to the other; and it seems to me that they are all so interwoven that the investigation should extend to the entire subject.

Mr. ROBINSON. I have no objection to modifying the amendment, if it may be returned to me for that purpose, so as to comply with the suggestion of the Senator from New Mexico.

Mr. HEFLIN. Mr. President, I am for the resolution that is now pending. The people of the District of Columbia certainly need some relief. Many concerns operating in the District of Columbia and outside of it that seek to get protection from those in authority seem now to have no trouble in getting that protection; and it is very necessary that this investigation be made to relieve the people of this District from the sharks who are holding them up and eating up their substance by the way of high rents. The prices charged in the instance suggested by the Senator from Arkansas show that these people working for the Government here, trying to get a small apartment for their families, paying $225 a month, that is more than the wages they get; and something ought to be done to relieve them.

I rise this morning, however, to discuss another matter of grave importance to the American people.

Chairman Adams a little while back suggested——

Mr. COPELAND. Mr. President——

Mr. HEFLIN. I yield to the Senator from New York.

Mr. COPELAND. Will the Senator yield for a moment that I may say just a word on this rental matter?

Mr. HEFLIN. I can not yield for a speech, or I would lose the floor.

Mr. COPELAND. Then I will ask the Senator just one question: Has it occurred to the Senator that a very important question involved in the price charged for rents is the iniquitous tariff law that was passed a little while ago? Was any attention given by the Republican Party to the need of cheap houses and cheap construction? Is it not the opinion of the Senator that there was an oversight on the part of our friends across the Chamber in framing the bill in order that these houses might be built at some decent price?

I should like to say more, but I am not permitted under the rule; but a very important question is involved in this resolution of the Senator from Delaware and the amendment suggested by the Senator from Arkansas. I should like to ask that question of the Senator, however.

Mr. HEFLIN. I suggest to my friend from New York that the Republicans gave no consideration to the fellow who wants to own a home. They operated on him in the tariff law in every way they could. They taxed every rod and bar and bolt and nail that goes into his house, and they even taxed the window-panes that let in the light of heaven. Nothing escaped.

Mr. CURTIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Kansas?

Mr. HEFLIN. I do.

Mr. CURTIS. I think the Senators who are here ought to be fair, at least. Every Senator on this floor who was a Member of the Senate at the time knows that the Senators on the committee brought to the attention of the Senate the awful expense to which the Government was put in erecting buildings, and that the charges made by the contractors were too high.

Mr. HEFLIN. That is all right. I am willing for that suggestion to be made regarding the contractors; but the Senator from New York makes the pertinent inquiry as to whether the Republicans gave consideration to the fact that the tariff they were laying on building material was going to increase the cost of building for all those who desire to build and own a home. That is the point at issue in the question raised by the Senator from New York.

Mr. GOODING. Mr. President, will the Senator yield?

Mr. HEFLIN. I yield for a question, not for a speech.

Mr. GOODING. I think I can answer the question of the Senator from New York. I will say that the Senators on this side of the Chamber did give consideration to those matters. Lumber is on the free list; shingles are on the free list; cement is on the free list as far as Washington is concerned; brick is on the free list as far as Washington is concerned; and there is practically nothing that goes into a house, with the exception of the nails and the windows, but that is on the free list.

Mr. HEFLIN. Brick all over the country are on the tax list, and millstones that grind the people's bread are on the tax list, and hammers and nails are on the tax list.

Mr. COPELAND. And doors and sash.

Mr. HEFLIN. And doors and sash and cement and salt and sugar——

Mr. GOODING. They are manufactured articles, not raw material.

Mr. HEFLIN. And everything else you can mention, from the cradle to the grave, is on the tax list of the Republican tariff law.

Mr. GOODING. I want to say to the Senator, if he will permit me, as long as the question has been asked——

Mr. HEFLIN. I can not yield to the Senator to make a tariff speech. I should be delighted to yield. I like to hear him discuss that subject.

Mr. GOODING. I am going to discuss it, too; I will assure the Senator of that.

Mr. HEFLIN. When the Senator discusses the tariff he gives me a good opportunity to expose the fallacies of his arguments, and I am always glad to hear him discuss that subject.

Mr. President, I rose to discuss another matter, a matter of grave concern to the American people.

Mr. Adams, the chairman of the Republican National Committee, a few days ago complained that but little headway had been made in the investigation of the Teapot Dome scandal and these other Republican oil scandals.

The Senator from Montana [Mr. WALSH] came in and showed how he had tried to bring about the development of this case, and what he had done. I want to submit to the Senate and to the country some of the reasons why the Senator from Montana and the other Democrats have been handicapped in this investigation.

The Washington Herald of yesterday said:

The Hearst newspapers, through Universal Service, have disclosed that Senator IRVINE L. LENROOT, Republican, chairman of the Senate committee investigating the oil-lease scandal, and Senator REED SMOOT, Republican, former chairman and member of the committee, held a secret conference with former Secretary of the Interior Albert B. Fall last Christmas, about which the committee has never been told. The secret conference was held in Mr. Fall's apartment in Wardman Park Hotel at night.

Mr. President, that is a strange procedure—the chairman of this committee and its former chairman, now a member of the committee, both Republicans, going up and having a secret conference with this former Republican official, a former member of the Cabinet, he under fire, charged with betraying his country, charged with having accepted a bribe for disposing of the greatest oil reserve in all the world; and these Senators supposed to be representing the Senate and the Government and going in earnest after those who betrayed their trust. We find them in secret conference with the party accused, and no report is made of it to the committee, to the Senate, or to the country.

Is that the way to transact the business of the people? I repeat, we are not here to play politics for the Republican Party or for the Democratic Party.

We are here to represent the American people and to give at least a clean account of ourselves when such grave matters come up here for consideration at our hands.

This newspaper story goes on to say that the Senator from Wisconsin [Mr. LENROOT] said that the Senator from Utah [Mr. SMOOT] suggested to him that they go out and call on Mr. Fall, and the Senator from Utah suggests that the Senator from Wisconsin said to him, "Let us go out and see Mr. Fall." So these Senators are at cross purposes on that very pertinent proposition. The Senator from Wisconsin is quoted as having said, "Fall told us he got the $100,000 from McLean," and the Senator from Utah is quoted as having said, "He said nothing about McLean. He said nothing about where he got the $100,000 except that he got it from an old friend."

The newspaper boys said, "Why, Senator, Senator LENROOT said that Fall mentioned McLean's name in that connection." "Oh, no; I don't see how he could say that." "Well, he did." "Well," they said that Senator SMOOT said, "I will call him up." So the Senator from Utah right then and there phoned to the Senator from Wisconsin, and the Senator from Wisconsin tells him, they say, that that was said, and then that the Senator from Utah said, "Well, I did not hear it."

Mr. President, I submit that if they were going to see Mr. Fall, if this consideration were going to be shown to one charged with high crimes and misdemeanors against his Government, men appointed on a committee to bring out the facts, to develop the case and get at the truth, should not have gone as partisan Republicans; they ought to have taken Democrats with them if they were going to make any statement to Mr. Fall, so that the country would be represented, not part of the country, not just the Republican Party, but the country as a whole would be represented, when representatives of both parties were present at such a conference. Nobody could criticize that.

Why was such a conference held, and why was it that the committee was not told about the conference? This paper goes on to say that, when the Senator from Utah was asked, "Did you tell the committee?" he is quoted as having said, "No; why should we tell the committee?"

Just think of that answer. I ask, why should they not tell the committee? The committee certainly is interested. It certainly represents us, and we are supposed to represent the country. Why certainly they should have told the committee.

It was after this, Mr. President, that ex-Secretary Fall wrote a letter in which he said that Ed McLean furnished the $100,000. What happened later? Doheny comes out and says he let him have it. So it seems as if this statement Fall made to the Senator from Utah and the Senator from Wisconsin was not the truth, and the letter he wrote later was not the truth. Ed McLean said he let him have some checks that were never cashed. I wonder who suggested this thing? I wonder who triggered up that arrangement for Edward McLean? The Senator from Utah said he said it was an old friend that he had known a long time who let him have it. The Senator from Wisconsin is quoted as having said he said Ed McLean let him have it. So there we are. The Senator from Wisconsin says, so the newspaper states, that the Senator from Utah suggested that they go down and call on Senator Fall, and the Senator from Utah says that the Senator from Wisconsin suggested that they go down and call on Mr. Fall, at night, in his apartment in the Wardman Park Hotel.

I want to call attention to another thing I have been informed about, and Senators who are members of the committee will know whether or not it is true, that Fall was invited before the committee and was not put under oath when he made his Ed McLean statement to the committee. Why should he be exempted from taking the oath? Would any other man in the common walks of life have been shown that deference and consideration? Would any other witness have been permitted to just walk in and make a blanket statement without taking an oath to tell the truth, the whole truth, and nothing but the truth? Why not put this witness under oath and go into the facts and bring out the whole truth? With me there will be no secrets from the American people in this thing. I do not care whether they affect Democrats or Republicans; turn on the light, and let the truth come out. It makes no difference who is hurt, what party is involved; let the truth be known.

Mr. Adams wonders why more headway has not been made. How are you going to make much headway when the chairman of the committee himself, and a former chairman of the committee, are having secret conferences with the man involved, the man we are trying to indict, and are not telling the committee about the conversations, and no other member of the committee is permitted to be present, where the whole thing can be gone over, when both sides, supposed to represent the American people, are on the spot to see and know just what transpires? How are they going to make much headway under such conditions? I would just like to know what transpired in that conference, what all was said, and I would also like to know just why this peculiar consideration was given for this man Fall—members of the committee going out to his apartment and making a call on him.

Mr. President, the whole thing calls for an explanation. Mr. Fall came here later, when he was called before the committee; he was not so sick as not to be able to do that. He was able to go to New Orleans; he was able to travel around the country, and the doctors who investigated his case here said, "He is able to testify." Then they bring him up, and his statement that he got the money from Ed McLean seems to have fallen down. I wonder who suggested Ed McLean to him. I wonder if anybody was trying to shield Doheny, who has become the mouthpiece of the Republican Party here recently. He is urging the people to support the Republican Party. He is mighty well satisfied with the Republican administration. Can you blame him? They have turned over to him a billion dollars' worth of oil reserves. Do you wonder that he is anxious to have the Republican Party remain in power?

While this matter is up, I want to make this statement: The Democratic members of the committee making this oil investigation have had no encouragement and no aid from leading Republicans here, or from the White House, or from the Department of Justice, or from any other department of the Government. That is a pretty serious indictment.

Mr. Denby, who was a party to this deal, flaunts his statement in the face of the President, the Senate, and the country—"Yes; I did it, and I would do it again."

Mr. Fall confesses to having gotten money in connection with the transaction, and this ex-official of the Republican Cabinet is waited upon, quietly called upon, by the present chairman and the former chairman of the Committee on Public Lands and Surveys, both Republicans.

Mr. President, I think these are matters of inquiry which the committee might take up, turning on the light and getting at the whole truth. I want to repeat we are not getting the aid and the encouragement that we should from the White House.

I want to ask, before I sit down, who is looking after stopping the pumping of oil out of these great oil reservoirs? What steps are being taken to prevent the taking out of 3,000 barrels of oil a day by Sinclair and 4,000 barrels a day by Doheny? I am going to keep on talking about this thing until something

is done. We have a right to demand that this stealing of the Nation's oil be stopped, and stopped at once. This oil does not belong to Doheny; it does not belong to Sinclair. The whole transaction was fraudulent and corrupt through and through, and the Government is entitled to have this thing immediately stopped. Why will not the Government stop it? The President has the Department of Justice at his command. He has these two attorneys we have employed, paying them out of money furnished by the taxpayers of the country. Why is it that he will not have them get out an injunction against these people now and send United States marshals or the marines, who were sent to clear off the premises for Sinclair when he went out there to bore his wells? Why is it that we can not take these steps, and take them immediately, to get this property and some of this oil back to the Government?

These questions, Mr. President, are going to be asked here from day to day until something is done in the name of the people to protect these oil reserves and to take over this property of the people.

The PRESIDING OFFICER (Mr. FLETCHER in the chair). The question is on agreeing to the amendment offered by the Senator from Arkansas [Mr. ROBINSON]. The Secretary will state the amendment as modified.

The READING CLERK. The Senator from Arkansas moves to amend on page 2, after line 10, by inserting the following:

(e) Whether any organization, association, or combination, or any committee of persons representing real estate owners or dealers, prescribe or attempt to control prices of real estate and of building construction and the rents or charges for housing accommodations in the District of Columbia; and if so, the methods pursued in prescribing or attempting to control such prices and rents or charges.

Mr. WILLIS. Mr. President, I desire to make some observations on the amendment.

Mr. LENROOT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Wisconsin?

Mr. WILLIS. I yield to the Senator from Wisconsin.

Mr. LENROOT. Mr. President, I have listened to the Senator from Alabama [Mr. HEFLIN] and in the speech he has just made he is about as accurate as he usually is.

With reference to the visit of the Senator from Utah [Mr. SMOOT] and myself to Mr. Fall, I am very glad to state the facts to the Senate and to the country. As far as I am concerned there has never been any concealment of those facts.

The fact is that immediately upon the testimony coming out before the committee, on November 30 I think, concerning the purchase of a ranch by Mr. Fall for $91,500, and upon the adjournment of that session I went to the then chairman of the committee [Mr. SMOOT] and asked him to wire Mr. Fall to come before the committee and testify fully as to that transaction. The Senator from Utah did so wire. Mr. Fall replied, in a telegram which is in the record, that his son-in-law could fully explain the transaction. That telegram was shown to me and I told the chairman that in my opinion Mr. Fall should come on personally and disclose the entire matter. The chairman [Mr. SMOOT] then wired Mr. Fall to that effect and a reply was received that he would come, starting, I believe, upon a certain day.

The next information I had concerning Mr. Fall was that he was in the city of New York, and ill, but would come to Washington as soon as he was able. About that time I became chairman of the committee, and I received a letter from Mr. Fall, which is in the record, stating that on account of his health he was going to Atlantic City, but would come to Washington to testify just as soon as his health would permit; that he thought he would be able to come on a certain Monday. I conferred with members of the committee, and, on account of the committee members having other matters in hand, it was suggested that I wire Mr. Fall, as I recollect, that he appear on the following Wednesday, which I did.

The next information I had concerning Mr. Fall was when the Senator from Utah [Mr. SMOOT] told me that Mr. Fall was here in the city at the Wardman Park Hotel, and ill, and asked me if I would call upon him that afternoon with him. I said I would, and we did. It was not at night. It was in the afternoon. We found him at the Wardman Park Hotel. A nurse was there. Clearly he was ill, and, after passing such remarks as ordinarily would be passed concerning his health, the matter of his coming before the committee to testify was brought up.

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated.

The READING CLERK. A bill (S. 2250) to promote a permanent system of self-supporting agriculture in regions adversely affected by the stimulation of wheat production during the war and aggravated by many years of small yields and high production costs of wheat.

Mr. JONES of Washington. I ask unanimous consent that the unfinished business may be temporarily laid aside. I take it that it ought not to take very long to dispose of the resolution under discussion.

Mr. NORBECK. I would like to inquire how long it will take.

Mr. JONES of Washington. Of course, we do not know how long the unfinished business may be set aside. The discussion has not been confined really to the resolution of the Senator from Delaware [Mr. BALL].

Mr. ROBINSON. I do not think there will be any further discussion on the resolution of the Senator from Delaware. I know of none. Of course, the discussion may just as well proceed upon that resolution as upon the bill the Senator from South Dakota has in charge, which is the unfinished business.

Mr. WILLIS. For the information of the Senator from South Dakota——

The PRESIDING OFFICER. The Senator from Washington has asked unanimous consent that the unfinished business be temporarily laid aside. Is there objection? The Chair hears none and it is so ordered.

Mr. WILLIS. I am still undertaking to hold the floor. I have been trying for three-quarters of an hour to get it in my own right.

Mr. NORBECK. Mr. President, I have no desire——

Mr. WILLIS. Mr. President, do I have the floor?

The PRESIDING OFFICER. The Senator from Ohio was recognized and yielded to the Senator from Wisconsin [Mr. LENROOT].

Mr. WILLIS. The Senator from Wisconsin has not completed the question or statement that he rose to make.

Mr. LENROOT. I hope the Senator will not interrupt the statement I am making.

Mr. NORBECK. There is no objection to laying aside the unfinished business except that I would like to speak on it for about 20 minutes, either to-day or to-morrow.

Mr. LENROOT. Our visit did not consume at the outside more than half an hour. Mr. Fall stated to us that he had borrowed this money in the ordinary course of business, had borrowed it from a friend, but did not propose to disclose to the committee the name. I stated, and the Senator from Utah [Mr. SMOOT] indorsed my statement, that he owed it to the committee, that he owed it to himself, that he owed it to the country to come before the committee and make a full disclosure concerning the source of the money with which he purchased the ranch. We discussed that, as I said, for perhaps 20 minutes. Mr. Fall finally stated that the man from whom he borrowed the money was out of town and that he would have to get his consent. He stated that he was willing to tell us in confidence the name of the man. I stated that I did not want the name in confidence but I wanted him to come to the committee and tell the committee. Before I had completed the sentence I understood him to name Edward B. McLean.

I supposed Mr. Fall was coming before the committee. That was the extent of our conversation. The next thing I knew concerning Mr. Fall was a letter that I received as chairman of the committee making the statement substantially, except more in detail, that he had made to us on that afternoon, disclosing Edward B. McLean as the man from whom he had borrowed the money, which letter is in the RECORD. That is the only conversation that I ever had with Mr. Fall upon this subject or any other subject since the investigation began last October.

I stated the substance of this conversation, but not in detail, or perhaps not so much in detail, to two Democratic members of the committee, one shortly after Edward B. McLean testified, and to another Democratic member of the committee a week or 10 days ago before there was any publication of any kind concerning the conference. So far as I am concerned, the only purpose I had in that conference was to get the truth before the committee, before the public, and before the Senate as to the source of this money. Of course, Mr. Fall misstated to us, as he did to the committee and as he did to the country, the source of the money. But inasmuch as the statement that he finally made to the committee was in accordance with the statement that he made to us two or three days before, I never attached any importance to that conversation.

Mr. President, the Senator from Alabama [Mr. HEFLIN] also, if I understood him correctly, threw out innuendoes that Republican members of the committee have sought to thwart the investigation; have sought to shield Mr. McLean and Mr. Fall or others. There is a great deal in the newspapers along that

line at the present time. I have already stated that I never had any conversation with Mr. Fall, except the one I have referred to. I never met Mr. McLean in my life, so far as I know. I have had no conversation about the merits of the case with anyone representing Mr. McLean. The only conversation I have had with anyone purporting to represent Mr. McLean has been with reference to committee meetings and the calling of Mr. McLean and the suggestion that the condition of his health would prevent his coming here under subpœna.

I have never met Mr. Sinclair except in the committee room. I have never had a word of conversation with him except to interrogate him as a witness. I have never met Mr. Doheny outside of the committee room except to shake hands with him years ago in the Senate restaurant upon being introduced to him.

Mr. President, I would be very glad to be relieved of the duties of the chairmanship of this committee, and I am frank to say that if it goes on indefinitely I shall have to ask to be relieved, but I have endeavored conscientiously to perform my duties as a member and chairman of the committee and to get at the facts and the truth. I understand very well that in presiding over that committee its present chairman does not always please either Democrats or Republicans. I have had a conception of the duties of the committee to try the case as nearly as it could be in the same way that a lawsuit would be tried, to get at the facts, of course, not observing the strict rules of evidence. I felt it was not the duty of the committee to go outside and bring in utterly irrelevant matters and testimony that had no relation to the matters about which the committee was inquiring. For that reason I have refrained from cross-examining Democrats who were before the committee upon matters that might be important, but that were not in any way relevant to the inquiry that we had before us.

It is very unfortunate in a matter of such moment and of such great importance to the country that the inquiry can not be conducted outside of the committee, as well as in it, without reference to politics and with a view solely to getting at the facts. As I said upon this floor upon other occasions since it began, there is politics enough in the inquiry, legitimate politics. Of course there is. But no advantage should be taken of a political situation either to obscure the truth upon the one hand or to prevent its coming out, nor to exaggerate and misstate facts as they actually exist.

Mr. President, the Senator from Alabama yesterday and again to-day complained because the oil is not already stopped from being produced in the naval reserves. It is possible that my friend, the Senator from Alabama, if he were counsel in this case, could sit down and determine the question of jurisdiction, could prepare the pleadings, necessarily very voluminous, could study the law, could acquaint himself with the procedure, so that injunctions might have been secured already preventing any further production of oil. But two of the ablest counsel of the country, each of them having three of their associates in their own organizations, have been constantly at work, night and day, since their appointment, in preparing the pleadings that are necessary to get into court.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. LENROOT. I yield.

Mr. WHEELER. The Senator would have to admit, would he not, that if the Attorney General had promptly acted in the matter he could have had equity proceedings started long before this time?

Mr. LENROOT. I think that if the Attorney General had taken jurisdiction of the matter, that is probably true. Of course, every Senator is familiar with the situation and knows why the Attorney General did not take jurisdiction so far as conducting the proceedings are concerned.

Mr. DILL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Washington?

Mr. LENROOT. I yield.

Mr. DILL. Can the Senator give us any idea as to when the papers will be filed and injunctions obtained in the matter?

Mr. LENROOT. I can not, except that I talked with one of the counsel last evening upon the subject, and while I do not know that I am authorized to make any statement except that they are making very satisfactory progress, I will simply give it as my opinion that the actions will be instituted very, very soon.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Tennessee?

Mr. LENROOT. I yield.

Mr. McKELLAR. Can the Senator give the same assurance about criminal actions against these men?

Mr. LENROOT. With reference to that, I do not know, except that it would seem to me, in view of the loss of oil in the naval reserves—and there is only one from which oil is being lost, the Teapot Dome—that the first thing to do, unless the men are going to get out of the country, is to get an injunction so as to preserve the oil, and until those pleadings are completed I would expect that the attorneys would devote themselves solely to that side of the case.

Mr. McKELLAR. Mr. President, may I ask the Senator another question?

Mr. WILLIS. Just to preserve the order, I understand that I have the floor yet, and I would like to have my right recognized. I yield to the Senator from Tennessee for a question.

Mr. McKELLAR. Will the Senator from Wisconsin state whether or not in his opinion the appointment of special counsel by the President relieved the Attorney General and the district attorneys under him from doing their sworn duty under the laws of the United States?

Mr. LENROOT. I will say very frankly to the Senator from Tennessee that I have not considered that question. I do know, however, that the joint resolution authorized the President to appoint counsel to take charge of and control the proceedings, civil and criminal, in this matter.

Mr. WHEELER. But that does not in any wise relieve the Attorney General from doing his duty under the Constitution, does it?

Mr. McKELLAR. It could not under the Constitution and laws. They took an oath to execute the law, and whatever is done will have to be done through the district attorney probably at Washington. I can not understand how in the slightest degree they have been relieved from their sworn duties under the law by the appointment of special counsel to assist in this matter.

Mr. LENROOT. I was only undertaking to give the facts as I understand them, and I was not commenting one way or the other upon that subject.

Mr. HARRISON. Mr. President, may I ask the Senator what happened that relieved the Attorney General from prosecution of the cases? I have read that the Attorney General asked to be relieved and that the President did relieve him. I may be wrong in that, but I have that understanding.

Mr. LENROOT. I am frank to say that I have not in mind what the action of the President was with reference to criminal prosecutions.

Mr. McKELLAR. Could the President relieve him? Certainly it is very doubtful whether the President would have any authority to relieve a district attorney or the Attorney General from doing his duty under the law.

Mr. HARRISON. If the Senator is asking me, I will reply that I do not think the President could do so. I am only stating that I saw in the newspapers that the Attorney General asked to be relieved, and the President did relieve him.

Mr. McKELLAR. I also saw that statement in the newspapers, but that was done wholly without authority. The President had no right to relieve him, and the Attorney General had no right to do anything else but to perform his duty under the law and the Constitution.

Mr. LENROOT. I should like to ask the Senator from Tennessee, for information, what is his own view with respect to the attitude of the Attorney General? Is it the Senator's view that the Attorney General should proceed criminally against the parties involved or that the special counsel should do so?

Mr. McKELLAR. I will say to the Senator from Wisconsin very frankly what I would have done if I had been in the place of the Attorney General. I would have instantly, as soon as the facts were disclosed, put the processes of the law into operation and brought about the indictment of at least three of the men whom I have several times named here—Secretary Fall, Mr. Doheny, and Mr. Sinclair. They ought all to have been indicted weeks ago; and nothing, as it seems to me, but a willful and deliberate neglect of duty upon the part of sworn officials of the Government is responsible for that not having been done.

Mr. WILLIS. Mr. President——

Mr. LENROOT. If the Senator from Ohio will allow me to proceed for a few moments, I merely wish to say that I am sure that so far as special counsel are concerned, there could be no dereliction of duty charged against them, for I know how busy they have been.

Mr. McKELLAR. I do not wish to be placed in the attitude of condemning the special counsel as yet, but I should like to see some evidence of their being in a bigger hurry about the matter. I think the country wants action; and, as it seems to me, there is no reason why there can not be action.

Mr. BORAH. Mr. President——

Mr. WILLIS. I now yield to the Senator from Idaho.

Mr. BORAH. Of course, the country wants action, but the country wants action which will result in certain accomplishment and achievement, and I think it is a pretty big task.

Mr. McKELLAR. I have no doubt of it.

Mr. BORAH. What we are most anxious about is that when the whole thing shall have been concluded it will not be a failure. We, here in the Senate, can try men very rapidly and pass judgment with great speediness, but when the matter gets into court counsel have to submit their complaints and their actions to the test of a judicial tribunal, and they have got to be certain not only of the law and of the procedure but of the facts and the evidence.

Mr. McKELLAR. If the Senator from Ohio [Mr. WILLIS] will permit me, that is entirely true, but we all know that the longer crimes go unpunished the more easily are the criminals enabled to escape the punishment of such crimes.

Mr. NORRIS. Mr. President, will the Senator from Ohio yield to me?

Mr. WILLIS. I yield to the Senator from Nebraska.

Mr. NORRIS. Mr. President, I am moved to interject a remark here only because it seems to me that in the interest of absolute fairness what I am about to say ought to be said. I am no spokesman for the Attorney General; I am not authorized to speak for him. I supported the resolution introduced by the Senator from Montana [Mr. WALSH]; I talked to him about it before he introduced it; I thought it was a proper thing to do; but when the Senators are now condemning the Attorney General for not commencing a civil or criminal action—I am not going to defend him; if Senators say he should have taken action before the passage of the resolution, I think he should have done so—I wish to say that after the resolution became a law, it was the Congress of the United States who relieved the Attorney General and not the President alone, although the President signed the joint resolution. We passed it and, in my judgment, after the resolution was passed, it was the special counsel and not the Attorney General who ought to have taken action. We passed that resolution—I believe properly; I am not apologizing for it; I think we did the right thing—but when we did so, and under it special counsel were selected, it seems to me that it is not fair to charge the Attorney General with not proceeding after that action had been taken.

It is a very easy thing, Mr. President, to overdo this matter; it is a very easy thing to criticize. Original criticism, in my judgment, was entirely justified, and I think the passing of the resolution was a criticism of the Department of Justice; but, having done that, it does seem to me that we ought not then to complain because the Attorney General did not act. We passed a law—that joint resolution was a law, the same as a statute—authorizing the President to appoint special counsel to prosecute these offenders. I have no doubt that they are doing the best they can; I am not one of those who are criticizing them, and I shall not criticize them until I reach the conclusion that they are not doing their duty.

The special counsel had to come in fresh and study this question. If the matter had been laid before me, if I had been employed, even though I were somewhat familiar with the investigation as it had gone on, I should not have desired to file a petition for an injunction or a criminal complaint on the next day; I could not have done it. I should have desired first to be on safe ground; I should have desired to make the proper investigations. The criminals are not getting away. I had rather the special counsel should do their work, and do it right, and be sure of their ground as they travel along, before they take a step; for otherwise they will only have overthrown the work which would have been properly done.

Mr. McKELLAR. Mr. President, will the Senator from Ohio yield to me in order that I may ask the Senator from Nebraska a question?

Mr. WILLIS. I yield to the Senator from Tennessee.

Mr. McKELLAR. I wish to ask the Senator from Nebraska a question. About four weeks, perhaps five weeks, have elapsed between the time this information must have reached the Attorney General's ears and the ears of the district attorney of the District of Columbia, yet, so far as we now know, not a step has been taken, either by the Attorney General or by the local district attorney, in the matter of the prosecution of Fall or any of the others.

Mr. NORRIS. I am not defending that.

Mr. McKELLAR. That is what I was going to ask the Senator. Does he defend that?

Mr. NORRIS. No; I do not.

Mr. McKELLAR. Is it not indefensible?

Mr. NORRIS. I do not defend it, and I think Congress criticized it when they passed the joint resolution introduced by the Senator from Montana.

Mr. McKELLAR. I know the Senator will also agree with me that somebody at the earliest possible moment when it can properly be done ought to prosecute these men——

Mr. NORRIS. Oh, yes.

Mr. McKELLAR. And take steps to cancel the leases.

Mr. NORRIS. I think we all agree to that, but, Mr. President, we ought to be careful. Since we ourselves have legislated on the subject and counsel have been appointed and confirmed by the Senate, I think we are entirely wrong when we undertake to criticize them. Coming as they had to come fresh and new into this great matter which the committee has spent weeks in investigating, having to look over volumes and volumes of letters and correspondence and testimony and having to look up the law and the facts, it seems to me that it would be unreasonable to expect immediate action.

Mr. President, I have not yet seen any cause for complaint on account of delay by the special attorneys whom we have employed, and I dislike to hear Senators making a criticism of them because the next day after they were appointed they did not stop oil from flowing or send a lot of fellows to the penitentiary. They have not consumed an unreasonable time as yet, and so far as I know are doing the best they can, and I anticipate that it will not be many days until we will begin to see the results of their labor.

Mr. LENROOT. Mr. President, will the Senator permit me to make a suggestion?

Mr. NORRIS. Yes.

Mr. LENROOT. I should merely like to say that there are over 2,300 pages of testimony already printed, which of course they must read.

Mr. NORRIS. Yes; and of course that is not the only thing they must do either; they have to do many other things.

Mr. SMOOT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Utah?

Mr. WILLIS. I yield to the Senator from Utah.

Mr. SMOOT. Mr. President, perhaps it would have been just as well if I had taken no notice of the statement made by the Senator from Alabama [Mr. HEFLIN], but I want the Senate to understand that I have never had anything in my heart nor have I had any other thought from the day that the investigation of the naval oil leases was undertaken than to arrive at the absolute facts in the case. The visit by myself and the Senator from Wisconsin [Mr. LENROOT] to Mr. Albert Fall during his sickness in Washington at the time when he was stopping at the Wardman Park Inn had but one purpose. I think I stated that purpose——

Mr. WALSH of Massachusetts. Mr. President, the Senator is making a very important statement. May we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order, and the Senators will take their seats.

Mr. SMOOT. I think I stated that purpose, Mr. President, as briefly as possible, and many of the newspapers this morning carry it just as I stated it. I do not want the Senate to think that the statement which was published yesterday in the Hearst newspapers recorded what I stated. I leave it to the Senate whether what those newspapers published sounded like an utterance of mine.

I felt before visiting Mr. Fall that every question that had been brought before the committee had at least received an explanation. Whether or not the explanation was satisfactory or whether or not the explanation was true was to be decided by each individual member of the committee and ultimately by the Senate itself and by the American people who would pass judgment upon it. There was one question, however, to which no answer whatever had been made, and that was the question, "Where did Mr. Fall get the $91,500 which he paid for the Harris ranch?" Not a scintilla of evidence had been offered to the committee showing where he received that money.

Albert Fall was a sick man. He was at the Wardman Park Inn. He had asked the committee once that he be given time to recover before coming before the committee. We went to the room of Secretary Fall, and the junior Senator from Wisconsin [Mr. LENROOT] has accurately stated to the Senate this afternoon what occurred. The only difference between him and myself is this: He says that Secretary Fall, just before we were leaving, stated that it was McLean who had advanced him that money. I do not say that he did not make that statement. All I can say, Senators, is that I did not hear the name of McLean mentioned.

As to the insinuation of the Senator from Alabama [Mr. HEFLIN] that the Senator from Wisconsin and myself went up there and with Secretary Fall concocted this scheme, Mr. President, I wish to say that I never saw Edward McLean but once in my life. That was at a dinner given by Mr. McAdoo in honor of the British commission sent over here for the purpose of asking America to enter the war and advance money or the war was lost. Edward McLean was at that dinner. I would not know the man if I met him to-day; and that, as I said, is the only time I ever saw him.

I felt that it was not only the duty of Secretary Fall to himself to make this disclosure, but that it was a duty that he owed to the committee and to the country at large, and I so stated to him. I also want to say, Mr. President, that I have not a thing in my heart that I want to conceal from the Senate or all the world. In fact, I can say that if it were possible that my whole heart be opened, and the whole world could read my thoughts, I should be perfectly willing to have it done. I have never done a thing in all my life that I am not willing for every soul that lives to know.

Mr. HEFLIN. Mr. President, will the Senator yield right there?

Mr. SMOOT. Yes; I yield to the Senator.

Mr. HEFLIN. Why did not the Senator from Utah ask the Senator from Montana [Mr. WALSH], who was leading this investigation, to go with him and the Senator from Wisconsin when they called on Secretary Fall?

Mr. SMOOT. Mr. President, I do not know that it ever occurred to me to ask the Senator from Montana to go. I do not know whether the Senator from Montana wanted to go or not.

Mr. HEFLIN. The Senator did not consult him about it, did he?

Mr. SMOOT. I did not; before or after.

Mr. HEFLIN. Just you two Republicans went to call on him?

Mr. SMOOT. Oh, well; my thought and the Senator's do not run in the same channel.

Mr. HEFLIN. I am satisfied of that.

Mr. SMOOT. All I want to do is to get at the facts, not to stand up here and repeat and repeat insinuations every day.

I say that there never has been a single thing put in the way of the Senator from Montana or any other Senator of the committee, by myself or any other member of the committee, to prevent the securing of testimony from any source upon any point. Every wish expressed by the Senator from Montana to me was instantly granted as long as I was chairman of that committee, and I have not any doubt but that it has been the same way with the Senator from Wisconsin, who is now chairman of the committee.

Mr. President, I do not think there is any necessity for me to take up any more of the Senate's time. All I hope is that when we get through with this investigation everything connected with it may be made public and may be known by all. That is the only desire I have in this whole matter.

Mr. WILLIS. Mr. President, the various Senators having concluded their questions——

Mr. HEFLIN. Well, Mr. President, I want to say a word on this subject.

Mr. WILLIS. I desire to proceed now with the subject which I have been seeking to discuss for about an hour and a half. I have occupied the floor for about an hour and a half, but the thread of my discourse has been interrupted somewhat.

Mr. HEFLIN. I will not ask the Senator to yield now. We have been detaining him, and I will wait until he gets through before I commence some observations on this subject.

Mr. WILLIS. I thank the Senator. I should like to proceed now with the matter that I had in mind to discuss.

Mr. President, I did not desire that the statements made early this afternoon by the Senator from New Jersey [Mr. EDWARDS] should go into the RECORD unchallenged. I do not desire to be diverted from that topic, though I shall have, perhaps, some observations to make on some of the things that have been discussed here by the Members of the Senate while I have been yielding.

Just now, however, I want to invite attention to some of the statements made by the Senator from New Jersey, not with the idea of entering upon a detailed reply, because I understand that the Senator from Vermont [Mr. DALE] expects at an early date to press the matter which he has in mind and which the Senator from New Jersey has in mind, namely, inquiring into the circumstances surrounding the accident which befell the Senator from Vermont [Mr. GREENE].

As a preface to what I shall briefly say, I ask that there be read at the desk just now a brief editorial from the Washington Evening Star under date of February 27, 1924.

The PRESIDING OFFICER. Without objection, the Secretary will read as requested.

The principal legislative clerk read as follows:

[From the Washington Evening Star of Wednesday, February 27, 1924.]

INQUIRY INTO THE GREENE SHOOTING.

Two resolutions are pending before the Senate relating to the shooting of Senator GREENE in a bootleg pursuit in this city. One, introduced by the Senator from New Jersey [Mr. EDWARDS], who is an avowed and enthusiastic wet, is in its preamble and specific text a general criticism of the whole prohibition enforcement service, and, in effect, an argument against prohibition in practice. The other, introduced by Senator GREENE'S colleague Mr. DILL——

Mr. WILLIS. Mr. President, I want to correct the article just there, because obviously a mistake has been made. It is not the Senator from Washington [Mr. DILL] who is the author of the resolution, but the Senator from Vermont [Mr. DALE], the colleague of Senator GREENE.

The PRESIDING OFFICER. The Secretary will continue the reading of the article.

The principal legislative clerk read as follows:

has direct bearing simply upon the deplorable affair in point, and directs an investigation of this case and of such practices of the enforcement forces that may endanger innocent lives.

It is to be hoped that the Senate will, of these two resolutions, adopt that of Senator DALE, which is aimed at the clearing of the facts in this particular case, and has no purpose to belittle or check the proper enforcement of the prohibition act.

The lamentable tragedy which has so nearly cost Senator GREENE'S life has no bearing upon the merits of prohibition. It is one of the incidents of enforcement—an accident—due, it may be, to overzealousness on the part of an enforcement agent. Yet it has been seized upon by the foes of prohibition as an argument for a slackening of enforcement procedure; indeed, for the modification of the enforcement act and even for the repeal of the eighteenth amendment.

The fact that a citizen was shot by a stray bullet in the pursuit of a fleeing lawbreaker has nothing to do with the merits of the law which has been broken. If a burglar is pursued as he leaves the house which he has entered with felonious purpose, is fired upon by the householder or by the policemen, and an innocent bystander is wounded, perhaps killed, there is no warrant whatever for a demand for a repeal of the law against burglary. Should a man eminent in public life be such a victim, as in this case, no one would ever propose that the pursuit of burglars should be prohibited as too dangerous for the public safety. No one would demand an investigation of the whole practice of burglar pursuit.

Unquestionably the enforcement of the prohibition act is difficult. It has been attended with many scandals, with some betrayals of their trust by enforcement officers. The law has been flagrantly violated by people in high places as in lower stations of life. A deliberate attempt has been made to bring it into ridicule and to break down the processes of enforcement. The seizure of this unhappy affair is now sought by avowed enemies of prohibition to bring about an investigation which can serve no end save to permit the marshaling of all the faults and failures of the law without a showing of its overwhelming successes and beneficial effects.

No supporter of prohibition can or will object to an inquiry into the shooting of Senator GREENE and the dangers attendant upon vigorous law enforcement with a view to finding a safer and even more effective means of carrying the law fully into effect.

Mr. EDWARDS. Mr. President——

Mr. WILLIS. I yield to my friend, though he asked not to be interrupted. It will not interrupt me at all, and I therefore gladly yield to him.

Mr. EDWARDS. I am not a lawyer, but I understand that the Senator from Ohio is; and I never heard that any householder or any resident of a house or any man could lawfully shoot a burglar after he left the house.

Mr. WILLIS. Mr. President, that is a sage observation that I am perfectly willing to have stand upon its own merits. I can not see, however, that it has anything in the world to do with the case that we are discussing.

It was to be expected, of course, that Senators who are opposed to the eighteenth amendment, and particularly those that have stated in their own States that they proposed to do all that they legally and properly could to prevent the enforcement of the eighteenth amendment, should seize upon this unfortunate incident as the basis for a general attack upon the eighteenth amendment and the enforcement law.

Of course, I take it that there can be no difference of opinion as to the wisdom and desirability of an investigation into the circumstances attendant upon the lamentable and lamented ac-

cident which befell our fellow Member. Such an inquiry is provided for in the substitute resolution introduced by the Senator from Vermont [Mr. DALE], which will be discussed by him and offered at the proper time when these resolutions are taken up for final disposition. That amendment, in the nature of a substitute, ought to be adopted.

We have heard some things said about facing the facts. Very well; let us face the facts. The fact is—and I impute no improper intention to any Member of the Senate—that the effect of the inquiry proposed in the resolution offered by the Senator from New Jersey is exactly the thing which every person in this country who is opposed to the eighteenth amendment and to its observance and enforcement would desire. What would better operate to paralyze the forces of law enforcement than such an inquiry as is here proposed? That is the effect. I do not say at all that it is the purpose, but it would be the effect of such an inquiry undoubtedly. Therefore it seems to me that the Senate ought to deal with the matter that is directly before it, and that is an inquiry into the circumstances surrounding the accident which befell the Senator from Vermont [Mr. GREENE].

It is, of course, interesting to note that gentlemen who seize upon this incident to arouse feeling in the country and to make assault upon the eighteenth amendment, which was adopted by the largest vote ever given any constitutional amendment; it is interesting to note that men who become agitated because of this accident had nothing at all to say about the hundreds of men whose lives have been lost by the nefarious traffic of the bootlegger. Nothing at all is said about the six or seven hundred men, according to latest reports, who in the city of Philadelphia have lost their lives through the work of the bootlegger. Nothing is said about that. Nothing is said about the 35 members of the enforcement division who have lost their lives seeking to enforce the law. Nothing at all is said about that; but this occasion is now seized upon as an opportunity to make a general assault upon the law. This is aptly suggested in the editorial.

Nobody defends or will defend any improper action on the part of a law-enforcement official. If the inquiry shall show that a law-enforcement official fired this shot, of course he should be punished; there is no doubt about that and no difference of opinion amongst us on that. But, as is suggested in the editorial, if it shall develop that in the enforcement of the law against burglary somebody is shot, do we therefore assail the law against burglary and say that it never ought to have been put on the statute books? Suppose apparatus of the fire department, in going down the street, accidentally runs over somebody. Do we therefore say we must repeal all the laws providing for fire protection?

Mere momentary consideration of the suggestion made by the Senator from New Jersey will show how utterly without foundation is the argument he makes.

A death list of 35 Federal prohibition agents and over 100 State and municipal enforcement officers testify to the deadly menace of the armed bootlegger, whose bullet may have felled the Senator. The murders by high-jackers and the killings in fights between bootleggers add to the death toll. Nothing is said about that. The liquor element is murderous. These men who are carrying bootleg whisky into the country and transporting it, so far as any is being transported, are desperate thugs, armed to the teeth. Shall it be said that the officers of the law, charged with the maintenance of the law, are under no circumstances to be in position to defend themselves?

The bootleg car that was the primary cause of this shooting was equipped with a smoke-screen apparatus and emerged from the alley at a terrific speed. Nothing is said about that at all. The crime that the bootlegger commits is not discussed, but if, perchance, an enforcement officer makes an improper use of his authority, as apparently is the case in this instance, the law which he is seeking to enforce is assailed—and I do not know about that, because there has been no investigation, and I am one of those very old-fashioned persons who believe that it is hardly wise to condemn people in advance of some sort of investigation and inquiry and trial—if it shall develop that this man is guilty, of course, he should be punished. There is no doubt about that.

Mr. JONES of Washington. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Washington?

Mr. WILLIS. I yield to the Senator.

Mr. JONES of Washington. I have noted in the press reports several times that the United States attorney for the District of Columbia is investigating this matter just as carefully as possible, and I want to submit that I think he is even better able to do that than the Senate itself, and has better agencies for investigating than has the Senate.

Mr. WILLIS. I think the Senator is right.

Mr. JONES of Washington. He is more likely to get at the facts, even more likely than the Senate would be to get at them through an investigation.

Mr. WILLIS. I think the Senator is absolutely correct in that, though personally I think an inquiry such as is proposed would be perfectly proper.

Attempts to run down bootleggers by recklessly headlong pursuits through the streets result in running down the law thus sought to be enforced.

The evil seems to be in the chase. Unpursued, the bootleggers would neither shoot nor flee in swift motors. The natural conclusion is that officers should never chase a criminal too rapidly or he will become offended and do something violent.

I am calling attention to this because the sympathy of some people seems to be strong in behalf of the folks who are violating the law, and yet they have no sympathy at all with those who are undertaking to enforce the law.

So, Mr. President, I trust that when this matter comes up the substitute offered by the junior Senator from Vermont [Mr. DALE] will be adopted, and this particular matter may be looked into.

In order that there may be in the RECORD a statement of the facts touching the work that is being done in the law enforcement department, I ask unanimous consent to place in the RECORD at this point a brief statement of the work that has been done in the past by the law-enforcement unit.

The PRESIDING OFFICER. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

In the fiscal year 1923, there were 49,021 cases for the violation of the prohibition law to the Federal courts, and 34,067 convictions. This was against 34,984 cases in 1922, with 22,749 convictions; 29,114 cases in 1921, with 17,962 convictions; and 7,291 cases in 1920, with 4,315 convictions.

Total fines imposed in 1923 aggregated $5,832,389, as against $4,041,456.03 in 1922; $3,360,298 in 1921; and $507,482.70 in 1920. Incomplete figures for the first half of the fiscal year of 1924 show fines imposed aggregated $1,806,768.50. In many States Federal agents give their evidence in State courts. Fines collected amount to approximately as much as those collected in Federal courts.

Jail sentences imposed in 1923 aggregated 2,241 years, 8 months, and 8 days, as compared with 1,552 years, 2 months, and 19 days in 1922. Incomplete figures for the first half of the fiscal year of 1924 show jail sentences imposed aggregating 958 years, 3 months, and 19 days.

Amounts deposited in the United States Treasury as fines and forfeitures and Federal convictions obtained as a result of the enforcement of the national prohibition act for the fiscal year of 1923, $5,095,300.23 as compared with $4,804,271.95 for 1922. Liquor-tax penalties or assessments made, but not yet collected, amount to approximately $40,000,000.

There are approximately 123,800 permit holders in the United States providing for the distribution and supervision of medicinal and industrial spirits and medicinal and sacramental wine, entailing a vast amount of inspection work in order to safeguard against abuses. Before prohibition there were 1,100 breweries in operation. On September 27, 1923, there were 500 cereal-beverage plants in operation. From August, 1921, to October 19, 1923, there were 152 criminal informations submitted to the Department of Justice. Eighty-three convictions have been secured; 21 cases dismissed and the remainder pending. One hundred and twelve injunctions have been prepared, of which 43 have been granted, 21 being permanent. In the same time 58 breweries have been placed under seizure.

Bonded whisky, in 1922, was scattered over the country in 297 distillery warehouses. The concentration act of 1922 provided for the concentration of liquors. Twenty-eight centrally located warehouses are now in operation. Since July 31, 1922, 180 outlying distillery warehouses have been discontinued and the contents removed to concentration warehouses. This concentration has effected a saving of $300,000 annually in guarding costs, in addition to greater security.

Government control of sources of supply is more successful to-day than ever before. In the calendar year 1923, nonbeverage whisky withdrawn on permits for domestic consumption aggregated 1,696,360.9 tax gallons. This total was 1,819,888.2 tax gallons in 1922; 3,243,845.2 tax gallons in 1921; 12,398,529.2 tax gallons in 1920; 27,381,365.1 tax gallons in 1919.

The average annual consumption of whisky during the 10 years prior to prohibition was 130,000,000 gallons.

There was a decrease of 1,200,000 gallons in withdrawal of medicinal alcohol in 1923, as compared with 1922, and a reduction of 18,498,397 gallons as compared with 1920.

Mr. DIAL. Mr. President, it would be unnecessary consumption of time for me to go into details about the evil of drink and the benefits and blessings of prohibition. I desire to assure the public that our cause has at least one friend in the United States Senate who is ready, willing, and anxious to aid in all efforts to abolish whisky from the face of the earth. The time has come to act. My method is two-fold:

First, persuasion;
Second, force.

We should be very careful in this country to educate, to encourage, to persuade, and to teach the people to neither manufacture, transport, nor consume the article. This can be done through our schools, churches, civic organizations, boy scouts, and through and by every other organization in the country. When temperance societies were first organized the use of liquor was fought principally on the ground of its moral effect. The growth was very gradual, but as soon as we fought the evil on the additional ground that it was injurious to health and business we made greater progress. No business management to-day would employ one who is subject to drink; therefore the factory, the store, the office, and every other business enterprise has become encouraged.

This evil is one of habit, to a large extent, and will sooner or later go out of fashion, and it is hoped will be unknown to future generations. I am sorry for anyone who can not, or will not, abstain either on account of appetite or profit on its sale.

We ought to use every power at our command to induce the erring brother to abstain from this contamination. We should do everything possible to inform the smaller and weaker ones who engage in this business that they are being made tools of by those who desire to exploit.

If force be necessary, let us employ effective means.

To say prohibition is a failure is not stating facts. Even as far back as 1818, Kahemeha, the half-savage King of the Hawaiian Islands, issued an edict prohibiting liquor as a beverage and made a success of it. I will not tell you his remedy at present; it was such, however, that most modern legislators have not the firmness to follow. In the South this law has wrought wonders. There is almost as much difference between cotton-mill towns to-day and 20 years ago as there is between day and night or between prosperity and poverty. A certain class of our population, good roads, automobiles, and liquor would not mix; no one's life would be safe on the highway.

The trouble of enforcing the law is not so much with the law as it is with officials, and with the public who will not aid the officers. It is the duty of every good citizen to aid in the enforcement of all laws. If the officers will not do their duty, then let us get new ones, beginning at the top and changing all down the line unhampered by personal or political influences. The hands of the officers should be free from the hands of politicians. The question is not a political one. I pity the country if it ever should be left to politicians to enforce the law. I know, in some cases, a genuine effort has not been made to enforce this law. I am thankful that there is one law higher than graft, higher than officers, more powerful than the combined influences for evil, and that law is public sentiment. The public will be posted through Congress, if necessary.

It is thought by some that we should change and amend our Constitution and our laws to suit the appetites of foreign elements. To this I answer that if our various foreign friends can not support our Constitution and laws, and if they can not adapt themselves to our ways of living and thinking, and if they can not uphold our ideals, they are at liberty to return from whence they came.

No doubt the time will come when we will have to make the enforcement law stronger. We will have to make it severer. We will have to authorize the imposition of prison sentences instead of fines in certain cases. As it is to-day, very often the violators are charged small fines, which do not amount nearly to what the license would cost, and they go back and make the money back in one day, perhaps. The fines ought to be of sufficient magnitude to deter any man from further engaging in this nefarious practice. The fines should be sufficient to force him to help pay the expenses of the Government, particularly of the courts and the constables and all the paraphernalia it takes to make up the enforcement department, and also to deter others from engaging in similar violations.

There is to-day before the Senate Committee on the Judiciary a bill introduced by me authorizing the employment of national convicts on the public highways in the different States. I would like very much to have that committee make a favorable report on the bill at an early date. I hope the bill will become a law. In South Carolina we work our State convicts on the public highways, and I can see no reason why a national convict is any more sacred than a State convict.

I believe it is claimed this has been opposed by the Department of Justice. That does not make any difference to me.

A few years ago the National Government did not have prohibition to enforce, whereas to-day the great machinery for the enforcement of the prohibition laws exists all over the United States. A large number of people violate the law; they are put in jail, detained a little while, and are set free. Where they are put in the jails they spread bad doctrine among the convicts of the States, and I can see no reason why they should be treated as a special class.

I hope the Committee on the Judiciary will report my bill, and at least let the Senate fight it out on the floor. Perhaps it will take some little education and some little agitation to get it enacted into law, but I desire to relieve the taxpayers of all expense possible, and I want the people who violate the law to help pay the burdens of enforcing it. A few years since the Government owed but $1,300,000,000. To-day we owe over $21,000,000,000.

We need good roads in this country, and the work these convicts would be required to perform would not be in the production of something that would come in competition with ordinary labor or anything of that kind. Therefore there can not be the objection that there would be a surplus of something produced; but they would make good highways, and save the States and the counties from issuing bonds and spending more money in that direction. So I firmly believe we will have to amend the law in several respects. Furthermore, instead of letting politicians have influence with the appointing power who do not want the law enforced, we should let the appointing power have a free hand, and we should hold the enforcing department responsible for its enforcement. How can you expect the prohibition department to have the law enforced when some politician can go to them and have his wet friend made prohibition agent? Under such circumstances he is appointed not for the purpose of enforcing the law but for the purpose of throttling the law, for the purpose of allowing contempt to be brought on the law and allowing law enforcement to be ridiculed.

I do not know that I would particularly favor civil-service examinations in selecting the men to enforce the law, but certainly this kind of a law ought to be relieved from all political influence.

If the people of the country who want to see good government, who want to see less bloodshed, who want to see all laws enforced, would aid the officers in detecting the violators of the law, we could soon make this law a grand success. To say that we can not enforce the law is simply to admit that we do not try to enforce it.

I feel that there should be some shaking up among the officials, but it is not necessary to spend thousands and thousands of dollars of the people's money in an investigation to try to bring up some isolated case and to try to cast reflections on the enforcement officers. The time has come for all good citizens to say they will help to detect and capture and punish the violators of this law. Public sentiment is coming to the rescue, so I hope instead of trying to discredit the law that we will appoint sound officers to enforce it, and that public sentiment will back up those officials. Education, refinement, and justice should rule every country.

Mr. SHEPPARD. Mr. President, I listened to the address of the Senator from New Jersey [Mr. EDWARDS], and I have this to say in reply: Beyond all expression I deplore the accident which befell Senator GREENE. That he may be restored to health and strength and the unimpaired possession of his brilliant faculties is the universal hope and prayer of the American people. That every phase of this tragic episode should be subjected to the severest scrutiny to ascertain and condemn and punish whatever recklessness or carelessness or criminality may have been involved no one will deny. That this event, however, should be made the basis of an assault on the entire machinery of one of the most useful and effective agencies of our Government is as unjust as it is absurd. The final expression and the ultimate bulwark of our civilization are to be found in the officials in whom we have vested the duty of preserving order and enforcing law. Engaged in the proper performance of this duty they are the living embodiment of the Constitution and the flag. The very sacredness and importance of their functions make any wrongful act by them peculiarly disloyal and foul. But let it be said to the honor and the glory of American enforcement officials of all types—in precinct, county, district, in the town, the city, the State, and Nation—that for bravery, gal-

lantry, courtesy, patriotism, efficiency, devotion to the institutions they defend they are as a body unsurpassed upon this globe.

Among these officials there is no class with heavier responsibilities and more baffling tasks than those who have been charged with the especial execution of the Federal prohibition act. They deal with offenders as desperate and dangerous as murder's annals ever knew; offenders spurred on to insolence, to iniquity, and to violence by the fact that their patrons move in high social circles and call themselves respectable; by the contempt and ridicule which the wet metropolitan press, the stage, and certain other elements pour upon prohibition, anchored though it is in the Constitution and in the statutes for all the coming ages.

Attend, sir, the story of Leroy Youmans. It is the night of the 3d of April, 1923. He and other Federal prohibition officers have learned of the location of a still. Under the command of the Constitution and the law they set out to apprehend the operators. Silently they make their way through the forest. They reach the still and await under cover of the undergrowth the arrival of the outlaws. At length the moonshiners appear and prepare to place the still in operation. One of the officers, changing his position, steps upon a twig. It snaps. Instantly on their guard the moonshiners begin a search to determine the source of the noise. Youmans rises for the purpose of arresting the outlaw who is coming toward him. The outlaw turns the blinding glare of a flash light into this officer's face with one hand and fires upon him from a pistol with the other. Youmans crashes to the earth and in a few moments breathes his last. Speaking of this and similar incidents, Colonel Haynes has well said:

> Never a chance for life have some of these heroes had as they trailed their quarry to its stamping ground.
>
> They walked, not with sham bravado and in foolhardiness, but with every poor precaution they could adopt, and with infinite courage, into the jaws of death. Again and again, as we scan the list, we read the pitiful story of ambush and cold-blooded murder.

Let me relate now the story of J. H. Reynolds, another Federal prohibition officer. It was the night of August 26, 1921. He and his fellow agents are looking for illicit stills in the mountain district of a historic State. The outlaws for whom they search are in a lonely cabin, within a few feet of which the officers are passing without knowledge of its existence, so completely it is concealed in the underbrush. The outlaws open fire, mainly on Reynolds, because his form happens to be most easily discerned in the darkness. He crumples to the ground, his body riddled and torn with 76 shot.

Hardly less tragic is the fate of the prohibition officers, Beckett and Wood, in March, 1922. With several other agents they set out for a ranch with a warrant of search. The owner falls in with them, apparently consenting to the proposed visit. On arriving, the owner steps behind a building and fires into the group with a shotgun. Beckett and Wood are wounded mortally. Then from all sides a prearranged ambush opens a torrent of fire upon the remaining officers. The officers rush to cover and a pitched battle ensues.

Some months ago another Government agent, whose name I do not now recall, was watching at night a roadway where he had reason to believe that rum runners in automobiles were passing. Presently a car came toward him—the car for which he had been waiting. From the side of the road he called on the driver to stop. The driver, who was a bootlegger, heeded not the call, but drove straight for the officer, running him down and pinning his body under the axle. For nearly half a mile the bootlegger pressed on, attempting to increase his speed, grinding, bruising, and dragging the body of the officer along the road until apparently all life was gone. Then he stopped the car, liberated the body, and tried to escape. As if by a miracle the officer survived, but he is paralyzed and crippled for the remainder of his days.

Perhaps it is needless to multiply instances of the type of criminal with whom the prohibition officer must match his wits and his life, showing the latter to be frequently in the shadow of the grave as he enforces the Constitution and the law; but mention should also be made of the following Federal prohibition agents: Robert G. Anderson, killed April 16, 1923, while arresting bootleggers; Atha Carter, shot from ambush December 24, 1922, while looking for a still with a search warrant, and dying soon afterwards; E. Guy Cole, murdered by moonshiners on December 15, 1922; W. D. Dorsey, killed June 13, 1920, while looking for a still; Robert E. Duff and Howard H. Fisher, killed under the same circumstances on December 9, 1923, and July 7, 1922, respectively.

Similar fates have overtaken still other Federal prohibition agents. On May 17, 1922, Joseph W. Floyd was shot and killed while arresting the driver of an automobile which was loaded with contraband liquor.

On March 19, 1920, Kirby Frans was shot by a moonshiner while making a raid and died soon after.

On April 1, 1921, Jacob F. Green was killed while attempting to capture an outlaw still.

On December 5, 1920, Richard Griffin was killed by moonshiners, as was Charles E. Howell on July 17, 1921, and Jesse R. Johnson on November 21, 1921.

On August 22, 1922, Joseph P. Quinn was killed in a clash with moonshiners, while Grover C. Todd was slain by a bootlegger on September 3, 1922.

On April 30, 1921, John Watson was fatally wounded while attempting to arrest a bootlegger, and died about a month later.

On August 28, 1920, Stanton E. Weiss was killed while attacking an illicit distillery.

I have not attempted to give a complete list of the officers who have been killed in the armed warfare which bootleggers and moonshiners are waging against the Government, including the 100 county and State officials mentioned by the Senator from Ohio [Mr. WILLIS], nor of those who have been wounded but who survived. I have said enough to show, however, that officers whose sworn duty it is to apprehend the violators of the law must be prepared for assassination on the instant. In the absence of an authentic statement of the facts, I make no attempt to justify the officer who fired or who may have fired the shot that accidentally and unfortunately struck Senator GREENE. If the shot had been fired at a bank robber, however, the incident would never have been made the ground of an indiscriminate attack on the administration of our national banking laws. Is it possible that the liquor movement is striking at prohibition over Senator GREENE's shoulders? The record of the prohibition-enforcement unit of the Federal Government is one of remarkable integrity and efficiency.

Mr. President, since the prohibition enforcement unit began some three or four years ago it has had a force ranging at times from 3,500 to 4,000. The total number found guilty of corruption or other offenses is 43, about one-half of this number representing all who have yielded to bribery, about one-half of 1 per cent. Combine with this record the fact that the consumption of intoxicating liquors in the United States has decreased 85 or 90 per cent since nation-wide prohibition became effective, the fact that the enormous sums—more than $2,000,000,000 every year—formerly expended for these liquors are now going into savings accounts, into life insurance, and the substantials of life, and the fact that there has been a reduction in the national death rate equivalent to the saving of 873,975 lives in the first four years of prohibition, and we have a tribute to prohibition which spells its permanent triumph.

In January of this year a subcommittee of the House Appropriations Committee made a comprehensive investigation of the operation of the prohibition unit from its beginning to the present. That investigation showed that at the close of the last fiscal year the unit had a total force of 3,335—697 in Washington and 2,638 in the field. The organization of the unit in Washington comprises a prohibition commissioner, who superintends the entire work of the unit; an assistant prohibition commissioner, whose title indicates his duties; a counsel's office, composed of a counsel and two divisions, one division interpreting the law, preparing legal opinions, drafting regulations and Treasury decisions pertaining to the prohibition unit, the other division following up and keeping in touch with civil litigation and criminal cases connected with prohibition enforcement, the counsel's office comprising the head counsel and an assistant counsel, a special counsel, 20 attorneys, and 40 law clerks. Then comes the permit division, the industrial alcohol and chemical division, a division of general agents, the narcotic division, which has charge of the antinarcotic law, and the audit division.

The permit division issues basic permits and receives, checks, and files copies of withdrawal permits issued by State directors. The alcohol and chemical division makes a technical test to determine the amount of alcohol contained in seizures, and a test of medicinal preparations containing alcohol, to determine whether they conform to approved formulas issued to manufacturers. It was stated by Assistant Commissioner Jones in the course of this investigation that of the 697 officials at headquarters only about 15 or 18 could properly be charged to overhead. The total field force was shown to consist of 9 field supervisors, 18 divisional chiefs, 521 general prohibition agents, 48 Federal prohibition directors, 12 assistant directors, 1 special assistant director, 25 members of the head field force, 28 members of the head executive division, 1 assistant head of the executive division, 3 attorneys, 25 legal advisers, 59 group heads, 810 Federal prohibition agents, 23 chemists, 666 clerks, 193 warehouse

agents, 4 heads of the narcotic field force, 12 narcotic agents in charge, 149 narcotic officers, and 31 narcotic clerks.

It was further shown that there were 49,021 prosecutions under the national prohibition act in the last fiscal year, with 34,067 convictions, 1,770 acquittals, the remainder having been dropped for lack of evidence. It developed also that the prosecutions under the narcotic act in the last fiscal year were 7,201—convictions 4,194, acquittals 285, the residue having been dropped for insufficiency of evidence. It was stated by Assistant Commissioner Jones that the increase in prosecutions since the inauguration of the unit meant more effective enforcement rather than an increase of violations. It was found that the sum of $4,366,056 was deposited in the Treasury as the result of fines and forfeitures obtained under the national prohibition act during the last fiscal year, while civil collections from offers in compromise and taxes on illicit manufacture amounted to $729,244.23, the total sum turned into the Treasury being $5,095,300.23.

The sum realized from fines, penalties, and compromises by the prohibition unit in its enforcement of the narcotic act was almost a million dollars. The amount appropriated by Congress for the use of the Federal prohibition unit for the last fiscal year in enforcing the prohibition and narcotic laws was $9,250,000. The net cost of operation, therefore, was a little over $3,000,000.

The hearings show that the subcommittee of the House Appropriations Committee went carefully into every phase and detail of the work of the prohibition unit, with the result that an appropriation to continue that work for the next fiscal year exceeding that of the current year by about one and a half million dollars was recommended. The increase was made necessary by the need of a larger number of general enforcement agents due to the repeal of the New York State enforcement act, the so-called Mullen-Gage law, by the New York Legislature, and by the need of additional equipment and men more effectively to resist smuggling on the international borders and the seacoasts.

In view of the marvelous achievements of the prohibition-enforcement unit, a general investigation would be worse than useless—a waste of funds and energy and time. Instead of a resolution of investigation, the unit should have a vote of thanks. Colonel Haynes and his coworkers of the Federal prohibition forces have won a high and honorable place among the defenders and enforcers of law.

Mr. President, the first rebellion against the present form of the United States Government was a whisky rebellion. The first excise tax on whisky was resisted to such a degree that President Washington was compelled to order out the troops. Meanwhile the rebels had pulled down the American flag, fired on United States officials, on Federal buildings, driven the revenue officers into hiding, and subjected some of them to the severest brutalities. Throughout our history the liquor traffic has continued its career of disregard for law. Every enactment for its regulation and control has encountered its defiance and its contempt, whether the enactment related to sales to boys and girls, sales to drunkards, to opening and closing hours, to operation on the Sabbath, to the unscreening of windows and doors, to forbidden association with the gambling hell and the brothel, the white-slave trade, or its elimination from townships, precincts, counties, or even States. Its inherent lawlessness made it the corrupter of governments and courts. Between it and a condition of order and decency there was an impossible gulf. Recognizing that the conflict with it was a struggle between a higher and a lower plane of existence—that this Nation could not maintain the basic ideal of a Christian Republic with the liquor traffic legalized anywhere within its limits—that as long as the traffic had a legal status in any State it would become a menace to the sections that had endeavored to destroy it by local ordinance, the American people through the due and solemn processes laid down by the Constitution for its own amendment made the liquor traffic an outlaw on every foot of American soil. True to its felonious nature a remnant of the traffic continues to defy and violate both the Constitution and the law.

The operations of this remnant, so small in comparison with the quantities of intoxicants produced and sold in the day of the legalized distilleries, breweries, and saloons as to be relatively insignificant, receive such exaggerated notice in the daily press as to blind many people to the true situation. The foreign visitor whose knowledge of the United States is derived from a sojourn in a few wet cities, the smoking rooms of the Pullmans, from the dinner parties of the rich, the editorials and headlines of certain prominent dailies whose owners and writers still mistake appetite for liberty, from embassies and legations, perhaps, whose officials have no consideration or regard for the beliefs and standards of the vast majority of the American people when they utilize the extraterritorial privilege to load their lockers and their tables with an article our laws have pronounced inimical to the race; the foreign visitor, I say, is frequently the victim of a deluded understanding as to the effect of prohibition in the United States. The bootlegger's rebellion against the American Constitution and the American flag is always in progress, because the traffic in poisonous drugs, whether alcohol or opium, is a natural rebel against all that is decent, uplifting, just, and right. The chief encouragement and the principal recruiting ground for this mutiny against law and order may be found in certain metropolitan sections of our country where prohibition was never accepted in principle by the dominant elements and where these elements have not yet been willing to subordinate their opinions to the will of the American people as embodied in the Constitution and the law.

From these sections volleys of verbal and printed denunciation have been constantly discharged against prohibition and the efforts of the American people to enforce it. Propagandist endeavors are always under way to create the impression that the entire prohibition enforcement machinery has collapsed and that prohibition is a failure. The resolution of the Senator from New Jersey fits admirably into such a campaign. The social revelers, the wealthy entertainers, the circles of the privileged and predatory rich, their imitators, worshipers, and hangers-on form but another wing of the bootleg army. They can never shake the opposition of the American people to the liquor traffic, but they can by their unfair and flippant attacks on prohibition imperil the lives of enforcement officers by making the outlaws more vicious and more determined, readier to shoot, quicker to kill. The society matron who feels that she must circulate cocktails among her guests little realizes that not only may she send some soul to hell about her board but may also by the encouragement her patronage gives to an illegal traffic send a bullet into the heart of another official sworn to uphold the law and to apprehend its violators.

The deplorable accident to Senator GREENE has been seized upon by the liquor propagandists for a renewal of their efforts to discredit prohibition. Let the resolution reflecting this attempt in the Senate of the United States be rejected and the whole bootleg army once more notified that America is forever dry. Let bootleggers, moonshiners, and all the other criminals be given to understand that the American Congress and the American people will sustain and applaud our officers in the enforcement of law.

Mr. SMITH obtained the floor.

Mr. BALL. Mr. President, will the Senator from South Carolina yield.

Mr. SMITH. I yield to the Senator from Delaware.

Mr. BALL. I hope Senators will permit a vote upon the Senate resolution now. I think it has been very thoroughly discussed.

Mr. HEFLIN. Can we have a vote on it immediately?

Mr. BALL. I think the vote can be had without further discussion.

Mr. SMITH. With the understanding that it is to create no discussion, I am perfectly willing that the request of the Senator from Delaware shall be complied with.

Mr. BALL. I think the resolution has been very thoroughly discussed——

Mr. SMITH. I think so.

Mr. BALL. So far as oil and whisky and water and all other things that may be found in apartments are concerned.

Mr. HEFLIN. Then let us have a vote.

Mr. SMITH. With the privilege of immediately proceeding if there is any evidence of the resolution provoking discussion, I will yield.

The PRESIDENT pro tempore. The Senator from South Carolina is speaking upon the amendment offered by the Senator from Arkansas [Mr. ROBINSON] to the resolution proposed by the Senator from Delaware [Mr. BALL].

Mr. SMITH. Mr. President, a parliamentary inquiry. Were not the amendments which were proposed adopted just before the discussion which has intervened?

The PRESIDENT pro tempore. The present occupant of the chair was not in the chair at that time, but is advised that the pending question is the amendment offered by the Senator from Arkansas.

Mr. SMITH. My impression was that the amendment offered by the Senator from Arkansas was adopted immediately after the one——

Mr. ROBINSON. No, Mr. President; the amendment never has been voted on. Several other subjects arose, and the debate has proceeded continuously and without abatement since.

The pending question is the amendment proposed by the Senator from Arkansas.

Mr. SMITH. If that excites no discussion, I am willing to have the vote taken.

Mr. JONES of Washington. Mr. President, if Senators desire to speak, it seems to me they can speak just as well on this matter as on something else.

The PRESIDENT pro tempore. The Chair has no control over the subjects upon which Senators may speak.

Mr. SMITH. I think the Senator from Washington will recognize that it will relieve the Senator from Delaware very greatly if he can have this vote.

Mr. JONES of Washington. The Senator from Delaware is not uneasy. He knows that his resolution will pass whenever he gets a vote on it.

Mr. BALL. I know; but the time for this survey is limited, and if the discussion continues from day to day in this way, of course, we never will get the survey. It must be reported not later than the latter part of March, and I hope Senators will let the resolution come to a vote at this time.

Mr. JONES of Washington. Of course, if it will hurry the survey along, I shall not interfere in any way.

Mr. HEFLIN. Let us vote.

Mr. SMITH. I propose that we vote on it.

The PRESIDENT pro tempore. The Senator from South Carolina has the floor.

Mr. SMITH. With the understanding that it does not take me off the floor, and that there is to be no further discussion, I am willing to have a vote taken on that amendment.

The PRESIDENT pro tempore. And at the same time retain the floor?

Mr. SMITH. Yes; that was my idea.

The PRESIDENT pro tempore. That is impossible.

Mr. SMITH. Very well; then I will proceed with what I have to say.

Mr. President, a very serious situation has arisen in one of our statistical departments, and I have taken the floor this afternoon because my statement must come in as nearly chronologically as possible with what transpired yesterday in reference thereto.

The Secretary of Commerce, Mr. Hoover, in order to try to get this very serious matter corrected—very serious not only to the State that I represent in part, but to others—has been holding, during all of the preceding week, conferences in reference to it; that is, conferences with the bureau under the department. It finally resulted in the Secretary of Commerce suggesting what might lead to a solution, and that was given to the press yesterday.

In order that it may go into the RECORD and be understood by the thousands who will be affected thereby, I desire to read an explanation of just what has occurred.

The report of the Census Bureau as to the amount of cotton on hand in the United States on August 1, 1923, has been challenged, not only by those particularly interested but by statisticians of international repute. In order that the situation may be clearly understood, the facts should be stated.

The Census Bureau is charged by the Government with gathering statistics as to the production and consumption of cotton and the supply on hand annually. The sources from which they gather this information are as follows:

First. The ginners of the country report the amount ginned. These reports from ginners are obtained by Government officials who visit each gin at least once a month during the ginning period. This gives to the Census Department the number of bales ginned for the season.

I should like those who are listening to follow me carefully, because it is very important for you to catch the significance of the startling discrepancy that has occurred and its effect not only upon what is perhaps the greatest American product in the way of a world monopoly but upon the welfare of the people who produce it and the balance of trade in America that is dependent upon this article.

As I say, the ginners first report the amount ginned. These reports from the ginners are obtained by Government officials who visit each gin, 20,000 in number, at least once a month during the ginning period. There is a reporter for every cotton county in America, supported by the Federal Government, in order to get accurately the number of bales produced. This gives to the Census Department the number of bales ginned for the season.

Second. The number of bales imported, consisting of foreign cotton and of American cotton which may be reimported. These figures, of course, are compiled by Government officials from the customhouse books. There are a few bales of foreign cotton that find their way over the border between this country and Mexico which can not be accurately accounted for, but the number is small and in the vast crop is negligible.

Third. There is what is called the city crop; that is, each bale, in passing from the producer to its ultimate consumption, is sampled from time to time to ascertain the grade and character of the cotton contained in the bale.

These samples are reassembled and repacked. They do not add anything to the total amount of cotton, but they do increase the number of bales a certain amount, perhaps a little less than 100,000.

These are the three divisions which constitute the source of supply, namely, ginning, imports, and the city crop. These are all admittedly very accurate. From this, now, is to be taken consumption, export, and cotton destroyed. The balance will represent how much cotton, if any, is to be carried over from one season into another.

The method of ascertaining the consumption, or the distribution, as it is called, is as follows: Exports—that is, cotton ginned, exported abroad—are, of course, ascertained from the customhouses. The amount consumed is determined from the consuming establishments in this country, and the amount destroyed is ascertained from the various insurance companies. These are added and then subtracted from the supply, and the amount left is called the carry-over.

Ordinarily, before consumption, export, and loss are subtracted, consuming establishments—that is, the cotton mills, warehouses, and holding companies—are asked to give by telegraph and by mail a statement of the amount of stocks on hand at the end of the year. This, also, is considered in making up the carry-over. The result of this addition and subtraction is ordinarily approximately in line with supply and distribution, as heretofore mentioned. Right here, let me state that perhaps never before in the history of the cotton industry of America—certainly of America, and perhaps of the world—has there been such an imminent famine of cotton as there is this year. The supply has been practically exhausted because of the three years of very small production; and yet this year the carry-over, as reported by the Census Department under the head "To balance distribution," is 579,000 bales out of line.

In other words, after having taken the ginners' reports, the imports, and the city crop, and deducted from that the exports, the consumption, the loss by burning, and the country damage, when they subtracted the latter from the former it left less than 2,000,000 bales of cotton as a carry-over; but when they made inquiry by letter and telegram of the consuming and holding establishments, they reported 3,095,000 bales, or 579,000 bales in excess of that subtraction.

It must be borne in mind that the figures for ginning, imports, and destruction are admittedly correct. They are gathered by Government officials, and are susceptible of being checked up, while the reports as to stock held in consuming establishments, warehouses, and so forth, are obtained by letters and telegrams sent to these places and are not susceptible of being checked up, and are more or less ex parte. They are admittedly susceptible to errors of duplication, and are more or less inaccurate; and yet the department has stated the latter figures as the amount of cotton held in stock on August 1, 1923.

If it is insisted that these figures of the consuming establishments are to be accepted, then there is absolutely no use of getting the cotton statistics—that is, the amount ginned, the amount imported, the city crop, and then the amount consumed, the amount exported, and the amount destroyed—because if the reports made by the consuming establishments, warehouses, and holding companies are to be taken as the amount of stocks on hand, then all that would be necessary would be, at the end of each year, to ask these establishments by letter and telegram to state how much cotton they had on hand, and give this out to the world as the carry-over in the next year.

Secretary Hester, of the New Orleans Cotton Exchange, who is now 78 years old, has had 50 years of unimpeached experience in this business and is looked upon as being the most reliable international statistician on the subject in the world, makes the following statement to me by telegram, which I will read to the Senate.

Mr. RANSDELL. Mr. President, will the Senator from South Carolina yield?

Mr. SMITH. I yield.

Mr. RANSDELL. I should like to add to what the Senator has said about Secretary Hester that I have known this gentleman quite well, personally, for the past 26 years. He is one of the ablest, most high-grade, honorable men I have ever known. He enjoys the universal confidence and esteem of all those who know him, and I believe the Senator from South Carolina rightly describes him as the ablest international cotton expert on earth.

Mr. SMITH. Mr. President, I want my colleagues here and the trade world to understand that we are not attempting to force any kind of report in accord with our personal interests. We simply want the facts. We believe that the 600,000 bales do not exist, and we propose to exhaust every method known to prove the truth of the matter. Secretary Hoover has suggested that he appoint a committee of expert and disinterested statisticians to go thoroughly into the matter and report their findings of fact, and also to suggest such legislation as to gathering statistics in the future as will make such discrepancies impossible. This was agreed to.

Mr. ASHURST. Mr. President, will the Senator yield to me at that point?

The PRESIDENT pro tempore. Does the Senator from South Carolina yield to the Senator from Arizona?

Mr. SMITH. I do.

Mr. ASHURST. If it does not interrupt the course of thought of the Senator, I wish he would again make manifest that situation about the city crop. This city crop is extracted from bales which have been ginned?

Mr. SMITH. Yes.

Mr. ASHURST. Then the city crop is only apparently and not in reality more cotton?

Mr. SMITH. That is, as to bales. We are counting bales and not the number of pounds.

Mr. HEFLIN. That is reported twice.

Mr. ASHURST. That is what I want to know.

Mr. SMITH. No; it is not reported twice. For instance, if there are a thousand bales in the gin and enough is taken out of that to make 100 bales, there would be 1,100 bales, of lighter weight, but 1,100 bales. So that in counting bales there would be that many more bales.

Mr. McKELLAR. More bales, but not more cotton.

Mr. SMITH. That is true—more bales, but not more cotton. We are practically willing to have the number of bales—those brought into existence—counted. We have taken the ginner's report and checked it over for a period of perhaps 10 or 15 years, and it has been considered by Mr. Hester and others as being accurate.

What we are determined to find out is this: Do the 600,000 bales exist? Along that line I would like to have read from the desk this telegram from Mr. Hester. I invite those who are interested in this subject to pay attention to this. The subject should interest every American citizen for this reason: That if the 600,000 bales of cotton do not exist and the committee Mr. Hoover has suggested he will appoint to investigate decide and prove that they do not, and we ratify that, it will affect the world supply and reflect itself in the added income to America.

Now I would like to have the telegram read.

The PRESIDENT pro tempore. The Secretary will read.

The principal legislative clerk read as follows:

NEW ORLEANS, *February 26, 1924.*

Hon. E. D. SMITH,
United States Senator from South Carolina,
Washington, D. C.:

Referring to your wire, while invitation of Senators to go to Washington for consultation regarding cotton situation is appreciated, I am advised by high medical authority that it will not be advisable for one of my advanced age to risk taking the trip at this season of the year. Am distressed at inability to comply with your request, and suggest if you can possibly do so that you come to New Orleans with Director Steuart and Mr. Zimmerman. Conference may be had here with utmost privacy, with no possibility of leak in advance of promulgation of final decision. In reference to yourself personally, if you can spare the time our people will be glad to meet the father of the United States cotton futures act, which is universally considered as one or the most constructive laws on the statute books in favor of producers, consumers, and trade.

In reference to subject matter of conference the sole question is how to meet the enormous discrepancy displayed in the face of the census figures of supply and distribution. In reference to the 1921–22 figures of distribution, they practically balance with supply as deducted from ginnings of that year, the difference of 131,924 being largely accounted for by additions of bales from samples, loss, and waste in handling, and city crops, together with a few minor errors which are negligible in quantity.

It is therefore evident that practically all of the six hundred and odd thousand bales discrepancy relates to the 1922–23 movement.

It does not matter how the figures are shifted, the fact stares us in the face that, after allowing, say 100,000 bales for city crops, there remains a half million bales in the distribution that is not accounted for in the total of ginnings.

The question therefore is: Was the report of aggregate ginnings for last year 500,000 bales too small; and if not, is the total of stocks carried over on July 31, 1923, 500,000 bales too large? These are the only questions to be met. There is no getting away from them. Either the ginnings must be increased or the stocks decreased. You are facing a condition that must be met. Now, as to probabilities. Remember my figures are not in question. They have nothing to do with the matter. It is solely an adjustment of Census Bureau data. You are forced to add to or deduct, as the case may be. If you do not do either, your statement will stand discredited before the world as containing more than a half million bales which you do not or can not account for. Given these facts it is for you to decide whether you will correct ginnings or stocks. One or the other must be adjusted.

As to ginnings, it is highly improbable that they were a half million bales short. There would seem to be no inducement for ginners to falsify their own records. Moreover, they were checked by a well-known private organization, which would certainly have discovered more or less of such a discrepancy.

In reference to stocks carried over on July 31, 1923, there is a strong likelihood that certain duplications were made of at least 400,000 bales. Some mills consider cotton bought but not delivered as part of their stocks. To all intents and purposes they feel sure of such cotton, and they are not interested in reporting small stocks. Moreover, they may not feel that it is wrong to consider cotton secured from responsible sources as equivalent to so much practically in hand. Kindly consider I make no charge but merely state possibilities that are not universal.

In reference to stocks in public storage: Warehousemen can not say with certainty who own the stocks they carry. Cotton in warehouse may be sold and warehouse receipts exchanged weeks before it is shipped out and change of ownership made known. In July last many thousand bales were bought on the great differences in values between old and new crop cotton which were held in suspense between sellers and mills, though actually considered as secured and part of their stocks by the mills. This undoubtedly formed part of the stocks reported to the Census Bureau, though there is no way of pinning them down to the individual reporting who considered he was making an honest report. There is, I believe, a penalty for not reporting correctly to the bureau, and this provision would prevent acknowledgments of errors of any magnitude. How then is the Census Bureau able to check such statement? How ascertain that they were at fault?

Finally, how is the census discrepancy of over 500,000 bales to be adjusted? It must be met. You can not let it remain unaccounted for as at present.

It is claimed that publication of figures based upon the census has wrecked the market, causing a depreciation of upward of $150,000,000 clear loss to the holders of cotton in this country. That their promulgation has supplied ammunition to propaganda industriously circulated for the insidious purpose of depressing values. I understand that the Census Bureau is forced to accept statements as furnished them unless they have substantial proofs of their falsity, unless they have substantial backing for promulgating information in reasonable shape. Such backing could be furnished by the Senators. To them the matter should present itself in the following shape. There has been an apparent distribution which added to reported stocks of more than a half million bales that are not justified by the known sources of supply. How could that be possible? The half million bales does not exist, hence the cotton reported as remaining in the country July 31, 1923, has been overstated to that extent. Personally I do not believe it exists and shall continue to think so unless its source can be proved beyond question of doubt. Please understand that my own published data do not enter into the matter. This is entirely a question of the Census Bureau proving up its own statements as shown on their face. If they can and will do so, I will gladly adjust myself to accord. Meanwhile justice to the southern people requires that they be relieved of an uncertainty which already has wrought them grievous harm. The southern people look to their Senators to aid them in this dilemma fairly and promptly.

Regretting I can not be with you, and trusting you may see your way, if deemed proper, to come to New Orleans for further conference.

HENRY G. HESTER, *Secretary.*

Mr. DIAL. Mr. President——

The PRESIDENT pro tempore. Does the Senator from South Carolina yield to his colleague?

Mr. SMITH. I yield.

Mr. DIAL. As I understand the Senator, the amount of error, if any, will be deducted from the quantity of cotton on hand in the United States?

Mr. SMITH. Yes.

Mr. DIAL. Then, as a matter of sequence, of course, the same amount would be deducted from the world supply?

Mr. SMITH. Yes; that is, Mr. President, there is an alleged error in the world supply which exceeds the apparent error in the American supply of cotton.

Now, just a sentence in conclusion, and I shall be through. There is no use of my recounting what the agricultural interests of this country have been through since May 18, 1920. Providence seemed to step in and intervene in behalf of the cotton grower, in that he is in a condition exactly the reverse of that of the wheat grower. The wheat growers are suffering from a surplus, while the spinners of cotton—not the producers—are suffering from a shortage. Yet they have so manipulated this market that in the face of the greatest famine in this world's necessity the price has broken practically $50 a bale in the last 90 days.

I propose to ask my colleagues of the Southern States to join me in a memorial to the cotton producers of the South, as we have not yet put any cotton seed in the ground, that they cut cotton out to the very limit this year. If the mills of the Old World and the New protect themselves against a cotton famine by running half time, it is our duty to protect ourselves, by not producing, against the ruinous situation we are in when stocks are piled up by virtue of nonconsumption.

Mr. DIAL. Mr. President——

The PRESIDENT pro tempore. Does the Senator yield further to his colleague?

Mr. SMITH. I yield.

Mr. DIAL. Would it not also be a good idea to ask people to hold cotton, to keep it off the market, until normal conditions are restored?

Mr. SMITH. I think that is a very good suggestion; and as we are coming so liberally to the aid of the wheat growers—and I was in the thick of that fight, as the chairman of the Committee on Agriculture and Forestry will testify, and was for them—I shall ask, if the necessity arises—and it looks as if it will—that the cotton raisers be given financial aid so they will be able to hold this article of world monopoly off the market until such time as those who produce it and furnish it to the world shall get at least a reasonable profit on its production.

Mr. HEFLIN. Mr. President, now I am willing that the Senator from Delaware [Mr. BALL] shall have a vote on his resolution if the Chair will submit it to the Senate.

The PRESIDENT pro tempore. The question is upon the amendment proposed by the Senator from Arkansas [Mr. ROBINSON], which the Secretary will state.

The READING CLERK. The Senator from Arkansas proposes, on page 2, after line 10, to insert the following:

(c) Whether any organization, association, or combination, or any committee of persons representing real estate owners or dealers prescribe or attempt to control prices of real estate and of building construction and the rents or charges for housing accommodations in the District of Columbia; and if so, the methods pursued in prescribing or attempting to control such prices and rents or charges.

The amendment was agreed to.

The resolution as amended was agreed to.

ATTORNEY GENERAL DAUGHERTY.

Mr. ROBINSON. Mr. President, I desire to submit a request for unanimous consent. The junior Senator from Montana [Mr. WHEELER], who is temporarily absent from the Chamber, has been attempting all day to get the floor to call up his resolution for the investigation of the Department of Justice. He has been unable to do so, and the hour is now so late that a tentative arrangement has been effected, subject, of course, to the approval of the Senate, that the resolution may be taken up to-morrow immediately after the conclusion of the morning business, and if it shall not have been finally disposed of at the hour of 2 o'clock that the unfinished business be then temporarily laid aside in order to complete the consideration of the resolution.

I ask unanimous consent that at the conclusion of the morning business on to-morrow the Senate proceed to the consideration of the resolution (S. Res. 157) offered by the Senator from Montana [Mr. WHEELER], and if the same shall not have been disposed of at the hour of 2 o'clock, that the unfinished business then be temporarily laid aside in order to enable the Senate to conclude consideration of the Wheeler resolution.

The PRESIDENT pro tempore. Is there objection?

Mr. JONES of Washington. May I ask the Senator if that means the routine morning business, or any business which might come up in the morning hour?

Mr. ROBINSON. It means the routine morning business.

Mr. JONES of Washington. We usually express it in that way.

Mr. ROBINSON. That is the morning business, of course. The technical language that I have used I think is correct, but I have no objection to stating "routine morning business" to clear the language of the request.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Arkansas?

Mr. WILLIS. Mr. President, I was momentarily called from the Chamber. Will the Senator state his request again?

Mr. ROBINSON. The request is that agreed upon by the Senator from Massachusetts [Mr. LODGE], the Senator from Ohio [Mr. WILLIS], the Senator from Kansas [Mr. CURTIS], the Senator from Montana [Mr. WHEELER], and myself, subject, of course, to the approval and confirmation of the Senate, namely, that at the conclusion of the routine morning business on to-morrow the Senate shall proceed to the consideration of Senate Resolution 157, submitted by Mr. WHEELER, and that if the same is not disposed of prior to the hour of 2 o'clock, when that hour is reached the unfinished business shall be temporarily laid aside so as to enable the Senate to conclude the consideration of the Wheeler resolution.

Mr. WILLIS. That proposal meets with my entire approval. There is no disposition on the part of anyone to postpone consideration of the matter. I should have been glad if it could have been considered to-day.

Mr. LODGE. I hope the unanimous consent will be given. I think it is very proper.

The PRESIDENT pro tempore. The Chair hears no objection, and the unanimous-consent agreement is entered into.

EXPERIMENT IN RURAL-MAIL SERVICE.

Mr. HARRIS. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the bill (S. 2111), authorizing the Postmaster General to conduct an experiment in the rural-mail service, and for other purposes. There will be no objection to the bill on the part of anyone, I am sure, and it will not take very long to dispose of it. I have not taken very much of the time of the Senate, and I have been waiting for almost 30 days to get the bill considered by the Senate. It is recommended by the Postmaster General, it is recommended unanimously by the Committee on Post Offices and Post Roads, and I am sure there will be no objection to it.

The bill simply provides that on rural routes in the United States the Postmaster General shall be allowed to make experiments and collect and carry at specially low rates on those routes the small parcels going from the farmers to the town, going merely to the town where the rural route begins and not beyond. Many farmers have small parcels which they can not afford to send to town by ordinary means, which they can not afford to take to town 15 or 20 miles away and spend the time themselves and the gasoline for their machines, and for that reason they lose a great deal of what they raise in the way of vegetables, and also butter and eggs. They often throw away things of that sort when the people in town are paying high prices for the same products. This experiment would enable the rural carrier to take such small packages at lower rates, and would give the Postmaster General entire control over the experiments on 50 routes designated by him.

Mr. KING. We defeated a similar proposition once before.

Mr. HARRIS. This has been unanimously reported by the Senate Committee on Post Offices and Post Roads and is recommended by the Postmaster General. It provides merely for a trial of the plan for a year on 50 rural routes.

Mr. CURTIS rose.

The PRESIDENT pro tempore. The Senator from Georgia, as the Chair understands it, asks unanimous consent that the Senate proceed to the consideration of the bill. Does the Senator from Kansas object?

Mr. CURTIS. I did not rise for the purpose of objecting. I rose for the purpose of asking unanimous consent that we proceed with the calendar for an hour and dispose of unobjected bills. We can get along nicely with the calendar in that time, and I hope the Senator from Georgia will not ask for special consideration for his bill, but let us see if we can not reach it on the calendar. We have not had a call of the calendar for a long while.

Mr. HARRIS. I have already explained the bill, and I do not think there will be any objection to it. I hope the Senator will not require me to delay it further.

Mr. DIAL. Mr. President, I think there is no objection to the bill referred to by the Senator from Georgia. We studied it carefully in the Senate Committee on Post Offices and Post Roads, and there was a unanimous report by that committee. It proposes an experiment in the right direction.

Mr. HARRIS. The Post Office Department has approved it, as I said.

Mr. KING. I object. Let us have the regular order.

The PRESIDENT pro tempore. The unfinished business is the regular order.

THE CALENDAR.

Mr. CURTIS. I submit my unanimous-consent request. I ask unanimous consent that we proceed to the consideration of the calendar for one hour, and consider only unobjected bills.

The PRESIDENT pro tempore. The Senator from Kansas asks unanimous consent to proceed to the consideration of unobjected bills on the calendar.

Mr. ROBINSON. For one hour.

The PRESIDENT pro tempore. For one hour. Is there objection?

Mr. HEFLIN and Mr. JONES of Washington addressed the Chair.

The PRESIDENT pro tempore. The Senator from Alabama is recognized.

Mr. HEFLIN. Mr. President, since unanimous consent has been obtained to consider the Wheeler resolution on to-morrow and I desire to talk at the time the resolution comes up for consideration, I shall not take any more time this afternoon. So far as I am concerned Senators may proceed to the consideration of local bills.

Mr. JONES of Washington. Mr. President, I had intended to submit some remarks on the resolution offered by the Senator from New Jersey [Mr. EDWARDS], but I think it is very desirable to proceed with the call of the calendar. I shall reserve what I have to say until that resolution is actually before the Senate for consideration.

Mr. ASHURST. Mr. President, it was my intention to submit some observations on the proposed constitutional amendment introduced by me, Senate Joint Resolution No. 18, but in view of the obvious desire of many Senators to have a call of the calendar, I shall withhold my remarks until the hour shall have expired, and then I shall ask Senators to indulge me while I submit some remarks.

The PRESIDENT pro tempore. The Chair hears no objection to the request of the Senator from Kansas [Mr. CURTIS]. The Secretary will report the first business on the calendar.

The resolution (S. Res. 118) providing that any person or agency investigated by any Senate committee shall have the right to be present in person and by attorneys and to present evidence in their own behalf was announced as first in order.

Mr. FLETCHER. Let the resolution go over.

The PRESIDENT pro tempore. The resolution will be passed over.

The bill (S. 1330) for the relief of the estate of Ely N. Sonnenstrahl, deceased, was announced as next in order.

Mr. KING. Is there a report accompanying the bill?

The PRESIDENT pro tempore. There is.

Mr. KING. Let the report be read.

The reading clerk proceeded to read the report (No. 65).

Mr. CURTIS. Mr. President, I understand it is a very long report. Therefore I ask that the bill may go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1918) relative to officers in charge of public buildings and grounds in the District of Columbia was announced as next in order.

Mr. JONES of Washington. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

WIDENING OF GEORGIA AVENUE, WASHINGTON, D. C.

The bill (S. 1339) to authorize the widening of Georgia Avenue between Fairmont Street and Gresham Place NW. was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That under and in accordance with the provisions of subchapter 1 of chapter 15 of the Code of Law for the District of Columbia, within six months after the passage of this act, the Commissioners of the District of Columbia be, and they are hereby, authorized and directed to institute in the Supreme Court of the District of Columbia a proceeding in rem to condemn the land that may be necessary for widening of Georgia Avenue between Fairmont Street and Gresham Place NW., with a width of not less than 90 feet, in accordance with maps on file in the office of the surveyor of the District of Columbia: *Provided, however*, That the entire amount found to be due and awarded by the jury in said proceedings as damages for, and in respect of, the land to be condemned for said widening, plus the costs and expenses of the proceedings hereunder, shall be assessed by the jury as benefits against the property which the jury shall find to be benefited.

SEC. 2. That there is hereby authorized to be appropriated, out of the revenues of the District of Columbia, an amount sufficient to pay the necessary costs and expenses of the condemnation proceeding taken pursuant hereto, and for the payment of the amounts awarded as damages to be repaid to the District of Columbia from the assessments for benefits, and covered into the Treasury to the credit of the revenues of the District of Columbia.

Mr. McKELLAR. May I ask the author of the bill if we have not a general condemnation law in the District and why a special statute should be necessary for the widening of this street? Have we not a general law?

Mr. BALL. Under the present law condemnation proceedings may be had, but only a part of the expense is borne by the property owners. In this case all the expense is to be borne by the property owners, because this was formerly a pike 90 feet in width and the property owners gradually encroached upon it, and it is fenced in and we can not get possession of it for that reason. The bill authorizes condemnation for the full width of the street, for which it assesses the expense entirely against the property owners.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

CLOSING A PORTION OF MASSACHUSETTS AVENUE NW.

The bill (S. 1784) to provide for the closing of a portion of Massachusetts Avenue NW., in the District of Columbia, and for other purposes, was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That the Commissioners of the District of Columbia be, and they are hereby, authorized to close, vacate, and abandon, for highway purposes, a strip of land lying within the lines of Massachusetts Avenue immediately abutting lots 1 to 8, in block 5, Fairview Heights subdivision, containing 12,309 square feet of ground, so as to create a uniform width of 160 feet for that part of Massachusetts Avenue lying between the present northerly line of the said avenue and the northerly line of the strip of land herein referred to: *Provided, however*, That the consent in writing of the abutting property owners of the said lots in block 5, Fairview Heights subdivision, be obtained.

SEC. 2. That the title to the said part of Massachusetts Avenue so closed, vacated, and abandoned shall vest in the abutting property owners and shall be taxable as private property to the same extent that other private property in the District of Columbia is taxable.

Mr. McKELLAR. May I ask the Senator from Delaware about the bill? Who is to get the land that now belongs to the District, and how much is there of it?

Mr. BALL. The abutting property owners get the land.

Mr. McKELLAR. How much of the city's property is to be given away under the provisions of the bill?

Mr. BALL. I think if the Secretary will read the report, which contains a letter from the Commissioners of the District, it will answer the Senator's question.

The PRESIDENT pro tempore. The Secretary will read the report as requested.

The reading clerk read as follows:

The Committee on the District of Columbia, to whom was referred the bill (S. 1784) to provide for the closing of a portion of Massachusetts Avenue NW., in the District of Columbia, and for other purposes, having considered the same, report favorably thereon with the recommendation that the bill do pass without amendment.

The Commissioners of the District urge the necessity of this legislation in the following communication to the chairman of the District Committee of the Senate:

WASHINGTON, *January 4, 1924.*

Hon. L. HEISLER BALL,
Chairman Committee on the District of Columbia,
United States Senate.

SIR: The Commissioners of the District of Columbia have the honor to transmit herewith a draft of a bill to provide for the closing of a portion of Massachusetts Avenue NW., in the District of Columbia, which they request be introduced and enacted.

The subdivision of Fairview Heights, creating Massachusetts Avenue, 160 feet wide, was made many years prior to the enactment of a bill authorizing the extension of Massachusetts Avenue from the city, and when the avenue was extended it developed that it would not line up with Massachusetts Avenue as indicated in the Fairview Heights subdivision, the difference in the width being the area shown in red on the blue print attached herewith. The object of the bill is to abandon the strip of land indicated so that title may vest in the abutting property owners. The bill provides that before this strip of land may be abandoned the consent in writing of the abutting property owners must be obtained.

The commissioners are advocating the enactment of the proposed bill in order that improvements along this front may be brought out on a line with other improvements to be made along the south side of Massachusetts Avenue.

Very respectfully,

BOARD OF COMMISSIONERS DISTRICT OF COLUMBIA,
By CUNO H. RUDOLPH, *President.*

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

WIDENING OF FOURTH STREET NW.

The bill (S. 1343) to authorize the widening of Fourth Street south of Cedar Street NW., in the District of Columbia, and for other purposes, was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That under and in accordance with the provisions of subchapter 1 of chapter 15 of the Code of Law for the District of Columbia, within six months after the passage of this act, the Commissioners of the District of Columbia be, and they are hereby, authorized and directed to institute in the Supreme Court of the District of Columbia a proceeding in rem to condemn the land that may be necessary for the widening of Fourth Street immediately south of Cedar Street NW., to its full width of 90 feet, upon such lines as the Commissioners of the District of Columbia may deem best for the public interest: *Provided, however*, That of the entire amount found to be due and awarded by the jury in said proceedings as damages for and in respect of the land to be condemned for said widening plus the costs and expenses of the proceedings hereunder, not less than one-half thereof shall be assessed by the jury as benefits.

SEC. 2. That there is hereby appropriated out of the revenues of the District of Columbia an amount sufficient to pay the necessary costs and expenses of the condemnation proceedings taken pursuant hereto and for the amounts awarded as damages. The amounts assessed as benefits when collected shall be repaid to the District of Columbia and covered into the Treasury to the credit of the revenues of the District of Columbia.

Mr. McKELLAR. May I ask the chairman of the Committee on the District of Columbia why it is that this land can not be condemned under the general law? What is the difference between what is desired to be accomplished here and what is desired to be accomplished generally? I very much doubt the wisdom of having special laws for these purposes when we already have a general condemnation law on the statute books.

Mr. BALL. The report on the bill was written by the Senator from Maryland [Mr. WELLER] and I must admit that I am not familiar with it. A reading of the report will enable us, I am sure, to learn the reasons.

Mr. KING. Mr. President, will the Senator from Delaware yield?

Mr. BALL. Certainly.

Mr. KING. If I may be pardoned I will say to the Senator from Tennessee that there is a general statute in the District restricting the condemnation of land and the rights of certain corporations for public purposes to condemn or exercise the right of eminent domain; but, as I recall, that law does not authorize the condemnation of streets by the city. The custom has been to obtain the passage of a special bill whenever condemnation was sought, because it involved an appropriation. Congress was not willing to submit to the District the unrestricted power to condemn land for public purposes.

So they come to Congress whenever they desire to condemn property because in that way an appropriation will be carried.

Mr. McKELLAR. I see that the bill refers to "chapter 15 of the Code of Laws for the District of Columbia." I rather assume that that is a condemnation law. I am not familiar with it, but I merely wish to know if that be true. Of course, this would be a very proper law if there be no general condemnation law, but if there be a general condemnation law, I think it is a very bad practice when anybody wants something done or to get such and such special benefits to come forward and ask for a condemnation.

Mr. KING. The Senator from Tennessee will see that where it involves an expenditure Congress has not felt in the past that it was wise to commit to the District the right to involve the Government.

Mr. GEORGE. The report contains this recitation:

> It is their opinion that the matter in hand is one requiring special legislation because of the fact that the property to be taken will involve an assessment that would result in too great a burden upon the surrounding property if the proceedings were conducted under the law referred to.

I am reading from the report of the Board of Commissioners of the District of Columbia. What they state seems to be the reason for the passage of the bill.

Mr. McKELLAR. I suppose, then, they want the Government to bear a portion of the burden. I doubt very greatly whether we ought to permit this sort of legislation for the city. We have a general condemnation law, and the practice is bad to come here every time——

Mr. WILLIS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Tennessee yield to the Senator from Ohio?

Mr. McKELLAR. I shall yield in just a moment. I repeat, the practice is bad—every time they want special favors to come and ask for a special act to obtain those favors. There ought to be a uniform law of condemnation for the city; indeed, I understand we have such a law, and it seems to me that we ought to abide by it, and everybody ought to abide by it.

Mr. JONES of Washington. Mr. President, may I read just another sentence from the report of the committee on the bill, giving the reason why the District Commissioners favor the passage of the bill. The report states:

> As the benefits that will result from the opening of Fourth Street will, in a great degree, accrue to the community at large, the commissioners believe that the General Treasury should bear one-half of the cost.

And so forth.

Mr. McKELLAR. I was quite sure that there would be a good reason assigned for the proposed legislation, but whether it is a real reason or not is a very different thing. I wish to state that, so far as this bill is concerned, I shall not object, but if it shall become the practice, as it seems to be becoming the practice, for everyone who wants to get out of paying his proper share of assessments for street improvements, to come to Congress with a special bill for that purpose, I am going to object to it in the future, and I am not going to let such bills pass if I can prevent it.

Mr. KING. If the Senator from Tennessee will yield, I desire to say I think that the case now before us may be differentiated from the cases which the Senator has in mind.

Mr. McKELLAR. I hope that it can.

Mr. KING. Take a case where there are benefits to be derived by the owners of abutting property, and they seek to have the street opened; in such case there is no appropriation sought. Supposing, however, that the District feels the necessity of opening a street, as it has in many cases. It will be recalled, for instance, that recently it was desired to open a street in the neighborhood of one of the hospitals of Washington. It is important that the street be opened. It may be that opening the street will require the taking of a portion of the land which is owned by individuals. Somebody must pay for the land. The individual whose property we take is not benefited, but is damaged. Who, therefore, shall pay the damage? Obviously the Government should do so. The Government pays a part and the District pays a part. Heretofore we have not been willing to remit such matters to the District and to permit the District commissioners to inaugurate condemnation proceedings whenever they please where such proceedings involve expense. So it has always been necessary to come to Congress, as I understand the law, where the proceeding involves appropriations out of the Treasury of the United States. Let me say to the Senator that I would not be willing that a general condemnation law should give power to the commissioners to condemn as, when, and where they pleased where it would involve expenditures which would have to be paid out of the General Treasury.

Mr. McKELLAR. I think a uniform condemnation law is very much better, and that is what we have. As the Senator from Utah will notice there are several bills similar to this now on the calendar. It is a bad practice. Whenever a street is opened, even though it may take some of the property, it benefits the remainder very much.

Mr. KING. But suppose there is no benefit and the Government itself is seeking condemnation of the property?

Mr. McKELLAR. But that is not the case here. It is not so stated in the report or in the bill. As I said, I am not going to object to the bill if the Senator from Utah assures me that there are unusual circumstances surrounding it, as he does, by reason of which it ought to be passed. I am going to take the Senator's statement now; but I repeat, it is a bad practice. I hope the committee will not report out such bills in the future onerating the Government with larger assessments.

Mr. KING. Mr. President, the situation of the District is considerably different from the situation in many of the municipalities in the States. In most of the States the municipalities have the power to exercise the right of eminent domain. They can without going to the legislature, where that power has been conferred upon them, bring suits for the purpose of condemning the lands of private individuals for public use. Here we have been, as I am informed, unwilling to permit the Commissioners of the District of Columbia to condemn whenever they please, because it has involved in many instances expenditures, appropriations for which have had to be made out of the Treasury,

a part of them to be paid by general taxation. Therefore, in many of these cases it is necessary to come to Congress and obtain consent because a part of the money is to be paid out of the Treasury of the United States.

Speaking for myself, I should be unwilling to give unrestricted authority to the District commissioners to initiate condemnation proceedings whenever they please if such proceedings would involve expenditures to be paid for out of the General Treasury of the United States.

Mr. McKELLAR. Before the Senator takes his seat I wish to say that I think the Senator will agree with me that where benefits accrue to the owners, especially in cases where streets are broadened for their benefit, the general law ought to be observed, and no one who merely wants to avoid the expense of the improvement and throw it on the Government should be permitted to do so.

Mr. KING. I agree with the Senator.

Mr. McKELLAR. I am quite sure the Senator does, and I want to say further to the Senator, who is a member of the District Committee, that we ought to be very careful as to the facts in each case when such bills as this, onerating the Government with large sums of money for improvements of this kind, are under consideration, and we ought to be very careful when they are reported to the Senate. I am sure the Senator agrees with me as to that.

Mr. KING. Mr. President, of course the broad generalizations of my distinguished friend would call for a complete acquiescence in the conclusions which he has stated. Where the benefits to be derived from the improvement are to be enjoyed by the abutting property owners, of course they ought to pay whatever costs are involved in the expropriation, but where the city as a whole is the beneficiary and the abutting owners do not obtain benefits or obtain benefits in part only, then another question is presented. This case comes within the latter category, and the committee felt, because of the fact that the improvement was of general benefit to the public in contradistinction to special benefit to the abutting owners, the general public should pay a part of the expenses involved in this condemnation proceeding.

Mr. BALL. Mr. President, I should like to state that this money is not appropriated out of the Treasury of the United States from the general fund, but it is taken entirely from the revenues of the District of Columbia and the amounts assessed as benefits are to be returned to the Treasury.

Mr. NORRIS. Mr. President, I think the Senator from Utah [Mr. KING] has laid down the fair rule. I have known bills passed here which required the payment of the entire damages by the abutting property owners. That is arbitrarily fixing by legislation damages the amount of which is not known and can not be known in advance, and hence is quite as likely to be an unjust proposition as a just one. The rule ought to be that if the abutting property owners receive any benefits they should be required to pay for them, while if they get no benefits they ought not to be required to pay. If the cost is greater than the benefits, then the additional cost ought to be paid out of the Treasury.

The Senator from Utah has called attention to the fact that in most of the States a municipality has the right, whenever it sees fit, to condemn property; but in that case, although the damages, whatever they may be, may be assessed partly, and perhaps wholly, against property owners, if there are any other damages not paid by those who get benefits, the taxpayers of the municipality have to pay the bill.

The general rule would not work as well in the District of Columbia, because the Government of the United States comes into the equation, and there are cases where the Government of the United States ought perhaps to pay all of the expense. I have in mind now an appropriation of quite a large sum of money several years ago designed to extend the Zoological Park. I think the law provided in that case that the entire cost should be assessed against the property owners, and an effort was made to do that. I think in two different cases that was undertaken. I happen to know abutting property owners who get no benefit, and who, as a matter of fact, might have been damaged by the extension, but the entire amount was necessarily by the law assessed against them. That improvement, as I have said, was designed to provide an addition to a park that belonged to the whole city, and there ought to have been nothing assessed against anybody; the city or the Government of the United States, or both together, ought to have paid for it. In the District of Columbia it is impossible to tell in advance what the result is going to be, and if we had a general law that required the assessment of the entire damages against property owners benefited they would be assessed in many instances a great deal more even than their property was worth in order to pay the cost and more than it could be sold for. It would be an injustice. On the other hand, under the dual form of government which obtains here, there may be a good many cases where, perhaps, they ought to pay it all, but the legislative body can not tell that; it can only lay down the rule and that question must be settled by a court or by some other tribunal that is set up by law if the court does not determine it. Such a tribunal can examine the facts and determine what the damages are.

Mr. BALL. Will the Senator yield to me for a moment?

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Delaware?

Mr. NORRIS. Yes.

Mr. BALL. I wish to say to the Senator from Nebraska and the Senator from Tennessee that the Committee on the District of Columbia is very carefully considering such bills. In the case of the first bill that we passed, the damages are assessed entirely on the property owners, because the land taken was formerly a part of a highway on which the property owners gradually moved their fences until the highway was narrowed and could not be used as a highway until the street was opened. So the first bill provided for the assessment of the damages for widening that highway entirely against the abutting property owners. This is a different proposition entirely. It is for the public. It is for widening the streets to relieve congested travel, to relieve the very congestion which we all see here in Washington at certain hours in the morning. This is not entirely for the property owners, but it is for the public. For that reason we fix a different basis.

Mr. NORRIS. That is right.

Mr. McKELLAR. On the assurance of the chairman of the committee and the other members of the committee that these are benefits that are going to the city generally, instead of the property owners, I have no objection to the passage of the bill.

The PRESIDENT pro tempore. The bill is before the Senate as in Committee of the Whole and open to amendment. If there be no amendment to be proposed, the bill will be reported to the Senate.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER.

The bill (S. 105) for the relief of Arthur Frost was announced as next in order.

Mr. KING. Mr. President, I should like some explanation from the Committee on Claims as to the bill and the liability of the Government.

Mr. CAPPER. Mr. President, this bill was introduced by the Senator from Oklahoma [Mr. HARREL D], and he was chairman of the subcommittee which considered it. He is not in the Chamber at this time, and I ask that the bill go over until his return.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1867) for the relief of the estate of John Stewart, deceased, was announced as next in order.

Mr. DIAL. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 243) for the relief of Frank Vunbaca was announced as next in order.

Mr. ROBINSON. Mr. President, I inquire of the Senator from Kansas [Mr. CAPPER]—who, I see, reported the bill—why the whole question of damages was not embraced in a single measure? It appears that this is a claim for damages alleged to have accrued to the claimant's house by reason of blasting operations carried on in Portland Harbor, and that a number of other houses belonging to other persons were injured at the same time.

It would seem that they all should be treated with equal consideration and that the whole subject matter might very well be disposed of at one time instead of piecemeal and in separate bills. I note that the Chief of Engineers in reporting upon the matter suggests that course, but he makes no objection to the passage of this separate bill.

Mr. CAPPER. The committee considered only the claim presented in this bill; and I will ask that it go over for the present.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 334) for the relief of Kate Canniff was announced as next in order.

Mr. DIAL. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

JOHN H. WALKER.

The bill (S. 356) for the relief of John H. Walker was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $1,690.52 to John H. Walker, of Pasadena, Calif., as compensation in full for services rendered by him in the matter of the survey of public lands under contract No. 385, New Mexico.

Mr. KING. Mr. President, may I inquire of the chairman of the committee whether under the appropriation made the following year there was no authority to pay this claim, if it was a valid claim against the Government?

Mr. JONES of New Mexico. Mr. President, I can answer the Senator's inquiry. This is a claim which should have been paid nearly 20 years ago. It arose out of a contract for some surveying in New Mexico. The surveyor made his report, but it was contended by some one in the land office that the job of surveying was not a good job, and his bill was held up. A number of other examinations were made; but within the last two or three weeks a matter involving the question of the boundary of the tract of land in question came before the Supreme Court of the United States, and that court held that the line run by this surveyor was the actual boundary of the property, and it was improperly held up for many years. The bill should be at least double the amount mentioned here, because this man has been out of the use of his money for all these years, and a great deal of it, of course, was expense money which he paid out in making the survey.

Mr. KING. Could he not convert the department to the justice of his claim?

Mr. JONES of New Mexico. He finally did it, and in 1920 the claim was audited and allowed; but when it came to payment it was turned down because there was no appropriation for it. The appropriation made back years ago had lapsed into the Treasury, and there was no money available.

The PRESIDENT pro tempore. The bill is before the Senate as in Committee of the Whole and open to amendment. If there be no amendment to be proposed the bill will be reported to the Senate.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

ROSA E. PLUMMER.

The bill (S. 1249) for the relief of Rosa E. Plummer was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That the United States Employees' Compensation Commission shall be, and it is hereby, authorized and directed to extend to Rosa E. Plummer, a former employee in the Bureau of Engraving and Printing, the provision of an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, compensation hereunder to commence from and after the passage of this act.

Mr. DIAL. Mr. President, I should like the author of the bill to explain it. I do not see where the Government was to blame.

Mr. CURTIS. Mr. President, this woman was working at the Bureau of Engraving and Printing, and while working there her eyes were injured. Under the law she had to file an application within two years, but she was under treatment all during the two years and did not file her application until after the two years had expired. Had she filed her application within the two years, she would have had the benefit of this law.

Mr. DIAL. Irrespective of the cause of the trouble?

Mr. CURTIS. It is admitted that her injury was the result of her service in the Bureau of Engraving and Printing.

Mr. LODGE. Mr. President, according to the report, the woman is totally blind.

Mr. CURTIS. The woman is totally blind now.

Mr. GEORGE. Mr. President, as I understand, the fact that she can not receive compensation without the passage of the bill is due to the statute of limitations?

Mr. CURTIS. Yes; the statute of limitations ran on her. She did not file her claim sooner because she was poor and she did not know the law and hoped she might recover and not have to file a claim.

Mr. DIAL. It is just a case where the time fixed in the statute has elapsed?

Mr. CURTIS. That is all.

The PRESIDENT pro tempore. The bill is before the Senate as in Committee of the Whole and open to amendment. If there be no amendment to be proposed, the bill will be reported to the Senate.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

STEAMSHIP "KIN-DAVE."

The bill (S. 1894) for the relief of the owners of the steamship *Kin-Dave* was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $3,500 to the owners of the steamship *Kin-Dave* as compensation for and in full satisfaction of all claims of such owners for any damages to said steamship *Kin-Dave* sustained as a result of a collision between said steamship and the U. S. S. *Colonel Clayton* on November 3, 1920, in the Milwaukee River, Wis.

Mr. DIAL. Mr. President, I should like to ask what was the Government's report on this bill? Did the department recommend its passage?

Mr. CAPPER. Yes; the department does recommend it. The recommendation is found in the letter of the Secretary of War, in which he says:

As there were no funds available from the appropriation provided for under the act of June 30, 1921, the owners of the *Kin-Dave* were advised by the Chief of Finance on the 21st ultimo that payment of the claim could only be made when an appropriation for that purpose was made by Congress. As above set forth, it is the opinion of the War Department that this claim is meritorious and should be paid.

Mr. DIAL. Very well.

Mr. CAPPER. He further says:

This proposed legislation has been submitted to the Director of the Bureau of the Budget, as required by paragraph 3a of Circular No. 49 of that bureau, and the director advises that this requested legislation is not in conflict with the financial program of the President.

So that it has the approval of all the departments.

Mr. KING. Mr. President, I should like to ask the Senator if it has not been the practice to remit these cases to the Court of Claims, and let the claimants bring their suits in the usual way?

Mr. CAPPER. No; as a general thing it has not been the practice. A few of the larger claims have taken that course, but it is not the general practice. This bill has the unqualified approval of the War Department and of the Director of the Budget, and is, as a matter of fact, an exceptionally just claim. It would not seem to be necessary that it should be referred to the Court of Claims.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. KING. Yes.

Mr. LENROOT. May I say that this bill passed the Senate at the last session, but too late for the House to act upon it.

Mr. KING. Mr. President, if the Senator will permit me, the fact that the bill passed the Senate is not of any very great significance, because we pass so many bills that are not meritorious. May I say, however, that it does seem to me that it is a rather dangerous thing to legislate upon unliquidated claims the value of property for the taking of which or the injury to which claim is made against the Government. It seems to me that if the Government provides a forum into which the owner of the property may go and present his evidence, we have done all that the Government ought to do or may do validly. We have erected the Court of Claims. It has jurisdiction over certain matters, and it does seem to me that the proper thing to do would be to send this case to the Court of Claims. If the plaintiff can establish negligence on the part of the Government, or agencies of the Government, then the court may so decide and determine the amount of damages. Here it is a mere guess. We have not the evidence to show what damages were sustained. We take the ex parte statements of interested parties, and obviously any judgment which we form does not rest upon a full consideration of the case.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. KING. I yield.

Mr. LENROOT. May I remind the Senator that the departments have been over this claim and have found that the damages were in excess of the amount named in the bill. This amount was a matter of compromise. They found that the damages were actually greater than the amount allowed.

Mr. KING. I can understand that there might be cases of that kind; but, as a general proposition, I am sure the able Senator from Wisconsin will agree with me that when the Government provides courts, and consents to be sued by indi-

viduals upon actions ex contractu or ex delicto, the Government has done more than many governments do.

Mr. LENROOT. I do not understand that there is any such general law. They are not permitted to sue under general law.

Mr. KING. No; but, I say, when we do that.

Mr. LENROOT. Oh, when we do that?

Mr. KING. Yes; and I should be perfectly willing to remit this case to the Court of Claims and let the plaintiff go there and establish the damages.

Mr. OVERMAN. Mr. President, the Court of Claims has no jury.

Mr. KING. All right; let us remit it to the District Court, then, or to the Court of Claims. Indeed, the fact that there is no jury is unimportant. The Senator knows that in many of the States provision is made for the ascertainment of the damage to property taken for public use by a commission, not by a jury. Some of the States do not provide juries to ascertain the damages for property taken for public purposes. That is purely a matter for each State to determine for itself; and the suggestion that there is no jury in the Court of Claims is not a meritorious objection to the feasibility of the plan which I have just suggested.

I shall not object to the consideration of the bill, but I suggest to the able Senator from Kansas [Mr. CAPPER], the chairman of the Committee on Claims, that in my judgment it is a very dangerous thing for the committee, taking ex parte statements, to report claims for damages against the Government, when we have judicial bodies that might go into the matter very fully and get both sides.

Mr. DIAL. Mr. President, I hope the Committee on Claims will follow the suggestion of the Senator from Utah [Mr. KING], and that they will refer these cases to the Court of Claims. Otherwise I believe we will have to fight them on the floor of the Senate, and it seems to me it would be much better if the committee would adopt the course that has been suggested.

The PRESIDENT pro tempore. Does the Senator from South Carolina object to the consideration of this bill?

Mr. DIAL. No; I do not.

The PRESIDENT pro tempore. The bill is before the Senate as in Committee of the Whole and open to amendment. If there be no amendment to be proposed, the bill will be reported to the Senate.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER.

The bill (S. 970) for the relief of the De Kimpke Construction Co., of West Hoboken, N. J., was announced as next in order.

Mr. DIAL. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 85) to carry into effect the finding of the Court of Claims in the claim of Elizabeth B. Eddy was announced as next in order.

Mr. DIAL. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

REUBEN R. HUNTER.

The bill (S. 353) for the relief of Reuben R. Hunter was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That the United States Employees' Compensation Commission is hereby authorized and directed to award and pay to Reuben R. Hunter, of Deming, N. Mex., who suffered a total and permanent loss of sight in both eyes as a result of voluntarily fighting a forest fire on Government land in the vicinity of Clouderoft, Otero County, N. Mex., in May, 1904, in an effort to protect valuable standing timber and other property of the United States, compensation at the rate of $66.67 per month from September 7, 1916, for the period and in the manner provided by the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, for the payment of compensation for permanent disability of a civil employee resulting from personal injury sustained while engaged in the performance of his duty.

Mr. DIAL. Mr. President, I would like to ask the Senator from New Mexico if the injury in this case did not occur before the compensation act was passed?

Mr. JONES of New Mexico. The injury occurred before the act was passed. I do not know whether the Senator from South Carolina recalls the circumstances or not.

Mr. DIAL. No; I do not.

Mr. JONES of New Mexico. This bill was discussed thoroughly in the Senate at the last session of Congress, and was passed by the Senate. Those who went into the claim were of the opinion that there could not be a more meritorious claim. Reuben R. Hunter was engaged in helping to put out a forest fire. He was not in the employ of the Government at the time, but was working for the Government gratuitously, and for the forest rangers and other people in putting out fires. He lost his eyesight.

Mr. DIAL. I think I remember the case.

Mr. JONES of Washington. As I understand it, this injury occurred before the passage of the employees' compensation act?

Mr. JONES of New Mexico. It did. I originally framed the bill making an appropriation of a lump sum, but the Committee on Claims concluded that it had better put this man in the same category he would have been in if he had been in the employ of the United States and entitled to compensation under the employees' compensation act.

Mr. JONES of Washington. Does not the Senator think that we really ought to adopt an amendment to that act so that all in Government employ who suffered injury before its passage would come under its provisions?

Mr. JONES of New Mexico. I am inclined to think so, but this individual was not in the employ of the Government. He was working gratuitously, aiding in putting out a forest fire.

Mr. JONES of Washington. He was not really a Government employee?

Mr. JONES of New Mexico. He was not a Government employee.

Mr. JONES of Washington. He is now to be put on the basis of a Government employee?

Mr. JONES of New Mexico. That is the purpose of this bill.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

MASSACHUSETTS STATE CLAIM.

The bill (S. 55) making an appropriation to pay the State of Massachusetts for expenses incurred and paid, at the request of the President, in protecting the harbors and fortifying the coast during the Civil War, in accordance with the findings of the Court of Claims and Senate Report No. 764, Sixty-sixth Congress, third session, was announced as next in order.

Mr. DIAL. Let that go over.

The PRESIDENT pro tempore. The bill will be passed over.

CAPT. MURRAY A. COBB.

The bill (S. 1815) for the relief of Capt. Murray A. Cobb was announced as next in order.

Mr. KING. Mr. President, I would like to have some information before I consent to the consideration of this bill. I do not understand why we single out one officer to make an appropriation of this character. If he is entitled to damages, or attention, or what not, his case should come under the general law.

Mr. REED of Pennsylvania. Mr. President, I can explain very briefly just how this claim arises.

Captain Cobb was seized with a disease known as Pott's disease, which was diagnosed finally as tuberculosis of the thoracic vertebræ. At the time that diagnosis was made, he was in an Army hospital in France. He had been gassed in the closing part of the campaign. He was so sick his life was quite dispaired of.

The Army doctors, and a specialist who was called in, said there was just one place in Europe where Captain Cobb had a chance of recovery, and that was at a sanatorium in Switzerland. He was unconscious. He was taken there by an Army doctor and an Army nurse, and put in that sanatorium.

When the time came for the payment of the bills of the sanatorium, his wife was there with him, and she paid them, and at the same time she paid her own. They were presented for payment here, the Army authorities approved them for payment, but the Comptroller General discovered that there was a hospital in France at which there was a ward for the treatment of tubercular cases, and therefore he ruled that the claim could not be paid. That is absolutely the only reason why it was not paid as a matter of routine, like any other emergency expense incurred by one of our military force.

Mr. JONES of Washington. Will the Senator state what is the amount of the claim?

Mr. REED of Pennsylvania. The amount is $15,000. The man lay there between life and death for over three years. He was constantly visited during that three years by Army surgeons, who were sent there by General Allen from Coblenz, at

regular intervals, and each time they went they reported that he could not by any means be moved. When he finally was able to be moved he was brought back to this country, and most of the time since then has been taken care of in his own house. I believe he is now in a sanitarium down in the South. The payment of this money is absolutely the obligation of our country, because the man was taken to that hospital without his own knowledge even. He had no part in the selection of the sanatorium in Switzerland.

Mr. DIAL. Mr. President, I do not think the Senator's recollection of the case coincides with the statement of the Secretary of War. Of course, we sympathize greatly with this ill patient, this captain. The report on the bill, on page 7, reads:

The Surgeon General, October 20, 1920, stated that he entertained no doubt but what the Medical Department of the Army could have provided adequate and competent care for Captain Cobb through its regular instrumentalities and refused to approve payment of the claim for reimbursement. The Army Medical Service during the World War included many of the most eminent practitioners, and large numbers of those were on duty in France. The Surgeon General, December 4, 1920, after consultation with a number of such practitioners, reiterated the conclusion that the Army Medical Service in France was adequate for the treatment of the claimant and that hospital ships were equipped to bring to the United States men suffering with serious diseases. On January 4, 1921, he further stated:

"Special sanatoria for the treatment of pulmonary and surgical tuberculosis were not maintained by the Army in France. Special hospitals were, however, set apart for the diagnosis of these diseases. The policy of the War Department was to return to the United States all cases of active tuberculosis as soon as the diagnosis was established. Special sanatoria were maintained in this country for the definitive treatment of such cases. At the time Captain Cobb went to Switzerland the best of the Army transports were available for the transfer of sick and wounded from France to the United States. There would have been ample opportunity to have selected from the transports coming into St. Nazaire the one which would have been best suited for his transportation. The hospital at Savenay, as indicated in the letters from Maj. W. E. Cooper and Lieut. Col. W. S. Baer, was amply equipped both in material and personnel to have properly treated this case pending his embarkation for the homeland.

"As far as this office knows, Captain Cobb is the only individual of about 2,000,000 men overseas who has not returned to the United States for definitive treatment. Advanced cases of tuberculosis and other grave diseases, as well as serious and extensive injuries incurred on the battle field, were returned to the United States. It is believed that Captain Cobb could have been transferred from Tours to the port of embarkation in France with less prejudice to his health than to Leysin, Switzerland, and that the ocean trip home could have been made in one of the capacious liners which at that time were in use as transports in comparative comfort and with very small tax on his physical strength. It is believed that the question as to whether Captain Cobb's transfer to Switzerland instead of to the United States was a life-saving measure is at the most a debatable one. On the other hand, there is scarcely any doubt that there were at that time, and are now, a number of sanatoria in France and England where adequate medical and surgical treatment could be obtained at a much smaller rate than Captain Cobb is now paying at Leysin."

As claimant has admitted that Army medical facilities were available for his treatment, and the Surgeon General of the Army has stated and reiterated that such facilities were adequate for his treatment, he is not entitled to the reimbursement claimed.

Mr. OVERMAN. From what is the Senator reading?

Mr. DIAL. From a letter of the Secretary of War.

It is believed that the foregoing is a recital of all the essential facts relating to this claim. If, in addition thereto, you still desire copies of the entire file and will so inform me, I shall be pleased to have same made and sent to you. Inasmuch as the Comptroller General has determined that the claim is not payable under existing laws, it is considered that this claim is one peculiarly for the consideration of Congress. For this reason I consider it inappropriate for me to express an opinion on the merits of the matter.

Respectfully,

JOHN W. WEEKS, *Secretary of War.*

Mr. President, I looked over this report some time ago, but some of the facts had escaped me. My recollection is that the wife of Captain Cobb insisted upon his being sent to this place without consulting the Army officers.

As I said before, I would hesitate to resist any claim brought before us in behalf of any soldier, but I can not see that this is good practice. This would establish a bad precedent. If we are going to allow such claims for the high officers of the Army, they should also be allowed for the privates. Such a claim might just as well be allowed for a private. I feel that this man's family took this course at their own risk and at their own volition. They did not go through the usual practice of having him treated by the Army officers, or having him returned to the United States. This report says it is questionable whether it was better to send him to Switzerland than to have sent him back to the United States. I can not help thinking that the claim should not be allowed.

Mr. REED of Pennsylvania. Mr. President——

The PRESIDENT pro tempore. The Chair thinks it ought to remind the Senate that it is operating under a rule which limits speakers to five minutes.

Mr. OVERMAN. Mr. President, the bill had better go over, I think.

Mr. REED of Pennsylvania. Before the Senator makes his request, will he not permit me one minute to make an explanation?

Mr. OVERMAN. Certainly.

Mr. REED of Pennsylvania. The same claim was before the Senate last year and was debated at considerable length, and the Senate then passed the bill, although this same letter from the Surgeon General which the Senator from South Carolina has just read was read at that time. The Senate passed the bill because the Committee on Claims had considered that letter along with the other evidence, and I desire to read what they said at that time, which is very brief, and which I think completely answers the questions raised. The Committee on Claims of the Senate last year said:

Whether or not the Government had facilities elsewhere at which he might have been treated has no place in the consideration of the matter. It is not a question of what the Government had, but one of what the Government did, and there is no question whatever but that it took this officer, apparently fatally ill, delivered him to a hospital by its own duly authorized agents, repeatedly approved of his being kept there during the entire period for which he was treated, and now leaves him to pay the bills thereby incurred.

Mr. OVERMAN. Mr. President, my objection was based on the question how it cost $15,000 to take care of a sick soldier in Switzerland.

Mr. REED of Pennsylvania. He was there three years.

Mr. OVERMAN. Five thousand dollars a year?

Mr. REED of Pennsylvania. Yes.

Mr. OVERMAN. And he had the attention of doctors sent to him from our service?

Mr. REED of Pennsylvania. Yes. They sent doctors there to inspect and they approved the treatment he was getting.

Mr. OVERMAN. That did not cost him anything.

Mr. REED of Pennsylvania. The doctors who went there went only to inspect and report, and not to treat. Furthermore, if I may add it, the amount of the bill has been audited thoroughly by the War Department and they make no objection to any item in it.

Mr. OVERMAN. I gathered from hearing read the letter from the Secretary of War, which I have not read myself, that he rather writes against the merits of the case.

Mr. REED of Pennsylvania. No. The letter which the Senator from South Carolina read, all except the last paragraph, was a letter of the Surgeon General of the Army back in 1920.

Mr. OVERMAN. General Ireland?

Mr. REED of Pennsylvania. General Ireland's office, but I think it was not signed by him. The Secretary of War does not disapprove of the claim. He said that the Comptroller General's decision binds him, but he submits it without recommendation to Congress.

Mr. OVERMAN. He does not recommend it.

Mr. REED of Pennsylvania. He does not recommend either way, although the claim was recommended by the Army doctors.

Mr. OVERMAN. Do they give the items of expense? I can not understand how treating a soldier in Switzerland would cost $5,000 a year.

Mr. REED of Pennsylvania. He had to have a special nurse. He was taken there in a dying condition.

Mr. OVERMAN. I understand that. But even with a special nurse and a special doctor——

Mr. REED of Pennsylvania. I do not think he had a special doctor, but he did have a special nurse.

Mr. OVERMAN. How would it cost that much then?

Mr. REED of Pennsylvania. It might very easily cost $5,000 if a man had a special nurse.

Mr. OVERMAN. Special nurses must be pretty high there.

Mr. REED of Pennsylvania. That is only $100 a week for the patient's treatment and pay for the special nurse. It could

very easily come to $100 a week. At any rate, it has all been audited, and the War Department said the claim is correct if Congress wants to authorize it, and I think Congress ought to do so. Here was an officer who had suffered from battle injuries. This was not a case of tuberculosis brought about by dampness but was the result of gases. He was taken in a dying condition to this hospital, without any choice on his part. The Army doctors took him there and the Army nurses cared for him until he got there.

Mr. OVERMAN. I am not going to object, but I think it is a bad precedent.

Mr. REED of Pennsylvania. It would not be a bad precedent, because the case is absolutely unique.

Mr. OVERMAN. Any officer could be sent away from the hospital which the Government provides for him, into some far distant country, and taken care of under similar circumstances.

Mr. CAPPER. The officer never would have lived if he had not been taken to that hospital. That act undoubtedly saved his life.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered as in Committee of the Whole and was read, as follows:

Be it enacted etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury of the United States not otherwise appropriated, to Murray A. Cobb, Captain in the United States Army, the sum of $15,747.63, to reimburse him for medical and hospital treatment for tuberculosis of the thoracic vertebræ (Pott's disease) with pulmonary complications, said officer having been gassed in October, 1918, while serving in the American Expeditionary Forces in France, said treatment covering the period from May, 1919, to March 25, 1922, and having been rendered at Leysin, Switzerland, where Captain Cobb was taken with the approval of the medical officers of the United States Army.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

Mr. PHIPPS. Mr. President, may I inquire as to the rule under which we are proceeding and as to the time limit?

The PRESIDENT pro tempore. The Senate is operating under a unanimous-consent agreement which continues until 8 minutes past 5. The Secretary will report the next bill on the calendar.

BRIDGE BETWEEN BROOKLYN AND QUEENS, N. Y.

The bill (H. R. 3265) to authorize the construction of a bridge between the Boroughs of Brooklyn and Queens, in the city and State of New York, was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That the city of New York is hereby authorized to construct, maintain, and operate a bridge and approaches thereto across Newtown Creek, at a point suitable to the interests of navigation, at or near Maspeth Avenue between the Boroughs of Brooklyn and Queens in the city and State of New York, one end of said bridge to be in the Borough of Brooklyn and city of New York and the other in the Borough of Queens, city of New York, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

FRED V. PLOMTEAUX.

The bill (S. 361) for the relief of Fred V. Plomteaux was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any moneys in the Treasury not otherwise appropriated, the sum of $200 to Fred V. Plomteaux, of Espanola, N. Mex., as reimbursement for the loss of two horses, one having died while in use on official business on May 12, 1916, and the other being killed on account of an injury sustained while in official use on July 8, 1914; said horses being the personal property of Fred V. Plomteaux and used by him in the performance of his duties as forest ranger.

Mr. DIAL. Mr. President, I would like to ask the Senator from New Mexico [Mr. JONES] if the Government recommended the passage of the bill?

Mr. JONES of New Mexico. The Government recommends the passage of the bill. The claim would have been paid if the funds had not been exhausted.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

WILLIAM R. BRADLEY.

The bill (S. 383) for the relief of William R. Bradley, former acting collector of internal revenue for South Carolina, was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That the Commissioner of Internal Revenue is hereby authorized and directed to credit the account of William R. Bradley, former acting collector of internal revenue for South Carolina, with the sum of $100, this amount now being charged against him for the loss of one special stamp book of the value of $100.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

ANNIE M'COLGAN.

The bill (S. 1353) for the relief of Annie McColgan was considered as in Committee of the Whole and was read, as follows:

Be it enacted etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Annie McColgan, of Philadelphia, Pa., widow of Peter McColgan, who, while a civilian employee of the Ordnance Department, United States Army, in the discharge of his duties and without fault or negligence, was killed by the explosion of fuses at the Frankford Arsenal, Philadelphia, Pa., on February 5, 1903, the sum of $5,000, being two-thirds of the sum recommended to be paid her by the board of officers appointed to investigate said explosion by the commanding officer at Frankford Arsenal on February 6, 1903.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

EXTENSION OF CERTAIN LAWS TO HAWAII.

The bill (H. R. 4121) to extend the provisions of certain laws to the Territory of Hawaii was announced as next in order.

Mr. JONES of Washington. That seems to be quite an important bill and we have only about a minute left under the unanimous-consent agreement. I suggest that the bill go over.

The PRESIDENT pro tempore. The bill will be passed over. The unanimous-consent agreement has expired.

PAYMENTS OF RECLAMATION CHARGES.

Mr. PHIPPS. Mr. President, I had hoped that we would reach Calendar No. 109, the bill (S. 1631) to authorize the deferring of payments of reclamation charges. We are very close to it. I am compelled to be absent to-morrow. The bill confers authority upon the Secretary of the Treasury to continue extending the time for payment of water charges on reclamation projects. It is in all respects similar to the law which was enacted last year. I ask unanimous consent for its present consideration.

The PRESIDENT pro tempore. The Senator from Colorado asks unanimous consent for the present consideration of Senate bill 1631.

Mr. OVERMAN. Let us have the bill read.

The PRESIDENT pro tempore. The Secretary will read the bill for information.

The reading clerk read the bill.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. SMOOT. I would like to ask one question. I have not had time to study the bill. Just looking over it hurriedly, it would seem that the object of the bill is to extend the time for the payment of charges on reclamation projects.

Mr. PHIPPS. Yes; where necessary.

Mr. SMOOT. Yes; or already paid.

Mr. PHIPPS. Or where the man is able to pay.

Mr. McKELLAR. It does not change the status of any obligation?

Mr. PHIPPS. It does not.

Mr. McKELLAR. It merely extends the time of the obligation?

Mr. PHIPPS. That is true.

Mr. FLETCHER. What time is intended to be allowed?

Mr. PHIPPS. It is in the discretion of the Secretary of the Interior to alter the time of the final payment under the contract on a reclamation project.

Mr. FLETCHER. What extensions have been heretofore had?

Mr. PHIPPS. A little over one year ago we authorized the Secretary of the Interior in his discretion, where it was necessary for the relief of farmers, to permit them to have their

charges extended for a year or two upon the payment of interest at 6 per cent. The present bill would cover the time that has now elapsed, and those payments are falling almost immediately due. The settlers on the projects are not all of them able to meet the obligations. The Secretary is without authority to extend the payment of the charges.

Mr. FLETCHER. Can the Senator give an idea of how much is involved?

Mr. PHIPPS. That would depend upon the ability of the settlers on the projects to meet the various charges maturing. Many of them are able to do so and will pay the charges as they mature rather than carry the obligation on which they have to pay 6 per cent interest, but where they are unable to pay, the Secretary would be under the necessity, if he enforced the law strictly, to cut off the water at this season and not permit them to have water with which to mature their crops this year.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

Mr. JONES of Washington. Mr. President, I want to ask the Senator from Colorado if he would have objection to an amendment like this: After the word "acts" in line 9 insert the words "and upon irrigation projects on Indian reservations"? The conditions on the Indian reservations are substantially the same as on the regular irrigation projects, and the Secretary ought to have the same discretion there that he has on the regular irrigation projects. I anticipate there will be no objection to the proposition, and I do not want to embarrass the Senator's bill, except that I would like to have an amendment of that sort.

Mr. PHIPPS. This is the first time that problem has been drawn to my attention. I have been dealing only with direct reclamation project matters. The bill, of course, has the approval of the Secretary of the Interior, as shown by the report. I would have no objection, if no one else has, to the inclusion of the matter proposed by the Senator from Washington.

Mr. FLETCHER. The bill covers all projects now existing "under said act."

Mr. JONES of Washington. That is, under the regular reclamation act; but these projects are not under that act. They are on Indian reservations and dealt with separately.

Mr. FLETCHER. And they are not covered by any amendatory act?

Mr. JONES of Washington. No. I offer the amendment—after the words "acts" in line 9 insert the words "and upon irrigation projects on Indian reservations."

Mr. FLETCHER. May I state that would come better, it seems to me, in line 11, after the word "act."

Mr. JONES of Washington. That would put it after the words "as may in his judgment be necessary." I thought it better to have it before those words.

The PRESIDENT pro tempore. The amendment will be stated.

The READING CLERK. After the word "acts" in line 9 insert the words "and upon irrigation projects on Indian reservations," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized and empowered, in his discretion, to defer the dates of payments of any charges, rentals, and penalties which have heretofore accrued, or may hereafter accrue, prior to the 1st day of January, 1925, under the act of June 17, 1902 (32 Stat. L. p. 388), and amendatory and supplemental acts, and upon irrigation projects on Indian reservations, as may, in his judgment, be necessary to the making of rearrangements and readjustments in or concerning any irrigation project now existing under said act: *Provided, however*, That interest at the rate of 6 per cent per annum on the amount of each payment so deferred shall be collected in lieu of any penalties that may now be provided by law in cases of delinquencies in such payments: *Provided further*, That no payment shall be deferred in any particular case beyond the date on which the last payment of construction charges shall be required by law to be made in that case, thereby permitting the distribution of the deferred payments over the life of existing contracts.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

WACCAMAW RIVER BRIDGE, SOUTH CAROLINA.

Mr. SMITH. I ask unanimous consent for the present consideration of a bridge bill, the bill (H. R. 3681) to authorize the building of a bridge across the Waccamaw River in South Carolina. The bill has passed the House and has the recommendation of the department.

Mr. WILLIS. Is it on the calendar?

Mr. SMITH. Yes.

Mr. WILLIS. Duly reported?

Mr. SMITH. Yes; it was duly reported.

The PRESIDENT pro tempore. The Senator from South Carolina asks unanimous consent for the present consideration of House bill 3681, being a bridge bill. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 3681) to authorize the building of a bridge across the Waccamaw River in South Carolina, which was read, as follows:

Be it enacted, etc., That the county of Horry, in the State of South Carolina, be, and is hereby, authorized to construct, operate, and maintain a bridge and approaches thereto across the Waccamaw River, in the State of South Carolina, at a point suitable to the interests of navigation, and at or near a point known as Star Bluff, or at or near a point known as Bellamys Landing, in said State, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

EXTENSION OF CERTAIN LAWS TO HAWAII.

Mr. WILLIS. Mr. President, a few moments ago, when Order of Business 971, being House bill 4121, was reached, the Senator from Washington [Mr. JONES], as I recall, objected to the consideration of the measure. I now ask unanimous consent that the Senate take up the bill, and I will state in a moment my reason for doing so.

Mr. JONES of Washington. I merely objected to the consideration of the bill at that time for the reason which I then stated. I have no objection to the bill.

Mr. WILLIS. I understand the Senator from Washington.

Mr. President, this is a bill which has been carefully considered by the Committee on Territories and Insular Possessions. I am calling it up at the request of the Senator from California [Mr. JOHNSON], who is unable to be present. The bill simply proposes to extend to Hawaii the terms of the Federal farm loan act, the act for the promotion of the welfare and hygiene of maternity and infancy, the vocational education act, and the vocational rehabilitation act. I ask unanimous consent for the present consideration of the bill. I have discussed the matter with the Senator from Arkansas [Mr. ROBINSON], and he does not object to it, though he has given it full consideration.

Mr. KING. Have the acts to which the Senator from Ohio has referred been extended also to Porto Rico and Alaska?

Mr. WILLIS. A bill has been introduced for that very purpose, I will say to the Senator from Utah, although it has not yet been acted upon by the committee. The bill for which I ask consideration, however, has been fully considered.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Ohio?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 4121) to extend the provisions of certain laws to the Territory of Hawaii, which had been reported from the Committee on Territories and Insular Possessions with amendments.

The first amendment was, in section 1, page 1, line 9, after the date "1916," to strike out the word "or" and to insert the words "known as"; and in the same line, after the word "act," to strike out the word "or" and to insert the word "and," so as to make the section read:

That beginning with the fiscal year ending June 30, 1925, the Territory of Hawaii shall be entitled to share in appropriations now or which may hereafter become available for apportionment under the act entitled "An act to provide that the United States shall aid the States in the construction of rural post roads, and for other purposes," approved July 11, 1916, known as the Federal highway act, and any act amendatory thereof or supplementary thereto, upon the same terms and conditions as any of the several States, and such Territory shall be included in the calculations to determine the basis of apportionment of such funds: *Provided*, That in approving road projects in such Territory to receive Federal aid the Secretary of Agriculture shall give preference to such projects as will expedite the completion of an adequate system of highways for the national defense or which will connect seaports with units of the national parks.

The amendment was agreed to.

The next amendment was, on page 2, after line 8, to strike out section 2, as follows:

SEC. 2. Subject to the approval of the Federal Farm Loan Board and under such conditions as it may prescribe, the provisions of the Federal farm loan act, as amended, are extended to the Territory of Hawaii. Such board shall include the Territory in a Federal land bank district, and such Federal land bank as the board may designate is authorized to establish branch banks in the Territory.

And in lieu thereof to insert a new section, as follows:

SEC. 2. The provisions of the Federal farm loan act, and any act amendatory thereof or supplementary thereto, are extended to the Territory of Hawaii. The Federal Farm Loan Board shall include the Territory in a Federal land bank district, and such Federal land bank as the board may designate is authorized to establish branch banks in the Territory.

The amendment was agreed to.

The next amendment was, in section 3, page 3, line 2, before the word "any" to strike out the word "or" and to insert the word "and," so as to make the section read:

SEC. 3. The Territory of Hawaii shall be entitled to share in the benefits of the act entitled "An act for the promotion of the welfare and hygiene of maternity and infancy, and for other purposes," approved November 23, 1921, and any act amendatory thereof or supplementary thereto, upon the same terms and conditions as any of the several States. For the fiscal year ending June 30, 1925, there is authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $13,000, to be available for apportionment under such act to the Territory, and annually thereafter such sum as would be apportioned to the Territory if such act had originally included the Territory.

The amendment was agreed to.

The next amendment was, in section 4, page 3, line 18, after the date "1917," to strike out the word "or" and to insert the word "and," so as to make the section read:

SEC. 4. The Territory of Hawaii shall be entitled to share in the benefits of the act entitled "An act to provide for the promotion of vocational education; to provide for cooperation with the States in the promotion of such education in agriculture and the trades and industries; to provide for cooperation with the States in the preparation of teachers of vocational subjects; and to appropriate money and regulate its expenditure," approved February 23, 1917, and any act amendatory thereof or supplementary thereto, upon the same terms and conditions as any of the several States. There is authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1925, and annually thereafter, the sum of $30,000, to be available for allotment under such act to the Territory.

The amendment was agreed to.

The next amendment was, in section 5, page 4, line 5, after the date "1920," to strike out the word "or" and insert the word "and," so as to make the section read:

SEC. 5. The Territory of Hawaii shall be entitled to share in the benefits of the act entitled "An act to provide for the promotion of vocational rehabilitation of persons disabled in industry or otherwise and their return to civil employment," approved June 2, 1920, and any act amendatory thereof or supplementary thereto, upon the same terms and conditions as any of the several States. There is authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1925, and annually thereafter, the sum of $5,000, to be available for allotment under such act to the Territory.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. WILLIS. I ask unanimous consent that there may be printed in the RECORD the reports of the House and Senate committees on the bill, so that there may be a full statement of the facts.

The PRESIDENT pro tempore. Without objection, it will be so ordered.

The reports referred to are as follows:

HAWAIIAN BILL OF RIGHTS.

Mr. CURRY, from the Committee on the Territories, submited the following report to accompany H. R. 4121:

The Committee on the Territories, to whom was referred the bill (H. R. 4121) to extend the provisions of certain laws to the Territory of Hawaii, having considered the same, report it to the House, without amendment, with the recommendation that it do pass.

The purpose of H. R. 4121 is to establish beyond all doubt the right of the Territory of Hawaii to participate in general legislation extending Federal aid to the several States of the Union that qualify under the laws providing appropriations for good roads, vocational education and rehabilitation, maternity and child hygiene, and Federal farm loans.

Section 1 provides that beginning with the fiscal year ending June 30, 1925, the Territory shall share in the appropriations available for apportionment under the Federal highway act on the same terms and conditions as the several States. In the apportionment of funds inclusion of the Territory will not disturb the allotments to the various States. It is also provided that preference shall be given highway projects that are units in the national defense or will connect seaports with the national park.

While it is not required by law, the plans and specifications of the Territorial roads on the island of Oahu, and on the other islands where such roads have relation to the national defense, are submitted by the superintendent of public works to the Hawaiian Department of the United States Army, and the United States Army Engineer officer goes over the plans and signs his approval of them. The roads are made wide, heavy, and strong enough for use as military roads as well as commercial roads, and the roads are used by the Army for military purposes. This is entirely at the expense of the Territory, and the cost is very much greater than would be necessary for purely commercial purposes, the minimum thickness of the roads being 8 inches, as they must be and are made strong enough to sustain the transportation of gun tractors weighing 25 tons and more and other heavy munitions and supplies.

Section 2 extends the terms of the Federal farm loan act to the Territory of Hawaii, subject to the approval of the Federal Farm Loan Board.

Section 3 includes the Territory of Hawaii within the benefits of the act for the promotion of the welfare and hygiene of maternity and infancy, and other purposes. Authorization is given for the appropriation of $13,000, which is approximately the amount to which the Territory would be entitled annually under the terms of the maternity act, and does not disturb the apportionments already made to the several States.

Section 4 includes the Territory of Hawaii within the benefits of the act to provide for the promotion of vocational education approved February 23, 1917, this on the same terms and conditions applying to the several States. The amount authorized to be appropriated annually is $30,000, that being the sum now allotted to each of the States participating. The apportionment to the several States is not disturbed.

Section 5 includes the Territory of Hawaii in the benefits of the act to provide for the promotion of vocational rehabilitation of persons disabled in industry, approved June 2, 1920. An appropriation of $5,000 is authorized for allotment to the Territory.

The allotments available to the Territory under the different sections of this bill and assuming that the Territory will qualify by appropriating its share, will be: Under the highways act, $365,625; under the maternity act, $13,000; under the act to promote vocational education, $30,000; under the act to promote vocational rehabilitation, $5,000, or a total of $413,625. The terms of the Federal farm loan act do not call for direct appropriation.

The revenue of the Federal Treasury from the Territory of Hawaii for the fiscal year ending June 30, 1923, was as follows:

From customs receipts	$1,449,932.79
Income and profits tax	3,506,113.16
Miscellaneous internal revenue	642,142.89
Total	5,598,188.84
Cost of collection, including salaries, incidental expenses, and refunds	59,012.01
Net Federal income	5,539,176.83

The justification of the Territory of Hawaii for such participation is that it pays Federal taxes on the same basis as the States, receiving none of the Federal moneys into its own Territorial treasury; it is an integral part of the Union under the terms of its annexation; its right to participate in general appropriations was stated in section 5 of the organic act passed in 1900 by Congress and specifically amended in 1910 to include "laws carrying general appropriations"; but apparently through oversight or a misunderstanding the more recent Federal aid laws have been worded so as to leave a doubt as to the authority of administrative officers to include the Territory in their calculations.

This bill clarifies any remaining doubts. It grants no special advantages to Hawaii, but extends the laws named to the Territory so that Hawaii may take its proper place in Federal-aid privileges in accordance with its tax-paying responsibilities and its ability to qualify by bearing the proportional share required in each law.

The position of the Territory has been fully presented through an act of the Territorial legislature passed at the regular session of 1923. This act, called the Hawaii bill of rights, unique in legislation, reviews the historical detail of the admission of the Republic of Hawaii by annexation as an integral part of the United States, the passage by

Congress in April of 1900 of the organic act creating Hawaii a Territory of the United States, including among other things section 5, which was amended by Congress in May of 1910 and now reads:

"SEC. 5. That the Constitution, and except as otherwise provided, all the laws of the United States, including laws carrying general appropriations, which are not locally inapplicable, shall have the same force and effect within said Territory as elsewhere in the United States."

Also the unanimous decision of the United States Supreme Court in the case of Hawaii v. Mankichi that Hawaii had been incorporated as an "integral part of the United States," and while calling attention to the failure of the Territory to receive recognition under certain appropriations, expresses confidence in the "good faith and intent of the Congress to do full justice to the Territory of Hawaii," voices the hope that the failure to recognize the rights of the Territory "will be speedily remedied when Congress is fully informed of the facts."

The records of the Treasury Department show that the Territory of Hawaii has been a source of income to the Federal Government and not a liability or cause for extraordinary expense. The amounts paid into the Federal Treasury by the Territory of Hawaii through the customhouse, the Internal Revenue Bureau, and other sources of Federal taxes have been equal to and during many years larger than the Federal taxes paid by many States of the Union. These are set forth in the statistical record and fully confirm the position of the people of the Territory that they have carried an equal share of the common costs of government. Indeed, this phase of the Territory's position was brought to the attention of Congress and favorably reported upon by the Committee on the Territories through Representative Edward L. Hamilton, the then chairman, and acted upon by the Congress when it voted approval of the amendment to section 5 of the organic act so as to insert the words "including laws carrying general appropriations." The committee reporting at that time, May, 1910, said:

"The first section of the bill is designed to correct the injustice of a ruling of the Comptroller of the Treasury * * * since Hawaii pays about $1,400,000 into the Federal Treasury each year, the justice of this amendment is apparent."

It is appropriate to call special attention to section 89 of the organic act of Hawaii, which reads:

"SEC. 89. That until other provision is made by Congress the wharves and landings constructed and controlled by the Republic of Hawaii on any seacoast, bay, roadstead, or harbor shall remain under the control of the government of the Territory of Hawaii, which shall receive and enjoy all revenue derived therefrom on condition that said property shall be kept in good condition for the use and convenience of commerce, and no tolls or charges shall be made by the government of the Territory of Hawaii for the use of any such property by the United States or by any vessel of war, tug, revenue cutter, or other boat or transport in the service of the United States."

The wharves of Hawaii have been maintained and improved by direct taxation and public-improvement loans paid by the citizens of the Territory amounting to millions of dollars, so that modern docks are at the disposal not only of commerce but the Army, Navy, Coast Guard, Lighthouse Service, and all other agencies of the Federal Government requiring port facilities.

The Territory of Hawaii has steadily increased its payments into the Federal Treasury. The customs receipts alone from the Hawaii customs district since the organization of the Territory in 1900 have averaged $1,250,000 a year. And there is every reason to believe that the Territory will continue to be a source of great net income to the Federal Government.

The Territory of Hawaii has already expended since 1901 not less than $25,000,000 in the construction of main highways that are a factor in industry and commerce with the mainland of the United States, are used daily by the forces of the Army and Navy, and are vital units in the scheme of national defense involving this all-important outpost and naval and commercial key to the Pacific. The Territorial administrative departments are well organized to qualify under the requirements of the laws for Federal aid. Vocational education occupies an important place in the Americanization program of the Territorial public schools, and its health and educational departments are equipped under the laws relating to maternity and child hygiene to reduce infant mortality, especially among the families of the native Hawaiians. The extension of the Federal farm loan act will strengthen the position of the American farmer of the Territory.

The committee has received reports on this bill from the Secretary of the Treasury, the Secretary of the Interior, the Secretary of Agriculture, and the Department of Labor. These executive and administrative branches of the Government all recommend the enactment of this bill.

The committee has held hearings at which facts were presented by Hon. W. R. Farrington, Governor of the Territory of Hawaii, and Hon. L. H. Bigelow, superintendent of public works and chairman of the board of harbor commissioners of the Territory.

The bill has been carefully considered and the committee urges prompt passage as an act of common justice to our fellow citizens of the Territory of Hawaii, who not only pay their equitable share of taxes but also maintain a progressive and thoroughly loyal Territory of the United States, and are entitled to share in the benefits of citizenship in the same measure in which they accept and meet its obligations.

FEDERAL FARM LOAN ACT.

Mr. JOHNSON of California, from the Committee on Territories and Insular Possessions, submitted the following report to accompany H. R. 4121:

The Committee on Territories and Insular Possessions report H. R. 4121, an act to extend the provisions of certain laws to the Territory of Hawaii, with the recommendation that it pass with the amendments hereinafter set forth. Certain formal amendments were agreed upon by the committee, as follows:

1. Line 9, page 1, strike out the first "or" and insert in lieu thereof the words "known as."

2. Line 9, page 1, strike out the second "or" and insert in lieu thereof the word "and."

3. Line 10, page 2, strike out the word "or" and insert in lieu thereof the word "and."

4. Line 10, page 3, strike out the word "or" and insert in lieu thereof the word "and."

5. Line 22, page 3, strike out the word "or" and insert in lieu thereof the word "and."

Section 2 of the act as passed by the House provides that the provisions of the Federal farm loan act should be extended to the Territory of Hawaii, subject to the approval of the Federal Farm Loan Board and under such conditions as it may prescribe.

The committee did not believe any such discretion should be committed to the Federal Farm Loan Board; that the determination of the applicability of the Federal farm loan act should rest wholly with Congress. Accordingly section 2 of the act has been amended to read as follows; that is, by striking out the section as appearing in the original bill, and inserting in lieu thereof:

"SEC. 2. The provisions of the Federal farm loan act, and any act amendatory thereof or supplementary thereto, are extended to the Territory of Hawaii. The Federal Farm Loan Board shall include the Territory in a Federal land bank district, and such Federal land bank as the board may designate is authorized to establish branch banks in the Territory."

WILLAMETTE RIVER BRIDGE, OREGON.

Mr. MCNARY. I ask unanimous consent for the present consideration of House bill 584, being order of business 151, which is a bridge bill. The bill has passed the House of Representatives. It simply authorizes Multnomah County, Oreg., to construct and operate a bridge across the Willamette River.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Oregon?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read as follows:

Be it enacted, etc., That the county of Multnomah, in the State of Oregon, be, and is hereby, granted authority to construct, maintain, and operate a bridge and approaches thereto across the Willamette River, in the city of Portland, Oreg., at a point suitable to the interests of navigation, approximately 15½ miles above the mouth of said Willamette River, in the vicinity of the present site of the Sellwood Ferry, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

CHANGE OF DATE OF INAUGURATION.

Mr. ASHURST. Mr. President, I realize that the hour is late, but I desire to address the Senate upon Senate Joint Resolution No. 18, which I introduced on December 6, 1923. The joint resolution is now pending before the Committee on the Judiciary, and practically its counterpart passed the Senate in the Sixty-seventh Congress. I ask that the Secretary may read the joint resolution.

The PRESIDENT pro tempore. Without objection, the joint resolution will be read.

The reading clerk read the joint resolution, as follows:

A joint resolution (S. J. Res. 18) proposing an amendment to the Constitution to change the date of the inauguration of President and Vice President, assembling of presidential and vice presidential electors, and the commencement of the terms of Senators and Representatives.

Resolved, etc., That the following amendment to the Constitution be, and hereby is, proposed to the States, to become valid as a part of the Constitution when ratified by the legislatures of the several States as provided by the Constitution:

"ARTICLE —.

"SECTION 1. That the terms of the President and Vice President of the United States shall commence at noon on the third Monday in January following their election.

"SEC. 2. That the presidential and vice presidential electors, composing the Electoral College, shall assemble in the States by which they are appointed and cast their votes for President and Vice President on the second Monday in December following their appointment, and the vote so cast, duly certified, shall be filed with the President of the Senate before the first Monday in January next thereafter, and the Congress shall meet in joint session on the second Monday in the said January and open and count the same: *Provided*, That Congress may alter all the dates fixed in this section, in its discretion.

"SEC. 3. That the terms of Senators and Representatives shall commence at noon on the first Monday in January following their election.

"SEC. 4. That the Congress shall assemble at least once in every year and such meeting shall be on the first Monday in January, unless they shall by law appoint a different day.

"SEC. 5. That this amendment shall not be so construed as to affect the election or term of any President, Vice President, Senator, or Representative chosen before it becomes valid as part of the Constitution."

Mr. ASHURST. Mr. President, the Constitution—Article II, section 1—ordains that the President and Vice President shall hold office for the term of four years, but does not provide when the term shall commence. The only recognition of the 4th of March succeeding the day of a presidential election as the day of the commencement of the terms of the President and Vice President is the provision in the twelfth amendment to the Constitution, effective September 25, 1804, that—

if the House of Representatives shall not choose a President whenever the right of choice shall devolve upon them before the 4th day of March next following, then the Vice President shall act as President, as in the case of the death or other constitutional disability of the President.

This would probably be construed to be a provision that the term of the President expired on the 4th of March after a presidential election—that a vacancy then exists—in which event the then Vice President succeeded to the office.

The time when the presidential electors shall be elected and the date on which they shall meet and give their vote is, by Article II, section 1, of the Constitution, left to the discretion of Congress, with the restriction that the day of voting shall be the same throughout the United States. An act was passed February 3, 1887, requiring them to meet and give their vote on the second Monday in January next after their appointment, in such place in each State as the legislature thereof shall direct; which vote, duly certified, to be delivered to the President of the Senate before the first Wednesday in February, and be canvassed by Congress, in joint session, on the second Wednesday in February thereafter.

The Constitution, while providing that Representatives shall hold their offices for two years—Article I, section 2—and Senators for six years—Article I, section 3—does not provide when the terms shall commence.

The commencement of the terms of the first President and Vice President, and of the Senators and Representatives composing the first Congress, was fixed by a resolution of Congress adopted September 13, 1788, providing "that the first Wednesday in March next—which happened to be the 4th day of March—be the time for commencing proceedings under the Constitution."

Congress has provided—act of March 1, 1792, Revised Statutes, section 152—that the terms of the President and Vice President shall commence on the 4th day of March next succeeding the day on which the votes of the electors have been given, but there seems to be no statute enacted since the adoption of the Constitution fixing the commencement of the terms of Senators and Representatives.

The Constitution is proposed to be amended by this resolution, as follows:

The terms of the President and Vice President, by the first section, are made to commence on the third Monday in January instead of the 4th day of March succeeding the election of electors.

The second section proposes that the electors composing the Electoral College shall assemble in the various States by which they are selected and shall cast their votes on the second Monday in December following their selection, and shall certify their votes to the proper authorities before the first Monday in January next thereafter, and that Congress shall meet in joint session on the second Monday of the said January and open and count the votes.

There is also a provision in this section that Congress, in its discretion, may alter any of the dates fixed in this section.

The terms of Senators and Representatives are, by the third section, made to commence on the first Monday in January following their election.

The fourth section changes the second paragraph of section 4 of Article I of the Constitution so as to provide that Congress shall meet at least once each year, commencing on the first Monday of January instead of the first Monday in December.

Section 5 is what is usually called "a saving clause" and the language is appropriate and eligible plainly to express that this amendment is prospective and not retroactive.

Under the present law Congress does not convene in regular session until 13 months after the election of its Members. There was some reason for such a provision at the time of the formation of our Government, as it then took a long time to ascertain the results of elections and to reach the Capitol from remote parts of the country. But there is no excuse whatever now, since the most distant States of the Union are within a few days' travel of Washington.

Senators heretofore have been elected by the legislatures of the States in January, and sometimes not until February or March. But since the adoption of the seventeenth amendment to the Constitution, by which Senators are to be elected by the people, usually at the November election, it becomes opportune for Congress to convene in January following. The convening of Congress on the first Monday of December, as at present, is inopportune, as adjournment for the Christmas holidays is always taken and many Members go to their homes, returning late, which precludes any real work until January.

Some of the reasons for the adoption of the proposed amendment are:

Congress should at the earliest practicable time enact—within the limits of the Constitution—the principles of the majority of the people, as expressed in the election of each Congress. That is why the Constitution requires the election of a new Congress every two years. If it be not to reflect the sentiment of the people these frequent elections have no meaning nor purpose. Any evasion of this meaning is subversive of the fundamental principle of our Government, that the majority shall rule. No other nation has its legislative body convene so long after the expression of the people upon governmental questions.

During the campaign preceding a congressional election the great questions that divide the political parties are discussed for the purpose of determining the policy of the Government and of having the sentiments of the majority crystalized into legislation. It seems to be trifling with the rights of the people when their mandates can not be obeyed within a reasonable time. It is unfair to an administration that the legislation which it thinks so essential to the prosperity of the country should be so long deferred. It is true an extraordinary session may be called early, but such sessions are limited generally to one or two subjects, which of necessity make for enormous waste of the time of each House, waiting for the other to consider and pass the measures.

As the law is at the present time, the second regular session does not convene until after the election of the succeeding Congress. As an election often changes the political complexion of a Congress, under the present law many times we have the injustice of a Congress that has been disapproved by the people enacting laws for the people opposed to their last expression. Such a condition does violence to the rights of the majority. A Member of the House of Representatives can barely get started in his work until the time arrives for the nominating convention of his district. He has accomplished nothing, and hence has made no record upon which to go before his party or his people. This is an injustice both to the Members and to the people. The record of a Representative should be completed before he asks an indorsement of his course.

Under the present system a contest over a seat in the House of Representatives is seldom, if ever, decided until more than half the term, and in many instances until a period of 22 months of the term has expired. For all that time the occupant of the seat draws the salary, and when his opponent is seated he also draws the salary for the full term; thus the Government pays twice for the representation from that district. But that is not the worst feature of the situation; dur-

ing all of that time the district is being misrepresented, at least politically, in Congress.

This amendment if adopted would eliminate the short session of Congress. It is my opinion that the short session is not a good institution. It has been the source of much criticism and ought to be abandoned. No vital governmental questions can be considered during a short session.

By Congress meeting the first Monday in January succeeding the elections, contested-election cases may be disposed of at least during the first six months of the Congress.

The President and Vice President should enter upon the performance of their duties as soon as the new Congress can count the electoral votes. The newly elected governors of the States are inducted into office as soon as the new legislatures of the States canvass the votes and declare their election. It is the old Congress which now counts the electoral votes. It is dangerous to permit the defeated party to retain control of the machinery by which such important officers are declared elected.

In the event that no candidate for President receives a majority of the electoral votes, the Constitution provides that the House of Representatives shall elect the President, each State having one vote. At the present time it is the old Congress that elects the President under such contingency, and thereby it becomes possible for a political party repudiated by the people to elect a President who was defeated at the election. Under the present provision of the Constitution, in the event the House fails to choose a President before the 4th of March, then the Vice President then in office becomes President for four years. This affords a temptation by mere delay to defeat the will of the people, and if it is ever exercised it will cause grave consequences.

It is true that January weather might be inclement for an inaugural parade, but that is a reason too insignificant to constitute an argument against a constitutional amendment which promises so much for good government. Nearly all the governors of the States are inaugurated in January. The pomp and ceremony which usually attend the coronations of monarchs are at least not necessary to a republic.

Mr. President, in my opinion, sound public policy requires that each amendment to the Constitution hereafter submitted should contain a limitation of the time within which the States may ratify the particular amendment, as was done in the case of the eighteenth amendment by the following provision:

SEC. 3. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of the several States, as provided in the Constitution, within seven years from the date of the submission hereof to the States by the Congress.

Mr. President, it is startling to reflect upon the complexities that have come and that may come in the future by a continued failure to set a time limit within which a proposed amendment may be ratified.

Four different amendments proposed by the Congress are now pending before the States for their action. These amendments are as follows:

One, proposed September 15, 1789, 135 years ago, relating to enumeration and representation:

ARTICLE I. After the first enumeration required by the first article of the Constitution there shall be one Representative for every 30,000 until the number shall amount to 100, after which the proportion shall be so regulated by Congress that there shall be not less than 100 Representatives, nor less than 1 Representative for every 40,000 persons, until the number of Representatives shall amount to 200, after which the proportion shall be so regulated by Congress that there shall not be less than 200 Representatives nor more than 1 Representative for every 50,000 persons.

Another, proposed September 15, 1789, 135 years ago, relating to compensation of Members of Congress:

ART. II. No law varying the compensation for the services of the Senators and Representatives shall take effect until an election of Representatives shall have intervened.

Another, proposed May 1, 1810, 114 years ago, to prohibit citizens of the United States from accepting presents, pensions, or titles from princes or from foreign powers:

If any citizen of the United States shall accept, claim, receive, or retain any title of nobility or honor, or shall, without the consent of Congress, accept and retain any present, pension, office, or emolument of any kind whatever, from any emperor, king, prince, or foreign power, such person shall cease to be a citizen of the United States, and shall be incapable of holding any office of trust or profit under them, or either of them.

Another, proposed March 2, 1861, 63 years ago, known as the Corwin amendment, prohibiting Congress from interfering with slavery within the States:

No amendment shall be made to the Constitution which will authorize or give to Congress the power to abolish or interfere, within any State, with the domestic institutions thereof, including that of persons held to labor or service by the laws of said State. (12 Stat. 251.)

On September 15, 1789, 12 constitutional amendments were proposed by the First Congress. The requisite number of States ratified proposed articles numbered 3, 4, 5, 6, 7, 8, 9, 10, 11, and 12 within exactly two years and three months, whilst Nos. 1 and 2, although proposed 135 years ago, have not, according to the latest available returns, received favorable action by the requisite number of States and are yet before the American people, or the States, rather, have been for 135 years, and are now subject to ratification or rejection by the States. After those two proposed amendments, to wit, Nos. 1 and 2, had been in nubilous—"in the clouds"—for 84 years, the Ohio State Senate in 1873, in response to a tide of indignation that swept over the land in opposition to the so-called "back-salary grab," resurrected proposed amendment No. 2 and passed a resolution of ratification through the State senate. No criticism can be visited upon the Ohio Legislature that attempted to ratify the amendment proposed in 1789; and if the amendment had been freshly proposed by Congress at the time of the "back-salary grab," instead of having been drawn forth from musty tomes, where it had so long lain idle, stale, and dormant, other States doubtless would have ratified it during the period from 1873 to 1881.

Thus it would seem that a period of 135 years, or 84 years, within which a State may act is altogether too long, and I will support a proposition limiting the time to 6, 8, or 10 years within which a State may act under a particular submission, so that we will not hand down to posterity a conglomerate mass of amendments floating around in a cloudy, nebulous haze, which a State here may resurrect and ratify, and a State there may galvanize and ratify.

We ought to have homogeneous, steady, united exertion, and certainly we should have contemporaneous action with reference to these various proposed amendments. Judgment on the case should be rendered within the ordinary lifetime of those interested in bringing about the change in our fundamental law. Final action should be had while the discussions and arguments are within the remembrance of those who are called upon to act.

When the 12 amendments were submitted in 1789 there were only 13 States. Vermont had not been admitted, if I remember correctly.

Question: Should three-fourths of the States then in the Union or three-fourths of those now in the Union be the test as to what shall be the number required for ratification?

The amendment proposed on May 1, 1810, was submitted to the States under peculiar auspices and was as follows:

If any citizen of the United States shall accept, claim, receive, or retain any title of nobility or honor, or shall, without the consent of Congress, accept and retain any present, pension, office, or emolument of any kind whatever, from any emperor, king, prince, or foreign power, such person shall cease to be a citizen of the United States and shall be incapable of holding any office of trust or profit under them, or either of them.

What was the reason for that proposed amendment? It is probable that the Congress which submitted the amendment believed that when officials accept presents of great value they dissolve the pearl of independence in the vinegar of obligation.

Unfortunately, the annals of Congress and contemporary newspapers do not give any of the debate upon this interesting proposition. The only light thrown upon the subject by the annals is the remark of Mr. Macon, who said "he considered the vote on this question as deciding whether or not we were to have members of the Legion of Honor in this country." What event connected with our diplomatic or political history suggested the need of such an amendment is not now apparent, but it is possible that the presence of Jerome Bonaparte in this country a few years previous, and his marriage to a Maryland lady, may have suggested this amendment.

An article in Niles's Register—volume 72, page 166—written many years after this event, refers to an amendment having been adopted to prevent any but native-born citizens from being President of the United States. This is, of course, a mistake, as the Constitution in its original form contained such a provision; but it may be possible that the circumstances referred to by the writer in Niles relate to the passage of this amendment through Congress in regard to titles of nobility. The article referred to maintains that at the time Jerome Bonaparte was in this country the Federalist Party, as a political trick, affecting to apprehend that Jerome might find his way to the Presidency through "French influence," proposed the amendment. The Federalists thought the Democrats would oppose the

amendment as unnecessary, which would thus appear to the public as a further proof of their subserviency to French influence. The Democrats, to avoid this imputation, concluded to carry the amendment. "It can do no harm" was what reconciled it to all.

That amendment was submitted 114 years ago, and it was ratified within two years by Maryland, Kentucky, Ohio, Delaware, Pennsylvania, New Jersey, Vermont, Tennessee, Georgia, North Carolina, Massachusetts, and New Hampshire. It was rejected by two or three of the States. At one period of our national life the schoolbook histories and the public men stated that it was a part of our organic law, because in the early days of our Government the Secretary of State did not send messages to Congress announcing ratification or promulgate to the public any notice whatever as to when an amendment became a part of the Constitution. I have caused the journals, records, and files in the Department of State to be searched, and there may not be found any notice of any proclamation or promulgation of the ratification of the first 10 amendments to the Constitution. The States assumed—it was not an unwarranted or violent assumption—that when the requisite number of States had ratified an amendment it was then and there a part of our organic law.

On March 2, 1861, the following amendment, known as the Corwin amendment, to the Constitution of the United States was proposed to the States, and it read as follows:

No amendment shall be made to the Constitution which will authorize or give to Congress the power to abolish or interfere, within any State, with the domestic institutions thereof, including that of persons held to labor or service by the laws of said State. (12 Stat. 251.) Proposed by Congress March 2, 1861.

I warrant there are not 5,000 people in the United States to-day who know that such an amendment is now pending before the various States of the Union for their ratification. The amendment was ratified by the State of Ohio and by the State of Maryland through their legislatures and was attempted to be ratified by the State of Illinois in 1862 by a convention.

Thus we perceive that a system which permits of no limitation as to the time when an amendment may not be voted upon by the State is not fair to posterity nor to the present generation. It keeps historians, publishers, and annalists, as well as the general public, constantly in doubt.

Having searched closely as to whether there is in the Constitution itself any expressed or implied limitation as to when an amendment may not be adopted, I am driven irresistibly to the conclusion that an amendment to the Constitution, once having been duly proposed, although proposed as remotely as September 15, 1789, may not be recalled even by the unanimous vote of both Houses, if the Congress wished the same recalled, because the power to submit an amendment is specifically pointed out; but no power is given to recall it, and silence is negation.

I am of opinion that a State which rejects a proposed amendment may, of course, at any time thereafter ratify the same, and that a State which adopts or ratifies a proposed amendment may withdraw its ratification, provided it withdraws such ratification before the required number of States shall have ratified.

Mr. President, I have here some copious data, being largely historical, with reference to the dates when various amendments were adopted, which I prepared some time ago. I ask that they may be inserted in the RECORD as an appendix to my remarks.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(See Appendix A.)

Mr. ASHURST. I also have here a report of the committee of the American Bar Association to the American Bar Association, urging this proposed amendment which I introduced last year. This committee report is signed by William L. Putnam, chairman, William C. Kinkead, Levi Cooke, and Aubrey L. Brooks. I ask that their report be included as an appendix to my remarks.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(See Appendix B.)

APPENDIX A.

DISCUSSION OF CONSTITUTIONAL QUESTIONS INVOLVED.

(Jameson.)

SEC. 585. VI. Two further questions may be considered: (1) When Congress has submitted amendments to the States, can it recall them? and (2) How long are amendments thus submitted open to adoption or rejection by the States?

1. The first question must, we think, receive a negative answer. When Congress has submitted amendments at the time deemed by itself or its constituents desirable, to concede to that body the power of afterwards recalling them would be to give to it that of definitely rejecting such amendments, since the recall would withdraw them from the consideration of the States and thus render their adoption impossible. However this may be, it is enough to justify a negative answer to say that the Federal Constitution, from which alone Congress derives its power to submit amendments to the States, does not provide for recalling them upon any event or condition and that the power to recall can not be considered as involved in that to submit as necessary to its complete execution. It therefore can not exist.

2. The same consideration will perhaps furnish the answer to the second question. The Constitution gives to Congress the power to submit amendments to the States; that is, either to the State legislatures or to conventions called by the States for this purpose, but there it stops. No power is granted to prescribe conditions as to the time within which the amendments are to be ratified, and hence to do so would be to transcend the power given. The practice of Congress in such cases has always conformed to the implied limitations of the Constitution. It has contented itself with proposing amendments to become valid as parts of the Constitution according to the terms of that instrument. It is therefore possible, though hardly probable, that an amendment once proposed is always open to adoption by the nonacting or nonratifying States.

The better opinion would seem to be that an alteration of the Constitution proposed to-day has relation to the sentiment and the felt needs of to-day, and that, if not ratified early, while that sentiment may fairly be supposed to exist, it ought to be regarded as waived and not again to be voted upon unless a second time proposed by Congress.

SEC. 586. In discussing the question of the right of the States to vote upon proposed amendments at any time after the date of their proposal it is proper to look into the consequences of such a right. If they have the right, there are now floating about us as it were in nubilous several amendments to the Constitution proposed by Congress which have received the ratification of one or more States but not of enough to make them valid as parts of that instrument. Congress could not withdraw them, and there is in force in regard to them no recognized statute of limitations. Unless abrogated by amendments subsequently adopted they are, on the hypothesis stated, still before the American people to be adopted or rejected.

In 1873 the Senate of Ohio, acting upon the theory that once proposed an amendment to the Constitution is always open to ratification, adopted a joint resolution ratifying the second of the 12 amendments submitted to the States by Congress in 1789, but then rejected, providing that "no law varying the compensation of Members of Congress shall take effect until an election for Representatives shall have intervened." This resolution, prepared by Madison, was an excellent one; but suppose it had been unjust, proposed, perhaps, in the interest of a section or of a party, and, failing at the time to receive the requisite majority, it had subsequently by a concerted rally of those interested in its adoption been carried without discussion or a clear expression of the existing public will; is that a true construction of the Constitution which may be followed by so dangerous consequences? And supposing the right referred to exists, by what majority shall the resurrected amendments be adopted? If proposed in 1789, when the States numbered but 13 and when a majority of 10 States might have ratified the amendment, how many would have been requisite in 1873, when there were 38 States which would have been called upon to vote? If the answer should be that 29 States must have voted to ratify, since that number was three-fourths of all the States in 1873, however reasonable such an answer might seem, it would be founded upon no statute or custom of the country, and therefore different opinions as to its reasonableness might well be entertained. Hence the danger of confusion or conflict. We discuss this question here merely to emphasize the dangers involved in the Constitution as it stands and to show the necessity of legislation to make certain those points upon which doubts may arise in the employment of the constitutional process for amending the fundamental law of the Nation. A constitutional statute of limitation prescribing the time within which proposed amendments shall be adopted or be treated as waived ought by all means to be passed. (Jameson, John A., A Treatise on Constitutional Conventions (4th ed., 1887), pp. 634–636.)

AMENDMENTS TO THE CONSTITUTION OF THE UNITED STATES PROPOSED BY CONGRESS BUT NOT RATIFIED BY THREE-FOURTHS OF THE STATES, COLLATED BY SENATOR ASHURST.

APPORTIONMENT OF REPRESENTATIVES.

After the first enumeration required by the first article of the Constitution, there shall be 1 Representative for every 30,000 until the number shall amount to 100; after which the proportion shall be so regulated by Congress that there shall be not less than 100 Representatives nor less than 1 Representative for every 40,000 persons, until the number of Representatives shall amount to 200; after which the

proportion shall be so regulated by Congress that there shall not be less than 200 Representatives nor more than 1 Representative for every 50,000 persons. (1 Stat. 97.) (Submitted at the same time as those which became part of the Constitution as amendments 1 to 10.)

Proposed by Congress September 15, 1789.

Ratified by the following States:

New Jersey, November 20, 1789. (Senate Journal, p. 199, 1st Cong., 2d sess.)

Maryland, December 19, 1789. (Senate Journal, p. 106, 1st Cong., 2d sess.)

North Carolina, December 22, 1789. (Senate Journal, p. 103, 1st Cong., 2d sess.)

South Carolina, January 19, 1790. (Senate Journal, p. 50, 1st Cong., 2d sess.)

New Hampshire, January 25, 1790. (Senate Journal, p. 105, 1st Cong., 2d sess.)

New York, March 27, 1790. (Senate Journal, p. 53, 1st Cong., 2d sess.)

Rhode Island, June 15, 1790. (Senate Journal, p. 110, 1st Cong., 2d sess.)

Virginia, October 25, 1791. (Senate Journal, p. 30, 2d Cong., 1st sess.)

Pennsylvania, September 21, 1791. (Senate Journal, p. 11, 2d Cong., 1st sess.)

Vermont, November 3, 1791. (Senate Journal, p. 98, 2d Cong., 1st sess.)

Pennsylvania had first rejected the proposed amendment March 10, 1790.

Rejected by Delaware January 28, 1790.

The Journals give no record of the action of the Legislatures of Massachusetts, Connecticut, and Georgia.

COMPENSATION OF MEMBERS OF CONGRESS.

No law varying the compensation for the services of the Senators and Representatives shall take effect until an election of Representatives shall have intervened. (1 Stat. 97.) (Submitted at the same time as those which became part of the Constitution as amendments 1 to 10:)

Proposed by Congress September 15, 1789.

Ratified by the following States:

Maryland, December 19, 1789. (Senate Journal, p. 106, 1st Cong., 2d sess.)

North Carolina, December 22, 1789. (Senate Journal, p. 103, 1st Cong., 2d sess.)

South Carolina, January 19, 1790. (Senate Journal, p. 50, 1st Cong., 2d sess.)

Delaware, January 28, 1790. (Senate Journal, p. 35, 1st Cong., 2d sess.)

Vermont, November 3, 1791. (Senate Journal, p. 98, 2d Cong., 1st sess.)

Virgina, December 15, 1791. (Senate Journal, p. 69, 2d Cong., 1st sess.)

Rejected by New Jersey, November 20, 1789 (Senate Journal, p. 199, 1st Cong., 2d sess.); New Hampshire, January 25, 1790 (Senate Journal, p. 105, 1st Cong., 2d sess.); Pennsylvania, March 10, 1790 (Senate Journal, p. 39, 1st Cong., 2d sess.); New York, March 27, 1790 (Senate Journal, p. 53, 1st Cong., 2d sess.); Rhode Island, June 15, 1790 (Senate Journal, p. 110, 1st Cong., 2d sess.).

The Journals give no record of the action of the Legislatures of Massachusetts, Connecticut, and Georgia.

TITLES OF NOBILITY.

If any citizen of the United States shall accept, claim, receive, or retain any title of nobility or honor, or shall, without the consent of Congress, accept and retain any present, pension, office, or emolument of any kind whatever, from any emperor, king, prince, or foreign power, such person shall cease to be a citizen of the United States and shall be incapable of holding any office of trust or profit under them or either of them. (2 Stat. 613.)

Proposed by Congress May 1, 1810.

Ratified by the following States:

Maryland, December 25, 1810.

Kentucky, January 31, 1811.

Ohio, January 31, 1811.

Delaware, February 2, 1811.

Pennsylvania, February 6, 1811.

New Jersey, February 13, 1811.

Vermont, October 24, 1811.

Tennessee, November 21, 1811.

Georgia, December 13, 1811.

North Carolina, December 23, 1811.

Massachusetts, February 27, 1812.

New Hampshire, December 10, 1812.

Rejected by New York (senate) March 12, 1811; Connecticut, May session, 1813; South Carolina, approved by senate November 28, 1811, reported unfavorably in house and not further considered December 7, 1813; Rhode Island, September 15, 1814.

AMENDMENT PROHIBITING ABOLISHING OR INTERFERING WITH SLAVERY (CORWIN AMENDMENT).

No amendment shall be made to the Constitution which will authorize or give to Congress the power to abolish or interfere, within any State, with the domestic institutions thereof, including that of persons held to labor or service by the laws of said State. (12 Stat. 251.)

Proposed by Congress March 2, 1861.

Ratified by the following States:

Ohio, March 13, 1861.

Maryland, January 10, 1862.

Illinois (convention), February 14, 1862.

ATTEMPTS TO REGULATE RATIFICATION.

On May 23, 1866, when the resolution proposing the fourteenth amendment was under consideration, Mr. Buckalew, of Pennsylvania, submitted an amendment to add to the resolution the following additional section:

"SEC. 6. This amendment shall be passed upon in each State by the legislature thereof which shall be chosen, or the members of the most popular branch of which shall be chosen, next after the submission of the amendment, and at its first session; and no acceptance or rejection shall be reconsidered or again brought in question at any subsequent session; nor shall any acceptance of the amendment be valid if made after three years from the passage of this resolution." (Cong. Globe, vol. 36, p. 2771.)

When the fifteenth amendment was before the Senate on February 3, 1869, Mr. Buckalew, of Pennsylvania, proposed to add to the resolution submitting it to the States the words:

"That the foregoing amendment shall be submitted to the legislatures of the several States, the most numerous branch of which shall be chosen next after the passage of this resolution." (Cong. Globe, vol. 40, p. 828.)

His speech in support of this proposal on February 5, 1869, is reported in the Congressional Globe, volume 40, pages 912 and 913. On February 9, 1869, this amendment was rejected—yeas 13, nays 43.

On February 17, 1869, an amendment practically identical with the above was offered by Mr. Hendricks, of Indiana, and the constitutionality of such a limitation was discussed by Senators Morton, Bayard, Buckalew, Dixon, and Yates. The question being taken, the amendment was rejected—yeas 12, nays 40. (Cong. Globe, vol. 40, pp. 1311–1314.)

On January 30, 1882, Mr. Berry, of California, introduced a joint resolution (H. J. Res. 116, 47th Cong., 1st sess.) proposing an amendment to the Constitution to regulate ratification, as follows:

"SECTION. 1. The legislature of a State shall not vote upon a proposed amendment to the Constitution of the United States except at a regular session held following an election of the members of the most numerous branch of the State legislature, which election must take place subsequent to the time of submission by Congress or a convention of the proposed amendment.

"SEC. 2. This amendment shall not take effect until the 5th of March, 1885."

On March 17, 1869, Mr. Morton, of Indiana, introduced in the Senate, and on March 29, 1869, Mr. Shanks, of Indiana, introduced in the House, identical joint resolutions (S. J. Res. 32 and H. J. Res. 57, 41st Cong., 1st sess.), which read as follows:

"*Be it resolved, etc.*, That on the sixth legislative day of a regular session, or of a legally called special session, of any State legislature, each house of said legislature, at the hour of 12 meridian, shall proceed to the consideration of any amendment of the Constitution of the United States that may have been submitted by the Congress of the United States to the legislatures of the several States for ratification, according to the provisions of the fifth article of the Constitution of the United States: *Provided*, That such amendment may not have been acted upon at any preceding session of said legislature. And if, upon the consideration of such amendment, it shall receive the votes of a majority of the members elected to each house of said legislature, it shall be held to be duly ratified by such legislature. And if final action is not taken upon the first day, then the house shall meet the next day at the same hour and so continue to meet from day to day (Sundays excepted) until final action is taken upon such amendment. Nor shall the action of either house of said legislature upon such amendment be hindered or prevented by the resignation or withdrawal, or the refusal to qualify, of a minority of either or of both houses of said legislature.

"SEC. 2. *And be it further resolved*, That if such amendment or amendments shall be ratified according to the provisions of the preceding section, the same shall be duly certified by the officers of each house and shall be transmitted by the governor of the State to the President of the United States."

(Cf. Ames, H. V. The proposed amendments to the Constitution of the United States during the first century of its history, pp. 287–292.)

APPENDIX B.

REPORT OF THE COMMITTEE ON CHANGE OF DATE OF PRESIDENTIAL INAUGURATION.

To the American Bar Association:

Our efforts to secure the needed change in the Constitution have led to interesting and dramatic results. As stated in our report for 1921 Senator ASHURST, of Arizona, introduced on April 12, 1921, in the first session of the Sixty-seventh Congress, a joint resolution (S. J. Res. 8) which followed so nearly the lines of the resolution passed by this association that the committee felt justified in supporting it. Leaving out the preamble, that resolution passed at our meeting in Cincinnati in 1921 is as follows:

"*Now therefore be it resolved*, That it is desirable:

"1. That Congress should come into being immediately upon its election, and that the ensuing session of Congress should be a session of the new Congress and not the old one.

"2. That the electors should meet at the earliest practicable date to count the votes for President and Vice President.

"3. That the Congress should meet at the earliest practicable date to count the votes for President and Vice President.

"4. That the President and Vice President should be inaugurated thereafter without any unnecessary lapse of time."

Senator ASHURST'S resolution was referred by the Senate to the Committee on the Judiciary, and by that committee to a subcommittee of which Senator CUMMINS was chairman, but owing partly to Senator CUMMINS'S ill health and partly to the press of business no action was taken on the resolution for a long time.

Finally, through the efforts of Mr. Levi Cooke, of Washington, a member of your committee, the Senate subcommittee ordered a hearing on the resolution to be held on the morning of December 5, 1922. Mr. Cooke and the chairman of your committee were present and presented the resolution of the bar association and made oral arguments in support of it. They also filed a written argument, a copy of which is hereto attached.

Meanwhile, as some of you may recall from the debates in the Senate, Senator CARAWAY had introduced a resolution that no Members of the House or Senate who had been defeated at the November election should be allowed to vote at the short session of Congress. Senator CARAWAY requested that this resolution be referred to the Committee on Agriculture and Forestry, of which Senator NORRIS, of Nebraska, was chairman. This reference was agreed to by the Senate amidst laughter of the Senate. None the less, the resolution, under the rules of the Senate, was properly before the Committee on Agriculture and Forestry, and, concurrently with the consideration of the matter in the Senate Judiciary Committee, the Committee on Agriculture and Forestry considered, and on the day of the hearing before the Senate Judiciary Committee reported to the Senate a resolution proposing an amendment to the Constitution in line with Senator ASHURST'S previously introduced proposal.

The members of your committee had the advantage of consultation with Senator NORRIS and other Senators concerned with the proposal. The resolution passed by the Senate was known as the Norris resolution.

The hearing before the Senate Judiciary Committee was referred to throughout the debate in the Senate on the passage of the Norris resolution, and it was generally understood in the Senate that the Senate Judiciary Committee was favorable to the proposal.

We are informed that the resolution would have commanded the necessary majority in the House and would have passed the House in the closing days of the session but for the illness of Speaker GILLETT.

The Committee on Election of President, Vice President, and Members of Congress considered the Norris resolution and, with some slight changes therein, reported the resolution favorably to the House of Representatives. (A copy of the amended resolution is hereto attached.) Representative WILLIAM E. ANDREWS, of Nebraska, chairman of the House committee, was unable in the closing days of the session to secure recognition from the Acting Speaker. It was believed, however, that the temper of the House was such that the resolution would have passed readily had it come to the voting stage in the House of Representatives.

While the Committee on the Judiciary of the Senate never made a report, yet the members present at our hearing, Senator CUMMINS and Senator BRANDEGEE, expressed themselves decidedly in favor of our recommendation, and so did Senator PEPPER, of Pennsylvania, who attended the hearing. We have, therefore, the support of some of the most conservative Members of the Senate most strongly interested in maintaining the substantial integrity of our Constitution.

The development of consideration before the Senate Judiciary Committee in the Senate debate and in your committee's consultation with individual Senators and Representatives indicates that there is a very strong feeling amongst public men that the reform should be dealt with promptly.

Senators and Representatives of all shades of opinion on other public questions seem to be agreed that the present system of holding sessions of Congress and inaugurating the President of the United States is an anachronism, the preservation of which in practice tends to interrupt the proper dispatch of the public business in Congress. It is generally felt that two regular sessions of each Congress of equal dignity and ability to dispatch the public business, without arbitrary termination of each second session in the midst of the very period during which legislation should be going forward without a complete stop as of March 4, will cure many of the difficulties and some of the abuses for which the Congress itself has been subjected to criticism, fairly attributable not so much to the Congress itself as to the calendar system under which it is compelled to operate. The so-called short session of Congress has afforded opportunity for filibustering and resort to compulsions affecting legislation which are well-nigh inescapable so long as the short session of Congress terminates arbitrarily in a period of three months, during which the holiday recess falls. Experienced legislators in Congress feel that with two sessions of equal dignity responsibility will be more clearly felt in all quarters, properly to attend to the public business, and that the ultimate effect will be not only to eradicate an illogical present system, but to afford both additional fair deliberation on all questions, coupled with economy of congressional operation, and, over a period of years, more vacation from congressional duties for Senators and Representatives, during which periods of vacation Senators and Representatives can have time for rest and commingling with their constituencies.

Indeed, as appears from the brief historical statement attached to this report, the resolution is really a return to and a carrying out of the intention of the framers of the Constitution, who never meant that there should be a long delay between the election and the assembling of Congress, but on the contrary intended that the Congress elected in the autumn should assemble early in December.

The large majority by which the resolution was carried in the Senate and the strong indications that the feeling of the House was substantially the same leads to the hope that the resolution will be passed early in the next session and will then be referred to the State legislatures for action.

In view of this we hope that this association will take such steps as may be best calculated to further favorable action by the various States, and we would suggest the appointment of a large committee, consisting of one Member from each State, to take such action as may be helpful to secure the passage of a constitutional amendment on the lines of Senator NORRIS'S resolution.

WILLIAM L. PUTNAM, *Chairman.*
WILLIAM C. KINKEAD,
LEVI COOKE,
AUBREY L. BROOKS.

ADJOURNMENT.

Mr. LODGE. I move that the Senate adjourn.

The motion was agreed to; and (at 5 o'clock and 35 minutes p. m.) the Senate adjourned until to-morrow, Friday, February 29, 1924, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

THURSDAY, *February 28, 1924.*

The House met at 11 o'clock a. m., and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

How rich Thy bounties, our Father in heaven! Thy divine care, how wonderful! Grant that we with true and faithful hearts may show forth our gratitude. May Thy marvelous gifts to us inspire all our powers to bless and praise Thee. Let us live on in patient trust, accepting our duties as Thy appointments, and never shrinking from the responsibilities to which we are called. Help us at all times to serve our fellows with the freest and the best impulses of our beings. Amid all the demands that press us help us to serve Thee best of all. Through Christ our Savior. Amen.

The Journal of the proceedings of yesterday was read and approved.

AIR SERVICE INVESTIGATION.

Mr. SNELL. Mr. Speaker, I desire to present, for printing under the rule, a report from the Committee on Rules on a privileged resolution (H. Res. 192) for the appointment of a special committee composed of seven Members of the House, appointed by the Speaker, to inquire into the operations of the United States Army Air Service, United States Naval Bureau

of Aeronautics, the United States Mail Air Service, and for other purposes.

The SPEAKER. Referred to the House Calendar.

IMMIGRATION.

Mr. HOLADAY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the immigration question.

The SPEAKER. The gentleman from Illinois asks unanimous consent to extend his remarks in the RECORD on the immigration question. Is there objection?

There was no objection.

Mr. HOLADAY. Mr. Speaker, the immigration question is important, not alone to America of to-day but of even more importance to America of to-morrow. It is important not alone to the present generation but of even greater importance to the generation yet unborn.

For a hundred years immigrants in an ever-increasing stream have poured into America. The numbers by 10-year periods are as follows:

1821–30	143,439
1831–40	599,125
1841–50	1,653,275
1851–60	2,571,936
1861–70	2,377,279
1871–80	2,812,191
1881–90	5,246,613
1891–1900	3,687,564
1901–10	8,795,386
1911–20	5,735,811
Total	33,621,719

For the 10 years just preceding the World War, this stream had increased to an average of over 1,000,000 immigrants per year.

On account of European conditions, resulting from the war, the millions of immigrants that will annually seek our shores, if not restricted by law, will only be limited by their inability to obtain passage.

With America threatened with this hoard of millions, let us take stock of our present conditions and our possible future conditions.

In 1920, the population of the United States was 105,710,620. Of this population, the number of foreign-born was 13,920,692.

The fact that 13 per cent of our population is foreign-born may be grounds for apprehension, but the fact that these fourteen millions of foreign-born are not equally distributed throughout the United States, but are massed in unwieldy groups in certain localities, is a matter for grave apprehension.

Some striking examples of this local massing may be seen by noticing the per cent of foreign-born in some of our States in 1920.

	Per cent.
Rhode Island	29
Massachusetts	28.3
Connecticut	27.4
New York	27.2
Arizona	24.1
New Jersey	23.5
California	22.1
Nevada	20.7
New Hampshire	20.6
Minnesota	20.4
North Dakota	20.4

Even more noticeable examples of this local massing may be found in our cities.

In 1920 there were 68 cities in the United States having a population of over 100,000.

Practically one-half of these cities had a foreign-born population of over 20 per cent, running as high as 42.1 per cent in New Bedford, Mass. Some of our largest cities showed the following per cent of foreign born:

	Per cent.
New York	36.1
Boston	32.4
Chicago	29.9
Cleveland	30.1
Detroit	29.8
Providence	29.4
San Francisco	29.4

It is also entirely proper for us to inquire into the source of this stream of immigration, from what countries and in what proportion does it come, what has been its environment, what are the political, social, and moral standards of the countries from which these millions of aliens come? From the following table we may ascertain the countries from which came approximately 17,000,000 of immigrants during the last 24 years, the number that have departed during the last 16 years, and the number remaining June 30, 1923:

Countries.	Immigrant aliens admitted, 1899–1923.	Immigrant aliens departed, 1908–1923.	Immigrant aliens remaining June 30, 1923.
Austria, Hungary, Czechoslovakia, Poland, Yugoslavia	3,519,805	774,361	2,745,444
Germany	594,437	56,063	538,374
Greece	393,116	161,782	231,334
Italy	3,642,208	1,098,679	2,543,529
Norway	297,640	28,534	269,106
Russia	2,711,324	273,311	2,438,013
Sweden	409,766	28,418	381,348
United Kindgom	1,622,772	141,392	1,481,380
Other Europe	1,220,230	292,192	928,038
Total Europe	14,411,298	2,854,732	11,556,566
Asia	516,046	114,183	401,863
British North America	1,159,267	345,185	814,082
Remainder of world	842,576	184,085	658,491
Grand total	16,929,187	3,498,185	13,431,002

There is much public discussion as to the desirability of immigration from southern and eastern Europe as compared with that from northern and western Europe.

It is, therefore, interesting to analyze our immigration for the past 24 years from this viewpoint.

NORTHERN AND WESTERN EUROPE.

Countries.	Immigrant aliens admitted, 1899–1923.	Immigrant aliens deported, 1908–1923.	Immigrant aliens remaining, June 30, 1923.
Belgium	86,975	12,209	74,766
Denmark	126,376	9,870	116,506
France	156,861	51,508	105,353
Germany	594,437	56,063	538,374
Netherlands	106,377	8,548	97,829
Norway	297,640	28,534	269,106
Sweden	409,766	28,418	381,348
Switzerland	74,344	8,878	65,466
United Kingdom	1,622,772	141,392	1,481,380
Other Europe	7,267	2,017	5,250
	3,482,815	347,437	3,135,378

SOUTHERN AND EASTERN EUROPE.

Austria, Hungary, Czechoslovakia, Poland, Yugoslavia	3,519,805	774,361	2,745,444
Finland	10,962	5,434	5,528
Italy	3,642,208	1,098,679	2,543,529
Bulgaria	63,247	38,710	24,537
Portugal	188,698	40,783	147,915
Rumania	122,435	40,154	82,281
Russia	2,711,324	273,311	2,438,013
Turkey	146,812	27,110	119,702
Greece	393,116	161,782	231,334
Spain	122,610	44,954	77,656
Other Europe	7,266	2,017	5,249
	10,928,483	2,507,295	8,421,188

While it can not be said that every foreign-born man that has become a naturalized American citizen has become Americanized in the broad and full meaning of the word, still the fact that he has taken this step is evidence on his part of his desire to become a part of America.

For the purpose of throwing light on the desire of the various foreign groups to sever their Old World connections and become a part of America I present a table showing the per cent of foreign-born white males 21 years of age and over residing in the United States who had become naturalized as shown by the census of 1920:

	Per cent.
Germany	73.3
Denmark	69.6
Sweden	69.5
United Kingdom	68.5
Norway	67.3
France	60.1
The Netherlands	58.1
Czechoslovakia	44.7
Russia	41.7
Rumania	40.8

	Per cent.
Austria-Hungary	32.3
Italy	30.2
Poland	27.9
Greece	17.1

I am of the opinion that the desirability of an immigrant does not depend so much on his racial blood as it depends upon the moral standards of the country from which he comes, coupled with the opportunities he will have to mingle with Americans, learn our language, and obtain a knowledge of the purposes of American institutions. His Americanization is seriously retarded by his becoming a part of a great unassimilated mass of his countrymen.

It is better for the individual immigrant, as it is better for America, that our immigration be composed of many different nationalities, rather than have it composed of one nationality.

I believe the per cent of aliens in any locality may rise to such a point that it becomes a certain and definite menace to America.

In some localities to-day the congestion of foreign-born, unable to speak the English language, together with their lack of understanding of American customs and purposes, has become a matter of such grave concern that the State is appropriating money for special schools for such foreign born. There is now pending before this Congress a measure to appropriate seven and one-half million dollars for the special education of the foreign born in our country.

The fact that the immigration problem is to-day receiving the serious consideration of millions of our thinking men and women is conclusive proof that its correct solution is of vital importance to our future welfare.

On the 30th day of June, 1924, the restrictive feature of our present immigration law expires by limitation, and we are now called upon to decide whether the millions of aliens desiring to enter our country shall come without hindrance or shall their coming be restricted; and if restricted, to what degree?

The economic, social, and moral standards of the United States surpass the standards of every other country.

The present-day standards of America can not be maintained except by the determined and honest efforts of American citizens.

America must Americanize the alien or the alien will alienize America.

There are able men, some of whom appeared before the committee, who profess to be unable to distinguish any difference of interests between the citizenship of the United States and the millions of aliens who desire to come to our country. Such men profess to believe that whatever is best for these alien millions is best for America.

I confess that I am unable to agree with these gentlemen, and prefer to meet this question from the standpoint of America, not America first, but America first, last, and all the time.

I have, therefore, applied the yardstick of American interests to the consideration of this question, and for the use of such yardstick I do not offer any apology or explanation to any foreign country or alien group.

The principal opposition to the restriction of immigration comes from foreign governments and their native sons, both naturalized and unnaturalized, residing in the United States.

Within the last few days the American Congress has witnessed the formal protests of three European Governments against the Johnson immigration bill.

The individual Members of Congress have been interviewed by foreign-born men, who have sworn allegiance to the American Government, and who profess to be loyal to American principles, but who protest vehemently against the restriction of immigration from their native country and say they will be offended if their fellow countrymen are not permitted to come.

Whenever the members of a large alien group in this country still retain their love for their native country to such an extent as to cause them to act in unison in behalf of their native government when an issue has been raised between that government and the Government of the United States, that fact alone is conclusive proof that immigration from that country should be suspended until such time as that particular group shall have become Americanized, not naturalized alone, but Americanized in word, thought, and purpose.

How thoroughly any alien group has become assimilated may be judged by the inverse ratio that such group protests against the restriction of immigration from their native country.

It has been pointed out on this floor that a half century ago there was a wave of prejudice against a particular alien group that led to riots and bloodshed. That wave has passed, because that particular alien group is no longer an unwieldy mass of unassimilated aliens living, thinking, and acting as a group, but they have become assimilated and are to-day a part and parcel of America.

RACE PREJUDICE.

There is no race prejudice in the United States against any particular man because of his racial blood. What may at times appear to be a racial prejudice is only the manifestation of the fear on the part of American citizens that American institutions and American ideals are endangered by the presence of a great unassimilated mass of any alien group.

This manifestation of fear has, from time to time, appeared in the past, as it will, no doubt, appear in the future, whenever the citizens of any foreign country come to our country in such numbers that they are unable to be assimilated.

It may be urged that America owes a duty to humanity that requires us to admit without restriction the unfortunate people of all the world. However uncertain the extent of that duty may be, there is no uncertainty as to the extent of the duty we owe to America.

There can be no question but what we owe a duty to the foreign born that are now in our country and this duty should be discharged before we permit more aliens to enter.

OUR DUTY TO AMERICA.

It is our duty to allay and prevent race prejudice and to offer every opportunity and facility for our foreign born to fall into step with America. No greater service can be performed for our foreign born than to restrict immigration for the next few years, and thus give those that are now here a better opportunity to become assimilated.

If we can not select the type of our immigrants without discriminating against certain countries and if we do not wish to so discriminate, then it is our duty to suspend immigration until all alien groups have become assimilated to such a degree that a future American Congress can approach the consideration of this question unharassed or uninfluenced by alien groups.

While the temporary suspension of immigration is in force, provision should be made for the deportation of those aliens who, by violation of the laws of our land, have demonstrated their unwillingness to embrace the opportunities of good citizenship we have extended to them.

By taking these two steps we are providing better advantages for the law-abiding and liberty-loving aliens who are now here, and at the same time we are protecting the future of America.

This is the opportunity for Congress to preserve America and her uplifting influences, not only for the benefit of America but for the benefit of the entire world.

REVENUE ACT OF 1924.

Mr. GREEN of Iowa. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 6715, the revenue bill.

The SPEAKER. The gentleman from Iowa moves that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 6715, the revenue bill. The question is on agreeing to that motion.

The question was taken.

Mr. CLARK of Florida. Mr. Speaker, I make the point of no quorum.

The SPEAKER. The gentleman from Florida makes the point of no quorum. Evidently there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will bring in the absentees, and the Clerk will call the roll. The question is on agreeing to the motion of the gentleman from Iowa.

The question was taken; and there were—yeas 372, nays 0, not voting 59, as follows:

YEAS—372.

Abernethy	Barbour	Boyce	Busby
Ackerman	Barkley	Boylan	Butler
Aldrich	Beck	Brand, Ga.	Byrnes, S. C.
Allen	Beedy	Brand, Ohio	Byrns, Tenn.
Allgood	Beers	Briggs	Cable
Almon	Begg	Britten	Campbell
Anderson	Bixler	Browne, N. J.	Canfield
Andrew	Black, N. Y.	Browne, Wis.	Cannon
Anthony	Black, Tex.	Browning	Carew
Arnold	Bland	Brumm	Carter
Aswell	Blanton	Buckley	Casey
Ayres	Bloom	Bulwinkle	Celler
Bacharach	Boies	Burdick	Chindblom
Bacon	Bowling	Burtness	Christopherson
Bankhead	Box	Burton	Clague

Clancy	Hardy	Madden	Schneider
Clark, Fla.	Haugen	Magee, N. Y.	Scott
Clarke, N. Y.	Hawes	Magee, Pa.	Sears, Fla.
Cleary	Hawley	Major, Ill.	Sears, Nebr.
Cole, Iowa	Hayden	Major, Mo.	Seger
Collier	Hickey	Manlove	Shallenberger
Collins	Hill, Ala.	Mansfield	Sherwood
Colton	Hill, Md.	Mapes	Sinclair
Connally, Tex.	Hill, Wash.	Mead	Sinnott
Connery	Hoch	Merritt	Sites
Cook	Holaday	Michener	Smith
Cooper, Ohio	Howard, Nebr.	Miller, Ill.	Smithwick
Cooper, Wis.	Howard, Okla.	Miller, Wash.	Snell
Cramton	Huddleston	Mills	Speaks
Crisp	Hudson	Minahan	Sproul, Ill.
Croll	Hull, Morton D.	Montague	Sproul, Kans.
Crosser	Hull, Iowa	Mooney	Stalker
Crowther	Hull, Tenn.	Moore, Ga.	Steagall
Cullen	Humphreys	Moore, Ohio	Stedman
Cummings	Jacobstein	Moore, Va.	Stengle
Dallinger	James	Moores, Ind.	Stephens
Darrow	Jeffers	Morehead	Stevenson
Davey	Johnson, Ky.	Morgan	Strong, Kans.
Davis, Minn.	Johnson, S. Dak.	Morin	Strong, Pa.
Davis, Tenn.	Johnson, Tex.	Morris	Sullivan
Deal	Johnson, Wash.	Morrow	Summers, Wash.
Denison	Johnson, W. Va.	Murphy	Sumners, Tex.
Dickinson, Iowa	Jones	Nelson, Me.	Swank
Dickinson, Mo.	Jost	Nelson, Wis.	Swing
Doughton	Kearns	Newton, Minn.	Swoope
Dowell	Keller	Newton, Mo.	Tague
Doyle	Kendall	O'Brien	Taylor, Tenn.
Drane	Kerr	O'Connell, N. Y.	Taylor, W. Va.
Drewry	Ketcham	O'Connell, R. I.	Thatcher
Driver	Kiess	O'Connor, La.	Thomas, Okla.
Dyer	Kincheloe	O'Connor, N. Y.	Tillman
Edmonds	Kindred	O'Sullivan	Tilson
Elliott	King	Oldfield	Timberlake
Evans, Iowa	Knutson	Oliver, Ala.	Tincher
Evans, Mont.	Kunz	Oliver, N. Y.	Tinkham
Fairchild	Kurtz	Paige	Treadway
Fairfield	Kvale	Park, Ga.	Tucker
Faust	LaGuardia	Parker	Underwood
Favrot	Lampert	Parks, Ark.	Upshaw
Fenn	Langley	Patterson	Vestal
Fisher	Lanham	Peavey	Vincent, Mich.
Fitzgerald	Lankford	Peery	Vinson, Ga.
Fleetwood	Larsen, Ga.	Perkins	Vinson, Ky.
Foster	Larson, Minn.	Perlman	Voigt
Frear	Lazaro	Phillips	Wainwright
Fredericks	Lea, Calif.	Porter	Wason
Free	Leatherwood	Pou	Watkins
Freeman	Leavitt	Prall	Watson
French	Lee, Ga.	Purnell	Weaver
Frothingham	Lehlbach	Quin	Wefald
Fulbright	Lilly	Ragon	Weller
Fuller	Lindsay	Rainey	Welsh
Fulmer	Lineberger	Raker	Wertz
Gallivan	Linthicum	Ramseyer	White, Me.
Garber	Little	Rankin	Williams, Ill.
Gardner, Ind.	Logan	Ransley	Williams, Mich.
Garner, Tex.	Longworth	Rathbone	Williams, Tex.
Garrett, Tenn.	Lowrey	Reece	Williamson
Garrett, Tex.	Lozier	Reed, Ark.	Wilson, Ind.
Gasque	Lyon	Reed, N. Y.	Wilson, Miss.
Gibson	McClintic	Reid, Ill.	Wingo
Gifford	McDuffie	Richards	Winslow
Gilbert	McFadden	Roach	Winter
Goldsborough	McKeown	Robinson, Iowa	Wolff
Graham, Ill.	McLaughlin, Mich.	Rogers, Mass.	Wood
Graham, Pa.	McLaughlin, Nebr.	Rogers, N. H.	Woodruff
Green, Iowa	McLeod	Rosenbloom	Woodrum
Greene, Mass.	McNulty	Rubey	Wright
Greenwood	McReynolds	Sabath	Wurzbach
Griest	McSwain	Salmon	Wyant
Griffin	McSweeney	Sanders, Ind.	Yates
Hadley	MacGregor	Sanders, Tex.	Young
Hammer	MacLafferty	Sandlin	Zihlman

NAYS—0.

NOT VOTING—59.

Bell	Harrison	Moore, Ill.	Taber
Berger	Hastings	Nolan	Taylor, Colo.
Buchanan	Hersey	Quayle	Temple
Cole, Ohio	Hooker	Rayburn	Thomas, Ky.
Connolly, Pa.	Hudspeth	Reed, W. Va.	Thompson
Corning	Hull, William E.	Robsion, Ky.	Tydings
Curry	Kahn	Romjue	Underhill
Dempsey	Kelly	Rouse	Vaile
Dickstein	Kent	Sanders, N. Y.	Vare
Dominick	Kopp	Schafer	Ward, N. Y.
Eagan	Luce	Schall	Ward, N. C.
Fish	McKenzie	Shreve	Watres
Funk	Martin	Simmons	White, Kans.
Geran	Michaelson	Snyder	Wilson, La.
Glatfelter	Milligan	Sweet	

So the motion was agreed to.

The Clerk announced the following pairs:

Until further notice:

Mr. William E. Hull with Mr. Martin.
Mr. Kahn with Mr. Rouse.
Mr. Funk with Mr. Geran.
Mr. Cole of Ohio with Mr. Bell.
Mr. Moore of Illinois with Mr. Hudspeth.
Mr. Shreve with Mr. Taylor of Colorado.
Mr. Snyder with Mr. Harrison.
Mr. Thompson with Mr. Hastings.
Mr. Watres with Mr. Dominick.
Mr. Connolly of Pennsylvania with Mr. Buchanan.
Mr. Hersey with Mr. Hooker.
Mr. Robsion of Kentucky with Mr. Quayle.
Mr. Simmons with Mr. Tydings.
Mr. Temple with Mr. Corning.
Mr. Michaelson with Mr. Berger.
Mr. Curry with Mr. Eagan.
Mr. Ward of New York with Mr. Kent.
Mr. Schall with Mr. Thomas of Kentucky.
Mr. Sweet with Mr. Ward of North Carolina.
Mr. Vare with Mr. Wilson of Louisiana.
Mr. Kopp with Mr. Glatfelter.
Mr. McKenzie with Mr. Milligan.
Mr. Luce with Mr. Rayburn.
Mr. Dempsey with Mr. Dickstein.

The SPEAKER. Three hundred and seventy-two Members are present—a quorum. The motion is agreed to. The Doorkeeper will open the doors.

The doors were opened.

The SPEAKER. The House resolves itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 6715. The gentleman from Illinois [Mr. GRAHAM] will take the chair.

Thereupon the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes, with Mr. GRAHAM of Illinois in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 6715, the revenue bill, which the Clerk will report by title.

The Clerk read as follows:

A bill, H. R. 6715, to reduce and equalize taxation, to provide revenue, and for other purposes.

Mr. GREEN of Iowa. Mr. Chairman, I call for a vote on the automobile amendment.

Mr. BLANTON. Mr. Chairman, I rise to a point of order. I call the attention of the Chair to the fact that a man in the gallery has just displayed a banner with some printing upon it. This makes twice that the same individual has violated the rules of this House. I ask that he be removed and prevented from doing that again.

The CHAIRMAN. The point of order is sustained. The Doorkeeper will remove the individual indicated from the gallery.

Mr. DENISON rose.

The CHAIRMAN. For what purpose does the gentleman from Illinois rise?

Mr. DENISON. I rise to make a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DENISON. Will the Chair advise us what is before the House now?

The CHAIRMAN. The matter before the House now is an amendment offered by the gentleman from Ohio [Mr. DAVEY] to the amendment offered by the gentleman from Michigan [Mr. MCLAUGHLIN]. The amendment of the gentleman from Ohio will now be reported.

Mr. DENISON. After that is disposed of the amendment offered by the gentleman from Michigan is still open to amendment, is it not—not for debate, but open to amendment?

The CHAIRMAN. It is open to amendment. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. DAVEY:

Mr. BRITTEN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BRITTEN. Will it be in order at this time to request that the original amendment as well as the amendment to the amendment be read for the benefit of the House?

The CHAIRMAN. Without objection, that will be done. The original amendment of the gentleman from Michigan [Mr. MCLAUGHLIN] with the amendment of the gentleman from Ohio [Mr. DAVEY] added to it will be read by the Clerk.

The Clerk read as follows:

Page 166, line 15, at the end of the line add the following: "*Provided*, That this paragraph (1) shall not apply to automobile trucks and automobile wagons (nor to the chassis thereof if sold separately) if the selling price of such chassis of such trucks or wagons is not in excess of $1,000."

Also, page 166, line 23, strike out the figure "5" and insert in lieu thereof the figures "2½."

Mr. GARRETT of Tennessee. Mr. Chairman——

The CHAIRMAN. The Clerk will now read the amendment offered by the gentleman from Ohio [Mr. DAVEY].

The Clerk read as follows:

Amendment offered by Mr. DAVEY: Strike out lines 8, 9, and 10 of the McLaughlin amendment and insert in lieu thereof the following: "Strike out lines 20 to 24, inclusive, page 166."

Mr. GARRETT of Tennessee. Mr. Chairman, I want to get the attention of the gentleman from Iowa [Mr. GREEN] for just a moment if I may. The gentleman from Iowa recalls the circumstances under which debate was closed upon this amendment in Committee of the Whole on Tuesday evening, and will recall that a considerable part of the time which should have been devoted to debate was taken up by teller votes, so that two or three gentlemen were deprived of speaking who seemed to have that right or ought to be permitted to speak. I am wondering whether the gentleman from Iowa will not make a request that there may be as much as 10 or 12 minutes' debate on this amendment now.

Mr. GREEN of Iowa. I do not feel inclined to do so. The gentlemen who were getting teller votes and delaying the proceedings knew full well what the effect would be, and I do not consider I am responsible for it at all.

Mr. GARRETT of Tennessee. The gentleman from Iowa is not responsible for it, nor are we responsible for it on this side. The teller vote which was had on this side was had after debate had been exhausted or after the hour had been reached; but it was agreed to close the debate at 6 o'clock, and at about 10 minutes to 6 the House got into great confusion and there was practically no debate between 10 minutes of 6 and 6 o'clock. The gentleman from Michigan [Mr. CLANCY] desired to debate the amendment and it had been agreed that he should have an opportunity to do so, and I know the gentleman from Iowa was willing for him to have that opportunity.

Mr. GREEN of Iowa. As far as I am concerned, I have no objection to the gentleman from Michigan [Mr. CLANCY] having five minutes provided the gentleman from Michigan [Mr. MCLAUGHLIN] also has five minutes, because the gentleman from Michigan [Mr. CLANCY] made some remarks about Mr. MCLAUGHLIN which I do not think were entirely proper.

Mr. GARRETT of Tennessee. I do not think there would be any objection to that. I ask unanimous consent for 10 additional minutes' debate on this amendment.

Mr. GREEN of Iowa. The gentleman from Michigan, Mr. CLANCY, to have five minutes and the gentleman from Michigan, Mr. MCLAUGHLIN, to have five minutes?

Mr. GARRETT of Tennessee. I suppose that would be the understanding.

Mr. GREEN of Iowa. Is that a part of the gentleman's request?

Mr. GARRETT of Tennessee. That would be the understanding, I think.

The CHAIRMAN. Let the Chair state the proposition, and also state to the committee that it will facilitate the reading of this bill and enable us to get along faster if the committee will help the Chair in maintaining order.

The gentleman from Tennessee [Mr. GARRETT] asks unanimous consent that there be 10 minutes' additional debate on subsections 1, 2, and 3, one-half of which time is to be allotted to the gentleman from Michigan, Mr. CLANCY, and one-half to the gentleman from Michigan, Mr. MCLAUGHLIN. Is there objection?

Mr. YOUNG. Mr. Chairman, I object.

The CHAIRMAN. The gentleman from North Dakota objects.

The question is now on——

Mr. McLAUGHLIN of Michigan. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. McLAUGHLIN of Michigan. In the amendment offered by the gentleman from Ohio [Mr. DAVEY] to the amendment offered by me reference is made to my amendment by the number of the lines. My amendment has no numbered lines, the lines having no numbers.

Mr. McKEOWN. Mr. Chairman, I demand the regular order.

Mr. McLAUGHLIN of Michigan. This is a parliamentary inquiry.

The CHAIRMAN. The gentleman from Michigan is stating a parliamentary inquiry.

Mr. McLAUGHLIN of Michigan. And it has seemed to me that the amendment of the gentleman from Ohio ought to be in different form, because when we come to make up the record on this proposition there will be nothing to indicate at what point the amendment of the gentleman from Ohio is to be put in.

Mr. BRITTEN. And, Mr. Chairman, a further question. There is nothing in the amendment offered by the gentleman from Ohio to indicate just what he is striking out except the number of the lines, which means nothing.

Mr. McLAUGHLIN of Michigan. That is what I was referring to. It would strike out the lines, and it gives the number of the lines in my amendment, while the lines in my amendment are not numbered at all. So no one knows with any accuracy at all what the gentleman would strike out.

The CHAIRMAN. The amendment to the amendment is somewhat informal, but the Chair thinks, after conferring with the Clerk, that it is probably intelligible. The part of the McLaughlin amendment which is sought to be stricken out is the following language:

Also, page 166, line 23, strike out the figure "5" and insert in lieu thereof the figures "2½."

That seems to be the part of the McLaughlin amendment which is to be stricken out by the amendment of the gentleman from Ohio.

Mr. CHINDBLOM. Mr. Chairman, may we have the amendment as it would read in the event it were adopted?

The CHAIRMAN. Without objection, the Clerk will report the amendment of the gentleman from Michigan as it would be if amended by the amendment offered by the gentleman from Ohio.

Mr. CHINDBLOM. As interpreted by the Chair.

The CHAIRMAN. Yes; and the committee will give attention to the reading.

The Clerk read as follows:

Amendment offered by Mr. McLAUGHLIN: Page 166, line 15, at the end of line 15, add the following: "*Provided*, That this paragraph (1) shall not apply to automobile trucks and automobile wagons (nor to the chassis thereof if sold separately) if the selling price of such chassis of such trucks or wagons is not in excess of $1,000." Strike out lines 20 to 24, inclusive, on page 166.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. McLAUGHLIN of Michigan. My understanding is that the amendment of the gentleman from Ohio strikes out my amendment, while, as the Clerk reads it, it would strike out the lines of the bill. My amendment to the third paragraph is simply the suggestion of a change of the figure "5" to the figures "2½."

Mr. McKEOWN. Regular order, Mr. Chairman. The regular order is to vote on the amendment.

Mr. McLAUGHLIN of Michigan. If the gentleman strikes out my amendment altogether, that would leave the paragraph as it is. I have undertaken to reduce the tax now levied at the rate of 5 per cent to 2½ per cent. As I understood the gentleman's amendment, it would strike that out and leave the tax as it is now, which would be at the rate of 5 per cent.

Mr. McKEOWN. Mr. Chairman, I make the point of order that the regular order has been demanded.

Mr. CHINDBLOM. Mr. Chairman, I beg to withdraw my request. I do not want to substitute the interpretation of the Chair and the reading of the Clerk for the amendment. We do not know what it is.

Mr. BURTNESS. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. BURTNESS. The McLaughlin amendment amends two separate subdivisions—that is, subdivision 1 and subdivision 3—but it is offered as one amendment. It deals with two separate subjects. My inquiry is whether we can ask for a division of the question, so as to vote upon each proposition separately; that is, first to vote upon the proposition pertaining to subdivision 1 and then vote upon the proposition pertaining to subdivision 3.

Mr. GREEN of Iowa. Mr. Chairman, that can not be done now. It is too late.

Mr. McKEOWN. Mr. Chairman, I make the point of order that I have asked for the regular order twice.

The CHAIRMAN. The gentleman is stating a parliamentary inquiry.

Mr. McKEOWN. Yes, sir; and making a speech under the guise of a parliamentary inquiry.

The CHAIRMAN. The Chair thinks the matter would be divisible.

Mr. BURTNESS. I therefore ask that it be divided.

The CHAIRMAN. But the division would not come until the decision on the Davey amendment.

Mr. BURTNESS. I understand that, Mr. Chairman.

The CHAIRMAN. The question is on the amendment to the amendment offered by the gentleman from Ohio [Mr. DAVEY].

The question was taken, and the amendment to the amendment was rejected.

The CHAIRMAN. The question now comes on the amendment of the gentleman from Michigan [Mr. MCLAUGHLIN] as applicable to the first subsection of the paragraph.

Mr. VESTAL. Mr. Chairman, can we have that part of the amendment read, please?

Mr. DYER. I object.

The CHAIRMAN. The question is on the amendment of the gentleman from Michigan [Mr. McLAUGHLIN], as applicable to subsection 1.

The question was taken, and the amendment to subsection 1 was agreed to.

Mr. DYER. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Chair will put the amendment to subsection 3. The question now is on the amendment of the gentleman from Michigan as applicable to subsection 3.

The question was taken, and the amendment was agreed to.

Mr. HAYDEN. Mr. Chairman, I offer an amendment.

Mr. GREEN of Iowa. Mr. Chairman——

The CHAIRMAN. The gentleman from Iowa [Mr. GREEN] is entitled to recognition.

Mr. GREEN of Iowa. Mr. Chairman, I offer a perfecting amendment made necessary by the adoption of the McLaughlin amendment in order to prevent the exemption of parts of chassis costing more than $1,000.

The CHAIRMAN. The gentleman from Iowa offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. GREEN of Iowa: Page 166, line 23, strike out the words "enumerated in" and insert the words "taxed under."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa.

The question was taken, and the amendment was agreed to.

Mr. STENGLE and Mr. HAYDEN rose.

The CHAIRMAN. The gentleman from Arizona [Mr. HAYDEN] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HAYDEN: Amend, on page 166, after line 24, by inserting as a new paragraph the following:

"That beginning with the fiscal year ending June 30, 1925, all moneys received from excise taxes collected under paragraphs (1), (2), and (3) of section 600 of Title VI of this act shall be, and the same are hereby, reserved and set aside as a special fund in the Treasury to be known as the 'Federal aid highway fund,' to be subject to appropriation from time to time by Congress in carrying out the provisions of the Federal highway act approved November 9, 1921 (42 Stat. L. p. 212), and acts amendatory thereof and supplemental thereto."

Mr. GREEN of Iowa. Mr. Chairman, I make the point of order that the amendment, in effect, makes an appropriation. It is entirely foreign to the bill and there are about 100 other reasons why it is not in order.

The CHAIRMAN. Does the gentleman from Arizona wish to be heard on the point of order?

Mr. HAYDEN. Mr. Chairman, I have examined the parliamentary authorities and the gentleman from Iowa is correct. I concede the point of order and will present this proposal to the proper legislative committee.

The CHAIRMAN. The point of order is sustained.

Mr. STENGLE. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from New York offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. STENGLE: Page 167, line 20, after the word "machine" insert a new paragraph, to read:

"9. Chewing gum or substitutes therefor, 3 per cent."

Mr. STENGLE. Mr. Chairman, I hardly think that this amendment needs much discussion on my part. It is simply restoring a subject matter that was in the bill in 1918, and everybody knows what chewing gum is and I am ready for a vote. [Cries of "Vote! "Vote!"]

Mr. RAINEY. Mr. Chairman, I am unwilling that a vote should be taken upon this important amendment in this perfunctory way. I want to explain the effect of the amendment which is offered. If it had not been offered by the gentleman from New York who has offered it, I was going to offer it myself. The chewing-gum tax went into the law in 1918 and was repealed by the act of 1921. Chewing gum is a revenue proposition, one of the best we have. It is as important perhaps as cigarettes and is a tax that ought to be restored. I want to explain to the committee what it accomplished while it was in effect.

In 1920 under this 3 per cent chewing-gum tax we collected $1,124,943.74. In 1921 under this tax we collected $1,332,267.44. Of course, we collected this tax for only a part of the year 1922, and the collections fell off during that year. We may assume that 1921 was a fair test so far as revenue goes for this particular tax. The chewing-gum industry in the United States is now controlled by two or three different manufacturing companies, but the Wrigley Co. manufactures most of the chewing gum in the United States. Here is what Mr. Wrigley claims for his two factories. He has two factories, one in Chicago and one in Brooklyn. This is the statement he recently issued himself. His chewing gum from these two factories is distributed in the United States through 900,000 retailers, and his plants have a daily capacity of 7,000,000 packages of gum. In other words, these two plants under the control of Mr. Wrigley turn out a product which sells to the ultimate consumers of the United States for $350,000 every day in the year. His are not the only factories.

Mr. WILLIAMSON. Will the gentleman yield?

Mr. RAINEY. Yes.

Mr. WILLIAMSON. What would be the approximate expense of collecting this tax and would it be collected by a stamp tax?

Mr. RAINEY. It is not collected by a stamp tax; it is a tax that collects itself; it is a manufacturer's tax collected at the source. In this statement he issued not long ago he stated that over $40,000,000 had been expended by him in advertising his gum. He commenced the manufacture of gum in 1891. While the tax was in force from 1918 to and including the few months in 1922 we collected from the chewing-gum tax over $4,000,000.

Mr. RANKIN. Will the gentleman yield?

Mr. RAINEY. Yes.

Mr. RANKIN. I just overheard a question on the other side of the House as to whether or not this was an indirect attempt to levy a tax upon campaign contributions; will the gentleman enlighten us as to that? [Laughter.]

Mr. RAINEY. I think this tax will still leave Mr. Wrigley with enough money to continue his campaign contributions if he feels like doing it.

Mr. SANDERS of Indiana. If too much is taken, could he not get a refund by employing some man representing the Treasury Department? [Laughter.]

Mr. RAINEY. I am presenting this as a serious proposition; and while I appreciate these pleasantries, I do not want to be sidetracked, because I want to get some money out of this chewing-gum proposition, for we need some more money in this bill. Now, during the period of time the chewing-gum tax was in effect Mr. Wrigley probably paid the most of the tax, but during that period of time he built the Wrigley office building in Chicago out of his profits while paying the tax, and the Wrigley office building, he says, cost $3,900,000.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. RAINEY. I ask for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. RAINEY. Mr. Wrigley then built another office building, which is nearly completed and which will cost $4,500,000. In other words, during the time the tax was in effect he has added office buildings to his holdings costing over $8,000,000.

Mr. MILLER of Washington. How does the gentleman from Illinois regard a tax on Coca-Cola? That is about as thrifty as chewing gum.

Mr. RAINEY. We will take care of Coca-Cola later on. I do not want to mix up Coca-Cola with chewing gum. I would like to see Coca-Cola taxed and have been in favor of it.

Mr. LOZIER. In enumerating Mr. Wrigley's holdings, has the gentleman in mind the acquisition of the island of Catalina?

Mr. RAINEY. I am coming to that. During this time, when he built these office buildings costing over $8,000,000, he acquired Catalina Island, off California, and the steamboat line which plies between the island and the mainland. During that period of time he has bought two baseball clubs on the Pacific coast, and he owns a large interest in one of the Chicago baseball clubs. I am glad that Mr. Wrigley is prospering. I know him well, and he is a delightful person. I am glad that he is making money.

I am presenting these facts to show to the committee that Mr. Wrigley can pay this chewing-gum tax and then make as much money as anybody ought to be permitted to make.

Mr. ROSENBLOOM. Mr. Chairman, will the gentleman yield?

Mr. RAINEY. In a moment. This is what we have done for Mr. Wrigley recently: In the last tariff bill we took off the tariff on his chicle and he now brings all his chicle free from Mexico. He saves all of that now. Chewing gum is made out of chicle and sugar and some coal-tar flavoring extracts. That is all there is in it. During that time we have also cut his surtax. He is in the high bracket always and we cut his surtax from 65 to 50 per cent. We propose now to lower his surtaxes more. We have also taken off the excise tax on chewing

gum. We have also relieved his corporation from the payment of excess-profits taxes. It is about time, I submit, to put back some of his taxes and let Mr. Wrigley resume these payments as a patriotic citizen. He has during the present campaign already advocated the election in a substantial way of two different Republican candidates for the Presidency. He is a versatile gentleman who fits into most any situation, and he ought to pay this tax.

Mr. EDMONDS. Mr. Chairman, will the gentleman yield?

Mr. RAINEY. Yes.

Mr. EDMONDS. Do I understand that this tax is proposed for the purpose of getting even with Mr. Wrigley on account of his political activities?

Mr. RAINEY. Oh, no.

Mr. ROSENBLOOM. Mr. Chairman, will the gentleman yield?

Mr. RAINEY. Yes.

Mr. ROSENBLOOM. Is the purpose of the gentleman's amendment to tax only Mr. Wrigley's gum?

Mr. RAINEY. Oh, no.

Mr. ROSENBLOOM. According to the gentleman's argument, there would seem to be no small manufacturers of gum at all.

Mr. RAINEY. Oh, there are some.

Mr. ROSENBLOOM. There are a lot of them.

Mr. RAINEY. But their production is negligible. We ought not to let any of them escape. I have a package of Wrigley's gum here. Every package of his chewing gum is wrapped in about 13 different wrappers. Printed on the inside of the outside wrappers there is a profit-sharing coupon, and if you want to find out what you win by buying this particular package of chewing gum you have to write to New York to some profit-sharing corporation for a catalogue. When he paid these taxes by making these strips of chewing gum a little thinner—he was able to do it——

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

Mr. RAINEY. Mr. Chairman, I ask unanimous consent to proceed for one minute more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. RAINEY. He put this united profit-sharing coupon on a separate piece of paper when he paid the tax, but now he prints it on the inside of the outside wrapper of the gum. He was able by putting another piece of paper into the package to make the package large enough so that they could be fed out of his coin-delivery devices, so that it would go through his machines, and in that way when he really paid the tax he put it on to the ultimate consumer, who really got one more piece of paper and thinner sticks of chewing gum. That is all there was to it. His is a fair example of the prosperity that can come to a man who engages in this business. Whether he pays the tax or not, he made enough during these years to satisfy anyone—as much as he ought to make—and we ought now to see that he pays the tax again. Twenty million industrious chewers of gum have brought to Mr. Wrigley his great wealth and his enormous income. In return for their disinterested and valuable service to him he ought now to be given an opportunity to pay some taxes.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. GREEN of Iowa. Mr. Chairman, at the time this tax was taken off I opposed it to the extent of my ability, fought it as hard as I could. I did not think it ought to be taken off at that time because at that time there was a tax on candy, and chewing gum competed with candy. There was a tax on other similar articles but I was unable to prevent its being taken off. The situation is now reversed. We have taken the tax off candy which competes with chewing gum, and we have taken it off because confections and chewing gum and other things compete with candy and were not taxed.

As far as Mr. Wrigley is concerned, if he were the one who would have to pay the tax I would not worry about it, and I would be willing to let it go on, but as the gentleman from Illinois [Mr. RAINEY] very properly stated, Mr. Wrigley does not have to pay this tax, and he will not pay it. He simply passes it on, and it goes on to the little fellow who peddles on the street and the little storekeeper. Mr. Wrigley simply adds the amount of the tax.

Also, there is a mistake when one thinks that all these people in the chewing-gum business have been highly successful. The only one that I know of is Mr. Wrigley himself. The American Chicle Co. is in very serious difficulty, threatened with bankruptcy and a receiver.

Mr. RAINEY. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. RAINEY. I remind the gentleman of the fact that while I said that he passed it on, Mr. Wrigley claimed when the tax went on that he could not pass it on.

Mr. GREEN of Iowa. But he did pass it on, as the gentleman knows, and made as much money as ever.

Mr. Chairman, I move that all debate upon this amendment and all amendments thereto close in three minutes.

The motion was agreed to.

Mr. CHINDBLOM. Mr. Chairman, I have one or two observations to make upon this question. This bill takes the tax off candy. That recommendation was made by the Committee on Ways and Means. It takes the tax off Coca-Cola and all manner of soft drinks, everything of food or drink which the people buy that is more or less in the nature of a delicacy. Some call it a luxury, but it is a luxury in which we all indulge.

Mr. GREEN of Iowa. Especially the poor people.

Mr. CHINDBLOM. It is a luxury in which the poor people of large cities particularly indulge. It is a luxury in which the Members of this House indulge in the cloakrooms at times and even on the floor.

Mr. KVALE. Mr. Chairman, will the gentleman yield?

Mr. CHINDBLOM. Yes.

Mr. KVALE. Purely in the interest of civilization, would not the gentleman suggest putting some provision in the bill which would limit the use of chewing gum to Indians and negroes.

Mr. CHINDBLOM. Certainly not. The gentleman is mistaken in supposing that gum is an injury to civilization. The time is passed when gentlemen can make that argument to intelligent people, at least people as intelligent as the Members of this House, many of whom use chewing gum. The pepsin that is in the chewing gum is a very healthful article.

There is but one more proposition I wish to state. If you put the tax on, you are not going to injure Mr. Wrigley or one or two other of the big manufacturers, but you will probably put a number of small manufacturers out of business, and we have some of those. You are going to hit the little retailer and the small manufacturer who would not have the opportunity or the facility for passing on the tax in the first place, or of absorbing it in his enormous output in the second place. This was, when we started, a bill to reduce taxes. It is rapidly becoming a bill to increase taxes and of course to create situations that existed immediately after the war and from which we have been trying to seek some avenue of escape. If there ever was a nuisance tax, the tax on candy, soft drinks, and chewing gum certainly was and is a nuisance tax.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from New York [Mr. STENGLE].

The question was taken, and the Chairman announced that the noes appeared to have it.

Mr. STENGLE. A division, Mr. Chairman.

The CHAIRMAN. A division is called for.

The committee divided; and there were—ayes 121, noes 150.

Mr. STENGLE. I ask for tellers, Mr. Chairman.

The CHAIRMAN. Tellers are asked for.

Tellers were ordered, and the Chairman appointed Mr. STENGLE and Mr. TIMBERLAKE to act as tellers.

The committee again divided; and the tellers reported—ayes 129, noes 152.

So the amendment was rejected.

Mr. PURNELL. Mr. Chairman, I offer an amendment.

Mr. McREYNOLDS. Mr. Chairman, I wish to offer an amendment.

The CHAIRMAN. The gentleman from Indiana offers an amendment, which the Clerk will report.

Mr. PURNELL. I move to strike out subsection 8.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Indiana.

The Clerk read as follows:

Amendment offered by Mr. PURNELL: Page 167, beginning with line 13, strike out all of subsection 8.

Mr. PURNELL. Mr. Chairman and gentlemen of the House, this chewing-gum discussion suggests an inquiry propounded at one of the local theaters this week in a very serious sentimental ballad entitled, "Does spearment lose its flavor on the bedpost overnight?" [Laughter.]

I have moved to strike out subsection 8 of this section for the reason that I am not willing, as far as my vote is concerned, for the Government to continue to put its stamp of approval upon the manufacture and operation of gambling devices by imposing a tax

which creates no burden. I am not a reformer, and I have no desire to pose as such, but I do have some very fixed notions when it comes to any matter that may in any way tend to poison the minds or corrupt the youth of this country. I regret that time will not permit me to enter into a discussion of this subject as I would like to do; however, I do hope in the few minutes allotted to me to be able to present for the consideration of the House some facts that may be of future use.

Mr. McKEOWN. Mr. Chairman, will the gentleman yield there for a question?

Mr. PURNELL. I regret I have not time now. I will in a minute if I can get a little more time.

I called the Treasury Department this morning to find out whether or not this Government is actually taxing gambling devices. I was informed by the department that machines which are regarded by the Government as strictly gambling devices are exempt from taxation. The particular class of machines I have in mind, however, are not taxed except for a very small amount because by merely placing on the side a simple little attachment which occasionally vends gum or mint these manufacturers and operators who are running riot throughout the country and poisoning the youth of America and taking the earnings of working people are able to scatter throughout the land these gambling devices and avoid taxation entirely except on this little added attachment, which is very nominal in its cost and as a result carries a very small tax.

Mr. YOUNG. Why not add that to the tax instead of cutting the section out?

Mr. PURNELL. I do that because it does not bring in enough money to quibble over. This section brings in altogether only $126,000. At least half of it is produced from weighing machines. The other half is divided among a number of so-called automatic vending devices, so that the proportionate part which these purely gambling machines pay amounts to not more than $10,000 per year. I want to strike it all out because it is next to impossible—and I am so informed by the department—to determine what is and what is not a gambling device, so that in order that we may be sure that we will not have our Government put its stamp of approval upon these gambling devices, I ask that you vote to strike it entirely from the bill.

Now, in order to increase sales and create the impression throughout the country that these machines do have the sanction of the Government, they have printed on them, as you see here in this picture, in very large type, "The United States Government excise tax has been paid on this gum vendor." You will notice there is no tax on the machine itself, simply on the little gum-vending attachment.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. PURNELL. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman?

There was no objection.

Mr. GARNER of Texas. Mr. Chairman, will the gentleman yield for a question?

Mr. PURNELL. Yes.

Mr. GARNER of Texas. I understand the gentleman merely wants to strike out this provision because a part of the machine is used as a gambling device?

Mr. PURNELL. That is substantially correct.

Mr. GARNER of Texas. If that is so, why not strike out the stamp tax on playing cards?

Mr. PURNELL. All the machines I have in mind are used for gambling purposes exclusively, while that is not always true of playing cards.

Mr. Chairman, several States, including my own State of Indiana, have driven these slot machines and so-called vending devices out. They continue to flourish, however, in other sections and continue to make gamblers of children and men who seek to take a chance and get something for nothing. I am primarily interested in the enactment of a law prohibiting their shipment in interstate commerce. Looking toward this end, I have introduced House bill 6071, to prohibit the importation and the interstate transportation of gambling or chance slot machines and automatic vending devices connected with chance devices. These machines are being operated over the country by syndicates backed by the manufacturers, and are a growing menace to the community in which they get a foothold. For this reason they have been legislated against and declared illegal in many States. But despite this fact these syndicates evade the law by applying for an injunction against the law-enforcement officers pending a decision of the court as to their legality, and in the interim the gambling machines continue to reap a big harvest for the operator. When the law finally stops their activities they move elsewhere and follow the same method of procedure.

The machines are worked on a strictly gambling principle, though they usually have a blind to conceal this fact in the form of a receptacle for gum or mints on the side. For every nickel played into the machines the player is entitled to one package, if there should happen to be any in the compartment at the time. But the player is not after the gum or mints; he plays his nickel for a different reason—to win more and, if lucky, receive from 2 to 20 coupons or checks, which have a definite value and may be redeemed for cash or merchandise or may be played back into the machine again.

A victim generally wins just enough to encourage him to continue to play. This being the operator's game and the machine being so constructed, the player losses all in the end.

There are several types of machines. Some resort to no gum or mint subterfuge whatever and are played for straight cash, sometimes as high as a quarter. From this it can be readily seen what harm is wrought and what hardship is worked upon those who can ill afford to play. Aside from this however, these machines exert a far more baleful influence upon the character of our school children, inculcating in the habit-forming period of their lives this desire to gamble and get something for nothing. In St. Louis last year the machines were filching a harvest from school children, some of whom were so small they could barely pull down the lever which manipulates the device. They were sacrificing their lunch money in order to play them. Finally, after six months, they were driven from St. Louis as they had previously been from such cities as Cleveland, Chicago, Minneapolis, Denver, and towns on the Pacific coast. The supreme court of my own State, in a leading case, has held them to be gambling devices, regardless of whether or not the player gets value received with each operation of the machine.

This gambling syndicate is even now operating across the line in the State of Maryland. Only a few days ago I observed a crowd of school children playing one of these machines in a near-by town. If something is not done to stop them, we may reasonably expect to find these machines in operation under the very shadow of the Capitol.

I have here clippings from a number of magazines which enjoy the privilege of our mails, whose columns carry such attractive headlines as "$10,000 profit in six months made by operators using our machines."

As Representatives and guardians of the youth of our country, we can well afford to concern ourselves with the preservation of the morals of our country by driving these devices out of interstate commerce. To this end I have introduced H. R. 6071, which I trust will have the indorsement of the Congress at an early date.

I will say to the gentlemen very frankly that I have offered this amendment primarily for the purpose of calling the attention of the House to my bill to which I have just referred.

I do not know what the attitude of the House will be on this proposed amendment, brought up as it is at the eleventh hour, but I certainly hope that this will be the opening gun in a campaign to rid this Government of these machines, which, though harmless in their appearance, are subtle in influence and powerful in their potential evil. [Applause.]

Mr. BEGG and Mr. DYER rose.

The CHAIRMAN. Does the gentleman yield; and if so, to whom?

Mr. PURNELL. I will yield to the gentleman from Missouri.

Mr. DYER. With reference to the gentleman's bill, which he has introduced, making it a felony to ship any gambling device in interstate commerce, and which is pending in the Committee on the Judiciary, I want to assure the gentleman that I personally know a majority of the committee will favor that legislation. I shall do everything I can to help put this bill through.

Mr. PURNELL. The gentleman from Missouri very well knows that in his own city of St. Louis within the last year hundreds of small boys and girls, hardly large enough to reach and pull down the levers on these vending machines, have wasted their lunch money and have loitered after school in the hope of getting something for nothing. Such a condition must appeal to the membership of this House and suggest the need of immediate legislation.

Mr. MONTAGUE. Will the gentleman yield?

Mr. PURNELL. Yes.

Mr. MONTAGUE. I am very much in sympathy with the gentleman's object, but I want to ask his candid judgment as to whether these devices will be more encouraged, taxed or untaxed?

Mr. PURNELL. I think they will be less encouraged by no tax, because these men would not object for one minute if you should put a 100 per cent tax on these machines. If they were thus taxed they could and would broadcast throughout the country the fact that these machines have the sanction of the Government, because the Government collects a tax.

Mr. MONTAGUE. Suppose the Government does tax them and does give them this privilege, can not the States easily prevent their use?

Mr. PURNELL. The States are doing it to a very great extent, but they are not doing it rapidly enough to suit me.

People do not walk up and play these machines in order to get 5 cents worth of gum or 5 cents worth of mint; they play them in order that they may get an opportunity to win checks which are redeemable in merchandise or cash, but which actual practice shows they ultimately lose.

But whatever other purpose the machines may claim to have they are in reality gambling machines, and this Government ought not to put its stamp of approval upon them.

Mr. GARNER of Texas. Will the gentleman yield?

Mr. PURNELL. Yes.

Mr. GARNER of Texas. I am very greatly interested in what the gentleman has said about taking this tax off of these machines and in that way decrease the manufacture and use of these machines. That is a new theory in taxation, and if the gentleman can demonstrate that he would help us out very much in the matter of getting taxes. It is a new theory to me; that the more tax you put on a thing the more they make of them.

Mr. PURNELL. I say that very well applies to these machines. These machines sell for $125 or $150, and I undertake to say to the gentleman from Texas [Mr. GARNER] that if you would put a 100 per cent tax on them the men interested would not bat an eye. Big money is made with these machines and they would not be disturbed by any tax the gentleman would impose.

Mr. GARNER of Texas. Does the gentleman say that if we take all tax off of them they will quit making them?

Mr. PURNELL. No. But let me tell the gentleman something. These machines are made by certain manufacturers who in turn sell or lease them to operators who travel around the country. They are in New York to-day. I have a clipping from a morning paper of New York which indicates that within the last few days 4,000 of these machines have been made and shipped into New York.

The CHAIRMAN. The time of the gentleman has expired.

Mr. PURNELL. Mr. Chairman, may I have five minutes more?

Mr. GREEN of Iowa. I am sorry but I will have to object, although I would be willing that the gentleman have one more minute.

Mr. PURNELL. Then, Mr. Chairman, I ask to proceed for one additional minute.

The CHAIRMAN. The gentleman from Indiana asks unanimous consent to proceed for one additional minute. Is there objection?

Mr. LaGUARDIA. Mr. Chairman, I ask unanimous consent that the gentleman have two minutes more in order that I may ask him a question.

Mr. PURNELL. I just want one more minute in order to finish my statement.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. PURNELL. These parlor highwaymen, who take these machines around over the country from city to city and from State to State, in the early course of their operations succeed, somehow or other, in getting an injunction against the officers whose duty it is to enforce the law. They do not care how that injunction proceeding is finally terminated; the point is that they operate as long as possible before the matter is determined, and when it is finally determined that these are gambling devices and that they can not be operated in that particular city or section they move on, spreading pestilence and disaster as much as is spread by locusts or other vermin.

Mr. DYER and Mr. REED of New York rose.

Mr. PURNELL. I will yield to the gentleman from New York.

Mr. REED of New York. Is it not a fact that the Supreme Court of the United States has held that these devices are gambling devices, and that the State legislatures have held them to be gambling devices; that the Supreme Court of the United States has held they are gambling devices under the lottery provision, even though you get a penny's worth of gum when you put a penny in, provided there is a chance to win more?

Mr. PURNELL. That is true; yes.

Mr. REED of New York. And these machines offer every inducement for people to put in more money than they otherwise would because there is an apparent opportunity to get something for nothing?

Mr. PURNELL. Yes; these are gambling devices which offer inducements to people to put in money which they can ill afford to lose with the hope of getting something for nothing, and I hope they will all be put out of business. If my bill is passed I am sure this will be the result; and in conclusion I want to add that I shall leave nothing undone to bring this about at the earliest possible moment.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. RAINEY. Mr. Chairman, the gentleman's argument and the gentleman's amendment, announcing an absolutely new theory of taxation, is that some of these vending devices are gambling devices and therefore we ought to take away from them all tax burdens; if they are gambling devices, then do not tax them, and if they are gambling devices, then encourage their production. As a matter of fact, these—not many of them—devices are gambling devices. In all of the cities of the country they now have automat restaurants in order to serve sandwiches and other articles of food without the expense which usually accompanies the conducting of an ordinary restaurant. You go into such a restaurant and drop a coin into a slot divice and take out a sandwich. Does the gentleman say that is a gambling device? Does the gentleman say that is something you ought to suppress? These are not gambling devices; in fact, very few of these things are gambling devices. But, as a matter of fact, this amendment will relieve the gentleman I have just been discussing of the payment of some more tax, because Mr. Wrigley owns $2,000,000 worth of these slot devices, in which he places gum for delivery to customers. You can find them in every railroad station and on every street corner, and, as I say, that gentleman owns $2,000,000 worth of them. In order to make your bill perfectly harmonious you gentlemen on that side ought to vote to relieve him from the payment of these taxes also. His devices are continually wearing out and must be replaced. He pays this tax when he buys these machines. This tax, of course, is passed on to him, and if you take it away you are relieving him of some more taxes. I am talking about Mr. Wrigley, who is the chewing-gum trust.

In the 1920 campaign he contributed $25,000 to the Republican national campaign fund.

Mr. MURPHY. How much did Mr. Doheny contribute to the Democratic campaign fund?

Mr. RAINEY. And how much to the various States I do not know.

Mr. MURPHY. You have an angel, too.

Mr. RAINEY. Immediately afterwards you relieved him from paying his tax on the chicle he gets from tropical countries to use in the manufacture of his chewing gum and then immediately after that you relieved him from 15 per cent of his surtax rates, and now you propose to relieve him from half of his surtax rates that remain, if the Mellon plan succeeds. Then you relieved him in 1921 of the payment of this excise tax which I tried a while ago to get reinstated. Now, in order to make a perfectly harmonious program for the Republican side, and nearly everyone of you voted a while ago to relieve him from these excise taxes, you ought to adopt this amendment.

In gratitude to Mr. Wrigley for his campaign contributions of the past and for the contributions he may make during the approaching campaign, and God knows you will need all the money you can get, you ought to relieve him from this tax. Mr. Doheny's name has just been mentioned. I do not know what his politics is now—but I notice that he is vigorously attacking the Democratic Party, and I also understand that with his millions he has succeeded in corrupting and buying only Republican officials. If Mr. Wrigley is to control the Republican side of this Congress with his campaign contributions of the past and the campaign contributions you expect him to make in the future, then pass this too and make it a perfectly harmonious Wrigley taxing program from the start; and if you can find anybody else who has contributed large sums of money to the Republican campaign fund and will contribute further this fall, because you will need them this fall more than you have heretofore, then if you have not already relieved him sufficiently from his taxes, go ahead and relieve him further

and then go before the country with an absolutely harmonious program, and in that event you ought to vote unanimously to take this tax off also.

The CHAIRMAN (Mr. SANDERS of Indiana). The time of the gentleman from Illinois has expired.

The question is on the amendment offered by the gentleman from Indiana.

The question was taken, and the amendment was rejected.

Mr. BURTNESS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from North Dakota offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BURTNESS: Page 167, line 6, strike out the words "shells and cartridges" and insert in lieu thereof "and golf balls."

Mr. CHINDBLOM. Mr. Chairman, I make the point of order that the amendment is not germane to the subject matter of the provision.

Mr. BURTNESS. The gentleman will reserve his point of order, I am sure.

Mr. CHINDBLOM. I will reserve the point of order, but, of course, a golf ball is not used in using firearms.

Mr. BURTNESS. Mr. Chairman, I think most of you who are ardent admirers of sports will agree that my amendment will help out a great many thousand red-blooded sportsmen of the country, but that is not the only reason I think you are going to adopt the amendment.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. BURTNESS. In a moment. I think you may possibly have a more selfish purpose than that. I have no doubt that when you were home last year you had a great many of the hunters stop you, even though you may have been on your way to the golf course, and ask you why this tax upon shells and cartridges should be retained, and I am sure that in such way you got in close and intimate personal touch with all those hunters. Therefore, you will not need to be in touch with them this summer and I want to give you an opportunity to get in touch this summer with the golf players, for if my amendment passes, they will doubtless see you in the same way. I have had a very close check-up made among the membership of the House to determine whether the membership spends more for shells and cartridges than they do for golf balls, and I find they spent just $12.37 more during 1923 for golf balls than they did for shells and cartridges.

Mr. MERRITT. Twelve dollars and thirty-seven cents each?

Mr. BURTNESS. No; altogether. Of course, 99 per cent of that amount is due to the number of balls that the Republican whip loses, but still those are the figures. [Laughter.]

Mr. VESTAL. Will the gentleman yield?

Mr. BURTNESS. I will be delighted to yield to my friend, the whip.

Mr. VESTAL. It does not make any difference to me, I will say to the gentleman, whether there is a tax or not, because the gentleman himself pays for all the golf balls I lose.

Mr. BURTNESS. Be that as it may, in view of the fact that the House spends a little more for golf balls than it does for shells and cartridges, even though the gentleman from Indiana [Mr. VESTAL] is the largest contributor, it seems to me we ought to be sportsmen enough to put a tax on that commodity which we use the most of. Now I will be glad to yield to the gentleman from Illinois [Mr. CHINDBLOM].

Mr. CHINDBLOM. I will say to the gentleman that I do not play golf, but I am just sport enough to advocate not taxing the golf balls. Why do you not make them a separate proposition? That is why I made the point of order.

Mr. BURTNESS. I will take the gentlemen of the House into my confidence and say to them that if they turn down my amendment which would tax golf balls, in place of shells and cartridges, then I am going to offer another amendment to eliminate shells and cartridges from the tax, and I hope that the gentleman from Illinois is a good enough sport to eliminate the tax on shells and cartridges as well as on golf balls.

Mr. CHINDBLOM. Mr. Chairman, I ask for recognition.

The CHAIRMAN. Does the gentleman withdraw his point of order?

Mr. CHINDBLOM. No; I will make the point of order. I think we ought to have orderly procedure.

Mr. GREEN of Iowa. Will not the gentleman withdraw his amendment in order to save time?

MESSAGE FROM THE SENATE.

The committee informally rose; and Mr. LONGWORTH having taken the chair as Speaker pro tempore, a message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had passed joint resolution of the following title, in which the concurrence of the House of Representatives was requested:

S. J. Res. 52. Joint resolution for the relief of the drought-stricken farm areas of New Mexico.

The message also announced that the Senate had insisted upon its amendments to the bill (H. R. 5078) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1925, and for other purposes; had requested a conference with the House thereon, and had appointed Mr. SMOOT, Mr. CURTIS, and Mr. HARRIS to be the conferees on the part of the Senate.

REVENUE ACT OF 1924.

The committee again resumed its session.

Mr. KINDRED. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KINDRED. I wish to give notice to the House, for its information, that I desire to offer an amendment to the amendment offered by the gentleman from North Dakota.

The CHAIRMAN. The Chair will later recognize the gentleman for that purpose if the amendment is in order.

Mr. GREEN of Iowa. Mr. Chairman, I move that all debate on this amendment——

The CHAIRMAN. The question is not up for debate yet.

Mr. CHINDBLOM. Mr. Chairman, I make the point of order. I do not think substituting golf balls for shells and cartridges is a germane amendment to the subject matter.

Mr. LONGWORTH. Furthermore, this amendment applies to golf balls sold for use of States and Territories. [Laughter.] I do not think there is any authorization of law for that.

Mr. CHINDBLOM. I think it does not apply to golf balls for use of States and Territories, and I do not think there is any constitutional question involved, I will say to the Chairman.

The CHAIRMAN. The Chair is inclined to think the amendment is in order unless the gentleman from Illinois has some argument further than the argument he has suggested. The Chair will overrule the point of order.

Mr. GREEN of Iowa. The amendment being offered simply in jest, I move that all debate on this amendment and all amendments to the amendment do now close.

Mr. KINDRED. Mr. Chairman, I want to offer an amendment to the amendment.

Mr. JONES. Mr. Chairman, there has not been five minutes debate, and it is not in order to make that motion.

The CHAIRMAN. The gentleman from Iowa [Mr. GREEN] moves that all debate on the amendment offered by the gentleman from North Dakota and all amendments thereto close at the present time.

Mr. JONES. Mr. Chairman, I make the point of order that there has been no debate, and that the motion is not in order until there has been five minutes of debate.

The CHAIRMAN. There has been five minutes debate.

The question was taken, and the motion was agreed to.

Mr. KINDRED. Mr. Chairman, I desire to offer an amendment.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. KINDRED to the amendment offered by Mr. BURTNESS: Strike out the words "golf balls" and insert in lieu thereof "high balls and monkey glands."

The CHAIRMAN. The question is on the amendment to the amendment offered by the gentleman from New York.

The question was taken, and the amendment to the amendment was rejected.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from North Dakota [Mr. BURTNESS].

The question was taken, and the amendment was rejected.

Mr. KEARNS. Mr. Chairman, I move to strike out the last word. I make that motion in order that I may ask the majority and the minority leaders a question. In paragraph (a), page 167, I notice that automatic slot-device vending machines are taxed at 5 per cent, and automatic slot-device weighing machines at 10 per cent. There may be some sufficient reason for that, but if there is I have never been advised. While I am not going to make a motion to amend by making the automatic slot-device weighing machines bear only 5 per cent, I would like to ask the gentleman from Texas if he would have any objection to such a motion being made?

Mr. GARNER of Texas. I will say to the gentleman that I do not recall the argument that was used in favor of the 5 per cent tax on the slot-device vending machines. I would have no objection to his offering an amendment, but I would increase the 5 per cent on the slot-device vending machines to 10 per cent rather than to reduce the 10 per cent tax to 5.

Mr. KEARNS. I will say to the gentleman from Texas that I think the tax of 10 per cent on weighing machines only brings in a revenue of about $46,000 a year.

Mr. GARNER of Texas. The gentleman is correct, and the House might as well understand what this section does. There are three manufacturers of these machines in the United States, and when you reduce the tax you reduce the tax of these gentlemen making these machines. I do not know whether the committee wants to reduce the tax of three men, although it only brings in thirty or forty thousand dollars.

Mr. KEARNS. There is no reason why the three men should be discriminated against, even if they only have three votes. Will the gentleman from Texas state whether he has any objection to a motion that I have indicated?

Mr. GARNER of Texas. I say I would vote against a motion to strike out the 10 and make it 5. I think the gentleman, not having any knowledge on the subject, would not be voting very intelligently himself.

Mr. KEARNS. I have this knowledge, that the automatic slot-device vending machines that the committee has reported the 5 per cent tax on are machines that are kept in cigar stores and places of that kind where men go in and use them, but they do not take the stick of chewing gum. They play for the extra checks they hope to get.

Mr. GARNER of Texas. Let me say to the gentleman that this is the present law.

Mr. KEARNS. I know it is, but the weighing machines are used mostly by children who walk along the street and drop their penny in to learn their weight. It does not seem that they ought to be discriminated against.

Mr. HOWARD of Nebraska. It occurs to me that the difference between these machines is that one is a device whereby a commodity is sold and in weighing machines there is no commodity sold.

Mr. KEARNS. That is not a sufficient reason when you remember that nine-tenths of the vending machines are in the cigar stores. A man goes in and drops a nickle into a slot but he never asks for the stick of chewing gum, he tries to get two cigars for one if he is playing it or perhaps many for one price. They are gambling machines, nine-tenths of them. But here is a weighing machine that your boy and girl use, that they find in front of a store to learn what their weight is, and you put a 10 per cent tax upon those machines, while upon the others that are used for gambling purposes you only put on a 5 per cent tax.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. KEARNS. I ask for two minutes more.

The CHAIRMAN. Is there objection?

Mr. LONGWORTH. Reserving the right to object, may I suggest to the members of the committee that we have spent an hour and a half on paragraphs that are practically of no importance whatever, involving only a few hundred dollars. How can we hope to close the consideration of this bill to-day if we go on in this way?

Mr. MOORE of Virginia. The gentleman from Ohio who now has the floor is a member of the Ways and Means Committee.

Mr. LONGWORTH. I am not blaming him, I am simply taking this opportunity to urge gentlemen not to take up time on these comparatively unimportant matters.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio for two minutes more?

There was no objection.

Mr. LOWREY. Will the gentleman yield?

Mr. KEARNS. Yes.

Mr. LOWREY. I was going to suggest that there are some of us who would be glad to vote for an amendment changing the 5 per cent tax to 10 per cent. It seems that that ought to be increased. Just here I want to say that it seems to me that we are proceeding to cut down taxes on things that are luxuries, or at least not absolutely necessary, and the more we do of that the more we shall have to increase on other items.

Mr. KEARNS. Oh, these men could well afford to pay 50 per cent.

Mr. GREEN of Iowa. Mr. Chairman, I move that all debate on this subsection and all amendments thereto now close.

The motion was agreed to.

The pro forma amendment was withdrawn.

Mr. McREYNOLDS. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 167, line 11, strike out the word "and" and in line 12 strike out the words "smoking stands."

Mr. McREYNOLDS. Mr. Chairman, in order to get this amendment before the House, I shall read the subsection:

(7) Cigar or cigaretto holders and pipes, composed wholly or in part of meerschaum or amber, humidors, and smoking stands, 10 per cent.

The amendment I offer is to strike out "smoking stands." The first articles referred to in the subsection are somewhat personal in their use and might be classed as luxuries. Smoking stands are merely pieces of furniture. A manufacturer making furniture can not understand why he has to pay a different tax on a smoking stand from what he pays on other furniture. It is a matter of cleanliness and of use in the household, and many people have smoking stands in their homes when there is not a member of the family who uses tobacco. I have talked with the chairman of the Committee on Ways and Means with reference to the matter, and he does not object to the amendment, and I think you will hear no objection on the minority side.

Mr. GREEN of Iowa. Will not the gentleman modify his amendment by putting in the word "and" before humidors?

Mr. McREYNOLDS. I did do that. It will read:

Cigar or cigarette holders and pipes, composed wholly or in part of meerschaum or amber, and humidors.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. McREYNOLDS. Yes.

Mr. CANFIELD. And is it not a fact that these smoking stands are made by small furniture companies throughout the country, as a rule in time of slack business, for the purpose of keeping their men busy?

Mr. McREYNOLDS. I am so informed.

Mr. Chairman, there is no more reason for placing a tax on smoking stands than there would be to place a tax on telephone tables, night tables, or any furniture of that kind, and there would be more reasons for placing a tax on card tables and mah jong tables than there would be on this piece of furniture, yet they are not included in the revenue bill.

This tax on smoking stands is a discrimination. I am sure that Members of the House do not want to discriminate, even for the purpose of raising revenue. The revenue derived from this one item—smoking stands—is necessarily very small, and no doubt would net the Government very little after the expenses are taken out in the collection of the same.

There was in the revenue bill of last year a tax on bowie knives, brass knucks, and other articles of this character, which it is unlawful to sell or carry in most of the States, but these articles were left out of this present revenue bill because, as the chairman states, the revenue derived therefrom was not sufficient to cover the expense of collecting same. So I trust the committee will see fit to adopt my amendment, first, because the tax is a discrimination, and, secondly, because the revenue derived will not justify the expense of collecting.

Mr. GREEN of Iowa. Mr. Chairman, I think the gentleman misstated my attitude somewhat, but I think it is far more important that we should get on with the reading of this bill than to quibble over these small matters. I move that all debate upon subsection 7 and all amendments thereto do now close.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee.

The amendment was agreed to.

Mr. CROWTHER. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. CROWTHER: Page 167, line 9, strike out the numerals "10" and insert in lieu thereof the numeral "5."

Mr. CROWTHER. Mr. Chairman and gentlemen of the committee, I have no doubt that many of you have had letters from men who belong to fish and game clubs and shooting clubs regarding this tax on shells, cartridges, and firearms. Of course, in the determination as to what shall be taxed and what should be exempt in the list among the excise taxes, or, as we call them, indirect taxes, there certainly could be no degree of science used. We have had a great deal of discussion here about science, as to whether this is a scientific or an unscientific tax bill. We have had a great deal of discussion of minor subjects, such as chewing gum, and so forth, and it appears to me from what I read in the press and the messages that I get from home, that the people of the United States are fairly well disgusted with the Congress and its attitude on this tax bill, and they would like to see an excise tax put on "chewing the rag" on matters of no importance on the floor of this House.

We have lost sight of the original plan of tax reduction. We have heard a great many personal attacks made on the floor of the House. The Democratic method is for a gentleman to get up here and say, "Oh, So-and-so is a very lovable man, a very estimable gentleman, and I admire and respect him," and then proceed to take his skin off from his forehead to his toenails. An attack has been made on Mr. Wrigley. I suggest to the gentleman from Illinois [Mr. RAINEY] that Mr. Wrigley might, if he can not have vending machines, deposit his gum in the 150,000,000 bread cans which the gentleman's side supplied for the Army during the war that are somewhere now in storage houses, or he might tie it up in bundles with some of the 7,000,000 halters that you had made for the 300,000 horses and mules used by the expeditionary forces. The trouble with the halters is that they got them in the wrong place. They ought to have been around the necks of some of the profiteers awarded contracts by Democratic officials.

Mr. GREEN of Iowa. Mr. Chairman, I rise to a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. GREEN of Iowa. The point of order is that the gentleman from New York is not discussing his amendment.

The CHAIRMAN. The gentleman from New York will proceed in order.

Mr. NEWTON of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. CROWTHER. Yes.

Mr. NEWTON of Minnesota. I notice that in some of these excise taxes provision is made for certain reductions. The tax on candy has been eliminated and there has been a reduction in the taxes on jewelry. The gentleman's amendment seeks to apply that principle to this proposition and cut the revenue down from $4,000,000 to $2,000,000?

Mr. CROWTHER. About two and a half million dollars. It seems to me that everybody ought to have some little benefit in this reduction of excess taxes, because, as I say, there can be nothing scientific or even logical in the method employed. For instance, levying a tax on cameras, so that every little boy or girl who wants to buy a Brownie and take a picture has to pay a tax. I think we might be fair, and on firearms, shells, and cartridges take off one-half, as we have done in the other places in the bill.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. CROWTHER. Yes.

Mr. REED of New York. There is one point which I think the gentleman should stress. We have fish and game clubs in my district, as I assume most of the Members have in their districts. Those persons who are not familiar with the purpose of these organizations think that the members of these clubs are out to butcher game. In my section of the country the fish and game clubs are actively engaged in conservation, and that is their real purpose. They have gun clubs, but they shoot at targets. They are interested in the conservation of game and in legislation to protect it. They are carrying on reforestation and getting fish and putting them into the streams. In my own county they have a large section set aside where they are planting trees, creating forests. This is not only true in Chautauqua County but also in Allegany and Cattaraugus Counties. I think those clubs should be encouraged. The amendment ought to be passed.

Mr. VESTAL. Mr. Chairman, will the gentleman yield?

Mr. CROWTHER. Yes.

Mr. VESTAL. Why is not the gentleman in favor of striking out in line 6 the word "firearms"?

Mr. CROWTHER. I am.

Mr. VESTAL. And in lieu of that inserting the words "pistols and revolvers." People ought not to pay a tax on shotguns and things of that sort, but on pistols and revolvers I think the tax ought to be placed.

Mr. CROWTHER. I accept that amendment and ask unanimous consent to so modify my amendment.

The CHAIRMAN. The gentleman from New York asks unanimous consent to modify his amendment, and the Clerk will report the modified amendment.

The Clerk read as follows:

Modified amendment by Mr. CROWTHER: Page 167, line 6, strike out the word "firearms" and insert in lieu thereof the words "pistols and revolvers," and in line 9 strike out the numeral "10" and insert in lieu thereof the numeral "5."

The CHAIRMAN. Is there objection to the modification?

Mr. GREEN of Iowa. Of course, the gentleman understands it lowers the tax on pistols.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. SNYDER. Mr. Chairman, I move to strike out the last word.

Mr. BLANTON. I want five minutes.

Mr. CLANCY. Mr. Chairman, I move to strike out the last word.

Mr. GREEN of Iowa. Mr. Chairman, I move that all debate on this paragraph and all amendments thereto close in 10 minutes.

Mr. CLANCY. Mr. Chairman, I want five minutes.

The CHAIRMAN. The gentleman from Iowa moves that all debate on this paragraph and all amendments thereto close in 10 minutes.

Mr. GARNER of Texas. Let me appeal to the gentleman from Iowa. The gentleman from Michigan [Mr. CLANCY] wants five minutes in which to make a speech. I hope he will be given opportunity to do so. He has been trying to get an opportunity ever since last Tuesday. I hope the gentleman from Iowa will modify his motion.

The CHAIRMAN. Does the gentleman from Iowa modify his motion?

Mr. GREEN of Iowa. Does the gentleman from Texas desire me to make it 15 minutes?

Mr. GARNER of Texas. Yes.

Mr. CLANCY. I want five minutes.

Mr. GREEN of Iowa. Mr. Chairman, I will make it 15 minutes.

The CHAIRMAN. The gentleman from Iowa moves that all debate on this paragraph and all amendments thereto close in 15 minutes. The question is on agreeing to that motion.

The motion was agreed to.

Mr. HAWLEY. Mr. Chairman——

Mr. CLANCY. Mr. Chairman——

The CHAIRMAN. The gentleman from Oregon, a member of the committee, will be recognized first.

Mr. HAWLEY. I rise to oppose the motion. I shall be very brief, so that the gentleman from Michigan [Mr. CLANCY] may have five minutes.

When we selected items upon which to reduce or eliminate excise taxes we selected those in which the industries were suffering. In some instances the tax was more than the income of the business. In other cases the tax was a great burden. It cost more to keep the books and pay the tax than the entire amount of tax paid on the sales. We found that the sale of firearms, shells, and cartridges was not an industry that was suffering from depression. It was an industry making a profit and increasing its sales. Therefore it did not come within the rule established to effect reductions in favor of the industries and businesses that were in distress.

Now, if we reduce this tax as proposed, and modify the section, it will lose to the Treasury about $3,000,000.

Mr. VESTAL. Mr. Chairman, will the gentleman yield? The time is limited, and I would like to ask the gentleman a question.

Mr. HAWLEY. If we continue to eliminate from the bill more and more taxes it would remind me of the small boy whose teacher took him to a museum. That evening his mother asked the boy, "What did you see?" The boy answered, "She took us to see a dead circus." If we continue to eliminate these taxes the bill will fail to realize the revenue necessary for the Government by hundreds of millions of dollars. Somebody must pay the taxes. I am sorry it is so. I would like to see these particular taxes removed or reduced. But somebody must pay the taxes. Those can pay taxes best who are prospering and whose business is expanding. Those can not afford to pay the taxes whose business profit does not amount to the tax itself, whose taxes are more than the income received from the business.

The CHAIRMAN. The gentleman from Michigan [Mr. CLANCY] is recognized for five minutes.

Mr. CLANCY. Mr. Chairman, the Republican representing my district, who sat here just before me, carried that district by a majority of 69,000. The gentleman from Iowa [Mr. GREEN] has insinuated against my tactics, claiming that they are unfair. There is the answer. In a district which is 69,000 Republican I could not count 10 working, 100 per cent Democrats out of 550,000 people. I carried the district. My district knows I am a hard fighter and a fair fighter.

The gentleman from Iowa in his adroit and Machiavellian manner, in trying to refuse me continuously the floor, said it was because I had attacked the gentleman from Michigan [Mr. MCLAUGHLIN], an old friend of 12 years' standing, and to whom I have been very generous in the auto fight. I have given my support on the Democratic side to his bills.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield right there?

Mr. CLANCY. Not until I get through. I have not time enough.

Now, I wish to thank with all my heart the majority leader, the gentleman from Ohio [Mr. LONGWORTH], who is a good sportsman and a square shooter. The gentleman from Ohio asked in Tuesday's fracas that I be given unanimous consent to be heard five minutes. I think he displayed his instinctive love of sportsmanship and fair play when he insisted that the Chair should recognize the minority leader [Mr. GARRETT]. I wanted to get the floor on Tuesday, and I had made a gentlemen's agreement to that effect with the gentleman from Texas [Mr. GARNER], the gentleman from Michigan [Mr. MCLAUGHLIN], and the gentleman from Iowa [Mr. GREEN].

Mr. GREEN of Iowa. Does the gentleman claim he made an agreement with me?

Mr. CLANCY. The gentleman from Texas [Mr. GARNER] came to me and said that the gentleman from Iowa [Mr. GREEN] had suggested that it was getting late, and that the automobile amendment would require a lot of discussion, and that we could enter into a unanimous-consent agreement, and the gentleman from Michigan [Mr. MCLAUGHLIN] and the gentleman from Iowa [Mr. GREEN] and the gentleman from Texas [Mr. GARNER] and myself would agree to that. I saw Mr. MCLAUGHLIN, but not being on very good speaking terms with the gentleman from Iowa, I did not consult him, but I understood from both Mr. GARNER and Mr. MCLAUGHLIN that the gentleman from Iowa had agreed.

Mr. GREEN of Iowa. I do not think the gentleman from Texas [Mr. GARNER] worded it in any such way as that.

Mr. CLANCY. I do not wish to be interrupted any further. Please speak in your own time. I can not spare the time.

The CHAIRMAN. The gentleman declines to yield further.

Mr. CLANCY. I wanted to offer my support of the McLaughlin amendments because they were practically what I advocated in a speech on the floor on February 18, and a copy of which speech was sent to every Member. The parts, tires, and accessories tax reduction, 5 per cent to 2½ per cent, involving a reduction of about $20,000,000 is identical with my suggestion. The principle of the trucks reduction is the same. It repeals the taxes on the light truck—the truck of the farmer, the butcher, the grocer, and the merchant. But I suggested the basis of the reduction to be capacity, two tons and under, and the gentleman from Michigan [Mr. MCLAUGHLIN] suggested the selling price of the chassis, and in a conference with Mr. MCLAUGHLIN and the gentleman from Massachusetts [Mr. TREADWAY] I agreed to the chassis arrangement.

UNITED DEMOCRATS FORCED THE FIGHTING.

I wanted to get the floor two days ago to point out to the House and to the country that it was the 11 Democratic members of the Ways and Means Committee who fought a great part of the fight for auto relief. I owed that to them. Mr. OLDFIELD made repeated motions for relief. So did Mr. GARNER, and he helped me when I appeared before the Ways and Means Committee, when nearly all the Republican Members attacked me. Mr. RAINEY made motions for auto relief, and so did Mr. COLLIER. Mr. HULL and Mr. CASEY helped materially. So did Messrs TAGUE, CAREW, CRISP, MARTIN, and DICKINSON.

Mr. FREE. I rise to a point of order. This debate is not on the section we have before us, but it seems to be in the nature of a political speech. We have passed the subject to which the gentleman is referring, and I make the point of order that it is not germane to the section under consideration.

Mr. CLANCY. I suggest to the Chair that I was shut out by the arbitrary methods used when this question was under discussion.

The CHAIRMAN. Of course, if the gentleman from California insists on his point of order, I assume it must be sustained.

Mr. MCLAUGHLIN of Michigan. Mr. Chairman, I ask unanimous consent that the gentleman may continue out of order for the remainder of his five minutes.

Mr. KETCHAM. Mr. Chairman, reserving the right to object, will a continuation of this argument in any way interfere with the action agreed to on Tuesday and formally ratified by the committee this morning reducing the taxes on automobile repairs and accessories?

The CHAIRMAN. No; it simply extends the right to the gentleman from Michigan [Mr. CLANCY] to proceed out of order for the remainder of his time.

Mr. KETCHAM. I shall not object if the remarks of the gentleman can not endanger the action we have already taken, but if they are in any way liable to revise that action I will have to object. My only interest is in making sure that the reductions already granted by the committee are not to be jeopardized by the very evident intent of the gentleman to make partisan capital out of it, by remarks made after the action has been taken.

The CHAIRMAN. That matter can not be reopened. This is simply a request that the gentleman have unanimous consent to proceed out of order for the remainder of his time. Is there objection to that request? [After a pause.] The Chair hears none.

The gentleman has three minutes remaining.

Mr. CLANCY. In view of the fact that the gentleman from Michigan [Mr. MCLAUGHLIN] was not accorded the courtesy of any reduction of auto taxes by his Republican colleagues on the Ways and Means Committee, and that the gentleman from New York [Mr. CROWTHER] was in the same boat with Mr. MCLAUGHLIN, I think it is only fair to give these Democratic leaders and their loyal followers due credit for espousing the cause of the motorists of the country.

They were big enough and generous enough to follow the lead of a new Member, myself. They gave me the right to speak on auto taxes in a Democratic caucus devoted to the income-tax schedules. They helped me in every possible way. I am intensely grateful to them, and I am sure the motorists of the country, whose representatives in Washington have closely followed this fight and know the real situation, appreciate their Democratic supporters and also those Republicans who broke away from the old guard of their party on this matter.

Mr. MAPES. Will the gentleman yield?

Mr. CLANCY. No, sir. I can not yield now.

The CHAIRMAN. The gentleman declines to yield.

Mr. CLANCY. The old guard of the Ways and Means Committee have opened the eyes of the auto people of this country. Only three days ago in Washington two gigantic organizations, formerly bitter enemies, the American Automobile Association and the National Motorists' Association, merged into one organization, the New American Automobile Association. They gave as the reason the smashing drive the old guard of the Ways and Means Committee had been making on the vital and honorable automotive interests of this country.

THE SLIMY TRAIL OF OIL.

Two years ago the American Automobile Association fought the old guard of the Ways and Means Committee on oil and asphalt tariffs. The old guard wanted to levy a tariff of 35 cents a barrel on oil and even threatened $1.50 per barrel. The action of the old guard was unpatriotic and thoroughly unjustified. It meant a tax of $140,000,000 on the motorists of the country. It meant raising the price of gasoline from 3 to 7 cents a gallon.

The automobile people took the fight to the floor after they had appealed to the country and they beat the old guard on oil and asphalt. And that was before the slimy trail of oil was clearly depicted to the country. That was before the Sinclair and Doheny and Fall revelations made the country sit up with a gasp of horror.

NOW THE RAILROADS ATTACK.

This time the auto people are fighting the railroads, who see in the auto and motor truck most vital and serious competition, taking from the railroads hundreds of millions of passenger rides per year and tens of millions of tons of freight. The committee hearings, both in the House and Senate, make clear, even to the most skeptical, the truth of that statement. Friends of the railroads are pursuing a shortsighted policy of opposition here in Congress fighting a square deal for the 15,000,000 owners of autos and trucks in this country.

I wish to most emphatically assert that I cherish no hostility to the railroads on that account. I believe railroads are also vital to this country, and I would not try to hamper, injure, or embarrass them because they pursue stupid and shortsighted methods of trying to cripple their competitors, such as canals, ships, aviation, electric railways, and automobile passenger cars and trucks.

ALUMINUM NEXT.

I hope to see the auto interests begin a fight in this session to relieve the industry from the extortion of the aluminum trust of this country, which over bitter opposition increased the aluminum tariff from 2 to 7 per cent in the Fordney-McCumber tariff bill and which, I believe, can be reduced by the Tariff Commission as soon as the men on that commission charged with representing various selfish interests benefited by the Fordney-McCumber Act are removed or made complaisant to the demands of justice and political expediency.

I wish to make it clear and emphatic to the friends of the motorists in this House that I never at any time gave my consent to cutting off all debate within a short time on this auto-

tax question. I was perfectly willing that all possible amendments be introduced and, of course, I wanted as many speeches as possible made here in behalf of the motorists.

These gentlemen desiring to offer amendments and speak helped to forestall a vote on Tuesday and it seems they were entirely justified in their stand.

Mr. WELLER. Is it not a fact——

The CHAIRMAN. The time of the gentleman from Michigan has expired. For what purpose does the gentleman from New York [Mr. WELLER] rise?

Mr. WELLER. I want to propound a question to the gentleman from Michigan.

Mr. CLANCY. Two days after this Congress was elected, which was about 15 months ago, I made a speech in Detroit that this would be one of the hardest fighting Congresses in American history. But I did not foresee that I would figure so prominently in the fighting. Whenever an effort is made in this House to curtail property rights or human rights in which my district is vitally interested I will not regard that affair as a private fight, and I reserve the right to enter all such fights.

A few Members probably resented my attack on the floor of this House on February 18 as on a controlling coterie of the Ways and Means Committee, which I designated as the "old guard," and which the country understands as the old guard, and which Republicans back in the districts regard as a millstone around the party's neck, and which the American people quite generally regard with disfavor.

It was this coterie, some 11 Members or so, which was attacked on the floor of the House Tuesday by members of the Ways and Means of both parties, and a great deal of Ways and Means dirty linen was washed on the floor of the House. That is a good thing for the country. I have a shrewd suspicion that my attack on the old guard with reference to its hard-boiled attitude on the auto and trucks tax proposition involving some 15,000,000 voters who were getting angry and indignant and ugly had something to do with the washing of the linen on the floor and the desire of some gentlemen to get to cover.

I have fought this auto-tax campaign for the past three months with all the energy and earnestness at my command. I felt a smashing attack on the old guard to be the proper political strategy. My campaign was simple—to line up the Democratic leaders, then the Democratic rank and file, invite the liberal and progressive Republicans to come in, and then beat down the old guard. I can not see any grounds for apologies in taking that course.

THE OLD GUARD MADE THE AUTO ISSUE PARTISAN.

I did not make the automobile tax reduction fight partisan in this session. It was already made partisan when the Republican administration, speaking through Secretary Mellon, fought all suggestions to reduce this taxation and when the controlling Republicans of the Ways and Means Committee bitterly fought all reductions.

Secretary Mellon and his Republican backers fought the same way two years ago and smashed the Members who attempted to get reduction. They fought reduction a year ago also.

I attempted to make all Democrats fight this year for my auto tax bills for relief, the only ones introduced in the House, and I succeeded to a remarkable measure, considering that I am a new Member.

I was nonpartisan when I requested Senator EDGE, administration Republican, to introduce my bills in the Senate and finally succeeded. I was not partisan when I tried to form a working coalition with the gentleman from Michigan [Mr. MCLAUGHLIN], a Republican, and when I did not display any pride of authorship in refusing to suggest any amendments on the floor myself.

Or, rather, I was bipartisan and wanted to see both the Democrats and Republicans aiming to protect the motorists of the country. In the Senate, which I considered the court of last resort if we were defeated in the House, I asked one Republican and two Democrats, Senator FERRIS, of Michigan, and Senator COPELAND, of New York, to introduce my bills, and they did so, with the reservation that Mr. FERRIS introduced my parts bill.

WHY BE PETTY WHEN DANGER THREATENS ALL?

The biggest thing that has come out of this fight is the uniting of competing auto organizations. The allied nations made but little headway in the Great War because they were jealous of one another and would not consent to one leader and a united command.

The German smashes at Amiens and at Paris in 1918 taught them better and they united upon General Foch as commander in chief. Then they won the war. The motorist of the country will be a luscious oyster for the predatory interests until he ceases to be an oyster. Why be a stupid and supine prey for slimy oil and gasoline interests, the metal interests, and for unfair tax-assessing officials of town, city, State, and the Federal Governments?

The CHAIRMAN. The time of the gentleman has expired.

Mr. SNYDER. Mr. Chairman and gentlemen, referring to subsection 6, firearms, shells, and cartridges, we have been here now for nearly three weeks in an effort to reduce taxation. There have been considerable politics on both sides of the aisle, but, for one Member, I have earnestly endeavored to assist in bringing about a reduction in taxation. There has been considerable said about the necessity of reducing the taxes upon the small man, the poor man, the workingman, and there has been an effort, particularly on the Democratic side, to have it appear that you were making most strenuous efforts in that direction.

Now, my judgment is that on this section, which brings in $3,500,000 in taxes, based on 10 per cent, the fact is that the whole $3,500,000 is paid by the poor man, the ordinary workingman, the farmer, and the so-called sport.

Mr. CASEY. What particular item is that?

Mr. SNYDER. That is the item for firearms, shells, and cartridges. They are used by the laboring men of the country.

Mr. CASEY. I am in sympathy with the gentleman's argument, and, if he will permit, I will say that it is the miner, who gets a day off, who goes out in the woods to hunt, as well as the farmer boy, so that I think this tax ought to come off.

Mr. SNYDER. There is not a section in this country which has a few bare acres of land in which there is not some normal fellow out hunting every day in the year in every part of the country, and there is no reason in the world why, if we want to reduce taxes upon the ordinary man, this amendment of the gentleman from New York should not be accepted.

Gentlemen, this is a thriving industry—the making of firearms—but every single cent of that 10 per cent is passed on to the men who buy shells and guns. There can not be any question about that.

The only argument I have made on this tax bill is that if you want to reduce taxes to the poor man you must take them off of production, because practically every single dollar of the 12½ per cent that is paid into the Government by corporations, by individuals in business, or partnerships is immediately added to the price and passed on to the consumer. Notwithstanding the statements made by other gentlemen, that is the fact.

This particular amendment ought to be passed in the interest of the sportsmen of this country. It is a wonderful thing for boys who have a holiday to take their guns and wander about the forests, hunting, but when a man who desires to buy a gun at $30 must pay $33 for it, a burden is imposed on him, and I think it should be taken off.

Mr. BURTNESS. Does not the gentleman think more general relief would be given if you cut out the tax on shells and cartridges rather than upon firearms themselves?

Mr. SNYDER. That is what I intended to offer, but the gentleman thought it would be wiser to leave it as it was. Now, if I had my way, I would strike it all out and give the sportsmen and the workingmen the benefit of a holiday without taxing them on the things they use in their sport. It is perfectly foolish to put on these little taxes from which the Government is receiving only $200,000 or $300,000.

Gentlemen, you have been talking so much about the so-called rich men of this country. Let me tell you they are not afraid of the income tax, and the greatest mistake you have made in this bill, in the interest of the poor man, is that you have not reduced the tax on production.

Mr. HUDSPETH. Will the gentleman yield?

Mr. SNYDER. Yes.

Mr. HUDSPETH. The gentleman would not object to the placing of a high tax on pistols, would he?

Mr. SNYDER. No.

Mr. HUDSPETH. In our State we prohibit the manufacture of pistols.

Mr. SNYDER. What I desire is to care for the sportsmen of the country, the poor man, the farmer, and all men who enjoy hunting, and I favor taking the tax off of the shells and cartridges.

Mr. HUDSPETH. Let me call the attention of my freind from New York to the fact that his colleague Mr. CROWTHER makes a reduction in the tax on pistols.

Mr. SNYDER. I understand that was at the suggestion of the gentleman from North Dakota.

The CHAIRMAN. The time of the gentleman has expired.

Mr. VESTAL. Mr. Chairman, I want to offer a substitute for the amendment offered by the gentleman from New York.

On page 167, line 6, strike out the words "firearms, shells, and cartridges" and in lieu thereof place the words "pistols and revolvers."

Mr. SNYDER. We will accept that, and be glad to.

Mr. VESTAL. And in line 9 leave 10 per cent.

Mr. SNYDER. Yes; on pistols. That is all right.

The CHAIRMAN. The gentleman from Indiana offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. VESTAL to the amendment offered by Mr. CROWTHER: Page 167, line 6, strike out the words "firearms, shells, and cartridges" and insert in lieu thereof "pistols and revolvers"; and strike out "5" and insert "10."

Mr. BLANTON. Mr. Chairman, I ask recognition for the other two minutes.

Mr. VESTAL. Mr. Chairman, I do not care to be heard.

The CHAIRMAN. The gentleman from Texas is recognized for two minutes.

Mr. BLANTON. Mr. Chairman, the only recreation that I take each year is in the hunting camp, but I want to say that every real hunter who is a sportsman is willing to pay his way. It is not the real hunter who wants to escape this tax. It is the trap shooter in these exclusive clubs who goes out and thinks nothing of shooting up $6 or $8 or $10 or $15 worth of ammunition in a day, and he ought to pay for that, and I am against any change in this amendment. The ordinary farm boy who goes out and shoots a squirrel does not pay much of this tax, and it does not amount to anything, so far as he is concerned, during the entire year.

Mr. SNYDER. He pays a little, does he not?

Mr. BLANTON. It is the trap shooter who pays it. The farm boy has his old long rifle slung behind the door that he can take out and kill a squirrel, and it is the big trap shooter in these clubs who wants to escape this tax.

Mr. SNYDER. I want to say that I have not any interest at all in the trap shooter.

Mr. BLANTON. When you speak of a sportsman you ought to speak of a sportsman who is willing to pay his tax just like everybody else. I am not in favor of changing one word relative to the tax on firearms and ammunition in the committee's bill. We ought to pass it just like it is and let every gun that is sold and every box of ammunition that is sold pay its way, and not a single real hunter in the United States will object to it. The rich clubs out here that a great many of our friends belong to, when they go out on these trap-shooting expeditions, can save in a year's time $10 or $15 or $20 of taxes and can spend that money in some other way. I do not blame them for wanting to relieve themselves of it. I relieve the gentleman of any such intention. He is speaking for the farm boy in his district alone.

He is speaking for the laboring man in his district alone. I do not impute any bad motives to him, but there are big clubmen in the country who spend a great amount of money for fine guns. There are clubmen who spend as much as $500 for fine handmade guns, and they ought to pay the tax on same.

The CHAIRMAN. All time has expired.

Mr. ABERNETHY. Mr. Chairman, is there any objection to again reporting the amendment?

The CHAIRMAN. Without objection, the amendment to the amendment will be reported.

The amendment of the gentleman from Indiana [Mr. VESTAL] to the amendment of the gentleman from New York [Mr. CROWTHER] was again reported.

Mr. BURTNESS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BURTNESS. As I understand it, the amendment offered by the gentleman from New York was, in fact, withdrawn, so that the amendment of the gentleman from Indiana is to be submitted.

The CHAIRMAN. No; the amendment was modified. There was a modification agreed to by the gentleman from New York and after that modification was made the gentleman from Indiana offered his amendment.

The question now is on the amendment offered by the gentleman from Indiana [Mr. VESTAL] to the amendment offered by the gentleman from New York [Mr. CROWTHER].

The question was taken; and on a division (demanded by Mr. CROWTHER) there were—ayes 42, noes 83.

So the amendment was rejected.

The CHAIRMAN. The question now recurs on the amendment offered by the gentleman from New York [Mr. CROWTHER].

The question was taken, and the amendment was rejected.

Mr. GARNER of Texas and Mr. DAVIS of Tennessee rose.

The CHAIRMAN. The gentleman from Texas is recognized.

Mr. GARNER of Texas. Mr. Chairman, I move to strike out the last word. I just want to suggest to the gentleman from Iowa and to the committee that while I do not know whether you want to get through with this bill this week or not, yet if you do, you will have to make a little more progress than you have been making for the last two hours. As far as I am concerned, and, I think, so far as the membership of the committee on this side is concerned, they are anxious to help you and to facilitate getting through with this bill. If you are going on, however, it is your responsibility.

Mr. GREEN of Iowa. Of course, the gentleman from Texas recognizes that I have been doing everything possible to get the matter along, and also, as chairman, I have taken but a few minutes this afternoon. That is all the time I have taken.

Mr. GARNER of Texas. I will say to the gentleman that I have used the gentleman from Iowa as a battering ram to talk to somebody else.

Mr. DAVIS of Tennessee. Mr. Chairman, I offer an amendment, which I send to the desk.

The CHAIRMAN. The gentleman from Tennessee offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. DAVIS of Tennessee: Page 167, line 20, after the word "machine," insert: "If any such machine or the operation thereof be of such a nature that the operator or customer stands a chance to win a prize or to win more or less in one operation than another, a tax equivalent to 100 per cent of its fair market value shall be imposed upon every such machine sold or put into operation."

Mr. GREEN of Iowa. Mr. Chairman, I make a point of order, but if there is going to be any discussion on it I will withdraw it and let a vote be had. This is merely a regulatory matter and not a tax.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee [Mr. DAVIS].

The question was taken, and the amendment was not agreed to.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

The committee informally rose; and Mr. SNYDER having taken the chair as Speaker pro tempore, a message in writing was received from the President of the United States, by Mr. LATTA, one of his secretaries, who also informed the House of Representatives that the President had approved and signed bill and joint resolution of the following titles:

On February 27:

H. R. 3198. An act to authorize the States of Alabama and Georgia, through their respective highway departments, to construct and maintain a bridge across the Chattahoochee River at or near Eufaula, Ala., connecting Barbour County, Ala., and Quitman County, Ga.; and

H. J. Res. 160. Joint resolution to provide an appropriation for the prosecution of suits to cancel certain leases, and for other purposes.

REVENUE ACT OF 1924.

The committee again resumed its session.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 604. (a) On and after the expiration of 30 days after the enactment of this act there shall be levied, assessed, collected, and paid (in lieu of the tax imposed by section 905 of the revenue act of 1921) upon all articles commonly or commercially known as jewelry, whether real or imitation; pearls, precious and semiprecious stones, and imitations thereof; articles made of, or ornamented, mounted, or fitted with precious metals or imitations thereof or ivory; watches; clocks; opera glasses; lorgnettes; marine glasses; field glasses; and binoculars; upon any of the above when sold or leased by or for a dealer or his estate for consumption or use, a tax equivalent to 5 per cent of the price for which so sold or leased.

Mr. FAIRCHILD. Mr. Chairman, I have an amendment to strike out the section. Shall I move to strike out paragraph (a) and then the following paragraphs, or wait until the whole section is read?

Mr. HAWLEY. I think we had better fight it out on this paragraph.

Mr. FAIRCHILD. Then, I submit the following amendment.

The Clerk read as follows:

Page 169, line 22, strike out paragraph (a).

Mr. FAIRCHILD. Mr. Chairman, on this amendment to strike out the jewelry tax I would like to have the close attention of the membership of the House.

Mr. GREEN of Iowa. Will the gentleman yield and let me see if I can get a unanimous request?

Mr. WATKINS. If you strike out this paragraph would that go back and leave——

Mr. GREEN of Iowa. The effect would be to entirely wipe out the tax.

Mr. GARNER of Texas. I think the gentleman from Iowa or some one ought to say a word as to what effect this amendment is going to have. We have reduced this $13,000,000, and this will reduce it over $20,000,000 more.

Mr. FAIRCHILD. Is it the purpose of the gentleman from Iowa at this time to move to limit debate?

Mr. GREEN of Iowa. No; I am not going to make any motion at this time.

Mr. FAIRCHILD. Is the gentleman going to ask unanimous consent to limit debate?

Mr. GREEN of Iowa. It seems to me that we ought not to spend more than 15 minutes on this amendment or this paragraph, and I would like 1 minute of that myself.

Mr. FAIRCHILD. I will limit my time as much as possible; but I hope the gentleman from Iowa will withhold his request.

Mr. GREEN of Iowa. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 15 minutes.

The CHAIRMAN. The gentleman from Iowa asks that all debate on this subsection and all amendments thereto close in 15 minutes. Is there objection?

Mr. FAIRCHILD. I ask the gentleman to withhold that a few minutes.

Mr. GREEN of Iowa. All the gentleman has to do is to object, and I will sit down.

Mr. FAIRCHILD. I do not want to object.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. FAIRCHILD. Mr. Chairman, this amendment to strike out entirely the excise tax on the jewelry business is an appeal for a business that has suffered and is suffering very seriously under the tax. The purpose of a tax is to raise revenue and not to destroy business. This discriminatory tax on the jewelry business has destroyed business, thrown many retail stores into bankruptcy, and has correspondingly reduced the tax income of the Government. The time has come to repeal the tax altogether.

This appeal is in behalf of all the thousands of small jewelers throughout the United States who have suffered so severely as a result of the tax that they are up against financial difficulties and financial disaster. There is a good deal that could be said on the subject in this appeal to the membership of the House if permitted. Within my limited time, permit me to call attention to some figures.

This 5 per cent retail tax went into effect for the latter half of the year 1919. The first half of that year the tax was 3 per cent on manufacturers. It was changed by the act of October 18 to 5 per cent on retailers. The first year, 1919—half of the year being 5 per cent on retailers—the total amount received by the Government was $6,567,512. The first full year of 5 per cent retail tax the Government received $25,863,607, but the years 1920 to 1923 the tax income received by the Government has grown steadily less, until 1923 the total income received was $20,297,875.91, a reduction in tax income under the operation of these excise taxes against the jewelry business of over five and a half million dollars. That reduction of tax income reflected the failures among the men engaged in the jewelry business. In 1919 there were 94 failures, 1919 being the year when the tax was in effect only one-half of the year. There were 94 failures in that year with a total liability of $688,000. In 1920 there were 139 failures with liabilities of nearly $3,000,000. In 1921 there were 488 failures with liabilities of nearly $14,000,000.

In 1923, the last full year of the tax, there were more than 500 failures in the jewelry business. Out of a total of a little over 18,000 jewelers throughout the United States there was a total of 1,794 failures during the years of this tax with total liabilities of $40,657,880. This tax is a tax on the entire business, not a tax on precious stones alone. With few rare exceptions the sale of precious stones by a retail jeweler is less than 10 per cent of the total sales. More than two-thirds of the 18,000 jewelers in the United States have a capital of less than $20,000. These struggling small retail jewelry stores have suffered disaster under this discriminatory tax in severe competition with untaxed business. It is a wicked discrimination and should be abolished.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. FAIRCHILD. May I have two minutes more?

The CHAIRMAN. The gentleman from New York asks for two minutes more.

Mr. GREEN of Iowa. I am compelled to object, Mr. Chairman.

Mr. CRISP. Mr. Chairman, we all know that taxes are burdensome, and we would like to repeal all taxes if it were possible, but it is not possible to do it. We are practical men, we represent the Government, and it is our duty to see that the Government has sufficient revenue to meet its legitimate needs. When the Committee on Ways and Means met we found it possible to repeal some of these annoying nuisance taxes to the amount of about $45,000,000. All the items in the bill that are given the benefit of reduction I do not suppose are the choice of any member of the committee, either Republican or Democrat. We have tried to relieve those industries that we thought were suffering the most and which were most seriously affected by the tax and the items upon which we gave relief are the judgment of a majority of the committee.

Let us take the jewelry proposition. We must have a revenue. The jewelry tax last year brought in about $20,000,000. The committee found it impossible to relieve all of that tax and have sufficient revenue in the bill to meet the needs of the Government. We recognized that the jewelers were suffering, and the committee decided to reduce the tax one-half, amounting to $10,000,000. The Ways and Means Committee favored a manufacturers' tax if it was feasible. The Ways and Means Committee then appointed a subcommittee to confer with the representatives of the retail jewelers, and asked them to make suggestions as to how we could reduce the jewelers' tax by $10,000,000 and affect them the least injuriously and give them the greatest benefit of the reduction. They met with us. They insisted that the whole tax be repealed. The subcommittee—and I had the honor to be upon it—advised them that as a subcommittee we could not report a bill repealing it all; that we were limited to repealing one-half, or $10,000,000. They would not give us any suggestion. We finally told them if they would not assist us we would have to act.

When driven to the wall, they finally made the suggestion that they would prefer to reduce the tax on all items rather than to have a manufacturers' tax. When we began to consider the manufacturers' tax, the question arose as to who is a manufacturer. They said that every jeweler is a manufacturer, and that if you put it on the manufacturers it would be pivoted in four or five exchanges, and finally the subcommittee decided after a conference with the experts that the most practical way was to draw it under the terms in which it appears in the bill. Under that all plated silverware, all small articles of jewelry, all articles of jewelry selling for less than $40 are relieved entirely from the tax. The bill provides that a watch sellin; for less than $60 is relieved. We raised the watch to $60 because it was represented to us that railroad men must have accurate watches in the discharge of their duties, and the testimony showed that they could get an accurate watch for $60. Under the provisions of the bill a watch costing less than $60 is relieved from all the tax. The provision as drafted in the bill, according to the Treasury experts, will net in revenue about $7,000,000, so that we have reduced the tax of the jewelers by nearly 65 per cent. We have knocked off $13,000,000. Do you not think that the committee has been just and fair to the jewelers? Nearly all of the $7,000,000 that the retailers will have to pay will come from pearls, diamonds, precious and semi-precious stones—luxuries—and surely if the Government must have a revenue there is no better place to levy it than upon such luxuries. Those who purchase such ornaments are able to pay a small tax.

Mr. FAIRCHILD. Mr. Chairman, will the gentleman yield?

Mr. CRISP. Yes.

Mr. FAIRCHILD. Does not the gentleman know that in a large number of jewelry stores throughout the small towns and villages the proportionate part of their business relating to precious stones, diamonds, and so forth, would not exceed 10 per cent of the total business?

Mr. CRISP. I do not know what it would amount to, but I say that this provision, in my judgment, will relieve practically all of the small jewelry stores in the small towns throughout the United States from having to pay a tax and put the tax on these expensive diamonds and pearls and precious stones.

Mr. BACHARACH. Is not it a fact that the purchaser pays the tax?

Mr. CRISP. I think that is the fact.

Mr. BACHARACH. The 5 per cent is added, and the poor jeweler is not affected by this.

Mr. CRISP. That is true. In this instance I want to appeal to the House to stand by the Ways and Means Committee. This committee did the best that it could. It considered all of the testimony. It granted all the relief it could

commensurate with the needs of the Government for revenue. If we strike one article out after another, there will be no revenue left. I appeal to the House to stand by the bill in respect to the repeal of the excise taxes. [Applause.]

Mr. HAWLEY. Mr. Chairman, in addition to what the gentleman from Georgia [Mr. CRISP] has so well said, the committee thought the jewelry industry made a good case. Take the matter of musical instruments, for example. A small amount of silvering is used on the mouthpiece and to make the instruments sanitary, and that caused the tax of 5 per cent to be levied on the entire value of the instrument. The silvering might not be worth more than 10 cents and the instrument might cost $100. It would add a tax of $5 for the 10 cents worth of precious metal on the instrument. Small articles, like canes and umbrellas, with small bands of silver around them are taxed 5 per cent on the entire value of the article. In hardware stores they are compelled to carry a small quantity of silver-plated ware in order to furnish complete house furnishings at one place. The cost of keeping the accounts for the sales of these small items of silver-plated ware is greater than the amount of profit made upon the entire sale of the articles. Then the jewelry stores suffer from competition with traveling salesmen who do not pay any local taxes or rents, but who compete with the local jewelers in the sale of articles and also evade the tax. The average rate of profit for the entire industry was very small. We concluded that the jewelers had made a good case, that a great many people would be benefited by the relief from this tax on articles we never had intended to tax, such as musical instruments, but we were unable to relieve the industry to the extent of more than $13,000,000. We asked the representatives of the industry to appear before our subcommittee and we told them the fact that we could relieve them to the extent of $13,000,000, but that for the present $7,000,000 would need to be retained, although we greatly regretted the necessity that compelled us to take such action. Therefore we limited the tax in this way. Articles up to $40 do not pay a tax; that is, any single article costing $40 or less, no matter what it is, will pay no tax. Watches up to $60 will not pay a tax. Articles costing more than $40 or watches costing more than $60 will pay a tax of 5 per cent.

Eyeglasses, surgical instruments, spectacles, flat tableware, and silver-plated musical instruments at any price are entirely exempt. Now, if some one chooses to buy a $600,000 black-pearl necklace why not impose a tax on that? When any of these gifts run to $10,000 or $100,000 there is no reason in the world why this small tax should not be levied.

Mr. WATKINS. Mr. Chairman, the more you study this bill the madder you get. All my life I have insisted that everybody should be treated alike. It makes no difference to me if he is the richest man in the world or the poorest; and if anybody is to be given preference, then the latter. The same is true of business. This bill does not do that.

This bill eliminates all excise taxes on fans, pocketbooks, yachts, carpets and rugs, hand bags, purses, trunks, hunting garments, livery and livery boots, portable light fixtures, dirk knives, candy, telegraph and telephone messages, seating capacity of theaters, circuses, aggregation of entertainments, cereal beverages, unfermented fruit juices, still drink, mineral waters, fountain sirups, and carbonic-acid gas. Heretofore all such taxes were removed from chewing gum, hair dye, and many other similar items, hundreds of which were and are admitted by everybody as wholly nonessentials and in most cases luxuries.

But what treatment is meted out to the automobile and jewelry business? They are merely reduced, and then not commensurate with the need. Now, I have no quarrel with anybody because the excise taxes heretofore mentioned have been eliminated; not at all. I favor the abolition of all such taxes. Certainly they ought to be deducted proportionally instead of wiping out some entirely and only partially reducing others. Especially is this unwise and unjust when the favored classes in many instances are nonessentials, whereas the reverse is true of automobiles. Every railroad man must have a high-priced watch and every betrothed couple an engagement and wedding ring, and so I could go on and on enumerating instances ad infinitum. It is no excuse to say that it can not be done, for this Government has not yet reached the point where it can not treat everybody exactly the same. If you have $300,000,000 in revenue in excise taxes and only $200,000,000 can be taken off, then take two-thirds off everybody and not all off some and none off others. If, however, that is the rule, then for heaven's sake do not relieve luxury first.

I maintain, however, that all excise taxes can be eliminated. You will, too, if you are fair and unbiased when you recall that a stock-dividend tax has been written in this bill, likewise a gift tax; the inheritance tax has been increased, and all in all enough revenue from these will be forthcoming to remove these nuisance taxes from industries that are being driven into bankruptcy and despair.

This question ought to be treated as a business matter, but I am blunt enough to say that if you do not give more consideration to industries actually in need of relief the last one of you will be driven from power, for you just as well remember what Lincoln said about fooling all the people all the time; it can not be done in this country any more. The business man is wide-awake and he cares not a tinker's iota what your politics may be; he expects you to practice what you preach. I am willing to be defeated if I break my word, and I hope every man here who breaks a promise will receive the same verdict. These excise taxes ought to be removed and in the place of them get your taxes from these other sources already written in the bill. When you do that, and then economize in the operation of the Government, you will find that there is revenue sufficient and these nuisance taxes unnecessary.

Mr. GREEN of Iowa. Mr. Chairman, when an industry comes before the Committee on Ways and Means asking that a tax on a luxury be reduced and the committee takes half of the tax off with the understanding that there will not be any further trouble—and I am not referring now to the gentleman from New York—what we ought to do, when they do make trouble, is to put the tax back for the full amount. [Applause.]

Mr. FAIRCHILD. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. What we are doing in this bill with reference to automobile accessories is to put a tax on the tire of the poor fellow who blows one out; but here is a proposal to take the tax off the $5,000 necklace or a $50,000 diamond. I hope the amendment will be voted down. [Applause.]

The CHAIRMAN (Mr. DOWELL). The question is on agreeing to the amendment offered by the gentleman from New York [Mr. FAIRCHILD].

The question was taken, and the amendment was rejected.

Mr. FAIRCHILD. Mr. Chairman, I move to strike out on line 2, page 170, the words "jewelry, whether real or imitation."

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. FAIRCHILD: Page 170, beginning in line 2, strike out the words "jewelry, whether real or imitation."

Mr. GREEN of Iowa. There is no further debate, Mr. Chairman.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from New York.

The question was taken, and the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Title VII.—Special taxes.

Mr. MOORE of Virginia. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Virginia.

The Clerk read as follows:

Amendment offered by Mr. MOORE of Virginia: Insert under Title VII, Special taxes, after line 3, page 174, the following independent section:

"Gifts, advances, subscriptions, payments, contributions, and expenditures made in behalf of, or in opposition to, or for the purpose of influencing, directly or indirectly, the nomination or defeat, or the election or defeat of, any candidate or candidates for the office of President, Vice President, Senator, or Representative, or presidential or vice presidential elector, or for use in, or in respect to, any convention, primary, or election in which there is nominated or elected a candidate for any of the aforesaid offices, shall be subject to special taxes as follows: When the aggregate thereof made by any person during the year to which the return hereinafter mentioned applies exceeds the sum of $5,000, such person shall pay thereon a tax equal to 50 per cent of such excess. In order to minimize confusion and expense in administering this provision, it shall be the duty of every person who makes an income-tax return as hereinbefore provided in this act, to state the aggregate for the year to which the return applies of his gifts, advances, subscriptions, payments, contributions, and expenditures made as aforesaid, provided that when the aggregate does not exceed $1,000 no return thereof need be made. Any person willfully making a false return of such gifts, advances, contributions, and expenditures shall, upon conviction, be fined not less than $1,000, and, in addition, the individual, member, official, or employee of a partnership,

corporation, trust, or estate willfully making such false return shall, upon conviction, be imprisoned not less than 30 days nor more than one year."

Mr. GREEN of Iowa. Mr. Chairman, I make a point of order against the amendment, that it is not germane to the section or germane to the bill, and is in fact a sort of corrupt practice act, intended to regulate elections. The gentleman who is ordinarily in the chair has ruled out a very similar provision; a provision very similar, so far as the principle is concerned; an amendment to regulate rents, offered by the gentleman from Oklahoma [Mr. MCKEOWN]. The Chair said it was the duty of the Chair to look into the real purpose of an amendment offered, and if it were not in fact a tax provision, to sustain the point of order. The Chair not only sustained the point of order but the committee sustained the Chair.

Mr. MOORE of Virginia. Mr. Chairman, I will only occupy a few minutes in stating the case.

This amendment is similar to but not the same as the amendments I heretofore offered. This amendment, like the others, has reference to those who contribute to campaign funds; but, unlike the others, imposes a tax not of 100 per cent on the excess over $5,000 but a tax of 50 per cent.

It was said with respect to the previous amendments that they were not germane, because they were in the nature of a subterfuge and did not really relate to the subject of taxation; and incidental to that it was said that they dealt with a matter covered by our corrupt-practice legislation.

On the latter point it will be admitted that there is no legislation in effect that fixes a limit upon or penalizes contributions, except those made by candidates themselves.

[At this point Mr. DOWELL retired from the chair and Mr. GRAHAM of Illinois resumed the chair.]

Mr. MOORE of Virginia. Mr. Chairman, to repeat what I have already said——

Mr. NEWTON of Minnesota. Mr. Chairman, will the gentleman yield there?

Mr. MOORE of Virginia. In a moment I will yield to the gentleman. I repeat, Mr. Chairman, the present amendment is not the same in substance as the amendments heretofore offered by me.

The objection to the other amendments was that they were in the nature of a subterfuge, because they did not deal with the subject of taxation; and it was further said, to repeat once more, that they were of that character because they covered a matter dealt with in existing corrupt-practice statutes. But this, as I have explained, is not the fact.

The existing legislation refers to candidates and to committees. It directs that campaign committees shall file statements of contributions, and shall file those statements within 30 days after a campaign closes; and, by the way, it may be noted that if there is a deficit of, say, $1,000,000 in the funds of a national committee there is no legislation whatever that requires any showing of the contributions to the deficit if made after the 30-day period expires. So we have practically no legislation on the subject to which the present amendment relates.

Another point, Mr. Chairman. There is now no legislation whatever applicable to the nomination of candidates for Federal offices by conventions or in primaries, the Supreme Court having condemned the statutory provisions respecting nominations. My proposition includes not only elections but the nomination processes.

Further, Mr. Chairman, we are enacting revenue legislation; we are considering a tax bill; this amendment provides that any "person"—that is to say, any individual, corporation, estate, or trust—contributing in excess of $5,000 shall be subjected to a tax of 50 per cent upon the excess. Such a provision may produce revenue. In the Newberry case, as I recall, there was complete evidence of the relatives and friends of the candidate having subscribed some $200,000 to his campaign expenses. If this provision had been in effect at that time, it might have yielded the Government $100,000.

Mr. NEWTON of Minnesota. Will the gentleman yield?

Mr. MOORE of Virginia. Yes.

Mr. NEWTON of Minnesota. If the proposed legislation had been in effect at the time Mr. Doheny contributed the sum of $200,000 to the Democrats, it would have yielded $100,000?

Mr. MOORE of Virginia. Perhaps so. And such contributions for political purposes are indefensible, whoever makes them.

Mr. SANDERS of Indiana. Mr. Chairman, I make the point of order against the gentleman's argument. The gentleman from Virginia is not confining his argument to the point of order.

The CHAIRMAN. The gentleman from Virginia will confine himself to the point of order.

Mr. MOORE of Virginia. The gentleman from Indiana is somewhat tempestuous in regard to this matter.

Mr. SANDERS of Indiana. Mr. Chairman, I renew the point of order.

The CHAIRMAN. The Chair will say to the gentleman from Virginia that he must confine himself to the point of order.

Mr. MOORE of Virginia. Mr. Chairman, I have simply used the Newberry case as illustrative of my view that the amendment is not subject to the point of order. By way of further illustration, I might refer to the effort to affect the nomination of candidates for the Presidency in 1920.

Mr. ROSENBLOOM. Mr. Chairman, I make the point of order that the gentleman from Virginia is not confining himself to the point of order.

Mr. MOORE of Virginia. Does not the gentleman wish to consider these pertinent illustrations?

Mr. ROSENBLOOM. I want to get through with this bill.

Mr. MOORE of Virginia. Ah, but is not the gentleman a little timid about this matter?

Mr. ROSENBLOOM. There will be plenty of time for the gentleman to make his speech after we get through with the tax bill.

Mr. MOORE of Virginia. I am not anxious to make a speech. I have never been anxious to make a speech since my advent in this body, but I am anxious for legislation which may serve to minimize one of the gravest evils, one of the greatest perils confronting the country.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. MOORE of Virginia. Yes.

Mr. GREEN of Iowa. Would it not be better for my friend, if he wants such legislation, to introduce a bill for that purpose and have it referred to the proper committee and considered by that committee at the proper place and proper time?

Mr. MOORE of Virginia. I have had my experience in attempting legislation which might affect the plans and purposes of the party of which my friend is one of the leaders.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. MOORE of Virginia. Yes.

Mr. CHINDBLOM. Has the gentleman a bill on this subject pending in the House?

Mr. MOORE of Virginia. Bills have been introduced.

Mr. CHINDBLOM. But has the gentleman a bill pending?

Mr. MOORE of Virginia. I have upon my table a bill that is pending before one of the committees and also a bill introduced at a previous session of Congress, but those bills do not reach the particular matter embraced by this amendment.

Mr. CHINDBLOM. So the gentleman himself has not introduced a bill of the kind which he seeks to inject into this revenue measure?

Mr. MOORE of Virginia. There is no obligation on my part to do so, believing, as I do, that the necessary legislation is permissible here and now. But I shall not detain the committee longer.

The CHAIRMAN. The Chair is ready to rule. The Chair has heretofore on two different occasions ruled on this matter or similar matters, once when the gentleman from Virginia offered an amendment similar to this on a preceding occasion and the other when the gentleman from Oklahoma [Mr. MCKEOWN] offered an amendment on excess rents. The Chair thinks his conclusion in those cases was right and believes that the same reasoning which was then applied applies to the amendment before the committee now, and the Chair sustains the point of order. The Clerk will read.

The Clerk read as follows:

CAPITAL STOCK TAX.

SEC. 700. (a) On and after July 1, 1924, in lieu of the tax imposed by section 1000 of the revenue act of 1921—

(1) Every domestic corporation shall pay annually a special excise tax with respect to carrying on or doing business, equivalent to $1 for each $1,000 of so much of the fair average value of its capital stock for the preceding year ending June 30 as is in excess of $5,000. In estimating the value of capital stock the surplus and undivided profits shall be included;

(2) Every foreign corporation shall pay annually a special excise tax with respect to carrying on or doing business in the United States, equivalent to $1 for each $1,000 of the average amount of capital employed in the transaction of its business in the United States during the preceding year ending June 30.

Mr. GARNER of Texas. Mr. Chairman, I move to strike out the last word in order to make a statement.

Mr. Chairman, if I had the information which the Treasury Department has at the present time I would offer an amendment to this section and undertake to get into the Treasury at least $250,000,000 or $300,000,000 additional revenue. I would do that for the purpose of trying to reach stock dividends which have been declared in the last four or five years, but being unable to get that information and being unable to describe the character of corporations on which I would levy an additional excise capital stock tax, I will not offer the amendment because I do not like to do something in the dark and not know the full force and effect of it. But this is one method by which we can reach stock dividends; the corporations which have been issuing their stock dividends can be reached in this way each year on their stock dividends and it would probably equal the tax they have avoided when they issued stock dividends under the decision of the Supreme Court. For instance, I could describe a domestic corporation as one which had issued a stock dividend within the last three years increasing its capital stock exceeding $100,000.

If I had all this information, as I say, I would offer an amendment here for the purpose of getting two or three hundred million dollars additional taxes from these corporations that in my judgment have avoided the tax by issuing stock dividends. I merely wanted to say this to the committee so that if I can secure the information some of these days I will undertake to reach these particular corporations.

Mr. DENISON. Will the gentleman yield?

Mr. GARNER of Texas. I yield to the gentleman.

Mr. DENISON. After this bill becomes a law, if it becomes a law, the gentleman will be able to get that information.

Mr. GARNER of Texas. Just as soon as the next election is over we can get it, but we can not get it now.

Mr. DENISON. Then, of course, the gentleman will introduce that kind of a measure in the next Congress, if he has control of it.

Mr. GARNER of Texas. I will give consideration to the matter of trying to reach corporations that are avoiding their taxes under the stock-dividends decision.

Mr. DENISON. We will await with interest to see what the gentleman does do when he gets control.

Mr. GARNER of Texas. I am glad the gentleman will wait with interest.

Mr. HOWARD of Nebraska. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Nebraska offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HOWARD of Nebraska: Page 174, line 10, strike out the figure "1" and insert in lieu thereof the figure "2."

The CHAIRMAN. Does the gentleman care to be heard?

Mr. HOWARD of Nebraska. I do not care to be heard, Mr. Chairman. It is too patent; it is right. I do not care to be heard.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Nebraska.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

MISCELLANEOUS OCCUPATIONAL TAXES.

SEC. 701. On and after July 1, 1924, there shall be levied, collected, and paid annually the following special taxes—

(1) Brokers shall pay $50. Every person whose business it is to negotiate purchases or sales of stock, bonds, exchange, bullion, coined money, bank notes, promissory notes, other securities, produce, or merchandise for others shall be regarded as a broker. If a broker is a member of a stock exchange, or if he is a member of any produce exchange, board of trade, or similar organization, where produce or merchandise is sold, he shall pay an additional amount as follows: If the average value, during the preceding year ending June 30, of a seat or membership in such exchange or organization was $2,000 or more but not more than $5,000, $100; if such value was more than $5,000, $150.

(2) Pawnbrokers shall pay $100. Every person whose business or occupation it is to take or receive, by way of pledge, pawn, or exchange, any goods, wares, or merchandise, or any kind of personal property whatever, as security for the repayment of money loaned thereon, shall be regarded as a pawnbroker.

(3) Ship brokers shall pay $50. Every person whose business it is as a broker to negotiate freights and other business for the owners of vessels or for the shippers or consignors or consignees of freight carried by vessels, shall be regarded as a ship broker.

(4) Customhouse brokers shall pay $50. Every person whose occupation it is, as the agent of others, to arrange entries and other customhouse papers, or transact business at any port of entry relating to the importation or exportation of goods, wares, or merchandise, shall be regarded as a customhouse broker.

(5) Proprietors of bowling alleys and billiard rooms shall pay $5 for each alley or table. Every building or place where bowls are thrown or where games of billiards or pool are played, shall be regarded as a bowling alley or a billiard room, respectively, unless no charge is made for the use of the alleys or tables.

(6) Proprietors of shooting galleries shall pay $20. Every building, space, tent, or area where a charge is made for the discharge of firearms at any form of target shall be regarded as a shooting gallery.

(7) Proprietors of riding academies shall pay $100. Every building, space, tent, or area where a charge is made for instruction in horsemanship or for facilities for the practice of horsemanship shall be regarded as a riding academy: *Provided*, That this tax shall not be collected from associations composed exclusively of members of units of the Federalized National Guard or the Organized Reserve and whose receipts are used exclusively for the benefits of such units.

(8) Persons carrying on the business of operating or renting passenger automobiles for hire shall pay $10 for each such automobile having a seating capacity of more than two and not more than seven, and $20 for each such automobile having a seating capacity of more than seven. The tax imposed by this subdivision shall not be collected in respect of automobiles used exclusively for conveying school children to and from school.

(9) Every person carrying on the business of a brewer, distiller, wholesale liquor dealer, retail liquor dealer, wholesale dealer in malt liquor, retail dealer in malt liquor, or manufacturer of stills, as defined in section 3244 as amended and section 3247 of the Revised Statutes, in any State, Territory, or District of the United States contrary to the laws of such State, Territory, or District, or in any place therein in which carrying on such business is prohibited by local or municipal law, shall pay, in addition to all other taxes, special or otherwise, imposed by existing law or by this act, $1,000. The payment of the tax imposed by this subdivision shall not be held to exempt any person from any penalty or punishment provided for by the laws of any State, Territory, or District for carrying on such business in such State, Territory, or District, or in any manner to authorize the commencement or continuance of such business contrary to the laws of such State, Territory, or District, or in places prohibited by local or municipal law.

If any person first become subject to the tax imposed by subdivision (1), (2), (3), or (4) after December 31, he shall pay for the fiscal year in which he first becomes subject to the tax only one-half the tax specified in such subdivision.

The taxes imposed by this section shall, in the case of persons upon whom a corresponding tax is imposed by section 1001 of the revenue act of 1921, be in lieu of such tax.

Mr. GREEN of Iowa. Mr. Chairman, I offer a perfecting committee amendment.

The CHAIRMAN. The gentleman from Iowa offers a committee amendment, which the Clerk will report.

The Clerk read as follows:

Committee amendment offered by Mr. GREEN of Iowa: Page 178, line 17, after the figures "31," insert "in any fiscal year," and in lines 18 and 19 strike out "for the fiscal year in which he first becomes subject to the tax" and insert "for such fiscal year."

Mr. GREEN of Iowa. This is merely a clarifying amendment, Mr. Chairman.

The CHAIRMAN. The question is on the adoption of the amendment.

The question was taken, and the amendment was agreed to.

The CHAIRMAN. The gentleman from Nebraska [Mr. HOWARD] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HOWARD of Nebraska: On page 175, line 12, after the word "pay," strike out the figures "50" and insert in lieu thereof the figures "100."

The CHAIRMAN. The question is on the adoption of the amendment of the gentleman from Nebraska.

The question was taken, and the amendment was rejected.

Mr. DENISON. Mr. Chairman, I move to strike out paragraph 8.

The CHAIRMAN. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. DENISON: On page 177, beginning with line 13, strike out all of subparagraph (8).

Mr. DENISON. Mr. Chairman, I do not know how much revenue this paragraph yields the Government. I would be glad to have the chairman of the committee enlighten us on that, but

I do not think the Federal Government ought to collect a license fee from jitney drivers and others operating automobiles for hire. They have to pay very many different taxes. Some of them pay, in some parts of the country, 8 or 10 different kinds of taxes—Federal, State, and municipal—and it seems to me that Congress could very well afford to grant some little relief to jitney drivers. I do not think this paragraph yields the Government a very great amount of revenue, but it amounts to a whole lot to the men who are trying to make a living carrying passengers at 25 or 50 cents apiece. This is one form of transportation. We have taken off the tax on other forms of transportation, and it seems to me we might well take it off this one.

Mr. GARNER of Texas. The gentleman understands that this is the present law?

Mr. DENISON. I understand that.

Mr. GARNER of Texas. And it yields to the Treasury about $2,000,000?

Mr. DENISON. Well, that is a $2,000,000 tax on transportation, is it not?

Mr. GARNER of Texas. Well, probably it is.

Mr. DENISON. It is, of course, and we have taken it off of the railroads and other forms of transportation. Why not take it off of the jitneys? The United States Government does not have to collect this tax from the poor jitney men and others who earn their living hauling people in automobiles in order to keep functioning.

Mr. GARNER of Texas. I might answer the gentleman by asking why not take it off of everything?

Mr. DENISON. You have taken it off of all other forms of transportation. Why pick on the jitney drivers?

Mr. HAWLEY. Will the gentleman yield?

Mr. DENISON. I will be glad to yield.

Mr. HAWLEY. In the case of the street car or the railroad train, they have to buy their right of way, obtain their franchise, build their road, and maintain it, while the jitney driver has his road built and maintained for him.

Mr. DENISON. The jitney driver pays his part of the expense of building roads. The jitney driver has to pay a license tax to the city wherein he operates, a local personal property tax, and I think we ought to leave it to the municipalities to collect this form of taxes. He has to pay a tax to the city and he has to pay a license tax to the State; he has to pay local taxes, personal property taxes, and he has to pay the automobile tax when he buys his car; if he has a smash-up and knocks off a fender or breaks a spring, he has to pay Uncle Sam another tax when he replaces these parts; and we are now charging him a Federal license for operating his car. I think it is an outrage, and I do not think we ought to impose it any longer.

Mr. GREEN of Iowa. Mr. Chairman, I am opposed to this amendment. If the gentleman wants to have these matters corrected, he ought to go to the several States that are putting the large taxes on these men.

I move that all debate on this subsection and all amendments thereto do now close.

The CHAIRMAN. The question is on the motion of the gentleman from Iowa.

The question was taken, and the motion was agreed to.

The CHAIRMAN. The question is on the amendment of the gentleman from Illinois [Mr. DENISON].

The question was taken, and the amendment was rejected.

Mr. JEFFERS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Alabama offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. JEFFERS: Page 175, line 15, after the word "securities" strike out "produce or merchandise."

Mr. JEFFERS. Mr. Chairman, the imposition of this occupational tax of $50 per year on persons who sell produce or merchandise, such as groceries, meats, grain, and so forth, for others on a commission basis ought not to be continued any longer.

The term "broker" is applied to these little fellows, while as a matter of fact they are really nothing more than salesmen. They sell produce and foodstuffs for others for a small commission and they carry no stock of goods themselves.

You all know the class of men that this affects. A man has a little cubby-hole of an office where he keeps his books and accounts and perhaps he has a telephone in there, but he carries no goods in stock. So, as I say, he is really nothing more than a salesman for others.

In fact, such a man is always in direct competition with salesmen who do not have to pay this Federal tax known as an occupational tax. But the resident salesmen who has the cubby-hole of an office and a telephone is called a broker and upon him is imposed this penalty of $50 per year in the form of a so-called occupational tax.

Now, this is clearly discriminatory, and it appears to me that it is undoubtedly unfair. It is a situation which ought to be corrected at this time.

I am informed that the average net earnings of these so-called brokers in my State is probably less than $2,000 per year. It appears to me that it is not a fair proposition that this class of salesmen are singled out and required to pay this Federal occupational tax, especially in view of the fact that other salesmen with whom these men are in competition are not required to pay it. Of coursé, I am not suggesting that this occupational tax be inflicted upon traveling salesmen at all; but I think it is time now to take it off of these resident salesmen. It seems to me that it would be fair to remove it now from them.

Here are two men, both selling the same lines on a commission basis in direct competition with each other, selling goods to the same trade in the same market, both selling food and produce at the price specified by the shipper, one called a salesman and the other called a broker, and a $50 annual penalty collected by the Government from the latter class but not from the former.

In common fairness I believe this little discriminatory tax certainly ought to come off. Arbitrary taxes of this nature, like excise taxes, commonly termed "nuisance" taxes, constitute what we might properly call the obstructive and vexatious underbrush in the system of taxation, and in beginning the reform or revision of Federal taxation I believe that we ought to pay particular attention now to the clearing away, just as far as we consistently can, of this troublesome underbrush.

Besides the fact that this discriminatory tax is not capable of equitable administration, let me say that the total amount of revenue secured by the Government from the number of these salesmen, from whom the Government does collect this tax, is comparatively small. There are not over 3,000 of these small business people in the country who have to suffer this so-called occupational tax, so it does not affect many people and does not amount to a great amount of revenue after all.

I wish to read, in support of my contention, parts of two letters, which letters I shall insert in the RECORD with these few remarks.

One is from the National Food Brokers' Association, as follows:

NATIONAL FOOD BROKERS' ASSOCIATION,
OFFICE OF THE SECRETARY,
Indianapolis, Ind., February 27, 1924.

Hon. LAMAR JEFFERS,
Washington, D. C.

DEAR MR. JEFFERS: The members of the National Food Brokers' Association request and urge an amendment to section 701, paragraph 1, H. R. 6715, to strike out the occupational tax covering foodstuffs brokers.

The occupational tax of $50 which is assessed against food brokers is discriminatory, is not capable of equitable administration, yields a revenue of $185,000 as a maximum, is a war tax which has no place in a peace time bill.

The food broker, who sells produce and merchandise, is in reality the resident sales agent for a number of manufacturers, canners, packers, and other producers of merchandise and foodstuffs which are sold through the wholesale grocery trade. His compensation is a small percentage of the gross amount of the sale, ranging usually from 2 per cent to 3½ per cent. He does not buy or sell for his own account and renders the same service for many manufacturers that their own selling organization would be compelled to render at a much higher cost to the manufacturer, which would naturally be carried on to the consumer. The food broker, therefore, should not be taxed for being in business any more than it is proper to assess a license or tax against a doctor, lawyer, clothier, grocer, butcher, or any other merchant simply because he is a merchant of that class.

Many food brokers, since this tax was assessed, have set up successfully the claim that they are not brokers but manufacturers' sales agents, which, as a matter of fact, they are. Others making no such claim and yet operating in identically the same manner are compelled to pay this tax.

The official or recognized trade register lists 3,655 food, produce, and merchandise brokers in the United States. Not all of these, as explained in the foregoing, pay the tax, so that in the end the gross revenue to the Government is comparatively an inconsequential item.

This tax was first written into the revenue law to apply to food brokers in 1917 as a war-revenue producer, and since the country is

now at peace it is unfair to continue to assess this tax against one class of business men who render an essential service in a most economical manner and not assess all classes of business men as such.

Yours respectfully,

NATIONAL FOOD BROKERS' ASSOCIATION,
PAUL FISHBACK, *Secretary.*

You see that it is pointed out that this so-called occupational tax on these little fellows could not possibly yield more than $185,000 as a maximum, and very likely not that much, from these resident salesmen of foodstuffs, meats, grain, and such produce.

Then the following letter from a gentleman in Alabama, written in August, 1922, gives us the point of view of the citizens who are affected by this $50 occupational tax:

SELMA, ALA., *August 3, 1922.*

Hon. LAMAR JEFFERS,
House of Representatives, Washington, D. C.

FRIEND JEFFERS: Representing the merchandise brokers or manufacturers' agents of Alabama, I am instructed to take up with you the unjustness of the license tax being collected from brokers selling groceries, grain, etc., in this State, and ask you to take this matter up with the Internal Revenue Department and see if we can be relieved of this tax.

To begin with, this tax on merchandise brokers is a rank discrimination. There are hundreds of traveling men representing two or more firms on a commission basis, just as we brokers do, and selling in competition with us, who are not taxed as we are. Why?

* * * * * * *

Very few brokers are or have been able to make any money for several years because of the expense of doing business. The Government should not be a party to a discriminatory tax like this. Kindly take this matter up with the proper officials and oblige,

Sincerely yours,

RIVERS F. ROSS.

This may seem, gentlemen, to be but a minor matter, but to these citizens who are affected it is, of course, very important, both from the financial standpoint and as a matter of principle.

This tax is comparable with an excise or nuisance tax; it is clearly discriminatory; it is not equitable in itself and not capable of equitable administration; and I believe it would be nothing more than fair to strike it out.

Mr. GREEN of Iowa. Mr. Chairman, the committee gave this matter very careful consideration. The gentleman from Alabama speaks of it as a small matter. As far as the people he is concerned in it may be a small matter, but the effect of this amendment would be to eliminate a great portion of the tax, amounting to $1,000,000.

Mr. JEFFERS. Oh, no; it could not affect more than about 3,000 people, and they are comparatively small business men with modest incomes. It would not amount to more than $150,000 if they all paid.

Mr. GREEN of Iowa. The gentleman has not examined the figures. Mr. Chairman, I move that all debate on this paragraph be now closed.

The question was taken, and the motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama [Mr. JEFFERS].

The question was taken, and the amendment was rejected.

Mr. JEFFERS. Mr. Chairman, I offer another amendment.

The Clerk read as follows:

Amendment offered by Mr. JEFFERS: Page 175, line 16, after the word "broker," where that word first appears, strike out the period and insert a comma and the following words: "*Provided*, That this shall not apply to anyone selling foodstuffs, produce, and merchandise for others on commission basis and not carrying a stock of such goods."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama.

The question was taken, and the amendment was rejected.

Mr. WATKINS. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 175, line 23, after the figures "150," insert: "For the purposes of this section a farmer or grower of produce or merchandise and their agents shall not be regarded as brokers under this section in respect to the produce or merchandise produced by him."

Mr. WATKINS. Mr. Chairman, I realize that the debate on this paragraph is closed, but I ask for two or three minutes to proceed out of order.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

Mr. GREEN of Iowa. I shall be obliged to object.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oregon.

The question was taken, and the amendment was rejected.

Mr. LOZIER. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Amendment offered by Mr. LOZIER: Page 175, line 23, after the comma following the words or figures "$5,000" strike out "$150" and the period and insert in lieu thereof the following: "but not more than $10,000, $200; if such value was more than $10,000, but not more than $20,000, $250; if such value was more than $20,000, but not more than $30,000, $300; if such value was more than $30,000, but not more than $40,000, $350; if such value was more than $40,000, but not more than $50,000, $450; if such value was more than $50,000, $500."

The CHAIRMAN. The question is on the adoption of the amendment offered by the gentleman from Missouri.

The question was taken, and the amendment was rejected.

Mr. CONNALLY of Texas. Mr. Chairman, I move to strike out the last word. I want to ask the chairman a question.

Mr. GREEN of Iowa. Debate has been closed on this section.

Mr. CONNALLY of Texas. I understood the Chair to say paragraph, and that would mean paragraph (1). The motion of the gentleman from Iowa was to close debate on this paragraph and that does not mean section.

The CHAIRMAN. The section was read as one paragraph and was so treated.

Mr. GREEN of Iowa. It has been so treated all through the consideration of the bill.

Mr. CONNALLY of Texas. Well, I simply want to ask the chairman a question for information, and under the rules of this House or any dictionary a paragraph is a paragraph and not a section. I do not care whether it was read all together or a line at a time, the motion was to close debate on a paragraph, and a paragraph is a paragraph and that means paragraph (1).

Mr. BEGG. Mr. Chairman, I suggest that the gentleman from Texas says he wants information, and as he needs it badly enough we ought to let him have it. [Laughter.]

Mr. CONNALLY of Texas. I am asking for information from the gentleman from Iowa. I never would approach the gentleman from Ohio if that was my purpose. [Laughter.]

Mr. GREEN of Iowa. Will not the gentleman postpone his inquiry until the next paragraph?

Mr. CONNALLY of Texas. But my inquiry applies to this paragraph.

Mr. GREEN of Iowa. I do not want to set a precedent, and if I yield to the gentleman now I will have to yield to others.

Mr. CONNALLY of Texas. I really am in need of information as I do not carry it all around with me as the gentleman from Ohio seemingly does. [Laughter.]

The Clerk read as follows:

PENALTY FOR NONPAYMENT OF SPECIAL TAXES.

SEC. 704. Any person who carries on any business or occupation for which a special tax is imposed by section 700, 701, or 702, without having paid the special tax therein provided, shall, besides being liable for the payment of such special tax, be subject to a penalty of not more than $1,000 or to imprisonment for not more than one year, or both.

Mr. ROSENBLOOM. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Mr. ROSENBLOOM offers the following amendment: On page 182, after the word "both," line 14, insert the following:

"SECTION 704-A.—TAX ON OIL.

"That on and after the day following the passage of this act there shall be levied, collected, and paid, upon the articles described in the following sections, when imported from any foreign country into the United States, or into any of its possessions (except the Philippine Islands, the Virgin Islands, and the islands of Guam and Tutuila), the rates of tax which are prescribed in said sections.

"SECTION 1. Petroleum, crude, 35 cents per barrel of 42 gallons; fuel oil, 25 cents per barrel of 42 gallons.

"SEC. 2. All acts or parts of acts inconsistent with said section 704-A are hereby repealed."

Mr. GREEN of Iowa. Mr. Chairman, I make the point of order that the amendment is not germane to the section or germane to the bill, but, in fact, is an amendment to the tariff law.

Mr. ROSENBLOOM. Mr. Chairman, of course I claim that this is not an amendment to the section. It creates a new section. It is a new item, and it covers no administrative features at all. It is a specific tax. The purpose of the bill before the House is to obtain revenue. It is a special tax under the

provisions of the revenue bill and does not seek to amend any particular item, but creates a new item.

Mr. HAWLEY. Mr. Chairman, the tax is not levied on the article as a commodity, but it is levied upon it because it comes in from other countries, and it is purely a tariff provision.

The CHAIRMAN (Mr. DOWELL). The Chair thinks that the amendment must be germane to the paragraph and to the bill and sustains the point of order.

The Clerk read as follows:

TITLE VIII.—STAMP TAXES.

SEC. 800. There shall be levied, collected, and paid, for and in respect of the several bonds, debentures, or certificates of stock and of indebtedness and other documents, instruments, matters, and things mentioned and described in Schedule A of this title, or for or in respect of the vellum, parchment, or paper upon which such instruments, matters, or things, or any of them, are written or printed, by any person who makes, signs, issues, sells, removes, consigns, or ships the same, or for whose use or benefit the same are made, signed, issued, sold, removed, consigned, or shipped, the several taxes specified in such schedule. The taxes imposed by this section shall, in the case of any article upon which a corresponding stamp tax is now imposed by law, be in lieu of such tax.

Mr. HAWLEY. Mr. Chairman, I offer the following committee amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. HAWLEY: Page 191, line 4, strike out the word "There" and in lieu thereof insert the following: "On and after the expiration of 30 days after the enactment of this act there."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

SEC. 807. Each collector shall furnish, without prepayment, to any assistant treasurer or designated depositary of the United States, located in the district of such collector, a suitable quantity of adhesive stamps to be kept on sale by such assistant treasurer or designated depositary.

Mr. HAWLEY. Mr. Chairman, I offer the following committee amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. HAWLEY: Page 195, line 20, before the word "each" insert "(a)".

Mr. HAWLEY. Mr. Chairman, this is to correct a typographical error.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

SCHEDULE A.—STAMP TAXES.

1. Bonds of indebtedness: On all bonds, debentures, or certificates of indebtedness issued by any person, and all instruments, however termed, issued by any corporation with interest coupons or in registered form, known generally as corporate securities, on each $100 of face value or fraction thereof, 5 cents: *Provided*, That every renewal of the foregoing shall be taxed as a new issue: *Provided further*, That when a bond conditioned for the repayment or payment of money is given in a penal sum greater than the debt secured, the tax shall be based upon the amount secured.

2. Capital stock, issued: On each original issue, whether on organization or reorganization, of certificates of stock, or of profits, or of interest in property or accumulations, by any corporation, on each $100 of face value or fraction thereof, 5 cents: *Provided*, That where a certificate is issued without face value, the tax shall be 5 cents per share, unless the actual value is in excess of $100 per share, in which case the tax shall be 5 cents on each $100 of actual value or fraction thereof, or unless the actual value is less than $100 per share, in which case the tax shall be 1 cent on each $20 of actual value or fraction thereof.

The stamps representing the tax imposed by this subdivision shall be attached to the stock books and not to the certificates issued.

3. Capital stock, sales or transfers: On all sales, or agreements to sell, or memoranda of sales or deliveries of, or transfers of legal title to shares or certificates of stock or of profits or of interest in property or accumulations in any corporation, or to rights to subscribe for or to receive such shares or certificates, whether made upon or shown by the books of the corporation, or by any assignment in blank, or by any delivery, or by any paper or agreement or memorandum or other evidence of transfer or sale, whether entitling the holder in any manner to the benefit of such stock, interest, or rights, or not, on each $100 of face value or fraction thereof, 2 cents, and where such shares are without par or face value, the tax shall be 2 cents on the transfer or sale or agreement to sell on each share: *Provided*, That it is not intended by this title to impose a tax upon an agreement evidencing a deposit of certificates as collateral security for money loaned thereon, which certificates are not actually sold, nor upon the delivery or transfer for such purpose of certificates so deposited, nor upon mere loans of stock nor upon the return of stock so loaned: *Provided further*, That the tax shall not be imposed upon deliveries or transfers to a broker for sale, nor upon deliveries or transfers by a broker to a customer for whom and upon whose order he has purchased same, but such deliveries or transfers shall be accompanied by a certificate setting forth the facts: *Provided further*, That in case of sale where the evidence of transfer is shown only by the books of the corporation the stamp shall be placed upon such books; and where the change of ownership is by transfer of the certificate the stamp shall be placed upon the certificate; and in cases of an agreement to sell or where the transfer is by delivery of the certificate assigned in blank there shall be made and delivered by the seller to the buyer a bill or memorandum of such sale, to which the stamp shall be affixed; and every bill or memorandum of sale or agreement to sell before mentioned shall show the date thereof, the name of the seller, the amount of the sale, and the matter or thing to which it refers. Any person liable to pay the tax as herein provided, or anyone who acts in the matter as agent or broker for such person, who makes any such sale, or who in pursuance of any such sale delivers any certificate or evidence of the sale of any stock, interest, or right, or bill or memorandum thereof, as herein required, without having the proper stamps affixed thereto, with intent to evade the foregoing provisions, shall be deemed guilty of a misdemeanor, and upon conviction thereof shall pay a fine of not exceeding $1,000, or be imprisoned not more than six months, or both.

4. Produce, sales of, on exchange: Upon each sale, agreement of sale, or agreement to sell (not including so-called transferred or scratch sales), any products or merchandise at, or under the rules or usages of, any exchange, or board of trade, or other similar place, for future delivery, for each $100 in value of the merchandise covered by said sale or agreement of sale or agreement to sell, 1 cent, and for each additional $100 or fractional part thereof in excess of $100, 1 cent: *Provided*, That on every sale or agreement of sale or agreement to sell as aforesaid there shall be made and delivered by the seller to the buyer a bill, memorandum, agreement, or other evidence of such sale, agreement of sale, or agreement to sell, to which there shall be affixed a lawful stamp or stamps in value equal to the amount of the tax on such sale: *Provided further*, That sellers of commodities described herein, having paid the tax provided by this subdivision, may transfer such contracts to a clearing-house corporation or association, and such transfer shall not be deemed to be a sale, or agreement of sale, or an agreement to sell within the provisions of this act, provided that such transfer shall not vest any beneficial interest in such clearing-house association but shall be made for the sole purpose of enabling such clearing-house association to adjust and balance the accounts of the members of such clearing-house association on their several contracts. Every such bill, memorandum, or other evidence of sale or agreement to sell shall show the date thereof, the name of the seller, the amount of the sale, and the matter or thing to which it refers; and any person liable to pay the tax as herein provided, or anyone who acts in the matter as agent or broker for such person, who makes any such sale or agreement of sale, or agreement to sell, or who, in pursuance of any such sale, agreement of sale, or agreement to sell, delivers any such products or merchandise without a bill, memorandum, or other evidence thereof as herein required, or who delivers such bill, memorandum, or other evidence of sale, or agreement to sell, without having the proper stamps affixed thereto, with intent to evade the foregoing provisions, shall be deemed guilty of a misdemeanor, and upon conviction thereof shall pay a fine of not exceeding $1,000 or be imprisoned not more than six months, or both.

No bill, memorandum, agreement, or other evidence of such sale, or agreement of sale, or agreement to sell, in case of cash sales of products of merchandise for immediate or prompt delivery which in good faith are actually intended to be delivered shall be subject to this tax.

This subdivision shall not affect but shall be in addition to the provision of the "United States cotton futures act," approved August 11, 1916, as amended, and "the future trading act," approved August 24, 1921.

5. Drafts or checks (payable otherwise than at sight or on demand) upon their acceptance or delivery within the United States whichever is prior, promisory notes, except bank notes issued for circulation, and for each renewal of the same, for a sum not exceeding $100, 2 cents; and for each additional $100, or fractional part thereof, 2 cents.

This subdivision shall not apply to a promissory note secured by the pledge of bonds or obligations of the United States issued after April 24, 1917, or secured by the pledge of a promissory note which

itself is secured by the pledge of such bonds or obligations: *Provided*, That in either case the par value of such bonds or obligations shall be not less than the amount of such note.

6. Conveyances: Deed, instrument, or writing, whereby any lands, tenements, or other realty sold shall be granted, assigned, transferred, or otherwise conveyed to, or vested in, the purchaser or purchasers, or any other person or persons, by his, her, or their direction, when the consideration or value of the interest or property conveyed, exclusive of the value of any lien or encumbrance remaining thereon at the time of sale, exceeds $100 and does not exceed $500, 50 cents; and for each additional $500 or fractional part thereof, 50 cents. This subdivision shall not apply to any instrument or writing given to secure a debt.

7. Entry of any goods, wares, or merchandise at any customhouse, either for consumption or warehousing, not exceeding $100 in value, 25 cents; exceeding $100 and not exceeding $500 in value, 50 cents; exceeding $500 in value, $1.

8. Entry for the withdrawal of any goods or merchandise from customs bonded warehouse, 50 cents.

9. Passage ticket, one way or round trip, for each passenger, sold or issued in the United States for passage by any vessel to a port or place not in the United States, Canada, or Mexico, if costing not exceeding $30, $1; costing more than $30 and not exceeding $60, $3; costing more than $60, $5. This subdivision shall not apply to passage tickets costing $10 or less.

10. Proxy for voting at any election for officers, or meeting for the transaction of business, of any corporation, except religious, educational, charitable, fraternal, or literary societies, or public cemeteries, 10 cents.

11. Power of attorney granting authority to do or perform some act for or in behalf of the grantor, which authority is not otherwise vested in the grantee, 25 cents. This subdivision shall not apply to any papers necessary to be used for the collection of claims from the United States or from any State for pensions, back pay, bounty, or for property lost in the military or naval service, nor to powers of attorney required in bankruptcy cases nor to powers of attorney contained in the application of those who become members of or policyholders in mutual insurance companies doing business on the interinsurance or reciprocal indemnity plan through an attorney in fact.

12. Playing cards: Upon every pack of playing cards containing not more than 54 cards, manufactured or imported, and sold, or removed for consumption or sale, a tax of 8 cents per pack.

13. On each policy of insurance, or certificate, binder, covering note, memorandum, cablegram, letter, or other instrument by whatever name called whereby insurance is made or renewed upon property within the United States (including rents and profits) against peril by sea or on inland waters or in transit on land (including transshipments and storage at termini or way points) or by fire, lightning, tornado, windstorm, bombardment, invasion, insurrection, or riot, issued to or for or in the name of a domestic corporation or partnership or an individual resident of the United States by any foreign corporation or partnership or any individual not a resident of the United States, when such policy or other instrument is not signed or countersigned by an officer or agent of the insurer in a State, Territory, or District of the United States within which such insurer is authorized to do business, a tax of 3 cents on each dollar, or fractional part thereof of the premium charged: *Provided*, That policies of reinsurance shall be exempt from the tax imposed by this subdivision.

Any person to or for whom or in whose name any such policy or other instrument is issued, or any solicitor or broker acting for or on behalf of such person in the procurement of any such policy or other instrument, shall affix the proper stamps to such policy or other instrument, and for failure to affix such stamps with intent to evade the tax shall, in addition to other penalties provided therefor, pay a fine of double the amount of the tax.

Mr. COLLIER. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Amendment by Mr. COLLIER: Page 201, strike out paragraph (5) embraced in line 16 on page 201 to line 5 on page 202.

Mr. COLLIER. Mr. Chairman, I stated in general debate that if no one else offered the amendment I would offer an amendment to strike out the tax on promissory notes. It is very difficult to find out what this tax really amounts to. I tried to find out at the Treasury Department, and I find that the tax on stamps, exclusive of capital-stock transfers, sales of produce, and playing cards, is $44,000,000. The $44,000,000, however, is collected from the tax on bonds, from capital stock issues, from conveyances, from drafts, from checks, from notes, from entries of goods or merchandise for consumption either in a warehouse or for housing in a warehouse or for withdrawals, for certain classes of passenger tickets on vessels, for proxies, for powers of attorney, on all debentures and certificates of indebtedness, so that it is impossible to tell what it is, and if any Member says, as one said to me, that this tax would cause an immense amount of loss in the revenue, he does not know what he is talking about, because I asked Mr. McCoy, who is a very great actuary, in reference to the tax on promissory notes, and he told me that it was impossible to segregate that tax.

Mr. HUDSPETH. Mr. Chairman, will the gentleman yield?

Mr. COLLIER. Yes.

Mr. HUDSPETH. Does it make any difference what amount of revenue this would bring into the Government? Does the gentleman believe that the old farmer who goes to the bank and renews his note every 90 days, as all of we farmers have to do, should pay a tax of 2 cents every time he borrows $100, in addition to the 10 per cent discount he has to pay?

Mr. COLLIER. The gentleman from Texas with his usual clarity has explained the situation exactly.

Mr. OLDFIELD. I want to state that Mr. McCoy made the statement in the Ways and Means Committee two or three days before we reported the bill—remember I made the motion in the committee to strike it out—that the revenue loss could not be more than $10,000,000.

Mr. COLLIER. We have taken $13,000,000 off the jewelry tax. I supported that. We have taken $11,000,000 off the candy tax. I was glad to do that. We have taken about $10,000,000 off soft drinks, and I supported that proposition. In view of the fact that we have taken $1,185,000 off pool and billiard tables, we certainly ought not to quibble about a matter as important as taxing these promisory notes—taxing the misfortunes of men. I hope the amendment will be agreed to. We are anxious to get through with this bill, and I believe some other Members desire to talk, and I shall not take any more time.

Mr. HASTINGS. Every penny of this tax is paid by the borrower.

Mr. COLLIER. Yes.

Mr. HAWLEY. Mr. Chairman, I move that all debate upon this paragraph and all amendments thereto close in 30 minutes.

The motion was agreed to.

Mr. BURTNESS. Mr. Chairman, there is very little to add, I think, to what the gentleman from Mississippi [Mr. COLLIER] has already stated. I know that in my own case I appeared before the Committee on Ways and Means and urged specifically that the stamp taxes applicable to notes which the borrower must give should be removed. From my viewpoint at least, looking at the tax bills as they have come down to us from the war period, looking at all the methods of raising revenue, it seems to me that the most vicious of any tax that we have ever had upon the statute books is the tax upon the man, be he rich or poor, who has to go to a bank, or to his neighbor, or to some one else, to borrow money. Whether that borrowing be done for the purpose of paying for the necessaries of life or for the purpose of conducting a business, be it large or small, cuts no ice, for, as the colloquy has already shown, this tax is never paid by the banker or by the trust company or by the lender of the money, but is paid by the man who can least afford to do so. In the case of a man who deals with a bank, whether it is a State or national bank, he pays it, of course, not once a year, but three or four or five times a year; every time he renews his paper he has to pay it. Usually the paper can not be extended for more than 90 days at a time, and stamps must be attached to every renewal note. It is a substantial burden upon business as well as upon the borrower.

There are other features in connection with it that are absolutely ridiculous. Under the terms of this law you exempt, for instance, the borrower who gets money from the farm-loan bank from paying a tax on the notes he gives to the farm-loan bank. Under a decision of the Supreme Court, made just a few days ago, the Treasury Department has held that stamps need not be applied on notes given to the rural-credit organizations of the different States of the country. In continuing this tax you are maintaining a discrimination against the fellow who has not gilt-edged security that would be accepted by the Federal farm loan system or by the rural-credit banks of the State, but must go somewhere else to get the money. You are going to tax him and make him put up 2 cents for every $100 that may be secured by his mortgage, while some fellow who deals with an agency of the Federal Government or the State is exempt entirely from the provisions of the act. The amendment proposed ought to be passed unanimously without a dissenting vote. [Applause.]

Mr. HAWLEY. Mr. Chairman, the Government actuary states within the past half hour that the amount of revenue that would be lost to the Government if this amendment prevailed would be $20,000,000.

Mr. RUBEY. Mr. Chairman, will the gentleman yield?

Mr. HAWLEY. Yes.

Mr. RUBEY. I was talking with one of the actuaries this forenoon, and he told me the amount would not be more than $10,000,000.

Mr. HAWLEY. I have the estimate from Mr. McCoy within the past half hour that this amendment would lose $20,000,000 to the Treasury.

Mr. RUBEY. The amount that is paid out through the post offices of the country, as shown by the report, is only $11,000,000 on all these different objects, so that it must necessarily be less than $11,000,000 on the notes.

Mr. HAWLEY. But they get stamps from other sources than from the post office.

Mr. RUBEY. I know; but the banks and other people get most of their stamps from the post offices. And there is no doubt but that the amount of money that the Government gets from this source is considerably less than $10,000,000.

Mr. OLDFIELD. I would like to know where the gentleman from Oregon gets the information that it would be a $30,000,000 loss?

Mr. HAWLEY. I said that Mr. McCoy stated within the past half hour that the loss on this amendment, if carried out, would be $20,000,000.

Mr. RUBEY. Will the gentleman yield for one minute?

Mr. HAWLEY. Yes.

Mr. RUBEY. The actuary told me that it would be absolutely impossible to get this information without getting reports from the banks of the country, because this could not possibly be segregated.

Mr. BURTNESS. Mr. Chairman, will the gentleman yield for a question?

Mr. HAWLEY. Yes.

Mr. BURTNESS. The greater the amount of the tax, the greater the necessity for taking it off, does not the gentleman think, in view of the people who pay it?

Mr. HAWLEY. If the Government revenues were unlimited, if the streams of money pouring into the Treasury were inexhaustible, then we could reduce taxes ad libitum. But in addition to the reductions of excise taxes proposed by the committee, amounting to $108,000,000, we increased that by $23,600,000 in the reductions made in the automobile taxes; and here is a proposition to increase it by a further amount of $20,000,000, or $44,000,000 in all. The Treasury can not stand this drain. I would like to see all the stamp taxes taken away, but it is absolutely impossible. The Government must have the revenue.

Mr. CROWTHER. Mr. Chairman, will the gentleman yield?

Mr. HAWLEY. Yes.

Mr. CROWTHER. Is it not agreed that you have more than made up all that you have lost by other provisions in the bill?

Mr. HAWLEY. I do not agree to any such thing.

Mr. CROWTHER. Did not the Democratic leader announce that his plan would bring $100,000,000 more than the Mellon plan? Does not that give us considerable leeway on excise taxes?

Mr. HAWLEY. I must beg the gentleman's permission and differ with him on that.

Mr. CROWTHER. Nobody differs from him except my colleague and friend Mr. MILLS, and Mr. GARNER says that the Garner plan will raise $100,000,000 more than the Mellon plan.

Mr. HAWLEY. These observations as to what may happen are beside the mark. Here is a proposition to cause a further loss of revenue of $22,000,000 in excess of losses of revenue already made.

Mr. COLLIER. Mr. Chairman, will the gentleman yield?

Mr. HAWLEY. Yes.

Mr. COLLIER. Is it not known that the tax we put on cigarettes, the additional tax on cigarettes alone, will more than take care of the stamp tax on bonds and notes?

Mr. HAWLEY. If the gentleman had heard my able exposition yesterday of that subject, he would know I had come to no such conclusion.

Mr. COLLIER. That was my misfortune.

Mr. WINGO. Mr. Chairman——

The CHAIRMAN. The gentleman from Arkansas is recognized.

Mr. WINGO. Mr. Chairman, I would like to have the attention of the gentleman from Oregon. I would like to ask him what change this language makes in existing law with reference to drafts and checks.

Mr. HAWLEY. None.

Mr. WINGO. Have they ever taken up the question—and I understand from a gentleman that he is under the impression this is a new proposition—with reference to this phase of it: What the effect would be if you collected what this statute plainly authorizes, a tax on the deferred credits of every item that goes through the clearing system of the Federal reserve system.

Mr. HAWLEY. That question was not brought up in the committee.

Mr. WINGO. Because every check that goes through the Federal reserve system—millions of them—are not sight credits or demand credits; they are deferred credits of from one to four days. I think the maximum is four days; but, be that as it may, I want to call the attention of the committee to this: I do not care whether it is $20,000,000 or what it is that the Government gets. The great business of this country, the exchanges of commodities, and all exchanges of this country, are done on instruments on which would be imposed a great burden if you carried out the literal wording of that law; if you did that, you would impose a burden upon millions of transactions, impede the orderly transaction of business, and cost the banks and customers of banks in handling exchange transactions connected with the different commodities—manufacturing, wheat, and cotton—untold millions in trouble and expense.

Let us take the handling of wheat going through the process of milling; let us take transactions in connection with millions of feet of lumber which more often than otherwise is billed with the milling-in-transit provision. The Federal reserve banks have held that those are not demand obligations; that they are time obligations. That decision has been upheld not only as to every one of these instruments which are carried as bills of lading with milling in transit for lumber, but milling in transit for other commodities. Take the matter of cotton, where they gather the bills of lading, with compress in transit, at the compress points, and they take all the way from three days to six weeks.

If you agree that the decision of the Federal Reserve Board is right on that class of paper, and that the law officers of the Government are right, that that is time paper and not demand paper, then you are going to have a mare's nest raised by this that is full of possibilities and will harass and annoy those transactions to an extent 5 times your $20,000,000.

Why put this on here? There is not any distinction in principle between a tax on a draft payable at sight and one that is payable five days afterwards, is there? Not a bit. There is no difference in principle between a check that is payable on demand and a check that represents a deferred credit for five days, is there?

And everybody knows that when the proposal to place a tax on bank checks was threshed out you could not get anyone to defend it, and you have no man on this floor who will defend it now. But you have the same vicious principle in this law, and, as I say, it is not worth the $20,000,000 or $10,000,000, or whatever the actuary says you are going to get. As a matter of fact, if you would enforce the provisions of this law, you could get many times $20,000,000. If you enforce it on deferred credits, on checks running from one to four days, you can bring in millions.

Now, someone comes along and insists that be done. Do you suppose a Federal reserve bank wants to have any question about the paper it is handling because a stamp of 1 or 2 cents is not put on it? I just point that out as a question of principle, and the principle is bad, because it is a tax; it is a tax upon exchange instruments, and the theory of every economist is to try to make them as free from any burden as you possibly can and yet make them safe.

The CHAIRMAN. The time of the gentleman has expired.

Mr. McKEOWN. Mr. Chairman——

The CHAIRMAN. The gentleman from Oklahoma is recognized.

Mr. McKEOWN. I want to ask a question. I notice in this paragraph or subdivision that you have exempted all notes secured by bonds or obligations of the United States issued after April 24, 1917. Was that done on the theory that a stamp tax could not apply to such notes? I would like to ask that question of the gentleman from Oregon or of the chairman of the committee. What was the reason for exempting those notes?

Mr. CHINDBLOM. I will say to the gentleman that I understand it was originally done in order to facilitate the borrowing of money for the purpose of buying Government securities, and it has been retained for the purpose of renewing notes of that character.

Mr. McKEOWN. Does not the gentleman now concede that distinction ought not to exist?

Mr. GREEN of Iowa. I will say to the gentleman that I would have no objection to that being stricken out.

Mr. COLLIER. And I will say to the gentleman from Oklahoma that that section is embodied in my amendment.

Mr. McKEOWN. That is what I understood.

Mr. CHINDBLOM. I want to say that I have no interest in the provision and it is not a provision to which I have been giving my attention, but, as I understand, it was originally put in to facilitate the borrowing of money for the purchase of Federal securities.

Mr. YOUNG. I will say to the gentleman that that applies to every mortgage given to the Federal farm loan banks.

Mr. McKEOWN. I was just going to say that this is a distinction that ought not to exist. You permit the man with the large money, who has his money in tax-exempt securities, to escape absolutely through a provision for the benefit of the ultra rich, and as the committee says they are in favor of striking that out, the motion of the gentleman from Mississippi to strike the whole thing out ought to be sustained. If you are going to reduce taxes, why not give the fellow who is unfortunate a chance in life? He is the man who has to pay this tax. If you go down to the banks, they do not pay the stamp tax, but you pay it; the man who makes the note has to pay it. There ought not to be any objection to striking this out and making it up from some other provision, for instance, taxing mah jong and a few other things like that. In that way we might raise some money and raise it better than we could in this way. I do not want to take up any further time of the committee because the committee wants to get through, but I say that you can tax mah jong and a few of those things, as suggested by the gentleman from Indiana [Mr. GREENWOOD] and can make up whatever shortage you may have in the Treasury. I think the motion of the gentleman from Mississippi ought to be sustained, and before I take my seat, Mr. Chairman, I am going to ask that the motion to strike out be divided as between section 5 and the subdivision on page 202.

The CHAIRMAN. The Chair does not quite understand. The motion, as the Chair understands, applies to subsection (5).

Mr. McKEOWN. And also to the subdivision over on page 202. The motion to strike out applies to both of them.

Mr. HASTINGS. If my colleague will yield, he could reach that in a parliamentary way by offering that as an amendment to the amendment and then you would be certain to get a separate vote upon it.

Mr. McKEOWN. I was going to ask the Chairman if I could not have a separate vote on it.

The CHAIRMAN. The Chair thinks the proper way to do it would be to offer an amendment to the amendment.

Mr. McKEOWN. Then I offer a motion to strike out from line 23, on page 201, through line 4, on page 202.

The CHAIRMAN. The gentleman from Oklahoma offers a preferential motion to perfect the section, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. McKEOWN: Page 202, line 23, strike out all of lines 23 to 25, on page 201, and all of lines 1 to 4, on page 202.

The CHAIRMAN. The question is on the preferential motion offered by the gentleman from Oklahoma [Mr. McKEOWN].

The question was taken, and on a division [demanded by Mr. YOUNG], there were—ayes 76, nays 10.

So the amendment was agreed to.

Mr. HUDSPETH. Mr. Chairman, how much time has been exhausted, may I ask, on this amendment?

The CHAIRMAN. Sixteen minutes.

Mr. HUDSPETH. I do not wish to preclude my friend from Tennessee [Mr. DAVIS], who has an amendment to another subsection, but I simply want to state in the time allotted to me that an amendment to strike out the tax on promissory notes was prepared several days ago by my colleague from Texas [Mr. BLACK], who called the matter to the attention of the Members of the House through a letter giving a lucid explanation of the amendment.

It would be immaterial to me, gentlemen of the House, what amount of revenue this would raise. If it would raise twice the amount estimated by the gentleman from Oregon, about which I think he is incorrect, because I think the gentleman from Arkansas in stating the amount as $10,000,000 is correct, according to the information I have—but it would be immaterial to me as to the amount, because a penalty upon commercial transactions of this character should not remain in this bill. If you have to raise the revenue that this would lose, let us levy it in the way of luxury taxes, and not upon transactions of this character and upon the small business man and farmer, who are forced to borrow money and renew frequently. Place your tax upon those able to bear the burdens, and upon articles of luxury and not those of necessity.

Mr. RUBEY. Mr. Chairman, I want to ask the chairman of the committee this question: I understand that a time limit has been placed upon all amendments to this paragraph, and I want to take up for just a few moments paragraph 12, on page 203, on playing cards. The tax there is 8 cents for each package or for each deck, as I understand it. Does that mean each deck?

Mr. GREEN of Iowa. Yes.

Mr. RUBEY. Why was that made 8 cents? Why did you not make it 10 cents?

Mr. GREEN of Iowa. We thought we had put on as much as the traffic would bear.

Mr. RUBEY. How much does this raise?

Mr. GREEN of Iowa. I have not the figures before me. Nobody asked for any change, I will say to the gentleman.

Mr. RUBEY. I just wanted to know what it raised. It seems to me you could facilitate the collection of this money by making it 10 cents.

Mr. HAWLEY. The amount collected was $3,385,000.

Mr. RUBEY. You would raise pretty nearly another million dollars if you made it 10 cents, and I will move to make that 10 cents when the proper time comes, and I hope the gentleman will help us that much.

Mr. GREEN of Iowa. Let me call the attention of my friend to the fact that the farmers use these cards. [Laughter.] We have heard so much about taxing the farmer. Surely he is not going to put a tax on these playing cards so that when a poor farmer goes in to buy a pack of them he will pay a tax which would amount to as much as he would pay on promissory notes in a year.

Mr. NEWTON of Minnesota. Will the gentleman yield?

Mr. RUBEY. Yes.

Mr. NEWTON of Minnesota. Would not the gentleman also offer an amendment taxing mah-jong sets?

Mr. RUBEY. I do not know anything about that.

Mr. NEWTON of Minnesota. The gentleman will have to find out about them.

Mr. RUBEY. Yes; the gentleman will have to tell me about them.

Mr. Chairman, I am strongly in favor of the amendment offered to strike out section 5 and I hope it will carry. When we get through with that I am going to move to change the figure "8" to figure "10," in the paragraph relating to the tax on playing cards, and we will get a little bit more money back to take the place of what we may lose here. It will not be so very much, but something.

Mr. GREEN of Iowa. Mr. Chairman, I come from an agricultural district and nearly nine-tenths of the people who live in my district are farmers, but when you talk about the farmer paying any very great amount of tax under this provision it is entirely a mistake. A farmer goes in and borrows $100 for 90 days and pays a 2-cent tax, and then he goes out and buys a 5-cent cigar and pays twice as much as he paid on the note, and pays more than enough to last him six months on what he has borrowed.

Mr. RUBEY. Will the gentleman yield? I want to say to the gentleman that our farmers do not smoke cigars, but smoke the old-fashioned Missouri meerschaum—the corn-cob pipe.

Mr. GREEN of Iowa. That is probably better, but I can not say about that. Of course, when a farmer puts a good-sized loan on his farm he has some considerable tax to pay on that, but when it is distributed over a period of five years it does not amount to very much. This tax is the easiest collected of any tax that we have on our statute books. It costs the Government practically nothing to collect it. It gives the borrower, who has to put the stamp on a promisory note, a little trouble to lick the stamp and pay what it costs, but the expense to the small borrower is insignificant. He would not pay, on an average, more than 15 or 20 cents a year at the outside.

It is proposed seriously that we lose at least $10,000,000 revenue and probably more—some gentlemen estimated it at $20,000,000—by taking this tax off. The tax is so small that it does not really seriously affect anybody, and I do not see any good reason why it should be taken off.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. CHINDBLOM. I dare say that a large part of the tax is paid by corporations who borrow money by millions in the banks of the large cities. The packers and the grain people borrow large sums of money on 60 and 90 days' time, and I think they pay the most of this tax.

Mr. GREEN of Iowa. Yes, I have no doubt they pay the bulk of the tax, and the farmers pay an insignificant amount.

Mr. WINGO. The money borrowed by the great corporations is not payable on a specific date.

Mr. GREEN of Iowa. I do not know about that. I never held one of their notes and I don't know that I ever saw one.

Mr. WINGO. The gentleman from Illinois is talking about speculative loans. A note payable on demand is not taxable under this.

Mr. GREEN of Iowa. A check and draft is one thing and a note is a different thing.

Mr. WINGO. Take a draft payable on demand; you do not tax that.

Mr. GREEN of Iowa. That is true.

Mr. YOUNG. A mortgage note for $2,500 for five years, the farmer would pay 10 cents a year.

Mr. GREEN of Iowa. Yes; I think the amendment ought to be rejected.

The CHAIRMAN. The Chair is advised that the gentleman from Tennessee [Mr. DAVIS] has an amendment on another proposition, and the Chair will put the motion now pending on the amendment of the gentleman from Mississippi [Mr. COLLIER] to strike out the section.

The question was taken; and on a division (demanded by Mr. GREEN of Iowa) there were 82 ayes and 76 noes.

Mr. GREEN of Iowa. I ask for tellers.

Tellers were ordered, and the Chair appointed Mr. COLLIER and Mr. HAWLEY as tellers.

The committee again divided; and the tellers reported that there were 101 ayes and 89 noes.

So the amendment was agreed to.

Mr. DAVIS of Tennessee. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Amendment by Mr. DAVIS of Tennessee: On page 202, line 12, after the word "exceeds," strike out the language "$100 and does not exceed $500" and insert "$5,000 and does not exceed $5,500."

Mr. DAVIS of Tennessee. Mr. Chairman——

Mr. GREEN of Iowa. I make the point of order that the debate is exhausted.

The CHAIRMAN. No; there are six minutes left.

Mr. DAVIS of Tennessee. Mr. Chairman, the present law and the bill as reported imposes a tax of 50 cents on every $500 or any part thereof in a land transfer. If the amendment proposed by me should be adopted, it would simply commence the tax at $5,000 instead of at $100, or, in other words, it would make exempt from this tax a transfer of land in any amount up to $5,000.

Criticisms have been directed during the consideration of the bill to different items in the bill upon the ground that such constituted an invasion of methods employed by the States to raise revenue. Of all methods employed by States to raise revenue all will agree that the most important and productive is the tax upon land. I presume it is true that in every State in the Union by far the largest portion of the State, county, and municipal taxes are raised by a tax upon land.

Mr. BURTNESS. Will the gentleman yield?

Mr. DAVIS of Tennessee. Yes.

Mr. BURTNESS. Does not the gentleman think that the fellow who is fortunate enough to be able to sell land should be willing to pay a little tax?

Mr. DAVIS of Tennessee. I believe we should encourage the man who wants to purchase the land for a home in this country. This will relieve the small farm owners and small home owners and the man who wants to purchase a farm or home. A land sale is very burdensome. To begin with, the seller of the land in any amount must procure the services of a lawyer or an abstractor to prepare an abstract. Then he must pay for having a deed drawn and for the acknowledgments of the vendors. Then the purchaser must have the deed recorded and pay for that. He must also pay the county or State transfer tax. So that by the time it is all completed it is an expensive proposition, and especially to the small transfer. All these expenses apply to small land sales as well as to large ones. I think it is an undue burden on land. It is an invasion of the method of all others that is chiefly employed by various local jurisdictions for the purpose of raising revenue.

Intangible property to a large extent escapes taxes, but the lands never escape. The tax assessor and the tax collector can always see the land, and it is always assessed. It is assessed for practically every character of tax imposed by any of the local jurisdictions. It was inserted in the tax law of the Federal Government purely and solely as a war measure, not having been previously there since it was imposed soon after the Civil War, and as it was repealed after the Civil War. I respectfully submit that we have now reached the time, some six years after the late war, when it should now be repealed or at least amended to the extent of exempting the first $5,000 on any land sale. I ask for the adoption of the amendment.

Mr. HASTINGS. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Tennessee. Yes.

Mr. HASTINGS. There has been no reduction whatever in this item, as the gentleman has stated inferentially.

Mr. DAVIS of Tennessee. I thank the gentleman for that contribution. They have made reductions upon various other matters, including luxuries of various kinds, and yet they have permitted the stamp tax upon land to continue just as it has been all of the time and as it was drafted in the original war revenue act. I respectfully insist on behalf of the great home-owning class, and upon behalf of the great farming class, that they are entitled to this modest relief. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee.

The question was taken; and on a division (demanded by Mr. DAVIS of Tennessee) there were—ayes 66, noes 76.

Mr. DAVIS of Tennessee. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed Mr. DAVIS of Tennessee and Mr. CHINDBLOM to act as tellers.

The committee again divided; and the tellers reported—ayes 67, noes 90.

So the amendment was rejected.

Mr. RUBEY. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Page 203, line 23, strike out the figure "8" and insert in lieu thereof the figures "10."

Mr. RUBEY. Mr. Chairman, is there any time left for debate?

The CHAIRMAN. All time has been exhausted. The question is on the amendment offered by the gentleman from Missouri.

The question was taken; and on a division (demanded by Mr. RUBEY) there were—ayes 75, noes 58.

So the amendment was agreed to.

Mr. GREEN of Iowa. Mr. Chairman, I ask unanimous consent that the paragraphs be renumbered to correspond with the action of the committee.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that the paragraphs be renumbered to conform with the action of the committee. Is there objection?

There was no objection.

Mr. ALLGOOD. Mr. Chairman, I offer the following amendment which I send to the desk.

The CHAIRMAN. The gentleman from Alabama offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. ALLGOOD: Page 202, line 24, strike out the words "Canada or," line 25, strike out the word "Mexico," and line 25, change "$30" to "$10."

Page 203, line 1, change, "$30" to "$10," change "$60" to "$30," change "$3" to "$9," change "$60" to "$30," change "$5" to "$15."

Strike out lines 2 and 3.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Alabama.

The question was taken, and the amendment was rejected.

Mr. YOUNG. Mr. Chairman, I ask unanimous consent that section 900, all of Title IX, be read through, until the end without prejudice to offering an amendment to any portion of the title.

The CHAIRMAN. The gentleman from North Dakota asks unanimous consent that section 900 and all of Title IX be read through to the end without prejudice to any amendment which may be offered to any paragraph contained within it. Is there objection?

Mr. STENGLE. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard and the clerk will read.

The Clerk read as follows:

TITLE IX.—BOARD OF TAX APPEALS.

SEC. 900. (a) There is hereby established a board to be known as the Board of Tax Appeals (hereinafter referred to as the "board"), to be composed of such number of members, not less than 7 nor more than 28, as the President from time to time determines necessary. Each member shall be appointed by the President, without regard to the civil service laws but solely on the grounds of fitness to perform the duties of the office, for a term of 10 years, except

that in the case of original appointments the President, in order to secure rotation in office, may make appointments for 2, 4, 6, or 8 years and except that a member appointed to fill a vacancy shall be appointed only for the unexpired term of the member whom he succeeds. Any member of the board may be removed by the President for inefficiency, neglect of duty, or malfeasance in office, but for no other reason. Each member shall receive a salary at the rate of $10,000 per annum. A majority of the board shall constitute a quorum for the transaction of business. A vacancy shall not impair the powers nor affect the duties of the board nor of the remaining members. The board shall designate biennially a member to act as chairman. The board may have a judicial seal, which shall be judicially noticed.

Mr. SIMMONS. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. SIMMONS: On page 205, line 18, strike out the figures "$10,000" and insert in lieu thereof the figures "$7,500."

Mr. SIMMONS. Mr. Chairman, during the time that we have been considering this bill with a view to raising revenue and reducing taxes, it occurred to me that there might be some points in the bill where we could reduce expenses. With that thought in mind I started out to compile a few figures relative to the salaries it is proposed to pay to members of this board of tax appeals. I have had in my own mind grave doubt about the wisdom of creating this board, but be that as it may, it is proposed here that the Government pay the members of this board of tax appeals, working, as I understand it under the Commissioner of Internal Revenue, a salary equivalent to that which the commissioner receives. The bill proposes to pay them a salary greater than that received by the judges of 42 of the supreme courts, the courts of last resort, of the various States, a salary equal to or more than that paid by 44 of the States of the Union to the judges of the courts of last resort of the several States. Only 4 States in the 48 pay a salary in excess of $10,000. We propose to pay this board a salary of $1,500 more than that received by a judge of the Circuit Court of Appeals, and $2,500 more per year than that received by a judge of the Federal district court. The bill proposes to pay them a salary greater than that received by 40 of the governors of the States of the Union. There are only eight States that pay their governors more than $10,000 per year. There are two that pay from $7,500 to $10,000 and three that pay $7,500. Thirty-five of the States pay less than this salary. We propose to pay them 33⅓ per cent more salary than is received by a Senator of the United States or a Member of the House of Representatives. It seems to me that it ill becomes us at a time when we propose to economize to so exceed the average salaries paid for positions of a kind and character of equivalent duties and responsibility.

The amendment which I have offered will reduce the salaries of members of this board down to that paid to a Member of this House or to a Senator of the United States. It will reduce it to a small fraction above that paid on the average to all of the judges of the courts of last resort in the 48 States, the average salary being $7,447, as of July 1, 1921. It will save, if seven members are appointed, $17,500 per year. If the full 28 members of this board are appointed, it would save annually $70,000. I submit, gentlemen, without further statement, that it is a saving that an administration pledged to economy, a Congress pledged to economy, can well make. [Applause.]

Mr. GREEN of Iowa. Mr. Chairman, I hope I may have the attention of the House for just a few moments.

The amendment which the gentleman from Nebraska [Mr. SIMMONS] has just proposed is an extremely important one, in my judgment. If you adopt it, the next thing to do is to wipe out all this provision with reference to the board of appeals.

The argument which the gentleman from Nebraska makes is plausible, and in some respects he shows that a comparison can not properly be made between these salaries and those of persons occupying certain other positions of importance and honor. But the gentleman will remember that the members of the Interstate Commerce Commission get $12,000. It is much easier to get a man that is fit for a position on the Interstate Commerce Commission than it is for this board.

Mr. McKEOWN. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. In a moment. The members of the Federal Trade Commission get $10,000. That is not a difficult position to fill at all, and there would be no difficulty in selecting men for it. I know a number of men who have served on the Federal Trade Commission who were not worth more than $5,000 or $6,000. The members of the Federal Farm Loan Board get $10,000. There are hosts of people ready to fill positions on the Federal Farm Loan Board and hosts of persons perfectly capable of filling them. You could fill those positions at $5,000 or $6,000 a year. But you can not get proper men to serve on this board for $7,500.

Mr. McKEOWN. The argument the gentleman makes is that these other men get these large salaries. He must admit that they are overpaid.

Mr. GREEN of Iowa. Some of them are overpaid. I do not think the members of the Interstate Commerce Commission are overpaid.

Mr. SWING. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. SWING. While it is true that as compared with some outside positions salaries are paid where you have got to get men in competition with private corporations, is it not true that the technical work in this line will necessitate these members of this board being selected from the personnel now in the Treasury Department?

Mr. GREEN of Iowa. Oh, no. It is perfectly easy to get these men outside of the Treasury Department, and I presume they will be largely selected outside of the department. But they will not get them for $7,500 a year when they are now making anywhere from $10,000 to $20,000 outside of the department.

Mr. LAGUARDIA. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. LAGUARDIA. Is it not true that cases involving hundreds of thousands of dollars will come before this board, and attorneys who will appear before them will get thousands of dollars as fees?

Mr. GREEN of Iowa. Yes. Cases involving even millions of dollars will come before this board, and counsel in a single case may get as high as $50,000.

Mr. MONTAGUE. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. MONTAGUE. How did you arrive at the precise figure of 28?

Mr. GREEN of Iowa. It is not set precisely at 28.

Mr. MONTAGUE. From 7 to 28. You begin with 7, an odd number, and you finally have 28, an even number. On any board an even number is unfortunate.

Mr. YOUNG. There are nine working at this time, and the extra one would be chairman.

Mr. MONTAGUE. You should always have an odd number on an arbitration or board. If you have an even number or an even division, you will get nowhere.

Mr. SIMMONS. It is true that this board will pass upon tax claims involving millions of dollars, is it not?

Mr. GREEN of Iowa. Yes; they will pass upon tax claims involving millions of dollars.

Mr. SIMMONS. Is it not also true that the judges of our State courts pass upon claims involving a like amount of millions?

Mr. GREEN of Iowa. The judges in the State courts sometimes have cases before them involving such sums, but not often; but judges of Federal courts have many such cases. But those judges hold their positions for life, and they are absolutely independent.

Mr. LARSEN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. LARSEN of Georgia. I understood the gentleman to say that there are nine members, three on each committee, at present?

Mr. GREEN of Iowa. I believe that is right.

Mr. LARSEN of Georgia. What salaries are they paid at this time?

Mr. GREEN of Iowa. They are paid from $5,000 to $6,000, and they are going out all the time. They are not able to keep the best men down there. That is the trouble.

Mr. LARSEN of Georgia. How does the gentleman know that some of these identical men will not be appointed on this board?

Mr. GREEN of Iowa. I do not know.

Mr. HOWARD of Nebraska. Mr. Chairman, I would like to ask the gentleman one or two questions. Will the gentleman yield?

Mr. GREEN of Iowa. No; I regret I can not. I want to have order, and then I will complete my remarks.

Mr. HOWARD of Nebraska. I will get more time for the gentleman.

Mr. LARSEN of Georgia. If the gentleman will answer that question, that will be all I ask.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. GREEN of Iowa. Mr. Chairman, may I have two minutes more?

The CHAIRMAN. The gentleman from Iowa asks for two minutes more. Is there objection?

There was no objection.

Mr. GREEN of Iowa. The reason why this board is being appointed is because we are unable to keep the proper class of men in the departments at this time on the salaries that are paid down there. That is one of the main reasons why this board is to be appointed, although not the most important reason, but one of the strong reasons. If the gentleman from Nebraska insists upon cutting this salary down to $7,500, then I would recommend that you wipe out this board entirely, to which, so far as I am concerned, I would have no serious objection. But if you are going to have a board of this kind to pass on claims involving millions of dollars, I hope, for heaven's sake, you will get attorneys who are qualified to try those cases.

Mr. NEWTON of Minnesota. What do they pay the men who sit in these conferences with reference to tax matters, where the taxpayer is asked to come here? What do they pay those men?

Mr. GREEN of Iowa. I could not say.

Mr. YOUNG. Some of them get $7,500, and they can not hold them at that.

Mr. GREEN of Iowa. I do not think anybody gets $7,500.

Mr. NEWTON of Minnesota. The men I have in mind do not get anywhere near that.

Mr. GREEN of Iowa. No; they do not get more than $3,000 or $4,000.

Mr. NEWTON of Minnesota. And those are the men who really do the real work, and it seems to me you ought to pay men like that something worth while instead of creating additional positions and paying them this sum.

Mr. GREEN of Iowa. Gentlemen can do away with the board entirely, and, as I have said, I have no serious objection, but if you create the board and want to have one that is worth while, you must have good men on it. The men to whom the gentleman from Minnesota refers do not do the real work; that is passed on further.

Mr. GARNER of Texas. Mr. Chairman——

The CHAIRMAN. The gentleman from Texas, a member of the committee, is recognized.

Mr. GARNER of Texas. Mr. Chairman and gentlemen of the committee, this provision in the bill, you will notice, is entirely new; it is a new departure in the method of collecting your internal-revenue taxes, estate taxes, and income taxes.

As originally drawn in the Treasury Department, it was merely, in my opinion, an increase in salaries of those who make up the present arrangement, because it gave the Secretary of the Treasury entire control over the employees. He had the right to fire them when he desired and move them about; if they did not decide cases to suit him he could kick them out and get somebody who would. So the committee, in discussing the matter, determined it would insert an independent board, appointed by the President.

Now, I do not like this board, although I realize something ought to be done to simplify the method by which taxpayers can ascertain how much tax they owe when there is a dispute between them and the Government. But all of that could be done if you had a proper administration under the present law. That is my opinion about it. I expressed that opinion to the committee at the time and I reiterate it here.

However, this amendment should be adopted if you are to continue this board. I want to call your attention to the original proposition and show you the extravagance of the Treasury Department in making up this board. It provided that the members of the board should have $10 a day for expense money and that each employee should have $8 a day expense money.

Mr. LARSEN of Georgia. It is $7 in the bill.

Mr. GARNER of Texas. I understand; but I was referring to the original bill, and I merely mentioned that to illustrate how much consideration the Treasury Department had for the expenses of this Government in making up this bill. Wherever its employees are involved they say they shall be given $10 and $8 expense money, but wherever other employees are involved, employees of the Post Office Department and other departments, they give them $4 a day. That merely illustrates what Mr. Mellon thought was the proper method of conducting the business of this country.

Mr. MADDEN. If the gentleman will permit, we do not give the Treasury Department any more than we give other departments.

Mr. GARNER of Texas. I know you do not, and very wisely so, but I merely cite this as an illustration showing the extravagance of Mr. Mellon and his associates in making up this bill, wherein they provided $10 for expense money for their employees. Is the gentleman from Illinois in favor of that?

Mr. MADDEN. No; I am not in favor of paying anybody anything we ought not to pay him.

Mr. GARNER of Texas. But do not try to get around the problem in that way. Does the gentleman from Illinois, the chairman of the Appropriations Committee, believe that in this bill we ought to authorize a larger expense account for the traveling clerks of this board than we do for ordinary clerks who travel on business of other departments?

Mr. MADDEN. Not at all.

Mr. GARNER of Texas. You have provided $7 a day, but you do not do that for other departments.

Mr. MADDEN. We are not going to vote for that, are we? [Applause.]

Mr. GARNER of Texas. I wanted to illustrate the extravagance with which they undertook to make up this bill.

Now, $10,000 a year sounds mighty little, but, gentlemen, remember that these men are appointed for 10 years. Just remember that. These gentlemen are appointed for 10 years. You appoint the first one for 2 years, the next for 4, and the next for 6, but this is going on forever, we might say, an indefinite time, and each time a man is appointed he is appointed for 10 years and you can not remove him except for cause. The President can remove him for the causes set out in the bill; so virtually it is a 10-year tenure of office.

Now, I do not know whether anybody in Congress wants to resign and take this job because it pays $2,500 more. I do not presume there is such a man here, because men do not come to this place for the money they get out of it—that is, the right kind of a Congressman, in my opinion.

Mr. LAGUARDIA. They could not under the law.

Mr. GARNER of Texas. But, gentlemen, if you are going to pay the members of this board $10,000 a year you certainly ought to pay the members of the court to which you appeal from that board as much as you pay these members, but the fact is you only pay the members of that appeal court $7,500. In other words, if you are not satisfied with a decision made by this board you take it to the appeal court and you appeal from a $10,000 man to a $7,500 man. I think that is perfectly ridiculous, and I think the sum ought to be not exceeding $7,500 if you are going to create the board at all. [Applause.] It is a very debatable question whether such a board should be created at all, because, I repeat, if you had somebody in the Treasury Department who desired to administer the law as provided in this provision that could be done now. There would be only one other question involved and that would be the question of the Internal Revenue Commissioner himself.

The commissioner would have to decide all questions coming up to him, but he could create this board now. He has unlimited money and has unlimited power and the only provision of the law applicable would be that you would have to go back to the commissioner to decide certain questions, but the commissioner could issue a rule or regulation in which he would tell the country that he was going to approve the decision of the board, no matter how it decided, and that would be the decision of the commissioner, and all he would have to do would be to sign. That is what should be done, in my opinion, but if this board is created they ought to have some respect for the Treasury and the salary ought to be made $7,500 and you ought to limit the expenditure of the people referred to here in their traveling to $4 or $5 a day.

Mr. BLANTON. Mr. Chairman, I offer a substitute: On page 205, strike out lines 1 to 24, inclusive.

The CHAIRMAN. The gentleman from Texas offers a substitute, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLANTON as a substitute for the amendment offered by Mr. SIMMONS: Page 205, beginning with line 1, strike out all of section 900 (a).

Mr. BLANTON. Mr. Chairman——

The CHAIRMAN. The gentleman from Texas is recognized.

Mr. GREEN of Iowa. Will the gentleman from Texas allow me to submit a unanimous-consent request?

Mr. BLANTON. If it is not taken out of my time, gladly.

Mr. GREEN of Iowa. Mr. Chairman, I ask unanimous consent that all debate on this title or paragraph——

Mr. BLANTON. Mr. Chairman, this is an important matter and the gentleman ought not to limit it. This is one of the most important matters in the bill, and the membership ought to be heard on it.

Mr. GREEN of Iowa. I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 30 minutes.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that all debate on this paragraph and all amendments thereto close in 30 minutes. Is there objection?

Mr. LARSEN of Georgia. Mr. Chairman, reserving the right to object, there are other amendments to be offered to this paragraph. I purpose to offer one on line 7——

Mr. GREEN of Iowa. The adoption of this request will not prevent that.

The CHAIRMAN. Any amendment can be offered; it simply closes debate.

Mr. LARSEN of Georgia. But I want to be heard on my amendment. If I can have five minutes to argue the amendment it will be satisfactory.

Mr. CHINDBLOM. May I suggest to the gentleman that having an amendment, of course he would have preference, except there are probably two or three members of the committee who would want to be heard.

Mr. LARSEN of Georgia. I want to know that I will have five minutes.

The CHAIRMAN. The Chair will state that, so far as the amendment is concerned, the Chair understands it to be the right thing to recognize the gentlemen having bona fide amendments, giving preference, of course, to the members of the committee. The Chair will bear the gentleman in mind; and if he can recognize him within those limitations during the 30 minutes, he will do so.

Mr. LARSEN of Georgia. If it pleases the Chair, just a moment on that. The suggestion sounds entirely fair, but I do not know what will be the attitude of the members of the committee. I purpose to offer an amendment which will make members of the appeal board subject to the advice and consent of the Senate. I think this matter is of sufficient importance that I ought to be permitted to have five minutes in which to explain it. If I can have five minutes for that purpose, it will be satisfactory, but I do not want to admit myself out of court.

Mr. DEAL. Mr. Chairman, I object.

Mr. DENISON. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman from Illinois rise?

Mr. DENISON. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman from Texas has the floor. Does the gentleman from Texas yield to the gentleman from Illinois?

Mr. BLANTON. If it is not taken out of my time.

The CHAIRMAN. If the gentleman cares to yield, he can do so, but he can not be taken off the floor for that purpose.

Mr. BLANTON. If it is not taken out of my time, I have no objection.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. DENISON. Mr. Chairman, the amendment offered by the gentleman from Nebraska is a perfecting amendment, and the amendment offered by the gentleman from Texas is to strike out the entire paragraph.

Mr. BLANTON. I can not yield for that purpose. I already have the floor.

Mr. DENISON. Then I make the point of order, Mr. Chairman——

Mr. BLANTON. It is too late. I make the point of order that the gentleman's point of order comes too late.

Mr. DENISON. I think the perfecting amendment ought to be disposed of before the amendment to strike out.

Mr. BLANTON. I have been recognized, and I will not yield further.

The CHAIRMAN. The gentleman from Texas has the floor.

Mr. BLANTON. Mr. Chairman, I want to appeal to those of my colleagues here who are in favor of stopping the establishment of these new, expensive boards and bureaus that are becoming so prevalent in Washington. Here is a chance to stop one of them. This is a provision to create a board of 28 members, to draw $10,000 per year for a term of 10 years. You may say that it provides for only from 7 to 28, but it will be 28, and you know it as well as I do. Just as sure as I am standing here there will be 28 members of this board appointed by the President for a term of 10 years, drawing a salary of $10,000 a year each, or $2,500 a year more than a Congressman or a Senator, and drawing $2,500 a year more than a Federal judge who tries these cases in their finality. Now is the time to stop this. You have the opportunity here to stop it. This is the time and the place and the occasion to stop it if you want to stop it. It is just a question of what you want to do. I am not going to vote to establish another new board or bureau. [Applause.] I am going to vote, so far as my one vote is concerned, against every new board and every new bureau proposed. The time has come to stop it.

Your President—even a Republican President—here the other day called the attention of the country to the fact that this wasteful appropriation of public money must stop; that these added expenses of the Government must stop. Was he talking merely for political effect? Government expenses are accumulating fast year after year, and something must be done to stop it. It won't stop unless we stop it here. These unnecessary bureaus are brought about and constituted and created in just such bills as the one you have before you now and under just such provocation. Some administration secretary demands it, and Congress passes it. We are given a few minutes only to consider it before we must vote on it. And of course, it always passes. The committee is in favor of it and there are not enough of us organized to beat it. The committee summons its cohorts and out-votes us. Such new creations are put in bills of this kind by the committee. In one fell swoop, it provides 28 new $10,000 jobs, better than our own, because they are appointed for 10 years. The committee fights for it and fights against every man who opposes it. The committee passes it, it becomes law, and the money to pay the bill is then taken out of the people's Treasury and it has to be made up in taxes taken from your constituents and mine, and I appeal to my colleagues to stop it now. This is to be another extravagant, expensive board. It means a lot of extra taxes to be taken out of the people's pockets. It means a lot of extra waste and expense. We can handle this proposition without creating these 28 new $10,000 job holders. I will tell you what will happen in connection with it. You will note from the provisions of the bill that this board of twenty-eight $10,000 per year members may sit all over the United States, and rent quarters, and in addition to having their transportation paid, shall receive $10 per day extra for their subsistence, and that all of their employees are to receive their transportation, and in addition to their salaries are to receive $7 per day extra for their subsistence. These are to be 28 unusually swell jobs that this committee is creating. And it is going to be a greater scandal to the Nation than the expensive Shipping Board, which at one time was paying out for rented buildings alone $558,000 per year, until we forced it to occupy vacant space existing in Government-owned buildings more than sufficient to house it. Note subparagraph (g):

(g) The Secretary shall furnish the board with such clerical assistance, quarters, stationery, furniture, office equipment, and other supplies as may be necessary for the efficient execution of the functions vested in it by this section.

Why does the committee give this unlimited, unrestricted power to the Secretary of the Treasury? He could appoint a whole army of employees, and like the Shipping Board does, pay them salaries ranging up to $20,000 per year, under the terms of this Mellon bill reported by the committee to us for passage. And you, colleagues, are doing it with your eyes open. It is by your vote that this unlimited power is to be given. Can you properly explain your action to your constituents? I can not, if I vote for such ridiculous propositions, and I will not vote for it. When you create this board of 28 men drawing $10,000 a year apiece for 10-year terms, the Secretary of the Treasury is going to furnish every one of them with a high-priced secretary. You know that as well as I do. He is going to furnish every one of them with a high-priced stenographer. You know that as well as I do. And he will furnish each one of them with a special janitor, and a special messenger, and a fellow to sit out in front of the door to tell people that they will have to wait their turn. You are going to have a whole army of extra employees on the Federal pay roll as a natural sequence to this piece of legislation. I appeal to you, colleagues, to stand up and stop it, and let us strike out this unneeded board. I appeal to the gentleman from Iowa [Mr. GREEN] not to allow this thing to go through. I appeal to the gentleman from Illinois [Mr. MADDEN], who, in some instances has made a fight for retrenchment. I say now, Mr. MADDEN, come on and help defeat this proposition and save the people's money. What are you going to do about it, I ask the gentlemen from Pennsylvania [Mr. DARROW]. What are you going to do about the petition of 350,000 farmers that you brought in here the other day and which occupied so much floor space, demanding that we retrench expenses? What are you going to do concerning their demand that your administration stop this unnecessary expense and stop raising salaries? Are you going to ignore them? Are you going to let these 28 men go on the pay roll by establishing by this bill 28 new offices at $10,000 each,

appointed for 10-year terms? I appeal to the gentleman from Ohio [Mr. LONGWORTH], the leader of the House, to stop it. He ought to do it in behalf of the taxpayers of the country.

If this new board were needed it would be another matter; but it is not needed. Look at the great army of special high-salaried employees you have permitted the Attorney General to keep on the pay roll down in the Department of Justice, and nothing has been accomplished by it. Whenever you want a criminal prosecuted you have to pass a special resolution appropriating an additional $100,000 to employ special attorneys to do it.

The people will not get any better service or any quicker adjudication of their tax matters after you create this board. It has to do only with appeals. And appeals are now handled in a most efficient manner when we push them to action. And they would have to be pushed to action before this board. Its creation will not expedite the final decision in a single case.

Why, only a few days ago one of my constituents was over-assessed nearly $20,000, and they were threatening to levy upon his property to collect it, having decided his appeal against him. He came up here, obtained a hearing immediately, placed his case and his books before the department, and his claim was allowed without his having to get an attorney, and he saved nearly $20,000.

The press states that President Coolidge is demanding retrenchment, while Secretary Mellon is demanding this extravagant expansion. I imagine that our constituents at home are going to hold each one of us responsible for just what each one of us does with our vote, and we can not excuse ourselves by saying that Secretary Mellon demanded it. We are responsible not to Mr. Secretary Mellon but to our people. And I am going to vote as I know the people of my district and of the United States demand—for retrenchment.

Mr. GREEN of Iowa. Mr. Chairman, I move that all debate on this paragraph and all amendments thereto close in 30 minutes.

The motion was agreed to.

Mr. YOUNG. Mr. Chairman, of course if this tribunal is not needed I do not want the section adopted at all. I think if you will study it you will see that it is needed. This section is put into this bill entirely from the standpoint of the taxpayer. We all know what it means when you go up against one who is judge and jury and sheriff. When you present an appeal in the Treasury Department you go to these men, who are splendid men, but it happens to be their duty not only to be judge but to be attorney for the Government. There is no authorization in law now whereby the Government can be represented by the Attorney General's Department. So when you go there now the man whom you appear before is not only acting as judge but acting as prosecutor for the Government of the United States. When a taxpayer gets an adverse decision he is not satisfied with it, and if he is dissatisfied he must go into the district court of the United States or the Court of Claims; that is to say, bring action against the Government of the United States in either of those courts.

Now, you are not by this bill creating a new board, as some one said. We have appeal boards down at the Treasury now. What we are proposing is to make a better board, make better procedure, protect the taxpayer, and give him a chance to have his rights passed upon inexpensively, quickly, and properly. You will find another section following this where provision is made for these members to be divided up into boards of three to visit all the States, and it will be possible for the small taxpayer to present his matters in his own State, inexpensively to a board made up of real judges, independent of the Treasury Department, and not attorneys for the United States Government.

Mr. CROSSER. Will the gentleman yield?

Mr. YOUNG. Yes.

Mr. CROSSER. Will you have the assurance that you will get rid of this temporary board that you have now?

Mr. YOUNG. I think the present members are all right. It is not that I want to get rid of them. It is rather that their duties shall be changed in such a way that they shall not be required to act in a dual capacity—that is, both as judge and attorney for the Government. They should only function as judges.

Mr. CROSSER. But you do not want both boards.

Mr. YOUNG. No; they will not continue the two sets of boards. It is said that we are creating too many members of the board. It happens that there are now 27 men doing this kind of work, and when cases come before them they are largely informal, largely ex parte. The Government is not represented by attorneys, but when you get this new provision with the Attorney General's Department represented, both sides represented, it will take more time. The proceedings will necessarily be more formal, and the position of the taxpayers will be immensely improved. The board will be independent, free from influence by Treasury officials, thus making possible a thoroughly impartial trial. There will be speedy justice, and the cost of litigation will be greatly reduced.

The decision we should first reach is, Is it really necessary and proper on the part of the taxpayers? My correspondence shows me that the small tradesman can not afford to come to Washington. He can not afford high-priced attorneys and go so far away from home to have his rights determined, and even if he does, when he gets here, if the decision is adverse he naturally feels as though he had not had his day in court, which every American has a right to.

Mr. LARSEN of Georgia. Will the gentleman yield?

Mr. YOUNG. Yes.

Mr. LARSEN of Georgia. Under the present law would the Secretary have the right to hold hearings in Ohio or Indiana?

Mr. YOUNG. It is their duty to hold hearings in all the States and give an opportunity to each man to be heard.

Mr. LARSEN of Georgia. I am speaking about the present law. Would he have the right to hold hearings in Ohio and Indiana?

Mr. YOUNG. He might.

Mr. HUDSPETH. The gentleman says the small taxpayer could not come to Washington. Can not he get his Congressman to handle it? I handle one every week. We have this board of appeals down there in this department to-day.

Mr. YOUNG. Is the gentleman entirely satisfied with it?

Mr. HUDSPETH. I have been satisfied with the treatment received in every instance at the hands of those boards which they have in the departments now.

Mr. YOUNG. If every man in the gentleman's district understood that he was willing to do that, he would not be able to do anything else. He may be able to take care of a few cases that we have now, but the ordinary taxpayer now is in a position where he can not have his day in court without its costing him altogether too much. Besides, many Congressmen are not lawyers, and those who are not lawyers are not able to render a service of much value before a board of law review.

Mr. WURZBACH. Mr. Chairman, will the gentleman yield?

Mr. YOUNG. Yes.

Mr. WURZBACH. If the new board should be created, what would become of the existing board which is now functioning?

Mr. YOUNG. That would be displaced. It is simply an unofficial organization set up by the Secretary of the Treasury, and it can and will be superseded by the provisions of this bill if it is enacted into law.

The CHAIRMAN. The time of the gentleman from North Dakota has expired.

Several Members rose.

The CHAIRMAN. Let the Chair state the parliamentary situation. The gentleman from Nebraska [Mr. SIMMONS] has offered an amendment which is really a perfecting amendment. The gentleman from Texas [Mr. BLANTON] offered an amendment, and while no point of order was raised to it at the time, it is not really a substitute, but is a separate amendment to strike out the section. In view of the parliamentary situation which is now arising, knowing as he does that other perfecting amendments are to be offered, the Chair thinks that the Simmons amendment ought to be now passed upon by the committee. It seems to the Chair that the amendment to strike out the section would have to wait until the perfecting amendments are passed upon.

Mr. CHINDBLOM. Mr. Chairman, I want to be heard in opposition to the amendment of the gentleman from Nebraska.

The CHAIRMAN. The Chair will recognize the gentleman from Illinois.

Mr. CHINDBLOM. Mr. Chairman, I think that the action of the committee on this question of salary will depend very largely upon our conception and understanding of the duties and labors to be performed by this board of tax appeals. This board is to take the place of the present committee on appeals and review in the Treasury Department. That consists of 24 members, who are appointed by the Commissioner of Internal Revenue, and it has really no legal status. They are merely advisers to the Commissioner of Internal Revenue. They report their action to him. Their action becomes the action of the Commissioner of Internal Revenue because under the law he is the only one who can take any action and decide questions arising in the bureau. There are at present 24 members of this committee on appeals and review. There is a chairman who gets a salary of $7,500 a year. About 10 of the other members get $6,000 each, but the remaining 12 or 13

members get between $4,500 and $6,000 annually. The turnover in the membership of this committee on appeals and review is about 100 per cent per annum. That is to say, there is a complete change in the membership once a year. The members are taken out of the department by business interests who desire their services and who offer them very large rewards if they enter their employment.

What is the present situation when you get a hearing before this committee on appeals and review? You appear before a body of three men. I might say that the present committee is divided into divisions of three men each. It is proposed that the new board shall consist of 28 members, with one chairman, who shall have general supervisory administrative authority over the entire board, and nine divisions of three each, who shall sit in the various parts of the country and listen to the cases brought to them for review. They will sit on the Pacific coast, on the Gulf coast, in the Northwest, in the Southwest, and so on, as well as in the District of Columbia.

When you appear now before one of these divisions of the committee on appeals and review you find yourself in the presence of a set of gentlemen who are, first, as representing the Treasury Department, selected for the purpose of collecting taxes, for the purpose of getting all the taxes they can possibly lay against the taxpayer. They are the party in interest; they are the plaintiff and the prosecutor; they are the court and the jury. When they have rendered their decision, they are the beneficiaries, the judgment or decree creditor, and they are the sheriff and the marshal making the execution and enforcing the collection; and what show has the taxpayer? You might say that the members of the committee ought to be independent of their relations with the department. I am sure they are as fair to the taxpayer as they can be, but they know that their action will determine how much revenue the Government will get. They also know, beyond that, that if the taxpayer wins, the Government has lost forever; that there is no judicial review that can be taken in favor of the Government; but that a judicial review may be had against the Government and in favor of the taxpayer. It seems to me that the machinery as now set up by the law which we have enacted actually gives the taxpayer the worst of it at every turn of the road.

There has, of course, been a great deal of complaint. For instance, it was said to us—it was told us in the hearings—that the men upon these divisions very naturally are ambitious in their success in collecting taxes for the Government, and their efficiency in the department is more or less determined by their success in deciding against the taxpayer and in favor of the Government. Therefore we have here an organization which in no sense stands independent of the department which assesses and collects the taxes. It is proposed now that this Board of Tax Appeals shall sit in various parts of the country, that they shall be entirely independent of the Treasury Department, and be appointed by President.

They will not seek to curry favor with any department in the amount of taxes which they assess against the taxpayer. They will be there representing both sides. They will render impartial decisions, and both the Government and the taxpayer can seek judicial review from the decisions of this board of tax appeals. I have a statement in the remarks which I made on the 18th of this month with reference to the present system in the department and the proposed new system. It is on page 2684 of the RECORD.

Gentlemen have referred to the salaries that are being paid various officers in the Government at the present time. I am of opinion that all of our Federal officers are underpaid. You tell me that a judge in the Federal court gets $7,500 a year, and I tell you that a judge in the circuit court in Chicago gets $15,000 a year. Our mayor gets $18,000. The Federal Government underpays all of its employees, from the Members of both Houses of Congress up or down, as you may have it. But that is no reason why we should not pay every man adequately when we are establishing a new department. That is no reason why we should continue any unfair treatment of officers of the Government. [Applause.]

Mr. McKEOWN. Mr. Chairman, I wish to offer an amendment.

Mr. SIMMONS rose.

The CHAIRMAN. For what purpose does the gentleman from Nebraska rise?

Mr. SIMMONS. Is it in order for me to request at this time a vote on my amendment?

The CHAIRMAN. The question now is on the perfecting amendment offered by the gentleman from Nebraska. The Chair was just going to put it.

The question was taken, and the Chairman announced that the noes seemed to have it.

Mr. SIMMONS. Mr. Chairman, I call for a division.

The CHAIRMAN. A division is called for.

The committee divided; and there were—ayes 101, noes 64.

So the amendment was agreed to.

Mr. LARSEN of Georgia. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Georgia offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LARSEN of Georgia: Page 205, line 7, after the word "President," insert the words "with the advice and consent of the Senate."

Mr. LARSEN of Georgia. Mr. Chairman and gentlemen of the committee, we are establishing, or about to establish, a very important division of this Government. This board will be composed of men who will pass upon matters very important to citizens of the country. They should not be subject to the criticism that they have been selected on account of political favoritism or on account of their being for or against either party.

Mr. GREEN of Iowa. Will my friend yield?

Mr. LARSEN of Georgia. Yes.

Mr. GREEN of Iowa. That matter was discussed very carefully by the committee. I think the committee spent nearly a day all together on that point, and the committee with almost complete unanimity agreed that if we permitted this matter to go over to the Senate and have nominations of these appointments confirmed there, we would make of this board a political football, and we had better not have it at all, and I would prefer to have that done.

Mr. LARSEN of Georgia. I am sorry the gentleman takes that position. The Senate is certainly closer to the people than the President is and can be depended upon, in my judgment, to see that those selected on the board will represent the people fairly. They can do so better than the President of the United States can, not because Senators are more honorable but because they know the conditions in the various sections of the country better. The President of the United States might, in good faith, select a man from Ohio, from New York, or any other section upon information which he believes reliable and yet make a fearful mistake. No one knows who the President will appoint until he has made the selection. The President only hears good things of him, but when the public learns of the appointment and the Senate has the opportunity to confirm, both sides can be heard and a bad appointment may be averted.

It is customary for all of our important appointees under the Government to be confirmed by the Senate. Our judges are confirmed by the Senate. Who would say, that by reason of this fact, they had been put into the political arena or they were thrown into the politics of the country? No one would charge that, not even the gentleman from Iowa.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. LARSEN of Georgia. Yes.

Mr. GREEN of Iowa. I would charge that in a good many cases if the rules of the House would permit, but unfortunately I am not permitted.

Mr. LARSEN of Georgia. I will ask the gentleman this question: Do you know of a single, solitary judge on the United States district court bench or on the bench of any court of the United States that you think has rendered a political opinion? If you do, it is your duty as a Member of this Congress to impeach him.

Mr. GREEN of Iowa. No; I do not refer to that. It is the pulling and hauling over there for the support of a certain Senator here or there of some one from a particular district, instead of a consideration of the merits of the appointment.

Mr. LARSEN of Georgia. The important thing that I want to impress upon the gentleman from Iowa and this House is that if a man, subject to the confirmation of the Senate, be appointed from a State, any improper influence causing the appointment can be exposed and an undesirable appointment perhaps defeated. Confirmation simply gives an opportunity for the public to be heard.

Mr. McSWAIN. Mr. Chairman, will the gentleman yield?

Mr. LARSEN of Georgia. Yes.

Mr. McSWAIN. In other words, your amendment does not propose to give the Senate the power of selection, but merely the right of rejection?

Mr. LARSEN of Georgia. Yes; merely the right to prevent any improper selection, and to see that no one is selected simply

because he is favored by the President or by some special interest desiring representation on the board for impure motives.

Mr. STENGLE. Mr. Chairman, will the gentleman yield?

Mr. LARSEN of Georgia. Yes.

Mr. STENGLE. The provision requires that these men shall be selected solely on account of fitness for the duties of the office. I will ask you if you think the Senate would play politics with that kind of a requirement?

Mr. LARSEN of Georgia. I think not. I think the Senate is an honorable body and will respect the language of the law as far as possible. I also think the President of the United States or any President we are likely to have would do the same thing. The point I make is not that the President would be dishonest in the matter, but that he is not in a position to get such information as the Senate can get. If appointments are confirmed by the Senate, most likely men will be appointed to these important positions who are not subject to ulterior influences. In view of recent exposures of men in high places we can not be too careful.

Mr. CHINDBLOM. I do not take the position of opposition to the gentleman's amendment myself. I think it would be just as well without it, but I do not think that would destroy its usefulness.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Georgia.

The question was taken, and the Chairman announced that the ayes seemed to have it.

Mr. YOUNG. Mr. Chairman, a division.

The CHAIRMAN. A division is called for.

The committee divided; and there were—ayes 82, noes 84.

Mr. LARSEN of Georgia. Mr. Chairman, I ask for tellers.

Tellers were ordered; and the Chairman appointed as tellers Mr. CHINDBLOM and Mr. LARSEN of Georgia.

The committee again divided; and the tellers reported—ayes 99, noes 95.

So the amendment was agreed to.

Mr. LAGUARDIA. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LAGUARDIA: Page 205, line 18, after the word "annum," insert: "No member of the board shall be permitted to practice before said board or any official of the Treasury Department, or be connected, directly or indirectly, with any person or any firm of lawyers, solicitors, accountants, or agents practicing before said board or any official of the Treasury Department on behalf of taxpayers for a period of two years after his term of office terminates or from the time such member resigns or otherwise leaves the service of the Government."

Mr. BLANTON. Mr. Chairman, I offer an amendment to that amendment.

Mr. GREEN of Iowa. Mr. Chairman, if a member of the board did anything of that kind he would be subject to removal by the President.

Mr. LAGUARDIA. But he is out of the service. This is two years after he leaves the service.

Mr. GREEN of Iowa. I did not understand the amendment.

Mr. LOZIER. Will the gentleman from New York yield?

Mr. LAGUARDIA. Certainly.

Mr. LOZIER. By what means would the gentleman enforce that provision? There is no penalty prescribed, and how would the gentleman enforce it?

Mr. LAGUARDIA. He simply can not practice before the board. Now, gentlemen, I believe every Member here knows that since the enactment of an income-tax law we have created a new profession, that of tax experts, and unless you safeguard the Government against former employees of the Department of the Treasury you are going to continue a condition, which has already started, where employees of the Treasury Department, a short time after getting a knowledge of pending matters before the department, resign, turn around, and take retainers—or accept cases on contingent fees, if you please—in connection with the very claims they have had before them and before their own department. [Applause.]

Mr. MACLAFFERTY. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. MACLAFFERTY. I want to ask the gentleman what he would do in the case of young men who are hired to check over income-tax statements in different parts of the country and before whom taxpayers are summoned as representing the Treasury Department, and then after a little while they are let out by the Treasury Department because they do not need them?

Mr. LAGUARDIA. But this amendment only applies to members of this board.

Mr. MACLAFFERTY. Then I misunderstood the gentleman.

Mr. WINGO. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. WINGO. There was so much confusion that I did not catch the gentleman's amendment. Does the gentleman's amendment go far enough to bar from appointment to this board Members of the House and Senate for two years after the terms for which they are elected, so as to prevent lame ducks from practicing before this board or the Treasury Department?

Mr. LAGUARDIA. No; I have not covered it that far. I had consideration for the gentleman from Arkansas and other gentlemen here; I did not want to bar them.

Mr. WINGO. Does the gentleman think it would injure the chances of the passage of the amendment if it were to provide that lame ducks could not get on the board, some of whom are now very expectant?

Mr. LAGUARDIA. Well, I believe this is so important that we should not burden the amendment with anything not germane and risk the amendment on a point of order. The institution of lame ducks has existed in this country a long time and, in all likelihood, will exist for a long time to come.

Mr. SANDERS of Indiana. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. SANDERS of Indiana. Would it be proper to add an amendment which would preclude the Secretary of the Treasuary from appearing before this board of the Treasury Department?

Mr. LAGUARDIA. I am working on a bill which will cover all such cases, and I would ask the gentleman to help me get something of that kind through the House.

Mr. SANDERS of Indiana. But the gentleman thinks that would be the same proposition?

Mr. LAGUARDIA. Yes; we will eventually come to that. Now, gentlemen, I do not desire to take any more of your time but will ask for a vote and hope you will approve of my amendment.

Mr. NEWTON of Minnesota. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. NEWTON of Minnesota. Does not the gentleman think that as long as he is dealing with Treasury Department officials, and in view of the recent disclosures as to the former Secretary of the Treasury, Mr. McAdoo, admitting a retainer of something like $150,000 or $200,000, growing out of a Treasury Department transaction which was pending when he held the office, that the gentleman's amendment should include the head of that department?

Mr. LAGUARDIA. But if I attempted to do that someone would make a point of order against it.

Mr. NEWTON of Minnesota. No; they would not.

Mr. LAGUARDIA. I do not want to take that chance.

Mr. BLANTON. Mr. Chairman, I offer an amendment to the amendment. After the words "member of the board," insert "or any Government employee in the Treasury Department." That will cover those whom the gentleman from Minnesota seems so anxious to reach.

Mr. NEWTON of Minnesota. No; the term "Government employee" does not take in the head of the department.

Mr. BLANTON. Oh, I thought he was an employee of the Government. Then I will modify it—"or any official or Government employee in the Treasury Department." That will surely cover the case.

Mr. NEWTON of Minnesota. That will take in the head of the department.

Mr. BLANTON. Now, will the gentleman vote for it?

Mr. NEWTON of Minnesota. Yes; and I should like to make it retroactive.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment to the amendment offered by Mr. BLANTON: After the word "board," in the first line of the LaGuardia amendment, insert the words "or any official or Government employee in the Treasury Department."

Mr. GREEN of Iowa. Mr. Chairman, I make the point of order that the amendment is not germane, and also it attempts the regulation of proceedings in the Department of the Treasury already covered by special statute. I am not making the point of order against the LaGuardia amendment, but against the amendment offered by the gentleman from Texas.

Mr. BLANTON. Mr. Chairman, when the gentleman from Iowa gets through I want to make a point of order against his point of order.

Mr. GREEN of Iowa. The amendment offered by the gentleman from Texas is clearly not in order and is not germane to the bill at all.

Mr. BLANTON. Mr. Chairman, I make a point of order against the gentleman's point of order.

Mr. NEWTON of Minnesota. Does not the gentleman from Iowa admit that if we are going into this matter at all we should apply it to the head of the department?

The CHAIRMAN. There is a point of order pending.

Mr. BLANTON. Mr. Chairman, I am trying to make a point of order against the gentleman's point of order. I make the point of order against the point of order made by the gentleman from Iowa that it comes too late. The LaGuardia amendment, being one out of order, having been offered, this is in order to the LaGuardia amendment.

The CHAIRMAN. That was not a point of order against the original amendment.

Mr. BLANTON. No; because a point of order against the LaGuardia amendment would have been in order if it had been made; hence no point of order will lie against an amendment to it. Further, debate had ensued between the gentleman from Minnesota [Mr. NEWTON] and myself before the point of order was made.

The CHAIRMAN. The Chair will dispose of the matter unless some gentleman cares to be heard.

Mr. CHINDBLOM. Mr. Chairman, I want to suggest that the point of order was made immediately after the amendment had been reported, and the gentleman from Texas was out of order in his colloquy with the gentleman from Minnesota.

Mr. BLANTON. Mr. Chairman, I want to be heard on the point of order itself.

The CHAIRMAN. The Chair will hear the gentleman from Texas briefly on the point of order.

Mr. BLANTON. Mr. Chairman, I want to be heard only on the point of order of the gentleman from Iowa. The point of order is not well taken, Mr. Chairman, for the reason that the amendment to the amendment is germane to every feature of the proposition, and to the bill. This whole board is a part and parcel of the Treasury Department. If the Chair will look at the subsequent subparagraphs and especially if he will look at subparagraph (g) on the next page, the Chair will see that the Secretary of the Treasury or the Treasury Department is to furnish this board with all employees, all the supplies, all of the equipment they want and everything else they want out of the Public Treasury. This shows this board is a part and parcel of the Treasury Department of the United States. The Bureau of Internal Revenue, if the Chair pleases, is a part of the Treasury Department. It is under the Treasury Department and many of the employees of the Treasury Department will serve this board. The collection of income taxes is made through the Treasury Department, through one of its bureaus, and this applies in perfect order to any of the officials or employees of the Treasury Department, and I submit that the amendment is in order and germane to the purposes of the bill.

Mr. GREEN of Iowa. Mr. Chairman——

The CHAIRMAN. The Chair does not care to hear the gentleman unless he desires to be heard. The Chair is ready to rule. Heretofore the gentleman from Texas has offered an amendment, which at that time was discussed, and which the Chair held would be germane when we arrived at the proper part of the bill, which the Chair thought at that time would be Title X. The gentleman now offers an amendment to an amendment. In order to ascertain whether or not it is germane to the amendment to which it is offered, one must look to the amendment and not to the bill. Now, what is the amendment? The amendment is that no member of the board shall be permitted to practice, and so forth. To that the gentleman from Texas seeks to add "or any official or Government employee of the Treasury Department," thereby interjecting an entirely different class of people from those mentioned in the amendment, namely, the board. Therefore it is not germane to the amendment, although it might be germane to the bill if offered as a separate proposition. The point of order is sustained.

The question is on the amendment offered by the gentleman from New York [Mr. LAGUARDIA].

The question was taken, and the amendment was agreed to.

Mr. BLANTON. Mr. Chairman, I offer a perfecting amendment.

Mr. GARNER of Texas. Mr. Chairman, may I be indulged for a moment, in order to ask the gentleman from Iowa [Mr. GREEN] a question? The committee is evidently in no humor to legislate this evening——

Mr. GREEN of Iowa. The committee is not legislating, in my judgment, and I doubt whether there would be any difference in the morning.

Mr. GARNER of Texas. And if the gentleman from Iowa undertakes to hold them here, the gentleman will not accomplish anything, and may have some very undesirable situations arise, and I would suggest to him that the better policy would be to adjourn until to-morrow.

Mr. LONGWORTH. Will the gentleman yield?

Mr. BLANTON. I want to ask for a vote on my amendment, Mr. Chairman.

Mr. LONGWORTH. In the gentleman's opinion, how long, so far as he can tell from amendments proposed to be offered from his side, will it take to come to a final vote on this bill?

Mr. GARNER of Texas. I will simply call the attention of the gentleman and the House to the fact that when you pass Title IX, which goes down to page 208 of the bill, the balance of the bill, down to page 238, is entirely administrative matter, and I do not suppose there will be more than one or two amendments, probably, offered. It is purely administrative. There will, in all probability, be very few amendments offered.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. GARNER of Texas. In just a moment.

Mr. CHINDBLOM. I want to suggest that it is the same as the existing law.

Mr. GARNER of Texas. Yes; it is reenacting the present law. When you get down to page 238, then you have the provision for the 25 per cent matter, and we ought to dispose of that in an hour or in 30 minutes. I understand it is the gentleman's desire that we meet at 11 o'clock; and while I think you are overworking us a little if we are to get through to-morrow, I would suggest to the gentleman that we adjourn now and meet at 11 o'clock to-morrow and undertake to dispose of these things to-morrow, and dispose of the entire bill.

Mr. LONGWORTH. Would it be possible to agree now as to how much time would be cousumed upon this entire question of the board?

Mr. GARNER of Texas. I do not think so, because there are some provisions here which I think ought to have consideration. For instance, in section 8 you have the matter of an allowance of $7 a day, and I do not think the gentleman from Illinois [Mr. MADDEN] wants it to go through in that shape.

Mr. GREEN of Iowa. That will not take very much time. We could dispose of that in five minutes.

Mr. LONGWORTH. I will say to the gentleman that I am only speaking of the length of the debate. Could we, for instance, now agree that there shall not be to exceed 30 minutes more debate on this question relating to the board? Of course, amendments may be offered.

Mr. GARNER of Texas. As I understand, the gentleman is referring now to Title IX.

Mr. LONGWORTH. Yes; and then could we agree to read all the administrative provisions as one paragraph and then thereafter could we agree as to the length of time for debate on the question of the relief of taxes for 1923?

Mr. GARNER of Texas. While I have no objection, I can not make an agreement, I will say to the gentleman from Ohio, because I do not know what the gentlemen have in their minds. So far as I am concerned, I have no amendment to offer until we get to the last section.

Mr. McKEOWN. I have only one amendment and it is on the desk now.

Mr. CROSSER. I want about five minutes.

Mr. CRISP. I would like to say to my friend that I have one amendment which I desire to offer to the administrative features which might take five of ten minutes, possibly.

Mr. SEARS of Florida. Mr. Chairman, I think we ought to have the regular order——

Mr. CRISP. And then I have an amendment to the last provision of the bill. So far as I am concerned, those are the only two amendments I desire to offer. I desire to offer an amendment, I will be frank with the gentleman, to strike out the last section.

Mr. LONGWORTH. I think we will save a great deal of time if we can come to some agreement.

Mr. TILSON. Would it not be better to dispose of the pending matter now?

Mr. GARNER of Texas. I have no objection to disposing of the pending amendment, but you can not legislate effectively at 6 o'clock on important matters in the frame of mind that the committee is now in. And I do not care what bill it is.

Mr. TILSON. Does not the gentleman think that we ought to decide this matter pending now? If the committee votes in

the affirmative to strike the whole provision out that will end it.

The CHAIRMAN. There are six minutes remaining.

Mr. McKEOWN. Mr. Chairman, I have a perfecting amendment on the desk that I would like to have reported.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Oklahoma.

The Clerk read as follows:

Amendment by Mr. McKEOWN: Page 205, line 4, after the word "of," strike out "such number," and all of line 5, and insert "nine members"; in line 9, after the word "of," strike out "ten" and insert "six"; and in line 12, after the word "six," strike out "or eight," and before the word "six" insert "or."

Mr. McKEOWN. Mr. Chairman, this proposition would create a board of nine members instead of leaving it from 7 to 27. The judges of the Supreme Court number nine. The members of the Interstate Commerce Commission, I believe, are 12 in number, and they are one of the hardest-worked bodies in the country. Why not make this a board of nine members and fix the term of years at 6 years instead of 10, and then have them appointed in series—2, 4, and 6 years? There is no use for us to say that we will strike it all out, because we know there is a necessity for a board somewhere to give the taxpayers of this country some relief. Why not fix it at nine; that is large enough. It will consist of three divisions of three members each, making their terms of office 6 years instead of 10. There is no necessity for 10 years. Then you have a number that, if Congress finds later it is necessary to increase the number, they can increase it. I think that would be a fair solution of the question. Nine judges of the Supreme Court conduct the great business of this country in the courts, and nine members of this board ought to be appointed; and that is enough.

Mr. YOUNG. There are now 24 men down there working in this department and we now have the estate tax added.

Mr. McKEOWN. This is appeal work, and they ought to put these appeals through by preparing a procedure so it will not be necessary to have 28 men. Try 9 men and see if they can not take care of it.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. CHINDBLOM. Does the gentleman want to deprive the people of the country of a board so that they can travel throughout the country and hear these appeals?

Mr. McKEOWN. I want the board created so it can function and give relief to the people, but I do not believe in giving a board of 27 and send them out all over the United States. Then you would not have any precedents, for you would have one case in Chicago decided one way, one in San Francisco another, one in New York another.

Mr. CHINDBLOM. The purpose of the chairman is to coordinate so that there will be a uniformity in the decisions.

Mr. McKEOWN. There ought to be nine members, and that would represent the nine circuits of the United States which are now represented by nine judges of the Supreme Court.

Mr. CHINDBLOM. That would take 27 men.

Mr. McKEOWN. No; one man to each circuit like there is to the Supreme Court of the United States.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma.

The question was taken; and on a division (demanded by Mr. McKEOWN) there were 68 ayes and 102 noes.

So the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Can we have the amendment again reported?

The CHAIRMAN. Without objection, the amendment will be again reported.

The Clerk read as follows:

Page 205, line 2, strike out section 900 (a).

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The question was taken; and the Chair being in doubt, the committee divided, and there were 70 ayes and 109 noes.

Mr. BLANTON. Mr. Chairman, I ask for tellers.

The CHAIRMAN. Tellers are demanded. [After counting.] Fifteen Members have risen; not a sufficient number, and tellers are refused.

So the amendment was rejected.

The Clerk read as follows:

(c) The chairman may from time to time divide the board into divisions and assign the members thereto and designate a chief thereof. If a division, as a result of a vacancy or the absence or inability of a member assigned thereto to serve thereon, is composed of less than three members, the chairman may assign other members thereto, or he may direct the division to proceed with the transaction of business. A division shall hear and determine appeals filed with the board and assigned to such division by the chairman. Upon the expiration of 30 days after a decision by a division, such decision, and the findings of fact made in connection therewith, shall become the final decision and findings of the board, unless within such period the chairman has directed that such decision shall be reviewed by the board.

Mr. HUDSON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. HUDSON: Page 206, line 3, strike out all of paragraph (b).

Mr. HUDSON. Mr. Chairman, the day before yesterday in this committee I sought recognition of the Chair to address the Committee of the Whole upon the amendment then pending, known as the automobile tax amendment. Owing to the lateness of the hour, I was willing to forego my remarks before the committee on that matter, as did my colleague from Michigan [Mr. McLEOD]. I wanted to support the amendment offered by my colleague, Mr. McLAUGHLIN, at that time. I wanted to do so because of the careful thought and time that he has devoted to the matter in the Committee on Ways and Means. I was not possessed of an inordinate desire to have my name appear in the headlines of the newspapers, and neither was my distinguished colleague, Mr. McLAUGHLIN, who, having presented his reasons for the amendment to the Committee of the Whole in a logical, concise manner, was willing to yield the floor in order that a vote might be taken. I was in favor of the reduction of the automobile tax because it has no legitimate place in an excise measure, though I realize, of course, the need of revenue. I rise now to bring to the attention of the committee the fact that my colleague, Mr. McLAUGHLIN, has spent much time and great care in the Committee on Ways and Means in order to bring before the committee and the country an amendment which will produce revenue and yet adequately protect those who are vitally interested.

The theory of the excise tax has been that it was a tax upon luxuries. Everyone to-day conversant with the use of the automobile and the automobile truck well know that a tax placed upon them on that theory is false and without foundation. The automobile has become a business necessity to practically every commercial industry and to every farmer and every home owner. It has proven a great blessing to humanity in making possible the residence outside of our congested cities of the workmen in our places of industry.

Through the ownership of an automobile men can live 5, 10, 15 miles from their places of employment, where their families can be reared in the open countryside and where with an acre of ground the laborer can enjoy the free and open life of rural surroundings. This removal from the congested centers has meant a blessing to thousands upon thousands of our population, who are now living in a degree of freedom that was impossible before the advent of the automobile.

In addition to its blessing as a means of transportation it has become a blessing in the fact that it enables entire families to take their outings together and thus again increase the health and welfare of our people.

While we believe most heartily that the entire excise tax provided in this section of the bill should be removed, not simply removed upon a class of trucks and a reduction of the tax on parts, but the entire tax upon the automobile, of whatever kind, and from the accessories of all kinds. But we realize the necessities of the Government for revenue and that such legislation would mean the loss of one hundred and forty to one hundred and sixty millions of dollars of revenue, perhaps a reduction greater than the needs of government can stand at this time, if we reduce the percentage on the income taxes. Therefore, at this time I am glad to support the amendment of the gentleman from Michigan, which exempts from taxation trucks and automobile wagons and chassis whose price does not exceed $1,000. This will relieve the average farmer and small business man of the imposition of a Federal tax upon the necessity of his business, but does not relieve, at this time, the large commercial truck. The gentleman's amendment further reduces the tax on parts and accessories one-half, which in its turn will be a great relief, especially to the great

mass of automobile owners, in the upkeep of their cars and trucks.

I think the time will soon come when we can see our way clear to remove the tax upon the entire automobile industry. There is no just reason why the automobile industry should be selected as above all other lines of industry upon which to place a Federal tax. The imposition of the tax was due to war conditions and possibly was justified at that time. In times of peace there is no real justification for it, and I only vote for this amendment, which still leaves a tax upon a large part of the industry, because of the necessity for revenue at this time.

I trust the amendment offered by my colleague will receive unanimous support at this time.

The Clerk read as follows:

(b) The members and employees assigned to the board, in addition to their compensation, shall receive their necessary traveling expenses and actual expenses incurred for subsistence while traveling on duty and away from their designated stations, in an amount not to exceed $10 per day in the case of members and $7 per day in the case of employees. The expenditures of the board, including the expenditures for salaries, expenses of transportation and for maintenance, witness fees, rent (where suitable quarters are not available), printing and binding, and contingent and miscellaneous expenses shall be allowed and paid upon the presentation of itemized vouchers therefor, approved by the board and signed by the chairman, out of any appropriation available for the collection of internal-revenue taxes.

Mr. GARNER of Texas. Mr. Chairman, I am wondering if some gentleman is not going to offer an amendment in respect to this expenditure of $7 a day.

Mr. SIMMONS. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. SIMMONS: Page 208, line 3, strike out "$10" and insert in lieu thereof "$7."

Mr. McKEOWN. Mr. Chairman, I have an amendment which I desire to offer.

Mr. GREEN of Iowa. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. GRAHAM of Illinois, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 6715 and had come to no resolution thereon.

ENROLLED JOINT RESOLUTION PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States, for his approval, the following joint resolution:

H. J. Res. 160. Joint resolution to provide an appropriation for the prosecution of suits to cancel certain leases, and for other purposes.

TAX ON CIGARETTES.

Mr. THATCHER. Mr. Speaker, under leave granted to extend my remarks I insert the following telegram from the Burley Tobacco Growers' Association:

LEXINGTON, KY., *February 28, 1924.*

MAURICE H. THATCHER,
House of Representatives, Washington, D. C.:

Increase tax of $1 per thousand on cigarettes voted into revenue bill House of Representatives yesterday will seriously injure the interests of all farmers growing tobacco in your State. Government now collecting tax $1 per pound on tobacco farmer gets 40 cents for. Tax on tobacco has increased 200 per cent since 1914, and over 100,000 farmer members of this association urge you to vote against any further tax increase on tobacco, which is their biggest money crop, believing it will materially curtail consumption and be ruinous to farmers who produce it.

BURLEY TOBACCO GROWERS' COOPERATIVE ASSOCIATION,
By JAMES C. STONE, *President and General Manager.*

GRANTING OF FRANKING PRIVILEGE TO EDITH BOLLING WILSON.

Mr. GRIEST. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 2583) granting a franking privilege to Edith Bolling Wilson and to consider the same at this time.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to take from the Speaker's table the bill (S. 2583) granting a franking privilege to Edith Bolling Wilson and consider the same at this time. Is there objection?

Mr. BLANTON. Mr. Speaker, reserving the right to object, I will state to the gentleman from Pennsylvania that my position on this matter was misquoted in the press, and I would like to have two minutes in which to explain my attitude. Will the gentleman grant me that time?

Mr. GRIEST. Certainly.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That all mail matter sent by the post by Edith Bolling Wilson, widow of the late Woodrow Wilson, under her written autograph signature, be conveyed free of postage during her natural life.

Mr. GRIEST. Mr. Speaker, this bill is identical in language and purport with a bill considered by the Post Office Committee of the House and favorably reported. It is in accordance with all of the precedents since the beginning of our Government, from the time of Mrs. Washington to the case of Mrs. Harding. The only manner in which it is not a precedent is the sad circumstance that two cases of this kind should come before one Congress. I hope the measure will pass without further delay.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. GRIEST. Yes.

The SPEAKER. The gentleman from Texas is recognized for two minutes.

Mr. BLANTON. Mr. Speaker, I have no objection whatever to this particular resolution granting merely the franking privilege. It is a proper one and ought to pass, and it will cost a very nominal amount. What I do object to is the attempt that will be made a little later on to establish as a permanent practice of our Government the payment of a pension of $5,000 per year for life to the widows of Presidents. I think it is a bad practice. It should not be established as a permanent right. It is against the spirit of the Constitution of the United States, which puts on an equality every widow of our land, and presumes that they shall be granted equal rights. If we pay a rich widow of a President $5,000 a year as long as she lives, just because she is the widow of a President, when we do not pay it to the widow of any other American citizen, it is making a very unfair distinction not warranted by the Constitution in favor of one and against the other that should never exist in this Republic.

That is my position with respect to these special privilege resolutions.

There is now pending a bill, already passed by another body, to pay the widow of a President $5,000 a year for life. If she needed it, it might present a different question, but she is well off financially; she has much of this world's goods that will permit her to continue to live in luxury for the rest of her life. I shall object to that bill, and I shall object, so long as I am a Member of this House, to every similar bill that seeks to pay a pension of $5,000 a year for life to a widow who is worth at least a half million of dollars. I have consistently opposed every such measure since I have been in Congress.

Mr. GRIEST. There is no pension involved in this.

Mr. BLANTON. I understand, but there will be another bill later on proposing a pension of $5,000 per year for life.

When this franking resolution was called up late the other evening I objected to it being considered then, as the late hour did not permit of my making this statement, and I thought that it should be made by some one when such resolution was passed.

The SPEAKER. The question is on the third reading of the Senate bill.

The bill was ordered to be read a third time, was read the third time, and passed.

The SPEAKER. Without objection, a similar House bill will be laid on the table.

There was no objection.

INTERIOR DEPARTMENT APPROPRIATION BILL.

Mr. CRAMTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 5078, the Interior Department appropriation bill, disagree to the Senate amendments, and agree to the conference asked for by the Senate.

The SPEAKER. The gentleman from Michigan asks unanimous consent to take from the Speaker's table the Interior Department appropriation bill, disagree to the Senate amendments, and agree to the conference asked for by the Senate. The Clerk will report the bill by title.

The Clerk read as follows:

A bill (H. R. 5078) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1925, and for other purposes.

The SPEAKER. Is there objection?
Mr. McKEOWN. I shall object for the present.
The SPEAKER. The gentleman from Oklahoma objects.

PRESIDENT'S MESSAGE—STEAMSHIP "BARON BERWICK."

The SPEAKER laid before the House the following message from the President of the United States, which was read and, with the accompanying papers, referred to the Committee on Foreign Affairs:

To the Congress of the United States:

I transmit herewith a report concerning a claim against the United States presented by the British Government for damages sustained by the British steamship *Baron Berwick* as a result of a collision in Quiberon Bay, France, on August 22, 1918, between that vessel and the United States steamship *Iroquois* (now *Freedom*) and a further collision in Roscanvel Bay, France, on October 5, 1918, of the United States destroyer *Truxton* with the *Baron Berwick*. The report requests that the recommendation of the Secretary of War and of the Secretary of the Navy as indicated therein be adopted and that the Congress authorize the appropriation of the sum necessary to pay the indemnity offered by the representative of the American Expeditionary Forces.

I recommend that, in order to effect a settlement of this claim in accordance with the recommendation of the Secretary of State, the Congress, as an act of grace and without reference to the legal liability of the United States in the premises, authorize an appropriation of an amount which will be equivalent to £6,200.

CALVIN COOLIDGE.

THE WHITE HOUSE, *February 28, 1924.*

AMENDMENT TO THE REVENUE BILL.

Mr. LONGWORTH. Mr. Speaker, I ask unanimous consent to print in the RECORD an amendment which I expect to offer to the revenue bill.

The SPEAKER. The gentleman from Ohio asks unanimous consent to print in the RECORD an amendment which he expects to offer to the revenue bill. Is there objection?

There was no objection.

Following is the amendment referred to:

Mr. LONGWORTH offers the following substitute for the Garner amendment to sections 210 and 211 and subdivision (c) of section 216:

"On page 29 strike out lines 20 to 25, inclusive, and lines 1 to 18, inclusive, on page 30, and insert in lieu thereof the following:

"SEC. 210. (a) In lieu of the tax imposed by section 210 of the revenue act of 1921, there shall be levied, collected, and paid for each taxable year upon the net income of every individual (except as provided in subdivision (b) of this section) a normal tax of 6 per cent of the amount of the net income in excess of the credits provided in section 216, except that in the case of a citizen or resident of the United States the rate upon the first $4,000 of such excess amount shall be 2 per cent and upon the next $4,000 of such excess amount shall be 5 per cent;

"(b) In lieu of the tax imposed by subdivision (a), there shall be levied, collected, and paid for each taxable year upon the net income of every nonresident alien individual, a resident of a contiguous country, a normal tax equal to the sum of the following:

"(1) Two per cent of the amount by which the part of the net income attributable to wages, salaries, professional fees, or other amounts received as compensation for personal services actually performed in the United States exceeds the credits provided in subdivisions (d) and (e) of section 216; but the amount taxable at such 2 per cent rate shall not exceed $4,000;

"(2) Five per cent of the amount by which such part of the net income exceeds the sum of (A) the credits provided in subdivisions (d) and (e) of section 216, plus (B) $4,000; but the amount taxable at such 5 per cent rate shall not exceed $4,000; and

"(3) Six per cent of the amount of the net income in excess of the sum of (A) the amount taxed under paragraphs (1) and (2), plus (B) the credits provided in section 216."

Also strike out lines 20 to 25, inclusive, on page 30; lines 1 to 24, inclusive, page 31; and lines 1 to 26, inclusive, page 32, and insert in lieu thereof the following:

"SEC. 211. (a) In lieu of the tax imposed by section 211 of the revenue act of 1921, but in addition to the normal tax imposed by section 210 of this act, there shall be levied, collected, and paid for each taxable year upon the net income of every individual a surtax equal to three-fourths of the sum of the following:

"Two per cent of the amount by which the net income exceeds $10,000 and does not exceed $12,000;

"Three per cent of the amount by which the net income exceeds $12,000 and does not exceed $14,000;

"Four per cent of the amount by which the net income exceeds $14,000 and does not exceed $16,000;

"Five per cent of the amount by which the net income exceeds $16,000 and does not exceed $18,000;

"Six per cent of the amount by which the net income exceeds $18,000 and does not exceed $20,000;

"Eight per cent of the amount by which the net income exceeds $20,000 and does not exceed $22,000;

"Nine per cent of the amount by which the net income exceeds $22,000 and does not exceed $24,000;

"Ten per cent of the amount by which the net income exceeds $24,000 and does not exceed $26,000;

"Eleven per cent of the amount by which the net income exceeds $26,000 and does not exceed $28,000;

"Twelve per cent of the amount by which the net income exceeds $28,000 and does not exceed $30,000;

"Thirteen per cent of the amount by which the net income exceeds $30,000 and does not exceed $32,000;

"Fifteen per cent of the amount by which the net income exceeds $32,000 and does not exceed $36,000;

"Sixteen per cent of the amount by which the net income exceeds $36,000 and does not exceed $38,000;

"Seventeen per cent of the amount by which the net income exceeds $38,000 and does not exceed $40,000;

"Eighteen per cent of the amount by which the net income exceeds $40,000 and does not exceed $42,000;

"Nineteen per cent of the amount by which the net income exceeds $42,000 and does not exceed $44,000;

"Twenty per cent of the amount by which the net income exceeds $44,000 and does not exceed $46,000;

"Twenty-one per cent of the amount by which the net income exceeds $46,000 and does not exceed $48,000;

"Twenty-two per cent of the amount by which the net income exceeds $48,000 and does not exceed $50,000;

"Twenty-three per cent of the amount by which the net income exceeds $50,000 and does not exceed $52,000;

"Twenty-four per cent of the amount by which the net income exceeds $52,000 and does not exceed $54,000;

"Twenty-five per cent of the amount by which the net income exceeds $54,000 and does not exceed $56,000;

"Twenty-six per cent of the amount by which the net income exceeds $56,000 and does not exceed $58,000;

"Twenty-seven per cent of the amount by which the net income exceeds $58,000 and does not exceed $60,000;

"Twenty-eight per cent of the amount by which the net income exceeds $60,000 and does not exceed $62,000;

"Twenty-nine per cent of the amount by which the net income exceeds $62,000 and does not exceed $64,000;

"Thirty per cent of the amount by which the net income exceeds $64,000 and does not exceed $66,000;

"Thirty-one per cent of the amount by which the net income exceeds $66,000 and does not exceed $68,000;

"Thirty-two per cent of the amount by which the net income exceeds $68,000 and does not exceed $70,000;

"Thirty-three per cent of the amount by which the net income exceeds $70,000 and does not exceed $72,000;

"Thirty-four per cent of the amount by which the net income exceeds $72,000 and does not exceed $74,000;

"Thirty-five per cent of the amount by which the net income exceeds $74,000 and does not exceed $76,000;

"Thirty-six per cent of the amount by which the net income exceeds $76,000 and does not exceed $78,000;

"Thirty-seven per cent of the amount by which the net income exceeds $78,000 and does not exceed $80,000;

"Thirty-eight per cent of the amount by which the net income exceeds $80,000 and does not exceed $82,000;

"Thirty-nine per cent of the amount by which the net income exceeds $82,000 and does not exceed $84,000;

"Forty per cent of the amount by which the net income exceeds $84,000 and does not exceed $86,000;

"Forty-one per cent of the amount by which the net income exceeds $86,000 and does not exceed $88,000;

"Forty-two per cent of the amount by which the net income exceeds $88,000 and does not exceed $90,000;

"Forty-three per cent of the amount by which the net income exceeds $90,000 and does not exceed $92,000;

"Forty-four per cent of the amount by which the net income exceeds $92,000 and does not exceed $94,000;

"Forty-five per cent of the amount by which the net income exceeds $94,000 and does not exceed $96,000;

"Forty-six per cent of the amount by which the net income exceeds $96,000 and does not exceed $98,000;

"Forty-seven per cent of the amount by which the net income exceeds $98,000 and does not exceed $100,000;

"Forty-eight per cent of the amount by which the net income exceeds $100,000 and does not exceed $150,000;

"Forty-nine per cent of the amount by which the net income exceeds $150,000 and does not exceed $200,000;

"Fifty per cent of the amount by which the net income exceeds $200,000."

Mr. GARRETT of Tennessee. Mr. Speaker, I did not catch the request of the gentleman from Ohio.

Mr. LONGWORTH. It was to print for information an amendment to the revenue bill.

Mr. GARRETT of Tennessee. On a motion to recommit, or how?

Mr. LONGWORTH. It will be offered in a proper parliamentary way.

AMENDMENT TO THE FEDERAL RESERVE ACT.

Mr. FULMER. Mr. Speaker, I ask unanimous consent to extend by remarks in the RECORD in connection with the bill H. R. 3206 to amend the Federal reserve act.

The SPEAKER. The gentleman from South Carolina asks unanimous consent to extend his remarks in the RECORD in connection with a bill to amend the Federal reserve act. Is there objection?

There was no objection.

Mr. FULMER. Mr. Speaker, in reply to a letter of Hon. D. R. Crissinger, governor Federal Reserve Board, inserted in the RECORD of February 26 by Mr. WINGO, I beg to say that you will note in this letter and accompanying statement that Mr. Crissinger speaks only in terms of net earnings. Members of Congress are entitled to know about gross earnings and how they are spent.

During 1918, 1919, 1920, and 1921 Mr. Crissinger states that 2 per cent could have been paid member banks, but according to his statement it would have been impossible during 1922 and 1923.

In the first week of May, 1922, the loans and discounts of the New York Federal Reserve Bank amounted to $89,956,248, while the building occupied by it cost about $25,000,000. On the same date the loans and discounts of the National City Bank of New York amounted to $506,840,494 and its bank building $6,060,000. On the same date the loans and discounts of the National Bank of Commerce of New York amounted to $259,165,930 and its bank building $4,000,000.

It makes some difference how money is spent in expensive buildings, does it not? National banks have to pay from 4 to 5 per cent on savings accounts to their customers, and reserve city banks pay 2 per cent on all balances carried by their customer banks, therefore they have to so spend and expend to meet their expenses and pay a dividend to their stockholders; while the system, managed absolutely by a board over which there is no check at all as to how much it will spend and expend, but with a capital and surplus of $330,000,000, costing it about 2 per cent, and with an additional $2,000,000,000 furnished by member banks as reserve balances free of charge—not costing the system a penny—says it can not pay 2 per cent on balances.

While banks are daily going bankrupt and while agriculture is dragging on its belly with nowhere to go, let us see what this high-handed, unrestricted bunch is doing with profits made out of member banks. They have spent to date $150,000,000 for buildings and fixtures and have paid into the Federal Government $140,000,000 as franchise tax to date. In 1917 the entire salary and wages account of the New York Federal Reserve Bank was $970,580, and its total loans and discounts were $399,078,000, which shows $1 of expense to every $413 of loans and discounts. On January 25, 1922, the salary and wages account of the same New York Federal Reserve Bank was $4,988,703, with loans and discounts of $146,526,938, or $1 of expense to every $29 of loans and discounts. In 1917 the loans and discounts as above stated, in amount $399,078,000, were administered by 12 officers only, while in 1921 40 officers administered loans of $146,526,938. In other words, 28 more officers are employed to administer loans and discounts that had shrunken more than 60 per cent, or an increase of more than 200 per cent in officers to look after a business showing a 60 per cent decrease in loans and discounts.

The salaries of these 40 officers amounted to more than that of the President and Vice President of the United States, half of the Senators, and the governors of 12 States. Why should you worry when these salaries are coming out of the profits of hard-earned money furnished by member banks that have to "come across" under the law without any say-so as to how it should be spent?

The manager of the foreign department of the New York Federal Reserve Bank entered the service at an annual salary of $1,080, while in 1922 he received $7,500.

The manager at large—whatever that might be—entered the service at an annual salary of $1,500, while in 1922 he received $10,000.

The manager of the supply department entered the service at a salary of $1,000 annually, and in 1922 he received an increase of 500 per cent, viz, a salary of $6,000.

The deputy governor entered the service at an annual salary of $4,200, while in 1922 he received an increase to $22,000—423 per cent.

The controller of administration entered the service at a salary of $2,400, while in 1922 he received a salary of $12,500—an increase of 420 per cent.

The manager of the check department entered the service at a salary of $1,500 annually, while in 1922 he received a salary of $7,200—an increase of 380 per cent.

A Mr. Matterson entered the service at a salary of $2,400 annually, while in 1922 he received a salary of $10,000—an increase of 316 per cent.

The controller of cash entered the service at a salary of $3,000, while in 1922 he received one of $12,000—an increase of 300 per cent.

The manager of discount department entered the service at a salary of $1,500, while in 1922 he received a salary of $5,000.

The controller at large (whatever that is) entered the service at a salary of $4,000, while in 1922 he received a salary of $15,000.

The manager of personal service department entered the service at a salary of $2,250, while in 1922 he received a salary of $7,200.

The manager of Government-bond department entered the service at a salary of $1,800, and in 1922 he received a salary of $5,500.

A Mr. Hendricks entered the service at a salary of $6,000, and in 1922 he received a salary of $18,000.

The governor of New York Federal Reserve Bank has had his salary increased from $30,000 to $50,000.

I shall not take the space or time to give an account of other Federal reserve banks, but you will find that they are all lined up in like fashion.

Let us take a look at the expense account of the 12 Federal reserve banks in 1921. This account amounted to $36,006,065. New York, with an expense account of $8,167,780, headed the list, while Minneapolis, with an expense account of $1,325,867, tailed the list. Federal reserve officers were paid salaries of $2,385,994 at the expense of member banks, while clerk hire amounted to $15,201,393, and "special officers and watchmen" were paid $789,879, also at the expense of member banks. All other expenses, whatever they may have been, amounted to $1,102,984.

It cost member banks $7,500 for Federal reserve governers to "confer"; $4,448 for Federal reserve agents to "confer"—some conferences. This should bring to your memory the conference of the advisory countil of May 18, 1920, when it, behind closed doors, advised the deflation policy.

It cost member banks $168,556 to hold director's meetings while 173 out of 254 lived in the same town where the bank or its branch is located. Traveling expenses cost member banks $357,962—some travelers.

All of these items are subject to the approval of the Federal Reserve Board located at Washington, over which there is no check whatsoever.

Gentlemen, you may not be bankers, but with the following figures, or if you were personally responsible to the stockholders, do not you think that you could pay member banks something for the use of this gigantic sum?

In round numbers, capital furnished by members amount to	$110,000,000
Surplus made out of members' capital and balances	220,000,000
Reserve balances and other balances carried by members and the Government without cost to the system	1,900,000,000
Total	2,230,000,000

(On which the system pays members 6 per cent on the $110,000,000 only. In the meantime it charges 4½ per cent for loans made to member banks.)

The Government furnished $83,000,000 in setting up the system, while the Government has received from the system an amount, in round numbers, amounting to $140,000,000 in franchise taxes to date. In the meantime, Mr. Crissinger states, that in acting as fiscal agent for the Government, an expense equal to 26 per cent of its total operating expenses is incurred to the system. While the system operates for the Government at a cost of 26 per cent of its total expense, yet it does not receive one penny from the Government, but instead continues

to pay into the Federal Treasury millions of dollars made of member banks' money. You should also bear in mind that the surpluses created from time to time, and the buildings, sites, and fixtures, while made out of the profits of the funds furnished by member banks, belong to the Government, and thus can not be divided with members in case of liquidation. Another reason why the system can not pay 2 per cent is that, not being satisfied with placing millions of dollars in buildings, sites, and fixtures which belong to the Government, it has further agreed that all of these items can be liquidated from year to year out of profits which are now being made and which should go to member banks. How many country banks are making enough money these days to enable them to charge off any part of the items carried as buildings, real estate, and fixtures? These banks serving as best they can, under the absolute control of the system, would be very glad indeed to make some profits, so as to charge off bad debts which accumulated during 1920 and 1921, when the system put on its pet scheme of deflation.

The Federal reserve act is all right as originally passed and as originally planned to function. The great trouble is with the regulations formulated by the system in administering the act, which regulations created new departments, additional functions, and so forth, which are throttling country banks. What are they? One is the taking away from member banks their incomes from exchange, which is but a reasonable wage for service. The system even tried to force State banks into membership by requiring them to collect on a par basis, which they refused to do, and were sustained in the courts. The system further refuses to give member banks immediate credit for their remittances. In the meantime, if the requisite reserve of any member bank falls just one day below the required amount under the law, it penalizes them from 6 to 12 per cent, while at the same time it takes from two to eight days to give that same member bank credit for its remittance. Country banks have to give immediate credit to their customers for all deposits, and all such deposits are therefore subject to immediate check on the part of customers, while with the treatment handed country banks by the system it is sometimes hard for them to make ends meet and keep their doors open. Oh, yes, this is all right for the large banks, which get their collections free through the system on every nook and corner of the earth, and it is all right with them to have their credits held up from two to eight days, for they are well able to stand for it. If it is the intention, as stated by some, that country banks should be weeded out, and if this is a part of the program, why such a hard and slow process?

What are some of the things that country banks are asking for? Give them back their exchange, their living wage for serving large city banks in collecting for them. Give them immediate credit for their remittances, subject to their check, in order that they may be able to carry on in a satisfactory manner in serving their customers and the system also.

Again, if the system, as well as the large city banks—that is, those located in reserve and central reserve cities, who by the way get all of the accommodations that are supposed to be rendered to all members, does not want to cut out all extravagance and thereby pay members 2 per cent, let the Congress pass an amendment that I am now offering to reduce reserve balances carried by country banks from 7 per cent on demand deposits to 5 per cent, and from 3 per cent on time deposits to 2 per cent. In effect this would be thus: A country member bank with $50,000 demand deposits and $50,000 time deposits would have to carry under the present law a balance of $5,000 with the system, while under the above-proposed amendment it would have to carry only $3,500, thus releasing $1,500 to be used for loans which, at 7 per cent, would bring in $105. To pass my amendment (H. R. 3206) this same member bank would receive 2 per cent on its balance of $5,000, which would bring in $100. This, you see, would answer the same purpose, while at the same time the system would not be forced to do things which it claims my amendment would force it to do.

Now, you say, can Federal reserve banks do this? During the war and panic they operated on smaller balances than they now have, and with all their demands, both from members and the Government, they got through in fine shape. Now, with around two billions of balances furnished by members the demand for loans from members is so slack that they do not have to wait on my amendment to force them into the open market in competition with members. They now have about $800,000,000 invested in the open market out of balances carried by member banks which they have to use because the cash is in their coffers and they have nowhere else to turn.

LEAVE OF ABSENCE.

Mr. KOPP, by unanimous consent, was granted leave of absence for the balance of the week, on account of illness.

HOUR OF MEETING TO-MORROW 11 O'CLOCK A. M.

Mr. GREEN of Iowa. Mr. Speaker, I ask unanimous consent that when the House adjourns to-day it adjourn to meet at 11 o'clock to-morrow morning.

The SPEAKER. The gentleman from Iowa asks unanimous consent that when the House adjourns it adjourn to meet at 11 o'clock to-morrow morning. Is there objection?

Mr. RANKIN. Mr. Speaker, reserving the right to object, I want to ask the chairman of the Committee on Ways and Means if we are likely to get through this bill this week?

Mr. GREEN of Iowa. I see no reason why we should not get through to-morrow. When we have disposed of this pending motion, which will not take more than five minutes, I think we should not be long in getting through with the bill.

Mr. RANKIN. Under the circumstances, it seems to me, when we are very desirous to continue hearings on an important matter until 12 o'clock, we ought to have that opportunity.

Mr. GREEN of Iowa. I hope, Mr. Chairman, the gentleman will not object.

The SPEAKER. Is there objection?

Mr. GARRETT of Tennessee. Is the motion to print something in the RECORD by the gentleman from Ohio [Mr. LONGWORTH] carrying the parliamentary situation under which he is going to offer it?

Mr. LONGWORTH. No; that is carried here.

Mr. GARRETT of Tennessee. Would not the gentleman be willing to put that in the RECORD?

Mr. GARNER of Texas. Mr. Speaker, may I ask the gentleman from Iowa [Mr. GREEN] and the gentleman from Ohio [Mr. LONGWORTH] is it the purpose of the committee to get through with this bill to-morrow?

Mr. GREEN of Iowa. Yes; that is the purpose if we can meet to-morrow at 11.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

LAW ENFORCEMENT.

Mr. HUDSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting a letter which I wrote to the editor of the Washington Post on February 7, and an editorial from the Evening Star of the same date.

The SPEAKER. The gentleman from Michigan asks unanimous consent to extend his remarks by inserting in the RECORD a letter addressed by him to the editor of the Washington Post and an editorial from the Evening Star. Is there objection?

Mr. RANKIN. Reserving the right to object, Mr. Speaker, I could not hear what the gentleman was trying to insert in the RECORD.

The SPEAKER. A letter which he wrote to the editor of the Washington Post and an editorial from the Washington Evening Star.

Mr. RANKIN. On what subject?

Mr. HUDSON. On law enforcement.

The SPEAKER. Is there objection?

There was no objection.

Mr. HUDSON. Mr. Speaker, under leave granted, I insert a letter addressed by me to the editor of the Washington Post, and an editorial from the Evening Star, as follows:

FEBRUARY 27, 1924.

Mr. EDWARD B. MCLEAN,
Editor the Washington Post,
Washington, D. C.

DEAR SIR: The editorials of the Washington Post, usually so fair and clean and sound in their findings, and because of that I am greatly disturbed by the tone and inferences of your editorial of this morning entitled "Investigate prohibition enforcement." Possibly the mania exhibited by Congress to investigate everything and everybody under the sun has some way invaded your editorial sanctum.

The most unfortunate incident of the serious injury to Senator GREENE is indeed deeply regrettable. Indeed it is, and should be most thoroughly investigated, and anyone found guilty of any carelessness or wantonness should be adequately punished. But why the cry about prohibition enforcement as a source of unlawful endeavor and unholy zeal on the part of legally appointed enforcement officers? In the present case it is the testimony, I understand, of the police officers with the prohibition enforcement officers that the fleeing crooks were those who fired the first shots. What about the free use of firearms by crooks of all descriptions. Has no innocent bystander or

pedestrian been injured by the reckless shots of burglars, thieves, robbers, etc.? Now, as a fact, does not the prohibition enforcement department make a pretty good record when you consider the fact that in the life of the department 8,000 different men at different times have been employed, and the charge of dereliction of any kind brought against them has been less than 1 per cent, or 80 out of 8,000? Is not this a record that shows discretion and cool judgment when you consider the obstacles that they are constantly meeting in the proper enforcement of law? Much of their dealings have to do with the vicious and depraved class of criminals to whom life is very cheap, as evidenced by the 35 that have given their lives while on duty for the enforcement of law.

"Corruption charged and proven" has tended to weaken the people in their support of enforcement and the cause of prohibition. My dear editor, the fact that enforcement officers have been guilty of corruption is not unique to the presence of national prohibition with the prohibition enforcement department. Members of police commissions, chiefs of police, and other police officers all down the line have been found guilty of corruption and betrayal of trust from time to time in every city of the land. You speak of the right to use the highways without imperilment, and I most heartily agree with you. But what about the intoxicated motorist that drives down our streets and highways, imperiling the lives of hundreds of pedestrians and equally hundreds of motorists?

Yours sincerely,

[From the Evening Star, Wednesday, February 27, 1924.]

INQUIRY INTO THE GREENE SHOOTING.

Two resolutions are pending before the Senate relating to the shooting of Senator GREENE in a bootleg pursuit in this city. One, introduced by the Senator from New Jersey, Mr. EDWARDS, who is an avowed and enthusiastic "wet," is in its preamble and specific text a general criticism of the whole prohibition enforcement service, and, in effect, an argument against prohibition in practice. The other, introduced by Senator GREENE'S colleague, Mr. DALE, has direct bearing simply upon the deplorable affair in point, and directs an investigation of this case and of such practices of the enforcement forces that may endanger innocent lives.

It is to be hoped that the Senate will, of these two resolutions, adopt that of Senator DALE, which is aimed at the clearing of the facts in this particular case, and has no purpose to belittle or check the proper enforcement of the prohibition act.

The lamentable tragedy which has so nearly cost Senator GREENE'S life has no bearing upon the merits of prohibition. It is one of the incidents of enforcement, an accident due, it may be, to overzealousness on the part of an enforcement agent. Yet it has been seized upon by the foes of prohibition as an argument for a slackening of enforcement procedure, indeed for the modification of the enforcement act, and even for the repeal of the eighteenth amendment.

The fact that a citizen was shot by a stray bullet in the pursuit of a fleeing lawbreaker has nothing to do with the merits of the law which has been broken. If a burglar is pursued as he leaves the house which he has entered with felonious purpose, is fired upon by the householder or by the policeman, and an innocent bystander is wounded, perhaps killed, there is no warrant whatever for a demand for a repeal of the law against burglary. Should a man eminent in public life be such a victim, as in this case, no one would ever propose that the pursuit of burglars should be prohibited as too dangerous for the public safety. No one would demand an investigation of the whole practice of burglar pursuit.

Unquestionably the enforcement of the prohibition act is difficult. It has been attended with many scandals, with some betrayals of their trust by enforcement officers. The law has been flagrantly violated by people in high places as in lower stations of life. A deliberate attempt has been made to bring it into ridicule and to break down the processes of enforcement. The seizure of this unhappy affair is now sought by avowed enemies of prohibition to bring about an investigation which can serve no end save to permit the marshaling of all the faults and failures of the law without a showing of its overwhelming successes and beneficial effects.

No supporter of prohibition can or will object to an inquiry into the shooting of Senator GREENE and the dangers attendant upon vigorous law enforcement with a view to finding a safer and even more effective means of carrying the law fully into effect.

Mr. SEARS of Florida. Mr. Speaker, I make the point of order that there is no quorum present.

ADJOURNMENT.

Mr. GREEN of Iowa. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 5 minutes p. m.) the House adjourned, in accordance with the order previously made, until to-morrow, Friday, February 29, 1924, at 11 o'clock a. m.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. KEISS: Committee on Printing. H. R. 695. A bill to amend section 6 of an act entitled "An act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," approved June 5, 1920; without amendment (Rept. No. 239). Referred to the Committee of the Whole House on the state of the Union.

Mr. HOWARD of Oklahoma: Committee on Indian Affairs. H. R. 6483. A bill amending an act entitled "An act for the division of the lands and funds of the Osage Indians in Oklahoma, and for other purposes," approved June 28, 1906, and acts amendatory thereof and supplemental thereto; with amendments (Rept. No. 243). Referred to the Committee of the Whole House on the state of the Union.

Mr. MERRITT: Committee on Interstate and Foreign Commerce. H. R. 6943. A bill granting the consent of Congress to the village of Port Chester, N. Y., and the town of Greenwich, Conn., or either of them, to construct, maintain, and operate a dam across the Byram River; without amendment (Rept. No. 240). Referred to the House Calendar.

Mr. SNELL: Committee on Rules. H. Res. 192. A resolution for the appointment of a special committee, composed of seven Members of the House, appointed by the Speaker, to inquire into the operations of the United States Army Air Service, United States Naval Bureau of Aeronautics, the United States Mail Air Service, and for other purposes; without amendment (Rept. No. 241). Referred to the House Calendar.

Mr. JOST: Committee on the District of Columbia. H. R. 1869. A bill for the incorporation of the Grand Army of the Republic; with amendments (Rept. No. 242). Referred to the House Calendar.

Mr. LANGLEY: Committee on Public Buildings and Grounds. H. R. 4200. A bill to provide for the cleaning of the exterior of the post-office building at Cincinnati, Ohio; without amendment (Rept. No. 247). Referred to the House Calendar.

Mr. PORTER: Committee on Foreign Affairs. H. J. Res. 195. A joint resolution authorizing an appropriation for the participation of the United States in two international conferences for the control of the traffic in habit-forming narcotic drugs; without amendment (Rept. No. 244). Referred to the Committee of the Whole House on the state of the Union.

Mr. LANGLEY: Committee on Public Buildings and Grounds. H. R. 6059. A bill authorizing the conveyance to the city of Washington, Mo., of 10 feet of the Federal building site in said city for the extension of the existing public alley through the entire block from Oak to Lafayette Streets; without amendment (Rept. No. 245). Referred to the Committee of the Whole House on the state of the Union.

Mr. LANGLEY: Committee on Public Buildings and Grounds. H. R. 6895. A bill to correct and perfect title to certain lands and portions of lots in Centerville, Iowa, in the United States of America, and authorizing the conveyance of title in certain other lands and portions of lots adjacent to the United States post-office site in Centerville, Iowa, to the record owners thereof, by the Secretary of the Treasury; without amendment (Rept. No. 246). Referred to the Committee of the Whole House on the state of the Union.

Mr. WILLIAMS of Texas: Committee on Elections No. 3. Contested-election case of Walter M. Chandler *v.* Sol Bloom, nineteenth congressional district of New York; minority views (Rept. No. 224, pt. 2). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. McSWAIN: Committee on Military Affairs. H. R. 490. A bill authorizing the Secretary of War to transfer to trustees to be named by the Chamber of Commerce of Columbia, S. C., certain lands at Camp Jackson, S. C.; without amendment (Rept. No. 238). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 6269) granting a pension to Tenny A. Littlejohn; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 6285) granting an increase of pension to John J. Spencer; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 7085) granting a pension to Rosa Boone; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. HUDDLESTON: A bill (H. R. 7352) to provide employment for returned soldiers, to open up the unused lands and natural resources of the United States for the use of the returned soldiers and other citizens who may desire access to them, and to promote the general welfare of all the people of the United States, and to establish an executive department of the United States to be known as the department of land and natural resources; to the Committee on the Public Lands.

By Mr. JOHNSON of Texas: A bill (H. R. 7353) to provide for the erection of a post-office building at Mexia, Tex.; to the Committee on Public Buildings and Grounds.

By Mr. KURTZ: A bill (H. R. 7354) to establish a national park in the State of Pennsylvania; to the Committee on the Public Lands.

By Mr. KELLER: A bill (H. R. 7355) amending section 1 of the interstate commerce act; to the Committee on Interstate and Foreign Commerce.

By Mr. MOORE of Virginia: A bill (H. R. 7356) to repeal a part of section 5, chapter 127, Thirty-ninth United States Statutes at Large; to the Committee on the Judiciary.

By Mr. WHITE of Maine: A bill (H. R. 7357) to regulate radio communication, and for other purposes; to the Committee on the Merchant Marine and Fisheries.

By Mr. BARKLEY: A bill (H. R. 7358) to provide for the expeditious and prompt settlement, mediation, conciliation, and arbitration of disputes between carriers and their employees and subordinate officials, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. O'CONNOR of Louisiana: A bill (H. R. 7359) to give the consent of Congress to the construction of a bridge across the Mississippi River near and above the city of New Orleans, La.; to the Committee on Interstate and Foreign Commerce.

By Mr. SUTHERLAND: A bill (H. R. 7360) to amend sections 1605 and 1606 of the Compiled Laws of Alaska, to permit corporations authorized by law to administer estates of deceased persons to be appointed executors or administrators thereof; to the Committee on the Territories.

Also, a bill (H. R. 7361) to authorize a departure from the rectangular system of surveys of homestead claims in Alaska, and for other purposes; to the Committee on the Public Lands.

By Mr. SNYDER: A bill (H. R. 7362) to extend the civil and criminal laws of the United States to Indians, and for other purposes; to the Committee on Indian Affairs.

By Mr. KINCHELOE: A bill (H. R. 7363) for the purchase of a site and the erection of a post-office building at Morganfield, Ky.; to the Committee on Public Buildings and Grounds.

By Mr. DALLINGER: A bill (H. R. 7364) for the purchase of a site and the erection of a public building at Melrose, Mass.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 7365) to increase the limit of cost of the erection of a post-office building at Winchester, Mass.; to the Committee on Public Buildings and Grounds.

By Mr. RATHBONE: A bill (H. R. 7366) to amend sections 1, 2, and 5 of an act entitled "An act to regulate the sale of viruses, serums, toxins, and analogous products in the District of Columbia, to regulate interstate traffic in said articles, and for other purposes," approved July 1, 1902; to the Committee on the District of Columbia.

By Mr. JACOBSTEIN: A bill (H. R. 7367) providing for the use of the name Port of Rochester and Rochester Harbor; to the Committee on Rivers and Harbors.

By Mr. ACKERMAN: Joint resolution (H. J. Res. 200) to facilitate the payment of personal income taxes and to relieve the Treasury Department of unnecessary time, expense, and labor in connection with the collection of 1923 personal income taxes in 1924; to the Committee on Ways and Means.

By Mr. PORTER: Joint resolution (H. J. Res. 201) to provide for the remission of further payments of the annual installments of the Chinese indemnity; to the Committee on Foreign Affairs.

By Mr. McCLINTIC: Resolution (H. Res. 197) for the appointment of a special committee of three Members of the House, appointed by the Speaker, to inquire into the activities of District No. 14, United States Veterans' Bureau, and for other purposes; to the Committee on Rules.

By Mr. KIESS: Resolution (H. Res. 198) to print as a House document the prayers offered at the opening of the sessions of the House of Representatives in the Sixty-seventh Congress; to the Committee on Printing.

By Mr. MacGREGOR: Resolution (H. Res. 199) providing for the services of an enrolling clerk to act during the illness of the present incumbent; to the Committee on Accounts.

By Mr. THOMAS of Oklahoma: Memorial of the Legislature of the State of Oklahoma, favoring the enactment into law of the adjusted compensation bill; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CANFIELD: A bill (H. R. 7368) for the relief of the legal representatives of Cobb Blasdell & Co.; to the Committee on War Claims.

Also, a bill (H. R. 7369) granting a pension to Edgar B. Halfaker; to the Committee on Pensions.

By Mr. COLE of Ohio: A bill (H. R. 7370) granting an increase of pension to Frank Rawson; to the Committee on Pensions.

By Mr. DAVIS of Tennessee: A bill (H. R. 7371) granting a pension to Mary A. Huckaba; to the Committee on Invalid Pensions.

By Mr. FROTHINGHAM: A bill (H. R. 7372) granting a pension to Elsie M. Hayes; to the Committee on Pensions.

By Mr. GARDNER of Indiana: A bill (H. R. 7373) granting an increase of pension to Adaline Wiseman; to the Committee on Invalid Pensions.

By Mr. GIFFORD: A bill (H. R. 7374) granting a pension to Abbie D. Washburn; to the Committee on Invalid Pensions.

By Mr. HUDDLESTON: A bill (H. R. 7375) granting a pension to Addie Penrod; to the Committee on Pensions.

By Mr. KAHN: A bill (H. R. 7376) to allow and credit the accounts of First Lieut. W. W. Jenna, Infantry, assistant United States military attaché, acting quartermaster at Athens, Greece, and Belgrade, Yugoslavia, with $11,296.13 disbursed as refundment of expenses incurred through loss of exchange in the payment of salaries and bills of officers and employees of the United States; to the Committee on Military Affairs.

By Mr. LINEBERGER: A bill (H. R. 7377) granting a pension to Catherine A. Long; to the Committee on Pensions.

By Mr. LONGWORTH: A bill (H. R. 7378) granting an increase of pension to May K. Grisard; to the Committee on Pensions.

By Mr. McSWAIN: A bill (H. R. 7379) granting a pension to William P. Runion; to the Committee on Pensions.

Also, a bill (H. R. 7380) to renew and extend certain letters patent; to the Committee on Patents.

By Mr. MacGREGOR: A bill (H. R. 7381) granting an increase of pension to Frank Mueller; to the Committee on Pensions.

By Mr. MILLER of Washington: A bill (H. R. 7382) for the relief of George D. Root; to the Committee on Claims.

By Mr. MILLIGAN: A bill (H. R. 7383) granting an increase of pension to Andrew J. Lee; to the Committee on Pensions.

By Mr. MORROW: A bill (H. R. 7384) to make a preliminary survey of the Cimarron River of New Mexico and Oklahoma with a view to the control of floods; to the Committee on Flood Control.

Also, a bill (H. R. 7385) to make a preliminary survey of the Red or Canadian River of New Mexico, Texas, and Oklahoma, with a view to the control of floods; to the Committee on Flood Control.

By Mr. NELSON of Maine: A bill (H. R. 7386) granting an increase of pension to Dorcas A. Reed; to the Committee on Invalid Pensions.

By Mr. OLDFIELD: A bill (H. R. 7387) granting an increase of pension to Amanda J. Smith; to the Committee on Invalid Pensions.

By Mr. ROBSION of Kentucky: A bill (H. R. 7388) granting a pension to Alvirda Cox; to the Committee on Invalid Pensions.

By Mr. SUTHERLAND: A bill (H. R. 7389) for the relief of John Solen; to the Committee on Military Affairs.

By Mr. SWEET: A bill (H. R. 7390) granting a pension to Minnie Jeffers; to the Committee on Pensions.

By Mr. SWOOPE: A bill (H. R. 7391) granting an increase of pension to Julia A. Thornton; to the Committee on Invalid Pensions.

By Mr. TAYLOR of Tennessee: A bill (H. R. 7392) granting an increase of pension to Rutha Roach; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7393) granting an increase of pension to Pheby E. Sliger; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7394) granting a pension to James K. White; to the Committee on Pensions.

Also, a bill (H. R. 7395) granting a pension to Temple Ballard; to the Committee on Invalid Pensions.

By Mr. TYDINGS: A bill (H. R. 7396) granting an increase of pension to John Cantwell; to the Committee on Pensions.

By Mr. WYANT: A bill (H. R. 7397) granting an increase of pension to Frances L. Row; to the Committee on Invalid Pensions.

By Mr. MacGREGOR: Resolution (H. Res. 200) to pay to William H. Fulham $203.33 and Belle Dupré $103.33 as clerk hire to the late H. Garland Dupré; to the Committee on Accounts.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1391. By the SPEAKER (by request): Petition of the Lester Harris Post, No. 156, of the American Legion, National Sanatorium, Tenn., favoring the principles of an adjusted compensation bill; to the Committee on Ways and Means.

1392. By Mr. ALDRICH: Petition of Workingmen's Independent Political Club, of Providence, R. I., protesting against the passage of the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1393. Also, petition of American Hebrew Beneficial Association, of Providence, R. I., protesting against the passage of the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1394. By Mr. ANDREW: Petition of the Board of Aldermen of the city of Beverly, Mass., expressing their disapproval and recording their opposition to the so-called Johnson immigration bill; to the Committee on Immigration and Naturalization.

1395. By Mr. BLOOM: Petition of Peter Korn & Sons (Inc.), Fifth Avenue and Fourteenth Street, New York, N. Y., protesting against the nuisance tax; to the Committeee on Ways and Means.

1396. By Mr. BURTNESS: Petition of 139 residents of Wahpeton, N. Dak., petitioning for the repeal of all unfair war excise taxes, including those on motor vehicles; to the Committee on Ways and Means.

1397. By Mr. CROWTHER: Petition of certain residents of Schenectady, N. Y., indorsing the Mellon plan of tax revision and protesting against the enactment of legislation providing adjusted compensation for former service men; to the Committee on Ways and Means.

1398. Also, petition of certain residents of New York State, urging the enactment of House bill 184; to the Committee on Ways and Means.

1399. By Mr. CURRY: Petition of members of Sacramento Lodge, No. 83, International Association of Machinists, Sacramento, Calif., favoring enactment of the Hull bill (H. R. 2702) providing for use of Government-owned establishments in the manufacture and repair of certain governmental supplies; to the Committee on Naval Affairs.

1400. By Mr. FENN: Petition of the Court of Common Council of Hartford, Conn., forwarding statistics gathered by the Hartford Council of Women's Clubs of Hartford showing the registration of "divided families" in Hartford, Conn., and recommending that this phase of the immigration problem be borne in mind in framing immigration legislation; to the Committee on Immigration and Naturalization.

1401. By Mr. GALLIVAN: Petition of Roxbury Post, No. 44, the American Legion, Roxbury, Mass., Edward F. O'Dowd, commander, urging early and favorable consideration of the adjusted compensation for veterans of the World War; to the Committee on Ways and Means.

1402. By Mr. GARBER: Petition of citizens of Lahoma, Okla., requesting in the interest of education that the Federal educational bill be defeated; to the Committee on Education.

1403. Also, petition of citizens of Grant County, Okla., for child labor amendment (H. R. 458 and S. R. 258); to the Committee on the Judiciary.

1404. By Mr. JOHNSON of Kentucky: Petition of H. K. James, of Cromwell, Ky., asking for a congressional investigation of the activities of the American Tobacco Growers' Association; to the Committee on the Judiciary.

1405. By Mr. KELLER: Petition of a number of citizens of Minnesota, urging the enactment of House bill 2702 and Senate bill 742; to the Committee on Naval Affairs.

1406. By Mr. KIESS: Petition of members of the George W. Pepperman Post, Unit No. 36, American Legion Auxiliary, of Jersey Shore, Pa., favoring the adjusted compensation bill; to the Committee on Ways and Means.

1407. By Mr. MADDEN: Petition of 5,500 citizens of Chicago, Ill., and surrounding cities, requesting the repeal of the war-time excise taxes on automobiles, motor trucks, parts, tires, and accessories; to the Committee on Ways and Means.

1408. By Mr. MAGEE of Pennsylvania: Petitions of Philharmonic Club; George Westinghouse Commandery, No. 567; South Side Circle, P. H. C., No. 112; Smoky City Lodge, No. 29, Knights of Pythias; Keystone District Loyal Orange Lodge, No. 6; International Union, Pavers and Rammermen, No. 40; Wall Paper Dealers' Association; B. of P., D. and P. of A., Local Union No. 6; the Franz Abt Liederkranz; Golden Rod Council, No. 56; and Teamsters and Chauffeurs, No. 572, of Pittsburgh, Pa., favoring increased compensation to postal employees; to the Committee on the Post Office and Post Roads.

1409. By Mr. NEWTON of Minnesota: Petition of certain residents of Minneapolis, submitted by Mr. G. Roy Hill, secretary of the Minnesota Automobile Association, petitioning Congress to repeal all war-excise taxes on motor vehicles and parts; to the Committee on Ways and Means.

1410. By Mr. O'CONNELL of Rhode Island: Petition of members of the Workingmen's Independent Political Club, of Providence, R. I., opposing the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1411. Also, petition of the Citizens' Progressive Society of Newport, R. I., opposing the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1412. Also, petition of members of the American Hebrew Beneficial Association, of Providence, R. I., opposing the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1413. By Mr. PATTERSON: Petition of Washington Camp, No. 2, Patriotic Order Sons of America, of Camden, N. J., indorsing legislation to increase salaries of employees of the Postal Service; to the Committee on the Post Office and Post Roads.

1414. Also, petition of the First Italian Republican League, Camden, N. J., protesting against the Johnson immigration bill in so far as it discriminates against immigration of Italian people; to the Committee on Immigration and Naturalization.

1415. By Mr. ROBINSON of Iowa: Petition of citizens of Spencer, Iowa, and vicinity, desiring removal of tax on industrial alcohol; to the Committee on Ways and Means.

1416. Also, petition of citizens of Eagle Grove, Iowa, favoring Brookhart-Hull bill (S. 742 and H. R. 2702), requiring all strictly military supplies to be manufactured in Government-owned navy yards and arsenals, etc.; to the Committee on Naval Affairs.

1417. By Mr. ROGERS of New Hampshire: Petition of the Earl B. Clark Post, No. 42, American Legion, and the Earl B. Clark Unit, No. 42, American Legion, of Barnstead, N. H., favoring the enactment of the adjusted compensation bill; to the Committee on Ways and Means.

1418. By Mr. SINCLAIR: Petition of 23 residents of Rawson, N. Dak., in favor of the Norris-Sinclair marketing bill; to the Committee on Agriculture.

1419. Also, petition of 18 residents of Rawson, N. Dak., protesting against the Mellon tax plan; to the Committee on Ways and Means.

1420. By Mr. SPEAKS: Papers to accompany House bill 7228, for the relief of George W. Allison; to the Committee on Claims.

1421. By Mr. STRONG of Pennsylvania: Petition of citizens of Kittanning, Pa., and vicinity, favoring a reduction or removal of nuisance and war taxes; to the Committee on Ways and Means.

1422. By Mr. TINKHAM: Petition of Central Labor Union of Boston and vicinity, approving the results reached by the special commission on narcotics; to the Committee on Foreign Affairs.

1423. Also, petition of members of the Roslindale Community Club, Roslindale, Mass., opposing the enactment into law of Senate bill 726; to the Committee on Indian Affairs.

1424. By Mr. TREADWAY: Petition of conference of delegates representing all the Jewish organizations of Holyoke, Mass., held on January 30, 1924, in opposition to the so-called Johnson immigration bill; to the Committee on Immigration and Naturalization.

1425. Also, petition of the Association for Protest Against Restricted Immigration Bills, of Pittsfield, Mass., by Charles R. Alberti, chairman, in opposition to the so-called Johnson

Immigration bill; to the Committee on Immigration and Naturalization.

1426. By Mr. WELSH: Memorial of Philadelphia Board of Trade, favoring the enactment of House bill 4517, establishing in the Bureau of Foreign and Domestic Commerce a foreign commerce service of the United States; to the Committee on Interstate and Foreign Commerce.

SENATE.

FRIDAY, *February 29, 1924.*

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father, we bless Thee for the continuance of Thy grace unto us and for all the mercies with which Thou dost crown our days. We humbly beseech of Thee to direct our ways this day. May we find ourselves glad to do Thy will, always seeking not only the welfare of others but the glory of Thy great name, and may the example of Him who went about doing good be to us an inspiration and guidance continually. We ask in the name of Jesus. Amen.

NAMING A PRESIDING OFFICER.

The Secretary (George A. Sanderson) read the following communication:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., February 29, 1924.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. GEORGE H. MOSES, a Senator from the State of New Hampshire, to perform the duties of the Chair this legislative day.

ALBERT B. CUMMINS,
President pro tempore.

Mr. MOSES thereupon took the chair as Presiding Officer.

THE JOURNAL.

The reading clerk proceeded to read the Journal of yesterday's proceedings when, on request of Mr. LODGE and by unanimous consent, the further reading was dispensed with and the Journal was approved.

CALL OF THE ROLL.

Mr. LODGE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The principal legislative clerk called the roll, and the following Senators answered to their names:

Adams	Ernst	King	Robinson
Ashurst	Ferris	Ladd	Sheppard
Ball	Fess	La Follette	Shipstead
Bayard	Fletcher	Lenroot	Shortridge
Borah	Frazier	Lodge	Simmons
Brandegee	George	McKellar	Smith
Brookhart	Gerry	McKinley	Smoot
Broussard	Glass	McLean	Standfield
Bruce	Gooding	McNary	Stanley
Bursum	Hale	Mayfield	Stephens
Cameron	Harris	Moses	Swanson
Capper	Harrison	Neely	Trammell
Caraway	Heflin	Norbeck	Underwood
Copeland	Howell	Norris	Wadsworth
Couzens	Johnson, Calif.	Oddie	Walsh, Mont.
Curtis	Johnson, Minn.	Pepper	Warren
Dale	Jones, N. Mex.	Pittman	Watson
Dial	Jones, Wash.	Ralston	Weller
Dill	Kendrick	Ransdell	Wheeler
Elkins	Keyes	Reed, Pa.	Willis

The PRESIDING OFFICER. Eighty Senators having answered to their names, a quorum is present.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed without amendment the bill (S. 2583) granting a franking privilege to Edith Bolling Wilson.

LEASES OF NAVAL OIL LANDS.

The PRESIDING OFFICER laid before the Senate a communication from the Secretary of the Interior, in further response to Senate Resolution 147, which was read, and, with the accompanying papers, referred to the Committee on Public Lands and Surveys, as follows:

DEPARTMENT OF THE INTERIOR,
THE SECRETARY OF THE INTERIOR,
Washington, February 29, 1924.

The PRESIDENT OF THE SENATE.

SIR: In further response to Senate Resolution 147, dated February 7, 1924, I have the honor to transmit herewith photostat copies, in triplicate, of papers in the Bureau of Mines covering the period from April 21, 1922, to February 7, 1924, inclusive.

Each copy comprises two parts; the first comprises three folders relating, respectively, to leases in naval petroleum reserve No. 2, numbered N. R. 21, N. R. 22, and N. R. 23. In each folder is a copy of the lease and the correspondence relating thereto. The second division of this information comprises 36 folders from our general correspondence files. Each folder covers a particular subject or phase, described on the first sheet of the folder.

Referring to the letter from the Secretary of the Senate, dated February 8, 1924, paragraph (d), which reads as follows: "* * * and all contracts for drilling wells on naval oil reserves, date and terms of same, reasons therefor, and the number and date of the drilling of wells on private lands adjacent to oil reserves"; it is believed that the information requested in the first part of the above paragraph will be found in the accompanying papers and those previously submitted to the committee.

The Bureau of Mines does not have information as to the dates of the drilling of wells on private lands adjacent to oil reserves.

Very truly yours,

HUBERT WORK.

PETITIONS AND MEMORIALS.

Mr. KEYES presented a resolution unanimously adopted by members of the congregations of the Congregational and Baptist Churches of New Ipswich, N. H., favoring an amendment to the Constitution regulating child labor, which was referred to the Committee on the Judiciary.

Mr. ERNST presented a petition of the committee on immigration of the National Society, Sons of the American Revolution, in the State of Kentucky, favoring the passage of legislation restricting immigration, which was referred to the Committee on Immigration.

Mr. LADD presented a resolution adopted by members of Missouri Valley Local, No. 387, Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees, in the State of North Dakota, favoring the enactment of legislation granting adjusted compensation to veterans of the World War, which was referred to the Committee on Finance.

He also presented the petitions of W. N. Burington and 61 other citizens of Wheelock, of E. Bylin and 60 other citizens of Tioga, of J. M. Vorachet and 26 other citizens of Conway, and of F. A. Foley and 17 other citizens of Rolla, all in the State of North Dakota, praying for an increased tariff duty on wheat and the repeal of the drawback provision and the milling-in-bond privilege of the Fordney-McCumber Tariff Act of 1922, which were referred to the Committee on Finance.

He also presented the petitions of Andrew Tinglestad and 84 other citizens of St. John, of H. E. Rutter and 57 other citizens of Michigan, and of E. S. Stone and 61 other citizens of Leeds, all in the State of North Dakota, praying for the repeal or reduction of the so-called nuisance and war taxes, especially the tax on industrial alcohol, which were referred to the Committee on Finance.

He also presented the petitions of E. Stubson and 43 other citizens of Warwick, of Charles Johnson and 12 other citizens of Reynolds, of W. P. Hetter and 18 other citizens of Esmond, and of H. A. Lansrud and 38 other citizens of Helmdahl, all in the State of North Dakota, praying for the passage of the so-called Norris-Sinclair bill, providing aid to agriculture, which were referred to the Committee on Agriculture and Forestry.

Mr. WALSH of Montana presented the following joint memorials of the Legislature of Montana, which were referred to the Committee on Indian Affairs:

UNITED STATES OF AMERICA,
State of Montana, ss:

I, C. T. Stewart, secretary of state of the State of Montana, do hereby certify that the following is a true and correct copy of senate joint memorial 1, enacted by the extraordinary session of the Eighteenth Legislative Assembly of the State of Montana, and approved by Joseph M. Dixon, governor of said State, on the 2d day of February, 1924.

In testimony whereof I have hereunto set my hand and affixed the great seal of said State.

Done at the city of Helena, the capital of said State, this 5th day of February, A. D. 1924.

[SEAL.]

C. T. STEWART,
Secretary of State.
By CLIFFORD L. WALKER,
Deputy.

Senate joint memorial 1, introduced by Greening.

To the honorable Senate and House of Representatives of the United States of America in Congress assembled:

Whereas the Legislature of the State of Montana on February 26, 1921, by legislative enactment accepted the provisions of the act of Congress of June 4, 1920, granting to the State of Montana certain lands on the Crow Indian Reservation on condition that the Crow Indian children may be permitted to attend the public schools of said State on an equality with white children; and

Whereas such public schools admitted said Crow Indian children in September, 1921, without any additional income to meet the necessary expense incident thereto except that derived from a proportional apportionment of income from the State fund amounting to $5 or $6 per child, or about 5 per cent of the per capita cost of instruction; and

Whereas school facilities for both white and Indian children in the region affected have been gravely curtailed and a heavy burden of additional taxation has been imposed upon the taxpayers by this governmental action; and

Whereas such injustice and injury to the residents of that section was unintentional and is due to the fact that the additional income contemplated has to date amounted to nothing whatsoever and may not be expected for some years either to the local districts upon which the sudden and disproportionate burden is imposed or to the State as a whole: Therefore be it

Resolved by the Legislature of the State of Montana, That the Congress of the United States be respectfully memorialized to grant to the Indian Bureau authority to pay tuition to the school districts affected in conformity with the general practice of paying tuition for the children of noncitizen Indians of other tribes in Montana and elsewhere until the entire load can be equitably thrown upon the said districts without injustice and injury to the Indian and white children resident therein; be it further

Resolved, That copies of this memorial be transmitted by the secretary of state to the President, the Secretary of the Interior, and to the United States Senators and Members of Congress.

NELSON STORY, JR.,
President of the Senate.
CALVIN CRUMBAKER,
Speaker of the House.

Approved, February 2, 1924.

UNITED STATES OF AMERICA,
State of Montana, ss:

I, C. T. Stewart, secretary of state of the State of Montana, do hereby certify that the following is a true and correct copy of an act entitled "A memorial to the Congress of the United States asking for appropriations to continue construction work on the Flathead irrigation project and on all the other Federal irrigation projects in the State of Montana," and enacted by the eighteenth extra session of the Legislative Assembly of the State of Montana and approved by Joseph M. Dixon, governor of said State, on the 2d day of February, 1924.

In testimony whereof, I have hereunto set my hand and affixed the great seal of said State.

Done at the city of Helena, the capital of said State, this 5th day of February, A. D. 1924.

[SEAL.]

C. T. STEWART,
Secretary of State.
By CLIFFORD L. WALKER,
Deputy.

House joint memorial 1, introduced by Brandjord, to the Congress of the United States, asking for appropriations to continue construction work on the Flathead irrigation project and on all the other Federal irrigation projects in the State of Montana.

To the honorable Senate and House of Representatives of the United States in Congress assembled:

SECTION 1. We, the Eighteenth Legislative Assembly of the State of Montana, assembled in special session, the house and senate concurring, do hereby respectfully call your attention to the following facts relating to Federal irrigation projects in this State:

"1. Good faith on the part of the Federal Government toward each and all of the thousands of settlers who have homesteaded on the Flathead project, who have paid the Government for the land, established homes thereon, and patiently waited for irrigation water for 10 years or longer, demands a speedy completion of the project. The slow progress of construction on this project, due to irregular and insufficient appropriations, coupled with the dire distress besetting agriculture in the Northwest, has starved away from the project hundreds of the original homesteaders, and so impoverished others that they are now unable to make the fullest use of irrigation; but surely these sad circumstances, largely due to neglect on the part of the Government, do not justify the Government in further delay in furnishing water for all remaining settlers, who must have it in order to make a living. Good faith with these settlers demands continuous construction.

"2. The Indian Service and the Bureau of Reclamation have recommended an appropriation of $300,000 for this project for the 1925 fiscal year, and the program of construction they have agreed upon includes laterals for 7,000 acres for which no irrigation water is now available. (See CONGRESSIONAL RECORD, January 10, 1924, top of page 805.) Hundreds of people reside on this area.

"3. In spite of the difficulties besetting settlers on this project, they show a splendid record in the payment of water charges. Up to January 4, 1924, the white settlers on the project have paid a total of $124,800 in water rentals. (See statement of Chief Clerk of Reclamation Service in CONGRESSIONAL RECORD, same date and page as above cited.) This shows that they use water and pay for it.

"4. Spasmodic prosecution of reclamation works inevitably results in greatly increased cost, involving waste of Government funds and additional burdens on agriculture. Economy demands continuous construction. (See argument of the Hon. L. C. CRAMTON on this point, CONGRESSIONAL RECORD, January 10, 1924, page 802.)

"5. While irrigation projects do not, as a rule, bring immediate and direct returns to the Government, they enlarge the productive area of the country, add to its permanent resources, and increase the strength and greatness of the whole Union. The building of irrigation projects is the building of empires."

SEC. 2. In view of these considerations, we, the Eighteenth Legislative Assembly of the State of Montana, do hereby respectfully petition that the Congress of the United States do appropriate for the Flathead irrigation project for the 1925 fiscal year not less than $300,000, being the sum recommended by the Indian Service and the Bureau of Reclamation, so that continuous and economical construction may be insured. We also pray that sufficient appropriations be made for all other Federal projects in Montana to insure continuous construction, and that no appropriation for these projects be reduced below the amounts allowed by the Bureau of the Budget.

SEC. 3. It is hereby directed that the secretary of state of the State of Montana transmit certified copies of this memorial to the President of the Senate and the Speaker of the House of Representatives of the United States and to our Senators and Representatives in Congress.

CALVIN CRUMBAKER,
Speaker of the House.
W. S. HALEY,
President pro tempore.

Approved, February 2, 1924.

REPORTS OF COMMITTEES.

Mr. CAPPER, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

A bill (S. 131) for the relief of W. Ernest Jarvis (Rept. No. 180);

A bill (S. 335) for the relief of John T. Eaton (Rept. No. 181);

A bill (S. 648) for the relief of Janie Beasley Glisson (Rept. No. 182);

A bill (S. 2168) for the relief of David C. Van Voorhis (Rept. No. 183);

A bill (S. 2219) for the relief of the legal representatives of the estate of Alphonse Desmare, deceased, and others (Rept. No. 184);

A bill (S. 2220) for the relief of Louise Saint Gez, executrix of August Ferré, deceased, surviving partner of Lapene & Ferré (Rept. No. 185); and

A bill (S. 2562) for the relief of William Hensley (Rept. No. 186).

Mr. STEPHENS, from the Committee on Claims, to which was referred the bill (S. 709) for the relief of the Commercial Pacific Cable Co., reported it with amendments and submitted a report (No. 187) thereon.

Mr. BALL, from the Committee on the District of Columbia, to which was referred the bill (S. 746) providing for the development of hydroelectric energy at Great Falls, reported it without amendment and submitted a report (No. 188) thereon.

Mr. SIMMONS, from the Committee on Commerce, to which was referred the bill (H. R. 4577) providing for the examina-

tion and survey of Mill Cut and Clubfoot Creek, N. C., reported it without amendment and submitted a report (No. 189) thereon.

Mr. CAMERON, from the Committee on Military Affairs, to which was referred the bill (S. 514) authorizing the Secretary of War to grant a right of way over the Government levee at Yuma, Ariz., reported it with an amendment and submitted a report (No. 190) thereon.

Mr. BAYARD, from the Committee on Claims, to which was referred the bill (S. 964) for the relief of William J. Ewing, reported it with an amendment and submitted a report (No. 191) thereon.

Mr. STANFIELD, from the Committee on Claims, to which was referred the bill (S. 2357) for the relief of the Pacific Commissary Co., reported it without amendment and submitted a report (No. 192) thereon.

Mr. PEPPER, from the Committee on the Library, to which was referred the joint resolution (S. J. Res. 43) in relation to a monument to commemorate the services and sacrifices of the women of the United States of America, its insular possessions, and the District of Columbia in the World War, reported it with amendments.

ENROLLED BILL AND JOINT RESOLUTION PRESENTED.

Mr. WATSON, from the Committee on Enrolled Bills, reported that on the 27th instant they presented to the President of the United States an enrolled bill and joint resolution of the following titles:

S. 2189. An act granting the consent of Congress to the State Highway Department of North Carolina to construct a bridge across the Peedee River, in North Carolina, between Anson and Richmond Counties; and

S. J. Res. 83. Joint resolution for the appointment of one member of the Board of Managers of the National Home for Disabled Volunteer Soldiers.

CHANGE OF REFERENCE.

On motion of Mr. LENROOT, the Committee on Interstate Commerce was discharged from the further consideration of the bill (S. 1926) to amend the act to regulate interstate and foreign commerce in livestock, livestock products, dairy products, poultry, poultry products, and eggs, and for other purposes, approved August 15, 1921, and it was referred to the Committee on Agriculture and Forestry.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CAPPER:

A bill (S. 2667) to amend section 1 of the act entitled "An act to readjust the pay and allowances of the commissioned and enlisted personnel of the Army, Navy, Marine Corps, Coast Guard, Coast and Geodetic Survey, and Public Health Service," approved June 10, 1922; to the Committee on Military Affairs.

A bill (S. 2668) to amend the act entitled "An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia," approved June 20, 1906, as amended, and for other purposes; to the Committee on the District of Columbia.

By Mr. WILLIS:

A bill (S. 2669) for the relief of J. R. King (with accompanying papers); to the Committee on Claims.

By Mr. RALSTON:

A bill (S. 2670) granting a pension to Rosy J. Barnes (with accompanying papers);

A bill (S. 2671) granting an increase of pension to Mary W. Mott (with an accompanying paper); and

A bill (S. 2672) granting an increase of pension to Ziba A. Redding (with accompanying papers); to the Committee on Pensions.

By Mr. WADSWORTH:

A bill (S. 2673) authorizing an exchange of lands between the United States and the State of New York; to the Committee on Commerce.

By Mr. REED of Pennsylvania:

A bill (S. 2674) granting an increase of pension to Roxanna Mellander; to the Committee on Pensions.

By Mr. BURSUM:

A bill (S. 2675) granting a pension to Emma Higgins; to the Committee on Pensions.

By Mr. FLETCHER (by request):

A bill (S. 2676) authorizing the Secretary of War to lease or, in his discretion, to convey by quitclaim deed a certain tract of land in the military reservation of Santa Rosa Island, Fla.; to the Committee on Military Affairs.

By Mr. ERNST:

A bill (S. 2677) for the relief of the estates of T. T. Garrard, J. W. Reid, Alexander T. White, M. G. Horton, Alexander W. Chastain, James White, L. R. White, and Daugherty White; to the Committee on Claims.

A bill (S. 2678) to amend sections 136 and 138 of the Judicial Code; to the Committee on the Judiciary.

A bill (S. 2679) to protect trade-marks used in commerce, to authorize the registration of such trade-marks, and for other purposes; to the Committee on Patents.

By Mr. JOHNSON of California:

A bill (S. 2680) authorizing each of the judges of the United States District Court for the District of Hawaii to hold sessions of said court separately at the same time; to the Committee on the Judiciary.

A bill (S. 2681) for the relief of E. J. Hendrycks; to the Committee on Claims.

A bill (S. 2682) granting a pension to Frank Dixon;

A bill (S. 2683) granting a pension to Annette Payne; and

A bill (S. 2684) granting an increase of pension to William W. Bishop; to the Committee on Pensions.

By Mr. ELKINS:

A bill (S. 2685) for the relief of the Davis Construction Co.; to the Committee on Claims.

By Mr. CARAWAY:

A bill (S. 2686) to authorize the Federal Power Commission to amend permit No. 1, project No. 1, issued to the Dixie Power Co.; to the Committee on Commerce.

By Mr. GERRY:

A bill (S. 2687) for the relief of Charles B. Malpas; to the Committee on Claims.

By Mr. SHEPPARD:

A bill (S. 2688) to amend paragraph (3), section 16, of the interstate commerce act (with an accompanying paper); to the Committee on Interstate Commerce.

By Mr. WALSH of Montana:

A bill (S. 2689) for the relief of the First International Bank of Sweetgrass, Mont.; and

A bill (S. 2690) to transfer jurisdiction over a portion of the Fort Keogh Military Reservation, Mont., from the Department of the Interior to the United States Department of Agriculture for experiments in stock raising and growing of forage crops in connection therewith; to the Committee on Public Lands and Surveys.

A bill (S. 2691) to amend the Penal Code;

A bill (S. 2692) to authorize the appointment of stenographers in the courts of the United States and to fix their duties and compensation; and

A bill (S. 2693) in reference to writs of error; to the Committee on the Judiciary.

PUBLICITY OF CERTAIN INCOME-TAX RETURNS.

The PRESIDING OFFICER. The Chair lays before the Senate a resolution (S. Res. 180) coming over from the preceding day, which will be read.

Mr. HARRISON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state the inquiry.

Mr. HARRISON. Does not the unanimous-consent agreement entered into yesterday make it necessary that we shall proceed to the consideration of Senate Resolution 157?

The PRESIDING OFFICER. At the conclusion of routine morning business. Resolutions coming over from a previous day come under the head of routine morning business.

Mr. HARRISON. I was under the impression that morning business was closed after concurrent or other resolutions were submitted.

The PRESIDING OFFICER. If the Senator will turn to Rule VII he will discover that morning business is closed after resolutions coming over from a previous day are disposed of.

Mr. ROBINSON. I desire to submit a suggestion respecting the resolution as a result of consultation with the author of the resolution, the Senator from Tennessee [Mr. MCKELLAR], and with the Senator from Kansas [Mr. CURTIS], and others who are interested in the subject. There are some recitals in the preamble to the resolution that raise issues of fact. It is suggested that the preamble be stricken out and that the resolution be agreed to without the preamble, if that be agreeable to the author of the resolution.

The PRESIDING OFFICER. The author of the resolution would have the right to perfect his resolution.

Mr. MCKELLAR. I have no objection to the preamble of the resolution being stricken out, if the resolution itself may be adopted.

The PRESIDING OFFICER. The preamble would have to be dealt with after action upon the resolution itself.

Mr. ROBINSON. I suggest that the Secretary read the resolution proper.

The PRESIDING OFFICER. The Secretary will read the resolution.

The reading clerk read the resolution (S. Res. 180) submitted yesterday by Mr. McKELLAR, as follows:

Resolved, That the President of the United States be, and he is hereby, respectfully requested to direct the Secretary of the Treasury to turn over to the Public Lands Committee of the Senate, as by law he is authorized to do, the income-tax returns filed by the said H. F. Sinclair, the Sinclair Consolidated Oil Co., the Mammoth Oil Co., the Hyva Corporation, the Selah Corporation, E. L. Doheny, E. L. Doheny, jr., the Mexican Petroleum Co., the Pan American Petroleum & Transport Co., and A. B. Fall, together with all files, claims, papers, settlements, reports, formal and informal, adjustments, memoranda, or refunds, and all other files and data attached thereto or connected therewith, in the years for which said leases were consummated and for the years prior and subsequent thereto.

The PRESIDING OFFICER. The Chair wishes to submit in his own behalf certain amendments to the resolution, which the Secretary will state.

The READING CLERK. On page 4, line 5, after the word "do," it is proposed to strike out the word "the" and to insert the word "all."

Mr. McKELLAR. That amendment is satisfactory to me.

The PRESIDING OFFICER. The author of the resolution accepts that amendment, and, in the absence of objection, it is agreed to. The next amendment proposed to the resolution by the present occupant of the chair will be stated.

The READING CLERK. On page 4, line 8, after the word "junior," it is proposed to insert the words "the Securities Investment Co."

Mr. McKELLAR. I have no objection to that amendment.

The PRESIDING OFFICER. The author of the resolution accepts the amendment, and, in the absence of objection, it is agreed to. The next amendment proposed to the resolution by the present occupant of the chair will be stated.

The READING CLERK. On page 4, line 13, after the word "therewith," it is proposed to strike out the following words: "in the years for which said leases were consummated and for the years prior and subsequent thereto."

Mr. McKELLAR. I understand that the word "all" will include all tax returns which the committee may desire, and for that reason I shall not object to the amendment.

The PRESIDING OFFICER. That was the purpose of the Chair in offering the amendment. The author of the resolution accepts the amendment and, in the absence of objection, it is agreed to. The question is upon agreeing to the resolution offered by the Senator from Tennessee as amended.

Mr. WADSWORTH. Mr. President, I understand that the preamble to the resolution is withdrawn?

The PRESIDING OFFICER. It is to be withdrawn after the resolution has been acted on.

Mr. McKELLAR. I have no objection to withdrawing the preamble.

Mr. WADSWORTH. But I understood that the Senator from Arkansas [Mr. ROBINSON] suggested that the preamble be withdrawn before the Senate acts upon the resolution.

The PRESIDING OFFICER. That can not be done.

Mr. McKELLAR. I believe that would be against the rule.

Mr. ROBINSON. That may be done by unanimous consent.

Mr. McKELLAR. I ask unanimous consent that the preamble be stricken out.

The PRESIDING OFFICER. The Senator from Tennessee asks unanimous consent for the withdrawal of the preamble to the resolution prior to acting upon the resolution itself. Is there objection? The Chair hears none, and it is so ordered. The question now is upon agreeing to the resolution offered by the Senator from Tennessee as amended.

The resolution as amended was agreed to, as follows:

Resolved, That the President of the United States be, and he is hereby, respectfully requested to direct the Secretary of the Treasury to turn over to the Public Lands and Surveys Committee of the Senate, as by law he is authorized to do, all income-tax returns filed by H. F. Sinclair, the Sinclair Consolidated Oil Co., the Mammoth Oil Co., the Hyva Corporation, the Selah Corporation, E. L. Doheny, E. L. Doheny, jr., the Securities Investment Co., the Mexican Petroleum Co., the Pan American Petroleum & Transport Co., and A. B. Fall, together with all files, claims, papers, settlements, reports, formal and informal, adjustments, memoranda, or refunds, and all other files and data attached thereto or connected therewith.

ATTORNEY GENERAL DAUGHERTY.

The PRESIDING OFFICER. Morning business is closed; and under the unanimous-consent agreement entered into on yesterday the Chair lays before the Senate Senate Resolution 157, which the Secretary will read.

The reading clerk read the resolution (S. Res. 157) submitted by Mr. WHEELER on the 13th instant, as modified by him on the 19th instant, as follows:

Whereas the Federal Trade Commission has conducted investigations of alleged violations of the Sherman Antitrust Act and the Clayton Act against monopolies and unlawful restraints of trade and has transmitted to the Attorney General the record of more than 50 such investigations, indicating a violation of said acts, for the initiation of such proceedings for the enforcement of the law as the Attorney General may be advised to make; and

Whereas the Attorney General has taken no action upon said records transmitted to him by the Federal Trade Commission for the purpose of securing indictments against the parties named therein and has brought no proceedings for the prevention of such violations, by injunction or otherwise, except in two cases; and

Whereas the evidence presented several months ago before the special committee of the Senate investigating the United States Veterans' Bureau disclosed acts of negligence and corruption on the part of officials of the United States Veterans' Bureau and others, and no action has been taken by the Department of Justice to prosecute the officials and persons alleged to have acted illegally and corruptly; and

Whereas several weeks have transpired since the evidence was presented and disclosures were made before the Public Lands and Surveys Committee of the Senate charging past and present public officials of the Government and others with conspiracies to defraud the Government, violations of law, and corrupt practices, and no prosecutions have been undertaken; and

Whereas no action has been taken by the Department of Justice in prosecuting to a conclusion the so-called war-fraud cases; and

Resolved, That a committee of five Senators consisting of Senators BROOKHART, McLEAN, JONES of Washington, WHEELER, and ASHURST be authorized and directed to investigate the circumstances and facts, and report the same to the Senate, concerning the failure of Harry M. Daugherty, Attorney General of the United States, to properly prosecute violators of the Sherman Antitrust Act and the Clayton Act against monopolies and unlawful restraint of trade; the neglect and failure of the said Harry M. Daugherty, Attorney General of the United States, to arrest and prosecute Albert B. Fall, Harry F. Sinclair, E. L. Doheny, C. R. Forbes, and their coconspirators in defrauding the Government, as well as the neglect and failure of the said Attorney General to arrest and prosecute many others for violations of Federal statutes; and his failure to properly, efficiently, and promptly prosecute and defend all manner of civil and criminal actions wherein the Government of the United States is interested as a party plaintiff or defendant. And said committee is further directed to inquire into, investigate, and report to the Senate the activities of the said Harry M. Daugherty, Attorney General, and any of his assistants in the Department of Justice which would in any manner tend to impair their efficiency or influence as representatives of the Government of the United States.

Resolved further, That in pursuance of the purposes of this resolution said committee, or any member thereof, be, and hereby is, authorized during the Sixty-eighth Congress to send for persons, books, and papers; to administer oaths and to employ stenographic assistance at a cost not to exceed 25 cents per hundred words; to report such hearings as may be had in connection herewith, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

Mr. WHEELER. Mr. President, at the suggestion of the Senator from Arkansas [Mr. ROBINSON] I desire to modify the resolution as follows: Beginning on line 2 on page 2 I desire to strike out the words "Senators BROOKHART, McLEAN, JONES of Washington, WHEELER, and ASHURST" and to insert in place thereof "three members of the majority and two members of the minority."

I desire further to modify the resolution, after the words "United States" in line 13, page 3, by adding the following words:

The said committee above referred to and the chairman thereof shall be elected by the Senate of the United States.

I will suggest to the Members of the Senate that the purpose of so modifying the resolution is in order that the members of the committee shall be elected from the floor of the Senate instead of being named in the resolution.

The PRESIDING OFFICER. The question is upon agreeing to the resolution——

Mr. ROBINSON. The Senator from Montana has a right to modify his own resolution.

The PRESIDING OFFICER. The Chair was about to put the question on the resolution as modified.

Mr. ROBINSON. Very well.

The PRESIDING OFFICER. For the information of the Senate the Secretary will state the modifications of the resolution proposed by its author.

The READING CLERK. On page 2, line 2, it is proposed to strike out the words "Senators BROOKHART, McLEAN, JONES of Washington, WHEELER, and ASHURST" and to insert the words "three members of the majority and two members of the minority"; and after the words "United States" on line 13, page 3, to insert:

The said committee above referred to and the chairman thereof shall be elected by the Senate of the United States.

The PRESIDING OFFICER. The question is on agreeing to the resolution as modified by its author.

Mr. LODGE. I desire to offer an amendment to that portion of the resolution which has just been modified by the Senator from Montana. I am not sure whether under the new modification I have placed the amendment correctly, because I have no copy of the modification before me, but I offer the amendment to the resolution as it stood, and the secretary can easily place it in the modified form of the resolution.

The PRESIDING OFFICER. The secretary will state the amendment.

The READING CLERK. On page 1, line 1, it is proposed to strike out the words "consisting of" and then, as modified, the Senator from Massachusetts would strike out the words "three members of the majority and two members of the minority," and insert "be appointed by the Chair, and that said committee shall."

The PRESIDING OFFICER. The Chair will inquire if the amendment has been correctly stated.

Mr. LODGE. I think it has been correctly stated. I have not the modified form of the resolution before me, but as I listened to the reading the amendment seemed to me to be correctly stated.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Massachusetts.

Mr. LODGE. Mr. President, the purpose of that amendment is to secure the appointment of the committee by the Chair. It has been said of the Senate by distinguished gentlemen in another part of the Capitol more than once that the Senate has no rules, but only customs. Like most generalizations, this one contains an element of truth. The Senate began with 22 members, and it has grown to be a body of 96 members. Its customs and traditions have remained, and I think have been of value not merely to the character of the Senate itself but to the conduct of the public business.

I am aware, of course, of the provisions of the rules in regard to the choice of standing and all other committees, but those provisions have been far more honored in the breach than in the observance. It has been, however, the universal practice, so far as I know, to leave the appointment of committees, whether provided by statute or by resolution passed at the moment, to the Chair.

I have had some experience in the Senate. For 12 years of my service I served under Democratic Vice Presidents as Presiding Officers, and I know that the practice of leaving the appointment of committees to the Presiding Officer, who represents the whole Senate, was observed then and was always observed in the same way when the Republican Party was in power. Whether the Presiding Officer was chosen for us by the people or whether he was selected by our own choice, we have always recognized the fairness and the capacity of the Chair in that respect.

The powers of the Presiding Officer in the Senate are limited, of course, to those necessary to a presiding officer—the power of recognition and the power to rule on points of order. He has no other powers, except such as are given to him either by tradition or by actual enactment of a statute or by the rules; but the tradition of the Senate I believe to be a sound one. No matter who occupies the chair which you are now occupying, sir [Mr. MOSES in the chair], I think it is essential to the conduct of the business in the Senate that the Presiding Officer, whether chosen by us or by the people, shall receive from the Senate every mark of personal confidence and respect. I dislike to see anything done in what I think is the manner and effect of the pending resolution in a form that breaks down the respect and the recognition which we have always given to our Presiding Officers, no matter what their party or how their power was derived. I am, therefore, opposed to making this change in what I think a very valuable tradition of the Senate. I will not go into the point of the distrust which is manifest or the reflection upon the Presiding Officer. I think the objection lies much deeper than that.

In the effort, by changing our method of appointing committees, to assure ourselves that this committee of investigation shall not be unduly impartial but assuredly hostile to the person investigated we have seen fit to attempt this change in our traditional custom. Personally, I desired an opportunity to oppose it and to vote against the proposed change in our practice, and therefore offer this amendment.

I do not desire to detain the Senate. This resolution has been too long delayed already. I merely desired to say these few words to express my own feeling about it—that it is a very unfortunate change to make in the practice of the Senate, for it establishes a precedent and sets aside one of more than a century, which, to my mind, can not but result in ills in the future which we and those who succeed us will deeply regret.

Mr. ROBINSON. Mr. President, I find myself unable to agree with the position taken by the Senator from Massachusetts [Mr. LODGE], both as to the question of fact involved in his declaration that the precedents and practices of the Senate preclude the Senate from electing its special committees and in the conclusion that the selection of committees by the Senate itself is a custom detrimental to the public interest and in conflict with sound policy and proper procedure by the Senate.

There have been many instances within my own experience and service in the Congress where special committees have been selected by processes other than by appointment of the Chair. Indeed, there are numerous precedents in the records of the Senate where special committees have been authorized, where subcommittees have been authorized to be selected by the chairmen of committees of the Senate. That the policy of the Senate itself selecting its committees is not regarded as unwise and subversive of public interest is reflected in the fact that the Senate rules require all standing committees, unless otherwise ordered by the Senate, to be selected by ballot—that is, elected—substantially in the manner that the resolution of the Senator from Montana requires this special committee to be selected, and that rule has been in force for many years.

If it is right and proper to elect the standing committees of the Senate, how can it be said to be detrimental to any public interest or subversive of or in conflict with any sound public policy for the Senate itself to take the responsibility of naming a special committee the nature of whose duties requires caution, and where a failure to exercise discretion upon the part of the Senate may result in criticism?

The Senator from Massachusetts [Mr. LODGE] has assumed that for the Senate itself to elect this special committee is a reflection on the Presiding Officer of the Senate. How can that be, Mr. President? The Senate selects its own Presiding Officer. It can remove him by the simple process of electing another Presiding Officer, and it has reserved in its rules the unqualified right to select all committees; and whenever it has wanted to do so for any reason, it has in the past provided for the selection of special committees and of special subcommittees in other ways than by appointment of the Chair.

This is a case, sirs, in which the Senate ought to take the responsibility of selecting this special committee. This is a case in which the Chair ought not to want, and does not want, the responsibility of selecting this special committee. It has been openly declared that efforts have been contemplated to pack the committee. I know that the distinguished Senator who enjoys the honor of being the President pro tempore of the Senate, the Senator from Iowa [Mr. CUMMINS], is incapable of lending himself to any scheme or plan or purpose to select an unfair special committee in this or in any case.

Mr. BRUCE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Maryland?

Mr. ROBINSON. I yield.

Mr. BRUCE. I should like to ask the Senator whether he has received any assurance from the Presiding Officer of the Senate that he does not desire to appoint this committee, or whether anybody else has received such an assurance to his knowledge?

Mr. ROBINSON. I have never asked the Senator from Iowa whether he desires to appoint this committee.

Mr. BRUCE. The Senator said a few moments ago, as I understood him, that the Senator from Iowa does not so desire.

Mr. ROBINSON. I have reason to believe that the Senator from Iowa does not want to appoint this committee.

Mr. BRUCE. That was not what the Senator from Arkansas stated, if I may be pardoned for saying so. Of course, I do not

want to hold him too closely to the literal language that he employed——

Mr. ROBINSON. The Senator may pursue any course that he pleases.

Mr. BRUCE. But the Senator's statement was that the Senator from Iowa does not desire to appoint the committee.

Mr. ROBINSON. Has the Senator information that the Senator from Iowa does desire to appoint this special committee?

Mr. BRUCE. None whatever.

Mr. ROBINSON. I repeat the statement, Mr. President, and the Senator can satisfy himself in regard to it in any way that he chooses, that, in view of what has transpired in the Senate, the Senator from Iowa does not want to name this special committee.

Mr. BRUCE. Then I certainly should not force it upon him. Otherwise, I certainly should insist upon his not being stripped of the dignity and authority that belongs to his office.

Mr. ROBINSON. Mr. President, I am contending that this resolution does not strip the Senator from Iowa of any dignity or authority conferred on him by the rules of the Senate or by the customs and precedents of the Senate. I am insisting that by the selection of its own special committee the Senate is discharging its own responsibility, the responsibility which devolves primarily upon the Senate itself. I do not care what view of the matter the Senator from Maryland takes. I do not care how he or any other Senator votes upon this resolution or upon the amendment submitted by the Senator from Massachusetts. I want fair treatment of everybody concerned, and I am sure there is nothing in the practice or customs of the Senate which constitutes the selection of a special committee by the Senate itself a reflection on the Presiding Officer of the Senate. If it does, then how can it be said that the rule of the Senate that requires all standing committees of the Senate to be elected by the Senate is not a reflection upon the Presiding Officer of this body? When the Senate elects its special committees, the Senate takes responsibility for the committees itself. When the Senate requires the Presiding Officer to select a special committee, it places upon the Presiding Officer the responsibility of making the selection.

The Senate can, of course, pursue any course it desires to pursue. It can establish the precedent of requiring the Presiding Officer to select a special committee in a case where the responsibility is peculiarly upon the Senate itself, but it need not do so.

There are many exceptions to the practice of requiring or permitting the Chair to appoint special committees. Those exceptions are found in both the precedents of the Senate and the precedents of the House of Representatives. Why should it be insisted that the Chair, and not the Senate, make the selection? Let any Senator who has an answer to that question make it now in my time. Why should any presiding officer want to make the selections under the circumstances that surround this case? And why should Senators want to impose on the Presiding Officer of the Senate the responsibility which the country holds to be their own?

My attention has just been called to a fact I have overlooked, that the rule of the Senate not only requires that all standing committees shall be appointed by the Senate but it expressly requires that all special committees shall be appointed by the Senate—that is, all other committees.

Mr. LODGE. All other committees. I called attention to that when I spoke.

Mr. ROBINSON. The language is:

> All other committees shall be appointed by ballot, unless otherwise ordered.

So that the rule requires that this committee shall be appointed by the ballot of the Senate; that is to say, elected by the Senate. I ask again, Why should the rule be disregarded in the selection of this committee? How can it reflect on anyone if the Senate obeys its rules?

Mr. WHEELER. Mr. President, I simply desire to say a few words in support of this resolution and to tell the Senate some of the reasons why I propose to have the members of the special committee named by the Senate itself. Probably under ordinary circumstances I would not be opposed to having the chairman name the committee, but, as the Senator from Arkansas [Mr. ROBINSON] has said, there are peculiar circumstances surrounding the situation with which we are confronted to-day. The senior Senator from Ohio [Mr. WILLIS] stated on the floor of the Senate that after consulting with the Attorney General he went to the chairman and asked him to appoint certain members upon that committee. All I am asking for is that we have a committee that will give the Attorney General of the United States a fair and an impartial investigation.

All I want to see is that we shall have a real investigation, and that men shall be upon that committee who will not be constantly consulting with the man who is being investigated. I read in this morning's paper the statement given out in Chicago yesterday by the Attorney General himself, in which he makes this startling statement. He said:

> If a bunch of Senators have not resigned this afternoon, I may have an important statement to make.

I would like to know just which of the Senators in this body he expects to resign from the United States Senate. I wonder which one of the Members of the Senate he is trying to intimidate. I wonder which one of the Members of the Senate he thinks he has something on, that he can force him to resign. I want to say to the Members of the Senate he has already apparently intimidated the man in the White House, because we all know that his resignation would be acceptable to the White House, and we all know that the President of the United States, for some unknown reason, has not had the intestinal stamina to ask him for that resignation. Having, if you please, apparently intimidated his superiors, he now comes to the point where he wants to intimidate the Members of the United States Senate.

I read an article in the New York Evening Mail, published in a special edition, clear across the front page, "Daugherty striking at his foes charges revenge," and that he declares, "Senator WHEELER seeks revenge for having been removed as Federal attorney in Montana"; plainly intimating, if you please, that I was removed by him as United States attorney, when no baser lie could ever have been told, because neither did I ever serve under Mr. Daugherty, nor was I ever removed as United States district attorney; neither did I resign, except voluntarily, and I was requested to stay in office by Mr. Gregory, the then United States Attorney General.

Not only that, but the article goes on to say that my war record is going to be attacked, and it reminds me of the old adage that when a man is on trial and he has a good defense, he should always present that defense to the court and to the jury; if he has no defense, either upon the law or the evidence, then he should immediately start to attack those who are trying to either investigate or prosecute the case.

So, in this instance, the Attorney General of the United States, first through the newspapers, makes an attack upon those who ask an investigation; then he attempts to intimidate the White House, and says that if he has to resign he will open up the tomb, or the closet, and let the rest of the skeleton come out of the closet. Then he starts in to intimidate the Members of the United States Senate.

It is for these reasons that I am insisting that a committee should be appointed which will give to the Attorney General the investigation which he himself claims he is very anxious to have.

Mr. WILLIS. Mr. President, I had not thought to make any remarks upon this branch of the subject, but since the Senator from Montana [Mr. WHEELER] has referred to me, I think perhaps I ought to say a word.

I note that he quotes from an alleged statement made by the Attorney General. I think it might be useful at this point to have read at the desk a telegram which has appeared in all the morning papers, but which I ask to have read now for the information of the Senate.

The PRESIDING OFFICER. The Secretary will read as requested.

The reading clerk read as follows:

[Telegram.]

CHICAGO, ILL., *February 20, 1924.*

Hon. FRANK B. WILLIS,

Senate Office Building, Washington, D. C.

Do not fail to again advise the Senate that I have not opposed the passage of the resolution under consideration. I have made no statement nor authorized any for publication since leaving Washington. Having attended to the Government business which brought me here I am leaving to-night for Florida as intended and required. I have retained Hon. George E. Chamberlain and Hon. Paul Howland, who represented me in a similar attack a year ago in the House, inspired by the same influences who openly and secretly and on practically the same charges with substantially the same object in view, to represent me. They will give such attention as may be necessary in my personal behalf so that the regular force of the department and I may continue to give our attention to the Government business. I will return to Washington as soon as possible.

H. M. DAUGHERTY.

Mr. WILLIS. Mr. President, it will be observed from that telegram that the Attorney General of the United States says he has neither made any statement since he left Washington nor authorized any; so, while I do not, of course, question that the Senator has read accurately from the paper, whether that is authorized or not I do not know. I will let the telegram speak for itself.

The Senator from Montana, perhaps unintentionally, has left the impression that somebody on this side has undertaken to get a packed jury for the consideration of this case. I understood him to say that I had conferred with the Attorney General, and then conferred with the President pro tempore of the Senate, obviously seeking to convey the impression that some committee had been agreed upon, and that an effort was made to get the President pro tempore of the Senate to appoint such committee.

I take this opportunity to say that there is no foundation whatever for that statement.

Mr. WHEELER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Montana?

Mr. WILLIS. I yield.

Mr. WHEELER. Let me ask the distinguished Senator if he did not make that statement and answer "Yes" in response to a question I asked him on the floor of the Senate?

Mr. WILLIS. I am perfectly willing to have the RECORD read. I did not make the statement with the implication the Senator now tries to draw from it, and if he will permit me to proceed, I will state the facts. There is nothing to be hidden in this matter. The Senator will bear me out in what I am now about to say, that he, the Senator from Montana, and I talked about this matter of the membership of the committee, and I said to him at the outset, as I have said to him, I think, within 24 hours, that I thought it was improper that he, the Senator from Montana, should be a member of the committee, and the Senator knows that I meant nothing offensive personally in that. There is no reflection at all upon his character or ability. I think the Senator understands that. But since this matter has been brought up, I do say, Mr. President, that I think it is an unheard-of proceeding to have the prosecuting attorney in a case a member of the jury that is to try the case. I have never heard of such a thing in any legislative body.

Before I go into that further, however, let us talk more about this committee business. I did talk to my friend the Senator from Montana about the make-up of this committee. It will be recalled that the name of the senior Senator from Idaho [Mr. BORAH] was mentioned. His was the first name that was mentioned, as I recall. The senior Senator from Idaho is not now on the floor——

Mr. CARAWAY. May I interrupt the Senator?

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Arkansas?

Mr. WILLIS. In just a moment. I want to finish this statement. Following our conversation, I conferred with the senior Senator from Idaho and he advised me that he did not care to serve on the committee and gave sufficient reasons therefor, and that I reported to the Senator from Montana. I now yield to the Senator from Arkansas.

Mr. CARAWAY. I just came into the Chamber. Did the Senator from Ohio talk to the Attorney General about the make-up of the committee?

Mr. WILLIS. Mr. President, I have not seen the Attorney General for probably a week——

Mr. CARAWAY. I say——

Mr. WILLIS. If the Senator will just let me answer. When I did see the Attorney General the question of the make-up of the committee was discussed.

Mr. CARAWAY. It was?

Mr. WILLIS. It was. I told him I did not know how the committee would be appointed. I suggested to him the names of a number of members of the majority who I thought would be proper members for the committee.

Mr. CARAWAY. Now may I ask the Senator another question?

Mr. WILLIS. Certainly.

Mr. CARAWAY. Is it the rule to let the man who is going to be tried select the jury by which he is to be tried?

Mr. WILLIS. Certainly not.

Mr. CARAWAY. Mr. President——

Mr. WILLIS. Now, wait until I answer the Senator on that proposition. Certainly that is not the rule, nor was it proposed or thought of in this case.

Mr. CARAWAY. Then let me ask the Senator another question. Why was the Senator suggesting to the Attorney General certain men he thought would be suitable for that purpose? What was the object?

Mr. WILLIS. It was a perfectly natural and perfectly reasonable thing, Mr. President. The Attorney General asked me something about the make-up of the committee——

Mr. CARAWAY. I can see why the Attorney General should be vitally interested, but I never knew before of a Senator going and talking to a man who was to be investigated and helping him pick the jury.

Mr. WILLIS. I will take care of that, if the Senator will possess his soul in patience.

Mr. CARAWAY. The Senator would have to have a great deal of patience to approve of such a proposition as that.

Mr. WILLIS. I discussed with the Senator from Montana the name of the senior Senator from Idaho. His was the first name suggested. I suggested the name of the senior Senator from Washington [Mr. JONES], whose name I am glad to see embodied in this resolution.

I suggested the name of the Senator from Kentucky [Mr. ERNST]. I suggested the name of the Senator from California [Mr. SHORTRIDGE]. I remember those were mentioned as possibly being members of the committee.

I submit that there was no impropriety in that. There was no suggestion that the Attorney General was to name the committee. He did not undertake to name the committee, and there was no suggestion of the kind ever made to the President of the Senate.

Mr. WHEELER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Montana?

Mr. WILLIS. I yield to the Senator.

Mr. WHEELER. Let me ask the Senator if he feels that he has told all the story? Did I not ask the Senator if he would pick out from the Republican side some one of the progressive Members, on the Republican side, and he would not agree to any of the so-called progressives having representation upon the committee?

Mr. WILLIS. Mr. President, I have just finished saying that the first name mentioned was that of the senior Senator from Idaho. He is a fairly progressive Senator, I had always supposed.

There is nothing to this proposition that there is an attempt anywhere to pack the jury. It is simply another part of the smoke screen that is being put out here. An effort was made——

Mr. CARAWAY. May I ask the Senator a question?

Mr. WILLIS. I yield.

Mr. CARAWAY. Who is putting out a smoke screen?

Mr. WILLIS. Anybody who says there is an effort to pack the jury.

Mr. CARAWAY. Why did the Senator consult with the Attorney General over the peculiarities of Senators if he was not attempting to find a jury that would be friendly to the Attorney General?

Mr. WILLIS. The Attorney General inquired of me——

Mr. CARAWAY. Of course he did.

Mr. WILLIS. But let me answer the Senator's question. He inquired of me as to the probable make-up of the committee, and I suggested the names of 8 or 10 Senators who might possibly be on the committee.

Mr. CARAWAY. What was it that the Attorney General wanted to know about those peculiar Senators that the Senator from Ohio was going to help him pick?

Mr. WILLIS. There was no inquiry made about the peculiarities of any Senator.

Mr. CARAWAY. He wanted to know whether they would vote for him right along?

Mr. WILLIS. Oh, Mr. President, men judge the motives of other men only by their own. It was a perfectly reasonable, fair inquiry, which I answered as I have indicated.

Mr. CARAWAY. May I ask the Senator another question?

The PRESIDING OFFICER. Does the Senator from Ohio yield further to the Senator from Arkansas?

Mr. WILLIS. Certainly.

Mr. CARAWAY. Out of the Senate was to come the jury. Is it a fact that anywhere on earth there is any such practice as that the man who is going to be tried is allowed to go and talk to the jury and ascertain what their peculiar leanings are? Is there not——

Mr. WILLIS. Let me answer that question.

Mr. CARAWAY. Just a minute.

Mr. WILLIS. I want to answer the Senator's question.

Mr. CARAWAY. Oh, well, go ahead.

Mr. WILLIS. I answer the question by saying of course not, but nothing of the sort was undertaken in this case.

Mr. CARAWAY. What was it the Attorney General wanted to know? That is what I am curious to know.

Mr. WILLIS. Does the Senator think there is any impropriety in the Attorney General inquiring as to how the committee would probably be appointed and who might be considered?

Mr. CARAWAY. The Senator from Ohio said he talked about certain Senators and evidently wanted to know how they stood with reference to the inquiry.

Mr. WILLIS. Not at all. There was no inquiry about that.

Mr. CARAWAY. What was the inquiry?

Mr. WILLIS. No inquiry except that which I have stated. There was no inquiry at all such as the Senator suggests. There was not the slightest inquiry about how any Senator stood in that matter.

Mr. WHEELER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Montana?

Mr. WILLIS. I yield.

Mr. WHEELER. In order to keep the record straight, I desire to read this statement found on page 2771 of the CONGRESSIONAL RECORD of February 19, referring to the senior Senator from Ohio:

> Mr. WHEELER. Let me ask the Senator if he himself, after conferring with the Attorney General, did not suggest to the President of the Senate who should go on that committee?
>
> Mr. WILLIS. Certainly; I conferred with the President of the Senate, and if his resolution had been adopted in another form I expected the Senator to do that. The President of the Senate is not apart from other people; and certainly I suggested names to him; but that is quite apart and quite a different thing from a Member of the Senate undertaking to name the members of a committee and their naming himself as a member of the committee. I never heard of such a procedure.

The Senator must admit that the RECORD bears out my statement.

Mr. WILLIS. I do not question at all the RECORD, and it does not at all bear out the statement that the Senator made or the implication that he sought to draw therefrom. It is a fact, as I said upon that occasion, that I talked with the President of the Senate. The Attorney General made no suggestion to me as to the Members that he wanted on the committee, and if he had I should not have repeated that suggestion to the President of the Senate.

Mr. WHEELER. Let me ask the Senator a question?

Mr. WILLIS. Certainly.

Mr. WHEELER. The Senator will admit that he is a very close personal friend and political adviser of the Attorney General?

Mr. WILLIS. I will not admit that. I will admit that in a good many years of politics in Ohio sometimes we have been on the same side and sometimes on opposite sides, and I will admit that when an attempt is made to condemn a man without hearing I will stand up and to the best of my ability defend him, whether he is friend or foe.

Mr. WHEELER. Will the Senator yield for another question?

Mr. WILLIS. Certainly.

Mr. WHEELER. Is it not a fact that the Senator himself has been the one man in the Senate who has been in constant touch with the Attorney General——

Mr. WILLIS. Oh, no; that is not true at all. I have not been in constant touch with the Attorney General. I have not seen him for a week.

Mr. WHEELER. Oh, for a whole week?

Mr. WILLIS. No. Does the Senator think that we have got to that state of suspicion and innuendo and ribaldry in the Senate of the United States that a Member of the Senate is disgraced when he confers with any member of the Cabinet?

Mr. WHEELER. I am not so sure but what that should be the case at the present time. [Laughter in the galleries.]

Mr. WILLIS. That is the Senator's political viewpoint. It is not mine.

The PRESIDING OFFICER. The Chair wishes to remind the occupants of the galleries that the rules of the Senate prohibit demonstrations in the galleries.

Mr. WHEELER. The Senator will admit that he has been a close political friend of the Attorney General for a long time?

Mr. WILLIS. We have been fairly good political friends. I am not his political spokesman, but I am willing to admit that I have been his friend.

Mr. WHEELER. The Senator is his friend at the present time?

Mr. WILLIS. I would be the friend of any man when I saw an attempt made to assassinate him and murder him in cold blood without a hearing.

Mr. WHEELER. But the Senator is his friend at the present time?

Mr. WILLIS. I have just stated that.

Mr. WHEELER. And as his friend and political adviser——

Mr. WILLIS. I am not his political adviser at all. Please do not impute such matters.

Mr. WHEELER. As his close personal friend, the Senator wanted to name the committee that was going to investigate him?

Mr. WILLIS. I did not. I repudiate that absolutely. That is absolutely false. I did not want to name the committee, and never sought to name the committee.

Mr. WHEELER. Did not the Senator talk to the President of the Senate about certain Members for the committee?

Mr. WILLIS. I suggested to the President of the Senate the names of a number of Senators who I thought would be faithful and effective and intelligent members of the committee.

Mr. WHEELER. The Senator named to him a number of them whom he thought would be faithful to the Attorney General?

Mr. WILLIS. That statement is false. I made no such proposition at all. I named no one with the idea that he would be faithful to the Attorney General.

Mr. CARAWAY. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Arkansas?

Mr. WILLIS. Certainly.

Mr. CARAWAY. Did not the Senator rise in his place a few days ago and proclaim that the Attorney General was a clean as a hound's tooth?

Mr. WILLIS. With reference to the oil transaction, that is what I said; but whether I was correct will be proven if we have a fair investigation.

Mr. CARAWAY. Was not the Senator's statement just general? He just gave the Attorney General a clean bill of health?

Mr. WILLIS. As I recall, it was the oil matter under discussion; but that will be determined by a fair investigation, which I am in favor of.

Now, I repeat there has been no effort on the part of anyone to pack the jury in behalf of the Attorney General.

Mr. CARAWAY. Mr. President——

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). Does the Senator from Ohio yield to the Senator from Arkansas?

Mr. WILLIS. I yield.

Mr. CARAWAY. The Senator just qualified his indorsement of the Attorney General awhile ago by saying he was clean so far as oil is concerned.

Mr. WILLIS. It is my recollection that that was the subject under discussion.

Mr. CARAWAY. He goes no further in vouching for the Attorney General than oil?

Mr. WILLIS. I gave the Senator my recollection of the discussion then in hand, and it will be found, if a fair investigation is permitted here, that the Attorney General will present the facts. If it is found that he is guilty of wrongdoing, there will be no one more ready to insist that he shall be punished than shall I. But I insist, Mr. President, that a man is entitled to his chance to present the facts and have a fair hearing.

Mr. STANLEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Kentucky?

Mr. WILLIS. Yes; I yield, though I am anxious to proceed with my statement.

Mr. STANLEY. If my recollection serves me right, did not the Senator from Ohio some time since introduce a resolution reciting that a Senator was guilty of practices detrimental to the best interests of the Republic and which were highly reprehensible, and then voted for that Senator?

Mr. WILLIS. What is the Senator's question?

Mr. STANLEY. I have a faint recollection——

Mr. WILLIS. I understood the Senator's statement, but he has not yet propounded a question.

Mr. STANLEY. Did not the Senator recently introduce a resolution in the Senate stating that another Senator had been guilty of practices which were detrimental to the moral welfare of the country at large and were highly reprehensible and

dangerous to our institutions, and then vote to seat that same Senator?

Mr. WILLIS. If that is the Senator's question, I will answer it.

Mr. STANLEY. That is it.

Mr. WILLIS. The question propounded by the Senator from Kentucky shows that he is not at all familiar with the resolution. The resolution which upon that occasion I introduced recited the practices and it did provide for the seating of the Senator from Michigan, but there was nothing in the resolution that indicated that the Senator from Michigan himself was personally guilty. If the Senator wants to know the reason for my position, it was exactly that. There was no evidence here to show any personal guilty knowledge on the part of the Senator from Michigan, and therefore——

Mr. CARAWAY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Arkansas?

Mr. WILLIS. Not now. There the practices that were condemned were the practices that had been indulged in without his knowledge or approval or consent. I am not going into the Newberry case now, however.

Mr. STANLEY. Let me ask one further question.

Mr. WILLIS. Very well.

Mr. STANLEY. Is the Senator prepared to apply the same ambidextrous standard to Daugherty that he did to Newberry?

Mr. WILLIS. I am prepared to say this: I will discuss the Newberry case with the Senator here or elsewhere any time he wants to; but just now I do not propose to be diverted from the matter in hand, and that is the discussion of efforts to pack a jury. Let us see about that. I had gotten to the point——

Mr. STANLEY. Mr. President, will the Senator yield just a moment, and then I am through?

Mr. WILLIS. I yield once more, and then I am going to finish my statement.

Mr. STANLEY. I do not seek to divert the Senator. I simply want to get the Senator's peculiar point of view. In that case he recited the guilt of the man——

Mr. WILLIS. I did not recite the guilt of the man at all. I recited what I regarded as practices which were indulged in without his knowledge or approval or consent. There was no personal guilt imputed to that Senator.

Mr. STANLEY. The Senator said the man was elected by means of abominable practices which he abominated, but he would not want to see the man go.

Mr. WILLIS. Because the man himself was not personally guilty. I believe that guilt is a matter that is personal and has to be established by facts and the evidence, and it was not so established, in my judgment.

Mr. STANLEY. It does not matter now how rotten that department is or how corrupt his underlings or assistants are; if you can get him out by some hook or crook, you will put him out.

Mr. WILLIS. Now my friend is changing his attack. He is now suggesting that it is the underling somewhere that is guilty. Finding it is impossible, as I believe it will be impossible if a fair hearing is had, to show guilt on the part of the Attorney General, he now writes a general blanket indictment, but all that will be determined in the inquiry if it is a fair one. It will be found that the Attorney General fights. He does not run away from a controversy of this kind, and I repeat——

Mr. STANLEY. Where is he now? [Laughter in the galleries.]

The PRESIDING OFFICER. The Senator from Ohio will suspend for a moment. The Chair desires to admonish the occupants of the galleries that the rules of the Senate require order in the galleries, and the occupants of the galleries must refrain from demonstrations of approval or disapproval or the Chair will have to enforce the rule.

Mr. WILLIS. I am going to answer the question of the Senator, and I would like to have his attention. The inquiry was where is the Attorney General now? I will answer the Senator now. I had supposed that sense of decency in the United States Senate would prevent such an inquiry as that. The Senator knows of the illness in the family of the Attorney General. He knows of the fact that the good wife of the Attorney General is an invalid and has been for very many years, and that she is in Florida, and that the Attorney General has gone to pay her a brief visit, and yet the Senator from Kentucky cheaply seeks to get a titter and to make a point of a situation so delicate as that. He is welcome to all the glory he can get out of the situation.

Mr. STANLEY. Mr. President——

Mr. WILLIS. I decline to yield to the Senator.

The PRESIDING OFFICER. The Senator from Ohio declines to yield.

Mr. WILLIS. The Senator from Kentucky may speak in his own time.

Mr. STANLEY. I hope the Senator will yield.

Mr. WILLIS. No; I will not yield now.

Mr. STANLEY. Very well.

Mr. WILLIS. Going back to the matter of the discussion, from which I do not desire to be diverted, I suggested then a number of names to the President pro tempore of the Senate. I would not be so foolish as to suppose that it would be proper for any individual to say to the President pro tempore of the Senate whom he should appoint. I suggested the names I have mentioned.

Coming back to the matter of packing a jury, what shall be said in the forum of public opinion when it shall be known as to the Senator who stands here and makes unsupported charges, absolutely without foundation in fact so far as here adduced, that that Senator, out of a sense of fine modesty and in order to be absolutely fair, in order that the jury which is to pass upon the facts shall be fair and unprejudiced, names himself as one of the committee to investigate the charges that he himself makes.

Mr. CARAWAY rose.

Mr. ROBINSON. Mr. President, will the Senator yield for a question?

Mr. WILLIS. I yield to the senior Senator from Arkansas.

Mr. ROBINSON. Upon the point the Senator is just now discussing, he also discussed it in the beginning of his remarks. He is criticizing the proposal to place the author of the resolution upon the investigating committee. I ask the Senator if it is not true that the prevailing practice, both in the Senate and in the body at the other end of the Capitol, to name upon the committee the author of a resolution creating a special committee? Is it not the universal practice except in cases where the author of the resolution requests to be excused from service?

Mr. WILLIS. Mr. President, unfortunately my understanding of the practice and the precedents does not quite agree with that of the Senator from Arkansas. I say to him that I have never known a case where charges of a bitter and almost personal nature were made in which the person making the charges was appointed on the committee to investigate them, and I invite the attention of the Senator to an interesting case in the last year or so.

Mr. ROBINSON. Mr. President——

Mr. WILLIS. Let me finish this, please. The Senator will remember the charges that were made——

Mr. ROBINSON. In connection with the statement which the Senator has just made——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Arkansas?

Mr. WILLIS. Let me answer the Senator.

Mr. ROBINSON. Let me point out——

Mr. WILLIS. All right, if the Senator wants to complete his question.

Mr. ROBINSON. Let me point out a fact that is fresh in the memory of the Senator from Ohio, which contradicts his statement. Recently the Senator from Alabama [Mr. HEFLIN] filed charges here that were held to reflect upon a citizen, and yet the Senator from Alabama was appointed upon the committee to investigate those charges, as the Senator from Ohio well knows.

Mr. WILLIS. Very well. I think that was a bad precedent, if it was so done. But the illustration I was about to give my friend the senior Senator from Arkansas was this—and he will remember it——

Mr. ROBINSON. Mr. President——

Mr. WILLIS. Let me proceed with this statement, I ask the Senator, and then I shall yield to him.

The precedent to which I wish to call his attention is this: It will be remembered that a year or two ago—I do not recall the exact date—very serious charges were filed here in speeches and otherwise by the late lamented Senator from Georgia, Hon. Thomas E. Watson; it will be remembered that a committee was appointed to investigate those charges, but there was no thought on the part of anyone, so far as I know, toward placing the Senator from Georgia on that committee. He was, however, present at the hearings of the committee; he was permitted to cross-examine witnesses; he was permitted to subpœna witnesses; but he was not a member of the committee.

Now, Mr. President, proceeding with what I wish to say about the fairness of the proposed committee which is to examine the matter, the Senator from Montana [Mr. WHEELER] proposes to have himself named, after making one of these

"we all know" speeches, which have become quite common here in this Chamber—"we all know" this and that.

Mr. ROBINSON. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Arkansas?

Mr. WILLIS. I promised to yield to the Senator.

Mr. ROBINSON. Pursuing the question of precedents as to the selection of the authors of resolutions involving charges as members of the investigating committees, I call the Senator's attention to the fact that recently, at the instance of the Senator from Missouri [Mr. REED], the Senate created a special committee to investigate matters relating to propaganda, particularly as to the Bok plan, and the Senator from Missouri was appointed a member of that committee. The Senator from Pennsylvania [Mr. REED] some time ago introduced a resolution making charges of gross mismanagement and corruption and other abuses against the Veterans' Bureau and providing for the creation of a special committee, and the Senator from Pennsylvania was made a member of that committee and became its chairman.

Mr. WILLIS. But how was the committee selected? Will the Senator say?

Mr. ROBINSON. In the body at the other end of the Capitol——

Mr. WILLIS. But will the Senator answer that question? How were the members of the committee selected?

Mr. ROBINSON. I do not recall.

Mr. WILLIS. They were appointed by the Chair, I think.

Mr. ROBINSON. They were appointed by the Chair in all probability.

Mr. WILLIS. Exactly.

Mr. ROBINSON. That, however, is not material to the proposition now under discussion, namely, the question as to whether the author of the resolution providing for a special investigation should be a member of the special committee to conduct the investigation. At the other end of the Capitol, the Senator from Ohio will remember, that some months ago serious charges were filed by the gentleman from Illinois, Representative GRAHAM, against the conduct of the War Department and other agencies of the Government. Mr. GRAHAM was appointed a member of that committee, and, I believe, was made its chairman. The gentleman from Massachusetts, Mr. Walsh, filed charges against the Shipping Board, and yet he was appointed a member, I think, of that committee. The Senator from Ohio, if he will take the trouble to look over the precedents, will find that in almost every case where a special committee has been created by resolution the author of the resolution has been permitted to serve on the committee so created.

Mr. WILLIS. Mr. President, on that specific matter the Senator from Arkansas will find, I think, if he will look up the history of each case to which he has referred, that the appointment of members of the committee was made by the Chair.

Mr. ROBINSON. What difference does that make upon the question of the propriety of the author of the resolution serving on the committee? It only confirms the principle for which I am contending and the practice as sustained by the precedents of the Senate.

Mr. WILLIS. Mr. President, I can see a very vast difference in those two cases. I should not have objected if the President pro tempore of the Senate, in the exercise of his sound discretion, had thought proper to appoint the Senator from Montana on the proposed committee; I should not have said anything about that; but when the Senator from Montana so far forgets the proprieties of a situation as to make ex parte charges, to which I shall in a moment refer, and then designates himself to investigate his own charges, I say it is a proceeding absolutely unheard of. In the case referred to relative to the Senator from Pennsylvania, the appointment was made by the Chair, as in all of these cases.

However, I started to refer to one of the "We all know" addresses of the junior Senator from Montana [Mr. WHEELER]. We had another one this morning. The Senator said "we all know" something about the President. Well, I do not know whether or not the President communicates with the Senator from Montana; certainly he does not communicate with me. Perhaps the Senator from Montana knows the mind of the President on this matter. He says "we all know" this. The other day the Senator made an address in which he said "we all know" so and so about the Attorney General; "we all know" so and so about Mr. Doheny and about somebody else then mentioned—I saved the newspaper, thinking it might be interesting—about Mr. Felder and about Mr. Jess Smith. There are a good many interesting things connected with that. The Senator in his charge in that favorite eloquent expression "everybody knows" and "we all know" made certain statements about Mr. Felder, whom I do not know and for whom I do not care, but Mr. Felder came back immediately and said that the statements were utterly false. In the same newspaper, which is before me, Mr. Doheny makes a similar statement. This is the same Mr. Doheny, the Senator will remember, who said that he voted 40 times for Mr. McAdoo at San Francisco and whose name was presented to the convention as a candidate for the Vice Presidency.

Mr. WHEELER. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Montana?

Mr. WILLIS. Certainly.

Mr. WHEELER. Is that the same Doheny who has now become spokesman for the Republican Party?

Mr. WILLIS. No; it is not the same Doheny, because no Doheny has become spokesman for the Republican Party. Mr. Doheny appears to be spokesman for Mr. McAdoo, and while the Senator is inclined to be interested in the matter, in order to help him identify this Mr. Doheny I will say this is the Mr. Doheny who was a member of the Democratic committee on resolutions at the San Francisco convention, who helped to write the platform of the Senator's party, a platform, by the way, which for the first time in American history, so far as I know, had an oil plank in it. Mr. Doheny was a member of the committee on resolutions, from which there was forthcoming the oil plank in the platform pointing out the desirability of securing foreign oil interests; and at about that time occurred the employment of Mr. McAdoo, for whom Mr. Doheny had voted 40 times. It is an interesting subject.

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Montana?

Mr. WILLIS. I yield to the Senator from Montana.

Mr. WALSH of Montana. Will the Senator read us the plank to which he refers.

Mr. WILLIS. If I can find it, I will do so. I had it before me recently. The Senator does not question that there is such a plank, does he?

Mr. WALSH of Montana. No.

Mr. WILLIS. What I have before me is a list of the committee, and I had perhaps better read the names of some of the committee on resolutions.

Mr. WALSH of Montana. Will not the Senator read the plank to which he refers?

Mr. WILLIS. I will read it later, but I will first read some of the names:

Alabama, Borden Burr; Arizona, P. W. O'Sullivan; Arkansas, C. A. Fuller; California, E. L. Doheny.

Mr. Doheny was there delivering the goods, voting 40 times for Mr. McAdoo. He was also a member of the committee on resolutions. I do not know—I was not there—but no doubt he had considerable to do with this petroleum plank which I now read for the Senator:

The Democratic Party recognizes the importance of the acquisition by Americans of additional sources of supply of petroleum and other minerals and declares that such acquisition both at home and abroad should be fostered and encouraged. We urge such action, legislative and executive, as may secure to American citizens the same rights in the acquirement of mining rights in foreign countries as are enjoyed by the citizens or subjects of any other nation. [Applause.]

The Democratic convention liked that.

Mr. WALSH of Montana. Will the Senator now advise us what part of that resolution he does not agree with?

Mr. WILLIS. I am not discussing it; I am saying nothing about that. I am calling attention to the fact.

Mr. WALSH of Montana. I understand that; but I am asking the Senator a question: Is there any part of that resolution to which the Senator takes exception?

Mr. WILLIS. Well, Mr. President, the Senator can not commit me to the Democratic platform.

Mr. WALSH of Montana. No; I do not want to.

Mr. WILLIS. I am sure the Senator does not expect to do that.

Mr. WALSH of Montana. I understand the Senator is contending that it is wrong, and, of course——

Mr. WILLIS. I have said nothing about the quality of the platform. The people spoke on that, and they rejected it by 7,200,000 votes, so there is no use discussing that.

Mr. WALSH of Montana. The Senator declines to answer my question?

Mr. WILLIS. Oh, no, Mr. President.

Mr. WALSH of Montana. Very well.

Mr. WILLIS. I do not decline to answer the question at all, but I answer in my own way in my own time. I am not criticizing this plank.

Mr. WALSH of Montana. Very well, if the Senator is not criticizing it.

Mr. WILLIS. I was merely reciting the history of it.

Mr. WALSH of Montana. It is a sufficient answer, if the Senator is not criticizing it.

Mr. WILLIS. Very well. I am merely calling attention to an interesting bit of history in regard to a subject as to which the Senator from Montana seems to be very sensitive. I just pointed out the fact that this Mr. Doheny, one of the "everybody knows" persons about whom the junior Senator from Montana [Mr. WHEELER] talks, was a member of the committee on resolutions, and that the committee on resolutions adopted this petroleum plank, the first one, so far as I recall, in any national platform, and that at about that time the former Secretary of the Treasury, Mr. McAdoo, became very active in carrying out the terms of this plank and in acquiring foreign oil interests, for which he says he got $150,000, and that the fee was going to be $1,000,000 if he had been able to put it across.

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield further to the Senator from Montana?

Mr. WILLIS. I yield.

Mr. WALSH of Montana. Will the Senator kindly give us the name of the Montana representative on the committee on resolutions?

Mr. WILLIS. I think I can turn to that in a moment. The name of the Montana member of the committee on resolutions was the distinguished senior Senator from Montana, Senator THOMAS J. WALSH.

Mr. WALSH of Montana. Will the Senator give us the names of the members of the subcommittee that drafted the platform?

Mr. WILLIS. The Senator can see the book I have here. I have before me merely a list of the committees.

Mr. WALSH of Montana. The Senator is so familiar with the proceedings of the Democratic conventions that I supposed he would have the names at his fingers' ends.

Mr. WILLIS. I have not gone far enough to discover that much; I may go into it further at some later time, for this McAdoo business develops very interestingly.

Mr. WALSH of Montana. But just now the Senator was telling us about the plank to which he referred.

Mr. WILLIS. And just now I do not know who the members of the subcommittee were.

Mr. WALSH of Montana. Very well. I will advise the Senator.

Mr. WILLIS. I can imagine that whoever constituted the subcommitee got in their work splendidly.

Mr. WALSH of Montana. I advise the Senator that the junior Senator from Virgina [Mr. GLASS] was charman of the committee, and I was also a member of it. I indorsed that plank, and I am glad to know the Senator from Ohio has nothing to say in criticism of it.

Mr. WILLIS. I am not attacking the plank; I am reciting its history.

Mr. HARRISON. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Mississippi?

Mr. WILLIS. I always yield to my friend from Mississippi.

Mr. HARRISON. The Senator is kind. Does the Senator think that this administration has lived up to the plank in the Republican platform that was adopted at the same time and which reads as follows:

> We passed an oil leasing and water power bill to unlock for the public good—
>
> "The public good" should be underscored—
>
> the great pent-up resources of the country; we have sought to check the profligacy of the administration, to realize upon the assets of the Government, and to husband the revenues derived from taxation.

Mr. WILLIS. Now let me answer the question.

Mr. WALSH of Montana. Will the Senator——

Mr. WILLIS. One at a time; they will last longer.

Mr. WALSH of Montana. Mr. President, will the Senator from Mississippi advise us whether that preceded or followed the platform adopted by the Democratic Party?

Mr. HARRISON. It preceded the Democratic platform.

Mr. WALSH of Montana. It preceded it. So that the Senator from Ohio was not quite as familiar with the history of the platform of the Republican Party as he seems to be with ours.

Mr. WILLIS. Now, Mr. President——

Mr. HARRISON. The question——

Mr. WILLIS. Let me answer my friend from Mississippi.

Mr. HARRISON. The question I ask the Senator——

Mr. WILLIS. Let me answer first. It will last so much longer, it will be so much more delightful, if the Senator will give me an opportunity to answer him first.

Mr. HARRISON. I do not want the Senator to forget the question.

Mr. WILLIS. Mr. President, I was about to say——

The PRESIDING OFFICER. The Senator declines to yield at the present time.

Mr. WILLIS. I will yield a little bit later, but let us have the questions one at a time.

What I was going to say was that evidently the Republican committee on resolutions were somewhat misled in that particular, because they proceeded to indorse an act which, according to common knowledge, was recommended by the former Secretary of the Navy, Mr. Daniels, under whose leadership the legislation was had.

Mr. CARAWAY. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Arkansas?

Mr. WILLIS. Certainly.

Mr. CARAWAY. At least, if they were misled as to its origin, they certainly realized on it, did they not?

Mr. WILLIS. They did not realize quite so largely as Brother McAdoo did. He got the cash right away. It was not sufficient to have collected the large amounts that were collected by presenting cases before the Treasury Department after he himself had been Secretary of the Treasury, and arguing cases before people who were his own appointees. He evidently cast an anchor to windward here, and had it all to the good with Brother Doheny and the rest of them.

Mr. WHEELER. Mr. President——

Mr. WILLIS. I yield to the Senator from Montana.

Mr. WHEELER. I should like to know whether the plank that was just read by the Senator from Mississippi was drafted before or after part of the delegates in the Republican convention from Wyoming, and from Illinois, and from Arkansas, and from Kentucky, had consulted with Mr. Joe Cannon in his room concerning the next Secretary of the Interior?

Mr. WILLIS. That is another of the "everybody knows" stories. I have finished with that. The Senator does not know anything about what he is now talking, and neither do I.

Mr. HARRISON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Mississippi?

Mr. WILLIS. I yield to the Senator.

Mr. HARRISON. I was afraid the Senator would forget to answer my question.

Mr. WILLIS. Oh, I did not.

Mr. HARRISON. No; the Senator has not answered it.

Mr. WILLIS. I did not forget to answer it.

Mr. HARRISON. I asked the Senator if he thought this administration had lived up to the principles enunciated in that plank.

Mr. WILLIS. I thought I had answered that when I said I thought it had not done so—nearly so fully as Mr. McAdoo and his associates had.

Mr. HARRISON. Oh! The Senator thinks, then, that Mr. McAdoo had lived up to his principles?

Mr. WILLIS. Why, apparently; it looks that way. I do not know, but it looks that way. Mr. Doheny was on the committee on resolutions, and got the oil plank in, and Mr. McAdoo got the $150,000, and said it was worth a million, when he never appeared in court at all; so I think Mr. McAdoo lived up to his opportunities pretty well. But I started to talk about these stories—these "what everybody knows" stories.

The Senator first said certain things about Mr. Doheny, whom I have now identified. Mr. Doheny came back in the papers the next day and announced that the statements made by the Senator were utterly unsupported, and, indeed, were false. He used that language. I have already referred to the statement he makes concerning Mr. Felder, which Mr. Felder repudiated; and the Attorney General stated, in a statement the next day, that there was no foundation for it so far as it related to him.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. WILLIS. The only statement that the Senator was able to get away with was the statement that he made about a

dead man. He makes a statement about poor old Jess Smith. I know nothing about his relationship to this matter. Everybody else that he charged came back at once and said that his statements were false; but Jess, being dead, could not speak on the subject.

Mr. WHEELER. And, of course, the Senator believes Felder, who is under indictment——

Mr. WILLIS. I have no opinion about Felder.

Mr. WHEELER. Of course the Senator believes Felder, who is under indictment and who is the personal friend of Mr. Daugherty; and, of course, he believes Mr. Doheny who if the Department of Justice had done its duty would have been in the penitentiary.

Mr. WILLIS. Mr. President, that is another one of these "what-everybody-knows" stories. The Senator is so kind as to indicate what I believe. I do not know Mr. Felder. I never saw him or had any relationship with him. I am simply pointing out the fact that every individual that the Senator, in irresponsible fashion, charges with things, came back within 24 hours and said there was no foundation for the charges—all except poor old Jess Smith, who is dead and gone. He could not reply, so the Senator ought to center his activities on Jess.

Mr. WHEELER. If the Senator had not blocked the appointment of the committee, the committee probably would have proved these things before now.

Mr. WILLIS. Mr. President, I have occupied more time than I had intended, and I would not have occupied this much time except for the interruptions.

Mr. DILL. Mr. President——

Mr. WILLIS. I say in perfect good faith, and without the slightest feeling against the Senator from Montana, that I think it is a very unusual proceeding for a Senator who makes charges to insist that he himself shall be a member of the committee to investigate the charges. What I should think the Senator would have preferred would have been to have a committee selected—I think it ought to be appointed by the Chair, but if the Senate decides to elect it, well and good—and then have the Senator present. I recall the hearings in the Watson case.

The late Senator from Georgia [Mr. Watson] was present at every session of the committee, cross-examined witnesses, and had the right to ask the committee to subpœna witnesses, and we did subpœna very many of them. It would seem to me that that would be fair; but if the Senator insists and the Senate insists that the prosecutor shall be a member of the jury, why, let the country judge of the fairness of the resolution.

Before I take my seat——

Mr. DILL. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Washington?

Mr. WILLIS. Just a moment. I ask unanimous consent, since it has been the subject of inquiry, to have printed in the RECORD at this point the letter from the Attorney General relative to his attitude toward this hearing. It has been printed in all the papers.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it will be so ordered.

The matter referred to is as follows:

DEPARTMENT OF JUSTICE,
OFFICE OF THE ATTORNEY GENERAL,
Washington, D. C., February 22, 1924.

Hon. FRANK B. WILLIS,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I am informed that the resolution of Senator WHEELER, providing for an examination of the Department of Justice, may be called up for consideration at any time. I am taking advantage of your kindness and courtesy to me to place before you a few of the thoughts that occur to me in connection with the pending resolution.

I wish you to understand, and I authorize you to say to the Senate, that any committee of investigation which the Senate, in its judgment, may appoint will be accorded every facility which the Department of Justice affords in order that a thorough investigation of all of my official acts and of the Department of Justice may be made fairly and systematically. I believe and know that such an investigation will satisfy the Senate and the country that the Department of Justice has been and is being conducted with a high degree of efficiency, and that the rights of the Government have been and are at all times fully and amply protected.

I note by the resolution that the committee is instructed to investigate my alleged failure to arrest and prosecute Albert B. Fall, Harry F. Sinclair, E. L. Doheny, Charles R. Forbes, and their alleged coconspirators.

It is interesting to remind you that before the introduction of this resolution I requested the President to relieve me of the responsibility of prosecuting Albert B. Fall, and those with whom he is alleged to have been acting in collusion, because of the fact that Mr. Fall had been a member of the Cabinet in which I also served, and that the country might be better satisfied to have the conduct of the prosecution in control of lawyers in no way connected with the Government. You know that the President, approving this suggestion, did place this whole matter in the hands of two of the ablest lawyers in this country, Hon. Atlee Pomerene and Hon. Owen J. Roberts, whose appointments have been confirmed by the Senate, and who are now in full charge of the particular matters referred to in this resolution.

Realizing the difficulties confronting these distinguished lawyers, I have extended to them every possible facility afforded by the Department of Justice in a formal letter addressed to them, and I am attaching hereto a copy of that letter so that it may be available for reference at any time.

The resolution complains of my failure to prosecute Charles R. Forbes. You know, Senator, and I can not understand how Senator WHEELER has failed to note, the activities of this department in connection with this matter. It has been placed in charge of Hon. John W. H. Crim, who was appointed by me on December 15, 1923, in prompt cooperation with the Reed committee and after conference with and approval by Chairman REED and his associates on the committee investigating the Veterans' Bureau matter. Mr. Crim is being assisted by Maj. Davis Arnold, who so ably aided the Reed investigating committee, and by other assistants. The case is now, and has been for weeks, under thorough investigation by a special grand jury at Chicago (which jury I requested the court to impanel for the purpose of considering this case long before the resolution criticizing me in this case was introduced).

I have observed in the press insinuations that so-called high officials bought and sold Sinclair Consolidated Oil Co. stock upon information regarding the making of the oil leases, the inference being that they profited thereby. In view of such publications, I desire now to deny all such insinuations and inferences and to give the facts in this connection, in so far as they relate to me personally.

Before I became Attorney General or seriously considered any connection with the Government, from time to time in the ordinary course of my personal investments, I bought and paid for some stock in the Sinclair Consolidated Oil Co. Six months after the execution of the Teapot Dome lease, of April 7, 1922, endeavoring to recoup my losses in said stock, I sold a portion of my holdings therein acquired and paid for as aforesaid before I became Attorney General. Thereafter I bought back and paid for the same amount of said stock thus sold at a price slightly less than the price for which the same amount had been sold. Finally, in the fall of 1923, I sold all of my holdings in said company acquired prior to by becoming Attorney General at a net loss to me of about $28 per share. In addition to this transaction I bought 18 shares of said stock in the year 1922, the year the Teapot Dome lease was executed, which I acquired for the sole purpose of rounding out my holdings in said stock.

This is the story which the testimony will reveal, and I am glad to have the Senate know of my personal business transactions in said stock in 1922. There is nothing unusual in this transaction; nothing improper; nothing indiscreet; and nothing to conceal.

During the year 1922, the year in which the Teapot Dome lease was made, with the exception above stated, I neither bought nor sold any stocks in any of the so-called Sinclair or Doheny companies or in any other companies which were interested, directly or indirectly, or were affected or could be affected by the oil leases under consideration. I desire to say further that since I have been Attorney General I have never acted upon any information received as Attorney General which resulted in my personal profit. I was not called upon by Secretary Fall or anyone else for an opinion, written or oral, in regard to the wisdom or legality of the oil leases, and I never volunteered an opinion, either written or oral, to Secretary Fall or anyone else. I had no part of any kind or character, directly or indirectly, in the negotiations leading up to the execution of the oil leases; no information ever came to me in connection therewith, and the leases were executed without my knowledge and without any official requirement or opportunity on my part to know of their execution.

The charges and complaints in connection with any official acts of mine as Attorney General and against the Department of Justice, will, I hope, be made as specific as possible, in order that I may promptly file a complete answer thereto and assemble the testimony so as to develop the truth and the whole truth.

In conclusion, Senator, I shall be glad if I might have the privilege of having counsel present at all the hearings of the committee, with the right extended to them to interrogate any and all witnesses.

After the testimony has been presented by those making the charges, and I am thus advised as to what I am actually charged with and the testimony in support thereof, I further respectfully request the right to produce testimony before the committee on motion of my said counsel, and have process to compel attendance of such witnesses.

I trust that the investigation may be conducted and completed as promptly as thoroughness will permit. My only reason for asking this is that while these investigations are pending against the Department of Justice, the official force of the department is necessarily taken from duties which are pressing and in the interest of the Government; and also that as speedily as possible those innocent of any connection with the matters under investigation may be freed from suspicion and those guilty be brought to justice.

Very sincerely yours,

H. M. DAUGHERTY,
Attorney General.

DEPARTMENT OF JUSTICE,
OFFICE OF THE ATTORNEY GENERAL,
Washington, D. C., February 19, 1924.

Hon. ATLEE POMERENE,
Hon. OWEN ROBERTS,
Special Counsel for the United States Government,
Washington, D. C.

GENTLEMEN: On January 26, from Miami, Fla., I sent the following telegram to the President of the United States:

"May I again urge the desirability your immediately appointing two outstanding lawyers who as such shall at once take up all phases of the oil leases under investigation by the Senate or others and advise you as to the facts and law justifying legal proceedings of any kind. As you know, I do not desire to evade any responsibility in this or any other matter, but considering that Mr. Fall and I served in the Cabinet together this would be fair to you, to Mr. Fall, and to the American people, as well as to the Attorney General, the Department of Justice, and my associates and assistants therein. I do not desire to be consulted as to whom you shall appoint. The only suggestion I have to make in that regard is that those appointed shall be lawyers whom the public will at once recognize as worthy of confidence and who will command the respect of the people by not practicing politics or permitting others to do so in connection with this important public business. Their work can be done with or without the cooperation of the Department of Justice or any person connected therewith, as you and they may desire. The Department of Justice is at all times in this or any other matter at your service and at the service of your appointees in this connection."

On January 27 President Coolidge issued the following statement:

"It is not for the President to determine criminal guilt or render judgment in civil causes. That is the function of the courts. It is not for him to prejudge. I shall do neither; but when facts are revealed to me that require action for the purpose of insuring the enforcement of either civil or criminal liability, such action will be taken. That is the province of the Executive.

"Acting under my direction, the Department of Justice has been observing the course of the evidence which has been revealed at the hearings conducted by the senatorial committee investigating certain oil leases made on naval reserves, which I believe warrants action for the purpose of enforcing the law and protecting the rights of the public. This is confirmed by reports made to me from the committee. If there has been any crime it must be prosecuted. If there has been any property of the United States illegally transferred or leased it must be recovered.

"I feel the public is entitled to know that in the conduct of such actions no one is shielded for any party, political, or other reasons. As I understand, men are involved who belong to both political parties, and having been advised by the Department of Justice that it is in accord with former precedents, I propose to employ special counsel of high rank, drawn from both political parties, to bring such actions for the enforcement of the law. Counsel will be instructed to prosecute these cases in the courts so that if there is any guilt it will be punished; if there is any civil liability, it will be enforced; if there is any fraud, it will be revealed; and if there are any contracts which are illegal, they will be canceled. Every law will be enforced and every right of the people and the Government will be protected."

With my cordial approval, the Department of Justice has been represented by an Assistant Attorney General in constant attendance since January 22, 1924, at all hearings before the Committee on Public Lands and Surveys of the United States Senate.

Following each session of the committee conferences have been held at the Department of Justice with a view to protecting the rights of the public and the preparation of the machinery of this department for cooperation and use as warranted by the facts developed at the hearing or elsewhere obtained by the department.

It may be that beginning with the next hearing before the committee you will either personally or by representative of your choice observe the proceedings before that body. If not, and you prefer to have the further services of the Assistant Attorney General at these hearings, I shall be pleased to have you advise me and your wishes will be cheerfully complied with.

Congress will undoubtedly place at the disposal of the President a sum sufficient for the prosecution of your work. Notwithstanding this, I apprehend that you may need the assistance of the Department of Justice, or at least some of its agencies. In so far as it may be needed the organization of the Department of Justice is at your disposal, and I trust that you will not hesitate to call upon me for whatever assistance may be rendered by me, either personally or officially, or by the Department of Justice or any official or person connected therewith.

It may be that you will require additional authority in order to appear before grand juries in conducting your investigations; and if so, this authority will be given promptly upon application therefor.

I fully appreciate the magnitude and difficulty of the work which you are undertaking. The Department of Justice will assist you in every way, to the end that wrongdoing may be punished without fear or favor.

With assurances of esteem and respect, I am

Very truly yours,

H. M. DAUGHERTY, *Attorney General.*

Mr. WILLIS. Now I yield the floor, or I yield to the Senator from Washington, if he desires to ask a question.

Mr. DILL. I wanted to ask the Senator about this question of propriety, since he has been talking about it. I want to know what he thinks of the propriety of a certain telegram that was sent to Mr. McLean on the 16th of January. I want to read it to the Senator:

Informed that investigation is being made by Senate committee to determine if you had $100,000 in cash in any bank at the time you testified you gave Fall check for that amount. Thought I had better advise you concerning this phase. Regards.

ROCHESTER.

And "Rochester" is the confidential publicity man in Mr. Daugherty's office at this time. Now, speaking of proprieties, I want the Senator's opinion as to the propriety of the confidential man of the Attorney General informing the man who was being investigated by the committee of a matter of that kind?

Mr. WILLIS. If it is a fact that anybody connected with the Department of Justice was giving information to Mr. McLean, I regard it as highly improper, and he ought to be punished.

Mr. WHEELER. Mr. President, will the Senator yield for one more question?

Mr. WILLIS. Yes.

Mr. WHEELER. I notice in last evening's paper that it says that on January 23 Major wired to McLean as follows:

Willis in full possession of matters. After battle of wits between Lambert and myself, this was accomplished.

It could not possibly be the Senator from Ohio, could it, that that refers to?

Mr. WILLIS. Mr. President, the fact that the Senator is willing to give publicity to a thing like that is the best proof in the world that he is not fit to sit upon this committee of investigation. I say to him now that any imputation that he would make that I have had any communication with any of the people referred to is as false as anything could be. I know nothing about the matter to which he is referring. I know nothing of these parties, and the telegram is an enigma to me; and yet the Senator introduces it here in the hope that he may get something before the country to the effect that I am connected with it. I repudiate it absolutely and deny it as vigorously as I may, and say that, to my mind, the fact that he could do a thing of that sort is proof that he ought not to be a member of this committee.

Mr. WHEELER. Mr. President, will the Senator yield for just one more question?

Mr. WILLIS. All right.

Mr. WHEELER. I want to say that last evening's paper stated that Senator WILLIS was the man. I just simply wanted to give the Senator an opportunity——

Mr. WILLIS. What paper said that "Senator WILLIS was the man"? I challenge the Senator to read it.

Mr. WHEELER. The Washington Times.

Mr. WILLIS. Will the Senator read the portion of it that says that "Senator WILLIS is the man"?

Mr. WHEELER. It says that the Senator's name——

Mr. WILLIS. Read it. I challenge the Senator to read it.

Mr. WHEELER. Yes; I will if the Senator will just wait a minute.

Mr. WILLIS. I do not care for the Senator's interpretation. I want the reading of the article.

Mr. WHEELER. It says:

The names of Senator WILLIS, of Ohio, * * * were found in messages sent to McLean.

Mr. WILLIS. Very well.

Mr. WHEELER. Is there any interpretation that I have put on that? Then it goes on, quoting this telegram. I simply say to the Senator that I asked him the question in order that he might clear up the matter before the Senate.

Mr. WILLIS. Yes—well, there is not any doubt about it. I do not know whether there is doubt in the Senator's mind or not, but I say to him that any newspaper or anybody else, in the Senate or out of it, that says that I have had anything to do with this matter, or have sent or received any telegram, states that which is a wicked, cowardly, malicious falsehood.

Mr. WHEELER. There is not any question in the Senator's mind about what the paper says, is there?

Mr. WILLIS. I am giving the Senator the facts. I am not discussing papers.

Mr. HARRISON. Mr. President, may I say to the Senator——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Mississippi?

Mr. WILLIS. I yield to the Senator.

Mr. HARRISON. May I say to the Senator that he can get consolation out of the fact that "Cherries" and "Apples" and "Apricots" and "Peaches" were also named in this telegram.

Mr. WILLIS. Well, I was not one of them. That might be the Senator; he is a peach.

Mr. STANLEY. Mr. President, it is always a Senator's province to yield to a colleague on this floor or to refuse to yield. It is not the custom of Members of this body to make charges at once offensive and untrue and to refuse to an injured adversary the opportunity to then and there answer the unwarranted statement. I was amazed—more amused than amazed—at the peculiar courage of the Attorney General's sponsor. It is a kind of courage about which I know little and about which brave men, as a rule, care less.

I asked the Senator a courteous question—Where was the Attorney General now? The Senator from Ohio immediately stated that I knew where he was, and knew what took him there, and that with that knowledge my question was indecent.

Of course, if language of that kind had been used by a man who was at that time in possession of his senses, and who understood the weight and force of the English language, I should have resented it; but, owing to the peculiar mental condition of the Senator from Ohio, I excuse it as but another evidence of the frenzy that has possessed him for the last hour. But I do say to the Senator, who is so prompt in telling people when they lie, that the Senator from Ohio did not know and has no way of ascertaining what I know or think. If I thought the Senator from Ohio could discern my mental processes, I should pray God for another mind. I knew nothing about Daugherty's wife, or whether he had a wife or not, or whether she was sick or well. I know Daugherty is sick, and I know he has gone to the same health resort where Doheny and Fall and the rest of them were found.

Mr. CARAWAY. And McLean.

Mr. STANLEY. Yes. I have never yet struck at a woman, and I have never yet respected the man who would hide behind the skirts of a woman, be she sick or well.

Mr. HEFLIN. Mr. President, the Senator from Ohio [Mr. WILLIS] a moment ago said that McAdoo had gotten cash for representing Doheny and had gotten it right away. I want to remind the Senator and the Senate what I have said here a number of times, that Mr. William Boyce Thompson, the treasurer of the Republican campaign committee in 1920, a stockholder and a director in the Sinclair Oil Co.——

Mr. WADSWORTH. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from New York?

Mr. HEFLIN. In a moment; borrowed three and a half million dollars on a dummy note. There were $5,000,000 borrowed in all. Three and a half million of it was on a dummy note, and Sinclair oil stock was used as collateral.

Now I yield to the Senator from New York.

Mr. WADSWORTH. I merely wanted to ask the Senator if it was not a fact that Mr. Upham was treasurer of the Republican National Committee, and not Mr. Thompson?

Mr. HEFLIN. No; Mr. Thompson was treasurer at the time I speak of.

Mr. WADSWORTH. Not in 1920. The Senator is wrong.

Mr. HEFLIN. He was connected with it, I understand, and he got this money. I have intimated here before that I believe that this money was used by the Republican Party to help carry the election in 1920. This committee—and its chairman is a Republican from Wisconsin—can summon Mr. William Boyce Thompson, and I ask the chairman to summon him and to question him about these matters. I challenge him to summon him to appear and testify before the committee. That issue can be joined.

I have a statement by a former official of this Government, who is a patriotic citizen and as honest as Paul, and I get these facts from him, and he is ready to testify. I want William Boyce Thompson brought to Washington, and I want certain questions asked him. We will find out then, if he will tell the truth, the part the Sinclair Oil Co. played in the Republican campaign in 1920.

The Senator from Ohio [Mr. WILLIS] refers to Doheny being in the Democratic National Convention trying to get over an oil plank. Mr. President, it seems that the one in the Republican platform was more to his liking. He has left the Democratic Party. He could not carry out his schemes in the Democratic Party as he wanted to. He has gone out of the Democratic Party and has gone over to a party that is doing entirely as he would have it do, and he has come to Washington and issued a statement in the administration paper urging the people to support the Republican administration. There is no getting away from the fact that Doheny is supporting the Republican administration at this time, and will, of course, support the Republican ticket in the election in November.

Mr. President, the further this thing goes the worse it gets. It looks to me as if it is going to involve finally nearly every Republican official high in authority. Reaching, as it does, into nearly every nook and corner of the administration, it calls to mind two old familiar lines about a dog—

> Whose name was Rover,
> And when he died he died all over.

It looks as if the time has come for the passing of the Republican Party as it is manipulated and controlled to-day.

I called attention here yesterday to the fact that every day Doheny's pumps are running, and Sinclair's pumps are running, in the oil reserves of the Nation, one pumping out 3,000 barrels, the other 4,000 barrels.

I want now to call to the attention of the Senate the fact that since we appointed two attorneys, supposed to be learned in the law, supposed to be especially equipped to represent the Government and do this work and do it speedily, Doheny and Sinclair have pumped out of the Nation's oil reserve 84,000 barrels of oil. They are pumping it out to-day. They will pump it out to-morrow, and on and on, until somebody sends up there and stops them and takes away from them this property of the people of the United States.

The distinguished Senator from West Virginia [Mr. NEELY] in an able and eloquent speech in the Senate not long ago showed how alert were Republican officials under a Republican administration to do Mr. Sinclair's bidding, to be Johnny-on-the-spot where his interests were at stake. He said, after stating what had transpired up there:

> I read the headlines of an article that appeared in the New York Times July 30, 1922, as follows:
>
> "Marines to eject oil-land squatters. Roosevelt orders a detachment to Teapot Dome reserve to stop drilling. Trespassers claim title. Mutual Oil Co. official says it is as good as leases held by Sinclair."

Commenting, the Senator from West Virginia said:

> Why should the administration not deal as drastically with the bribers of a Republican Cabinet officer and the despoilers of the Nation's oil reserve as it formerly dealt with trespassers on Teapot Dome?

Mr. President, that is a strong statement and a very pertinent inquiry. Marines could be sent to keep these people off of Sinclair's Teapot Dome property, or property that he claimed. The people there were stopped immediately from drilling wells. But Sinclair has drilled his wells; he has put in his pumps.

He has a pipe line, as I stated before, running to Kansas City, Mo., with stations every 40 miles of the way, and to-day this oil is being pumped out just as rapidly as they can get it out. No Government official has been sent to stop Sinclair. No marine has been called out by the Assistant Secretary of the Navy. No United States marshal has appeared upon the scene to stop these people from taking this oil out. No petition for an injunction has been filed so far as I know by the two attorneys, Mr. Pomerene and Mr. Roberts. In 10 days from this time, if an injunction has not been issued and this pumping of oil has not been stopped, I will favor removing those two attorneys and appointing two country lawyers, who will go immediately into this thing and stop it within 24 hours.

If a man's jugular vein is cut and you send for a doctor and the patient is bleeding to death, does he sit down and open a book and say, "I am going to read for 24 hours, or longer, and study

up on the case, before I undertake to stop the flow of blood and save your life"?

That is the situation yonder. The oil is being taken out. It is the oil of the people. We said so. We have instructed these two lawyers to go and stop the taking of that oil out, and take this property over; but nothing has been done.

Who appointed these attorneys? The President. They are under his direction and control. Has he instructed them to go out there and stop them from taking this oil out of the ground? I have not heard of it if he has. Why does he not do that? I have a right to ask that question; why does he not do it?

I have here a letter from Mr. H. L. Scaife, written to Chairman LENROOT on February 26. The latter part of that letter reads as follows:

> After the introduction of the La Follette resolution under which your committee is now sitting, Mr. Means suggested to me that I make an effort to be appointed as an investigator for your committee, and he later told me that Mr. Burns had spoken to Senator BURSUM in my behalf and requested me to call on Senator BURSUM and discuss the matter, which I did. After I had seen Senator BURSUM, Means suggested that I talk to Senator SMOOT, which I did. Senator SMOOT indicated to me that there would probably be no investigation except by geologists. While, as already stated, I attached no significance to the matter at the time, in view of developments before your committee, I now recall how insistent and keen were Mr. Means's efforts to ascertain my opinion as to whether or not the committee was going forward with a real investigation.

Mr. SHIPSTEAD. Mr. President——

The PRESIDING OFFICER (Mr. MOSES in the chair). Does the Senator from Alabama yield to the Senator from Minnesota?

Mr. HEFLIN. Yes; I yield.

Mr. SHIPSTEAD. I think I can allay the Senator's concern, because within 10 days I saw in one of the Washington papers Mr. Doheny quoted as saying that he had plenty of confidence in the attorneys who had been appointed to prosecute him.

Mr. HEFLIN. That he had confidence in these two attorneys?

Mr. SHIPSTEAD. Yes.

Mr. HEFLIN. From the way they are performing, it seems as if his confidence is not misplaced.

I am not going to shield any Democrat, or Republican, either. One of those attorneys is a Democrat, and the other is a Republican. I stated at the time I voted for them that I wanted somebody to get in action and stop the taking out of the earth this oil of the Nation, and to take this property over, and that I had no assurance we could get better attorneys, or that the President would send us the names of more competent men.

In view of the fact that 12 days have come and gone and nothing done to protect this property it looks as though I have made a mistake in voting to confirm these men. I have not practiced law in 20 years, but I know enough about law yet to know that all that is necessary would be for these lawyers to go into the court and ask for an injunction to stop the pumping of this oil out. Until when? Until the rights of the parties were decided. If this property does belong to the Government, are we going to let them keep pumping the oil out, and when the case is decided at some distant day have Doheny say, "You can have what is left," and Sinclair say, "You can have what is left; we have pumped all the oil out. We do not care anything about the old hull of a hill that is left there. We have the oil. What are you going to do about it?" Oh, Mr. President, our lawyers and our President are moving very slowly in this matter. The people are entitled to action, immediate action. But what is going on reminds me of what the poet Markham said about the "Slow creep of the patient mole."

Those are the tactics being employed by the administration to apprehend these millionaire criminals. I am not going to remain silent when such is the case.

Every man and woman in this country, I do not care whether rich or poor, are interested in this important matter and we should speak out in open meeting for them.

Mr. LENROOT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Wisconsin?

Mr. HEFLIN. I yield.

Mr. LENROOT. I would like to suggest to the Senator from Alabama that if he can tell the counsel the jurisdiction in which these actions should be brought, if he himself will sit down and dictate the pleadings which must be drawn, he might be of very great assistance in expediting this matter.

Mr. HEFLIN. Oh, Mr. President, I am not called on to sit down and write the pleadings. If you will have these two attorneys resign, and save the money we are to pay them to the people, I will undertake to do it, and we will save this fifty-odd thousand dollars we are going to pay these lawyers.

Whom do they represent in this long delay? They are not representing my view of the matter, and I am speaking in part for the people of a sovereign State. The Senator from Wisconsin smiles. It does not seem to disturb him that they are not stopping the taking out of this oil; but I want it stopped, and the American people want it stopped. This letter to him [Mr. LENROOT] from this gentleman says that the impression prevailed that there was not going to be any real investigation, and Senator SMOOT, the former chairman, told this gentleman that there probably would not be an investigation except by the geologists. It does not take a geologist to investigate this case. It requires the investigation of a grand jury and criminal indictments. It takes somebody who has the courage, and who has clean hands, to stand up and fight in order to get at the truth, and the whole truth.

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which is the bill (S. 2250) to promote a permanent system of self-supporting agriculture in regions adversely affected by the stimulation of wheat production during the war, and aggravated by many years of small yields and high production costs of wheat. Under the unanimous-consent agreement the unfinished business will be temporarily laid aside to enable the Senate to conclude the consideration of Senate Resolution 157. The Senator from Alabama will proceed.

Mr. HEFLIN. Mr. President, I was about to say that you can not apprehend a crook and a criminal by any milk and cider process, nor by people who blow both hot and cold out of the same mouth. You have to have somebody that is in earnest, that feels that he has a mission to perform, and that he is there to perform it. We do not want somebody who is afraid he will offend Mr. Sinclair or offend Mr. Doheny or Ed McLean. Was ever a witness treated with the consideration that this man has received—pampered, played with, put off, postponed? Why, Mr. President, he never has yet appeared before the committee. I ask the committee to summon him now, and the chairman sits before me. Why do you not bring Ed McLean before the committee?

Mr. LENROOT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Wisconsin?

Mr. HEFLIN. I certainly do. I am asking him a question.

Mr. LENROOT. I will say in answer to the Senator from Alabama that Mr. Ned McLean was subpœnaed; he is under subpœna before the committee every day, and just as soon as the committee can finish its work upon the telegrams that have passed, so that they are in the condition to examine Mr. McLean—many of the telegrams are in code—we expect Mr. McLean will, of course, appear before the committee; but he is under subpœna to-day, and has been.

Mr. HEFLIN. He is in Washington, I understand.

Mr. LENROOT. He is.

Mr. HEFLIN. It takes a long time to get him before the committee. I wonder if his health is good? Mr. President, many a man has lost his health since this thing started; and just as soon as we jump one of them he hits for Florida, post-haste, like a jack rabbit across the plains, going down to rest and recuperate. The Senator from Ohio [Mr. WILLIS] in his speech a while ago talked about Mr. Daugherty going to Florida because of sickness in his family. An article in a newspaper here in Washington recently reported that he went down there before, and there was some talk that he was hiding out. He said there was no truth in it; that he was down there playing and resting for his health, or words to that effect. I wonder if he feels the need of recuperation now? He is gone; but he did not leave, I understand, until he defied the powers that be in the White House. Why did he leave, as it were, shaking his fist at the White House? I have a paper on my desk here that will throw some light on the subject—

> Republicans now fear Daugherty—

This is from the Nashville Tennesseean, published at Nashville, Tenn., Monday morning, February 25, 1924. I will begin again. The headlines read:

> Republicans now fear Daugherty may be Samson. G. O. P. leaders dodge finish battle. Think party may go down in crash. Knows too much. Smear of oil can be seen in incidents leading to naming of a President.

Those are the headlines of this paper—that Daugherty is walking about under the Republican temple feeling the col-

umns and trying out his strength, and may shake down the whole Republican convention that is assembled in the hall above his head, and that he has the forces with him to do it. Is that why the President does not ask him to resign? Why does he not ask him to resign?

I have seen a letter that will be shown in this investigation that it is said he wrote to a district attorney in the West that will open the eyes of the Senate and of the Nation. In the case that I am speaking of now a Republican national committeeman is involved, and instead of going after him and apprehending him the Attorney General was writing a letter to a district attorney whose duty it would be, I understand, to prosecute him that any favor that was granted would be highly appreciated, and, among other things, used these words: "He is our man." Oh, Mr. President, the trail of the serpent is over it all. It gets worse the further we go.

Now, since the Senator from Wisconsin [Mr. LENROOT] is present and has made an excuse which is not satisfactory to me about why Ed McLean has not been summoned——

Mr. WADSWORTH. Mr. President, will the Senator yield at that point?

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from New York?

Mr. HEFLIN. I do.

Mr. WADSWORTH. Does the Senator think Mr. McLean should be summoned before the examination of the telegrams which passed between the city of Washington and Mr. McLean in Florida is finished?

Mr. HEFLIN. I think I would have called him before any of them were gone into and then I would have called him back again. I would have had him there twice, and maybe three times. That is the way to do with witnesses when you are trying a case. When the other side produces testimony that is contrary to the position you take, you bring in somebody to rebut it, and then give them an opportunity to come in and put up testimony to explain that, and then you refute that if you can. But Mr. McLean stays out, and he stays away for weeks way down in Florida. Some I am satisfied do not want him, and many efforts are made to keep him from coming, and they have succeeded, it seems, up to this time.

Mr. LENROOT. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Wisconsin?

Mr. HEFLIN. I do.

Mr. LENROOT. I would like to say to the Senator from Alabama that the chairman of the committee stands ready and has stood ready to call Mr. McLean to the stand, under the subpœna under which he now stands, at any moment that the Senator from Montana [Mr. WALSH] may request him, but there has been no difference among the Democratic and Republican members of the committee as to the course that should be pursued with reference to McLean, which is that the committee should conclude the investigation of the telegrams before Mr. McLean is called.

Mr. HEFLIN. I do not see any members of the committee present just at this time. I think they have gone to lunch.

Mr. LENROOT. The Senator from Wyoming [Mr. KENDRICK] is present, and he is a member of the committee.

Mr. KENDRICK. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Wyoming?

Mr. HEFLIN. Certainly.

Mr. KENDRICK. I want to corroborate the statement made by the Senator from Wisconsin, so far as I know. It has not been possible for me to attend all of the meetings, but whenever I have been there there has been no refusal to summon any witness that the committee thought it was right and proper to summon.

Mr. HEFLIN. I am not charging that there has been any refusal to summon a witness. I am complaining that Mr. McLean has not been summoned before the committee—to appear before the committee and testify long before now. The Republican Party is in power. The Republicans are in the majority here. The Republicans have the authority to lead in this matter, while they have not done so. Senator WALSH of Montana, a Democrat, had the lead, poorly supported at times, according to my judgment, but the chairman of the committee is a Republican. He could summon Mr. McLean without consulting the committee.

Mr. KENDRICK. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield further to the Senator from Wyoming?

Mr. HEFLIN. I do.

Mr. KENDRICK. I think perhaps my statement did not convey exactly the impression that I wanted to have it convey in reference to the summoning of witnesses. I want to say here, as one who has been in attendance, as I said a moment ago, that I have never seen the slightest failure to acquiesce in the summoning of witnesses on the part of our chairman. He has immediately issued subpœnas whenever the suggestion has been made by any member of the committee that he would like to have a witness summoned. On all occasions that has been true.

Mr. HEFLIN. I am not talking about what the members of the committee might suggest. The chairman ought not to wait to have the members to make these suggestions. The chairman of a committee who is directing an investigation does not and should not have to consult members always before issuing subpœnas. He can issue subpœnas, and it is his duty to move in the matter, and no chairman who is the head of a committee investigating a great subject like this ought to have to wait for somebody to suggest who ought to be summoned.

Mr. LENROOT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Wisconsin?

Mr. HEFLIN. I do.

Mr. LENROOT. I will state to the Senator from Alabama that the chairman of the committee has issued subpœnas of his own volition; but it is true that the Senator from Montana [Mr. WALSH] has assumed the active part in the prosecution of the investigation. The Senate must know, if the Senator from Alabama does not know, that there can not be two directing heads in any investigation. There must be cooperation. There has been cooperation. The Senator from Montana has undertaken the prosecution. He has not met at any point or at any time any refusal of cooperation upon the part of the chairman of the committee.

So far as the summoning of Mr. McLean is concerned, does the Senator from Alabama under the circumstances think that the chairman of the committee, without the consent of the Senator from Montana, should undertake to put Mr. McLean upon the witness stand?

Mr. HEFLIN. I would have summoned him regardless of every member of the committee if I was chairman of it, because I think that he has some very important information. I think it ought to be brought out. I would ask him what about a private wire he has that runs into the White House or is operated by the White House telegrapher.

Mr. LENROOT. Mr. President, I have repeatedly stated to the Senator from Alabama that Mr. McLean has been summoned. He is under subpœna to-day before the committee. He is here in Washington and he is going to be examined.

Mr. HEFLIN. That is it—he is going to be examined, and Christmas is going to come. Yes, he is going to be examined. There is no doubt about that. He is not the only one that is going to be examined, because this matter belongs to the public now. It is a United States question. There is not going to be any shielding in it. The high and the low, the rich and the poor are going to be summoned if I and other Senators that I know here can find out that they have information on the subject. The whole truth must be brought out.

The Senator from Ohio [Mr. WILLIS] spoke about smoke screens being thrown out. I have not seen any smoke screens, except one that Daugherty threw out just before he departed. I confess that his attitude presents an amazing situation to the country of an Attorney General who has been arraigned as he has; facts have come out here in the Senate for two years regarding him, the record is full of things against this man, and still he holds on. He goes to the White House and talks to the President. We are told that the Senator from Idaho [Mr. BORAH] was called by the President to lay before him certain things that he knew about Mr. Daugherty's official conduct and reasons he had why he should be asked to resign from the Cabinet.

The story goes that the President said, "I want you to tell me again what you said to me before," and that Senator BORAH started to relating it again in detail and that Mr. Coolidge, the President, said, "I think Mr. Daugherty ought to be present," and BORAH said, "All right." Then the President touched a button, and within a minute's time Mr. Daugherty walked in. He was already in the White House. He walked in, and the story is that Mr. BORAH, the Senator from Idaho, continued to relate the story and related it in detail before the President and Mr. Daugherty.

No one can say that the President does not know about some of these facts. No friend of the President can say that he is not acquainted with some of these charges in detail. That can not be said. Some have tried to show that he was not here when the Teapot Dome matter was up for discussion and that he was not in the Cabinet when it was discussed there, but Senator BORAH knows that he was present when he told the President,

in the presence of Mr. Daugherty, all of the things that he had to relate concerning him and why he should be asked to leave the Cabinet.

Smoke screen? Where is the smoke screen, Mr. President? The Senator from Wisconsin [Mr. LENROOT] and the Senator from Utah [Mr. SMOOT] both during this oil investigation have asked questions of Mr. Magee, a very important witness against Mr. Fall, that indicated that they were trying to browbeat or discredit him.

They asked what his politics was. One of them asked, I believe, if he had supported Fall; whether he was a Democrat or Republican. He said that he had not supported Fall; that when he found out how things were being run in New Mexico he turned and fought the machine; that he went there as a Republican, but he found conditions so bad that he changed around and commenced to run an independently Democratic newspaper. They went on to ask him about his sojourn down there. He said in substance that Mr. Fall said to him, "The land office in this State has been organized to suit me." Twelve million acres of land have been given the State by the Government, and the whole situation is just as the cattlemen in southern New Mexico want it. He went his way. Later on he attacked the way they were operating the land office; he complained about how they collected a million and more dollars and held it instead of turning it over to the State. The Senator from Wisconsin [Mr. LENROOT] asked him what kind of an administration was that—Democratic or Republican? He said it was Republican. That must have been to the Senator from Wisconsin a disappointing answer.

Then members of the committee went on and asked, "What became of the thing finally?" He replied in substance, "Well, Mr. Fall came to my office; my wife told me that he was there waiting for me. I walked in; Mr. Fall took up a newspaper, handed it to me, called my attention to an article criticizing the land office, and so on, and asked, 'Did you write that?' I said, 'Let me put on my glasses,' which I did. I looked at the article and replied, 'Yes; I wrote it.' He said, 'I want you to back off from that.' I said, 'No.' He said, 'Did I not tell you that the land office was organized down here to suit me'—Fall. 'Yes; but it is not organized to suit me.'"

Then what? Fall said, "I am going to break you," meaning financially. Dollars and dimes! I said the other day, and I repeat it now, the time has come in this country when the dominating power—which at this time is the Republican Party—puts more emphasis upon the dollar than upon anything else on earth. Going to destroy his business. Why? Not because he was wrong, for Magee was right, but because he antagonized the corrupt powers of New Mexico. Fall was at their head and he said, "I want you to quit this attack." Magee said, "I will not do so." He was a poor newspaper man, who was struggling along. Fall then said, "I am going to break you." He was going to impoverish him, to put him out of business, put him where he could not fight for the good of the State whose civic institutions he had sworn to support and sustain.

Now let us follow that a little further. What happened in reference to Mr. Magee? Mr. Magee stated that Senator BURSUM came to see him, and said, in substance, "Magee, you owe a note at a certain bank for $30,000"—I think that was the amount—"which comes due on the 26th of April." Magee said, "I was astounded; I did not think anybody knew anything about that deal but myself and the banker from whom I had borrowed the money to help run my newspaper." "Well," Magee asked, "what is the trouble?" And if I recall the testimony correctly, Senator BURSUM said that they were going to collect the note; and later some one said, "You think you are going to renew the other note, but they are not going to let you renew it." Magee replied, in effect, "They have already promised that they would let me renew the note." They were going to drive this newspaper man to the wall. I repeat what I said a little while ago, the trail of the serpent is over it all.

Then what? Magee's note is coming due. He was told, "You are not going to get that note renewed." He said, "Yes; I am. I have an understanding with the bank." The bankers let the matter go right up nearly to the time the note was due and then told him, "We can not renew the note." So the poor fellow had his back to the wall, and they were crowding him and smiting him hip and thigh and were about to destroy his business. He said to the banker, "Would you rather fight me or buy me out?" The banker replied, "What will you take for your paper?" Magee answered, in substance, "You have my back to the wall"; and he sold the paper. They closed him out. However, he started a little weekly newspaper down there; he appealed to the people, and they supported him so well that he came back and is again publishing a daily newspaper. That is only a part of this gruesome story.

Magee is the man to whom questions were propounded by the Senator from Wisconsin [Mr. LENROOT] and the Senator from Utah [Mr. SMOOT] that seem to me to be an attempt to discredit him. I think one of those Senators asked Magee if he had not been convicted of some crime; and, as I said before, the other one asked him whether or not he was a Democrat; another one asked if he was not merely talking politics. Did that look like they were earnest, serious investigators trying to get at the facts in a case where a man is charged with the most heinous crime that has been brought to the attention of Congress in a century?

Oh, Senators, this case involved the bartering of a whole nation's naval oil supply and it involved the national defense oil worth billions of dollars. Mr. President, if a Democratic President had been in the White House and a Democratic Secretary of the Navy and a Democratic Secretary of the Interior had put this thing over, the Senator from Wisconsin [Mr. LENROOT], the Senator from Utah [Mr. SMOOT], and the Senator from Massachusetts [Mr. LODGE], and all of the leaders over there would be bombarding this side every day, and I can imagine what they would say. They would say, "Senators, think of what they have done!" This naval oil reserve that we have held against the day of need has been turned over to them to safeguard and they have disposed of it; they have bartered it away; they have accepted money in connection with it; there is fraud in it; there is corruption in it; there is bribery in it; there is betrayal of trust in it; they are guilty of a great crime against the people of the whole United States. That would have been their cry every day in the Senate, and a just cry it would have been. Now, let me say to Republican Senators that it is right and proper to hold you and your party responsible for the conduct of the Government during a Republican administration—to hold your party responsible for this crime against the people.

Mr. President, I want some people to get a certain idea into their heads. It is carried in this quotation:

> The thorns which I have reap'd are of the tree
> I planted; they have torn me, and I bleed.

That is the situation which you have brought about with distrust, fraud, and charges of corruption hanging about nearly every department of the Government, and an Attorney General, whose record ought to be pure as light and stainless as a star, charged with all sorts of high crimes and misdemeanors heading the Department of Justice of a hundred million people. Talk about respect for law with the very head of the Department of Justice himself stifling prosecutions, protecting Republican friends and officials, that deal in barter for the good of the Republican Party!

Mr. President, I want to announce to the Senate that the disclosures of the last day or two are not only startling but astounding indeed. We have come to a time under Republican rule in the life of the Nation when one of its wealthiest men has a private wire, and the man who operates the telegraph service for the White House—the White House of the Nation that we love—is the private operator of Ed McLean, the millionaire, whom it is so difficult to get before the investigating committee.

Mr. President, suppose that had happened under a Democratic administration; suppose the Republicans were able to say that the White House is infested with the very people who are charged with putting this deal over to the hurt and injury of the Nation; that a man in the service of the White House is in the private employ of this man McLean; that the telegraph operator of the White House is McLean's private telegraph operator. You can not get away from these entangling situations; they fasten themselves about your very limbs; they clamp your wrists; they clasp your ankles; you have the shackles on, and you can not break away. Yet this man McLean has never yet opened his mouth in a committee room to tell what he knows.

The concocted story that he loaned Fall $100,000 passes away with the mists of the morning. It is false. Fall, it seems, never borrowed $100,000 from McLean. The story was manufactured out of the whole cloth; it was concocted for a purpose. What was that purpose? The purpose was to keep Doheny in the background, because they knew if ever the light was turned on Doheny that there would be made plain all of these oil interests of his, his friendship for the present President, his ardent support of the present administration, his visits to those high in authority now in the Capital, and the statements given out by him in support of the Republican ticket—the light would reveal things that would cause honest people to sit up, think, and ask

the questions: How fares the Republic and whither are we drifting?

What have we here this morning in this connection? The Senator from Ohio admits that he discussed with Mr. Daugherty the make-up of the committee that is going to investigate him. Well, you can imagine about what would be said in a conversation on such an occasion. A man of an inquiring mind would ask the question whether something like this was said:

"Harry, how would So-and-so do? Would he be agreeable to you?"

I imagine Harry would say:

"I will take him"; or "I will not take him."

"Well, now, how would LA FOLLETTE, NORRIS, BROOKHART, SHIPSTEAD, or MAGNUS JOHNSON and LADD and CAPPER do?"

I imagine when you mentioned "LA FOLLETTE" to him, he would have thrown a fit right on the spot. [Laughter in the galleries.]

The PRESIDING OFFICER (Mr. MOSES in the chair). The present occupant of the chair can not continue admonishing the occupants of the galleries regarding the rules of the Senate. The Senator from Washington [Mr. JONES], while occupying the chair, has admonished the occupants of the galleries as to the rule forbidding demonstrations in the galleries. The rule will have to be observed if the galleries are to remain open.

Mr. HEFLIN. I could imagine when that conversation proceeded, that Mr. Daugherty might say:

"Why, Senator So-and-so will do. I have just appointed two Federal judges for him. I have named a district attorney or so for another Senator, and these would be agreeable to me."

I guess they would. So the Senator from Ohio says the make-up of the proposed investigating committee was discussed with Mr. Daugherty.

Do you know what a man would say whose hands were clean, and who, at the judgment bar of his own conscience stood guiltless? He would say: "I do not care what committee you appoint. But I do want you to appoint a committee. All I want is an opportunity to give to that committee the truth." That is what most men would have said, I think.

I understand that the Attorney General to-day states that he has "got some dope on certain Senators." Well, let him go to work at once with his dopestick. Any Senator who can not stand up and have the yardstick of common decency and common honesty applied to him here ought not to be in the Senate. I do not care on which side he sits. Let Daugherty come on and turn on the light with whatever charges he has, whatever facts he has. Let him submit them. I wonder if he threw that out thinking he would intimidate Senators, some of them who knew that maybe they had better tread softly.

Mr. President, he has challenged the Senate. He defied the President, we are told, and now he challenges the Senate. Well, I saw the Senate pass the resolution of the Senator from Arkansas [Mr. ROBINSON] calling on the President to request Denby to resign, and I saw Denby's statement flaunted in the face of the Senate and the country saying that he would not resign and defying everybody and everything, and I saw the President's statement saying he would not permit him to resign; and yet in a little while, when the tidal wave of indignant public opinion came sweeping in, I saw Denby fold his tent and silently steal away.

Daugherty defies them now. He is the kingmaker of the Republican Party. He knows more than any other man in the Cabinet. He, in my judgment, is in connection with more big crooked interests than any other man who ever sat in the Cabinet. He can call forth more campaign funds for Republicans than any other man who ever sat in the Cabinet of the United States. They know it. He is the Samson; and if he gets up under the pillars with his mighty shoulders and strikes these columns with his mighty fists, there is going to be some great doings in Republican quarters, and you do not want any crash to come.

Ah, Senators, I do not care what party may be in power; whenever a man can so conduct that office that he can construct a network of crooked doings through the country, establishing his agents here and yonder, and so represent predatory interests that he can stand up and defy those who have sworn to act for the good of the whole people we have reached a pitiful pass in the life of this Nation.

I do not know how they will explain that telegraphic arrangement with the operator at the White House. I should like to have it explained. If any Senator here would like to make an explanation, I will yield for that purpose.

Mr. President, this feature of the oil scandal is one of the worst things connected with it. Not only have we trailed this serpent to the door of various Cabinet members, but we are now tracking him over the fence into the White House yard, and even into the White House itself.

Mr. President, I want to say to the Senate and the country that it is unpleasant to have to be so plain in statements here. It is not at all pleasing to me. I would rather say things that would please people. I like to make people laugh. I like to speak of things that are agreeable rather than have to go into things that are disagreeable; but I am in the same position here that a soldier would be on the firing line in defense of his country. His duty calls him to go where there is danger. His duty calls him to go where there are unpleasant things to do. His duty calls him to go where his work may result in driving away or destroying the enemy, but he never flinches because of that. He hears the call of duty; he has a flag to support, a government to defend, and if he is the right kind of a soldier he is ready to fight and, if need be, die for his country. Why should we be any less patriotic? Why should we be any less courageous? Why should we shrink from duty here because it may involve in this oil scandal some Senator?

I call on Mr. Daugherty to name the Senators he has in mind. I guess he can read the English language. Let them communicate that message to him. Name them. Name them to-morrow. Put them in print. Let the Senate and the country know who they are.

I said on yesterday, and I have intimated it before, that there are no secrets in this whole thing, so far as I am concerned. There are not going to be any of them kept from the American people if I can prevent it. Why should we keep secrets from them? What did they do when the tocsin of war sounded? They sent their sons to go 3,000 miles to die for these institutions. Were those boys fighting to harbor Denby and Fall and Daugherty in evil doing, in looting the Nation, in corrupting high places in the Government? That was not what they were fighting for. Was that what their comrades died for on the battle fields of France? No, thank God! There are those here who will dare to fight for these boys, to fight for their fathers and mothers, the women and children back of them, and to preserve the Government that they fought to save in the hour of its peril.

Mr. President, on yesterday I commented upon the conduct of the Senator from Wisconsin [Mr. LENROOT] and the Senator from Utah [Mr. SMOOT] in doing an extraordinary thing, reprehensible, to my mind, very reprehensible. They called on Mr. Fall, this man who bartered the birthright of children yet unborn, this man who betrayed his trust, this man who profited to the extent of many hundreds of thousands of dollars, I believe, by selling the property of the people intrusted to his care. They called on him, out at his apartment in Wardman Park Inn, the papers said at night, but the Senator from Wisconsin says it was in the afternoon; but whether it was in the daytime or nighttime, Mr. President, it was a bad thing to do, and that performance is not going to be set as a precedent if I can prevent it. I think I shall a little later on call on the Senate, through a resolution, to express itself upon that subject.

What is the situation that is presented? Here is this former Cabinet officer, a Republican, in conference with the chairman of the committee and former chairman, both Republicans, they leaving the committee without telling a single member of the committee they were going to call on Fall, going out alone, just these two Republican Senators, and having a conference with him, a secret conference, when nobody outside was present to hear what took place, and they had a private conversation with him. The Senator from Utah says that nobody had told how much money was involved or where it came from, and they were desirous of securing that information, and that is why they went. Now, then, I want to propound to him this interrogatory: Why was it, if the Senator was there for that purpose, bent on obtaining that information, that he did not hear Mr. Fall say that he got it from Ed McLean?

If I had been sent with a certain message to somebody and to get an answer, I would hate to come back and have this happen: "Did you see him?" I would say, "Yes." "What did he say?" And I should have to say: "I do not know. I am not sure what he said." The other fellow with me would say: "Well, he said so-and-so." And they should ask me, "Did not you hear that?" And I should have to say, "No; I did not hear it." "Well, if you were present, why did you not hear it?" "I do not know. I am willing, though, for you to look into my heart and see if you can find the answer there." This situation is puzzling.

Mr. President, I have not time to look into hearts. I am going to judge people in this matter by the standard that the Bible gives me:

By their fruits ye shall know them.

That is the standard. These Senators go out to see Mr. Fall, about what? They stated here that they discussed the subject

and made some suggestions to him that he ought to tell this thing. Well, he came up here and told something. Now, it turns out that there was not any truth in what he told. The Senator from Utah [Mr. SMOOT] intimated yesterday that I had charged him and the Senator from Wisconsin [Mr. LENROOT] with concocting this scheme. I said nothing of the kind.

The wicked flee when no man pursueth; but the righteous are bold as a lion.

The Senator from Utah says, "The Senator from Alabama insinuates that we concocted this scheme." I did not do it. I asked the question, Who suggested that Fall make that statement? I ask it again to-day, Who suggested to Fall that he make that statement? I will ask it many times.

Mr. LENROOT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Wisconsin?

Mr. HEFLIN. I do.

Mr. LENROOT. Does the Senator ask that question in connection in any wise with the visit that the Senator from Utah and I had to Secretary Fall?

Mr. HEFLIN. Do I ask it——

Mr. LENROOT. In connection with our visit to Secretary Fall?

Mr. HEFLIN. I asked who suggested this to Fall.

Mr. LENROOT. The Senator asked who suggested it. Does it have any connection in the Senator's mind with the visit to Secretary Fall that has been referred to?

Mr. HEFLIN. I will ask the Senator a little different question: Was it discussed there? Was Ed McLean discussed in his presence?

Mr. LENROOT. In what way?

Mr. HEFLIN. In any way.

Mr. LENROOT. He was not, except that the Senator heard my statement upon the floor yesterday afternoon, did he not?

Mr. HEFLIN. Yes; I heard it.

Mr. LENROOT. I have nothing to add to it.

Mr. HEFLIN. That is the reason why I am operating again to-day. I want to hear more on this subject. The Senator now says that nothing was said about it except when Fall said that. Where was the Senator from Utah when that was said?

Mr. LENROOT. The Senator from Utah was in the room.

Mr. HEFLIN. He says he did not hear it.

Mr. LENROOT. I heard that.

Mr. HEFLIN. Now, I will ask the Senator, while he is up, whether he suggested to the Senator from Utah that he go up there with him, or whether the Senator from Utah suggested to the Senator from Wisconsin that he go with him?

Mr. LENROOT. I did not. I stated that on the floor yesterday. The Senator heard me state it.

Mr. HEFLIN. Senator SMOOT was quoted in the Washington Herald on the day before as saying that you invited him to go.

Mr. LENROOT. I am not responsible for that, as the Senator well knows.

Mr. President, about the most despicable of human beings is the assassin of character, and I have a right to ask the Senator from Alabama whether he intends to insinuate by innuendo that I had any part in concocting a lie on the part of Senator Fall?

Mr. HEFLIN. No; I have not accused the Senator of trying to concoct a lie, and I do not at all. But I will ask that question many a time, Who was it that suggested to Fall to state that he got this money from Ed McLean?

Mr. LENROOT. Now, I ask the Senator again, in asking that question, does he ask it with reference to any visit I had with Senator Fall?

Mr. HEFLIN. I ask it generally.

Mr. LENROOT. Then he does in that connection, does he?

Mr. HEFLIN. I ask it generally. I am not saying that. The Senator can take that statement of mine and now act as he chooses.

Mr. LENROOT. Again, Mr. President, I want to say to the Senate that I can not think of anything more despicable than the insinuations the Senator from Alabama would now leave with the Senate.

Mr. HEFLIN. Mr. President, I can not think of anything more despicable than a partisan Senator leaving his committee room, without telling any member of his committee, except another partisan member of that committee, and going into the room of the criminal charged, under indictment, and talking to him about what he ought to say or ought not to say and then not tell the committee about it. The Senator came back here yesterday and stated that he told one or two.

I have asked one or two of the Members about it and one Member, I believe, said that the Senator said that the Senator told me that Fall told him that before, but he never told about the circumstances under which he told him. I asked another Senator if he told him, and he laughed and said, "I understand that he says he did." Now I ask the Senator what Senators he told, and under what circumstances he told them, that he went up there.

Mr. LENROOT. I will be very glad to state it. Shortly after Mr. McLean's testimony, in the room of the Senator from Montana [Mr. WALSH], I stated to the Senator from Montana that Senator Fall had lied to the Senator from Utah [Mr. SMOOT] and myself, as he had to the committee. A week or 10 days ago I told this story, as I told it yesterday, to the Senator from Washington [Mr. DILL], another Democratic member of the committee.

Mr. DILL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Washington?

Mr. HEFLIN. I will in a moment. What I am wanting to know about was why did you did not tell the committee immediately on returning from the visit to Fall's room at his hotel in this city. This other came out later, and other developments were bringing it out. I yield to the Senator from Washington.

Mr. DILL. Mr. President, I simply want to say that if the Senator from Wisconsin told me the whole story as he told it here on the floor, I did not so understand it. I merely understood the Senator to say that Senator Fall had told him this same story he told the committee, but I never knew, and I never had any idea, that there was any meeting between Senator Fall, the Senator from Utah [Mr. SMOOT], and the Senator from Wisconsin [Mr. LENROOT], and if the Senator from Wisconsin so stated I did not so understand, and I did not so hear. I simply wanted to say that.

Mr. LENROOT. Mr. President, I merely wish to say to the Senator from Washington that seated on a seat in the rear of the room I told him that Mr. Fall had told the Senator from Utah [Mr. SMOOT] and me the same story exactly that he had told the committee.

Mr. DILL. I did not hear anything about the Senator from Utah [Mr. SMOOT]. I simply heard that he had told "me" the same story that he had told the committee, but as to a meeting being held before that occurred, and all that sort of thing, I never heard anything about it, and never dreamed anything about it until it came out in public.

Mr. HEFLIN. Is there any other witness the Senator from Wisconsin would like to put up? I talked to the Senator from Montana [Mr. WALSH] about this thing, and I would like to ask him what his recollection of it is.

Mr. WALSH of Montana. Mr. President, I do not like to be drawn into this kind of a controversy. I would not undertake to say that the Senator from Wisconsin did not say to me just exactly what he said he said. I do recall that the Senator from Utah [Mr. SMOOT] told me after I got back from Palm Beach that Senator Fall had told him that story—that is to say, told that he had got the money from McLean.

Mr. HEFLIN. Did he say anything about calling on him at Wardman Park?

Mr. WALSH of Montana. No; he did not.

Mr. HEFLIN. So the Senator from Montana does not——

Mr. WALSH of Montana. Of course, the statement that he did make necessarily implied that he had met Senator Fall somewhere and had talked with him somewhere.

Mr. HEFLIN. That is true; that could be implied; but the Senator from Montana does not recall that the Senator from Wisconsin told him that they called on ex-Secretary Fall at Wardman Park.

Mr. LENROOT. I did not state that we called on him at Wardman Park.

Mr. HEFLIN. Two witnesses have been produced, and they do not remember it exactly as does the Senator from Wisconsin.

Mr. WALSH of Montana. If the Senator from Alabama will permit a further interruption, I understand that the Senator animadverted to some extent on the failure thus far to recall Mr. McLean to the stand. Mr. McLean was subpœnaed to attend some time ago, and at that time it was expected that he would be promptly interrogated by the committee; but that he has not yet been interrogated by the committee is a responsibility which I must myself individually assume. With respect to the examination thus far, it has been, with the kindness of the other members of the committee, practically placed in my hands, at least so far as the order in which the witnesses shall be examined is concerned, and in the regular order of the procedure I have not deemed it advisable to call Mr. McLean just yet.

Mr. HEFLIN. I am anxious at an early date to have his testimony. I earnestly and sincerely hope that he will be called soon.

Now I want to go back to this other proposition, because that is not going to be set as a precedent if I can help it. In my judgment, the Democratic Party will come into power on the 4th of March, 1925, and I do not want any Democratic member of an investigating committee to call on a Democratic official, a Cabinet official, if he should happen to be charged with crime against the country—I do not want them hobnobbing with him in secret. That is my position. I am not only condemning the Senator from Wisconsin—as I do—for his conduct, and the Senator from Utah; I condemn any partisan for conduct like that.

What would you have thought if, when the Newberry case was under consideration, the chairman of the investigating committee and the next man to him on it, both Republicans, had gone in behind closed doors and had secret conferences with Newberry, charged with buying a seat in the Senate? What would we have thought of it? You would have condemned it; at least, I think you would. I would have.

Now, I put another illustration to the Senate. Suppose a man was being tried before a jury, 12 jurors selected for that purpose, with a foreman of the jury, the head of the jury, there listening to the testimony. Suppose the judge should find out the next morning that after the judge had adjourned court in the afternoon and the jurors had left court, the foreman of the jury and another juror had been closeted at night with the defendant, the man under indictment. What would the judge have done? He would have put them both in jail for contempt of court. But when in the United States Senate representatives from the sovereign States of the Union are investigating one of the worst criminals in its annals, accused of bartering part of the public domain worth billions of dollars, with his pockets stuffed full of money out of the crooked and corrupt transactions, we find his friends and partisans calling on him at his apartment and having a conference with him, when neither the Senator from Montana nor any other Democrat upon the committee was invited to be present. It is a reprehensible act. The people of this country are not going to approve of it. I do not approve of it. I condemn it with all the force at my command; and I ask the Senator from Wisconsin or the Senator from Utah, if there was nothing to be kept secret about it, why they did not give it to the press the next morning and say "Senator SMOOT and I called on Fall yesterday afternoon and we got an important statement from him that is coming out pretty soon." But nothing was said about it for some time after that.

Mr. President, it is a strange situation, I say again, a very strange situation indeed. There is a right way to do these things and there is a wrong way to do these things. I am heartily in favor of the resolution of the Senator from Montana [Mr. WHEELER]. I want the Senate to elect this committee, and I think the gentlemen named in that resolution in the outset will do their duty in the premises. There are Senators in this Chamber I would not want to be on that investigating committee. I feel it my duty to talk frankly and plainly.

Why not elect this committee? The Senate is the body that is ordering an investigation. The Senate is the body that elects the Presiding Officer. The Senate is the body that is supposed to represent the American people. The Senate wants a committee that will go earnestly into the facts. The Senate, with 96 Members, can not sit as the committee. It wants a small committee of five to go into it and bring out all the facts. This committee simply gets the facts and submits them to the whole Senate. That is what the committee is to do. This committee does not have the final say in this matter. After they investigate they make a report, and I want Senators on that committee who are really in earnest, Senators who want to get at the truth, it makes no difference whether it hurts the Republican Party or the Democratic Party. So I am in favor of the resolution of the Senator from Montana [Mr. WHEELER].

Mr. President, I believe that is about all I want to say upon this subject to-day. I want to say this in conclusion: Every Government on the earth that has perished has perished on account of just such conduct as this—officers in high place proving unfaithful to the people, betraying their trust, becoming corrupt, and bartering away the substance of the people, and in doing so attack the very vitals of the Government. That is why so many Governments of the earth have gone down, and here we are with one Cabinet member after another arraigned for grave wrongdoing, with probably two or three more to be arraigned later on.

Mr. DILL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Washington?

Mr. HEFLIN. Yes; I am glad to yield to the Senator from Washington.

Mr. DILL. The Senator suggests that things are striking at the vitals of the Government. Will the Senator yield long enough for me to read a series of telegrams showing how this is striking right at the White House?

Mr. HEFLIN. Certainly.

Mr. DILL. Among the telegrams which have come before the committee we find that on December 22 a man by the name of Major telegraphed to Edward McLean in Palm Beach that he should install a private wire.

It will give you quick access to the White House.

Mr. McLean replied December 22, 1923, to Mr. Major:

I am having a wire installed. Please take up with Smithers at the White House.

Smithers is the wire man, in charge of the telegraph room at the White House.

On December 24, 1923, Mr. Major wired Mr. McLean:

Have talked with Smithers at the White House.

On December 28, Mr. Duckstein wired to Mr. McLean:

Wire here ready Saturday night, 29. Regarding operator, Smithers would like the job. John Brown thinks man satisfactory and advises against the stranger. Brown self rather not handle it. He is trying to get away from telegraphy, but will if you say so. Please wire me on receipt definitely regarding the operating.

Mr. McLean on the 28th replied to Smithers direct, not to Major, and I may say there were some long-distance telephone conversations that intervened, as shown by the telegram. McLean said to Smithers, wiring him at the telegraph room at the White House:

Of course, would like to have you as operator, but wire is going to be put direct into Cincinnati. Telegraph room.

On December 29, 1923, McLean wired Smithers again, telegraph room at the White House:

Will be glad to have you handle Washington end of wire. Get in touch with John Brown, Cincinnati Enquirer, Post Building, Washington.

Then, on January 20, Mr. Major wired to Mr. McLean:

Smithers has not been placed on pay roll. You instructed Marks to place him there last week at regular rate. The reason that he has not been put on is the fact that there appears to be no regular rate.

Now, Mr. President, this series of telegrams show that Edward McLean was putting in charge of his private wire the man who was the private-wire operator at the White House, so that no message from the world can go into the White House by wire without passing through the hands of the private operator of Mr. McLean on his private wire.

I want to read into the RECORD from an editorial in the New York World of February 28, yesterday's issue. The editorial is as follows:

TO THE DOOR OF THE WHITE HOUSE.

Among the telegrams made public yesterday by the Senate committee are several sent last December from Washington to Edward B. McLean, at Palm Beach, that call for instant explanation. They cast a startling light on conditions that have not yet been brought under investigation.

For what reason did McLean want "easy and quick access to the White House" through a leased wire? With whom did he seek direct personal communication? Why should E. W. Smithers, chief telegrapher at the White House, "like the job" and be recommended above others? Why should a member of the White House secret-service staff, named Starling, receive from McLean at Palm Beach and send to McLean at Palm Beach mysterious messages?

The trail of oil leads straight into the Executive Offices of the White House. This is a matter that President Coolidge must want to have cleared up at once. If men in the White House offices—telegraph operators, secret-service men, or others—were in close communication with McLean, the President can not but demand that they explain to him their conduct and make clear the purpose of their secret relations with persons who have been exposed in the oil scandals.

I read a moment ago, while the Senator from Ohio [Mr. WILLIS] was speaking, a telegram from the confidential man of Mr. Daugherty, giving Mr. McLean private advice as to the working of the committee investigating him because of the way he had deceived the committee, and the trail of this thing goes clear the rounds of the Executive's offices; it seems even in his

own office. As yet we have had no word of explanation why a man who is the private confidential wire man at the White House should become the private wire man of Edward McLean, a man who is clearly guilty of perjury before the committee and who is clearly guilty of having deceived the committee and the country, in combination and in harmony with Mr. Fall, who sold the oil reserves of the country.

Mr. HEFLIN. Mr. President, I thank my good friend from Washington; he is a brave and brilliant member of this investigating committee—right on the job all the time. It is refreshing and helpful to have such as he on guard for their country at a time like this. These disclosures must have astounded everyone who heard them, Senators and people from over the country who sit in these crowded galleries at this time. A private wire of this millionaire of the city is run into the White House itself, and the White House telegrapher is his private agent. As the Senator from Washington has well said, no message from the wide world can come or go that does not trickle down the wire, if he wants it to, to Edward McLean, the man who had undertaken to help Fall out of the awful predicament in which he found himself in this oil scandal, the man who said that he had loaned him money and then later said he wrote the checks and let him have them, but he returned the checks to him. Why? Because there could be no trace of them in that fashion. If he had had them cashed, the banks would have a record of it and be able to testify; but they were not cashed, so he had to say that he gave them, and they were returned—just a little agreement between two friends. Doheny, the man they were seeking to hide behind the smoke screen, the man they were trying to protect, came out and said, "Why, I loaned it to him, an old friend." "Yes? What did you get in return, Mr. Doheny?" He could have said, "I have this oil reservoir, one of the greatest in the wide world." "You just loaned your friend this money?" "Yes." "What is that you have in your pocket, Mr. Doheny?" "That is a note passed to me by Senator SMOOT in the Senate Office Building during a meeting of the committee; he is the former chairman of the committee on investigation." "Let us see it." He took it out, but it was torn into a hundred pieces. I understand that he said, "Read it if you can."

Oh, Senators, these things are not pleasant, but as I live and God reigns they have got to come out. The people have got to know the facts in the case. We on this side are determined, and some on the other side of the Chamber are determined that these things are coming out.

Why is it that Daugherty does not want a progressive Republican on this committee—LA FOLLETTE of Wisconsin, NORRIS of Nebraska, BROOKHART of Iowa, SHIPSTEAD of Minnesota, JOHNSON of Minnesota, CAPPER of Kansas, and others that I could mention? Why, they refer to them as Bolsheviks, their people impoverished by the cruel administration of the Republican Party grinding them down, taking their substance away, pauperizing them. They are crying for relief and their people are crying for relief, and here they are characterized by these high-brow crooks as Bolsheviks. There never was a time in the history of human government when those who stood up and fought to save their country from the despoiler were not characterized as demagogues, as time servers. Those who were not willing to wear the collar of the corrupt interests have always been characterized as demagogues. If those here are demagogues who demand honesty in office, I pray God that this Chamber may soon be filled with them, and the sooner the better. I do not care what side they hail from. If a Senator is in this body who can not stand up and fight these oil crooks to the finish he ought to be put out of the Senate.

Let Daugherty come on with his charges. This side of the Chamber is ready to stand up and meet them. Call the roll. It makes no difference who it hits, whether it is Democrat or Republican. Let him come on. The disclosures made here by the Senator from Washington [Mr. DILL] in the telegrams he has read creep up close to the White House. My God, is there no spot in this Government under Republican rule not infested with these crooks?

What has the President got to say now? I saw the able Senator from Wisconsin [Mr. LA FOLLETTE], when he told here how the present President sat in the Presiding Officer's chair in the Senate and heard him discuss the Teapot Dome oil scandal and this Doheny oil matter.

It was also said that this thing was discussed in the Cabinet. Fall himself, I believe, said it was discussed in the Cabinet, and some of them claim now, I believe, that the present President was not there. But how is he performing since the mantle of Chief Executive fell upon his shoulders? What has been his walk and what has been his talk? How was it when we indicted Denby and plastered over his back a placard saying, "This officer in your Cabinet is guilty of conduct born in fraud and corruption. He violated the law of his country and defied the fixed policy of the Nation." He said he would not even permit him to resign if he wanted to. What did Denby do? He said, in substance, "I defy you. I refuse to resign." What has been the President's walk and his talk since this scandal broke upon the Nation in all its fury and rottenness?

Daugherty? The Senator from Washington [Mr. DILL] shows that one of the secret-service men or confidential men from the Department of Justice communicated with McLean in Florida about this thing. Daugherty is under indictment by resolution of the junior Senator from Montana [Mr. WHEELER] and under a number of indictments brought by the junior Senator from Arkansas [Mr. CARAWAY]. The RECORD is full of pages sizzling and bristling with severe characterizations of him. What is the President doing?

What does the Senator from Massachusetts [Mr. LODGE] say? The paper says that he and the Senator from Pennsylvania [Mr. PEPPER] went up and advised Daugherty to resign; and who sent them? What did they say to him? I do not know. He has not resigned. When he left this city he defied the whole powers that be and said he was not going to resign. What is the President's talk and walk now? No longer are we permitted to say he was at this place or that place when this was discussed and that was up for consideration. These things that I am talking about are transpiring under his own eyes, and now the culmination and climax of it all is that Ed McLean, who with Fall is smeared all over with the slime of this oil thing, has a private-wire operator in the White House.

Ed McLean's private agent is his telegrapher, and he is at the same time the White House telegrapher, and as the Senator from Washington [Mr. DILL] said, no message can come and go that Ed McLean's agent does not know about. Predatory interests are crowding into every nook and corner of the Government.

Senators, this investigation is becoming more and more interesting. If I were the President, if I were in position to do so, I would do like the silver fish does when he gets covered all over with jellyfish. He can not get them off of himself in the water. They cling to him from gill to tail; but he knows a trick that will do the work. He finds a place where the sun is shining bright upon the water at noonday, where all the heavens are ablaze with the light and glory of the sun. He approaches the surface there and leaps out without a minute's warning to the enemies that surround him, and as soon as the light of heaven strikes them they are dazed, and they turn loose and fall, and he darts away free from all of them. It is high time that the President, if he can, was shaking off the dangerous and corrupt jellyfish that are hanging onto the body politic of the Nation. The good of the country demands that he shake them off.

What would Old Hickory Jackson have done if the Attorney General had told him he was not going to resign? What would he have done? Why the Attorney General would have been thankful to have had the opportunity to resign. But when a man who is so big as Daugherty is in the Republican councils comes in and tells them, "You know all about these things," what happens? It is intimated that he had a conversation like that with some high in authority. "You know all about these things and you have known about them all the time. You have known what I had to do to accomplish this and accomplish that, and you are not going to make a scapegoat of me. If that is your game, 'lay on, Macduff,' and I will strike back." The papers say Republican leaders are afraid of him. They are afraid he is a Samson, and if they do lay onto him in this matter and he throws that big first of his into them, there will be more withheld or called-in campaign funds than they ever dreamed of.

Not only that but a fellow who has a passport to the purse of these big fellows, which he uses for his party, may come around and say, "I have seen So-and-so and So-and-so, and they say if you crucify me and put me out they will not give you a cent for your next presidential election."

The poor old Republican Party! If Abe Lincoln could come back to-day and see what is going on under the control of that party, he would denounce every one of them and drive them out of control of the Government. He would say, "I do not propose to have these crimes committed in my name, in the name of the party of Lincoln." Next autumn the appeal must be not only to the Democrats but to honest Republicans, men and women the country over, to progressives and independents. They must be called to arms and told "the battle here is not between this theory and that, but it is between the friends of good government and its enemies—it is honesty in politics and

integrity in place against crookedness in politics and corruption in high office." That is going to be the issue.

Mr. President, I have no fear as to what the final result will be. If this country should retain the Republican Party in power, with all this corruption reeking everywhere, I should tremble for the safety of my country. I believe in the honesty and integrity of the masses of the people; I believe that when the truth is put to them they will for the good of the country act as they should act. If there are any members of the investigating committee who are not at liberty to conduct this oil-scandal investigation to a finish in the open, I wish they would make it known and decline to serve.

Mr. BRUCE obtained the floor.

Mr. LENROOT. Mr. President——

The PRESIDING OFFICER. The Senator from Maryland [Mr. BRUCE] has been recognized.

Mr. LENROOT. I do not wish to occupy more than two or three minutes.

The PRESIDING OFFICER. Does the Senator from Maryland yield to the Senator from Wisconsin?

Mr. BRUCE. I do not expect to occupy but a few minutes myself. I merely wish to make a brief explanation with regard to my vote in respect to the pending amendment. Indeed, I desire to say very little more than that in voting on this amendment I do not propose to be influenced by any personal or factious motive whatever.

The question now is not whether the public conduct of Mr. Daugherty shall be investigated. I imagine, though I do not know it, that practically all of us are agreed that the investigation shall take place. Indeed, as I understand it, Mr. Daugherty himself is willing that his official conduct shall be investigated, and, under the circumstances, prefers that it should be. Were the question under discussion whether it should be investigated or not, there might be some room for partisan controversy; but that is not what is at issue.

The point to be determined is whether or not the public behavior of Mr. Daugherty is to be fairly investigated; or, in other words, whether the committee by which it is to be examined is to be so constituted as to consider his public actions fairly or to be simply a gun loaded to kill. I do not see that anybody will profit by an unfair investigation of Mr. Daugherty's public conduct; certainly not the Democratic Party. If it should be held blameless, there would be no partisan advantage to be derived by that party from that fact; and if it should not be investigated fairly and should not be held blameless there would be about as little real partisan advantage to be gained by the Democratic Party from such result. So I say the question really is, Is Mr. Daugherty's public conduct to be fairly and justly reviewed or not?

The present debate has wandered far from the point actually at issue. Originally the pending resolution provided for an investigation of Mr. Daugherty's official conduct, and the mover of the resolution [Mr. WHEELER] undertook to name in it the committee by which the investigation was to be made, and among the persons named was the mover of the resolution himself. I do not wish to use any censorious language, but the mover of the resolution, in my opinion, made at least a mistake of judgment in suggesting his own name. It was certainly not a modest thing to do. That, however, is a matter of secondary importance. What is more important, it was not, in my judgment, just the fair thing to do.

If any Senator on this floor since I have been a Member of this body has exhibited a strong personal and factional animus against anybody, it is the Senator from Montana [Mr. WHEELER] in his relations to Mr. Daugherty. Whether he has personal reasons for entertaining this peculiarly acrid feeling toward Mr. Daugherty or not, everybody knows that he is closely affiliated politically with elements in our population that have peculiar reasons of their own for subjecting Mr. Daugherty to investigation.

Mr. WHEELER. To whom does the Senator from Maryland refer?

Mr. BRUCE. It is unnecessary for me to say, for the Senator knows very well what I mean.

So I say, with all due respect to the Senator, as the mover of the resolution that he should never have suggested his own name as one of the investigators. Indeed, his conduct in that respect reminds me just a little of an historic circumstance that occurred in this Hall or in the Hall at the other end of the Capitol a good many years ago when the Senator from Massachusetts [Mr. LODGE] introduced his "force bill" into Congress, which proposed Federal control of Federal elections at the South. There was no provision in the bill for minority representation; in other words, for Democratic representation in the choice of the officers of election.

Some innocent Democrat asked, "How is it that there is no provision in this bill for minority representation?" "Oh," replied some Republican whose name I have forgotten, "there is no politics in this bill." I think it must have been on some such amiable theory as this that the Senator from Montana deemed himself qualified to be one of the members of the proposed investigating committee.

In insisting that Mr. Daugherty's public conduct should be fairly investigated, if investigated at all, I can not altogether shut my eyes or close my memory to the circumstance that it was only a year ago when, in response to the demand for an investigation similar to that which is now being urged, an effort was made by the House of Representatives to have him impeached. Charges were laid before a committee of that body; they were considered, and, as I recollect, by a majority of 20 to 1 the committee refused to report favorably upon the proposition of impeachment. This fact certainly furnishes another reason why we should act in the proper spirit now.

I hold no brief for Mr. Daugherty. I do not know him; I never saw him until I sat behind him at the Harding memorial exercises a few days ago. I believe him to be a brave man, and I like that. I believe that it still remains to be shown that he is not an honest man.

I shall reserve my judgment about that, at any rate, until the final result of the investigation shall have been reached; but I do not believe, and the bar and the bench of the country do not believe, that he has the professional skill and attainments and the application that befit the incumbent of such a lofty office as that of the Attorney General of the United States.

Mr. President, after the pending resolution was introduced in its original form it was modified at the instance of the Senator from Montana [Mr. WHEELER] so as to strike out the names of the committee suggested in it and to provide for the appointment of the committee by the Senate. Then the Senator from Massachusetts [Mr. LODGE] rose and proposed the amendment which is now under consideration, providing that instead of the committee being selected by the Senate it should be selected by the Presiding Officer. At that time my attention had not been called to the rule of the Senate requiring the members of the select Senate committee to be chosen by ballot unless otherwise ordered. Consequently at that time my intent was to vote in favor of the amendment presented by the Senator from Massachusetts, because I think any parliamentary body that has a vestige of self-respect should be slow to lay rude hands upon its own presiding officer. When any such body affronts its own presiding officer without cause, it does not simply affront him; it affronts itself. His office is an ancient, honorable, and dignified one, coeval with the political history of the Anglo-Saxon race, and usually he is intrusted with the function of naming the members of all committees.

Mr. ROBINSON. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from Maryland yield to the Senator from Arkansas?

Mr. BRUCE. If the Senator will pardon me, I should prefer not to yield just now, but I will yield in a few moments. This is not a very convenient point at which to stop, because I am reciting the history of the resolution. After that, however, I shall be glad to yield. So at first I favored the pending amendment. In other words, I felt that the dignity of the Presiding Officer of the Senate is the dignity of the Senate itself, and though he is elected under partisan conditions, yet when he is elected he is expected to be the servant of the whole House, and if he has any proper conception of his duties that is what he always is. How often after the end of a session, during which there has been much partisan conflict and strife, do the members of a parliamentary body, without regard to party, assemble and present some conspicuous testimonial of their esteem to their Presiding Officer, irrespective of all partisan considerations.

Afterwards the attention of the distinguished Senator from Arkansas [Mr. ROBINSON] and of myself was called to the special rule of the Senate, to which I have referred. I have carefully read the rules of the Senate, and I am as fairly conversant with them, perhaps, as a man can be with such a limited experience in this body as mine, but I confess that I had forgotten this one. Now, however, that it has been called to my attention, I think that it should control this case.

It provides, as I have said, that the members of special committees of every sort shall be chosen by ballot unless otherwise ordered. In point of fact, this has not been done since I have been here. Even where special committees have been appointed, their members have been named by the Presiding Officer; but that was merely as a matter of complaisance or acquiescence on the part of the Senate. Now, however, the question has been distinctly raised: Shall the proposed com-

mittee be appointed by the Presiding Officer of the Senate, or shall it be appointed by the Senate itself? As there is a strong demand, to say the least, on the part of the Senate that the committee should be named by the Senate itself, I think that demand ought to be complied with. I think that we should, under the circumstances of this particular case, honor the rule itself instead of its exceptions because a certain amount of distrust is going to attach to the naming of the committee, whether it is named by the Presiding Officer of the Senate or whether it is named by the Senate itself.

I can truthfully declare that I have no desire in this case to do anything except the right thing, the proper thing, the just thing. That is what we should all try to do. Certainly there can be nothing of deeper concern to any individual than to have his public reputation or his personal honor assailed. Some Member of the Senate said here the other day, speaking in a perfectly unaffected, natural manner, "I would rather die—yes, I would rather die—than have my public integrity besmirched." That is the way we should all feel. I trust and believe that it is the way that we all do feel.

Therefore I think that if this committee is to be selected by the Senate it should be selected with the most scrupulous, the most punctilious regard to fairness. Of course, every political element in the Senate should be represented on it, but it should be made up fairly and justly. In making it up some sort of sense of proportion and balance ought to be preserved. In other words, the constitution of the committee should be such that Mr. Daugherty's public conduct shall as far as possible be investigated in a fair-minded manner. I do not believe that the country would be satisfied with anything else. I do not think that any Member of the Senate ought to be satisfied with anything else.

I will gladly yield now to the Senator from Arkansas [Mr. ROBINSON] if he has any questions.

Mr. CARAWAY. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Maryland yield to the junior Senator from Arkansas [Mr. CARAWAY]?

Mr. BRUCE. Yes; I yield. I am a little timorous about the Senator's interruptions, however. We are always very good friends except when he interrupts me, and then, somehow, our relations always become, just for a little while, I am sorry to say, somewhat strained.

Mr. CARAWAY. Oh, no; we are going to smile like brothers.

Mr. BRUCE. Does the Senator recollect the man referred to in the Bible who smote another in the side, and said, "Is it well with thee, my brother?"

Mr. CARAWAY. The thing I wanted to ask the Senator was this: He was saying so much about a fair investigation for the Attorney General, and that nobody ought to be judged without a hearing. The Senator from Montana [Mr. WHEELER] sits just back of him; and the Senator from Maryland said, as I understood, that the Senator from Montana had not sufficient fairness or lack of prejudice to give Daugherty a fair trial. Is not that the inference that goes with the Senator's statement?

Mr. BRUCE. Oh, not at all.

Mr. CARAWAY. Did not the Senator say that he was so highly prejudiced that he would not be a fair judge?

Mr. BRUCE. Well, I knew that all this brotherliness was going to end something like this before it terminated. No; all I have to say is that if I had a strong prejudice against a man, if I knew that my mind and heart were set against him, and that he was about to be the subject of an investigation affecting his personal integrity or his public honor, I should not want to be one of his judges.

Referring to the bill introduced recently by the Senator from Arkansas [Mr. ROBINSON] forbidding any member of a Federal commission to sit in a case in which he has a personal interest of any kind, I will say that only a few days ago a member of such a commission approached me and asked me to take the floor and insist that he should have the privilege of assisting in the decision of a matter in which his wife had an interest. I replied, "Not so! I will not do it. I can not understand how you could ask me to do such a thing. You have a personal interest in the subject matter of the controversy, and you should not be a judge in your own case."

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER. Does the Senator from Maryland yield to the Senator from Montana?

Mr. BRUCE. I yield.

Mr. WALSH of Montana. The Senator was good enough to yield to the Senator from Arkansas.

Mr. BRUCE. Why, of course; I have never declined to yield, but sometimes I am not asked to yield but to surrender.

Mr. WALSH of Montana. I merely desire to ask this question: The Senator made some remark concerning my colleague to the effect that he could well understand what element he represented in this matter. That was in the nature of an imputation, and he declined to answer my colleague in regard to it; but I feel constrained to ask the Senator from Maryland what he meant by that reference.

Mr. BRUCE. I said he was affiliated with one of the elements of our American population that is very hostile to Mr. Daugherty. Of course, I meant the labor element.

Mr. HARRISON. Mr. President, may I ask the Senator a question before he takes his seat?

The PRESIDING OFFICER. Does the Senator from Maryland yield to the Senator from Mississippi?

Mr. BRUCE. I do.

Mr. HARRISON. The Senator's objection seems to be that the author of the resolution is going on the committee.

Mr. BRUCE. No; that is past.

Mr. HARRISON. I understand that is past.

Mr. BRUCE. So far as his suggestion is concerned that he should go on it.

Mr. HARRISON. Is the Senator familiar with the fact that without a single exception, I will say—it has been said here that there were some exceptions—without a single exception, the author of a resolution authorizing an investigation has always gone on the special committee, except when the author requested that he should not go on it?

Mr. BRUCE. I do not know how far that is true. I think it would be necessary to rummage the precedents a good deal to find how far it is; but the case presented where a Presiding Officer has considered a matter coolly and thinks there is no objection under the special circumstances to the mover of a resolution, even though he be biased, being one of the committee created by the resolution, and the case presented where the particular individual suggests himself, notwithstanding his intense personal or factional animus in the matter, as a member of the committee, are two very different cases. It seems to me that they differ toto cœlo.

Mr. HARRISON. May I say to the Senator that the Senator from Montana was following the usual custom? And if he had not placed his name in the resolution, since we were going to vote on the members, it would have been the exception.

It has been stated, and the Senator perhaps has the impression, that in the case of the Watson investigation, so called, Senator Watson did not go on the committee. The facts about that matter, I may say to the Senator, are that Senator Watson did not offer a resolution in the Senate asking for an investigation. Senator Watson made a speech here, bringing to the attention of the Senate certain facts that were alleged to exist in the Army, I believe. Thereupon the Senator from Wisconsin [Mr. LENROOT] moved that those charges be investigated, and thereupon the Chair named a committee to investigate those charges. That is quite different from the custom that prevails generally, that where a Senator offers a resolution for an investigation he is appointed a member of the investigating committee.

Mr. BRUCE. I know nothing about the Watson case.

Mr. HARRISON. The reason why I cited the Watson case was that it has been cited as showing that it was not usual for one who brought about an investigation to go on the committee. The fact is, however, that in every other case where an investigation has been sought by a resolution the author of the resolution has gone on it.

Mr. BRUCE. Yes; but did the Senator ever know the mover of a resolution to suggest his own name as a member of the committee of investigation in a case where bitter, malignant, partisan feelings were involved, and he had taken an active part in the controversy?

Mr. HARRISON. I am just saying to the Senator that I know of no exception to the rule I have stated. I know of no case where the author of a resolution did not go on the committee, and he is one who should go on the committee.

Mr. BRUCE. I have no disposition to reflect on the Senator from Montana. I said I thought that he had shown bad judgment, and this I still think.

Mr. WHEELER. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from Maryland yield to the Senator from Montana?

Mr. BRUCE. Oh, yes. I will yield altogether if the Senator will allow me just a word further.

Mr. WHEELER. The Senator was representing the railroad companies before he came to the Senate, was he not?

Mr. BRUCE. Never! I never had a railroad company as a client in my life. I never tried a case for a railroad company. I have often tried cases against them, and for 18 years of my life, down to the time that I was elected to the United States Senate, I was engaged night and day in the regulation of railroads, holding them up to the full measure of their duty. I am glad to say that when the time of my election to the Senate came the great mass of the people of Maryland, including the citizens with their great business enterprises, gave me one of the handsomest majorities that any candidate in the State of Maryland had ever received in the history of the State. The Senator has been on the wrong track pretty often, but he never so distinctly got on it as he did that time.

Mr. WHEELER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Maryland further yield to the Senator from Montana?

Mr. BRUCE. I do.

Mr. WHEELER. Did not the railroad companies in the State of Maryland support the Senator in the last election?

Mr. BRUCE. Not that I know of.

Mr. WHEELER. They contributed nothing toward his campaign?

Mr. BRUCE. No, sir; not one cent. Any railroad that contributed one cent to my campaign would have subjected itself, under the laws of Maryland, to criminal indictment. No corporation in the State of Maryland is allowed by law to subscribe one cent to the candidacy of anyone.

Some years ago, when I was a candidate, a gentleman connected with a public-utility corporation sent me a contribution. He did not know the law. He was closely connected with me and was interested in my candidacy entirely from a personal and party standpoint. I sent the check back to him. If I have ever received any illegal contribution in the whole course of my political life from any corporation or any individual, I do not know when it was.

I knew, of course, that some attempt would be made at some time or other, because of the views that I hold about what is due to the great business enterprises of the United States, to attack me; but it will be found, when I am attacked on that score, that it is not the heel of Achilles that is being assailed but the invulnerable parts of his body. I am a friend of the great business enterprises of the United States because I am a friend of the people of the United States.

We hear a great deal in this body—and much that is well to listen to—about dishonest rich men who prostitute their opportunities for promoting the public welfare to their own corrupt purposes. I can truly say that we have no such rich men in the State of Maryland. If there is any rich man in that State who is regarded as an oppressor or a public malefactor, I do not know him personally or by hearsay.

We have great business concerns in Maryland, among others the Pennsylvania Railroad and the Baltimore & Ohio Railroad, but we do not experience the difficulties which other portions of the United States seem to experience in keeping in check any lawless aims that they may have. They are all successfully regulated by public authority. From one end of our State to the other we are at peace with our large business interests. The more rich men that are sent to us from the West, provided they are not of the Doheny or the Sinclair order, the better pleased we shall be. The more great business enterprises that are established within the limits of Maryland the more grateful we shall be.

My own idea is that in the course of time the people of the West, too, will find some better modus vivendi with their great business interests and such rapacious captains of industry as are inclined to go beyond bounds than they have yet been able, apparently, to find. But they will never do it by shifting the railroads of the country from the basis of individual to the basis of Government ownership.

But I, too, am wandering far afield. All I have to say, in conclusion, is what I said in the beginning: Go ahead and investigate the public conduct of Mr. Daugherty, but do it through the agency of an open-minded, fair-minded committee; indeed, the very best committee for the purpose that the Senate can possibly elect.

Mr. LENROOT. Mr. President, ordinarily I would pay no further attention to what the Senator from Alabama [Mr. HEFLIN] has said, having gone over the matter completely yesterday afternoon; and if it was only because of any possible effect his views might have upon Senators present, I would have nothing to say at all at this time. But he is a Senator of the United States, and his expressions go out to the country and are not confined within the walls of the Senate. I want to review for just a moment the circumstances leading up to the visit of the senior Senator from Utah [Mr. SMOOT] and myself to Mr. Fall.

In the latter part of November evidence was produced before the Committee on Public Lands and Surveys showing that shortly before December, 1921, Mr. Fall was in straitened circumstances financially; that in December he bought a ranch for $91,500; that he afterwards expended considerable sums in improvements upon the ranch. May I ask the Senator from Montana to remain in the Chamber just a moment? The evidence showed that in the payment of this $91,500, $10,000 was paid in currency. Up to the time of our call upon Mr. Fall that was the only evidence there was indicating any corrupt conduct upon the part of anybody connected with the matter under investigation.

Those were suspicious circumstances, which called for explanation; and, as I said yesterday, just as soon as that evidence came out I suggested to the then chairman of the committee that he wire Mr. Fall and ask him to come before the committee and explain the transaction. He did wire him. Mr. Fall wired back that his son-in-law could explain it, and I stated to the chairman that I felt very strongly that Mr. Fall should come personally and testify before the committee. He finally did come, and nothing else had occurred with reference to any evidence of fraud.

The Senator from Alabama says that Mr. Fall was under indictment at that time.

Mr. HEFLIN. The Senator misunderstood me. I meant under this indictment.

Mr. LENROOT. Under what indictment?

Mr. HEFLIN. Under the charge of having done wrong in the transfer of this property.

Mr. LENROOT. The Senator from Alabama clearly did not wish the Senate and the occupants of the galleries and the country to understand that that was the indictment he referred to. He clearly meant it to be inferred that at that time he was under indictment by public opinion for corrupt conduct, not merely in betraying his trust in transferring the naval reserves.

Mr. President, under those circumstances, upon Mr. Fall's coming here, and two or three days before he made his statement to the committee, the senior Senator from Utah [Mr. SMOOT] and I called upon him under the circumstances narrated yesterday, and we urged him to come before the committee and disclose fully the source from which he obtained the money to purchase the ranch and make these improvements.

In view of what the Senator from Alabama has said I want to ask the Senator from Montana [Mr. WALSH] if he will not be good enough to say to the Senate whether or not in his opinion there was any impropriety in the call upon Mr. Fall for the purpose indicated?

Mr. WALSH of Montana. Mr. President, I see no impropriety in it.

Mr. LENROOT. I was sure the Senator would say that. Now, Mr. President, one other matter. The Senator from Alabama undertook this morning to berate the chairman of the Committee on Public Lands and Surveys for not having put Mr. McLean upon the stand and had him testify. I undertook to state to the Senator from Alabama the reasons why Mr. McLean had not been examined. I stated to him that Mr. McLean was here under subpœna, and had been here all of the week. Nevertheless, he continued his attack, until the Senator from Montana [Mr. WALSH] rose in his place and said he took full responsibility for the failure to have Mr. McLean examined up to this time, and gave the same reasons I had given.

Mr. President, I am not going to take any further time upon what the Senator from Alabama said, in view of the two circumstances I have just mentioned.

Mr. HEFLIN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Alabama?

Mr. LENROOT. I yield.

Mr. HEFLIN. I thought the Senator was through. I will wait and get the floor in my own right.

Mr. LENROOT. Mr. President, one other matter. Reference has been made to a private wire installed by Mr. McLean. The committee has not concluded its investigation with reference to that matter.

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Montana?

Mr. LENROOT. I yield.

Mr. WALSH of Montana. The answer I made to the Senator a few moments ago might be open to misinterpretation, and, with his permission, I should like to say something about it.

Mr. LENROOT. I yield to the Senator.

Mr. WALSH of Montana. The bare fact, as stated by the Senator, of his going to see Secretary Fall with his colleague, the Senator from Utah [Mr. SMOOT] carried to my mind no impropriety whatever. Neither of the Senators named, the Senator from Wisconsin nor the Senator from Utah, indulged the suspicion about this whole transaction with which I was impressed from the very beginning.

Let me review for a moment. At the time these transactions took place, in the spring of 1922, the secrecy which characterized them, the strange transfer of these reserves from the Navy Department to the Department of the Interior notwithstanding the struggle that had gone on theretofore; the efforts of the Senators interested in the matter at the time to get information about the execution of the leases and their being put off upon one excuse or another, gave to the circumstance, in my mind, from its inception, a rather sinister character.

I interrogated Mr. Fall at length, he being the first witness when we began the investigation; and the answers he made, the reasons he assigned for his acts, the futile justification he attempted, from the standpoint of the law, for his action—what seemed to me the perfectly outrageous usurpation of power in connection with the matter—all these things had left a deep impression upon my mind.

Mr. Fall went to El Paso. He was there when the witnesses from New Mexico told their story about the sudden rise in affluence of Mr. Fall and his expenditure of approximately $200,000, as it was traced to him, when he had not had money enough to pay his taxes for 10 years. Of course, that testimony was startling in its character, and the Senator from Wisconsin rightly recites that forthwith, in what seemed to me something like consternation, because both he and the Senator from Utah had up to that time exhibited the most implicit confidence in Mr. Fall, he said that this information should be given to Senator Fall at once, and he should be invited to come before the committee. I said in that connection that in my judgment he should be apprised at once of the information, but that he should be left to judge for himself whether he should come or not.

Thereupon we understand that he sent a wire to the Senator from Utah [Mr. SMOOT] that his son-in-law, who was entirely familiar with his affairs, would come on to testify. That was a circumstance which must have impressed the Senator from Wisconsin, as it did me, with added suspicions concerning the circumstance. Why should not Senator Fall himself come on to explain the matter? His son-in-law did not come on, pursuant to his telegram, but we heard from Senator Fall himself that he was somewhere en route but was ill and unable to come on.

It was intimated at one time that he was in the city of Chicago; at another time that he was in the city of New York. The newspaper men, aroused to the importance of the thing at that time, endeavored to locate him somewhere in the city of Chicago or in the city of New York, and were utterly unable to do so. It transpired that he came to Chicago and went from Chicago to New York, the committee being apprised in the meanwhile that he was too ill to come on. He went from New York to Atlantic City, and from Atlantic City came to the city of Washington, and was in the city of Washington some days theretofore and had not yet appeared before the committee.

We resumed on the 28th of November, if my recollection is correct, and commenced the examination of these witnesses from New Mexico at once, and it consumed only two or three days. Of course, any honest man who was able to make any kind of a satisfactory explanation of the damaging testimony given by the witnesses from New Mexico early in the month of December would have hastened to the city of Washington, even though he were approaching death, to go on the stand and tell the story, and thus dissipate the unfavorable inferences which must necessarily have been drawn from the testimony. But he did not, and he was here in the city of Washington and had been here for several days.

It was under those circumstances that the Senator from Utah and the Senator from Wisconsin, as the information has now come to me, visited Senator Fall. I can not see any impropriety in that visit at all.

Mr. LENROOT. May I correct just one statement? He might have been here several days, but I did not know it. The first information I had that he was here was the day we visited him.

Mr. WALSH of Montana. I had no information as to the date when the Senators visited him at Wardman Park, but I had the information that he was in the city some days prior to the time that he sent the letter.

Mr. SMOOT. Mr. President, the Senator is right. Information came from his sick room that Mr. Fall could not appear on the day that we expected him to appear and testify, and he asked for a few days' delay. It was immediately after that request to the committee that the Senator from Wisconsin and I went up to Wardman Park and called upon ex-Senator Fall. It was about between 3 and 4 o'clock in the afternoon.

Mr. WALSH of Montana. May I say that I can not doubt for a moment that the suspicions of the Senator from Wisconsin and the Senator from Utah must have been aroused concerning this matter before they visited ex-Senator Fall, although I know that mine antedated theirs by a considerable period of time. That is a plain statement of the thing, and I again say that I can see no impropriety in those two gentlemen, political friends and former associates of ex-Senator Fall, going to find out what was the truth about the matter. Of course it would have been a happier circumstance, I say frankly, if the Senators had promptly come before the committee and told us that they had visited ex-Secretary Fall and what he had told them.

Mr. SMOOT. Mr. President——

Mr. LENROOT. I yield to the Senator from Utah.

Mr. SMOOT. I want to say to the Senator from Montana that when ex-Senator Fall sent that letter to the committee I believed it as much as I ever believed anything that ever came to my notice. I thought every word in it was true.

Mr. WALSH of Montana. I accept the statement of the Senator, and I have no doubt it is correct, but he could not have accepted it if he had not been very decidedly friendly to the cause of ex-Senator Fall, because no one can take that letter and look at it and read it and imagine that it was a frank statement of the affairs.

Mr. SMOOT. I will say to the Senator that when the letter was read to the committee I felt that it was a full explanation of the matter, and I believed every word of it to be true.

Mr. WALSH of Montana. Let me add that if the Senator had conversed with people about the town who know anything about Ned McLean, I undertake to say that nine out of ten men would have been able to tell him it could not possibly be true.

Mr. SMOOT. I knew nothing about McLean nor his financial condition, nor did I have a single solitary word of conversation with anyone about Mr. McLean nor the financial condition of Mr. McLean just stated by the Senator.

Mr. LENROOT. Mr. President, I have only one more thing to say. If there was anything discreditable in urging Senator Fall to come before the committee and disclose fully to the committee the source of this money, then I am guilty of an impropriety, but otherwise not. I thought a public service was being rendered in doing what was done.

Reference has been made by the Senator from Alabama [Mr. HEFLIN] to a private wire installed by Mr. McLean.

The committee has not yet completed its investigation of that subject. It does expect to examine all of the parties who sent telegrams, among them those who sent telegrams respecting or having reference to the White House. But I understood the Senator from Alabama to say that there was this private wire installed in the White House. I do not so understand it. I do not understand there is any private wire from Mr. McLean to the White House. Members of the committee will correct me if I am wrong in that statement.

Mr. HEFLIN. What are the facts about it?

Mr. LENROOT. I do not know. We will find out before we get through, I hope, as to the facts, but there is no private wire into the White House as I understand the telegrams. Does the Senator from Washington so understand it?

Mr. DILL. I understand there is no private wire in the White House, but that the telegraph operator at the White House is the man who operated a private wire of Mr. McLean.

Mr. LENROOT. Of course, we will find out fully about that before we get through.

Mr. DILL. That is what the telegrams indicate, that he was the wire man who handled the private wire of Mr. McLean, but not that the private wire goes into the White House.

Mr. LENROOT. I do not know whether the telegrams indicate whether the man who had been the operator at the White House was hired to become the operator on the private wire and severed his connection with the White House or whether he continued at the White House. I do not know, and that, of course, will be fully disclosed before we conclude.

Now, Mr. President, I want to say a word with reference to the pending resolution, as I probably will not have another opportunity. Having had some experience on investigating committees in the other House and in this body, I do not fully

share the opinion of some that all of the members of the committee must be impartial and have no opinion, because if that were true an investigation would never get anywhere. There must be some one on every investigating committee, if it is to make any progress, if it is to bring out all the facts, who must assume the rôle of prosecutor upon the committee, and it is not to the discredit of any man that he does. Presumably any Senator, though he does assume the rôle of prosecutor, will be guided in his ultimate decision by the facts that are disclosed before the committee. So far as I am concerned I do not see any impropriety in the Senator from Montana [Mr. WHEELER] being a member of the committee. I would be glad to see the Senator from Montana made a member of the committee, entertaining the views that he does. I would like to see the Senator from Ohio [Mr. WILLIS] also a member of the committee to insure that there was fairness to Mr. Daugherty, the accused in this particular case. I would like to see the other three Senators in whom the Senate would have confidence as to their impartiality in coming to a conclusion. But if we are to have five Senators who have no opinion and who have no interest, the committee is not going to get very far in the investigation.

Mr. BRUCE. Mr. President, may I interrupt the Senator for a moment?

Mr. LENROOT. Certainly.

Mr. BRUCE. I do not know whether the Senator was referring to what I said——

Mr. LENROOT. No; I was speaking generally.

Mr. BRUCE. I think every political element in the Senate should be represented on the committee.

Mr. LENROOT. I want to assure the Senator that I was not aiming at all at what he said. I was speaking in general terms, and what I said with reference to this I would say with reference to any investigating committee.

Mr. BRUCE. I agree with the Senator absolutely in everything he has said.

Mr. LENROOT. Mr. President, after all, the benefits of an investigation such as the Committee on Public Lands and Surveys is now making are not in the final decision that the committee will make and the recommendations it may make to the Senate with respect to the particular matters. The benefits that come from such an investigation are the publicity, the evidence that is produced, the facts that are disclosed. Again referring to the oil investigation, every Senator upon every matter that we have had brought out has had his opinion formed without respect, in my judgment, to the conclusions of the committee as a committee. So in the matter of the investigation of the Attorney General, Senators will form their final opinion, in so far as they shall have any duty to perform in the premises, from the evidence that comes out before the committee.

Mr. WILLIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Ohio?

Mr. LENROOT. I yield.

Mr. WILLIS. I was called temporarily from the Chamber, but I am advised that the Senator made the suggestion that he thought it would be perfectly proper or agreeable to him if I were a member of the committee. I hope the Senator will permit me to say that I utterly dissent from that view. I do not think that the Senator from Montana [Mr. WHEELER] should be on the committee for reasons I have stated, not at all personal, and because I have taken an active interest in the matter I do not think that I ought to be on the committee. Indeed, with great respect, if such a thing were considered I should be compelled to resign from the committee, because I do not think the committee ought to be made up in that fashion. I do not think my colleague should be on the committee, because the Attorney General comes from the State which we represent. I wanted that statement to be in the RECORD. I utterly dissent from that portion of the Senator's view.

Mr. LENROOT. The Senator perhaps did not hear my statement. I prefaced what I said by the statement that I believed that no investigating committee would get very far in the investigation unless it employed counsel, if the committee were selected solely with reference to the impartiality of the members of the committee. Someone must always assume the rôle of prosecutor if the facts are to be developed and the truth disclosed. I said in that connection, having that in my mind, that I saw no objection to the Senator from Montana being a member of the committee, notwithstanding the views he expressed, and to insure fairness upon the other side I said I would be glad to see the Senator from Ohio also made a member of the committee.

Mr. President, I have just one other thing to say. It is quite evident that the next campaign is going to be very largely a washing of dirty linen. Inasmuch as that is going to be done to a very large extent, I personally would like to see all of the dirty linen of both political parties washed while we are about it. It is rather painful perhaps for the time being to both of the political parties if that be done, but in the long run I believe that good will come out of it all. I personally would like to see a general committee here with authority broad enough to investigate every officer of the Government, to investigate every violator of law having to do with the departments of the Government.

Washington especially is now full of stories and rumors insinuating corrupt conduct upon the part of nearly everybody. I should like to have a committee of the Senate sitting here for the remainder of the session so that when there be these whispers, these slanders, the men uttering them may be called before such a committee and asked if they have any facts in their possession reflecting upon the integrity of any public official or ex-public official. If they should not have, such a course would have a very salutary purpose in stopping the circulation of such charges.

We all know how such stories were circulated through the last administration and are being circulated through this one. We all have reasons to believe at the same time that there is foundation for some of the stories which have been floating about.

The evidence which has been taken in the Committee on Public Lands and Surveys has fully disclosed that, but it may not be limited to matters of which that committee has exclusive jurisdiction. I believe the public mind to-day is in such a temper that it demands that every corrupt official should be discovered and punished; and that is altogether praiseworthy upon the part of public opinion; but I am also afraid, Mr. President, that there is something of a tendency upon the part of the public to hope that public officials will be found to be corrupt rather than otherwise. I think it would clear the air if we had a committee with general jurisdiction which could examine into every question. Perhaps, if such a committee were constituted, we should find some very prominent men in this country who had been violating section 190 of the statutes of the United States, which prohibits ex-officials from practicing before departments of the Government in the prosecution of claims within two years after they retire from public office.

Mr. LODGE. Does the Senator refer to the statute in regard to practicing before departments?

Mr. LENROOT. I do. I refer to the statute in regard to practicing before departments, and if there be violations of law in that respect upon the part of ex-public officials, it is just as important that the public know of it as that it should know if there be dereliction upon the part of some one who is himself in office. If we had such a general committee as I have suggested, instead of names being bandied about every day, as they are in this Capitol and elsewhere in reference to ex-officials of the last Democratic administration, as well as Republican officials who are no longer in office, persons could be called before the committee and the truth ascertained. I believe it would be a good thing, so long as we have started this business, to have a general house cleaning; and in the long run, Mr. President, I believe as a result we should have higher standards of public conduct and public service.

Mr. WHEELER. Mr. President, I rather hesitate to say anything further at this time, in view of the fact that we not only have the heel of Achilles but the body of Hercules in the Senate. However, since some opposition has developed in reference to my being upon the proposed committee; since it has been charged that I should not be on the committee because of the fact that I have been elected by, as is asserted, and am partial to, an element which is known as the labor element in this country, I am anxious to say just a word with reference to the matter.

I feel that what the Senator from Maryland [Mr. BRUCE] has said has cast a reflection not only upon myself but upon the people of my State. The population of Montana is overwhelmingly made up of farmers. The labor element in the State composes a very small minority. The State of Montana is also overwhelmingly Republican; but notwithstanding that fact, I carried practically every county in the State by a substantial majority, and even though it were true that I had been elected solely by the laboring people of Montana, I still should be mighty proud of the fact that I had the confidence of the laboring people of my State and of this country.

If it is to be established as a precedent that because a Senator is friendly to labor he is to be kept off a committee, I am sure that many Senators now serving would never be reelected if they went to the country on that issue. The great trouble in the past has been that men have gone to the country and

told the people that they were the friends of labor and then when they were elected to this body they have betrayed the people who elected them.

I was not elected as a Republican; I was not elected as a reactionary; but I was elected by the people of Montana because they believed, and they thought that I believed, in the principles of Thomas Jefferson; and I propose to carry out those principles. I was not elected on the Democratic ticket, on the ticket of the party of Thomas Jefferson, and then expected by my people to come down here and repudiate everything for which my party stood. If I were elected upon the Democratic ticket; if I were elected by the party of Jefferson; if I were elected by the laboring people, and boasted of the fact that I had been elected by the laboring people, I should certainly feel that I should carry out the mandates of the people who elected me, and I would not, when I came here, repudiate every principle for which the people who elected me stood nor neglect the measures for which they expected me to vote.

Now, with reference to the proposed investigating committee, let me call to the attention of this body these facts: When first I introduced the resolution in the Senate stating that it was the sense of this body that Mr. Daugherty should resign, I based that purely upon what the testimony before the Public Lands Committee showed Mr. Daugherty had done or what he had failed to do with reference to this oil investigation; namely, that, notwithstanding the fact that millions of dollars had been appropriated by the United States for a large detective force and that we had at the head of that organization Mr. Burns, whose reputation and ability is undisputed—notwithstanding those facts, not one scintilla of evidence has been offered to the committee by the Department of Justice or by the Burns Detective Agency.

Further, I thought that his resignation should be demanded because of his failure to prosecute these men after the facts were known to him. I further asked that he should resign and that it should be the sense of this body that he should resign because I felt that he had not done his duty in connection with the prosecution of those implicated in the frauds in the Veterans' Bureau. I think the Senator from Pennsylvania [Mr. REED], who is chairman of the committee which investigated the Veterans' Bureau, can not and could not help come to the same conclusion, that, although the facts were known to the Attorney General, no prosecutions had been instituted and no arrests had been made.

Mr. REED of Pennsylvania. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. PEPPER in the chair). Does the Senator from Montana yield to the Senator from Pennsylvania?

Mr. WHEELER. I gladly yield.

Mr. REED of Pennsylvania. As soon as our evidence was completed we submitted it to the Attorney General and requested him to detail Mr. Crim, whom we regarded as the most vigorous prosecutor in his department, to that work. Mr. Crim had resigned, and his resignation had been accepted, but the Attorney General immediately sent for him and invited him to act as a special assistant to the Attorney General to take charge of those cases. The Attorney General offered to give Mr. Crim any help for which he might ask; and at our suggestion he likewise extended to General O'Ryan and to Major Arnold, who had been assisting our committee, invitations to enter the case as special assistants. Our committee formed the impression then that the Attorney General was doing everything in his power to prosecute those whom he had found to be guilty of fraud. I think I owe that statement to the Attorney General.

Mr. WHEELER. I am very glad to hear the Senator make it.

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER. Does the junior Senator from Montana yield to his colleague?

Mr. WHEELER. I yield.

Mr. WALSH of Montana. I should like to inquire of the Senator from Pennsylvania if he thinks that his committee had better facilities for ascertaining and exposing the facts than the Attorney General had with his powerful bureau of investigation?

Mr. REED of Pennsylvania. I do not know, Mr. President, that I am able to compare the two, but we were very fortunate in having the volunteered assistance of hundreds of lawyers all over the country to help us in our investigation.

Mr. WALSH of Montana. The facts unearthed by the committee of which the Senator was the chairman, of course, were not known to the public in all the detail in which they were revealed, but as soon as the Senator took the matter up he heard the rumors that were current about it.

Mr. REED of Pennsylvania. That is true, Mr. President; we heard many rumors, and some of them—most of them, in fact—were not true.

Mr. WALSH of Montana. Yes. So that these rumors must, of course, have reached the Attorney General as well as the committee?

Mr. REED of Pennsylvania. I presume that the true ones and the untrue ones alike reached the Attorney General.

Mr. WALSH of Montana. And is the Senator from Pennsylvania able to advise us what steps the Attorney General and the Department of Justice took to unearth the facts and to bring the perpetrators of these crimes to justice before the facts were unearthed by his committee?

Mr. REED of Pennsylvania. So far as I am aware, Mr. President, the Attorney General took no steps; but I do not think the Attorney General's department would be of much use to the United States if he turned it loose on every rumor that happened to reach his ears.

Mr. WALSH of Montana. Quite true; and although the committee of which I am a member were not at all equipped for the development of these facts, we went at it and got them; but, so far as I have been able to discover, neither the Attorney General nor his Bureau of Investigation ever turned a hand, either before or after we exposed the facts.

Mr. CARAWAY. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Arkansas?

Mr. WHEELER. I yield.

Mr. CARAWAY. I think the Senator is wrong in one respect, because here is his secretary notifying Mr. McLean that he had better look out, that they were coming after him.

Mr. REED of Pennsylvania. If the Senator from Montana will yield to me for one sentence more, the Veterans' Bureau frauds have been the subject of inquiry by a grand jury in Chicago for nearly a month past; and I understand that that grand jury has almost completed its labors, and that action may be expected.

Mr. WHEELER. I understand that, but will the Senator answer one question for me? The Senator states that the Attorney General's office could not be turned into following down these rumors; but how about the Burns Detective Agency, which is a part of the Department of Justice? Was any evidence furnished to the Senator's committee by this great department which the Government of the United States pays for the purpose of investigating crime?

Mr. REED of Pennsylvania. Yes; in one case we asked them for an investigation to be made in a hurry, and they did make it in a hurry, and they gave us a prompt report.

Mr. WHEELER. Yes; but had they, prior to that time, furnished the Senator's committee voluntarily with any evidence?

Mr. REED of Pennsylvania. No; they had not.

Mr. WHEELER. So I say to the Senate that when I introduced this resolution it was because I thought that, upon the face of the record, the Department of Justice was not functioning properly. Then it was that the Attorney General came in and asked for an investigation; and I was very glad, under those circumstances, to give him an investigation and let him come before a committee and explain the things which I had charged him with failing to do in the resolution which I first introduced. Consequently, I introduced the subsequent resolution asking for an investigation of the entire department.

Since the first resolution was introduced I have received from various parts of the country, almost from one end of it to the other, communications from people who have written me charging the Attorney General and the Department of Justice with various things. Therefore I felt that a general investigation should be conducted, and that these men should have an opportunity to come before the committee, and that the Attorney General himself should be called before the committee and questioned by the committee as to whether or not the things with which he has been charged were committed.

I do not know the Attorney General. I never have met him. I never have seen him, except in the Senate Chamber the other day. I have no interest in the matter excepting that I should like to see clean government in the various departments. I appreciate the fact that when any man gets up here in the United States Senate and tries to clean up a rotten situation he may expect to be abused and bullyragged, so to speak, by those who want to protect crimes and criminals.

Mr. NORRIS and Mr. HEFLIN addressed the Chair.

The PRESIDING OFFICER (Mr. MOSES in the chair) laid before the Senate a communication from the Secretary of the Interior in response to Senate Resolution 147, relative to leases of naval oil lands, which appears under its appropriate heading.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. HEFLIN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Alabama?

Mr. HEFLIN. I was on my feet and trying to get recognition when the Chair laid before the Senate a communication that could have been postponed until after the discussion was completed, and I insist that I be recognized.

Mr. NORRIS. Mr. President, I was on my feet at the same time.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. HEFLIN. I will have to suggest the absence of a quorum, Mr. President.

Mr. NORRIS. I do not yield for that purpose.

The PRESIDING OFFICER. The Senator does not yield for that purpose.

Mr. NORRIS. There is another reason why I was entitled to recognition. I think the Senator from Alabama and I addressed the Chair at the same time; but the Senator from Alabama has spoken once at considerable length on the question now pending, and I have not had an opportunity to speak at all.

Mr. HEFLIN. I will speak at length again in a moment.

Mr. NORRIS. I have no objection to the Senator speaking for the balance of the week. I am not complaining about that at all; but I do insist that I was addressing the Chair at the same time that the Senator from Alabama was, and I submit in all fairness that when two Senators address the Chair simultaneously when a question is pending before the Senate, and one of those Senators has already spoken once on the question and the other has not spoken, it is the duty of the Chair, if he wants to be fair, to recognize the Senator who has not before spoken on the question.

The PRESIDING OFFICER. The Chair performed his duty.

Mr. NORRIS. I think the Chair did.

Mr. President, the question before the Senate is whether this committee shall be appointed by the Presiding Officer or elected by the Senate. I want to consider first some of the history of the Senate and also of the House of Representatives.

The Senator from Massachusetts [Mr. LODGE] in opening the debate gave some very interesting history about the Senate and the procedure of the Senate on this point during the century that has passed. He spoke of the precedents and the way the Senate had developed from the beginning up to its present state of practice.

I was impressed with what the Senator said. Everything else being equal, I should feel disposed to follow the Senator. Everything else being equal, I should feel disposed to vote for this motion. But, Mr. President, there are some of the precedents of the Senate that it seems to me the Senate will do quite well in overruling. There are some of the customs of the Senate, honored as they may be by the observance of a century of history, that we could well at least temporarily overlook.

I see in front of me the desk of the Senator from Massachusetts [Mr. LODGE], and I am reminded of one of the ancient landmarks of the Senate, necessary years ago, before some ingenious Yankee had discovered blotting paper, but entirely out of date now, though still adhered to by the Senate. Upon every Senator's desk is a little sort of an inkwell, a sort of a pepperbox, filled with black sand. There was a time when that was of some value and use to a Senator. Before we had typewriters and typists, when Senators sat at their desks and wrote in longhand the letters which they sent to their constituents, they used this sand to put on the letters and blot the ink. We have not done it for years, but still we retain the old custom, and there is a bottle of sand on every Senator's desk. There is no other thing that would induce us to have sand on a Senator's desk except custom, because no one can claim that a United States Senator does not have all the sand he needs.

Mr. ROBINSON and Mr. LODGE addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Nebraska yield; and if so, to whom?

Mr. NORRIS. I yield first to the Senator from Arkansas.

Mr. ROBINSON. Surely the Senator does not mean to imply that Senators are lacking in sand or grit?

Mr. NORRIS. They certainly are not lacking in sand, because everyone has an individual bottle of it.

Mr. LODGE. Mr. President——

Mr. NORRIS. Now I yield to the Senator from Massachusetts.

Mr. LODGE. I was simply going to say that having entered upon this path of reform, and having started to remove the old things, I hope the Senator is not going to remove the snuff-boxes.

Mr. NORRIS. I am not going to remove anything.

Mr. LODGE. We have two snuffboxes here that nobody ever uses.

Mr. NORRIS. I am going to call attention to the fact that the Senator from Massachusetts, who now honors me with his attention, has himself violated one of the ancient rules of the Senate while he is asking us to enforce another one equally as ancient. Look upon the Senator's desk. He has taken this sand bottle of ancient days and of ancient usage and now, at this moment, is using it as a paper weight. That is very sensible, but it is a violation of the ancient custom which has come down from the days of Clay and Webster; and so the Senator is violating this rule.

We have at each side of the Senate Chamber a little black box filled with snuff. There is one on the Republican side, and whatever the Republicans have the Democrats have to have, so there is another one over there. The Senate could not exist without those snuff boxes. They are as ancient as the hills, as rockribbed as the mountains, but we must have them. We must maintain the old dignity, and the old forms, and the ancient customs, even though they are of no use now.

It would not hurt us, Mr. President, if, following the leadership of the distinguished Senator who is now violating one of our ancient rules, we took one further step and elected this committee instead of having it appointed by the Chair. We have some wonderfully good precedents on it. This investigation is not so very dissimilar to an investigation which took place a good many years ago known as the Ballinger-Pinchot investigation. Many Senators are here still who were here when that investigation took place. The country has been talking about it somewhat lately, but it has forgotten entirely how that happened to be a real investigation instead of a whitewashing expedition.

As a matter of fact, if you will look up the history of the matter you will find that when Mr. Ballinger was Secretary of the Interior, and Gifford Pinchot was the forester, and a man by the name of Glavis held another important position in the department, a great controversy came on; and the charge was made throughout the country, in the newspapers and in magazine articles, that the Secretary of the Interior was not properly preserving the coal of the United States, and that he was about to turn over up in Alaska a whole lot of coal fields to speculators and deprive the people of the United States, who owned them, of their rights. It became so clamorous that Mr. Ballinger himself demanded an investigation, as the Attorney General has done in this case. Now, it had been the custom, as outlined by the Senator from Massachusetts, for the Presiding Officer of the Senate to appoint committees, and for the Speaker of the House to appoint committees.

Mr. ROBINSON. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Arkansas?

Mr. NORRIS. Yes.

Mr. ROBINSON. The Senator of course knows that that is solely because the two Houses, particularly the Senate, have ordered that that be done.

Mr. NORRIS. Yes.

Mr. ROBINSON. The rule of the Senate requires the Senate to elect its committees, not only the standing committees but the special committees.

Mr. NORRIS. Yes; I understand that that is the rule of the Senate. It has been read here. The Senator himself read it.

Mr. ROBINSON. And we, in effect, suspend the rules whenever we do otherwise.

Mr. NORRIS. Exactly; we do that every time, but that has been our custom, as the Senator from Massachusetts says. We have been suspending the rules all this time.

Now, let me go on with the Ballinger-Pinchot investigation. The resolution of investigation was prepared, it was quite generally believed at the time, in the office of Mr. Ballinger himself. It was a concurrent resolution which proposed to authorize the appointment of a joint committee, half Senators and half Members of the House, to investigate the controversy. It was intended, I have no doubt, to whitewash the entire transaction. The whitewash was all prepared, the brushes were purchased, and were placed in the hands of Members who were to go on that committee. The resolution provided that half of the committee should be appointed by the President of the Senate, and the other half should be appointed by the Speaker of the House. The resolution passed the Senate in that way. It came to the House. The day that resolution was taken up in the House the morning papers announced just what was going to be done. The morning papers announced that as soon as the House convened Mr. Dalzell, of Pennsylvania, would

bring in a special rule authorizing the taking up of this resolution for the appointment of this committee of investigation; that thereupon it would be passed; and that after it was passed certain Members—naming them—would be appointed by the Speaker to complete the committee, half of which had been appointed by the Senate.

It was all fixed. The machinery was all oiled. Everything was in working order and nobody doubted but what it was going through. But unfortunately a Member of the House secured the floor and offered an amendment, which provided that the words "appointed by the Speaker" should be stricken out and that the words "elected by the House" should be inserted in their stead, and immediately consternation ruled. There were insurgents in the House then, radicals, as there are in the Senate now, and they united with the minority party and adopted that amendment. There we had the Speaker shorn of his power, and after two or three days' deliberation, and after conferences back and forth had taken place, not a single man who had practiced with his whitewash brush to go on that committee was put on the committee. It became a real, genuine investigating committee.

Mr. ROBINSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Arkansas?

Mr. NORRIS. I yield.

Mr. ROBINSON. Was not that also during the time when the Speaker, under the rules of the House, appointed all the committees?

Mr. NORRIS. Oh, yes. In other words, a precedent was violated, a precedent was broken. A rule that had come down for years, and which the older Members usually looked upon as sacred and holy, had been set aside and a new rule substituted. A different committee was elected, and that investigation became a real investigation, as everybody knows. All the facts were brought out, and although no action was ever taken by the House or the Senate on the reports that came in from that investigating committee, the effect on the country was just the same as though the House and the Senate had acted.

It will be so in this case, Mr. President. When the committee that is to be appointed develops the evidence, it will have completed its duty. The verdict is going to be rendered by the people of the United States. We are not the jury. The jury are the patriotic people of the country, and they want to know whether the charges which are made against the Department of Justice are true or false; whether they are partly true and partly false; and if so, what is true and what is false. I do not care who compose the committee, if it will but uncover the evidence and go to the bottom. We must have a committee against which there can be no taint of suspicion. If I were the Presiding Officer of the Senate, I would pray that the amendment of the Senator from Massachusetts should be defeated and that this committee should be elected. I would be glad to be relieved of the responsibility.

There has been a good deal said on both sides as to the packing of this jury, as it has been called. As I said, it is not to be a jury; it is to be an investigating committee. It is not a court. It is different from a court, although it has some of a court's attributes. It is an investigating committee. A jury never investigates. A court never investigates. But this committee must investigate. It will not be worth much if it does not. We must have a committee that will investigate. I do not want to cast any reflection upon anyone, particularly not upon the President pro tempore of the Senate. As far as I am concerned, I would be perfectly willing to let him appoint the committee. I think he would appoint a good committee. But if that committee were appointed and made a report after an investigation, conceding they had done their duty properly, and found nothing, there would be a suspicion that something was wrong.

It has been developed here that the Senator from Ohio [Mr. WILLIS] has talked with the Attorney General about the committee, and that in turn he has talked with the Presiding Officer. I do not think that would influence our Presiding Officer, but it at least would not put the committee that is to be appointed before the country in the light in which it ought to stand.

On the other hand, suppose we named the very committee who were originally named in the resolution. Can anyone say they would not do their duty? Does anyone believe for a moment that the junior Senator from Iowa [Mr. BROOKHART], who was named as chairman of that committee, would not perform his duty? If it is said that he has an unfriendly attitude toward the Attorney General, what of it? If it is an investigating committee, it is going to bring out the evidence, and he would bring it out better even than if he were the friend of the Attorney General, would he not? After all, that is all this committee is going to do. I do not care what they say. I will form my opinion from my reading of the evidence, and so will other Senators, and so will everybody else in the country.

I do not see anything wrong with any member of the committee who was named originally, although that was a new venture in the selection of a committee. I would not want to have committees appointed in that way. But the very moment any question is raised about the fairness of this committee, if we want an investigation that will have the confidence of the country, that very moment it becomes necessary that we shall have it absolutely shorn of any suspicion from any source.

Mr. President, the Senator from Montana ought to be on this committee, I do not care whether it is elected or whether it is appointed. His selection would follow out a long custom, which I think was a good one. If we were selecting a court I would not pick the Senator from Montana because of the charges he has made. Let us see what would happen if we appointed a committee and said to that committee, "Now, you are a jury. You must not do anything else than that which a jury would do." They would sit up behind the desk and say, "The committee will come to order. We are appointed to investigate the character of the Attorney General, or the management of the Department of Justice by Mr. Daugherty. We are ready to listen to evidence." They would be waiting as the Presiding Officer does when he asks whether there is any objection. The chairman of the committee would say, "The committee hears no evidence. We will adjourn. It is all over." Who would produce the evidence? Who would bring the witnesses? Who would call their attention to anything?

When you are selecting a juryman you do not select the man who made the complaint. We are not so careful about a judge, for a judge is not disqualified because he has read all about the case in the newspapers. A judge on the bench is not disqualified from trying a case unless he is related to one of the parties or has a financial interest in the result of the litigation pending before him. He may himself be an important witness and not be disqualified.

Perhaps it is a little uncommon, but it occurs occasionally that the presiding judge is sworn to testify before a jury in a case where he is presiding.

So we ought to disabuse our minds, it seems to me, of the fact that we are going to pick a jury out of the Senate to try Mr. Daugherty. We could not get such a jury here. I presume there is not a member of the Senate who would be qualified to sit, under his own testimony, if the rules of law were applied that are applied in the selection of a jury.

Let no one shed any crocodile tears because the Attorney General is not going to be properly defended. He has already notified us through the telegram the Senator from Ohio has put into the RECORD that he has employed ex-Senator Chamberlain and ex-Congressman Paul Howland, of Ohio, as his attorneys, and that they are here ready to go ahead. I happen to know both those men. We all know ex-Senator Chamberlain and recognize his ability. Paul Howland is one of the ablest lawyers in the State of Ohio, and both are very fine gentlemen. So let no one get the idea that Mr. Daugherty is going to come before this investigating committee without being properly represented.

There is only one theory on which the Senator from Montana should be excluded from this committee. If you want to select the committee and make a jury of it, then get some Members of the Senate who have not made up their minds on the matter, select the Senator from Montana as an attorney, give definite instructions to the committee that upon his demand they shall issue subpœnas, they shall give him power to compel the attendance of witnesses, they will send for papers and documents, whatever it may be that he may demand. Then place him on one side of the table and ex-Senator Chamberlain and ex-Congressman Howland on the other side and have a lawsuit out of it, if you want to.

But that is not what this resolution provides, and we must not get the idea that it does. Here are some Senators appointed to make an investigation. They must know something about the alleged facts, or they can not make it, or they must delve into the facts and find out what they are. The Senator from Montana is one Senator of all others who ought to be on that kind of an investigating committee.

It is said, Mr. President, that practically these same charges were made against Mr. Daugherty on an attempted impeachment proceeding in the House. I presume that is true.

But it is also claimed—and I say claimed because I confess I do not know; I was not there; I did not see the proceedings

that went on, nor did I hear any of the evidence that was offered or contemplated—it is at least claimed by those who were interested in the impeachment proceedings that they had a committee which was unfair. I saw one of them yesterday, a gentleman who laid on my desk in my office a report of the grand jury in this District saying, in effect, that a lot of whisky had been taken by the Department of Justice in raids which had been made, and that while in the custody of the the Department of Justice officials of the Department of Justice had stolen it and taken it away. That was the substance of it. I do not know whether that is true or not. If that is true, it is a serious indictment of the Department of Justice. It is one of the things the committee will go into, I presume. I said to the man who was talking about the impeachment proceedings, "Why was not that offered? Why did you not bring it out?" He said, "They would not let us." I do not know whether he was telling the correct thing or whether it was a good explanation as to the reason why it was not brought out.

Mr. CARAWAY. Mr. President, may I interrupt the Senator a moment?

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Arkansas?

Mr. NORRIS. Certainly.

Mr. CARAWAY. I am sure from what I was told that they put in some days, or some time at least, determining whether they would subpœna me because I had made some statements about the Attorney General. I had some information and some papers that I tried to turn over to somebody, whoever would take them, and I never could get anybody who had authority to hear anything or receive any papers.

Mr. NORRIS. That is what they claimed to me; that it was an unfair proceeding. The Attorney General was there with his attorney. Mr. Howland was his attorney there. Appoint a committee that does not know anything about it and has no attorney to prosecute, and let the man who is being investigated come with a couple of bright attorneys, and the investigation will amount to nothing. An investigation never has and never can amount to anything under such circumstances.

Now, the charge is made that those who want to bring out the facts were precluded from doing so by unfair methods. The country has heard that, right or wrong. We ought to take a step here now to place ourselves in a position where that charge can not be made. Under some of the things that have happened here, in my humble judgment, if the amendment of the Senator from Massachusetts prevails and the Presiding Officer of the Senate appoints the committee, it will create a suspicion that will at once go out, even though it is not well founded. Whatever the result may be, it will be unsatisfactory.

On the other hand, there can be no injustice to the Attorney General if the Senator from Montana is a member of the committee. Another Senator who was originally suggested for the committee is the Senator from Arizona [Mr. ASHURST]. Is there anyone who doubts that Senator's desire and his ability when he hears the evidence to do what is right? Those of us who have served with him on committees, those of us who have served with him in the Senate, know that while he is a strong partisan, as a matter of fact, when it comes to a question of evidence, when it comes to a question of right or wrong he will be found standing up courageously without regard to politics, friendship, or anything else, and he will have the courage to do what he thinks is right.

So I could go on with every member of the proposed committee. There may none of them be appointed, but I do not know where we could go in the Senate to get a committee which could do an injustice to the Attorney General, defended, as he will be, by these attorneys. It is the evidence that will come out, that ought to come out, that must not be covered up, and when it comes out the American people are going to be the members of the jury and are going to render the verdict. If the committee should be harsh, if the committee should show by its action that it was not fair to the Attorney General, it would be the American people who would render a judgment of condemnation of the committee. The committee will be trying this matter in the face of all the people of the country. If they will not cover up the evidence, if they will let it come out from both sides, if they will be lenient with the rules, I do not care what they may say; if they let the evidence come out and the American people hear it, that is where the judgment will be rendered. That is where it ought to be rendered, and there is where in the end it must be rendered.

Mr. WILLIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Ohio?

Mr. NORRIS. I yield.

Mr. WILLIS. I heard the Senator a moment ago say something about the Attorney General being represented by attorneys. Is it the understanding of the Senator from Nebraska that the committee would permit the Attorney General to be present in person or by counsel and defend himself?

Mr. NORRIS. Why, yes; both.

Mr. WILLIS. The Senator thinks he ought to have both privileges?

Mr. NORRIS. Certainly.

Mr. WILLIS. I quite agree with the Senator.

Mr. NORRIS. I can not conceive of the committee saying to the Attorney General, "You can not be present. We will do this in secret. You can not have an attorney." Let him have a dozen attorneys if he wants to. I would condemn a committee, no matter who might compose it or what it might be, if it would not permit the Attorney General to be represented by an attorney if he wanted to be, and to be present in person if he wanted to be, and the people would condemn such action on the part of the committee. I can not conceive of a committee of the Senate depriving a man of that right.

Mr. WILLIS. Does the Senator think, in harmony with the practice of the Senate, that it would be proper for the Attorney General to suggest to the committee the names of witnesses whom he might desire to have subpœnaed in his behalf?

Mr. NORRIS. Certainly.

Mr. WILLIS. I again agree with the Senator from Nebraska.

Mr. NORRIS. Of course, I can not conceive of any committee refusing to subpœna a witness unless it became apparent that he was playing with the committee. They must be given that latitude. I do not think anybody wants to do anything else.

Mr. CURTIS. Will the Senator permit me to violate another rule and submit a unanimous-consent request that when the Senate concludes its business to-day it shall take a recess until 12 o'clock to-morrow?

Mr. NORRIS. Does the Senator want to quit now?

Mr. CURTIS. I would be very glad to quit now.

Mr. NORRIS. I would be willing to yield the floor then.

Mr. HEFLIN. I will not agree to a unanimous consent until I make a short statement.

The PRESIDING OFFICER. The Senator from Nebraska has the floor.

Mr. FESS. Mr. President, will the Senator from Nebraska yield to me?

Mr. NORRIS. Certainly.

Mr. FESS. The Senator from Nebraska referred to the investigation in the House last session. I thought he suggested that it was not a fair investigation. I watched that investigation very carefully. Will the Senator permit me to have inserted in the RECORD the names of the members of the committee that made the investigation?

Mr. NORRIS. I have no objection to that, but I would rather the Senator would wait until I conclude, and he can then put the names in the RECORD.

Mr. ROBINSON. What is the request?

Mr. NORRIS. The Senator from Ohio wants to place in the RECORD the names of the House committee that held the investigation.

Mr. HEFLIN. I think that had better wait until to-morrow.

Mr. NORRIS. I did not charge that the committee was unfair. I said I did not know. I was not there. I did not read the evidence. But the charge was made that it was unfair.

Mr. FESS. I know that the charge was made.

Mr. NORRIS. It was made by some good men, because they made it to me. I called attention to the fact that yesterday a copy of a report of the grand jury on the Department of Justice in some whisky business that was investigated by the grand jury was laid before me. I asked the man then, "Why did you not present this before the House committee?" He said, "We wanted to do so, but did not have an opportunity. They would not let us do it."

Mr. FESS. If the Senator will permit me, I think he will agree that the membership of the Judiciary Committee of the House represents as high intelligence and fairness as any group of men in that body or this. I simply wanted to insert in the RECORD the names of the Members in connection with the Senator's statement.

Mr. NORRIS. I want to say just a word about that.

Mr. LODGE. Mr. President, may I ask for information how that committee was made up?

Mr. NORRIS. It was the regular standing Judiciary Committee of the House.

Mr. LODGE. Both parties were represented on it?

Mr. NORRIS. Oh, yes.

Mr. LODGE. What was the report of the committee? How did the committee stand?

Mr. FESS. Twenty to one for acquittal.

Mr. NORRIS. Since this interruption has come, I am going on a little while. The names of the members of the Judiciary Committee of the House can be found by looking in the Congressional Directory. They are already in the RECORD. I have no objection to putting them in again. I want distinctly to say that I made no charge against the members of that committee or against any member of it. I am simply saying that the charge has been made, and to a greater or less extent it is already believed by a large number of people over the country, that it was not a fair trial. It was so alleged in the papers. I have read statements in the papers which, if they were true, it seemed to me, indicated that the committee was not doing the right thing, but I do not know whether those statements were true or not.

I am calling attention to the condition of the public mind on the matter. If we are going into the same thing we must avoid any possibility of suspicion on the part of the people of the country as to the personnel of our committee on investigation. That was the point I wanted to bring out.

Mr. HEFLIN. Mr. President, I shall detain the Senate but a moment. The Senator from Wisconsin [Mr. LENROOT] called upon the senior Senator from Montana [Mr. WALSH] to state whether he thought there was any impropriety in his visit and the visit of the Senator from Utah [Mr. SMOOT] to Mr. Fall in the Wardman Park apartment. The Senator from Montana stated in substance, I am sorry to say, that he saw nothing improper in it. That does not in any sense represent my view of the matter. The Senator from Montana, of course, has a right to his views and has the right to express them either here or elsewhere. But I do not think that the conduct in question was at all proper. I think it was very improper. I think that it was very reprehensible. I do not think that any two Democrats, if they were on a committee investigating a former Democratic Cabinet member, should go to his apartment and be closeted with him about a matter in which the whole country was interested and about the matter being investigated by the committee, where both Democrats and Republicans were appointed to represent the Senate and the people in the investigation.

I still hold to that view. It would not make any difference with my own personal conviction if every Senator in this body felt the other way about it. I dare say, however, that at least 80 Senators out of the 96 do not feel that way about it. If they do not, let them say so. I think I shall give Senators an opportunity in a few days, in a resolution touching that very thing, to express themselves upon the matter.

Mr. NORRIS. Mr. President, may I interrupt the Senator?

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Nebraska?

Mr. HEFLIN. Certainly.

Mr. NORRIS. On that point I would like to suggest to the Senator that while I think the propriety or the impropriety of the Senators going down to call on Senator Fall under some circumstances might well be open to question, I would not condemn anybody, because it seems to me it is rather an open question whether that was the right thing to do or not. I would not condemn anybody because they did it. It does seem to me, I would like to say to the Senator—nobody has said it, and it seems to me it ought to go in the RECORD—that having gone to see Mr. Fall, as they did, it was their duty, the first thing upon the reassembling of the committee, to have told to the other members of the committee that they had done so and to have told them the result of their visit.

Mr. HEFLIN. Mr. President, I thank the Senator. We are in entire agreement on that. I said that this morning. I am glad the Senator from Nebraska feels the same way about it. I was sure that he would.

Mr. President, I am never going to give my consent, so long as I am a member of this body, for a thing like that to become a precedent. I can understand how Members associated with each other on committees feel a delicacy in not responding when some member of the committee is under criticism for some conduct, but this is not a matter where senatorial courtesy can obtain. This is a matter which affects the whole American people and the very life of this Nation itself.

If men in high place can squander the public domain which has been committed to their care and keeping and then, when brought to account, members of a committee, their own partisans, can call upon them and sit in secret conclave and discuss the matter and LEVER disclose it until other things that come out force a disclosure, the Government is being betrayed and assaulted from the inside, and the day is not far distant when we shall feel their deadly sting and assault more than now.

I desire to say now, and then I shall be through for this afternoon, for I may have some further observations to make on another phase of this matter in the morning. Now, in conclusion, speaking about the White House wire, I stated that there was some suggestion about a wire being in the White House or the telegraph operator in the White House being the operator of Ed McLean. I was not clear about that subject and said so, but since the Senator from Wisconsin called into question my statement upon it, and he heard my speech, I desire to remind him that Major, Mr. McLean's close friend, wired him on December 22:

> You should install private wire because of congressional situation. It will give you quick access to the White House.

Now, let the Senator from Wisconsin ponder that to-night and explain it to me in the morning if he can. McLean wired back:

> Am having wire installed. Please take up with Smithers at the White House.

I leave it to the two Senators, the Senator from Wisconsin, and the Senator from Utah, to explain that to me in the morning.

Mr. CURTIS. Mr. President, I ask unanimous consent that when the Senate concludes its business to-day it take a recess until 12 o'clock noon to-morrow.

The PRESIDING OFFICER. The Senator from Kansas asks unanimous consent that when the Senate concludes its business to-day it take a recess until 12 o'clock to-morrow. Is there objection?

Mr. LODGE. I do not object; I am entirely in favor of the proposition; but I wish to give notice that I shall ask for a short executive session.

The PRESIDING OFFICER. Is there objection to the request for unanimous consent asked by the Senator from Kansas? The Chair hears none, and the unanimous-consent agreement is entered into.

Mr. JONES of New Mexico. Mr. President, it seems to me before we adjourn that brief reference should be made to some remarks of the junior Senator from Wisconsin [Mr. LENROOT]. He made a statement which I believe is likely to mislead the public mind regarding some phases of the discussions which have been going on to-day. I asked the reporter to transcribe two or three sentences from the remarks of the Senator from Wisconsin and the remarks of the Senator from Massachusetts [Mr. LODGE], which I desire to read to the Senate. The junior Senator from Wisconsin said:

> I think it would clear the air if we had a committee with general jurisdiction that could examine into every question. Perhaps if such a committee were constituted we should find some very prominent men in this country who had been violating section 190 of the Statutes of the United States, which prohibits ex-officials from practicing before departments of the Government in the prosecution of claims within two years after they retire from public office.
>
> Mr. LODGE. Does the Senator refer to the statute in regard to practicing before departments?
>
> Mr. LENROOT. I do. I refer to the statute in regard to practicing before departments; and if there be violations of law in that respect upon the part of ex-public officials it is just as important that the public know of it as that it should know if there be dereliction upon the part of some one who is himself in office.

Mr. President, I think there can be no doubt but what that statement of the junior Senator from Wisconsin is bound to leave an erroneous impression upon the minds of all those who may read his remarks. There can be but one inference from those remarks, and that is that an official of the Government within two years after his retirement from office is prohibited under the penalty of law from practicing before any of the departments of the Government. I simply wish to read the statute to which the Senator from Wisconsin referred, in order that the matter may be thoroughly understood. Section 190 of the Revised Statutes reads as follows:

> SEC. 190. It shall not be lawful for any person appointed after the 1st day of June, 1872, as an officer, clerk, or employee in any of the departments, to act as counsel, attorney, or agent for prosecuting any claim against the United States which was pending in either of said departments while he was such officer, clerk, or employee, nor in any manner, nor by any means, to aid in the prosecution of any such claim within two years next after he shall have ceased to be such officer, clerk, or employee.

The statute presents an entirely different situation from that which would be inferred from the reading of the remarks of

the junior Senator from Wisconsin. The matter in litigation must have been a claim against the United States, and it must have been a claim pending while the individual was an officer of a department of the United States. There is no law making it a criminal offense to practice generally before the departments of the Government within two years after an officer shall have retired from office.

Mr. LODGE. I am perfectly aware of the statute. It is that statute to which I referred.

Mr. JONES of New Mexico. But the Senator's remarks certainly indicated that there was a statute prohibiting any ex-official from practicing before the departments regarding any matter.

Mr. LODGE. I knew of the statute and I knew of its limitations. That is why I asked the question of the Senator from Wisconsin.

Mr. JONES of New Mexico. But the public did not know its limitations. I do not attribute any ulterior motive to the Senator from Massachusetts, but the remark of the Senator from Massachusetts, as well as the remarks of the junior Senator from Wisconsin, undoubtedly would leave an erroneous impression in the mind of the casual reader who was not familiar with the statute.

Mr. LODGE. I ask the Senator from Wisconsin if that was the statute to which he was referring? What else did I say?

Mr. JONES of New Mexico. The Senator from Massachusetts asked:

> Does the Senator refer to the statute in regard to the practicing before departments?

Mr. LODGE. Yes; and the statute the Senator has read refers to that matter.

Mr. JONES of New Mexico. But there is not any law regarding general practice before the departments.

Mr. LODGE. There is a statute referring to practice before departments.

Mr. JONES of New Mexico. There is no general statute——

Mr. LODGE. I beg the Senator's pardon; the statute he has just read refers to practice before the departments.

Mr. JONES of New Mexico. There is a law prohibiting an official within two years after he retires from office from appearing as counsel and prosecuting a claim against the United States which was pending when he was in office.

Mr. LODGE. Precisely; from prosecuting a case before a department.

Mr. JONES of New Mexico. The Senator is entitled to his interpretation. I have read the statute.

Mr. WILLIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Ohio?

Mr. JONES of New Mexico. I yield the floor.

Mr. WILLIS. I desire to ask the Senator from New Mexico a question. In view of his interesting discussion, is it his opinion that the practice of Mr. McAdoo before the Treasury Department, as outlined in his statement in the newspaper this morning, is legal? What is his view as to that?

Mr. JONES of New Mexico. I will say to the Senator that I did not read the statement in the newspaper this morning, but I have not any doubt that the junior Senator from Wisconsin had in mind something Mr. McAdoo had been doing, and it was for that reason that I rose, for the purpose of presenting the law bearing upon such practice. I do not think the Senator from Ohio will insist that Mr. McAdoo has violated the statute.

Mr. WILLIS. I was seeking the opinion of the Senator from New Mexico, and I wondered, passing by for the moment the question of legality, whether he approved of the policy of such action. It must be evident that Mr. McAdoo did practice before the Treasury Department according to the statement to which I have referred. Does the Senator from New Mexico approve of that practice?

Mr. JONES of New Mexico. I know absolutely nothing about the facts in the case.

Mr. LODGE. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Massachusetts?

Mr. JONES of New Mexico. I yield.

Mr. LODGE. I pass no judgment upon the matter, for there has been no proof furnished; but it has been stated in the newspapers that Mr. McAdoo appeared before the Treasury Department in a case involving the abatement of taxes, which is a claim against the Government, in the employ of a corporation within less than two years after he had left office. That is the statement in the newspapers. I do not say that it is true, but it covers every one of the conditions to which the Senator from New Mexico has adverted.

Mr. JONES of New Mexico. I submit the Senator from Massachusetts has not covered the conditions. The Senator from Massachusetts has not made the statement or even suggested that it was a matter which was pending in the Treasury Department when Mr. McAdoo was Secretary of the Treasury.

Mr. LODGE. Where would a claim for back taxes appear except in the Treasury Department? Where would it arise?

Mr. JONES of New Mexico. There is no statement as to when the claim was pending, and there is no statement as to when it accrued.

Mr. LODGE. I only know what appears in the newspapers. Of course, the case was pending or there would have been no claim made.

Mr. JONES of New Mexico. I submit that the Senator from Massachusetts is assuming much which he can not state of his own knowledge.

Mr. LODGE. I am assuming nothing except what is stated in the newspapers. I do not say that the statement is true, for I do not know the facts further than as set forth in the newspaper.

Mr. JONES of New Mexico. I will ask the Senator from Massachusetts if he has ever seen in any newspaper a statement as to when that claim first arose?

Mr. LODGE. It was a claim for taxes for the previous year.

Mr. JONES of New Mexico. The Senator is assuming something. We do not know about that. Does the Senator know that it was a claim for taxes for the previous year?

Mr. LODGE. That is what I saw stated in the newspaper, but the Senator is evidently fully informed in regard to the matter.

Mr. JONES of New Mexico. I submit that on his own statement the Senator from Massachusetts does not bring the case within the statute, and the wrong impression is evidently in his mind as to what the statute means.

Mr. LODGE. Not at all; and I know what the statute means; I have read it.

Mr. JONES of New Mexico. It was quite necessary that the public, in view of the remarks of the distinguished Senator from Massachusetts and of the distinguished Senator from Wisconsin, should have some further light on the subject, and that is why I rose, Mr. President.

Mr. LODGE. The Senator has enlightened the subject very much.

EXECUTIVE SESSION.

The PRESIDING OFFICER. The pending question is on agreeing to the amendment proposed by the Senator from Massachusetts.

Mr. LODGE. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 12 minutes spent in executive session the doors were reopened, and (at 5 o'clock and 42 minutes p. m.) the Senate took a recess until to-morrow, Saturday, March 1, 1924, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate February 29, 1924.

PROMOTIONS IN THE REGULAR ARMY.

To be captain.

First Lieut. Clarence Humbert Murphy, Cavalry, from February 25, 1924.

To be first lieutenants.

Second Lieut. John Harvey Madison, Coast Artillery Corps, from February 22, 1924.

Second Lieut. George Edward Bruner, Infantry, from February 24, 1924.

MEDICAL ADMINISTRATIVE CORPS.

To be first lieutenant.

Second Lieut. James Ault Ramsey, Medical Administrative Corps, from February 22, 1924.

POSTMASTERS.

ALABAMA.

George E. Ellis to be postmaster at Marvel, Ala., in place of L. W. Bowman. Office became third class October 1, 1923.

David P. Woodall to be postmaster at Hillsboro, Ala., in place of C. O. Irwin. Office became third class October 1, 1923.

Annie R. Sherren to be postmaster at Phenix City, Ala., in place of W. T. Hogan. Incumbent's commission expired February 11, 1924.

Alexander H. Byrd to be postmaster at Eutaw, Ala., in place of J. J. Dunlap. Incumbent's commission expired February 11, 1924.

Margie Gardner to be postmaster at Aliceville, Ala., in place of Margie Gardner. Incumbent's commission expired February 11, 1924.

ARIZONA.

Arthur H. Sellers to be postmaster at Chandler, Ariz., in place of L. C. Parke, resigned.

ARKANSAS.

James W. Slover to be postmaster at Harrison, Ark., in place of A. C. Brooks. Incumbent's commission expires March 2, 1924.

CALIFORNIA.

Belle Kornelissen to be postmaster at Newhall, Calif., in place of A. C. Swall, resigned.

Manuel S. Trigueiro to be postmaster at San Miguel, Calif., in place of M. S. Trigueiro. Incumbent's commission expired February 11, 1924.

Nettie Fausel to be postmaster at Independence, Calif., in place of Nettie Fausel. Incumbent's commission expired February 11, 1924.

Carrie I. Pfau to be postmaster at Fairfield, Calif., in place of C. I. Pfau. Incumbent's commission expired February 11, 1924.

Wesley A. Hill to be postmaster at Eureka, Calif., in place of Willard Wells. Incumbent's commission expired August 15, 1923.

William B. Higgins to be postmaster at Baypoint, Calif., in place of W. B. Higgins. Incumbent's commission expired February 11, 1924.

COLORADO.

Thomas B. Scott to be postmaster at Meeker, Colo., in place of N. M. Cunningham. Incumbent's commission expired February 18, 1924.

Harold J. Schwarzel to be postmaster at Carbondale, Colo., in place of H. J. Schwarzel. Incumbent's commission expired February 18, 1924.

John Davis to be postmaster at Arriba, Colo., in place of John Davis. Incumbent's commission expired February 18, 1924.

CONNECTICUT.

Clifford E. Chapman to be postmaster at Niantic, Conn., in place of C. E. Chapman. Incumbent's commission expired February 4, 1924.

FLORIDA.

Mary Joyner to be postmaster at Bagdad, Fla., in place of Mary Joyner. Incumbent's commission expired February 14, 1924.

IDAHO.

Peter W. McRoberts to be postmaster at Twin Falls, Idaho, in place of M. A. Stronk. Incumbent's commission expired February 4, 1924.

Arthur B. Bean to be postmaster at Pocatello, Idaho, in place of L. M. Rusk. Incumbent's commission expires March 2, 1924.

LOUISIANA.

Theodore G. Ashlock to be postmaster at Ville Platte, La., in place of C. A. Thompson. Incumbent's commission expired December 13, 1922.

MAINE.

Carl W. Mitchell to be postmaster at Union, Me., in place of E. A. Matthews. Incumbent's commission expired February 11, 1924.

MASSACHUSETTS.

Chestina B. Robbins to be postmaster at East Templeton, Mass., in place of C. B. Robbins. Incumbent's commission expired February 4, 1924.

Isabella Crocker to be postmaster at Cotuit, Mass., in place of Isabella Crocker. Incumbent's commission expired February 4, 1924.

MICHIGAN.

Melvin A. Bates to be postmaster at Grayling, Mich., in place of H. F. Peterson, resigned.

Wilda P. Hartingh to be postmaster at Pinconning, Mich., in place of W. P. Hartingh. Incumbent's commission expired January 26, 1924.

MINNESOTA.

Louis W. Galour to be postmaster at Ioma, Minn., in place of L. W. Galour. Incumbent's commission expired February 18, 1924.

Carl H. Schuster to be postmaster at Biwabik, Minn., in place of C. H. Schuster. Incumbent's commission expired February 18, 1924.

Paul B. Sanderson to be postmaster at Baudette, Minn., in place of P. B. Sanderson. Incumbent's commission expired February 18, 1924.

MISSOURI.

John S. McCrory to be postmaster at Linn Creek, Mo., in place of Kate Farmer, resigned.

NEW HAMPSHIRE.

Arthur M. Rolfe to be postmaster at Salem Depot, N. H., in place of A. M. Rolfe. Incumbent's commission expired February 20, 1924.

NEW YORK.

Fred W. Ravekes to be postmaster at Ardsley on Hudson, N. Y., in place of E. W. Hempstead, deceased.

Harry B. McHugh to be postmaster at Wallkill, N. Y., in place of Peter Marcinkowski, jr. Incumbent's commission expired November 21, 1922.

Charles Blackburn to be postmaster at Southampton, N. Y., in place of F. T. White. Incumbent's commission expired February 18, 1924.

Kate L. Holden to be postmaster at Peru, N. Y., in place of B. E. Holden. Incumbent's commission expired February 14, 1924.

Robert L. McBrien to be postmaster at Huntington, N. Y., in place of R. L. McBrien. Incumbent's commission expired February 18, 1924.

Charles A. Partridge to be postmaster at Berkshire, N. Y., in place of A. H. Ford. Incumbent's commission expired February 4, 1924.

OHIO.

Frank L. Lee to be postmaster at East Youngstown, Ohio, in place of T. R. Gordon, resigned.

Frank H. Shaw to be postmaster at Germantown, Ohio, in place of F. H. Shaw. Incumbent's commission expires March 2, 1924.

Howard E. Foster to be postmaster at Chagrin Falls, Ohio, in place of J. C. Steel, jr. Incumbent's commission expired February 24, 1924.

OKLAHOMA.

Ada M. Thompson to be postmaster at Mannford, Okla., in place of A. M. Thompson. Office became third class October 1, 1923.

OREGON.

Don Ellis to be postmaster at Garibaldi, Oreg., in place of A. M. Ellis. Office became third class April 1, 1923.

David S. Young to be postmaster at Defur, Oreg., in place of D. S. Young. Incumbent's commission expired February 11, 1924.

PENNSYLVANIA.

Thomas W. Watkins to be postmaster at Frackville, Pa., in place of C. W. Seaman. Incumbent's commission expired February 14, 1924.

Calvin E. Cook to be postmaster at Dillsburg, Pa., in place of J. R. McClure. Incumbent's commission expired February 18, 1924.

PORTO RICO.

Gaspar R. Ferran to be postmaster at Barceloneta, Porto Rico, in place of G. R. Ferran. Office became third class October 1, 1923.

L. Castro Gelpi to be postmaster at Vieques, Porto Rico, in place of L. C. Gelpi. Incumbent's commission expired August 21, 1923.

Juan Vissepo Hernandez to be postmaster at San Sebastian, Porto Rico, in place of J. V. Hernandez. Incumbent's commission expired February 4, 1924.

Roque Rodriguez to be postmaster at Ponce, Porto Rico, in place of Roque Rodriguez. Incumbent's commission expired February 4, 1924.

Jose E. Guenard to be postmaster at Mayaguez, Porto Rico, in place of J. E. Guenard. Incumbent's commission expired August 21, 1923.

Nicolas Ortiz Lebron to be postmaster at Albonito, Porto Rico, in place of N. O. Lebron. Incumbent's commission expired August 21, 1923.

TEXAS.

William H. Littlefield to be postmaster at Anson, Tex., in place of S. W. Lawrence, declined.

Herbert W. Scott to be postmaster at Throckmorton, Tex., in place of H. W. Scott. Incumbent's commission expired January 31, 1924.

VIRGINIA.

James S. Castle to be postmaster at Dungannon, Va., in place of J. S. Castle. Office became third class January 1, 1924.

Ray L. Barlow to be postmaster at Buckner, Va., in place of J. S. Terrell. Office became third class October 1, 1923.

Amos L. Cannaday to be postmaster at Pulaski, Va., in place of J. D. Askew. Incumbent's commission expired September 13, 1922.

Frank H. Forbes to be postmaster at North Tazewell, Va., in place of C. F. Kitts. Incumbent's commission expired August 15, 1923.

Bernard Willing to be postmaster at Irvington, Va., in place of J. W. Haydon. Incumbent's commission expired February 14, 1924.

William T. Oakes to be postmaster at Gladys, Va., in place of R. C. Morgan. Incumbent's commission expired February 14, 1924.

Abraham L. Longerbeam to be postmaster at Bluemont, Va., in place of J. E. Lewis. Incumbent's commission expired February 14, 1924.

WASHINGTON.

Kendall E. Schweitzer to be postmaster at Underwood, Wash., in place of H. S. Adams. Office became third class April 1, 1923.

CONFIRMATIONS.

Executive nominations confirmed by the Senate February 29, 1924.

AMBASSADORS EXTRAORDINARY AND PLENIPOTENTIARY.

Charles Beecher Warren to be ambassador extraordinary and plenipotentiary to Mexico.

William Phillips to be ambassador extraordinary and plenipotentiary to Belgium, and envoy extraordinary and minister plenipotentiary to Luxemburg.

PROMOTIONS IN THE NAVY.

MARINE CORPS.

Ben H. Fuller to be brigadier general.
Macker Babb to be colonel.

To be second lieutenants.

Richard Fagan.	William W. Conway.
James E. Jones.	Clyde Shoesmith.
Theodore A. Holdahl.	Robert J. Mumford.
Ernest E. Shaugnessey.	Paul A. Curtis.
Lewis B. Puller.	Albert D. Cooley.

POSTMASTERS.

IDAHO.

William W. McNair, Middleton.

INDIANA.

Romain C. Campbell, Butler.
Jesse Dowen, Carbon.
Joseph W. Morrow, Charlestown.
LaFayette H. Ribbie, Fairmount.
Harry T. Thompson, Lebanon.
William I. Ellison, Winona Lake.

KENTUCKY.

Mattie R. Tichenor, Centertown.
Howard C. Pentecost, Corydon.
Egbert E. Jones, Milton.
Charlie H. Throckmorton, Mount Olivet.
Leonard F. Gibbs, Rockport.

NEW YORK.

John G. McNicoll, Cedarhurst.
John E. Duryea, Farmingdale.
Wallace Thurston, Floral Park.
Clifton S. Haff, Northport.
Fred L. Seager, Randolph.
Elmer Ketcham, Schoharie.
Elsie V. Webb, Union Springs.
Harry A. Jeffords, Whitney Point.
Ruth W. J. Mott, Oswego.

OKLAHOMA.

Charles C. Chapell, Okmulgee.

OREGON.

Jesse E. Hamstreet, Brogan.
William I. Smith, Redmond.

PENNSYLVANIA.

Charles G. Fullerton, Freeport.
Edgar M. Chelgren, Grampian.
John T. Painter, Greensburg.
Michael A. Grubb, Liverpool.
Ralph L. Snyder, New Tripoli.
William E. Brooks, Ridley Park.
William W. Thorn, St. Clair.
Malcolm H. Shick, Sheffield.

SOUTH CAROLINA.

Ernest E. Brown, Aiken.

TENNESSEE.

Ben M. Roberson, Loudon.

VIRGINIA.

Robert L. Olinger, Blacksburg.

WASHINGTON.

John P. Helphrey, Curlew.
Nellie Tyner, Dishman.
J. Frank Hall, Edwall.

WEST VIRGINIA.

James T. Akers, Bluefield.
Hugh B. Campbell, Northfork.

HOUSE OF REPRESENTATIVES.

FRIDAY, *February 29, 1924.*

The House met at 11 o'clock a. m., and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Lord, our God, Thou art the eternal source of every joy and every blessing. Thy goodness crowns each succeeding day. We thank Thee that our times are in Thy hands; Thou art with us in every state. Let us look above created things and find peace of soul in our fondest hopes. On we go, blessed Lord, being carried on the stream of time. O stay the tempest, quiet the storm, soften the gale that drives us nearer, nearer home. For Thy name's sake. Amen.

The Journal of the proceedings of yesterday was read and approved.

PERMISSION TO SIT DURING SESSIONS OF THE HOUSE—POST OFFICE COMMITTEE.

Mr. GRIEST. Mr. Speaker, I ask unanimous consent that the Post Office Committee and Subcommittee No. 1 of that committee, having charge of salaries, have leave to sit during the sessions of the House.

Mr. GARRETT of Tennessee. Mr. Speaker, I have no objection, but that is a very unusual way to put such a request. It is a subcommittee of the Post Office Committee, is it not?

Mr. GRIEST. Yes.

Mr. GARRETT of Tennessee. If the committee has permission to sit, of course any subcommittee would have the same right. I suggest that the gentleman ask unanimous consent that the Post Office Committee have leave to sit during the sessions of the House, and that would give the same right to any subcommittee of the Post Office Committee.

Mr. GRIEST. Does the gentleman think that would give a subcommittee permission to sit during the sessions of the House?

Mr. GARRETT of Tennessee. Absolutely.

Mr. GRIEST. Mr. Speaker, I accept the suggestion made by the gentleman from Tennessee.

The SPEAKER. The gentleman from Pennsylvania [Mr. GRIEST] asks unanimous consent that the Post Office Committee have leave to sit during the sessions of the House. Is there objection?

There was no objection.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had passed bills of the following titles, in which the concurrence of the House of Representatives was requested:

S. 356. An act for the relief of John H. Walker;

S. 1249. An act for the relief of Rosa E. Plummer;

S. 1894. An act for the relief of the owners of the steamship *Kin-Dave;*

S. 353. An act for the relief of Reuben R. Hunter;

S. 1784. An act to provide for the closing of a portion of Massachusetts Avenue NW. in the District of Columbia, and for other purposes;

S. 1815. An act for the relief of Capt. Murray A. Cobb;

S. 361. An act for the relief of Fred V. Plomteaux;

S. 383. An act for the relief of William R. Bradley;

S. 1353. An act for the relief of Annie McColgan;
S. 1631. An act to authorize the deferring of payments of reclamation charges;
S. 1339. An act to authorize the widening of Georgia Avenue between Fairmont Street and Gresham Place NW.; and
S. 1343. An act to authorize the widening of Fourth Street south of Cedar Street NW. in the District of Columbia, and for other purposes.

The message also announced that the Senate had passed with amendments bills of the following titles, in which the concurrence of the House of Representatives was requested:

H. R. 4121. An act to extend the provisions of certain laws to the Territory of Hawaii.

The message also announced that the Senate had concurred in House concurrent resolution of the following title:

House Concurrent Resolution 14.

Resolved by the House of Representatives (the Senate concurring), That the thanks of Congress be presented to the Hon. Charles E. Hughes for the able and appropriate memorial address delivered by him on the life and services of Warren G. Harding, late President of the United States, in the Representatives' Hall before both Houses of Congress and their invited guests on the 27th day of February, 1924, and that he be requested to furnish a copy for publication.

Resolved further, That the chairman of the joint committee appointed to make arrangements to carry into effect the resolutions of this Congress in relation to the memorial exercises in honor of Warren G. Harding be requested to communicate to Mr. Hughes the foregoing resolution, receive his answer thereto, and present the same to both Houses of Congress.

SENATE BILLS REFERRED.

Under clause 2, Rule XXIV, Senate bills of the following titles were taken from the Speaker's table and referred to their appropriate committees, as indicated below:

S. 353. An act for the relief of Reuben R. Hunter; to the Committee on Claims.
S. 356. An act for the relief of John H. Walker; to the Committee on Claims.
S. 361. An act for the relief of Fred V. Plomteaux; to the Committee on Claims.
S. 1249. An act for the relief of Rosa E. Plummer; to the Committee on Claims.
S. 1339. An act to authorize the widening of Georgia Avenue between Fairmont Street and Gresham Place NW.; to the Committee on the District of Columbia.
S. 1343. An act to authorize the widening of Fourth Street south of Cedar Street NW., in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.
S. 1353. An act for the relief of Annie McColgan; to the Committee on Claims.
S. 1631. An act to authorize the deferring of payments of reclamation charges; to the Committee on Irrigation and Reclamation.
S. 1784. An act to provide for the closing of a portion of Massachusetts Avenue NW., in the District of Columbia, and for other purposes; to the Committee on the District of Columbia.
S. 1815. An act for the relief of Capt. Murray A. Cobb; to the Committee on War Claims.
S. 1894. An act for the relief of the owners of the steamship *Kin-Dave;* to the Committee on Claims.
S. J. Res. 52. Joint resolution for the relief of the drought-stricken farm areas of New Mexico; to the Committee on Agriculture.

REVENUE ACT OF 1924.

Mr. GREEN of Iowa. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 6715, the revenue bill.

The SPEAKER. The gentleman from Iowa moves that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 6715, the revenue bill. The question is on agreeing to that motion.

The question was taken, and the motion was agreed to.

Thereupon the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes, with Mr. GRAHAM of Illinois in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 6715, the revenue bill, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 6715) to reduce and equalize taxation, provide revenue, and for other purposes.

Mr. GREEN of Iowa. Mr. Chairman, as I remember, at the time the committee rose last evening there was an amendment pending.

The CHAIRMAN. The amendment offered by the gentleman from Nebraska [Mr. SIMMONS] was pending.

Mr. SIMMONS. Mr. Chairman, I had been recognized last evening. I ask unanimous consent to modify my amendment by striking out all of line 4, on page 208, and that part of the word "employees" in line 5.

The CHAIRMAN. The gentleman from Nebraska asks unanimous consent to modify his amendment, and the Clerk will report the amendment as sought to be modified.

The Clerk read as follows:

Modified amendment offered by Mr. SIMMONS: Page 208, strike out all of line 4 and that part of the word "employees" appearing in line 5.

The CHAIRMAN. Is there objection to the modification?

There was no objection.

The CHAIRMAN. Does the gentleman desire recognition?

Mr. SIMMONS. Yes.

The CHAIRMAN. The gentleman from Nebraska is recognized.

Mr. LONGWORTH. Mr. Chairman, may we have the amendment read as modified?

The CHAIRMAN. The Clerk has just read it, but without objection, it will be again reported.

Mr. LONGWORTH. That was the amendment as modified?

The CHAIRMAN. Yes.

Mr. SIMMONS. Mr. Chairman and gentlemen, it is not necessary to go into any extended discussion of this amendment. The bill as reported by the committee provided that the members of the board of tax appeals should have not to exceed $10 a day for subsistence and that the employees of the board should have not to exceed $7. I take it the committee has found, as a matter of fact, that $7 is sufficient for the subsistence of the employees of this board, and that being true, I also take it that $7 should be sufficient for the subsistence of a member of the board. For that reason I have offered the amendment.

Mr. YOUNG. Will the gentleman yield?

Mr. SIMMONS. Yes, sir; gladly.

Mr. YOUNG. The gentleman will notice that the wording is "not to exceed" certain amounts.

Mr. SIMMONS. Yes, sir.

Mr. YOUNG. These boards will meet in big cities, in some small cities and in some big cities, and in any case they must give an itemized statement of their expenses and that statement will be subject to scrutiny and criticism. But in the big cities I do not suppose the gentleman would expect the members of this board of appeals to stop at the cheapest place in the city, and, as the gentleman knows, rooms in hotels in the large cities are expensive, and it is quite conceivable that their expenses might run up to as much as $10 a day and still their expenses will not be extravagant and the members of the board not live in a way that would be inappropriate.

Mr. SIMMONS. I thought the gentleman intended to ask a question, but in answer to the gentleman's statement I will say that it seems to me the same argument would apply to employees as well as to members of the board.

Mr. YOUNG. Then, perhaps, the amount should be raised for employees instead of the other amount being reduced.

Mr. McLAUGHLIN of Michigan. Will the gentleman yield?

Mr. SIMMONS. Yes, sir; gladly.

Mr. McLAUGHLIN of Michigan. As I understand, the gentleman's amendment strikes out all that relates to expenses.

Mr. SIMMONS. No, sir. The bill provides that the members and employees shall receive "while traveling on duty and away from their designated stations, in an amount not to exceed $10 per day in the case of members, and $7 per day in the case of employees."

Mr. McLAUGHLIN of Michigan. And then you strike that out?

Mr. SIMMONS. No, sir; not at all.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. SIMMONS. Yes, sir; gladly.

Mr. GREEN of Iowa. While I am not in favor of the gentleman's amendment, I assume it is going to carry or else something less, and if the gentlemen take up a great deal of time on this the final result will be that there will be a less amount. While I think it ought to be more, I think there is

great danger that the members and employees will get less than more.

Mr. GARNER of Texas. Will the gentleman yield?

Mr. SIMMONS. Yes, sir; gladly.

Mr. GARNER of Texas. Mr. Chairman, I think it is the strangest thing of all that the gentleman from Iowa and his colleagues on the Ways and Means Committee have not gotten together and fixed up the matter of the expense allowance to this board and its employees. I understood last night that the matter could be arranged in five minutes, and I assumed from that statement that the gentleman from Iowa would at least interest himself to the point of seeing whether he could not get an agreement as to what these expenses ought to be. Of course, we can take an hour discussing this matter, one that ought to be disposed of in five minutes.

Mr. GREEN of Iowa. I can not control the members of the committee. If they persist in taking up time on trivial matters I can not help it.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. GREEN of Iowa. Mr. Chairman, I move that all debate on this amendment and all amendments thereto do now close.

The motion was agreed to.

The CHAIRMAN. The question is now on the amendment offered by the gentleman from Nebraska [Mr. SIMMONS].

Mr. GARNER of Texas. Mr. Chairman, what is the effect of the gentleman's amendment? Changing the amount from $10 to $7?

Mr. GREEN of Iowa. That is the effect of it.

The CHAIRMAN. If the gentleman desires, the modified amendment will be again reported.

Mr. GARNER of Texas. I would like to have it again reported.

The CHAIRMAN. Without objection, the Clerk will report the amendment again as modified.

The Clerk again read the amendment as modified.

Mr. SIMMONS. Mr. Chairman, the amendment last evening provided for inserting $7 in place of $10.

The CHAIRMAN. The Clerk will again report the amendment.

The Clerk read as follows:

Strike out, in line 3, "$10" and insert "$7," and strike out all of line 4 and that part of the word "employees" appearing in line 5.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Nebraska.

The question was taken; and on a division (demanded by Mr. SIMMONS) there were—ayes 60, noes 47.

So the amendment was agreed to.

Mr. GREEN of Iowa. Mr. Chairman, I ask unanimous consent to return to page 100, where the Moore amendment was adopted with reference to publicity matters, in order that I may move an amendment to it correcting the verbiage and not changing the sense of it at all. I submitted the matter to Mr. MOORE the other day.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent to return to page 100 to offer a perfecting amendment. Is there objection?

Mr. GARNER of Texas. Mr. Chairman, I understand the gentleman says he has submitted the proposed amendment to the gentleman from Virginia, and it is entirely agreeable to him.

Mr. GREEN of Iowa. That is my understanding.

Mr. GARNER of Texas. I do not want any understanding about it. I want an affirmative statement about a matter of that kind.

Mr. MOORE of Virginia. Mr. Chairman, these are the facts: I offered an amendment, and there was an amendment thereto offered by Mr. TILSON, of Connecticut. Mr. TILSON's amendment was in the language proposed by another Member and did not accurately designate the committees.

Mr. GREEN of Iowa. Mr. Chairman, I will withdraw the request for the present. I would like to have the gentleman look it over and see if he can not accept it.

Mr. MOORE of Virginia. It will only take a moment to explain. The two committees were not properly designated. Now, that was all, and what is proposed by the gentleman from Iowa will properly designate the committees. There can not be any objection to it.

Mr. CHINDBLOM. Is there any change in the substance?

Mr. GREEN of Iowa. No change in the substance at all.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none, and the Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. GREEN of Iowa to the amendment of Mr. MOORE of Virginia:

"On page 100, strike out the 'Ways and Means Committee of the House and the Finance Committee of the Senate" and insert in lieu thereof the following: "The Committee on Ways and Means of the House of Representatives, the Committee on Finance of the Senate," and after the word "provided," in line 13, insert "further."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa.

The question was taken, and the amendment was agreed to.

Mr. CROSSER. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman rise?

Mr. CROSSER. I want to offer, Mr. Chairman, an amendment at the end of this title.

The CHAIRMAN. The gentleman from Ohio offers an amendment, which the Clerk will report.

Mr. CROSSER. I have not the amendment prepared, but I see that I must offer it here if I offer it at all. I offer an amendment as follows:

Page 208, after line 12, after the word "taxes," insert "when the board and its employees provided for in Title IX shall have been installed, any other board and its employees heretofore performing the same service shall be dispensed with."

Mr. CHINDBLOM. Mr. Chairman, I make the point of order that that is too late.

The CHAIRMAN. Let the Clerk first report the amendment. Has the gentleman his amendment in writing?

Mr. CROSSER. No; I have not quite finished it.

The CHAIRMAN. For the purpose of having the Clerk report the amendment the gentleman had better have it in writing.

Mr. CHINDBLOM. Mr. Chairman, I withdraw the point of order.

The Clerk read as follows:

Amendment offered by Mr. CROSSER: Page 208, after line 12, after the word "taxes," insert: "When the board and its employees provided for in Title IX shall have been installed, any other board and its employees heretofore performing the same service shall be dispensed with."

Mr. CHINDBLOM. Will the gentleman yield for a suggestion?

Mr. CROSSER. Yes.

Mr. CHINDBLOM. If you say "any board or committee heretofore performing the same service"——

Mr. CROSSER. That is exactly the object of the amendment.

Mr. GREEN of Iowa. This will simply throw everything into chaos down in the Treasury Department.

Mr. CROSSER. I want to address the committee for a couple of minutes on the subject.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. CROSSER. Yes.

Mr. CHINDBLOM. I will say to the gentleman that the committee on appeals and review will be dispensed with, because this board would take its place, but they do not want to throw the employees out of the department.

Mr. CROSSER. I do not want to claim too much for an amendment which has been hastily drawn, but I do want to call the attention of the committee to this proposition. As the gentlemen who are supporting this board of appeals know, I gave my support not only to the board but opposed such amendments as would have interfered with adequate payment for the services of this board, because I think that it is highly essential and a very desirable feature of this bill. I think the public should have some independent body to which it can go for a review and for redress of its grievances, if necessary, but my experience with these departments is that, unless there is some specific provision directing the abolition of any preexisting boards or commissions or employees, we will find that they will continue in existence in addition to the new board of appeals which we have properly provided for. I do not want to leave that to the discretion of any department, and I am sure that if we do leave it to their discretion what will happen will be that we will simply have so many more unnecessary employees.

Mr. YOUNG. Will the gentleman yield?

Mr. CROSSER. Yes.

Mr. YOUNG. I am inclined to think we can trust the Treasury Department not to duplicate the service, and I notice that this amendment is subject to some other objections.

Mr. CROSSER. The amendment was hurriedly drawn, I will say to the gentleman.

Mr. YOUNG. The amendment provides that you are going to dispense with all of the employees of any similar board in the past. I want to suggest that those clerks migh be used in some other capacity, but you provide that the department must dispense with their services.

Mr. CROSSER. The gentleman will recognize the necessity for some legislation in regard to this matter. If we do not incorporate such a provision, we shall have two boards continuing, perhaps not in conflict with each other, but drawing salaries and unnecessarily increasing the pay roll. As I have already said, yesterday I voted for adequate pay for the members of the board, and for a sufficient number on the board. I do not want to curtail it in any way whatever, but I do not want to leave with the department the power of continuing on the pay roll a lot of previously existing boards or commissions, or unnecessary employees, which the committee yesterday assured us were to be superseded by the board of appeals.

Mr. GREEN of Iowa. Mr. Chairman, if the gentleman's amendment had any effect at all, and I do not think it would have, it would simply throw the Treasury Department into chaos, and would prevent the Treasury from assigning the work and dividing it as it ought to be.

Mr. Chairman, I move that all debate on this amendment and all amendments thereto do now close.

Mr. CROSSER. Will the gentleman yield for a question?

Mr. GREEN of Iowa. No; we can not spend time on propositions of this sort.

Mr. CROSSER. I wanted to ask a question; that is all.

Mr. GREEN of Iowa. Well, what is it you wanted to ask?

Mr. CROSSER. Does the gentleman desire that any boards now existing for the performance of the work that this board of appeals is intended to perform shall continue in existence?

Mr. GREEN of Iowa. The gentleman knows that these claims have got to be heard in the department, or he ought to know that the claims ought to be heard in the department.

Mr. CROSSER. Quite so.

Mr. GREEN of Iowa. And if what you want is really carried into effect, they would not get any hearing in the Treasury at all.

Mr. CROSSER. The gentleman will admit that this board of appeals was represented yesterday as a substitute for what we now have, was it not?

Mr. GREEN of Iowa. No.

Mr. CROSSER. Now, a word as to the bill in general. An examination of the so-called Mellon tax plan should satisfy anyone that its object is to benefit the few who have great incomes, rather than the millions of American people. If, however, there were any doubt about the correctness of this statement, the methods used to force Congress to adopt the so-called Mellon plan would remove that doubt. Great amounts of money have been spent for advertising which has urged the Mellon plan. On the screens of every moving-picture house in the country we have seen the propaganda for the Mellon plan, and to every Member of Congress have come thousands of letters almost in the same language, often in exactly the same language, and without doubt sent at the demand of propaganda headquarters. People have not been merely requested to write to their Congressmen saying that the writers have carefully considered the Mellon bill—containing 242 pages—and that they urge Congress to pass it, but the arrogant propagandists have attempted to force their employees to write such letters to their Members of Congress.

To show the methods used by those who are determined to force Congress to pass the so-called Mellon plan I quote the following from a letter written to the employees of the Aeolian Co. of New York:

To all Aeolian employees:

It is of the utmost importance and a matter of vital interest to all of us that the program of tax revision, commonly called the Mellon plan, be passed at the present session of Congress.

It is also vitally important that the so-called bonus bill should not be passed. * * *

I am asking that you write at once to the two Senators representing New York State at Washington, as well as the Representative of your voting district, that you, as one of their constituents, desire them, as representing you, to vote for the Mellon bill without changes and to vote against any kind of a bonus bill.

Write your letter for the Representative of your district and send it to Miss Reilly, executive offices, Forty-second Street, and she will forward it to the Evening Mail, who will be glad to fill in the name of the proper Representative, provided you give your voting address at the bottom of the letter.

The two Senators are JAMES W. WADSWORTH, Jr., and Dr. ROYAL S. COPELAND.

Address the Senators in care of the United States Senate at Washington and your Representative in care of the House of Representatives, Washington; addressing each one as "Honorable."

We shall check up our pay roll within the next couple of weeks to find out those who have written and those who have not.

Sincerely yours,

W. V. SWORDS.

The following is the form of a letter which one of the big trust companies of New York sent to its stockholders and employees for the purpose of having such stockholders and employees sign the statement and send it to the Congress of the United States:

DECEMBER —, 1923.

To the Congress of the United States:

I respectfully request and urge Congress to take a persistent and aggressive stand for lower Federal taxes and to support a tax-reduction plan substantially along the lines recommended in letters dated November 10 and December 17, 1923, from the Hon. Andrew W. Mellon, Secretary of the Treasury of the United States, to the Hon. WILLIAM R. GREEN, acting chairman Committee on Ways and Means of the House of Representatives; and to refrain from voting in favor of any legislation which will interfere with the carrying out of such tax-reduction plan.

(Name)_____

(Address)_____

These two instances are sufficient to illustrate the tactics used by the powerful interests of the United States to force through Congress a tax bill which suits them. Let us see why these gentlemen are so fond of the Mellon plan and so opposed to the so-called Garner plan for raising revenue. The Garner plan proposes to take 44 per cent of all incomes above $92,000 a year for the purpose of paying the expenses of the Government. The Mellon plan proposes to take from big incomes only 25 per cent of the amount of such incomes which are over $100,000 a year. The Garner plan proposes to reduce the tax rate on the smallest incomes paying a tax to 2 per cent, while the Mellon plan proposes a rate on the same incomes 50 per cent higher.

Now, of course, everyone is in favor of lower taxes, but everyone also knows that the Government must have sufficient money to meet its needs. The question is, therefore: Is it more just and more wise to increase the tax burden on the persons receiving ordinary incomes, or should we not tax those with very large incomes at a higher rate than we tax people with smaller incomes?

Those who argue against taking the 44 per cent of all above $92,000 of the big incomes have a hard time finding an excuse for being against the taking of the 44 per cent of such big incomes. They have a hard time trying to make it appear right that the Government should get a large amount of the money needed to pay its expenses by taking off almost half of the tax on incomes above $92,000 and then to get the money it needs by increasing the tax on ordinary incomes.

They realized, however, that they must give the people and Congress some kind of an excuse, and so they tell us that they want to help business.

Now, Mr. Chairman, will those who want to take the tax off great incomes and put it on the shoulders of the people with smaller incomes tell us how money left in the pockets of men with incomes of more than $92,000 a year will help prosperity more than money saved to the people who pay taxes on ordinary incomes?

The welfare of the country depends just as much on the success and prosperity of the smaller business and smaller manufacturer as upon the success of the great money powers. We hear men at one moment denounce and howl about the injustice and tyranny of trusts and monopolies and then in almost the next minute tell us that we must take about one-half the tax from big incomes, the incomes from the huge businesses, and put the tax on the incomes from small business and of small manufacturers.

The statements of Secretary Mellon in support of this unsound policy have been severely condemned by men of all parties. Hon. JAMES COUZENS, the Republican Senator from Michigan, said in the Senate on January 21, 1924:

More dishonest statements, misstatements, if not absolute falsehoods, have been handed out at the Treasury Department of the United States for the purpose of misleading the public than ever were issued by a public department in my recollection of government.

Ah, my friends, the real position of those who argue that it is proper for the Government to cut down by almost a half the

tax on big incomes, on incomes in excess of $92,000, and instead get the money by taxing more the people with smaller incomes, the real feeling of most men who want such a plan is that if we increase the wealth of those financially powerful, those at the top of the economic structure, enough will dribble down from them to help out those lower down. This is a dangerous doctrine. It implies the argument that if the powerful in society are given control of the country's resources they will be very kind and dole out enough to take care of all the rest. I maintain, Mr. Chairman, that the only way the healthy growth of civilization can be promoted is by assuring, as fully as possible, the success and prosperity of all the people as a result of their honest efforts, unhampered and uncontrolled by industrial or financial overlords.

But they pleadingly assure us that they, too, are anxious to be fair to the people and that the Mellon plan will not be unjust to them. Let us see. According to the latest published statistics of the Treasury Department, there are 6,650,695 income taxpayers in the United States, 9,433 of whom are in the State of Ohio. Now, the undisputed fact is that only 539 of these Ohio income taxpayers would benefit more under the Mellon plan of so-called tax reduction than they would benefit under the Garner tax-reduction plan. On the other hand, 366,557 would benefit more under the Garner tax plan, and only 539 in the whole State would benefit less under the Garner plan than under the Mellon plan. During the war thousands of new millionaires were added to those in the United States prior to the war. The present debt of the Government resulted largely from the war. Is it then unjust that the fabulous incomes of the country should bear a greater proportion of the expense of the Government than the smaller incomes?

I am not one of those who believe that even the taxing of these great incomes according to either the Mellon plan or the Garner plan will be any fundamental remedy for the distribution of wealth so unjustly as is now the case. I would adopt a system of taxation that would prevent the accumulation on the one hand of gigantic amounts of wealth by the few without their giving for it service equal in value, and, on the other hand, make it unnecessary for the many millions of people to struggle from morn till night for merely enough to enable them to exist.

But until the people and their representatives are ready to prevent by a sane method such an unjust distribution of the bounties of nature, I shall support, as now, such method of taxation as will put in the Public Treasury a reasonable amount of the wealth unjustly acquired by the very few. [Cries of "Vote!" "Vote!"]

The CHAIRMAN. The gentleman from Iowa moves that all debate on this amendment and all amendments thereto do now close.

The question was taken, and the motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. CROSSER].

The question was taken; and on a division (demanded by Mr. GREEN of Iowa) there were 17 ayes and 77 noes.

So the amendment was rejected.

The Clerk read as follows:

RULES AND REGULATIONS.

SEC. 1001. The commissioner, with the approval of the Secretary, is authorized to prescribe all needful rules and regulations for the enforcement of this act.

Mr. DEAL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this section provides a blanket grant of power to the executive branch of our Government to make such rules and regulations as it may deem necessary for the enforcement of the proposed law. There are no checks, no reviews, no revisions. The Supreme Court has rendered some decisions that would indicate that Congress has the right to delegate the power of making rules and regulations, but there should be some limit as to the extent of those rules and regulations. We all know that when we give to a department the right to make a rule, or give them an inch they will take an ell, and they soon walk over into the realm of lawmaking.

The Internal Revenue Department has already written a code of laws for regulating the taxpayer in the matter of returns, and they assess him arbitrarily, frequently unjustly; he has no redress except through the courts. The gentleman from Georgia [Mr. LARSEN] a few days ago gave us an instance of a taxpayer who had been arbitrarily assessed, unjustly assessed, and in order to save the payment of the excess tax he was forced to sign a waiver. The waiver carried him over the period in which the law limited the examination of his books, likewise the date for appeal, and the department then pleaded the statute of limitations, so that he could not go into the court and obtain redress. The gentleman from Illinois [Mr. CHINDBLOM] stated that the Internal Revenue Department had arbitrarily—I think that is the substance of it—assessed income in cases of a man's return in excess of that which was just and right in order to force the taxpayer to come forward and sign a waiver.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. DEAL. Yes.

Mr. CHINDBLOM. At the time they made the assessment they intended that it should be just.

Mr. DEAL. Yes; but they took all the advantage and gave the taxpayer none. The last Congress had to make an appropriation of about $105,000,000, I think it was.

Mr. CHINDBLOM. Will the gentleman yield for a further suggestion?

Mr. DEAL. Yes.

Mr. CHINDBLOM. This practice will be stopped definitely and effectively by this board of tax appeals. The arbitrary assessments will be stopped.

Mr. HUDSPETH. What assurance has the gentleman of that?

Mr. DEAL. The last Congress appropriated $105,000,000 for the repayment of taxes unjustly taken from the taxpayer. If there were $105,000,000 taken from the taxpayers of this country unjustly which was detected by the taxpayers themselves, Heaven only knows how much was taken from them that was not detected and unjustly paid by the taxpayers and now enjoyed by the Government. There are no means of determining this amount. It may be fairly assumed that it would run into the hundreds of millions of dollars.

Not only that, but the taxpayer when assessed arbitrarily in a sum greater than he believes that he owes the Government is forced to secure the services of an attorney or a certified accountant, bear the expense of coming to Washington and looking into his accounts, and my judgment is that it has cost the taxpayers of this country over half a billion dollars in fees to certified accountants to aid them in reducing their taxation.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. DEAL. I ask for five minutes more.

The CHAIRMAN. The gentleman from Virginia asks that his time be extended five minutes. Is there objection?

Mr. GREEN of Iowa. Mr. Chairman, I shall be compelled to object; my friend can extend his remarks in the RECORD.

Mr. DEAL. Oh, yes; I have sat here for two weeks and have not opened my lips and now that I want to make some remarks on this iniquitous proposition that you have before Congress you want to shut me off.

Mr. GREEN of Iowa. The gentleman has waited until the last minute before he has seen fit to say anything; but, Mr. Chairman, I withdraw my objection.

Mr. DEAL. This is section 1001, in the latter part of the bill. It is the principal objection that I have to the whole measure, the one thing that the taxpayers of my district, and all other districts from which I have heard, complain mostly of in the bill. These regulations of the Internal Revenue Department have the force of law and subject the taxpayer to a prison penalty if he violates them. It is nothing more or less than law. I believe Congress should write the law and not leave it to the Internal Revenue Department. It would be idle to say that Congress has not the power and ability to do it; it can do it. The great Ways and Means Committee is capable of writing the law as well as the Internal Revenue Department, and they should write it and protect the taxpayer by letting him know what the law is. These regulations are binding on the taxpayer and not upon the revenue department. It can change the rules from year to year, month to month, week to week, and every morning before breakfast if they feel like doing it. The taxpayer has no redress and they never know what the law is. As an evidence of the arbitrariness of the department, Mr. McCarl issued a ruling that the workmen's compensation should be held up and not paid; that it is wrong. The law says that they shall be paid a certain compensation at certain times, but the department handling this measure is forced to cease payment of the workmen's compensation to-day because of the arbitrary ruling of Mr. McCarl, which he says supersedes the advice and opinion of the Attorney General, and even the President himself. The same is true of the Navy Department. Some of our young men have been denied the right of compensation for dependents, and not only have they been denied this right but they have been forced to make restitution of amounts already paid, going back some two or three

years. I have a case in which men have been required to make refunds through a period of two and a half years on account of this ruling of Mr. McCarl.

The Internal Revenue Department does not seem to have any regard for the taxpayer at all, nor does it seem that Congress has any regard either. We are continually talking about justice here. I have seen men walk up and down this Hall like caged lions demanding justice. Analyzed, it means that they want to place the tax on the other fellow. It seems to me that in the matter of taxes the justice demanded consists in an effort to have certain interests exempted from taxation. We can not all be exempted from taxation. The Government must have revenue, but while we are being taxed we ought to have some regard for the taxpayers who have to make out their returns, and not force them to the expense of a certified accountant and exorbitant expense in the matter of their tax returns.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield?

Mr. DEAL. Yes.

Mr. CHINDBLOM. Of course, the gentleman knows that the Comptroller General is not a part of the Treasury Department.

Mr. DEAL. I am merely citing that to show——

Mr. CHINDBLOM. He is superior to everybody else.

Mr. DEAL. It seems that he is superior even to the President.

Mr. CHINDBLOM. Not only in fact, but in conduct he is superior to everybody else.

Mr. McSWAIN. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. McSWAIN: Page 208, line 23, strike out the period, insert a comma and the following: "provided such regulations shall not enlarge or modify any of the provisions of this act and of any other law, and all such rules and regulations and all amendments thereto shall be annually reported to Congress."

Mr. GREEN of Iowa. Mr. Chairman, personally I have no objection to the amendment and am willing to accept it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Carolina.

The amendment was agreed to.

The Clerk read as follows:

SEC. 1002. (a) Every person liable to any tax imposed by this act, or for the collection thereof, shall keep such records, render under oath such statements, make such returns, and comply with such rules and regulations, as the commissioner, with the approval of the Secretary, may from time to time prescribe.

Mr. DEAL. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. DEAL: Page 209, lines 3 and 4, strike out the words "keep such records."

Mr. DEAL. Mr. Chairman, my purpose in offering this amendment is to protect the small operator or business man. I do not think that the Internal Revenue Department or the commissioner would really require every man to keep a set of books, but it gives him the power, and, in carrying out the same idea I heretofore presented, I assume that he may exercise that power. I want to protect the small business man from being required to keep a set of red tape books in accordance with the requirements of the commissioner.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. DEAL. In just a moment. The larger business firms, of course, keep their books and it is no trouble for them to keep them in such a manner as to suit the commissioner, but it would be a great hardship to many of the small business men of this country to have to keep books in accordance with the requirements of the commissioner. I yield to the gentleman from Iowa.

Mr. GREEN of Iowa. Is the gentleman aware that this has been in the law for years?

Mr. DEAL. I am not concerned with precedents. I say to the gentleman from Iowa that I am not a lawyer, and not being a lawyer, precedent has no great weight with me. If it has been the law and if it is wrong, we ought to correct it now.

Mr. GREEN of Iowa. Is the gentleman aware that this would enable every person who is disposed to do so to cheat the Government out of the tax—that is, any man who carries on a business of any kind.

Mr. DEAL. The gentleman is assuming that every taxpayer is disposed to defraud the Government.

Mr. GREEN of Iowa. I am not, but I know that a large number are.

Mr. DEAL. American and English jurisprudence since the days of Magna Charta assumes that every man is innocent of crime until he is proven guilty, and the burden of proof rests upon the Government. In this law the situation is reversed, and every man is assumed to be guilty and the burden rests upon him to prove his innocence. I want to protect the citizen.

Mr. GREEN of Iowa. Mr. Chairman, this is a very important matter, and I hope I may have the attention of the committee for a few minutes. If this amendment were adopted, it would cost the Government anywhere from fifty to a hundred million dollars in taxes that ought to be paid. This provision has been in the law for years, and it has not hurt any honest man, nor has it made any extra expense or trouble.

Mr. DEAL. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. I want just a minute. Does the gentleman claim that anybody has been hurt by this provision? He has not claimed it.

Mr. DEAL. I do not claim that they have been hurt, but I claimed that they had been placed at great inconvenience and expense unnecessarily.

Mr. GREEN of Iowa. No one has been placed to any inconvenience and expense. There is a certain class of people, mostly foreigners, who, if this provision were left out, would not pay any taxes at all. There are some of them now trying to avoid keeping any books, and they are not keeping any bank accounts. What they want is to beat the Government out of all taxes.

Mr. Chairman, I move that all debate upon this paragraph and all amendments thereto now close.

The CHAIRMAN. The gentleman from Iowa moves that all debate on this amendment and all amendments thereto be now closed. The question is on agreeing to that motion.

The motion was agreed to.

The CHAIRMAN. The question now is on agreeing to the amendment offered by the gentleman from Virginia [Mr. DEAL].

The question was taken, and the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

EXAMINATION OF BOOKS AND WITNESSES.

SEC. 1004. The commissioner, for the purpose of ascertaining the correctness of any return or for the purpose of making a return where none has been made, is hereby authorized, by any revenue agent or inspector designated by him for that purpose, to examine any books, papers, records, or memoranda bearing upon the matters required to be included in the return, and may require the attendance of the person rendering the return or of any officer or employee of such person, or the attendance of any other person having knowledge in the premises, and may take his testimony with reference to the matter required by law to be included in such return, with power to administer oaths to such person or persons.

Mr. DEAL. Mr. Chairman, I move to strike out the entire paragraph.

The CHAIRMAN. The gentleman from Virginia [Mr. DEAL] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. DEAL: Page 211, beginning with line 10, strike out the paragraph 1004.

Mr. DEAL. Mr. Chairman, the fourth amendment to the Constitution is one amendment which the Supreme Court has not declared unconstitutional. The fourth amendment provides that the right of the citizens to be free from unreasonable searches and seizures of their persons, houses, papers, and effects shall not be violated, and no warrant shall lie except upon probable cause, stating the place, persons, or things to be searched and seized and described and their location. This section gives the Commissioner of Internal Revenue the right to send his agents, detectives, and spies into the home of every American citizen and search his papers, his books, and his private correspondence to seek a cause or probability of fraud. Now, the citizen is presumed to be innocent until proved to be guilty, and the burden of proof rests upon the Government, and I contend that we should not delegate any such power as this. It is clearly unconstitutional. We have no right to do it, and in doing so we are simply placing a citizen at the mercy of the Commissioner of Internal Revenue to do as he pleases, with no defense, no opportunity on the part of the citizen to defend or protect himself in any manner whatsoever. I submit that Congress would be exceeding its power should it pass any such legislation as this. [Applause.] All governments are supposed to exist by consent of the governed; especially is this true with ours. It is not intended as a means of persecution

and oppression, but to afford the greatest amount of peace, happiness, and prosperity. Section 1004 is the antithesis of it all and clearly unconstitutional. It is in keeping, however, with the policy being pursued by the prohibition department, which is, of course, sufficient warrant for any violation of the statute or constitutional law.

Mr. TREADWAY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, if some of us are not too loquacious—probably I am one of them—we expect to get final votes upon this bill to-day.

Reaching to that point, I can not refrain from expressing a few personal views, in no wise representing anybody but myself, and it may be a poor representation at that. I have always been a pretty strict party man, and I never have been very much disposed to compromising, either with my pride or with people with whom I do not agree. This House started in December to compromise, and we have been at it ever since, and we will be at it to-night when we vote for this bill. I would rather, a great deal rather, go down to defeat with the Mellon rates in this bill, with the rates as they were originally framed, than go on to victory by a compromise with insurgent Republicans or the Democrats.

However, our party leader on the floor seems to think that a better program is to compromise, and if that program is wanted we shall have to go through with it. Sometimes, they say, you have to hold your nose and do a thing that you do not like, and that is the position in which I find myself to-day. [Laughter.] I confess that 37½ per cent is better than 44, but it is not enough better to take the stench away from the 37½ per cent. I am for the surtax rate of 25 per cent as reported by 11 Republican members of the Committee on Ways and Means, and I am not for any compromise of those rates. [Applause.] We want to go to the country with a tax reduction. Perhaps we will, if we write in it 37½ per cent, but we will not go with any real tax revision. It seems we can get a vote here only by showing a reduction of 25 per cent as proposed by Mr. LONGWORTH from the present surtax rates. We will have to be satisfied with that. In other words, over 200 Republicans have to be ruled by about 20. I do not like it, and I resent it. [Applause.]

Mr. TINCHER. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. No. The gentleman can get his own time and speak in it.

I do not like it. I hate like thunder to vote for it. We have been led by a few members of our party, with whom I do not agree, for some time. It is poor leadership, and I kick against it like the deuce. [Applause.]

Mr. NEWTON of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. No. The gentleman can speak his own piece. I must get this out of my system before I can vote for it. Thirty-seven and one-half per cent is proposed because certain men want to compromise all the time with 20 men, and lose every time it is done.

Mr. NEWTON of Minnesota. Does not the gentleman expect to get a chance to vote for 25?

Mr. TREADWAY. Yes; and I want to continue to vote for it, and I do not want to compromise.

That is about all I have to say, gentlemen. That tells the plain facts of the case. Let us face them to-day. A majority of the Republican Members of this House ought to write into this bill the rates as suggested by the administration—call them the Mellon rates, or the Ways and Means rates, or the Republican rates, as you please; call them what you have a mind to. It is a bill on which we ought to go through to the end. [Applause.]

Mr. CROWTHER. Mr. Chairman, will the gentleman yield?

Mr. TREADWAY. Yes.

Mr. CROWTHER. The gentleman knows that I am as anxious to vote for 25 per cent as he is, but is it not a recognized fact that the best legislation that is ever enacted is finally a matter of compromise and arbitration? [Applause.]

Mr. TREADWAY. No; although we very often have to compromise to get anything, and that looks like the situation now. But I deny that it is the best legislation; it is not the best way to legislate; and it is a long way from being the best legislation. However, it is the best we can get, and that is all I can say for it.

Mr. CROWTHER. Will the gentleman yield further?

Mr. TREADWAY. No.

Mr. GREEN of Iowa. Mr. Chairman——

Mr. TREADWAY. Mr. Chairman, has my time expired?

The CHAIRMAN. No.

Mr. TREADWAY. Well, I will not say more than to repeat the thought I have already expressed to the committee, and I will let it go at that. We are again about to be obliged to accept a compromise practically dictated by the insurgent Republicans and one very near their original program. I regret to see the power they have exercised to spoil a good bill. [Applause.]

Mr. GREEN of Iowa. Mr. Chairman, I move that all debate on this amendment and all amendments thereto do now close.

The motion was agreed to.

The CHAIRMAN. The question is now on the amendment offered by the gentleman from Virginia [Mr. DEAL].

The question was taken, and the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 3228. All claims for the refunding or crediting of any internal-revenue tax alleged to have been erroneously or illegally assessed or collected, or of any penalty alleged to have been collected without authority, or of any sum alleged to have been excessive or in any manner wrongfully collected must, except as provided in section 281 of the revenue act of 1924, be presented to the Commissioner of Internal Revenue within four years next after the payment of such tax, penalty, or sum.

(b) This section shall not bar from allowance a claim for credit or refund filed prior to the enactment of this act which but for such enactment would have been allowable.

Mr. CRISP. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Georgia offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. CRISP: On page 217, after the end of line 12, insert as a new subsection to be known as paragraph (c) the following:

"That when any taxpayer makes a fair, honest, and correct return as to the taxes due by him to the United States under its internal revenue laws, and the Commissioner of Internal Revenue or any other official of the United States authorized to act in such cases determines that there is a deficiency in respect to the tax due the United States on said return and assesses and levies an additional tax against the taxpayer to the amount of the determined alleged deficiency, and the taxpayer objects to and caveats the right of the Government to assess additional taxes against him and appeals from the determination and decision of the Internal Revenue Bureau in assessing such additional tax; if, upon the hearing and review upon the caveat or appeal, the taxpayer sustains his contention and his original returns are found to be just, fair, and correct, or if he has paid more taxes than due by him, then the Government of the United States shall reimburse the taxpayer his reasonable costs expended in having his appeal reviewed and prosecuted before the proper authorities of the United States in such cases made and provided, the amount of cost to be allowed under this provision to be determined by the Commissioner of Internal Revenue subject to a review by the Court of Claims."

Mr. CRISP. Mr. Chairman, I ask unanimous consent that I may proceed for 10 minutes.

Mr. GREEN of Iowa. Mr. Chairman, I reserve a point of order.

Mr. CRISP. If a point of order is to be made, I would like to hear it, because I do not care to make a speech unless there is some chance of getting the amendment adopted. I would like to hear the point of order, for I do not believe one can be successfully made against the amendment.

Mr. GREEN of Iowa. I think I would rather submit the matter to a vote and not make a point of order. Mr. Chairman, I withdraw the reservation.

The CHAIRMAN. The gentleman from Georgia asks unanimous consent that he may proceed on his amendment for 10 minutes. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from Georgia is recognized for 10 minutes.

Mr. CRISP. Mr. Chairman and gentlemen of the committee, I have offered this amendment in the utmost good faith, believing it is sound, equitable, and just. I believe in a progressive income tax, but there is great opposition to that tax, and I believe the greatest objection to it is because of its administration and because of the annoyance, the expense, and the inconvenience to the taxpayers in making out their returns, and the injustice done to them, unwittingly, I grant you, but still there are great hardships inflicted upon the taxpayers.

Now, gentlemen, the policy of the Treasury Department is that when they review tax returns they levy and assess an additional tax against the taxpayer, and the policy has been that agents from the Treasury Department would go out and

examine the books of some corporation or business house. They would stay there for weeks, examine the books of the corporation, and when they would finish their examination they would leave without saying anything to those in charge of the business. They would not consult the officers of a corporation or of an individual taxpayer; if they had done so, many of the items that the revenue agents were claiming were unjustly deducted as expenses would have been explained away. But their policy was to leave, and after they were gone for months and possibly a year they would notify the taxpayer that he owed so many hundreds or thousands of dollars additional tax.

Now, I believe the agents of the Government should extend every courtesy and helpful assistance possible to the taxpayer, so as to make the administration of the law as little burdensome as possible, and in that way create as favorable an impression as possible on the taxpayer. It is their duty to do what they can to popularize the law.

Now, I am told by Mr. Mellon's assistant, Mr. Gregg—and I want to join with the others in paying tribute to his ability and his splendid personality—that since I offered this matter before the Ways and Means Committee the Treasury Department has changed its regulations to the extent that when a revenue agent now assesses an additional tax against the taxpayer he must notify the taxpayer of the additional claim and give the taxpayer an opportunity to be heard before the final assessment is made final.

That is an improvement, and I am glad of it, but, gentlemen, it seems to me that when a taxpayer has made an honest, just, and fair return and additional taxes are assessed against him he should have the right to protect his rights as to that additional levy, and if on a rehearing he sustains his contention and shows that his original return was honest and correct that he should not be mulcted in damages by having to pay attorneys' fees, auditors' fees, traveling fees, and other expenses which are absolutely necessary in order that he may protect his rights before the Treasury Department.

Mr. McLAUGHLIN of Michigan. Will the gentleman yield a moment?

Mr. CRISP. I yield.

Mr. McLAUGHLIN of Michigan. The gentleman says "when it has been determined"—by whom? By this new board we have created, by the circuit court, by the Supreme Court of the United States, or by whom?

Mr. CRISP. The amendment reads by the Commissioner of Internal Revenue or other duly constituted authority of the Bureau of Internal Revenue who has power to assess additional taxes. This board of appeals has not that power. They are a board to pass upon whether or not this additional assessment was just and correct.

Mr. CHINDBLOM. The gentleman, as I understand it, refers to a judicial review, and not to a review within the department.

Mr. CRISP. Yes; my amendment, I think, is clear; but if it is not, I would be glad to have amendments perfecting it. I think the amendment is clear to this extent, that when a duly authorized agent of the Treasury Department assesses additional taxes against the taxpayer, if upon review before the commissioner, under the present law, or, if this bill is adopted, before the board of tax appeals, he sustains his original returns and establishes that they were honest and correct, then he shall be reimbursed his reasonable cost in prosecuting that appeal.

Mr. KEARNS. Will the gentleman yield for a question there?

Mr. CRISP. Yes.

Mr. KEARNS. Does the gentleman think his amendment is broad enough to include attorneys' fees?

Mr. CRISP. I was just coming to that, I will say to my friend from Ohio.

Mr. KEARNS. I did not think the language was broad enough to cover that.

Mr. CRISP. I was coming to that. When I first introduced a bill, which I urged before the Committee on Ways and Means, I had a second clause in it providing that attorneys' fees, auditors' fees, hotel bills, and transportation charges should be prima facie reasonable cost provided for in the bill. The Committee on Ways and Means submitted the proposition to the Secretary of the Treasury, and the Secretary of the Treasury was not favorable to it, in that he said that the second provision, providing for reasonable cost, embraced every kind of imaginable cost, and it might be that the taxpayer would make contingent-fee contracts, and large ones; and that it was not reciprocal, in that if the taxpayer won he was to be reimbursed all the costs, whereas if the Government won, the Government would not be reimbursed its costs out of the taxpayer.

Mr. YOUNG. Will the gentleman yield?

Mr. CRISP. I must decline to yield for the present unless I get more time.

Mr. YOUNG. I think the gentleman ought to have more time.

Mr. CRISP. Gentlemen, I do not believe the amendment will work any hardship on the Government, because the Government already has its attorneys and its employees paid on salaries. I admit there might be some force in the criticism of the Secretary that it might lead to unreasonable, unfair, and exorbitant cost charges as the bill was originally drafted, so that in the amendment as offered I have protected that. I have cured that and have fixed it so that there will be no unjust hardship on the Government, because the amendment as offered provides that if the taxpayer sustains his returns, then he is entitled to reasonable cost, the reasonable cost to be primarily assessed and fixed by the Commissioner of Internal Revenue, subject to a review by the Court of Claims. If this amendment becomes a law, I have no doubt that in ninety-nine cases out of one hundred whatever reasonable cost is allowed by the Commissioner of Internal Revenue will be accepted by the taxpayer. However, I did not care to put the taxpayer's rights absolutely, so far as this was concerned, in the power of the Commissioner of Internal Revenue, so I added a provision that the action of the Commissioner of Internal Revenue in assessing the attorneys' fees was subject to a review by the Court of Claims. Gentlemen, I do not believe there can be any injury wrought by this amendment. I think it will have the beneficial effect of making the Treasury Department more careful in assessing additional taxes. I think it will have the effect of making the agents of the Treasury Department, when they go out to examine the books of a business concern, careful to see that any assessment they might levy on the taxpayer can be sustained, and if they are doubtful about any item, they will take it up with the officers of the company or with the business men and iron it out.

It may be urged by some that if this amendment was adopted it would have the effect of working against the taxpayer in that if the Government assessed additional taxes they would be more determined to hold some additional amount of taxes than they would be if they would not be mulcted in costs if they found their returns were wrong. I do not think that would be the case, because this bill provides for an impartial board of tax appeal, and I favor that provision. I think it is one of the best provisions in the bill. If the additional taxes are assessed, both the Government and the taxpayer will have a fair, impartial hearing before this fair and impartial board, and I believe they will pass upon the facts in each case according to the law and justice and will not be biased or influenced either way as to whether the Government would have to pay costs in the case. I do hope you will adopt the amendment.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. GREEN of Iowa. Mr. Chairman, I hope I may have the attention of the committee for just a few minutes, although I realize everyone is so impatient to get on, it is difficult for anyone to get a hearing. I have not only the greatest respect and esteem but an affectionate regard for the gentleman from Georgia. Ordinarily, I am very much inclined to accept his judgment on a matter of this kind, but I hardly think my friend from Georgia has gone to the bottom of this matter or has understood what would be its effect. Its effect would be to greatly increase the appeals and the actions between the Government and the taxpayer because it would be an inducement to every attorney to go to the taxpayer and say, "If you can get any little amount allowed on your claim I can have all your attorneys' fees and all your expenses paid." The gentleman says that it would not be fair to give the Government the same privilege of having its attorneys' fees paid for the reason the Government has a large number of attorneys already in their employ. Let me say to the House that the Government will need a great many more attorneys if this provision goes into effect to take care of the great increase in the number of claims that are made against the Government.

And also let me say that when you come to pay the attorneys' fees that run up into hundreds of thousands of dollars in some cases and would be sustained by the Court of Claims on the testimony of attorneys, that they were reasonable, what does my friend from Georgia think that it would cost the Government? You can be prepared to make an additional appropriation.

Mr. YOUNG. What does the gentleman from Iowa think it would be?

Mr. GREEN of Iowa. Five or ten million dollars.

Mr. CRISP. If the taxpayer made an honest return, and if his return is sustained, and if the Government assessment

of additional taxes is not justified, if justice is to be done the taxpayer, why should not he be entitled to receive his cost?

Mr. GREEN of Iowa. If he has made an honest and just return, I do not think he will have much trouble with it, but this puts a premium on contesting tax assessments. My experience with the department has been, as a Member stated the other day, that when I went down there I was given a fair and respectful hearing, and they were disposed to treat the matter fairly. I admit the field agents sometimes get reckless, but here in Washington they give the taxpayer everything, and sometimes a little more.

Mr. DEAL. Yes; they give it to him after a hearing, but they keep him in jeopardy for a month and sometimes a year.

Mr. CHINDBLOM. Mr. Chairman, the gentleman from Georgia [Mr. CRISP], with his usual fairness and consideration, presented this matter to the Committee on Ways and Means. We considered it very carefully. It is a departure from any practice, of which I have any knowledge, in a matter of review of the acts of administrative government anywhere in the United States. Our courts do not ordinarily allow attorneys' fees or fees of experts or fees of accountants or other expenses against unsuccessful litigants. We have not incorporated that system into our jurisprudence. This will be the first case of this kind in the country so far as I am advised at this moment, and I have made some inquiry and investigation of the subject. Of course, the Government is not allowed any part of its costs or expenses in those proceedings where it is successful.

Mr. HASTINGS. Will the gentleman yield? Is not the Government permitted to assess a penalty against the taxpayer, and does not that take the place of the expenses?

Mr. CHINDBLOM. No; we have taken off the penalty and only charge interest. Where it appears that the man has made a fair and honest return but owing to some mistake by the taxpayer there is an additional assessment put on, we do not charge any penalty, but only charge him interest.

It was said by the gentleman from Georgia that the Government has its force of attorneys and accountants and experts on hand. So have most of the taxpayers. Most of these claims come from large taxpayers; they involve hundreds of thousands of dollars usually. They take their own force of experts; they take their own force of accountants; they take their own lawyers, and the big expense will be in these cases where they have the high-class attorneys. These attorneys and accountants and experts will be paid out of the Public Treasury, not at the rate we pay Government employees but at the rate which they are paid in their private practice.

Mr. CRISP. Not under the bill, because the bill gives the Commissioner of Internal Revenue the right to assess the fees.

Mr. CHINDBLOM. It is subject to review in the Court of Claims and every substantial claimant will go to the Court of Claims and the experts will testify, for instance, that Mr. Jones is the leading attorney in New York City, Mr. Brown is the leading attorney in Chicago, and Mr. Smith is the leading attorney in Pittsburgh, and that their services are worth $500 a day. The Government will not be able to dispute it because the time of these attorneys is worth $500 a day in their private practice.

Mr. DEAL. Yes; and the taxpayer has to pay $500 a day because the Government has placed that burden upon him in addition to his tax.

Mr. CHINDBLOM. The men who are in the employ of these companies constantly will be in the Treasury Department, always seeking a review of taxes. We have taken out the necessity of their paying under protest because all large taxpayers made a protest whenever they paid their taxes, when they sent in their checks, whether they had any case or not. It became a regular custom under the advice of lawyers to make the payment under protest.

Mr. GREEN of Iowa. All through this bill we have written it in favor of the taxpayer to make it easier.

Mr. CHINDBLOM. Now, whatever additional amount is assessed, be it large or small, the taxpayer will be without the benefit of this legislation. Suppose he has paid $100,000 in taxes and it transpires that he should have paid $25 more, he will not get the reimbursement for his expenses.

It will be inequitable, however you arrange it. You can not do entire justice all the way through.

Mr. YOUNG. Mr. Chairman, will the gentleman yield?

Mr. CHINDBLOM. Yes.

Mr. YOUNG. Will not this be establishing a precedent that will eventually mean that in the case of every claim against the Government in every department the claimant will be entitled to costs?

Mr. CHINDBLOM. The next step, the next logical step, is to provide that all litigants in the courts, whether against the Government or against private parties, can always recover their costs and expenses in a successful litigation.

The question is on the amendment offered by the gentleman from Georgia.

The question was taken; and on a division (demanded by Mr. CRISP) there were—ayes 73, noes 121.

So the amendment was rejected.

The Clerk read as follows:

SEC. 177. No interest shall be allowed on any claim up to the time of the rendition of judgment by the Court of Claims, unless upon a contract expressly stipulating for the payment of interest, except that interest may be allowed in any judgment of any court rendered after the passage of the revenue act of 1921 against the United States for any internal-revenue tax erroneously or illegally assessed or collected, or for any penalty collected without authority or any sum which was excessive or in any manner wrongfully collected, under the internal revenue laws.

Mr. CHINDBLOM. Mr. Chairman, I move to strike out the last word, which happens to be "laws." I want to take only two minutes for a single purpose. In the debate the other day upon the gift tax, which may become a law, it was said by several speakers that some exemption was made in the proposed gift tax which would take bonuses given to employees by their employers out of the gift-tax provisions. I call attention to the fact, for the purpose of the RECORD, that bonuses given to employees are treated by the revenue department, and I think properly so, as a part of the compensation received by the employees, and they are required to pay taxes on that compensation. These bonuses will not be at all affected by the gift tax.

The Clerk read as follows:

CONSOLIDATION OF LIBERTY BOND TAX EXEMPTIONS.

SEC. 1028. The various acts authorizing the issues of Liberty bonds are amended and supplemented as follows:

(a) On and after January 1, 1921, 4 per cent and 4¼ per cent Liberty bonds shall be exempt from graduated additional income taxes, commonly known as surtaxes, and excess-profits and war-profits taxes, now or hereafter imposed by the United States upon the income or profits of individuals, partnerships, corporations, or associations, in respect to the interest on aggregate principal amounts thereof as follows:

Until the expiration of two years after the date of the termination of the war between the United States and the German Government, as fixed by proclamation of the President, on $125,000 aggregate principal amount; and for three years more on $50,000 aggregate principal amount.

Mr. McKEOWN. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. McKEOWN: Page 231, line 17, strike out line 17, to and including line 24, and through to line 7 on page 232.

Mr. McKEOWN. Mr. Chairman, I want to ask the chairman why it is necessary to have this language remain in this bill? The purpose of the provision is evidently passed. I can see no reason why we should keep that legislation.

Mr. GREEN of Iowa. My understanding is that it is necessary in order to preserve those provisions.

Mr. McKEOWN. I should not think we would want to go on record here as passing this tax bill containing language putting us in the attitude of still being in favor of tax-exempt securities. I think it ought to go out. I understand that it was in the original law.

Mr. GREEN of Iowa. It was originally passed for five years, and the five years are not yet up.

Mr. McKEOWN. I should think we ought to take that language out of the bill because we do not want to go on record as being in favor of any tax-exempt securities. It has effected its purpose, and it ought to go out.

Mr. GREEN of Iowa. These were provisions made at the time these bonds were issued, and it has been the law for a long time. They will expire in 1926.

Mr. McKEOWN. That is true; and we could not change the contract under which they are issued, but I see no reason why we should continue these provisions in this law, which is a new law and does not affect and could not affect the contract under which the bonds are issued.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. CHINDBLOM. I think I can tell the gentleman why. We have tried to put into this law all of the provisions which relate to these taxes, even though we reenact certain laws, because a lawyer or a judge or even a layman finds it convenient to have all of the law in one place.

Mr. McKEOWN. That is all right. I see the purpose. But here is a bill containing this language, and we have to face constituents who are insisting that we pass no more legislation favoring tax-exempt securities. As a Member of this House, I do not want to be put in the attitude of voting for a bill that carries further provisions with reference to tax-exempt securities when, as a matter of fact, it is not necessary. It is nice and convenient for the lawyers, but I do not want to have some fellow going over the country demagoging, misconstruing the situation, and saying that we were voting for further continuation of tax-exempt securities. I think it would be better legislation to eliminate it now. The reason for the legislation is gone

Mr. CHINDBLOM. The effect would be to leave this provision in the law, but the gentleman wants to leave it where nobody knows it.

Mr. McKEOWN. Let them know that we are not going on record as voting for a continuation of it. That is the objection that I have to it. There is no reason to reenact the law. If it is already the law, let it go out of this bill. I am not doing this for the purpose of trying to hinder the legislation, and I take opportunity now to commend the members of this committee for the patience that they have exhibited, and especially the chairman. We have had some trouble, but it is all worked out all right. The chairman of the committee has had a lot to bother him, and I want to compliment him upon his fairness to us in extending time. I also compliment the members of the committee on both sides for their patience. I ask the committee now to take this language out of the bill, so that it may not be misconstrued. It is already the language of the law, and there is no necessity for continuing it in this bill. And the same applies to the next section (b). There are exceptions set out in section (b) that are not necessary in this bill. I propose to offer an amendment to strike that out. It is not necessary. Why, in putting out a new law to the country, encumber it with old provisions that are not going to be changed and which will not affect us? I hope the committee will strike this language out. I see no reason why it should be retained. It should be stricken out, and I submit that to the committee.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Oklahoma.

The question was taken, and the amendment was rejected.

Mr. LANKFORD. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Georgia moves to strike out the last word.

Mr. GREEN of Iowa. The gentleman will pardon me; but we can not get through the bill to-day if there is much discussion.

The CHAIRMAN. The gentleman from Georgia is recognized.

Mr. LANKFORD. Mr. Chairman and gentlemen of the committee, at this time I beg to call your attention to an injustice which is about to be done to the farmers of my district and of the tobacco-growing section of the Nation.

The amendment adopted the other day to this bill to increase the tax on cigarettes will militate against the tobacco growers of the country by forcing down the price of raw tobacco as sold by the farmers. The farmers of my section and of the South generally are suffering very much just now on account of the ravages of the boll weevil. Like a drowning man, they are catching at everything which will help to keep them from losing all. One gleam of hope comes to those in a large section of the South where tobacco can be produced. The people of south Georgia and other sections are just beginning to grow tobacco successfully, and I am extremely anxious that nothing be now done to hurt or lower the price of the tobacco of these folks.

People who are vitally interested in the growing of tobacco, and who have studied the question closely, say the increase of tax on cigarettes here proposed will hurt very much the price of the tobacco of the growers.

Gentlemen, let me beg you not to hurt these folks who are now struggling so hard to keep going under adverse circumstances. In order to show how much my people oppose this tax I wish now to read the following telegrams:

BLACKSHEAR, GA., *February 27, 1924.*

Hon. W. C. LANKFORD, M. C.,
Washington, D. C.:

Believing that any further taxes on the products manufactured from tobacco will react to the injury of the farmer growing tobacco, we urge in the interest of the farmers, warehousemen, banks, and all other interests financing the growth of tobacco that you oppose all such further taxation.

THE BLACKSHEAR TOBACCO BOARD OF TRADE.

NASHVILLE, GA., *February 27, 1924.*

Hon. W. C. LANKFORD, M. C.,
Washington, D. C.:

Please help us preserve our south Georgia tobacco industry by forceful opposition to proposed increase in cigarette tax to $4.

THE FIRST BANK OF NASHVILLE.

HAHIRA, GA., *February 27, 1924.*

Hon. W. C. LANKFORD, M. C.,
Washington, D. C.:

Use your influence and legislate against new proposed tax raise on tobacco.

J. E. MASSEY.

HAHIRA, GA., *February 27, 1924.*

Hon. W. C. LANKFORD, M. C.,
Washington, D. C.:

Your influence against increase cigarette tax desired. Do all you can to defeat same.

HAHIRA BOARD OF TRADE.

HAHIRA, GA., *February 27, 1924.*

Hon. W. C. LANKFORD, M. C.,
Washington, D. C.:

Please do all you can to defeat increase cigarette tax.

HAHIRA TOBACCO WAREHOUSE CO.

In response to these telegrams I advised my people by wire as follows:

I opposed amendment increasing tax on cigarettes and will secure separate vote on this item when main bill comes up and hope yet to help secure defeat of increase.

When this separate vote is secured I beg the friends of the farmers here to help us in this our time of need. Let me say that a separate vote will be secured on this item. I will demand a separate vote, unless the Speaker recognizes some other friend of the tobacco growers to make the motion. I will see to it that a separate vote is had and will insist on a record vote being taken. Some say this tax will not hurt the farmers. The tobacco growers say it will hurt them. Let us take no chances. We should resolve the doubt in favor of the farmers if we have any doubt. I, for my part, have no doubt. The tax will hurt my people, and they are not able to suffer any loss at this time. We ought to be appropriating money to help these unfortunate people in the boll-weevil section to get established fully in the growing of tobacco, instead of passing legislation to wreck this new industry.

The farmers always bear more than their share of the burdens of government, and I hope the time will soon come when we can pass tax and other legislation here without piling additional heavy and unnecessary burdens of taxation on backs which are already very much overloaded. This bill is, in part, favorable to the common folks. Let us not now retain a provision which will far overbalance all good in the bill for the farmers. Gentlemen, I wish to plead with you at this time not to increase the present tax on cigarettes. [Applause.]

The CHAIRMAN. Without objection, the pro forma amendment is withdrawn. The Clerk will read.

The Clerk read as follows:

(b) The exemptions provided in subdivision (a) shall be in addition to the exemptions provided in section 7 of the second Liberty bond act, and in addition to the exemption provided in subdivision (3) of section 1 of the supplement to the second Liberty bond act in respect to bonds issued upon conversion of 3½ per cent bonds, but shall be in lieu of the exemptions provided and free from the conditions and limitations imposed in subdivisions (1) and (2) of section 1 of the supplement to the second Liberty bond act and in section 2 of the Victory Liberty loan act.

Mr. McKEOWN. Mr. Chairman, I move to strike out all of paragraph (b) on page 232, commencing with line 8 and concluding with line 18.

The CHAIRMAN. The gentleman from Oklahoma offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. McKEOWN: Page 232, beginning with line 8, strike out all of subsection (b).

Mr. McKEOWN. Mr. Chairman, I insist that that is the same proposition. I do not care whether or not you vote to strike it out because I offer the amendment, but I say you are going to be subjected to severe criticism, and I apprehend it will be misrepresented. This changes the law, and——

Mr. CHINDBLOM. This is part of section 1328 of the revenue act of 1921. You have reenacted paragraph 8. If you strike out paragraph (b), that does change section 1328 of the revenue act of 1921.

Mr. McKEOWN. The gentleman knows we ought not to carry this language further in here with reference to tax-exempt securities. You can not change the law under which they were issued, because that is a solemn contract with the Government. I mean to say that if you issue tax-exempt securities and those securities are put on the market and held as tax-exempt securities, Congress, until it has some power other than is given it now, could not change the contract under which they were bought.

Mr. GREEN of Iowa. The statute in regard to the impairment of contracts does not apply to the United States Government.

Mr. McKEOWN. It would be a very immoral thing for the Government to set a bad example in that way. I do not want to delay the proceedings, but I insist you are putting in language that you will find, if you pass this bill, you would wish you had taken out.

Mr. BLANTON. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Texas is recognized.

Mr. BLANTON. What is the use in rushing through this bill in such a speedy way when we have plenty of time to-day? It is still early, only a little after 1 o'clock. I think this paragraph ought to stay in the bill if the majority party is consistent.

Mr. WINGO. Let me suggest to my friend that he hurry. They are having conferences over here. They have not decided which one has surrendered, and they are afraid they will back down, and they want to bring it to an issue as soon as possible.

Mr. BLANTON. You Republicans ought to quit camouflaging about tax-exempt securities. As to the $15,000,000,000 of tax-exempt securities now existing, there is not a Republican leader who would interfere with the situation. They want them to be exempt, and they want the people who own them to escape taxation. We ought to keep this language in here in order that our Republican friends at least in one particular may be consistent.

Mr. GREEN of Iowa. I want the Government of the United States to keep its solemn contract. I do not want to be placed in the position of a repudiator.

Mr. BLANTON. Oh, yes; neither the gentleman nor his party seem to like repudiators. We have heard our friends over there on the Republican side of the aisle insist upon a surtax rate of 25 per cent. There was not going to be any change of front; they were for Mr. Mellon's bill and nothing else. There was to be no repudiation of their position. Yet here we have in the RECORD this morning a statement from the leader of this House [Mr. LONGWORTH] that he is going to ask the Republicans on this side to vote for a surtax rate of 37½ per cent, in the face of his former stick-to-the-death plan for 25 per cent. Is that consistent? Is there any repudiation in that? I ask the gentleman to answer. Is it consistent?

Mr. GREEN of Iowa. I want to say to the gentleman that I have been entirely consistent all the way through.

Mr. BLANTON. Is that keeping his contract with Mr. Mellon?

Mr. GREEN of Iowa. Oh, Mr. Chairman, I shall have to object.

Mr. BLANTON. Oh, I am not out of order. I was answering the gentleman. I am speaking on consistency in keeping this language in the bill, because if you take it out it would make my friend and his party appear inconsistent with respect to tax-exempt securities. As I said before, you Republicans ought to quit this camouflaging and you ought to be fair with the people. If you take a stand, you ought to be fair about it. If I were an insurgent—and I am not—if I were an insurgent and believed in 50 per cent or in 44 per cent as against only 37½ per cent, I would stand hitched until Gabriel blew his trumpet before I would be led away from the path of righteousness. [Applause.]

Mr. CHINDBLOM. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. CHINDBLOM. That is, you will stand hitched until your side holds a caucus?

Mr. BLANTON. I stand hitched always for what I believe is right. My side stands hitched. We Democrats have decided on a policy in the best interest of the whole people of this country and now we have almost pulled you Republican stand-pat regulars up to the Democratic policy. You have come most of the way. There is now very little difference between us. I wish you would see the light of day and hear from the people of the country and then you would raise the 37½ per cent a little and every last one of you would vote for the Garner plan. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma [Mr. McKEOWN].

The question was taken, and the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 1100. (a) The following parts of the revenue act of 1921 are repealed, to take effect (except as otherwise provided in this act) upon the enactment of this act, subject to the limitations provided in subdivisions (b) and (c):

Title II, called "Income tax," as of January 1, 1924;

Title IV, called "Estate tax";

Title V, called "Tax on telegraph and telephone messages," except subdivision (d) of section 500, effective on the expiration of 30 days after the enactment of this act;

Sections 602 and 603 of Title VI, being the taxes on certain beverages and constituent parts thereof;

Title VII, called "Tax on cigars, tobacco, and manufactures thereof";

Title VIII, called "Tax on admissions and dues," effective on the expiration of 30 days after the enactment of this act;

Sections 900, 901, 902, 903, and 904 of Title IX, being certain excise taxes;

Section 905 of Title IX, being the tax on jewelry and similar articles, effective on the expiration of 30 days after the enactment of this act;

Title X, called "Special taxes," effective on June 30, 1924;

Title XI, called "Stamp taxes";

Title XII, called "Tax on employment of child labor";

Sections 1307, 1308, 1309, subdivision (c) of section 1310, sections 1311, 1312, 1313, 1314, 1315, 1316, 1318, 1320, 1321, 1322, 1323, 1324, 1325, 1326, 1328, 1329, and 1330, being certain administrative provisions.

Mr. GREEN of Iowa. Mr. Chairman, I offer a perfecting committee amendment.

The CHAIRMAN. The gentleman from Iowa offers a committee amendment, which the Clerk will report.

The Clerk read as follows:

Committee amendment offered by Mr. GREEN of Iowa: Page 236, line 6, after the parenthesis and before the semicolon insert "effective on the expiration of 30 days after the enactment of this act."

Mr. GREEN of Iowa. Mr. Chairman, this is made necessary by the previous action of the committee.

The CHAIRMAN. The question is on the committee amendment.

The question was taken, and the amendment was agreed to.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, I move to strike out the last word. I do so for the purpose of calling the attention of the committee to erroneous statements carried by several of the newspapers in regard to the proceedings in the Committee of the Whole respecting amendments affecting the automobile tax. I read from the New York Times of this morning:

Through an amendment written by Representative CLANCY, Democrat, of Michigan, and presented by his Republican colleague, Representative McLAUGHLIN, $23,600,000 was lopped off the automobile taxes.

I read now from the Detroit Free Press of February 27, the latest issue of that paper received in this city. Under the column relating to the work of the House on this tax bill this appears:

Representative McLAUGHLIN, also of Michigan—

The article had been speaking of Mr. CLANCY—

Representative McLAUGHLIN of Michigan gained the floor and presented amendments previously drawn up by CLANCY, but given to the Republican for introduction because of the difficulty Democratic Members have met in gaining recognition on the floor.

A little further along in the same article is a line or two I wish to read:

It had been agreed that McLAUGHLIN, a member of the Ways and Means Committee, should present the amendments.

Mr. Chairman, these newspaper items, as the House knows, relate to two amendments I offered Tuesday to the automobile section of the tax bill, and which were adopted yesterday—Thursday—by the Committee of the Whole practically without opposition.

On page 106 of the bill is section 600, paragraph 1 of which proposed to continue a tax of 3 per cent on the sale price of autotrucks and autowagons. On the same page, paragraph 3 of the section proposed to continue a tax of 5 per cent on tires, accessories, repair parts, and so forth. Under paragraph 1 the

taxes collected last year—1923—amounted to about $10,500,000, and under paragraph 8 the amount collected was about $40,000,000.

I have been and still am opposed to the continuance of these taxes. In the Committee on Ways and Means, of which I am a member, I sought but was unable to obtain repeal or reduction of either of these paragraphs; so I determined and notified the committee of my intention to carry the matter to the House, to offer amendments, and endeavor to secure their adoption.

Tuesday I did as I had determined; I offered an amendment to paragraph 1 to exempt from taxation autotrucks and autowagons the chassis of which sells for not more than $1,000, the effect of which, if it shall become law, will be to reduce taxes on trucks and wagons to the extent of about $3,600,000.

I also offered an amendment to paragraph 8 to reduce the tax from 5 per cent, the present rate, to 2½ per cent, the effect of which will be to reduce these taxes by about $20,000,000.

The New York Times story I have just read says that I offered "an amendment written by Mr. CLANCY, Democrat, from Michigan." The Free Press article says I "presented amendments previously prepared by Mr. CLANCY, but given to the Republicans because of the difficulty Democratic Members have of gaining recognition on the floor"; says also, "It had been agreed that MCLAUGHLIN, a member of the Ways and Means Committee, should present the amendments."

I did obtain recognition, not on account of any "agreement" but because under the rules and uniform custom of the House I was entitled to be recognized. I explained my amendments and their effect very briefly because there was little, if any, opposition to them, but no vote was had that evening because the committee decided to rise. During the brief and confused discussion the gentleman from Michigan [Mr. CLANCY] said he "had an agreement with Mr. MCLAUGHLIN to give him credit for the battle I had carried on for the repeal of these taxes." Mr. Chairman, I never had any agreement or understanding of any nature whatever with the gentleman from Michigan [Mr. CLANCY] or with anyone else in regard to "giving me credit" for these amendments or for anything else I might do in the matter of these automobile taxes. I did not seek recognition by the Chairman for the purpose of offering these amendments as a result of any agreement or understanding. I had a clear, well-understood, undisputed right to be recognized as a member of the Committee on Ways and Means. It was not necessary for me to ask anyone on the Democratic side of the House for permission or preference. The chairman of the Committee on Ways and Means not wishing to offer any amendment, I was clearly indisputably entitled to be recognized.

Nor did the gentleman from Michigan [Mr. CLANCY] or anyone else prepare these amendments for me. I prepared them myself.

In the Committee on Ways and Means I moved to reduce the taxes on accessories, tires, repair parts, and so forth, from 5 per cent to 2½ per cent. In committee I sought also reduction of taxes on trucks and wagons.

Some two weeks later in a speech in the House the gentleman from Michigan [Mr. CLANCY] advocated the reduction I had offered in the committee; that is, reduction from 5 per cent to 2½ per cent; and in the same speech he urged reduction of taxes on trucks and wagons on a basis of their carrying capacity—all below 2 tons capacity.

The gentleman from Michigan kindly offered to assist and did materially assist me in securing data respecting trucks and wagons, and I advised with him as to the amendment I proposed to offer; but I told him I could not accept his theory; that my amendment would not provide for reduction of taxes on a basis of the carrying capacity of the vehicles.

In my interviews with him I told him that it would be necessary for me to insist on an amendment by which the selling price of the chassis would be the basis of such reduction of taxes as ought to be or properly could be made, and I showed him a draft of an amendment I had prepared after conferring with the gentleman from Massachusetts [Mr. TREADWAY] and other Members who were interested as we were in the matter. Mr. CLANCY approved my amendment and kindly said he would support it. The theory of the amendment was mine; its language, form, and substance were mine. It was my amendment that was offered to and adopted by the House.

The gentleman who wrote the newspaper stories I have read was misinformed. I make this explanation because I feel too much responsibility has been placed upon the gentleman from Michigan [Mr. CLANCY], a burden which I ought in all fairness largely to bear myself. He has been very kind and very helpful to me, and he ought to be acquitted and entirely relieved of the charge of having drafted my amendments or of having conceived the idea upon which they are based.

Mr. BLANTON. Mr. Chairman, I rise to a point of order that the gentleman is not in order. Now, the gentleman from Iowa wants to get rid of this bill——

Mr. NEWTON of Minnesota. The gentleman moved to strike out the last word, which is "taxes," and certainly he is talking about taxes.

Mr. BLANTON. But we have a parliamentarian in the chair.

Mr. CRAMTON. Mr. Chairman, I ask unanimous consent that the gentleman from Michigan have the same courtesy that he himself secured for Mr. CLANCY a day or two ago, and that he be permitted to proceed out of order.

Mr. BLANTON. If the gentleman will couple with that the request that Mr. CLANCY follow him for five minutes, that will be all right.

Mr. CRAMTON. Mr. CLANCY had time yesterday at the request of Mr. MCLAUGHLIN of Michigan.

The CHAIRMAN. The gentleman from Michigan [Mr. CRAMTON] asks unanimous consent that for the three minutes remaining the gentleman from Michigan [Mr. MCLAUGHLIN] may proceed out of order.

Mr. CRAMTON. I ask unanimous consent that he may proceed for five minutes.

Mr. BLANTON. With the understanding that Mr. CLANCY may have five minutes to reply there will be no objection.

Mr. GREEN of Iowa. There will be no such understanding.

Mr. BLANTON. Then I object.

The CHAIRMAN. Objection is made, and the point of order must be sustained.

Mr. GARNER of Texas. Mr. Chairman, I rise in opposition to this amendment for the purpose of making a statement to the committee.

The CHAIRMAN. The amendment is a pro forma amendment. The gentleman from Texas [Mr. GARNER] is recognized.

Mr. GARNER of Texas. Mr. Chairman, I want to call the attention of the committee to what has just happened in the committee. I have no objection to the gentleman from Michigan [Mr. MCLAUGHLIN] making a statement to correct the RECORD and get all the credit he can for the automobile amendments or any other kind of an amendment. If it is necessary that he get credit for something in order to stay in Congress, then let him have credit. I had supposed that the position of the gentleman from Michigan [Mr. CLANCY] and the gentleman from Michigan [Mr. MCLAUGHLIN] was sufficiently known——

Mr. CRAMTON. Mr. Chairman, I rise to a point of order, and the point of order is that the gentleman is not speaking to the pending amendment. If permission can not be given to Mr. MCLAUGHLIN, it ought not to be given even to the distinguished gentleman from Texas. I make a point of order.

Mr. GARNER of Texas. Sustain the point of order, and I will talk on this amendment.

The CHAIRMAN. The point of order is sustained.

Mr. GARNER of Texas. If you do not mean what you say, that you are going to finish this bill to-day, you are misrepresenting the House, and the gentleman from Iowa and the gentleman from Ohio ought to protect it.

Mr. GREEN of Iowa. If the gentleman will inform me what other methods I can possibly use to get the bill along, I will adopt them.

Mr. GARNER of Texas. I will tell the gentleman how to do it: Do just what the gentleman from Michigan did a moment ago with me and make a point of order against the gentleman from Massachusetts [Mr. TREADWAY] when he was speaking out of order, and make a point of order against the gentleman from Michigan [Mr. HUDSON] when he was speaking out of order, and make a point of order against the gentleman from Michigan [Mr. MCLAUGHLIN] when he was speaking out of order.

Mr. GREEN of Iowa. The result would not have been to save time, I will say to the gentleman.

The CHAIRMAN. This is out of order, gentlemen. The Chair has already sustained the point of order. Without objection, the pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

TRAVELING EXPENSES.

SEC. 1101. All officers and employees of the Bureau of Internal Revenue in addition to their compensation shall receive their necessary traveling expenses and actual expenses incurred for subsistence while traveling on duty and away from their designated stations, in an amount not to exceed $7 per day.

Mr. BLANTON. Mr. Chairman, I offer an amendment. On page 237, line 18, strike out "$7" and insert in lieu thereof "$5."

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 237, line 18, strike out the figure "7" and insert in lieu thereof the figure "5."

Mr. BLANTON. Mr. Chairman, we have numerous departments of the Government where there is occasion for their employees to travel in the interest of Government business. The gentleman from Iowa knows, and every member of the Committee on Appropriations knows, that in most of these bills the compensation allowed for subsistence when traveling is fixed at $4 and, in a few cases, at $5 per day.

Mr. HASTINGS. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. HASTINGS. If my recollection is correct, in some of the other appropriation bills we have been considering the amount has been fixed at $4, and I was wondering why the gentleman from Texas would not change his amendment so that it would be uniform and insert $4 instead of $5.

Mr. BLANTON. I will state to my friend from Oklahoma that I wanted to be consistent. In the majority of instances, in most of the appropriation bills, the maximum is fixed at $4, but there have been two or three bills wherein the gentleman from New York [Mr. SNYDER] and others have helped to raise it to $5 and I wanted to be as fair with this department as we have been with any of the other departments, hence I put in $5 in lieu of the $7.

Mr. CRAMTON. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. CRAMTON. What department permits more than $4? To what department is more than $4 permitted in continental United States? I do not know of any.

Mr. BLANTON. There are one or two instances; for instance, certain employees traveling in Alaska.

Mr. CRAMTON. Oh, that is different. There is no case in any department in continental United States where over $4 is permitted.

Mr. BLANTON. Is the gentleman going to offer an amendment to change $5 to $4? If he does, I will support it.

Mr. CRAMTON. I will be glad to support the gentleman.

Mr. BLANTON. The reason I did not fix it at $4 was that I did not think amending it to $4 had any chance on earth to pass. I fixed it at $5 hoping it would pass and believing that our Republican friends over there on this other side of the aisle would not have the face to allow from several hundred to possibly a thousand or more employees, who could be employed under this bureau, to go out traveling over the United States with more than $5 a day allowed them for expenses in addition to their salaries and transportation.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. LAGUARDIA. Does not the gentleman believe that some latitude should be given to cover actual expenses when an employee is sent to a center where living is expensive?

Mr. BLANTON. Does the gentleman know how many employees are employed in this bureau?

Mr. LAGUARDIA. I know there are too many traveling.

Mr. BLANTON. There are a horde of them traveling all over the United States every day, and you are fixing in this bill to give them $7 a day for subsistence in addition to their transportation and salaries, and it is too much. I have offered an amendment to cut it down from $7 to $5, which is $1 more than the employees of practically every other department receive now for subsistence when away on business. I presume my amendment will be voted down, as this committee seems to have no concern whatever about waste and extravagance. I wanted to raise the question here and place the responsibility on you Republicans, where it justly belongs, in case it is left in this bill.

Mr. SCHAFER. Will the gentleman yield?

Mr. BLANTON. I yield to the distinguished gentleman.

Mr. SCHAFER. Do you think you can travel around this country for $5 a day expenses?

Mr. BLANTON. This $5 is in addition to transportation expenses and salary. If I were allowed $5 for subsistence, I would travel on $5, I will say to my friend. I have traveled many times on less than $5 a day for subsistence, and I could do it again, I believe.

Mr. LAGUARDIA. In Texas?

Mr. BLANTON. In many places over the United States. You do not have to put up at the Waldorf-Astoria as a Government employee. It is no disgrace to put up at a lower-priced hotel.

Mr. LAGUARDIA. Will the gentleman mention one?

Mr. BLANTON. There are many respectable hotels where you can get rooms now for $2.50 a day, even with baths, and they are fairly good hotels. You do not have to put up at such hotels as the Willard or the Raleigh or the Washington or the Hamilton. You can choose a more modest hotel. I know of Congressmen who choose them here in the city. You have too big an idea about this matter of furnishing expenses to officials and employees when the money comes out of the Public Treasury.

What are you going to do about this increase? You are setting a dangerous precedent. You limit the other employees of other departments to $4. Why are you going to allow $7 to these particular employees? What is there about this particular bureau that you should change the system and policy of this Government and pay them $7 for subsistence when you pay others only $4? Are these employees a little more high-toned, so that they have got to have an extra $3 a day more? Are they members of certain high social societies that they must be paid an extra $3 per day more? Why do you not leave them on the same plane that we have left employees of every other department of this Government? I say that you ought to change this from $7 to $5. It is up to the chairman of the committee to change it, and the responsibility will be on his party if he lets this go through. His party leaders are here with him, and he and they can change it if they want to do it. I can not change it, but he can, and if he lets it stay in this bill he and the Republican Party are responsible and nobody else.

The CHAIRMAN. The time of the gentleman has expired. The question is on the amendment offered by the gentleman from Texas.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 58, noes 106.

So the amendment was rejected.

The Clerk read as follows:

EFFECTIVE DATE OF ACT.

SEC. 1103. Except as otherwise provided, this act shall take effect upon its enactment.

Mr. CRISP. Mr. Chairman, I move to strike out the last word. The next section is all one integral piece of legislation. It is my purpose to move to strike out the entire title. In the interest of expediting the bill I would suggest that it all be read at one time and have the whole matter before the House subject to amendment.

Mr. GREEN of Iowa. I think it would be well to do that.

Mr. TILSON. The gentleman means the entire title?

Mr. CRISP. I mean the entire title. Then, Mr. Chairman, I ask unanimous consent that the entire Title XII be read and the whole matter be open for amendment.

The CHAIRMAN. The gentleman from Georgia asks unanimous consent that Title XII be read in its entirety by the Clerk subject to any amendment that may be proper to any paragraph therein. Is there objection? [After a pause.] The Chair hears none, and the Clerk will read Title XII.

The Clerk read as follows:

TITLE XII.—REDUCTION OF INCOME TAX PAYABLE IN 1924.

SEC. 1200. (a) Any taxpayer making return for the calendar year 1923 of the taxes imposed by Parts I and II of Title II of the revenue act of 1921 shall be entitled to an allowance by credit or refund of 25 per cent of the amount shown as the tax upon his return.

(b) If the amount shown as the tax upon the return has been paid in full on or before the time of the enactment of this act, the amount of the allowance provided in subdivision (a) shall be credited or refunded as provided in section 281 of this act.

(c) If the taxpayer has elected to pay the tax in installments and, at the time of the enactment of this act, the date prescribed for the payment of the last installment has not yet arrived, the amount of the allowance provided in subdivision (a) shall be prorated to the four installments. The amount so prorated to any installment, the date for payment of which has not arrived, shall be applied in reduction of such installment. The amount so prorated to any installment, the date for payment of which has arrived, shall be credited against the installment next falling due after the enactment of this act.

(d) If the taxpayer has been granted an extension of time for payment of the tax or any installment thereof to a date subsequent to the enactment of this act, the amount of the allowance provided in subdivision (a) shall be applied in reduction of the amount of tax shown upon the return, or, if the tax is to be paid in installments, shall be prorated to the four installments. The amount so prorated to any installment, the date for payment of which has not arrived, shall be applied in reduction thereof. The amount so prorated to any installment, the date for payment of which has arrived, shall be credited against the installment next falling due after the enactment of this act.

(e) Where the taxpayer at the time of the enactment of this act has not paid in full that part of the amount shown as the tax upon the return which should have been paid on or before the time of the enactment of this act, then 25 per cent of any amount already paid shall be applied in reduction of the amount unpaid (such unpaid amount being first reduced by 25 per cent thereof) and any excess shall be credited or refunded as provided in section 281 of this act.

(f) If the correct amount of the tax is determined to be in excess of the amount shown as the tax upon the return, and a deficiency has been assessed before the enactment of this act, then 25 per cent of any amount of such deficiency which has been paid shall be applied in reduction of the amount unpaid (such unpaid amount being first reduced by 25 per cent thereof) and any excess shall be credited or refunded as provided in section 281 of this act. Any deficiency assessed after the enactment of this act shall be reduced by 25 per cent of the amount which would have been assessed as a deficiency if this title had not been enacted.

(g) The allowance provided in subdivision (a) shall be deducted from the tax or deficiency for the purpose of determining the amount on which any interest, penalties, or additions to the tax shall be based.

SEC. 1202. Any taxpayer who has made return of the taxes imposed by Parts I and II of Title II of the revenue act of 1921, for a period of less than a year and beginning and ending within the calendar year 1923, shall be entitled to an allowance by credit or refund of 25 per cent of the amount shown as the tax upon his return. If the correct amount of the tax for such period is determined to be in excess of the amount shown as the tax upon the return, the taxpayer shall be entitled to the benefits of subdivision (f) of section 1200 of this act.

SEC. 1203. The allowance provided in sections 1201 and 1202 shall, under rules and regulations prescribed by the commissioner with the approval of the Secretary, be made in a similar manner to that provided in section 1200.

SEC. 1204. The interest provided in section 1019 of this act shall not be allowed in respect of the allowance provided for in this title.

SEC. 1205. The benefits of the allowance provided for in this title shall be granted to the taxpayer under rules and regulations prescribed by the commissioner with the approval of the Secretary.

SEC. 1206. Terms defined in the revenue act of 1921 shall, when used in this title, have the meaning assigned to such terms in that act.

Mr. GREEN of Iowa. Mr. Chairman, I would like to see if we can not agree on the time for debate on this title. How many gentlemen want to speak on that side?

Mr. CRISP. So far as I know there are only two. I want to move to strike out the title and would like five minutes, and the gentleman from New York [Mr. O'CONNELL] has a perfecting amendment and he would like five minutes.

Mr. DENISON. I want five minutes.

Mr. GREEN of Iowa. Mr. Chairman, I ask unanimous consent that all debate on this title and all amendments thereto close in 30 minutes. I think the time of recognition should be left to the Chair.

Mr. CRISP. That will be satisfactory to me.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that all debate on Title XII and amendments thereto close in 30 minutes. Is there objection?

Mr. DENISON. Reserving the right to object, is it understood that I shall have five minutes?

The CHAIRMAN. The Chair can not make any promises to recognize gentlemen. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. CRISP. Mr. Chairman, I move to strike out the entire Title XII.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Beginning on page 238, line 4, strike out all of Title XII.

Mr. O'CONNOR of New York. Mr. Chairman, I have sent to the desk a perfecting amendment.

The CHAIRMAN. That will have priority of vote, but the gentleman from Georgia has priority of recognition.

Mr. CRISP. Gentlemen of the committee, the title just read proposes to give retroactive benefit of 25 per cent tax reduction to income-tax payers for the calendar year of 1923. The amount involved in it is about $223,000,000. This House is in favor of adjusted compensation for the soldiers, and whenever that proposition is made you hear the objection that you have no money to pay it. Here is a proposition that proposes to give a cash bonus amounting to $223,000,000 to the business men, the income-tax payers, for the year 1923. Now, why do I say it is a cash bonus? We all know that the business men pass on the greater part of their taxes in overhead charges to the consumers. My distinguished friend from New York [Mr. SNYDER]—and I have high regard for him—who is a sensible, prosperous, and successful business man, said on the floor of this House that he in his business passed on 90 per cent of the taxes to his consumers. The President in New York the other day in a speech gave an illustration of the farmer buying a pair of shoes, and said that the farmer paid all of the taxes that were passed on to him. The Secretary of the Treasury in all the arguments for 25 per cent surtax said that the consumer pays the tax.

There is no provision in the bill to remit to the consumer who purchased the goods from the business men in the calendar year of 1923 the excess price they paid the business men on account of income taxes for the goods that they bought in 1923. It is a pure proposition to remit to the taxpayers of this country the taxes they have already collected out of the public and allow them to retain this additional profit in their treasury amounting to $223,000,000. And yet you say you have not funds to grant adjusted compensation to the soldiers of this country who saved the Nation. Gentlemen, I do not believe you will do it.

Several years ago a proposition came into this Congress to make retroactive the excess-profit taxes. The able and distinguished gentleman from Illinois, who has gone to his reward, Mr. Mann, jumped on it as unjustifiable and indefensible to remit to these people the bonus money they had already collected out of the consuming public. This is identically that proposition.

This proposition was not in the original Mellon bill. Our distinguished friend, the chairman of the Committee on Ways and Means, says that he is the father of this. It simply proposes to give to the business men, the men who are best able to pay taxes, $223,000,000, and I do not believe you will do it. [Applause.]

Mr. O'CONNOR of New York. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. O'CONNOR of New York: Page 238, line 10, after the word "return," strike out the period and insert a colon and the following: "*Provided, however,* That such allowance by credit or refund to any taxpayer shall not exceed a total of $400."

Mr. O'CONNOR of New York. Mr. Chairman, my amendment is a compromise between the bill and the amendment offered by the gentleman from Georgia [Mr. CRISP]. I have taken the figure of $400 somewhat arbitrarily. It represents the ultimate amount that any taxpayer with an income up to $20,000 would get under a 25 per cent reduction. Under the present tax rates, anybody with an income up to $20,000 has to pay a tax not exceeding $2,000, and a refund of $400 would cover everybody who has an income of $20,000 or less, which is the same figure put in the bill as the maximum of the earned income. Beyond that, no matter what the income of the taxpayer might be, he would be limited to $400 in the return, so that by this the 6,600,000 taxpayers would be taken care of as against 53,000 who would not benefit, as they do under the proposed law.

Mr. CHINDBLOM. Mr. Chairman, the difficulty with the gentleman's figure is that there are only three and a half million, approximately, who pay taxes, while there are some 7,000,000 returns filed.

Mr. O'CONNOR of New York. Very well. The same proportion holds. This provision of mine would return to these people, who directly pay the taxes, 25 per cent reduction. On the authority of Secretary Mellon and the authority of President Coolidge you should not return to withholding agents, and that is practically what the high taxpayers are. They were withholding agents who collected the taxes from the people who dealt with them. It is now proposed to return and let them keep 25 per cent of the taxes, whereas if you adopt my amendment—and I have offered it in the utmost sincerity, having discussed it with many Members, and having given some study to it—those people who out of their earned income actually paid the money out of their own pockets would get the 25 per cent reduction up to incomes of $20,000, and it would limit all of the other taxpayers to only $400 refund. I believe my amendment is a fair compromise between the provisions of the bill and the amendment offered by the gentleman from Georgia [Mr. CRISP]. [Applause.]

Mr. DENISON. Mr. Chairman, I rise in opposition to the amendment of the gentleman from New York [Mr. O'CONNOR]. I am opposed to his amendment because it will accomplish nothing. I favor the amendment offered by the gentleman from Georgia [Mr. CRISP]. I had intended to offer that amendment myself; but as he is a member of the committee, he was entitled to first recognition. I do not think this title has any proper place in the bill. I can think of only one reason for it, and that is political. There are two good reasons against it. The gentleman from Georgia gave them perhaps better than I can.

The gentleman from Ohio [Mr. BURTON] on the second day of the debate, I believe, quoted from a number of authorities, political economists, specialists on the subject of taxation, all of whom said that all taxes, and especially all income taxes, are passed on to the consumers. Every expert in this House who has spoken during this debate, without any exception, has asserted the same principle—that taxes are passed on to the consumer—and I think we may as well accept that as a settled proposition. Those who are to pay income taxes for this year have already adjusted their businesses upon the basis of the present tax rates. They have anticipated that they would have to pay their income taxes under existing rates, and they have collected the taxes as far as they could from the consumers. The only ones I know of to whom this would not apply are those who have to pay an income tax on their salaries.

Mr. DAVIS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. DENISON. I have not the time. I do not think we ought to now make a present to those who are to pay these taxes of this $332,000,000, instead of $326,000,000, as stated by the gentleman from Georgia. I think we ought to go ahead and collect this year's taxes and hold the money in the Treasury, because the people who really have to pay it have already paid it, and the Government ought to keep it. [Applause.]

I want to speak briefly of the other reason why I do not think this provision ought to remain in the bill. The time has come when we have to settle this question of adjusted compensation for the ex-service men. Congress can not avoid that question any longer, and we can not pass adjusted-compensation legislation without having some cash with which to pay it. We are here talking about the proposition of returning back to the business men of the country $332,000,000 which they have already collected from the consumers instead of retaining it in the Treasury and having it available to meet a part of the first cash that will be required if we pass the adjusted compensation law. In that connection, I take this opportunity, with the indulgence of the House, to say that there is not any doubt in my judgment, but that this Congress is going to pass an adjusted compensation bill. It is going to do it just as certain as day follows night, and it will be done within the next two weeks. It will be passed by this House by an overwhelming majority. [Applause.] It is also going to pass the Senate by an overwhelming majority and it will be sent to the President. I do not think he will veto it. The President has not said that he would veto a bill of that kind. I do not think he will. I think it will become a law with his approval. But if he should veto it, it will come back to this House and more than two-thirds of this House are going to vote to pass it over his veto. [Applause.]

I think the same thing will happen in the Senate, and then we are going to have to raise the money to pay it. Here is an opportunity to meet that problem at least in part. Why not let us do it? Let us not resort to this provision in the bill to play a little politics. It is, of course, a nice thing to hand this money back to the income-tax payers. I will get some of it myself if this provision of the bill is not stricken out; and I am one of those few who can not pass it on to others, because I am working for a salary. The income tax that I pay comes out of the salary that I get as a Member of Congress. It is a very nice thing to hand $332,000,000 back to the business interests. Of course, they would all like to have it, but there is no justification for it. They have all adjusted their business to the present tax law, and they have already collected the money with which to pay the taxes. [Applause.]

Mr. Chairman, my position with reference to adjusted-compensation legislation is well known in this House, and my attitude toward the ex-service men is just as well known. The committee of which I am a member reported every law that has been passed by Congress for the benefit of the ex-service men while they were in the service and for their benefit and the benefit of their families and dependents since they left the service; and I have supported every one of these measures. I voted for the adjusted compensation bill in the Sixty-seventh Congress. I was one of the first Members that spoke for it in this Chamber. I voted to pass it over the President's veto.

In Illinois we passed a State bonus law that has cost us $50,000,000. I spoke and voted for that measure. I have repeatedly stated on public occasions that I am still in favor of the enactment of an adjusted compensation law by the Federal Government and that I believe it should be passed as soon as possible.

Our Government has gone too far in adjusting losses that have resulted from the late war to now refuse to adjust as far as possible the meager compensation that was paid to those who went to the front. We have adjusted the losses sustained by the railroads to the extent of over a billion dollars. We have adjusted the losses sustained by industrial concerns who had contracts or entered upon extensive enterprises in contemplation of the demands of the Government as a result of the war. The ex-service men feel that we should adjust their compensation, and I think they are right. I am going to vote for an adjusted compensation bill when it is presented, and will vote to pass it over the veto if it should be vetoed.

Notwithstanding my record, which has been consistently favorable to the interests of the ex-service men, and although my attitude ought to have been well known, some persons for political reasons have recently spread the report in my district that my attitude toward adjusted compensation was uncertain. They have even told that I voted against the adjusted compensation bill in the last Congress, and as a result of these untrue reports I have received a number of telegrams and letters from the ex-service men of my district. This, I presume, is an injustice which many of you have had to contend with and which all who are in public office must some time suffer. I shall ignore it, for I know that within a very short time my record here will convince my constituents better than anything I could say of my continued interest in the welfare of the ex-service men of the country.

And now we have an opportunity to save $332,000,000 for the Treasury with which to meet the first cash payments that may be required under the adjusted compensation law, if one is enacted. If we leave this provision in the bill, it will amount practically to the Government handing over to the income-tax payers a bonus of that amount, because, as I have said, they have already collected it from the others so far as they could do so. I do not think we ought to do that. We are doing a splendid thing for the income-tax payers of the country by the radical reductions in the income-tax rates in other provisions of the bill. That will not only be a good thing for them but for the entire country. Let us strike out this provision of the bill and collect this money and get ready to settle, as far as we can, our obligation to the ex-service men.

Mr. GREEN of Iowa. Mr. Chairman, I hope that nothing that I say will be construed in any way as a reflection upon my distinguished friend from Georgia [Mr. CRISP]. Yet I can not but remark on the extraordinary change of front of gentlemen on the other side who have all along been contending that the income taxes could not be passed on and who now say that they are passed on, and that, therefore, they do not want a reduction made in the taxes to be paid this year. Members, of course, understand that this provision does not apply to corporation taxes but merely to the personal income taxes and these taxes can not be passed on.

There are not more than two or three men on the side of the gentleman from Georgia that believe in that doctrine. Every man in this House knows that I have never believed in it, and I have contended against it before.

The gentleman from Illinois [Mr. DENNISON] said that the distinguished gentleman from Ohio [Mr. BURTON] cited authorities showing that the personal income tax is passed on. I read the speech of the gentleman from Ohio with great care. The opinions which he cited were taken from works written before the income tax was instituted. They did not contain the slightest reference to income taxes.

In this day I do not know of an economist of any standing who claims that personal income taxes are passed on. Anyone who advanced such theories in England would be ridiculed. Indeed, it is perfectly evident that if personal income taxes are passed on to the final consumer the income tax ought to be taken off and instead of the complicated system of income taxes under which taxes are so often evaded we should have a sales tax. There is no escape from the logic of this position. Some two years ago a campaign was instituted all over the country, and since followed up by page advertisements, costing enormous amounts totaling altogether many millions of dollars, in an attempt to make the public believe that these taxes were passed on to the final consumer. As a result, many have come to believe in this doctrine and repeat it in good faith. There is no question but that the ultimate object and purpose of those who have been carrying on this propaganda is to do away with the income tax entirely and substitute consumption taxes instead.

The technical features of this matter may not be fully understood, but it should be apparent to everyone that if these taxes were passed on to the final consumer those who are now paying them would not be spending so much money and making such a tremendous effort as has recently been done in flooding the country with propaganda.

Prof. Thomas S. Adams, professor of economics at Yale University, has been quoted as a high authority on taxation by the

gentleman from New York [Mr. MILLS]. On this question he says:

Taxes on profits do not shift to consumers. Most economists hold that income and profit taxes are shifted only in part, and economic theory leads to the conclusion, I think, that income taxes, particularly taxes on differential net income or excess profits, are unusually difficult to pass along. (Needed Tax Reform, p. 21.)

The repeated charge that business men figure income taxes as part of their cost and then charge the customary percentage of profit on the increased cost basis is next to absurd. If it were true, it would only be necessary for Congress to increase the income and excess profits taxes in order to increase business profits. Taxes were responsible only in minor degree for the high cost of living. The cost of living went up before tax rates were increased, it stayed up when tax rates were reduced, and it will come down in the future whether tax rates be increased or reduced. (Quarterly Journal of Economics, August, 1921, p. 550.)

The National Industrial Conference Board, as a result of an investigation made by its staff economic counsel, and careful research, reported:

If the tax on net profits is a general one, sound economic thinking must inevitably lead to the conclusion that the tax can hardly be shifted. Net profits constitute a surplus of price over costs, and since the net profits tax reaches this surplus, it is manifest that the tax can not affect costs. The producer almost invariably bears the burden of the tax under ordinary conditions.

The Government has for several years been refunding hundreds of millions in taxes erroneously collected. If they have already been passed on to the consumer, these refunds ought not to be made. In this particular case the Government has not collected the money, and the passage of this bill settles that if collected it will be refunded.

If such taxes can be passed on, every certified accountant who ever made up an account for a corporation has made up his account wrongly, because he never took into consideration the income taxes of gentlemen who owned stock in that corporation, nor would he, if he were making up the balance sheet of a partnership, do anything different. No balance sheet of any business is ever made up so as to include individual income taxes.

Something has been said in this connection about the soldiers' adjusted compensation. There is no man on this floor that is more loyal to the principle of adjusted compensation than I am. [Applause.] Every Member of this House knows that I was chairman of the subcommittee that wrote the former bill. I assisted in every way possible in putting it through the House and passing over the President's veto. I made a speech in favor of it in which I made my position clear, and I now stand where I always stood upon it. But the adoption of this provision will not affect the soldiers' adjusted compensation in the least. It is believed that this bill will take out of the Treasury $232,000,000. After all is taken out including the amount of excise taxes repealed there will still remain under any calculation more than $100,000,000 surplus for this calendar year. Let me say to gentlemen on this side and gentlemen on the other side that I have in my possession a letter from the Secretary of War telling us that when the Adjusted Compensation Act is passed it could not possibly be put in effect until nine months thereafter. You will therefore have $100,000,000 surplus on hand at the end of this calendar year to start the bonus. It will be more than anything we will authorize for the next year on account of the bonus. You will have on hand in the Treasury enough money to pay the first year of adjusted compensation. If you do not have it after that, it will depend on the form of this revenue bill, after it is passed by the Senate and agreed to in conference and ratified finally by both House and Senate.

Mr. HASTINGS. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. HASTINGS. It has been repeatedly stated on that side of the House that if this bill passes there will be a deficit of from $300,000,000 to $600,000,000.

Mr. GREEN of Iowa. I am not responsible for that statement.

Mr. HASTINGS. You do not agree to that?

Mr. GREEN of Iowa. I agree that it will produce a deficit as it now stands, but I expect to see the bill amended so that it will not before it finally passes this House. In any event it does not affect that question in the least. The gentleman is talking about a matter that the provision under discussion does not affect, and which does not affect this provision; that is, taxes to be paid in 1925 and thereafter. We are talking now about the taxes that are to be paid this year. There is not any reason in the world why they should not be taken off.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. CHINDBLOM. I do not want to object, but would there be any time left?

The CHAIRMAN. The situation is this, gentlemen: There has now been used 17 minutes. Thirteen minutes remain. There are two preferential motions to be voted on and another one that is still pending. With the debate on that, it will take the entire 13 minutes, so that if there is an extension of time the limit should be extended. Is there objection to the request of the gentleman from Iowa?

Mr. STENGLE. Reserving the right to object, Mr. Chairman, if the gentleman will not object to answering a few questions as he goes on, I shall not object.

Mr. GREEN of Iowa. I will accommodate the gentleman.

Mr. CLARKE of New York. I object.

The CHAIRMAN. Objection is made. The question is on agreeing to the perfecting amendment offered by the gentleman from New York [Mr. O'CONNOR].

The question was taken; and the chairman announced that the noes seemed to have it.

Mr. O'CONNOR of New York. Mr. Chairman, I ask for a division.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 102, noes 153.

So the amendment was rejected.

Mr. SIMMONS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Nebraska offers a perfecting amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. SIMMONS: Page 238, line 7, after the word "by," strike out "Part I" and insert "Sec. 210, Part II."

Mr. SIMMONS. Mr. Chairman and gentlemen of the committee, I think I can state this amendment very briefly. The gentleman from Georgia [Mr. CRISP] has proposed an amendment that strikes out this entire title on the ground that these taxes have already been passed on to the consuming public and that this is a bonus given to the big taxpayer. The payer of a tax on a small income who pays a normal tax, in my judgment, has not been able and is not able to pass on that tax to anyone else. He pays it. The amendment which I offer will limit the provisions of this title to the normal tax only, giving 25 per cent reduction to those who pay the normal tax. It will leave the surtaxes as they are now, so that the argument of the gentleman from Georgia will apply to the amendment that I am offering. By this amendment we will be able to give this 25 per cent reduction to the taxpayer who pays the normal income tax, a tax which he is not able to pass on, and a reduction to which he is entitled.

Mr. CHINDBLOM. Mr. Chairman——

The CHAIRMAN. The gentleman from Illinois is recognized.

Mr. CHINDBLOM. Mr. Chairman, I will detain the committee only a couple of minutes to make a brief observation. Historically it is not true that the 1923 taxes have been passed on or could have been passed on by the taxpayer. These taxes will be assessed and determined according to the act of 1921. That act was passed on November 23, 1921, and went back in its operation to January 1, 1921. So that under that act the 1921 taxes, paid in 1922, could not have been passed on prior to the passage of the act.

The act of 1918 was passed on February 4, 1919, and was made effective January 1, 1918. The act of 1917 was passed on October 3, 1917, and was made effective on January 1, 1917. The act of 1916 was passed on September 8, 1916, and was made effective on January 1, 1916; and the first act, which carried a very small income tax, was passed in October, 1913, and went back in its operation and in the determination of income to March 1, 1913. Therefore, from the very beginning it has not been historically true, and it is not true as a fact, that the taxes paid in a particular year were passed on during the preceding year for which the taxes are being paid.

Mr. LONGWORTH. Mr. Chairman, in a very few moments this bill will come to its voting stage in the House, and in just a word I want to explain the parliamentary situation.

The bill having been reported to the House, the gentleman from Iowa [Mr. GREEN] will move the previous question on such amendments as were adopted in committee up to, but not including, the Garner amendment. If the previous question be voted—and I think no one will object to it—those amendments will be disposed of. Thereupon the question comes on the amendment of the gentleman from Texas [Mr. GARNER]. I am not advised as to whether the gentleman from Texas proposes to move the previous question or not. If he should, it would be very vital for those who desire to vote for some substitute for the Garner rate to vote down the previous question. If, how-

ever, the gentleman from Texas does not move it, or some other gentleman on that side, then the Garner rates will be open to amendment.

As I understand it, the gentleman from Oregon [Mr. HAWLEY] will offer as a substitute for the Garner rate the rate as substantially contained in the bill reported by the committee, the maximum rate of 25 per cent. This will give an opportunity for the gentlemen who desire to be recorded in favor of the 25 per cent surtax to so record themselves. In the event of the defeat of the amendment of the gentleman from Oregon—which seems likely—I shall then offer the amendment which was yesterday printed in the CONGRESSIONAL RECORD. The issue then will be between the rates as proposed by the gentleman from Texas and the rates proposed by this substitute.

Mr. GARNER of Texas. Will the gentleman yield?

Mr. LONGWORTH. Yes.

Mr. GARNER of Texas. Before we take that vote or go into the House, would the gentleman mind giving us whatever information he has had from the White House as to the President's opinion of the compromise plan?

Mr. LONGWORTH. I would have no objection whatever to telling the gentleman that I have received no intimation whatever.

Mr. GARNER of Texas. Has the gentleman talked to the White House about the letter that the President proposed to write to the gentleman from Iowa or the gentleman from Ohio?

Mr. LONGWORTH. I have not, because I have no knowledge of any such letter. [Applause.]

The CHAIRMAN. The question is now on the amendment offered by the gentleman from Nebraska [Mr. SIMMONS].

The question was taken; and on a division (demanded by Mr. SIMMONS) there were—ayes 120, noes 140.

So the amendment was rejected.

The CHAIRMAN. Are there any other perfecting amendments to be offered? [Cries of "Vote!" "Vote!"] The question is now on the amendment offered by the gentleman from Georgia [Mr. CRISP].

The question was taken; and the Chair being in doubt, the committee divided, and there were—ayes 145, noes 150.

Mr. CRISP. Mr. Chairman, I ask for tellers.

Tellers were ordered; and the Chairman appointed as tellers Mr. GREEN of Iowa and Mr. CRISP.

The committee again divided; and the tellers reported—ayes 145, noes 181.

So the amendment was rejected.

Mr. GREEN of Iowa. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with the amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. GRAHAM of Illinois, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes, had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. GREEN of Iowa. Mr. Speaker, I move the previous question on all amendments to the bill H. R. 6715, the revenue bill, up to and including line 17 on page 29.

The SPEAKER. The gentleman from Iowa makes a motion, which the Clerk will report.

The Clerk read as follows:

Mr. GREEN of Iowa moves the previous question on all amendments up to and including line 17 on page 29.

Mr. BLANTON. Mr. Speaker, just to get the ruling of the Chair, I make the point of order that it is improper to separate a motion for the previous question.

The SPEAKER. The Chair overrules the point of order. The question is now on the motion of the gentleman from Iowa.

The motion was agreed to, and the previous question was ordered.

The SPEAKER. Is a separate vote demanded on any of the first amendments?

Mr. MONTAGUE. Mr. Speaker, I ask a separate vote on amendment No. 31, page 152, relating to the tax on cigarettes.

The SPEAKER. That is not one of the amendments. These are only the first six amendments. Is there a separate vote demanded on any of these amendments?

Mr. TREADWAY. Mr. Speaker, I ask for a separate vote on page 26, line 9, the Garner amendment to the committee amendment which removes stock dividends from the term "capital assets."

The SPEAKER. The gentleman from Massachusetts asks a separate vote on the amendment referred to. Is a separate vote demanded on any other of these amendments?

Mr. TREADWAY. Also, Mr. Speaker, on page 28, at the end of the line, an amendment offered by the gentleman from Texas [Mr. GARNER] with reference to earned income.

The SPEAKER. Is there a separate vote demanded on any other amendment?

Mr. BEGG. Mr. Speaker, I want to make an inquiry. I want to ask for separate votes on amendments 5 and 6 on page 21, and I can not tell whether they are covered by the previous question or not.

The SPEAKER. Yes; they were included.

Mr. BEGG. Then I ask for a separate vote on those.

The SPEAKER. Is there a separate vote demanded on any of the other amendments? If not, the Chair will put them en bloc. The question is on agreeing to the other amendments.

The question was taken, and the other amendments were agreed to.

The SPEAKER. The Clerk will report the first amendment on which a separate vote is demanded.

The Clerk read as follows:

Amendment No. 4: Page 26, line 9, after the word "property," strike out the remainder of the line and insert in lieu thereof the following:

Mr. GREEN of Iowa. Mr. Speaker, that was a committee amendment. That is not the one they wanted the vote on.

Mr. TREADWAY. It is the amendment following the committee amendment.

The SPEAKER. The Chair is informed that the amendment to which the gentleman refers was an amendment to the committee amendment, and of course no separate vote can be had on that.

Mr. CHINDBLOM. It was an amendment following the committee amendment, as I recall it.

The SPEAKER. The Chair is informed it was in addition to the amendment. The Clerk will report it.

The Clerk read as follows:

Page 26, amendment by Mr. GARNER of Texas to the committee amendment——

The SPEAKER. If it is an amendment to the committee amendment, no separate vote can be had on it.

Mr. TREADWAY. Then I withdraw the request on that amendment.

The SPEAKER. The gentleman withdraws the request, and the Clerk will report the next amendment.

Mr. SANDERS of Indiana. Mr. Speaker, a parliamentary inquiry. Since the other amendments were voted on en gross and this amendment as amended has not been adopted, should it not be voted on?

The SPEAKER. Yes; the Chair thinks the gentleman is right.

The question was taken, and the amendment was agreed to.

The SPEAKER. The Clerk will report the next amendment on which a separate vote is demanded.

The Clerk read as follows:

Amendment No. 5: At the end of line 6, on page 28, insert "earned income also means reasonable compensation or allowance for personal services, where income is derived from combined personal services and capital in the prosecution by unincorporated persons of agricultural or other business."

The SPEAKER. The question is on the amendment.

The question was taken, and the Speaker announced that the noes appeared to have it.

Mr. GARNER of Texas. I demand a division, Mr. Speaker.

While the committee was dividing, the following occurred:

Mr. GARNER of Texas. Mr. Speaker, in order to save time, I will ask for the yeas and nays on this amendment so that we can have a record vote.

Mr. LONGWORTH. We will not ask for the yeas and nays over here, I will say to the gentleman.

Mr. GARNER of Texas. We will.

The yeas and nays were ordered.

The question was taken; and there were—yeas 267, nays 144, answered "present" 2, not voting 18, as follows:

YEAS—267.

Abernethy	Ayres	Bland	Boylan
Allen	Bankhead	Blanton	Brand, Ga.
Allgood	Barbour	Bloom	Briggs
Almon	Barkley	Boies	Browne, N. J.
Anderson	Beck	Bowling	Browne, Wis.
Arnold	Bell	Box	Browning
Aswell	Black, N. Y.	Boyce	Buckley

Bulwinkle	Glatfelter	McNulty	Sandlin
Burtness	Goldsborough	McReynolds	Schafer
Busby	Greenwood	McSwain	Schall
Byrns, S. C.	Griffin	McSweeney	Schneider
Byrns, Tenn.	Harrison	Major, Ill.	Scott
Canfield	Hastings	Major, Mo.	Sears, Fla.
Cannon	Haugen	Mansfield	Sears, Nebr.
Carew	Hawes	Martin	Shallenberger
Carter	Hayden	Mead	Sherwood
Casey	Hill, Ala.	Michener	Simmons
Celler	Hill, Wash.	Miller, Wash.	Sinclair
Christopherson	Hoch	Milligan	Sinnott
Clague	Hooker	Minahan	Sites
Clancy	Howard, Nebr.	Montague	Smith
Clark, Fla.	Howard, Okla.	Mooney	Smithwick
Cleary	Hudspeth	Moore, Ga.	Sproul, Kans.
Collier	Hull, Iowa	Moore, Ohio	Steagall
Collins	Hull, Tenn.	Moore, Va.	Stedman
Colton	Humphreys	Morehead	Stengle
Connally, Tex.	Jacobstein	Morgan	Stevenson
Connery	James	Morris	Strong, Kans.
Cook	Jeffers	Morrow	Sullivan
Cooper, Wis.	Johnson, Ky.	Murphy	Summers, Wash.
Cramton	Johnson, S. Dak.	Nelson, Wis.	Sumners, Tex.
Crisp	Johnson, Tex.	Nolan	Swank
Croll	Johnson, W. Va.	O'Brien	Swing
Crosser	Jones	O'Connell, N. Y.	Tague
Cullen	Jost	O'Connell, R. I.	Taylor, Tenn.
Cummings	Keller	O'Connor, La.	Taylor, W. Va.
Davey	Kelly	O'Connor, N. Y.	Thomas, Okla.
Davis, Minn.	Kent	O'Sullivan	Thompson
Davis, Tenn.	Kerr	Oldfield	Tillman
Deal	Ketcham	Oliver, Ala.	Tucker
Dickinson, Iowa	Kincheloe	Oliver, N. Y.	Tydings
Dickinson, Mo.	Kindred	Park, Ga.	Underwood
Dickstein	King	Parks, Ark.	Upshaw
Dominick	Knutson	Peavey	Vincent, Mich.
Doughton	Kunz	Peery	Vinson, Ga.
Dowell	Kvale	Porter	Vinson, Ky.
Doyle	LaGuardia	Pou	Voigt
Drane	Lampert	Prall	Ward, N. C.
Drewry	Lanham	Quayle	Watkins
Driver	Lankford	Quin	Weaver
Eagan	Larsen, Ga.	Ragon	Wefald
Evans, Mont.	Lazaro	Rainey	Weller
Fairfield	Lea, Calif.	Raker	White, Kans.
Favrot	Leavitt	Rankin	Williams, Ill.
Fisher	Lee, Ga.	Rayburn	Williams, Mich.
Fitzgerald	Lilly	Reece	Williams, Tex.
Foster	Lindsay	Reed, Ark.	Williamson
Frear	Linthicum	Reid, Ill.	Wilson, Ind.
Fulbright	Little	Richards	Wilson, Miss.
Fulmer	Logan	Robinson, Iowa	Wingo
Garber	Lowrey	Robsion, Ky.	Winter
Gardner, Ind.	Lozier	Rogers, N. H.	Wolff
Garner, Tex.	Lyon	Romjue	Woodruff
Garrett, Tenn.	McClintic	Rubey	Woodrum
Garrett, Tex.	McDuffie	Sabath	Wright
Gasque	McKeown	Salmon	Wurzbach
Gilbert	McLaughlin, Nebr.	Sanders, Tex.	

NAYS—144.

Ackerman	Fish	McFadden	Seger
Aldrich	Fleetwood	McKenzie	Shreve
Andrew	Fredericks	McLaughlin, Mich.	Snell
Anthony	Free	McLeod	Snyder
Bacharach	Freeman	MacGregor	Speaks
Bacon	French	MacLafferty	Sproul, Ill.
Beedy	Frothingham	Madden	Stalker
Beers	Fuller	Magee, N. Y.	Stephens
Begg	Gibson	Magee, Pa.	Strong, Pa.
Bixler	Gifford	Manlove	Sweet
Brand, Ohio	Graham, Ill.	Mapes	Swoope
Britten	Graham, Pa.	Merritt	Taber
Brumm	Green, Iowa	Michaelson	Temple
Burdick	Greene, Mass.	Miller, Ill.	Thatcher
Burton	Griest	Mills	Tilson
Butler	Hadley	Moore, Ill.	Timberlake
Cable	Hardy	Moores, Ind.	Tincher
Campbell	Hawley	Morin	Tinkham
Chindblom	Hickey	Nelson, Me.	Treadway
Clarke, N. Y.	Hill, Md.	Newton, Minn.	Underhill
Cole, Iowa	Holaday	Newton, Mo.	Vaile
Cole, Ohio	Huddleston	Paige	Vestal
Connolly, Pa.	Hudson	Parker	Wainwright
Cooper, Ohio	Hull, Morton D.	Patterson	Ward, N. Y.
Crowther	Hull, William E.	Perkins	Wason
Curry	Johnson, Wash.	Perlman	Watres
Dallinger	Kearns	Phillips	Watson
Darrow	Kendall	Purnell	Welsh
Denison	Kiess	Ramseyer	Wertz
Dyer	Kurtz	Ransley	White, Me.
Edmonds	Langley	Rathbone	Winslow
Elliott	Larson, Minn.	Reed, N. Y.	Wood
Evans, Iowa	Leatherwood.	Roach	Wyant
Fairchild	Lehlbach	Rogers, Mass.	Yates
Faust	Lineberger	Sanders, Ind.	Young
Fenn	Longworth	Sanders, N. Y.	Zihlman

ANSWERED "PRESENT"—2.

Gallivan	Luce

NOT VOTING—18.

Berger	Funk	Kopp	Thomas, Ky.
Black, Tex.	Geran	Reed, W. Va.	Vare
Buchanan	Hammer	Rosenbloom	Wilson, La.
Corning	Hersey	Rouse	
Dempsey	Kahn	Taylor, Colo.	

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Rouse (for) with Mr. Kahn (against).
Mr. Gallivan (for) with Mr. Vare (against).
Mr. Wilson of Louisiana (for) with Mr. Funk (against).
Mr. Berger (for) with Mr. Reed of West Virginia (against).
Mr. Buchanan (for) with Mr. Hersey (against).
Mr. Black of Texas (for) with Mr. Luce (against).
Mr. Thomas of Kentucky (for) with Mr. Dempsey (against).
Mr. Geran (for) with Mr. Rosenbloom (against).

Mr. GALLIVAN. Mr. Speaker, on this roll call I voted in the affirmative. I am paired with Mr. VARE, who, if he were present, would vote "no." Therefore I withdraw my vote and vote "present."

The SPEAKER. This completes the amendments on which a separate vote was demanded.

Mr. HAWLEY. Mr. Speaker, I offer the following amendment to the amendment of the gentleman from Texas [Mr. GARNER] to perfect sections 210, 211, and 266, subdivision (c).

The SPEAKER. The gentleman from Oregon offers an amendment to the Garner amendment.

Mr. GARRETT of Tennessee. A paliamentary inquiry, Mr. Speaker. On what page of the bill?

Mr. CHINDBLOM. It is not in the bill.

The SPEAKER. It is a substitute for the Garner amendment.

Mr. GARRETT of Tennessee. The Garner amendment is in the bill up to date.

The SPEAKER. Not in the printed bill.

Mr. HAWLEY. The Garner amendment was submitted in the form of a printed bill. This is a substitute. For convenience, it refers to the printed Garner amendment.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. HAWLEY to the Garner amendment: Page 1 of amendment No. 7 (the Garner amendment), line 8, after the word "every," strike out the remainder of the line, and all of line 9, and pages 2 to 7, inclusive, of said amendment, and insert in lieu thereof the following:

"individual (except as provided in subdivision (b) of this section) a normal tax of 6 per cent of the amount of the net income in excess of the credits provided in section 216, except that in the case of a citizen or resident of the United States the rate upon the first $4,000 of such excess amount shall be 3 per cent.

"(b) In lieu of the tax imposed by subdivision (a) there shall be levied, collected, and paid for each taxable year upon the net income of every nonresident alien individual, a resident of a contiguous country, a normal tax equal to the sum of the following:

"(1) Three per cent of the amount of the net incomes attributable to wages, salaries, professional fees, or other amounts received as compensation for personal services actually performed in the United States in excess of the credits provided in subdivisions (d) and (e) of section 216; but the amount taxable at such 3 per cent rate shall not exceed $4,000; and

"(2) Six per cent of the amount of the net income in excess of the sum of (A) the amount taxed under paragraph (1) plus (B) the credits provided in section 216."

Strike out lines 19 to 25, inclusive, page 30; lines 1 to 24, inclusive, page 31; lines 1 to 26, inclusive, page 32; lines 1 to 7, inclusive, page 33; and insert in lieu thereof the following:

SURTAX.

SEC. 211. (a) In lieu of the tax imposed by section 211 of the revenue act of 1921, but in addition to the normal tax imposed by section 210 of this act, there shall be levied, collected, and paid for each taxable year upon the net income of every individual a surtax equal to the sum of the following:

"One per cent of the amount by which the net income exceeds $10,000 and does not exceed $12,000;

"Two per cent of the amount by which the net income exceeds $12,000 and does not exceed $16,000;

"Three per cent of the amount by which the net income exceeds $16,000 and does not exceed $18,000;

"Four per cent of the amount by which the net income exceeds $18,000 and does not exceed $20,000;

"Five per cent of the amount by which the net income exceeds $20,000 and does not exceed $22,000;

"Six per cent of the amount by which the net income exceeds $22,000 and does not exceed $24,000;

"Seven per cent of the amount by which the net income exceeds $24,000 and does not exceed $26,000;

"Eight per cent of the amount by which the net income exceeds $26,000 and does not exceed $28,000;

"Nine per cent of the amount by which the net income exceeds $28,000 and does not exceed $30,000;

"Ten per cent of the amount by which the net income exceeds $30,000 and does not exceed $32,000;

"Eleven per cent of the amount by which the net income exceeds $32,000 and does not exceed $34,000;

"Twelve per cent of the amount by which the net income exceeds $34,000 and does not exceed $36,000;

"Thirteen per cent of the amount by which the net income exceeds $36,000 and does not exceed $38,000;

"Fourteen per cent of the amount by which the net income exceeds $38,000 and does not exceed $40,000;

"Fifteen per cent of the amount by which the net income exceeds $40,000 and does not exceed $46,000;

"Sixteen per cent of the amount by which the net income exceeds $46,000 and does not exceed $52,000;

"Seventeen per cent of the amount by which the net income exceeds $52,000 and does not exceed $58,000;

"Eighteen per cent of the amount by which the net income exceeds $58,000 and does not exceed $64,000;

"Nineteen per cent of the amount by which the net income exceeds $64,000 and does not exceed $70,000;

"Twenty per cent of the amount by which the net income exceeds $70,000 and does not exceed $76,000;

"Twenty-one per cent of the amount by which the net income exceeds $76,000 and does not exceed $82,000;

"Twenty-two per cent of the amount by which the net income exceeds $82,000 and does not exceed $88,000;

"Twenty-three per cent of the amount by which the net income exceeds $88,000 and does not exceed $94,000;

"Twenty-four per cent of the amount by which the net income exceeds $94,000 and does not exceed $100,000;

"Twenty-five per cent of the amount by which the net income exceeds $100,000.

"(b) In the case of a bona fide sale of mines, oil or gas wells, or any interest therein, where the principal value of the property has been demonstrated by prospecting or exploration and discovery work done by the taxpayer, the portion of the tax imposed by this section attributable to such sale shall not exceed 10 per cent of the selling price of such property or interest."

Mr. GARRETT of Tennessee. Mr. Speaker, a parliamentary inquiry. Does this proposed amendment follow exactly the provisions that were in the bill as reported from the Committee on Ways and Means?

Mr. HAWLEY. The amendment changes some 12 or 14 brackets between the upper and lower brackets.

Mr. GARNER of Texas. In other words, you changed the Mellon plan to the point where you can get in from a parliamentary standpoint?

Mr. HAWLEY. I have stated what we have done.

Mr. SEARS of Florida. Is this the Hawley plan, the Longworth plan, or the Mellon plan, or what is it?

Mr. MADDEN. Mr. Chairman, I would like to ask the gentleman whether the amendment he proposes will in effect give to those Members of the House who wish to vote that way a chance to vote for the administration measure known as the Mellon plan.

Mr. HAWLEY. I was about to say when the gentleman interrupted that you can vote directly for the Mellon plan making such changes in a few brackets as will make it a parliamentary proposition.

Mr. MADDEN. Hooray! [Laughter.]

Mr. HAWLEY. Mr. Speaker, I move the previous question on the amendment.

Mr. GARRETT of Tennessee. I wish the gentleman would withhold that; I just want to make an observation on the statement of the gentleman from Illinois. I understand that this is a further demonstration of the effort of that side of the House to pyramid their incapacities. [Laughter.]

The SPEAKER. The question is on ordering the previous question on the amendment.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the amendment offered by the gentleman from Oregon.

Mr. HAWLEY. And on that, Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 153, nays 261, answered "present" 3, not voting 14, as follows:

YEAS—153.

Ackerman	Bixler	Cable	Cooper, Ohio
Aldrich	Brand, Ohio	Campbell	Crowther
Andrew	Britten	Chindblom	Dallinger
Bacharach	Browne, N. J.	Clarke, N. Y.	Darrow
Bacon	Brumm	Cole, Iowa	Denison
Beedy	Burdick	Cole, Ohio	Dyer
Beers	Burton	Colton	Edmonds
Begg	Butler	Connolly, Pa.	Elliott
Fairchild	Kendall	Newton, Minn.	Taber
Fairfield	Kiess	Newton, Mo.	Taylor, Tenn.
Faust	Kurtz	Paige	Temple
Fenn	Langley	Parker	Thatcher
Fish	Larson, Minn.	Patterson	Thompson
Fleetwood	Leatherwood	Perkins	Tilson
Foster	Lehlbach	Perlman	Timberlake
Fredericks	Longworth	Phillips	Tinkham
Free	McFadden	Porter	Treadway
Freeman	McKenzie	Purnell	Underhill
French	McLaughlin, Mich.	Ransley	Valle
Frothingham	McLeod	Reece	Vestal
Fuller	MacGregor	Reed, N. Y.	Vincent, Mich.
Garber	MacLafferty	Roach	Wainwright
Gibson	Madden	Rogers, Mass.	Ward, N. Y.
Gifford	Magee, N. Y.	Rosenbloom	Wason
Graham, Ill.	Magee, Pa.	Sanders, Ind.	Watres
Graham, Pa.	Manlove	Sanders, N. Y.	Watson
Greene, Mass.	Mapes	Scott	Welsh
Griest	Merritt	Seger	Wertz
Hadley	Michener	Shreve	White, Me.
Hardy	Miller, Ill.	Sinnott	Williams, Ill.
Hawley	Miller, Wash.	Smith	Williams, Mich.
Hickey	Mills	Snell	Winslow
Hill, Md.	Moore, Ill.	Snyder	Wood
Holaday	Moore, Ohio	Sproul, Ill.	Wurzbach
Hudson	Moores, Ind.	Stalker	Wyant
Hull, Morton D.	Morgan	Stephens	Young
Hull, William E.	Morin	Strong, Pa.	
Johnson, Wash.	Murphy	Sweet	
Kearns	Nelson, Me.	Swoope	

NAYS—261.

Abernethy	Doughton	Lanham	Reid, Ill.
Allen	Dowell	Lankford	Richards
Allgood	Doyle	Larsen, Ga.	Robinson, Iowa
Almon	Drane	Lazaro	Robsion, Ky.
Anderson	Drewry	Lea, Calif.	Rogers, N. H.
Anthony	Driver	Leavitt	Romjue
Arnold	Eagan	Lee, Ga.	Rubey
Aswell	Evans, Iowa	Lilly	Sabath
Ayres	Evans, Mont.	Lindsay	Salmon
Bankhead	Favrot	Lineberger	Sanders, Tex.
Barbour	Fisher	Linthicum	Sandlin
Barkley	Fitzgerald	Little	Schafer
Beck	Frear	Logan	Schall
Bell	Fulbright	Lowrey	Schneider
Black, N. Y.	Fulmer	Lozier	Sears, Fla.
Bland	Gardner, Ind.	Lyon	Sears, Nebr.
Blanton	Garner, Tex.	McClintic	Shallenberger
Bloom	Garrett, Tenn.	McDuffie	Sherwood
Boles	Garrett, Tex.	McKeown	Simmons
Bowling	Gasque	McLaughlin, Nebr.	Sinclair
Box	Gerun	McNulty	Sites
Boylan	Gilbert	McReynolds	Smithwick
Brand, Ga.	Glatfelter	McSwain	Speaks
Briggs	Goldsborough	McSweeney	Sproul, Kans.
Browne, Wis.	Green, Iowa	Major, Ill.	Steagall
Browning	Greenwood	Major, Mo.	Stedman
Buchanan	Griffin	Mansfield	Steagle
Buckley	Hammer	Martin	Stevenson
Bulwinkle	Harrison	Mead	Strong, Kans.
Burtness	Hastings	Michaelson	Sullivan
Busby	Haugen	Milligan	Summers, Wash.
Byrnes, S. C.	Hawes	Minahan	Sumners, Tex.
Byrns, Tenn.	Hayden	Montague	Swank
Canfield	Hill, Ala.	Mooney	Swing
Cannon	Hill, Wash.	Moore, Ga.	Tague
Carew	Hoch	Moore, Va.	Taylor, W. Va.
Carter	Hooker	Morehead	Thomas, Okla.
Casey	Howard, Nebr.	Morris	Tillman
Celler	Howard, Okla.	Morrow	Tincher
Christopherson	Huddleston	Nelson, Wis.	Tucker
Clague	Hudspeth	Nolan	Tydings
Clancy	Hull, Tenn.	O'Brien	Underwood
Clark, Fla.	Hull, Iowa	O'Connell, N. Y.	Upshaw
Cleary	Humphreys	O'Connell, R. I.	Vinson, Ga.
Collier	Jacobstein	O'Connor, La.	Vinson, Ky.
Collins	James	O'Connor, N. Y.	Voigt
Connally, Tex.	Jeffers	O'Sullivan	Ward, N. C.
Connery	Johnson, Ky.	Oldfield	Watkins
Cook	Johnson, S. Dak.	Oliver, Ala.	Weaver
Cooper, Wis.	Johnson, Tex.	Oliver, N. Y.	Wefald
Corning	Johnson, W. Va.	Park, Ga.	Weller
Cramton	Jones	Parks, Ark.	White, Kans.
Crisp	Jost	Peavey	Williams, Tex.
Croll	Keller	Peery	Williamson
Crosser	Kelly	Pou	Wilson, Ind.
Cullen	Kent	Prall	Wilson, Miss.
Cummings	Kerr	Quayle	Wingo
Curry	Ketcham	Quin	Winter
Davey	Kincheloe	Ragon	Wolff
Davis, Minn.	Kindred	Rainey	Woodruff
Davis, Tenn.	King	Raker	Woodrum
Deal	Knutson	Ramseyer	Wright
Dickinson, Iowa	Kunz	Rankin	Zihlman
Dickinson, Mo.	Kvale	Rathbone	
Dickstein	LaGuardia	Rayburn	
Dominick	Lampert	Reed, Ark.	

ANSWERED "PRESENT"—3.

Boyce	Gallivan	Luce

NOT VOTING—14.

Berger	Hersey	Rouse	Wilson, La.
Black, Tex.	Kahn	Taylor, Colo.	Yates
Dempsey	Kopp	Thomas, Ky.	
Funk	Reed, W. Va.	Vare	

So the amendment was rejected.

The Clerk announced the following additional pairs:

On the vote:

Mr. Luce (for) with Mr. Black of Texas (against).

Mr. Vare (for) with Mr. Gallivan (against).

Mr. Kahn (for) with Mr. Rouse (against).
Mr. Reed of West Virginia (for) with Mr. Berger (against).
Mr. Dempsey (for) with Mr. Thomas of Kentucky (against).
Mr. Hersey (for) with Mr. Wilson of Louisiana (against).

Mr. LUCE. Mr. Speaker, on this question and on all the major questions connected with this bill I have agreed to pair with the gentleman from Texas, Mr. BLACK, who has been obliged to return home by reason of the death of his brother. I voted "aye," and I ask that my vote may be withdrawn and that I may be recorded as "present." If Mr. BLACK were here, he would vote "no."

Mr. GALLIVAN. Mr. Speaker, on this vote I voted "no." I am paired with the gentleman from Pennsylvania, Mr. VARE. If he were present, he would vote "aye." I desire to withdraw my vote and be recorded "present."

Mr. KINCHELOE. Mr. Speaker, my colleague, Mr. ROUSE, of Kentucky, is unavoidably absent, and he requested me to say that if he were present he would vote "no."

The result of the vote was announced as above recorded.

Mr. LONGWORTH. Mr. Speaker, I offer the following substitute for the Garner amendment, which I send to the desk.

The Clerk read as follows:

Mr. LONGWORTH offers the following substitute for the Garner amendment to sections 210 and 211 and subdivision (c) of section 216:

"On page 29 strike out lines 20 to 25, inclusive, and lines 1 to 18, inclusive, on page 30, and insert in lieu thereof the following:

"SEC. 210. (a) In lieu of the tax imposed by section 210 of the revenue act of 1921, there shall be levied, collected, and paid for each taxable year upon the net income of every individual (except as provided in subdivision (b) of this section) a normal tax of 6 per centum of the amount of the net income in excess of the credits provided in section 216, except that in the case of a citizen or resident of the United States the rate upon the first $4,000 of such excess amount shall be 2 per centum and upon the next $4,000 of such excess amount shall be 5 per centum;

"(b) In lieu of the tax imposed by subdivision (a), there shall be levied, collected, and paid for each taxable year upon the net income of every nonresident alien individual, a resident of a contiguous country, a normal tax equal to the sum of the following:

"(1) Two per centum of the amount by which the part of the net income attributable to wages, salaries, professional fees, or other amounts received as compensation for personal services actually performed in the United States exceeds the credits provided in subdivisions (d) and (e) of section 216; but the amount taxable at such 2 per centum rate shall not exceed $4,000;

"(2) Five per centum of the amount by which such part of the net income exceeds the sum of (A) the credits provided in subdivisions (d) and (e) of section 216, plus (B) $4,000; but the amount taxable at such 5 per centum rate shall not exceed $4,000; and

"(3) Six per centum of the amount of the net income in excess of the sum of (A) the amount taxed under paragraphs (1) and (2), plus (B) the credits provided in section 216."

Also strike out lines 20 to 25, inclusive, on page 30; lines 1 to 24, inclusive, page 31; and lines 1 to 26, inclusive, page 32, and insert in lieu thereof the following:

"SEC. 211. (a) In lieu of the tax imposed by section 211 of the revenue act of 1921, but in addition to the normal tax imposed by section 210 of this act, there shall be levied, collected, and paid for each taxable year upon the net income of every individual a surtax equal to three-fourths of the sum of the following:

"Two per centum of the amount by which the net income exceeds $10,000 and does not exceed $12,000;

"Three per centum of the amount by which the net income exceeds $12,000 and does not exceed $14,000;

"Four per centum of the amount by which the net income exceeds $14,000 and does not exceed $16,000;

"Five per centum of the amount by which the net income exceeds $16,000 and does not exceed $18,000;

"Six per centum of the amount by which the net income exceeds $18,000 and does not exceed $20,000;

"Eight per centum of the amount by which the net income exceeds $20,000 and does not exceed $22,000;

"Nine per centum of the amount by which the net income exceeds $22,000 and does not exceed $24,000;

"Ten per centum of the amount by which the net income exceeds $24,000 and does not exceed $26,000;

"Eleven per centum of the amount by which the net income exceeds $26,000 and does not exceed $28,000;

"Twelve per centum of the amount by which the net income exceeds $28,000 and does not exceed $30,000;

"Thirteen per centum of the amount by which the net income exceeds $30,000 and does not exceed $32,000;

"Fifteen per centum of the amount by which the net income exceeds $32,000 and does not exceed $36,000;

"Sixteen per centum of the amount by which the net income exceeds $36,000 and does not exceed $38,000;

"Seventeen per centum of the amount by which the net income exceeds $38,000 and does not exceed $40,000;

"Eighteen per centum of the amount by which the net income exceeds $40,000 and does not exceed $42,000;

"Nineteen per centum of the amount by which the net income exceeds $42,000 and does not exceed $44,000;

"Twenty per centum of the amount by which the net income exceeds $44,000 and does not exceed $46,000;

"Twenty-one per centum of the amount by which the net income exceeds $46,000 and does not exceed $48,000;

"Twenty-two per centum of the amount by which the net income exceeds $48,000 and does not exceed $50,000;

"Twenty-three per centum of the amount by which the net income exceeds $50,000 and does not exceed $52,000;

"Twenty-four per centum of the amount by which the net income exceeds $52,000 and does not exceed $54,000;

"Twenty-five per centum of the amount by which the net income exceeds $54,000 and does not exceed $56,000;

"Twenty-six per centum of the amount by which the net income exceeds $56,000 and does not exceed $58,000;

"Twenty-seven per centum of the amount by which the net income exceeds $58,000 and does not exceed $60,000;

"Twenty-eight per centum of the amount by which the net income exceeds $60,000 and does not exceed $62,000;

"Twenty-nine per centum of the amount by which the net income exceeds $62,000 and does not exceed $64,000;

"Thirty per centum of the amount by which the net income exceeds $64,000 and does not exceed $66,000;

"Thirty-one per centum of the amount by which the net income exceeds $66,000 and does not exceed $68,000;

"Thirty-two per centum of the amount by which the net income exceeds $68,000 and does not exceed $70,000;

"Thirty-three per centum of the amount by which the net income exceeds $70,000 and does not exceed $72,000;

"Thirty-four per centum of the amount by which the net income exceeds $72,000 and does not exceed $74,000;

"Thirty-five per centum of the amount by which the net income exceeds $74,000 and does not exceed $76,000;

"Thirty-six per centum of the amount by which the net income exceeds $76,000 and does not exceed $78,000;

"Thirty-seven per centum of the amount by which the net income exceeds $78,000 and does not exceed $80,000;

"Thirty-eight per centum of the amount by which the net income exceeds $80,000 and does not exceed $82,000;

"Thirty-nine per centum of the amount by which the net income exceeds $82,000 and does not exceed $84,000;

"Forty per centum of the amount by which the net income exceeds $84,000 and does not exceed $86,000;

"Forty-one per centum of the amount by which the net income exceeds $86,000 and does not exceed $88,000;

"Forty-two per centum of the amount by which the net income exceeds $88,000 and does not exceed $90,000;

"Forty-three per centum of the amount by which the net income exceeds $90,000 and does not exceed $92,000;

"Forty-four per centum of the amount by which the net income exceeds $92,000 and does not exceed $94,000;

"Forty-five per centum of the amount by which the net income exceeds $94,000 and does not exceed $96,000;

"Forty-six per centum of the amount by which the net income exceeds $96,000 and does not exceed $98,000;

"Forty-seven per centum of the amount by which the net income exceeds $98,000 and does not exceed $100,000;

"Forty-eight per centum of the amount by which the net income exceeds $100,000 and does not exceed $150,000;

"Forty-nine per centum of the amount by which the net income exceeds $150,000 and does not exceed $200,000;

"Fifty per centum of the amount by which the net income exceeds $200,000."

Mr. BLANTON. Mr. Speaker, I make the point of order against the Longworth substitute that in effect it is a revenue bill and the rules of the House require that a revenue bill which appears on the Union Calendar shall be framed in Committee of the Whole House on the state of the Union. The only exception is where new matter is offered in a motion to recommit. This is not a motion to recommit. It is an attempt to frame a revenue bill in the House, which can not be done, as the rules require it to be framed in the Committee of the Whole House on the state of the Union.

Mr. LONGWORTH. Mr. Speaker, will the gentleman yield for a question?

Mr. BLANTON. Yes.

Mr. LONGWORTH. Where was the Garner amendment framed?

Mr. BLANTON. In the Committee of the Whole House on the State of the Union, where it should be framed. I make the

point or order that this is an attempt to frame a revenue bill in the House. This Longworth substitute is a new revenue plan and has not been considered in Committee of the Whole House on the state of the Union, where it could be debated under the rules of the House and where the membership would have a right to analyze it and perfect it by amendments.

The SPEAKER. Has the gentleman anything further to offer?

Mr. BLANTON. Mr. Speaker, I make the point of order sincerely, believing that it is well taken. Under the rules of the House the Committee of the Whole House on the state of the Union has the inherent right to pass upon such a new revenue proposition as is now proposed. This is going behind the rules and setting them aside.

The SPEAKER. The gentleman's argument seems to go to the point that the House has not the right to amend this bill.

Mr. BLANTON. It has, certainly, on a motion to recommit. But this is an entirely new revenue proposition about which we know nothing, and we are entitled to debate it in the Committee of the Whole House on the state of the Union.

The SPEAKER. Of course the House always has the right to amend. The Chair overrules the point of order.

Mr. LONGWORTH. Mr. Speaker, by this substitute gentlemen will have an opportunity of deciding between a well-considered Republican income tax reduction plan, which will raise the necessary revenue, and an ill-considered Democratic, makeshift plan, which will cause a tremendous deficit in the revenue. I move the previous question on the amendment.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the substitute offered by the gentleman from Ohio.

Mr. LONGWORTH. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 216, nays 199, answered "present" 2, not voting 14, as follows:

YEAS—216.

Ackerman	Fleetwood	McLaughlin, Nebr.	Shreve
Aldrich	Foster	McLeod	Simmons
Anderson	Frear	MacGregor	Sinclair
Andrew	Fredericks	MacLafferty	Sinnott
Anthony	Free	Madden	Smith
Bacharach	Freeman	Magee, N. Y.	Snell
Bacon	French	Magee, Pa.	Snyder
Barbour	Frothingham	Manlove	Speaks
Beck	Fuller	Mapes	Sproul, Ill.
Beedy	Garber	Merritt	Sproul, Kans.
Beers	Gibson	Michaelson	Stalker
Begg	Gifford	Michener	Stephens
Bixler	Graham, Ill.	Miller, Ill.	Strong, Kans.
Boies	Graham, Pa.	Miller, Wash.	Strong, Pa.
Brand, Ohio	Green, Iowa	Mills	Summers, Wash.
Britten	Greene, Mass.	Moore, Ill.	Sweet
Browne, N. J.	Griest	Moore, Ohio.	Swing
Browne, Wis.	Hadley	Moores, Ind.	Swoope
Brumm	Hardy	Morgan	Taber
Burdick	Haugen	Morin	Taylor, Tenn.
Burtness	Hawley	Murphy	Temple
Buston	Hickey	Nelson, Me.	Thatcher
Butler	Hill, Md.	Nelson, Wis.	Thompson
Cable	Hoch	Newton, Minn.	Tilson
Campbell	Holaday	Newton, Mo.	Timberlake
Chindblom	Hudson	Nolan	Tincher
Christopherson	Hull, Iowa	Paige	Tinkham
Clague	Hull, Morton D.	Parker	Treadway
Clarke, N. Y.	Hull, William E.	Patterson	Underhill
Cole, Iowa	James	Peavey	Vaile
Cole, Ohio	Johnson, S. Dak.	Perkins	Vestal
Colton	Johnson, Wash.	Perlman	Vincent, Mich.
Connolly, Pa.	Kearns	Phillips	Voigt
Cooper, Ohio	Keller	Porter	Wainwright
Cooper, Wis.	Kelly	Purnell	Ward, N. Y.
Cramton	Kendall	Ramseyer	Wason
Crowther	Ketcham	Ransley	Watres
Curry	Kiess	Rathbone	Watson
Dallinger	King	Reece	Welsh
Darrow	Knutson	Reed, N. Y.	Wertz
Davis, Minn.	Kurtz	Reid, Ill.	White, Kans.
Denison	LaGuardia	Roach	White, Me.
Dickinson, Iowa	Lampert	Robinson, Iowa	Williams, Ill.
Dowell	Langley	Robsion, Ky.	Williams, Mich.
Dyer	Larson, Minn.	Rogers, Mass.	Williamson
Edmonds	Leatherwood	Rosenbloom	Winslow
Elliott	Leavitt	Sanders, Ind.	Winter
Evans, Iowa	Lehlbach	Sanders, N. Y.	Wood
Fairchild	Lineberger	Schafer	Woodruff
Fairfield	Little	Schall	Wurzbach
Faust	Longworth	Schneider	Wyant
Fenn	McFadden	Scott	Yates
Fish	McKenzie	Sears, Nebr.	Young
Fitzgerald	McLaughlin, Mich.	Seger	Zihlman

NAYS—199.

Abernethy	Barkley	Boyce	Byrnes, S. C.
Allen	Bell	Boylan	Byrns, Tenn.
Allgood	Black, N. Y.	Brand, Ga.	Canfield
Almon	Bland	Briggs	Cannon
Arnold	Blanton	Browning	Carew
Aswell	Bloom	Buckley	Carter
Ayres	Bowling	Bulwinkle	Casey
Bankhead	Box	Busby	Celler
Clancy	Hammer	McKeown	Rogers, N. H.
Clark, Fla.	Harrison	McNulty	Romjue
Cleary	Hastings	McReynolds	Rubey
Collier	Hawes	McSwain	Sabath
Collins	Hayden	Mcsweeney	Salmon
Connally, Tex.	Hill, Ala.	Major, Ill.	Sanders, Tex.
Connery	Hill, Wash.	Major, Mo.	Sandlin
Cook	Hooker	Mansfield	Sears, Fla.
Corning	Howard, Nebr.	Martin	Shallenberger
Crisp	Howard, Okla.	Mead	Sherwood
Croll	Huddleston	Milligan	Sites
Crosser	Hudspeth	Minahan	Smithwick
Cullen	Hull, Tenn.	Montague	Steagall
Cummings	Humphreys	Mooney	Stedman
Davey	Jacobstein	Moore, Ga.	Steagle
Davis, Tenn.	Jeffers	Moore, Va.	Stevenson
Deal	Johnson, Ky.	Morehead	Sullivan
Dickinson, Mo.	Johnson, Tex.	Morris	Sumners, Tex.
Dickstein	Johnson, W. Va.	Morrow	Swank
Dominick	Jones	O'Brien	Tague
Doughton	Jost	O'Connell, N. Y.	Taylor, W. Va.
Doyle	Kent	O'Connell, R. I.	Thomas, Okla.
Drane	Kerr	O'Connor, La.	Tillman
Drewry	Kincheloe	O'Connor, N. Y.	Tucker
Driver	Kindred	O'Sullivan	Tydings
Eagan	Kunz	Oldfield	Underwood
Evans, Mont.	Kvale	Oliver, Ala.	Upshaw
Favrot	Lanham	Oliver, N. Y.	Vinson, Ga.
Fisher	Lankford	Park, Ga.	Vinson, Ky.
Fulbright	Larsen, Ga.	Parks, Ark.	Ward, N. C.
Fulmer	Lassro	Peery	Watkins
Gardner, Ind.	Lea, Calif.	Pou	Weaver
Garner, Tex.	Lee, Ga.	Prall	Wefald
Garrett, Tenn.	Lilly	Quayle	Weller
Garrett, Tex.	Lindsay	Quin	Williams, Tex.
Gasque	Linthicum	Ragon	Wilson, Ind.
Geran	Logan	Rainey	Wilson, Miss.
Gilbert	Lowrey	Raker	Wingo
Glatfelter	Lozier	Rankin	Wolff
Goldsborough	Lyon	Rayburn	Woodrum
Greenwood	McClintic	Reed, Ark.	Wright
Griffin	McDuffie	Richards	

ANSWERED "PRESENT"—2.

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NOT VOTING—14.

Berger	Funk	Reed, W. Va.	Vare
Black, Tex.	Hersey	Rouse	Wilson, La.
Buchanan	Kahn	Taylor, Colo.	
Dempsey	Kopp	Thomas, Ky.	

So the Longworth amendment was agreed to.

The Clerk announced the following additional pairs:

On this vote:

Mr. Luce (for) with Mr. Black of Texas (against).
Mr. Vare (for) with Mr. Gallivan (against).
Mr. Kahn (for) with Mr. Rouse (against).
Mr. Reed of West Virginia (for) with Mr. Berger (against).
Mr. Funk (for) with Mr. Wilson of Louisiana (against).
Mr. Dempsey (for) with Mr. Thomas of Kentucky (against).
Mr. Hersey (for) with Mr. Buchanan (against).

Mr. GALLIVAN. Mr. Speaker, on this amendment I voted "no." I am paired with the gentleman from Pennsylvania, Mr. VARE, who is not here. If he were present, he would vote "aye." Therefore I desire to withdraw my vote and vote "present."

The SPEAKER. The gentleman will be recorded as "present."

Mr. LUCE. Mr. Speaker, on this question I voted "aye." I am paired with Mr. BLACK of Texas. If he were here he would vote "no." I ask that my vote may be withdrawn and that I may be recorded as "present."

The SPEAKER. The gentleman's name will be recorded as "present."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on agreeing to the amendment as amended.

The amendment to the amendment was agreed to.

Mr. GREEN of Iowa. Mr. Speaker, there were several informal amendments made in places to conform with the Garner amendment when adopted in the bill, amendments that now in conformity with the action of the House should be corrected; that is, they should be voted down to correspond with the action of the House. I ask unanimous consent that I may now submit these amendments to the vote of the House.

The SPEAKER. The gentleman from Iowa asks unanimous consent that the following amendments be submitted together.

Mr. BLANTON. We want to know what they are.

The SPEAKER. The Clerk will report them separately.

The Clerk read as follows:

The following amendments were offered by the committee, being made necessary by the adoption of the Garner amendment changing the normal tax and the personal exemption:

Page 62, line 8, striking out "paragraph (1) of subdivision (b)" and inserting in lieu thereof "subdivision (c)."

Page 63, line 7, striking out "$1,000" and inserting "$2,000."

Page 66, line 10, striking out "$2,000" and inserting "$3,000."

Page 66, line 16, striking out "$2,000" and inserting "$3,000."

Page 67, line 19, striking out "$1,000" and inserting "$2,000."
Page 67, line 22, striking out "$2,000" and inserting "$3,000."
Page 68, line 2, striking out "$1,000" and inserting "$2,000."

Mr. GREEN of Iowa. Mr. Speaker, these amendments, as I said, were inserted originally in Committee of the Whole to conform with the Garner amendment. Now, to conform with the action of the House just taken, they should be voted down.

The SPEAKER. Is there objection to considering them together?

Mr. GARNER of Texas. I have no objection to considering them. The amendments ought to be adopted.

Mr. GREEN of Iowa. They ought not to be adopted.

Mr. GARNER of Texas. I mean the amendment you propose.

Mr. GREEN of Iowa. I have not proposed any amendment.

Mr. GARNER of Texas. The gentleman desires that these amendments be voted on together and voted down?

Mr. GREEN of Iowa. Yes. Under the plan in the bill we gave an exemption of $3,000 to the married and $2,000 to the unmarried person. Now you have restored the former exemptions. This is merely to conform to the Longworth amendment.

Mr. HOWARD of Nebraska. Oh, Mr. Speaker, I can not consent to that.

The SPEAKER. The Clerk will read the first amendment.

Mr. HOWARD of Nebraska. Well, I consent. [Laughter.]

The SPEAKER. The question is on agreeing to the amendments.

The question was taken, and the amendments were rejected.

Mr. TILSON. Mr. Speaker, is a separate vote desired on any amendment?

Mr. GREEN of Iowa. Mr. Speaker, since objection is made, I move the previous question on the bill and all remaining amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment?

Mr. MONTAGUE. Mr. Speaker, I ask a separate vote on amendment No. 31, page 152, known as the cigarette tax.

The SPEAKER. Is a separate vote demanded on any other amendment?

Mr. TILSON. Mr. Speaker, No. 16, on page 100, line 12, introduced by the gentleman from Virginia [Mr. MOORE], known as the "Peeping Tom amendment," and the one on the same subject offered by the gentleman from Kentucky [Mr. BARKLEY].

Mr. MILLS. Mr. Speaker, I demand a separate vote on amendment No. 7, page 125, line 20, being an amendment offered by the gentleman from Iowa [Mr. RAMSEYER].

The SPEAKER. Is a separate vote demanded on any other amendment?

Mr. GREEN of Iowa. Mr. Speaker, I ask for a separate vote on the amendment offered by the gentleman from Mississippi [Mr. COLLIER], on page 201, beginning with line 16, to strike out the paragraph, being the tax on checks and promissory notes; also on the amendment offered by the gentleman from Georgia [Mr. LARSEN], on page 207, line 7, inserting the words "with the advice and consent of the Senate."

The SPEAKER. The clerks at the desk were unable to hear the gentleman's last request.

Mr. GREEN of Iowa. I will send these to the desk, marked.

The SPEAKER. What was the gentleman's last request? We have them all except the last one.

The Clerk read as follows:

Page 205, line 7, amendment offered by Mr. LARSEN of Georgia, inserting the words "with the advice and consent of the Senate."

Mr. GREEN of Iowa. On page 201, beginning with line 16, the amendment offered by Mr. COLLIER.

The Clerk read as follows:

Amendment offered by Mr. COLLIER: Page 201, beginning with line 16, strike out paragraph 5, being the stamp tax on drafts and checks, agreed to February 28.

Mr. TREADWAY. Mr. Speaker, I ask for a separate vote on the amendment adopted on page 150, offered by the gentleman from Iowa [Mr. GREEN], imposing a tax on gifts.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will submit the other amendments en gross. The question is on agreeing to the other amendments.

The other amendments were agreed to.

The SPEAKER. The Clerk will report the first amendment on which a separate vote is demanded.

The Clerk read as follows:

The Moore amendment: Page 100, line 12, after the word "President," insert the following:

"*Provided*, That the Ways and Means Committee of the House or the Finance Committee of the Senate, or a special committee of the House or Senate, shall have the right to call on the Secretary of the Treasury, and it shall be his duty to furnish any data of any character contained in or shown by the returns or any of them that may be required by the committee; and any such committee shall have the right, acting directly as a committee or by and through such examiners or agents as it may designate or appoint, to inspect all or any of the returns at such times and in such manner as it may determine; and any relevant or useful information thus obtained may be submitted by the committee obtaining it to the Senate or the House, or to both the Senate and House, as the case may be."

The SPEAKER. The question is on agreeing to the amendment.

The question was taken; and on a division (demanded by Mr. CRISP) there were—ayes 238, noes 124.

So the amendment was agreed to.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment by Mr. BARKLEY: Amendment No. 17, on page 100, lines 13 and 14, after the word "State" in line 13, strike out the words "imposing an income tax."

The SPEAKER. The question is on agreeing to the amendment.

The question was taken; and on a division (demanded by Mr. BARKLEY) there were—ayes 222, noes 179.

So the amendment was agreed to.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment offered by Mr. RAMSEYER: Strike out all beginning with line 20, page 125, to and including line 22, page 126, and insert in lieu thereof the following:

"One per cent of the amount of the net estate not in excess of $50,000;

"Two per cent of the amount by which the net estate exceeds $50,000 and does not exceed $100,000;

"Three per cent of the amount by which the net estate exceeds $100,000 and does not exceed $150,000;

"Four per cent of the amount by which the net estate exceeds $150,000 and does not exceed $250,000;

"Six per cent of the amount by which the net estate exceeds $250,000 and does not exceed $450,000;

"Nine per cent of the amount by which the net estate exceeds $450,000 and does not exceed $750,000;

"Twelve per cent of the amount by which the net estate exceeds $750,000 and does not exceed $1,000,000;

"Fifteen per cent of the amount by which the net estate exceeds $1,000,000 and does not exceed $1,500,000;

"Eighteen per cent of the amount by which the net estate exceeds $1,500,000 and does not exceed $2,000,000;

"Twenty-one per cent of the amount by which the net estate exceeds $2,000,000 and does not exceed $3,000,000;

"Twenty-four per cent of the amount by which the net estate exceeds $3,000,000 and does not exceed $4,000,000;

"Twenty-seven per cent of the amount by which the net estate exceeds $4,000,000 and does not exceed $5,000,000;

"Thirty per cent of the amount by which the net estate exceeds $5,000,000 and does not exceed $8,000,000;

"Thirty-five per cent of the amount by which the net estate exceeds $8,000,000 and does not exceed $10,000,000;

"Forty per cent of the amount by which the net estate exceeds $10,000,000."

The SPEAKER. The question is on agreeing to the amendment.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 261, noes 107.

So the amendment was agreed to.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment offered by Mr. GREEN of Iowa: Page 150, after line 24, insert new sections, as follows:

"SEC. 319. On and after January 1, 1924, a tax equal to the sum of the following is hereby imposed upon the transfer of property by gift, whether made directly or indirectly, by every person, whether a resident or nonresident of the United States:

"One per cent of the amount of gifts not in excess of $50,000;

"Two per cent of the amount by which the gifts exceed $50,000 and do not exceed $100,000;

"Three per cent of the amount by which the gifts exceed $100,000 and do not exceed $150,000;

"Four per cent of the amount by which the gifts exceed $150,000 and do not exceed $250,000;

"Six per cent of the amount by which the gifts exceed $250,000 and do not exceed $450,000;

"Nine per cent of the amount by which the gifts exceed $450,000 and do not exceed $750,000;

"Twelve per cent of the amount by which the gifts exceed $750,000 and do not exceed $1,000,000;

"Fifteen per cent of the amount by which the gifts exceed $1,000,000 and do not exceed $1,500,000;

"Eighteen per cent of the amount by which the gifts exceed $1,500,000 and do not exceed $2,000,000;

"Twenty-one per cent of the amount by which the gifts exceed $2,000,000 and do not exceed $3,000,000;

"Twenty-four per cent of the amount by which the gifts exceed $3,000,000 and do not exceed $4,000,000;

"Twenty-seven per cent of the amount by which the gifts exceed $4,000,000 and do not exceed $5,000,000;

"Thirty per cent of the amount by which the gifts exceed $5,000,000 and do not exceed $8,000,000;

"Thirty-five per cent of the amount by which the gifts exceed $8,000,000 and do not exceed $10,000,000;

"Forty per cent of the amount by which the gifts exceed $10,000,000.

"SEC. 320. The amount of the gifts subject to the tax imposed by section 319, in the case of residents, shall be the sum of all the gifts made by such resident during the calendar year, and in the case of nonresidents the sum of all gifts so made of property situated within the United States. If the gift is made in property, the fair market value thereof at the date of the gift shall be considered the amount of the gift subject to the tax.

"Where property is sold or exchanged for less than a fair consideration in money or money's worth, then the amount by which the fair market value of the property exceeded the consideration received shall, for the purpose of the tax imposed by section 319, be deemed a gift and shall be included in computing the amount of gifts made during the calendar year.

"SEC. 321. For the purpose of this tax the amount of the gift subject to the tax imposed by section 319 shall be determined—

"(a) In the case of a resident, by deducting from the total amount of such gifts—

"(1) An exemption of $50,000;

"(2) The amount of all gifts or contributions made within the calendar year to or for any donee or purpose specified in paragraph (3) of subdivision (a) of section 303, or to the special fund for vocational rehabilitation authorized by section 7 of the vocational rehabilitation act;

"(3) Gifts the aggregate amount of which to any one person does not exceed $500.

"(b) In the case of a nonresident, by deducting from the total amount of such gifts—

"(1) The amount of all gifts or contributions made within the calendar year to or for any donee or purpose specified in paragraph (3) of subdivision (a) of section 303, or to the special fund for vocational rehabilitation authorized by section 7 of the vocational rehabilitation act;

"(2) Gifts the aggregate amount of which to any one person does not exceed $500.

"SEC. 322. In case a tax has been imposed under section 319 upon any gift, and thereafter upon the death of the donor the amount thereof is required by any provision of this title to be included in the gross estate of the decedent then there shall be credited against and applied in reduction of the estate tax, which would otherwise be chargeable against the estate of the decedent under the provisions of section 301, an amount equal to the tax paid with respect to such gift; and in the event the donor has in any year paid the tax imposed by section 319 with respect to a gift or gifts which upon the death of the donor must be included in his gross estate and a gift or gifts not required to be so included, then the amount of the tax which shall be deemed to have been paid with respect to the gift or gifts required to be so included shall be that proportion of the entire tax paid on account of all such gifts which the amount of the gift or gifts required to be so included bears or bear to the total amount of gifts in that year.

"SEC. 323. Any person who within the year 1924 or any calendar year thereafter makes any gift or gifts of an aggregate value in excess of $10,000 shall, on or before the 15th day of the third month following the close of the calendar year, file with the collector a return under oath in duplicate, listing and setting forth therein all gifts and contributions by him made during such calendar year, and the fair market value thereof when made, and also all sales and exchanges of property owned by him made within such year for less than a fair consideration in money or money's worth, stating therein the fair market value of the property so sold or exchanged and that of the consideration received by him, both as of the date of such sale or exchange.

"SEC. 324. The tax imposed by section 319 shall be paid by the donor on or before the 15th day of the third month following the close of the calendar year, and shall be assessed, collected, and paid in the same manner and subject, in so far as applicable, to the same provisions of law as the tax imposed by section 301."

The SPEAKER. The question is on agreeing to the amendment.

The question was taken, and the amendment was agreed to.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment 31, page 152 of the bill: Amendment by Mr. GARNER of Texas: Page 152, line 8, strike out "$3" and insert "$4."

Mr. ABERNETHY. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. ABERNETHY. Mr. Speaker, as I understand, that is the amendment which adds an additional tax of $1 on cigarettes?

The SPEAKER. Yes. The question is on agreeing to the amendment.

Mr. KINCHELOE. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 153, nays 258, answered "present" 1, not voting 19, as follows:

YEAS—153.

Allen	Dickinson, Iowa	Ketcham	Sandlin
Allgood	Dominick	Kiess	Schall
Anderson	Dowell	Kvale	Schneider
Anthony	Driver	Larson, Minn.	Scott
Arnold	Evans, Iowa	Leatherwood	Shallenberger
Ayres	Evans, Mont.	Leavitt	Sherwood
Bankhead	Fairfield	Lowrey	Simmons
Beck	Fleetwood	Lozier	Sinclair
Beedy	Frear	McClintic	Sinnott
Beers	French	McDuffie	Speaks
Begg	Fulbright	McKenzie	Sproul, Kans.
Bell	Fuller	McLaughlin, Mich.	Stalker
Blanton	Garber	McLaughlin, Nebr.	Stevenson
Boles	Gardner, Ind.	McSweeney	Strong, Kans.
Bowling	Garner, Tex.	Mapes	Sumners, Tex.
Box	Garrett, Tenn.	Michener	Sweet
Browne, Wis.	Garrett, Tex.	Milligan	Swing
Brand, Ga.	Gibson	Moore, Ga.	Thomas, Okla.
Brand, Ohio	Gilbert	Morehead	Thompson
Briggs	Green, Iowa	Nelson, Wis.	Timberlake
Burton	Greenwood	Newton, Minn.	Tincher
Canfield	Griffin	Oldfield	Valle
Cannon	Hardy	Oliver, Ala.	Vincent, Mich.
Carter	Haugen	Peavey	Watkins
Christopherson	Hayden	Porter	Wefald
Clague	Hill, Wash.	Quin	Welsh
Clarke, N. Y.	Hoch	Rainey	White, Kans.
Cole, Iowa	Holaday	Raker	Williams, Mich.
Cole, Ohio	Howard, Nebr.	Ramseyer	Williams, Tex.
Collier	Howard, Okla.	Rankin	Williamson
Colton	Hudson	Rathbone	Wilson, Ind.
Connally, Tex.	Hull, Iowa	Reid, Ill.	Wingo
Connery	James	Richards	Winter
Cook	Jeffers	Robinson, Iowa	Woodruff
Cooper, Ohio	Johnson, S. Dak.	Romjue	Wright
Cramton	Johnson, Tex.	Rosenbloom	Young
Crowther	Jones	Rubey	
Davis, Minn.	Kelly	Sabath	
Dickinson, Mo.	Kent	Sanders, Tex.	

NAYS—258.

Abernethy	Chindblom	Fenn	Hull, Tenn.
Ackerman	Clancy	Fish	Hull, Morton D.
Aldrich	Clark, Fla.	Fisher	Hull, William E.
Almon	Cleary	Fitzgerald	Humphreys
Andrew	Collins	Foster	Jacobstein
Aswell	Connolly, Pa.	Fredericks	Johnson, Ky.
Bacharach	Cooper, Wis.	Free	Johnson, Wash.
Bacon	Corning	Freeman	Johnson, W. Va.
Barbour	Crisp	Frothingham	Jost
Barkley	Croll	Fulmer	Kearns
Bixler	Crosser	Gallivan	Keller
Black, N. Y.	Cullen	Gasque	Kendall
Bland	Cummings	Geran	Kerr
Bloom	Curry	Gifford	Kincheloe
Boyce	Dallinger	Glatfelter	Kindred
Boylan	Darrow	Goldsborough	King
Britten	Davey	Graham, Ill.	Knutson
Browne, N. J.	Davis, Tenn.	Graham, Pa.	Kunz
Browning	Deal	Greene, Mass.	Kurtz
Brumm	Denison	Griest	LaGuardia
Buckley	Dickstein	Hadley	Lampert
Bulwinkle	Doughton	Hammer	Langley
Burdick	Doyle	Harrison	Lanham
Burtness	Drane	Hastings	Lankford
Busby	Drewry	Hawes	Larsen, Ga.
Butler	Dyer	Hawley	Lazaro
Byrnes, S. C.	Eagan	Hickey	Lea, Calif.
Byrns, Tenn.	Edmonds	Hill, Ala.	Lee, Ga.
Cable	Elliott	Hill, Md.	Lehlbach
Campbell	Fairchild	Hooker	Lindsay
Carew	Faust	Huddleston	Lineberger
Celler	Favrot	Hudspeth	Linthicum

Little	Morin	Roach	Tilson
Logan	Morris	Robsion, Ky.	Tinkham
Longworth	Morrow	Rogers, Mass.	Treadway
Lyon	Murphy	Rogers, N. H.	Tucker
McKeown	Nelson, Me.	Salmon	Tydings
McLeod	Newton, Mo.	Sanders, Ind.	Underhill
McNulty	Nolan	Sanders, N. Y.	Underwood
Mcreynolds	O'Brien	Schafer	Upshaw
McSwain	O'Connell, N. Y.	Sears, Fla.	Vestal
MacGregor	O'Connell, R. I.	Seger	Vinson, Ga.
MacLafferty	O'Connor, La.	Shreve	Vinson, Ky.
Madden	O'Connor, N. Y.	Sites	Voigt
Magee, N. Y.	O'Sullivan	Smith	Wainwright
Magee, Pa.	Oliver, N. Y.	Smithwick	Ward, N. C.
Major, Ill.	Paige	Snell	Ward, N. Y.
Major, Mo.	Park, Ga.	Snyder	Wason
Manlove	Parker	Sproul, Ill.	Watres
Mansfield	Parks, Ark.	Steagall	Watson
Martin	Patterson	Stedman	Weaver
Mead	Peery	Stengle	Weller
Merritt	Perkins	Stephens	Wertz
Michaelson	Perlman	Strong, Pa.	White, Me.
Miller, Ill.	Phillips	Sullivan	Williams, Ill.
Miller, Wash.	Pou	Summers, Wash.	Wilson, Miss.
Mills	Pratt	Swank	Winslow
Minahan	Purnell	Swoope	Wood
Montague	Quayle	Taber	Woodrum
Mooney	Ragon	Tague	Wurzbach
Moore, Ill.	Ransley	Taylor, Tenn.	Wyant
Moore, Ohio	Rayburn	Taylor, W. Va.	Yates
Moore, Va.	Reece	Temple	Zihlman
Moores, Ind.	Reed, Ark.	Thatcher	
Morgan	Reed, N. Y.	Tillman	

ANSWERED "PRESENT"—1.

Luce

NOT VOTING—19.

Berger	Funk	McFadden	Thomas, Ky.
Black, Tex.	Hersey	Reed, W. Va.	Vare
Buchanan	Kahn	Rouse	Wilson, La.
Casey	Kopp	Sears, Nebr.	Wolff
Dempsey	Lilly	Taylor, Colo.	

So the amendment was rejected.

The Clerk announced the following pairs:

Until further notice:

Mr. Kahn with Mr. Rouse.
Mr. Reed of West Virginia with Mr. Berger.
Mr. Funk with Mr. Wilson of Louisiana.
Mr. Dempsey with Mr. Thomas of Kentucky.
Mr. Hersey with Mr. Buchanan.
Mr. McFadden with Mr. Casey.
Mr. Sears of Nebraska with Mr. Lilly.
Mr. Vare with Mr. Wolff.

The result of the vote was announced as above recorded.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

Strike out paragraph 5, embraced in lines 10 on page 201, to line 5, on page 202.

The SPEAKER. The question is on agreeing to the amendment.

The question was taken; and on a division (demanded by Mr. COLLIER) there were—ayes 232, noes 102.

So the amendment was agreed to.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment offered by Mr. LARSEN of Georgia: Page 205, line 7, after the word "President" insert "with the advice and consent of the Senate."

The SPEAKER. The question is on agreeing to the amendment.

The question was taken; and on a division (demanded by Mr. GREEN of Iowa) there were—ayes 206, noes 159.

So the amendment was agreed to.

The SPEAKER. This concludes the amendments. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

Mr. GARNER of Texas. Mr. Speaker, I would like to make a motion to recommit, but I can not qualify as being opposed to the bill.

The SPEAKER. Does any gentleman opposed to the bill desire to make a motion to recommit?

Mr. MILLS. Mr. Speaker, I am opposed to the bill.

The SPEAKER. The Chair recognizes the gentleman from New York.

Mr. MILLS. I move, Mr. Speaker, to recommit the bill to the Committee on Ways and Means, and on that motion I move the previous question.

Mr. CRISP. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. CRISP. If the previous question was voted down, the motion would be amendable, would it not?

The SPEAKER. It would. The question is on ordering the previous question.

The question was taken; and on a division (demanded by Mr. MILLS) there were—ayes 223, noes 196.

Mr. GARRETT of Tennessee. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 205, nays 208, answered "present" 1, not voting 17, as follows:

YEAS—205.

Ackerman	Fredericks	MacGregor	Smith
Aldrich	Free	MacLafferty	Snell
Anderson	Freeman	Madden	Snyder
Anthony	French	Magee, Pa.	Speaks
Bacharach	Frothingham	Magee, N. Y.	Sproul, Ill.
Bacon	Fuller	Manlove	Sproul, Kans.
Barbour	Garber	Mapes	Stalker
Beedy	Gibson	Merritt	Stephens
Beers	Gifford	Michaelson	Strong, Kans.
Begg	Graham, Ill.	Michener	Strong, Pa.
Bixler	Graham, Pa.	Miller, Ill.	Summers, Wash.
Boles	Green, Iowa	Miller, Wash.	Sweet
Brand, Ohio	Greene, Mass.	Mills	Swing
Britten	Griest	Moore, Ill.	Swoope
Browne, N. J.	Hadley	Moore, Ohio	Taber
Brumm	Hardy	Moores, Ind.	Taylor, Tenn.
Burdick	Haugen	Morgan	Temple
Burtness	Hawley	Morin	Thatcher
Burton	Hickey	Murphy	Thompson
Butler	Hill, Md.	Nelson, Me.	Tilson
Cable	Hoch	Newton, Minn.	Timberlake
Campbell	Holaday	Newton, Mo.	Tincher
Chindblom	Hudson	Nolan	Tinkham
Christopherson	Hull, Iowa	Paige	Treadway
Clague	Hull, Morton D.	Parker	Underhill
Clarke, N. Y.	Hull, William E.	Patterson	Vaile
Cole, Iowa	James	Peavey	Vestal
Cole, Ohio	Johnson, S. Dak.	Perkins	Vincent, Mich.
Colton	Johnson, Wash.	Perlman	Wainwright
Connolly, Pa.	Kearns	Phillips	Ward, N. Y.
Cooper, Ohio	Kelly	Porter	Wason
Cooper, Wis.	Kendall	Purnell	Watres
Cramton	Ketcham	Ramseyer	Watson
Crowther	Kiess	Ransley	Welsh
Curry	King	Rathbone	Wertz
Dallinger	Knutson	Reece	White, Kans.
Darrow	Kurtz	Reed, N. Y.	White, Me.
Denison	LaGuardia	Reid, Ill.	Williams, Ill.
Dickinson, Iowa	Langley	Roach	Williams, Mich.
Dowell	Larson, Minn.	Robinson, Iowa	Williamson
Dyer	Lea, Calif.	Robsion, Ky.	Winslow
Edmonds	Leatherwood	Rogers, Mass.	Winter
Elliott	Leavitt	Rosenbloom	Wood
Evans, Iowa	Lehlbach	Sanders, Ind.	Woodruff
Fairchild	Lineberger	Sanders, N. Y.	Wurzbach
Fairfield	Little	Schall	Wyant
Faust	Longworth	Scott	Yates
Fenn	McFadden	Sears, Nebr.	Young
Fish	McKenzie	Seger	Zihlman
Fitzgerald	McLaughlin, Mich.	Shreve	
Fleetwood	McLaughlin, Nebr.	Simmons	
Foster	McLeod	Sinnott	

NAYS—208.

Abernethy	Davey	Johnson, W. Va.	O'Connor, N. Y.
Allen	Davis, Minn.	Jones	O'Sullivan
Allgood	Davis, Tenn.	Jost	Oldfield
Almon	Deal	Keller	Oliver, Ala.
Arnold	Dickinson, Mo.	Kent	Oliver, N. Y.
Aswell	Dickstein	Kerr	Park, Ga.
Ayres	Dominick	Kincheloe	Parks, Ark.
Bankhead	Doughton	Kindred	Peery
Barkley	Doyle	Kunz	Pou
Beck	Drane	Kvale	Pratt
Bell	Drewry	Lampert	Quayle
Black, N. Y.	Driver	Lanham	Quin
Bland	Eagan	Lankford	Ragon
Blanton	Evans, Mont.	Larsen, Ga.	Rainey
Bloom	Favrot	Lazaro	Raker
Bowling	Fisher	Lee, Ga.	Rankin
Box	Fulbright	Lindsay	Rayburn
Boyce	Fulmer	Linthicum	Reed, Ark.
Boylan	Gallivan	Logan	Richards
Brand, Ga.	Gardner, Ind.	Lowrey	Rogers, N. H.
Briggs	Garner, Tex.	Lozier	Romjue
Browne, Wis.	Garrett, Tenn.	Lyon	Rubey
Browning	Garrett, Tex.	McClintic	Sabath
Buckley	Gasque	McDuffie	Salmon
Bulwinkle	Geran	McKeown	Sanders, Tex.
Busby	Gilbert	McNulty	Sandlin
Byrnes, S. C.	Glatfelter	Mcreynolds	Schafer
Byrns, Tenn.	Goldsborough	McSwain	Schneider
Canfield	Greenwood	McSweeney	Sears, Fla.
Cannon	Griffin	Major, Ill.	Shallenberger
Carew	Hammer	Major, Mo.	Sherwood
Carter	Harrison	Mansfield	Sinclair
Casey	Hastings	Martin	Sites
Celler	Hawes	Mead	Smithwick
Clancy	Hayden	Milligan	Steagall
Clark, Fla.	Hill, Ala.	Minahan	Stedman
Cleary	Hill, Wash.	Montague	Stengle
Collier	Hooker	Mooney	Stevenson
Collins	Howard, Nebr.	Moore, Ga.	Sullivan
Connally, Tex.	Howard, Okla.	Moore, Va.	Sumners, Tex.
Connery	Huddleston	Morehead	Swank
Cook	Hudspeth	Morris	Tague
Corning	Hull, Tenn.	Morrow	Taylor, W. Va.
Crisp	Humphreys	Nelson, Wis.	Thomas, Okla.
Crail	Jacobstein	O'Brien	Tillman
Crosser	Jeffers	O'Connell, N. Y.	Tucker
Cullen	Johnson, Ky.	O'Connell, R. I.	Tydings
Cummings	Johnson, Tex.	O'Connor, La.	Underwood

Upshaw	Ward, N. C.	Weller	Wingo
Vinson, Ga.	Watkins	Williams, Tex.	Wolff
Vinson, Ky.	Weaver	Wilson, Ind.	Woodrum
Voigt	Wefald	Wilson, Miss.	Wright

ANSWERED "PRESENT"—1.

Luce

NOT VOTING—17.

Andrew	Frear	Lilly	Vare
Berger	Funk	Reed, W. Va.	Wilson, La.
Black, Tex.	Hersey	Rouse	
Buchanan	Kahn	Taylor, Colo.	
Dempsey	Kopp	Thomas, Ky.	

So the motion for the previous question was lost.

The following additional pairs were announced:

Mr. Kahn (for) with Mr. Rouse (against).
Mr. Funk (for) with Mr. Wilson of Louisiana (against).
Mr. Dempsey (for) with Mr. Thomas of Kentucky (against).
Mr. Kopp (for) with Mr. Taylor of Colorado (against).
Mr. Reed of West Virginia (for) with Mr. Berger (against).
Mr. Hersey (for) with Mr. Buchanan (against).
Mr. Vare (for) with Mr. Lilly (against).

The result of the vote was announced as above recorded.

Mr. CRISP. Mr. Speaker, I offer the following substitute for the motion to recommit, and on that I move the previous question.

The SPEAKER. The Clerk will report the substitute for the motion to recommit offered by the gentleman from Georgia.

The Clerk read as follows:

Mr. CRISP offered the following substitute for the motion to recommit offered by the gentleman from New York, Mr. MILLS:

"That H. R. 6715, the bill now under consideration, be, and the same is hereby, recommitted to the Committee on Ways and Means with instructions to report the same back instanter with Title XII eliminated from the bill."

Mr. CRISP. And on that I demand the previous question.

The previous question was ordered.

The SPEAKER. The question is on the amendment as a substitute offered by the gentleman from Georgia.

Mr. CRISP. On that, Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 68, nays 346, not voting 17, as follows:

YEAS—68.

Allen	Dickinson, Mo.	Lampert	Sabath
Allgood	Evans, Mont.	Lowrey	Schafer
Beck	Frear	Lozier	Schneider
Blanton	Gardner, Ind.	McSwain	Shallenberger
Browne, Wis.	Garner, Tex.	Morehead	Sherwood
Browning	Garrett, Tex.	Nelson, Wis.	Sinclair
Busby	Garrett, Tenn.	Nolan	Swank
Cannon	Gilbert	Oldfield	Taylor, W. Va.
Carew	Hayden	Peavey	Thomas, Okla.
Carter	Howard, Nebr.	Quin	Tillman
Collier	Huddleston	Raker	Vaile
Collins	Hudspeth	Ramseyer	Voigt
Connally, Tex.	Jacobstein	Rankin	Wefald
Cooper, Wis.	Johnson, S. Dak.	Reed, Ark.	Williams, Tex.
Crisp	Keller	Richards	Williamson
Crosser	Kvale	Romjue	Wilson, Miss.
Davis, Minn.	LaGuardia	Rubey	Wolff

NAYS—346.

Abernethy	Burtness	Dickstein	Glatfelter
Ackerman	Burton	Dominick	Goldsborough
Aldrich	Butler	Doughton	Graham, Ill.
Almon	Byrnes, S. C.	Dowell	Graham, Pa.
Anderson	Byrns, Tenn.	Doyle	Green, Iowa
Andrew	Cable	Drane	Greene, Mass.
Anthony	Campbell	Drewry	Greenwood
Arnold	Canfield	Driver	Griest
Aswell	Casey	Dyer	Griffin
Ayres	Celler	Eagan	Hadley
Bacharach	Chindblom	Edmonds	Hammer
Bacon	Christopherson	Elliott	Hardy
Bankhead	Clague	Evans, Iowa	Harrison
Barbour	Clancy	Fairchild	Hastings
Barkley	Clark, Fla.	Fairfield	Haugen
Beedy	Clarke, N. Y.	Faust	Hawes
Beers	Cleary	Favrot	Hawley
Begg	Cole, Iowa	Fenn	Hickey
Bell	Cole, Ohio	Fish	Hill, Ala.
Bixler	Colton	Fisher	Hill, Md.
Black, N. Y.	Connery	Fitzgerald	Hill, Wash.
Bland	Connolly, Pa.	Fleetwood	Hoch
Bloom	Cook	Foster	Holaday
Boies	Cooper, Ohio	Fredericks	Hooker
Bowling	Corning	Free	Howard, Okla.
Box	Cramton	Freeman	Hudson
Boyce	Croll	French	Hull, Iowa
Boylan	Crowther	Frothingham	Hull, Tenn.
Brand, Ga.	Cullen	Fulbright	Hull, Morton D.
Brand, Ohio	Cummings	Fuller	Hull, William E.
Briggs	Curry	Fulmer	Humphreys
Britten	Dallinger	Gallivan	James
Browne, N. J.	Darrow	Garber	Jeffers
Brumm	Davey	Gasque	Johnson, Ky.
Buckley	Davis, Tenn.	Geran	Johnson, Tex.
Bulwinkle	Deal	Gibson	Johnson, Wash.
Burdick	Dickinson, Iowa	Gifford	Johnson, W. Va.
Jones	Major, Ill.	Purnell	Swoope
Jost	Major, Mo.	Quayle	Taber
Kearns	Manlove	Ragon	Tague
Kelly	Mansfield	Rainey	Taylor, Tenn.
Kendall	Mapes	Ransley	Temple
Kent	Martin	Rathbone	Thatcher
Kerr	Mead	Rayburn	Thompson
Ketcham	Merritt	Reece	Tilson
Kiess	Michaelson	Reed, N. Y.	Timberlake
Kincheloe	Michener	Reid, Ill.	Tincher
Kindred	Miller, Ill.	Roach	Tinkham
King	Miller, Wash.	Robinson, Iowa	Treadway
Knutson	Milligan	Rogers, Mass.	Tucker
Kunz	Mills	Rogers, N. H.	Tydings
Kurtz	Minahan	Rosenbloom	Underhill
Langley	Montague	Salmon	Underwood
Lanham	Mooney	Sanders, Ind.	Upshaw
Lankford	Moore, Ga.	Sanders, N. Y.	Vestal
Larsen, Ga.	Moore, Ill.	Sanders, Tex.	Vincent, Mich.
Larson, Minn.	Moore, Ohio	Sandlin	Vinson, Ga.
Lazaro	Moore, Va.	Schall	Vinson, Ky.
Lea, Calif.	Moores, Ind.	Scott	Walnwright
Leatherwood	Morgan	Sears, Fla.	Ward, N. C.
Leavitt	Morin	Sears, Nebr.	Ward, N. Y.
Lee, Ga.	Morris	Seger	Wason
Lehlbach	Morrow	Shreve	Watkins
Lindsay	Murphy	Simmons	Watres
Lineberger	Nelson, Me.	Sinnott	Watson
Linthicum	Newton, Minn.	Sites	Weaver
Little	Newton, Mo.	Smith	Weller
Logan	O'Brien	Smithwick	Welsh
Longworth	O'Connell, N. Y.	Snell	Wertz
Luce	O'Connell, R. I.	Snyder	White, Kans.
Lyon	O'Connor, La.	Speaks	White, Me.
McClintic	O'Connor, N. Y.	Sproul, Ill.	Williams, Ill.
McDuffie	O'Sullivan	Sproul, Kans.	Williams, Mich.
McFadden	Oliver, Ala.	Stalker	Wilson, Ind.
McKenzie	Oliver, N. Y.	Steagall	Wingo
McKeown	Paige	Stedman	Winslow
McLaughlin, Mich.	Park, Ga.	Stengle	Winter
McLaughlin, Nebr.	Parker	Stephens	Wood
McLeod	Parks, Ark.	Stevenson	Woodruff
McNulty	Patterson	Strong, Kans.	Woodrum
McReynolds	Peery	Strong, Pa.	Wright
McSweeney	Perkins	Sullivan	Wurzbach
MacGregor	Perlman	Summers, Wash.	Wyant
MacLafferty	Phillips	Sumners, Tex.	Yates
Madden	Porter	Sweet	Young
Magee, N. Y.	Pou	Swing	Zihlman
Magee, Pa.	Prall		

NOT VOTING—17.

Berger	Funk	Reed, W. Va.	Vare
Black, Tex.	Hersey	Robsion, Ky.	Wilson, La.
Buchanan	Kahn	Rouse	
Dempsey	Kopp	Taylor, Colo.	
Denison	Lilly	Thomas, Ky.	

So the Crisp substitute for the motion to recommit was rejected.

The Clerk announced the following additional pairs:

Until further notice:

Mr. Funk with Mr. Wilson of Louisiana.
Mr. Dempsey with Mr. Thomas of Kentucky.
Mr. Kahn with Mr. Rouse.
Mr. Reed of West Virginia with Mr. Berger.
Mr. Hersey with Mr. Buchanan.
Mr. Vare with Mr. Black of Texas.
Mr. Denison with Mr. Lilly.

Mr. GALLIVAN. Mr. Speaker, on this roll I voted "no." I am paired with the gentleman from Pennsylvania, Mr. VARE, and I am informed that if he were present, he would vote "no." Therefore I desire to have my vote stand.

The result of the vote was announced as above recorded.

The SPEAKER. The question now is on the motion of the gentleman from New York [Mr. MILLS] to recommit the bill to the Committee on Ways and Means.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 10, noes 322.

So the motion to recommit was rejected.

The SPEAKER. The question now is on the passage of the bill.

Mr. GREEN of Iowa. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 408, nays 8, not voting 15, as follows:

YEAS—408.

Abernethy	Beck	Brand, Ohio	Cable
Ackerman	Beedy	Briggs	Campbell
Aldrich	Beers	Britten	Canfield
Allen	Begg	Browne, N. J.	Cannon
Allgood	Bell	Browne, Wis.	Carew
Almon	Bixler	Browning	Carter
Anderson	Black, N. Y.	Brumm	Casey
Andrew	Bland	Buckley	Celler
Anthony	Blanton	Bulwinkle	Chindblom
Arnold	Bloom	Burdick	Christopherson
Aswell	Boies	Burtness	Clague
Ayres	Bowling	Burton	Clancy
Bacon	Box	Busby	Clark, Fla.
Bankhead	Boyce	Butler	Clarke, N. Y.
Barbour	Boylan	Byrnes, S. C.	Cleary
Barkley	Brand, Ga.	Byrns, Tenn.	Cole, Iowa

Cole, Ohio	Hawes	Mansfield	Seger
Collier	Hawley	Mapes	Shallenberger
Collins	Hayden	Martin	Sherwood
Colton	Hickey	Mead	Shreve
Connally, Tex.	Hill, Ala.	Michaelson	Simmons
Connery	Hill, Md.	Michener	Sinclair
Connolly, Pa.	Hill, Wash.	Miller, Ill.	Sinnott
Cook	Hoch	Miller, Wash.	Sites
Cooper, Ohio	Holaday	Milligan	Smith
Cooper, Wis.	Hooker	Minahan	Smithwick
Corning	Howard, Okla.	Montague	Snell
Cramton	Huddleston	Mooney	Snyder
Crisp	Hudson	Moore, Ga.	Speaks
Croll	Hudspeth	Moore, Ill.	Sproul, Ill.
Crosser	Hull, Morton D.	Moore, Ohio	Sproul, Kans.
Crowther	Hull, William E.	Moore, Va.	Stalker
Cullen	Hull, Iowa	Moores, Ind.	Steagall
Cummings	Hull, Tenn.	Morehead	Stedman
Curry	Humphreys	Morgan	Stengle
Dallinger	Jacobstein	Morin	Stephens
Darrow	James	Morris	Stevenson
Davey	Jeffers	Morrow	Strong, Kans.
Davis, Minn.	Johnson, Ky.	Murphy	Strong, Pa.
Davis, Tenn.	Johnson, S. Dak.	Nelson, Me.	Sullivan
Deal	Johnson, Tex.	Nelson, Wis.	Summers, Wash.
Denison	Johnson, Wash.	Newton, Minn.	Sumners, Tex.
Dickinson, Iowa	Johnson, W. Va.	Newton, Mo.	Swank
Dickson, Mo.	Jones	Nolan	Sweet
Dickstein	Jost	O'Brien	Swing
Dominick	Kearns	O'Connell, N. Y.	Swoope
Doughton	Keller	O'Connell, R. I.	Taber
Dowell	Kelly	O'Connor, La.	Tague
Doyle	Kendall	O'Connor, N. Y.	Taylor, Tenn.
Drane	Kent	O'Sullivan	Taylor, W. Va.
Drewry	Kerr	Oldfield	Temple
Driver	Ketcham	Oliver, Ala.	Thatcher
Dyer	Kiess	Oliver, N. Y.	Thomas, Okla.
Eagan	Kincheloe	Paige	Thompson
Edmonds	Kindred	Park, Ga.	Tillman
Elliott	King	Parker	Timberlake
Evans, Iowa	Knutson	Parks, Ark.	Tincher
Evans, Mont.	Kunz	Patterson	Tinkham
Fairchild	Kurtz	Peavey	Treadway
Fairfield	Kvale	Peery	Tucker
Faust	LaGuardia	Perkins	Tydings
Favrot	Lampert	Perlman	Underhill
Fish	Langley	Phillips	Underwood
Fisher	Lanham	Porter	Upshaw
Fitzgerald	Lankford	Pou	Vaile
Fleetwood	Larsen, Ga.	Prall	Vestal
Foster	Larson, Minn.	Purnell	Vincent, Mich.
Frear	Lazaro	Quayle	Vinson, Ga.
Fredericks	Lea, Calif.	Quin	Vinson, Ky.
Free	Leatherwood	Ragon	Voigt
Freeman	Leavitt	Rainey	Ward, N. C.
French	Lee, Ga.	Raker	Ward, N. Y.
Frothingham	Lehlbach	Ramseyer	Wason
Fulbright	Lindsay	Rankin	Watkins
Fuller	Lineberger	Ransley	Watres
Fulmer	Linthicum	Rathbone	Watson
Gallivan	Little	Rayburn	Weaver
Garber	Logan	Reece	Wefald
Gardner, Ind.	Longworth	Reed, Ark.	Weller
Garner, Tex.	Lowrey	Reed, N. Y.	Welsh
Garrett, Tenn.	Lozier	Reid, Ill.	Wertz
Garrett, Tex.	Luce	Richards	White, Kans.
Gasque	Lyon	Roach	White, Me.
Geran	McClintic	Robinson, Iowa	Williams, Ill.
Gibson	McDuffie	Robsion, Ky.	Williams, Mich.
Gifford	McKenzie	Rogers, Mass.	Williams, Tex.
Gilbert	McKeown	Rogers, N. H.	Williamson
Glatfelter	McLaughlin, Mich.	Romjue	Wilson, Ind.
Goldsborough	McLaughlin, Nebr.	Rosenbloom	Wilson, Miss.
Graham, Ill.	McLeod	Rubey	Wingo
Graham, Pa.	McNulty	Sabath	Winslow
Green, Iowa	McReynolds	Salmon	Winter
Greene, Mass.	McSwain	Sanders, Ind.	Wolff
Greenwood	McSweeney	Sanders, N. Y.	Wood
Griest	MacGregor	Sanders, Tex.	Woodruff
Griffin	MacLafferty	Sandlin	Woodrum
Hadley	Madden	Schafer	Wright
Hammer	Magee, N. Y.	Schall	Wurzbach
Hardy	Magee, Pa.	Schneider	Wyant
Harrison	Major, Ill.	Scott	Yates
Hastings	Major, Mo.	Sears, Fla.	Young
Haugen	Manlove	Sears, Nebr.	Zihlman

NAYS—8.

Bacharach	Howard, Nebr.	Merritt	Tilson
Fenn	McFadden	Mills	Wainwright

NOT VOTING—15.

Berger	Funk	Lilly	Thomas, Ky.
Black, Tex.	Hersey	Reed, W. Va.	Vare
Buchanan	Kahn	Rouse	Wilson, La.
Dempsey	Kopp	Taylor, Colo.	

So the bill was passed.

The Clerk announced the following additional pairs:

Until further notice:

Mr. Funk with Mr. Wilson of Louisiana.
Mr. Dempsey with Mr. Thomas of Kentucky.
Mr. Vare with Mr. Black of Texas.
Mr. Hersey with Mr. Buchanan.
Mr. Kahn with Mr. Rouse.
Mr. Reed of West Virginia with Mr. Lilly.

Mr. GALLIVAN. Mr. Speaker, the gentleman from Pennsylvania, Mr. VARE, is unavoidably absent. If he were present, he would vote "yea."

Mr. KINCHELOE. Mr. Speaker, I am authorized by my colleague, Mr. ROUSE, who is unavoidably absent, to say that if he were present he would vote "yea."

The result of the vote was announced as above recorded.

On motion of Mr. GREEN of Iowa, a motion to reconsider the vote whereby the bill was passed was laid on the table.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. BLACK of Texas (at the request of Mr. GARNER of Texas), for 10 days, on account of the death of his brother;

To Mr. BUCHANAN, for 10 days, on account of illness in his family; and

To Mr. REID of Illinois, for five days, on account of important business.

REVENUE ACT OF 1924.

Mr. BROWNE of New Jersey. Mr. Speaker, when the tax-reduction plans were presented for public discussion and believing that tax reduction was a national and not a partisan issue I went to my district to find out the wishes of my constituency upon these plans. I invited suggestions and advice. I wrote many personal letters and published in the press an appeal for instruction. This appeal was as follows:

In the near future an opportunity will be given to the Members of the House of Representatives to vote upon a tax-reduction plan. Perhaps we shall have to choose between two or three or more. It is my desire to be able to vote on this subject in an intelligent manner, without bias due to party affiliations. I am, therefore, taking the liberty of asking all qualified persons within the district to let me know their views. Which of the plans under discussion do you think would best serve the country? I should like to hear your reasons for your preference.

I ask this because we have received hundreds of printed letters asking us to support, for example, the Mellon plan and signed "on the dotted line," and most of these letters have come from persons who haven't read any plan and who do not know that there is more than one plan under consideration. One reasoning letter from a person in whose intelligence and disinterestedness I have confidence would be worth more than all the printed appeals put together. For this reason I ask your advice.

I received many well-thought-out replies, and the sentiment in my district seemed to be overwhelmingly in favor of the plan suggested by the Secretary of the Treasury.

Upon my return I was surprised to learn that it was the intention of the leaders of my party to bind all of its members by a caucus to the so-called Democratic plan as proposed by Mr. GARNER. I protested to the minority leader before the caucus was held on the grounds that the plan had not been discussed among the Democratic Members and also, inasmuch as all parties and all Members of the House wanted tax reduction, it could not be considered an exclusive principle of any party. I was not present at the caucus. After the action by the caucus and before a vote was taken upon the tax bill I again wrote to the minority leader, explaining to him what I had done to ascertain the wishes of the residents in my district, and saying that in justice to them and to myself I could not allow myself to be bound by a caucus to which I was not a party. While it is not necessary to discuss the point here, I may say that I consider a binding caucus an archaic custom and wrong in principle; carried to its logical conlusion, we should each of us give his or her proxy to the respective party leaders and then retire for the rest of the session. I make this explanation in order to show that though I have in no way weakened in my adherence to the principles of the Democratic Party I must claim my inherent, if not constitutional, right to vote in accordance with the wishes of my constituents and in conformity with my convictions. For the reasons here given, I voted in the House Friday, February 29, for the Mellon plan—under the Hawley resolution—because I believed it represents the wishes of my constituents. The House failing to adopt the Mellon plan, I then voted for the next best plan obtainable, which is the compromise which was finally adopted.

Mr. MILLS. Mr. Speaker, I can not support the bill with the Longworth rates. As I see it, real questions of principle are at stake, and the Longworth compromise, though in many respects better than the Garner plan, is equally inconsistent with those principles.

Forty-three and one-half per cent—6 per cent normal and 37½ per cent surtax—of income can be no more easily collected than 50 per cent, and we know from experience that a 50 per cent tax merely invites evasion. A tax which can not be collected is a dishonest tax. A law which can not be enforced is a fraud. When, in addition, this mere shaking of fists at the rich, this threatening, if ineffective, gesture, has deplorable economic results it is simply indefensible.

In the second place, the inheritance-tax situation throughout the country, with the double and triple taxation of the same

estate by two or more States, is sufficiently chaotic without further haphazard interference by the Federal Government. Here is a field for wise tax reform in which I am satisfied the Federal Government must take the lead in working out a comprehensive and constructive program of readjustment. The difficulties are enormous. They can not be overcome without a thorough and painstaking investigation and study. An arbitrary increase in rates without hearings, without consideration, after a short two hours of debate, is trifling with a most important question and must have most unfortunate results.

Finally, the bill will in all probability produce a deficit, a smaller deficit than the Garner rates, but still a deficit. This is a major defect in a revenue bill, justifying its rejection.

Mr. GRIEST. Mr. Speaker, the pending tax bill if enacted into law will take its place among more than three score tax measures placed upon the statute books of the United States since the beginning of our Government.

I present the following compilation of all these measures, giving the date of their enactment and the taxable subjects referred to therein, for the information of the Congress and the country. It is believed by the officials of the Legislative Reference Division of the Library of Congress that the enactments named below cover all the tax laws other than tariff acts and purely administrative and repealing provisions enacted by Congress since the establishment of our Government:

INTERNAL REVENUE LAWS, 1789–1923.

(Exclusive of taxes on liquor and tobacco, administrative provisions, and laws merely repealing taxes.)

Act of June 5, 1794: Tax on carriages (1 Stat. 373–375).

Act of June 5, 1794: Tax on snuff and refined sugar (1 Stat. 384–390).

Act of June 9, 1794: Tax on property sold at auction (1 Stat. 397–409).

Act of May 28, 1796: Tax on carriages (1 Stat. 478–482).

Act of July 6, 1797: Tax on vellum, parchment, and paper, including paper used for certificates of naturalization, licenses of attorneys, letters patent, charter parties, bottomry and respondentia bonds, receipts for legacies, insurance policies, exemplifications, bonds, bills of exchange, promissory notes, protests, powers of attorney, drawback certificates and debentures, bills of lading, inventories, insurance and bank shares (1 Stat. 527–532).

Act of February 28, 1799: Amendment of act of July 6, 1797 (1 Stat. 622–624).

Act of July 24, 1813: Tax on refined sugar (3 Stat. 35–38).

Act of July 24, 1813: Tax on carriages (3 Stat. 40–41).

Act of July 24, 1813: Tax on sales at auction (3 Stat. 44–47).

Act of August 2, 1813: License tax on retailers of liquor and foreign merchandise (3 Stat. 72–73).

Act of August 2, 1813: Tax on bank notes, bonds, and bills of exchange (3 Stat. 77–81).

Act of December 15, 1814: Tax on carriages (3 Stat. 148–151).

Act of December 23, 1814: Tax on sales at auction, license tax on retailers of liquors and foreign merchandise (3 Stat. 159–161).

Act of January 18, 1815: Tax on manufactured iron, candles, hats, umbrellas, paper, playing and visiting cards, saddles and bridles, boots, leather (3 Stat. 180–186).

Act of January 18, 1815: Tax on household furniture and watches (3 Stat. 186–192).

Act of February 27, 1815: Tax on gold, silver, and jewelry (3 Stat. 217).

Act of August 5, 1861: Tax on incomes over $800 (12 Stat. 309–311).

Act of July 1, 1862: Tax on candles, coal, oil, gas, coffee, spices, sugar, confectionery, chocolate, saleratus, starch, gunpowder, white lead, oxide of zinc, sulphate of barytes, paints, clock movements, pins, umbrellas, screws, manufactured iron, stoves, paper, soap, salt, pickles, glue, cement, leather, hides, hose, varnish, furs, cloth, jewelry, cotton, manufactures of nonenumerated articles, sales at auction, carriages, yachts, billiard tables, gold and silver plate, slaughtered cattle, etc., railroad, etc., receipts, railroad bonds, banks, insurance companies, advertisements, incomes, contracts, checks, bills of exchange, bills of lading, express receipts, bonds, certificates, charter parties, conveyances, telegraph messages, entry of merchandise, insurance policies, leases, manifests, mortgages, tickets, powers of attorney, letters of administration, protests, warehouse receipts, writs, etc., medicinal preparations, perfumery, playing cards, legacies. License tax on bankers, auctioneers, retail dealers, wholesale dealers, pawnbrokers, innkeepers, brokers, theaters, circuses, jugglers, bowling alleys, billiard rooms, confectioners, horse dealers, livery-stable keepers, tallow chandlers and soap makers, coal-oil distillers, peddlers, apothecaries, manufacturers, photographers, lawyers, physicians, surgeons, dentists, claim and patent agents (12 Stat. 432–489).

Act of July 16, 1862: Tax on sugar (12 Stat. 588).

Act of March 3, 1863: Amendment of act of July 1, 1862, adding license tax on architects and civil engineers, builders and contractors, owners of stallions and jacks, lottery-ticket dealers, insurance agents, butchers; taxes on marine engines, rivets, etc., rolled brass, suits, tents, etc., mineral waters, gold leaf, clocks (12 Stat. 713–731).

Act of June 30, 1864: License tax on bankers, wholesale dealers, retail dealers, lottery-ticket dealers, horse dealers, livery-stable keepers, brokers, pawnbrokers, coal-oil distillers, innkeepers, confectioners, claim and patent agents, real estate agents, conveyancers, intelligence-office keepers, insurance agents, auctioneers, manufacturers, peddlers, apothecaries, photographers, butchers, theaters, museums, concert halls, circuses, jugglers, bowling alleys, billiard rooms, gift enterprises, owners of stallions and jacks, lawyers, physicians, surgeons, dentists, architects, civil engineers, builders and contractors, plumbers and gasfitters, assayers, and unspecified occupations. Tax on candles, coal, oil, gas, turpentine, coffee, pepper, molasses, sirup, sugar, candy, chocolate, saleratus, starch, gunpowder, white lead, oxide of zinc, sulphate of barytes, paints, varnish, glue, cement, pins, screws, clocks, umbrellas, gold leaf, paper, soap, chemicals, essential oils, pickles, billheads, books, lithographs, engravings, photographs, repairs of engines, etc., hulls of vessels, building stone, marble, brick, masts, spars, etc., furniture, salt, sails, tents, etc., mineral waters, manufactured iron, stoves, rivets, etc., steam engines, quicksilver, copper and lead, rolled brass, leather, hides, furs, cloth, clothing, cotton, jewelry, bullion, sales at auction, sales by brokers, carriages, yachts, billiard tables, watches, musical instruments, gold and silver plate, slaughtered cattle, etc., railroad, etc., receipts, express companies, insurance companies, passports, telegraph companies, theaters, operas, circuses, museums, banks, lotteries, advertisements, incomes, legacies, etc., contracts, checks, bills of exchange, bills of lading, bills of sale, bonds, certificates, charter parties, conveyances, entry of merchandise, insurance policies, leases, manifests, measurer's returns, mortgages, tickets, powers of attorney, proxies, letters of administration, protests, receipts, writs, etc., medicinal preparations, perfumery, matches, photographs, playing cards (13 Stat. 223–306).

Act of July 4, 1864: Tax on incomes over $600 for 1863 (13 Stat. 417).

Act of March 3, 1865: Amendment of act of June 30, 1864. Adds license tax on miners, expressmen, substitute brokers, insurance brokers (13 Stat. 469–482).

Act of July 13, 1866: Amendment of act of June 30, 1864. Tax on cotton, candles, gas, oil, turpentine, coffee, molasses, sirup, sugar, candy, chocolate and cocoa, guncotton, gunpowder, varnish, glue, cement, pins, photographs, screws, clocks, soap, essential oils, furniture, salt, scales, pumps, tinware, unmanufactured iron, hides, leather, liquors, cloth, clothing, paper, manufactures, jewelry, bullion, sales at auction, sales by brokers, carriages, watches, billiard tables, gold and silver plate, railroad, etc., receipts. License tax on bankers, wholesale dealers, retail dealers, lottery-ticket dealers, horse dealers, livery-stable keepers, brokers, pawnbrokers, innkeepers, confectioners, claim and patent agents, real estate agents, conveyancers, intelligence-office keepers, insurance agents, auctioneers, manufacturers, peddlers, apothecaries, photographers, butchers, proprietors of theaters, museums, and concert halls, circuses, jugglers, bowling alleys, billiard rooms, gift enterprises, owners of stallions and jacks, lawyers, physicians, surgeons, dentists, architects, civil engineers, builders and contractors, plumbers and gasfitters, assayers, miners, express carriers and agents, grinders of coffee and spices (14 Stat. 98–173).

Act of March 2, 1867: Amendment of act of June 30, 1864, etc. (14 Stat. 471–485).

Act of July 20, 1868: Special taxes on liquor and tobacco manufacturers, dealers, etc. (15 Stat. 150–152).

Act of April 10, 1869: Special taxes on liquor dealers (16 Stat. 42).

Act of July 14, 1870: Tax on incomes over $2,000 for 1870 and 1871 (16 Stat. 257–261).

Act of June 6, 1872: Special taxes on tobacco manufacturers, dealers, etc. (17 Stat. 250–271).

Act of February 8, 1875: Tax on checks and bank notes. Special taxes on liquor dealers, etc. (18 Stat. 310–311).

Act of March 1, 1879: Special taxes on liquor dealers, etc. (20 Stat. 333, sec. 4).

Act of March 1, 1879: Special tax on dealers in leaf tobacco (20 Stat. 343, sec. 14).

Act of March 3, 1883: Special taxes on tobacco manufacturers, dealers, etc. (22 Stat. 488, sec. 2).

Act of August 2, 1886: Tax on oleomargarine (24 Stat. 209–213).

Act of October 1, 1890: Tax on opium (25 Stat. 620–621).

Act of August 27, 1894: Tax on incomes over $4,000 and on playing cards (28 Stat. 553–562).

Act of June 6, 1896: Tax on filled cheese (29 Stat. 253–256).

Act of June 13, 1898: War revenue act. Special tax on bankers, brokers, pawnbrokers, proprietors of theaters, museums, concert halls, circuses, public exhibitions, bowling alleys, and billiard rooms, and tobacco manufacturers, dealers, etc. Tax on bonds, debentures, certificates, sales, etc., on exchanges, checks, bills of exchange, bills of lading, telephone messages, charter parties, contracts, conveyances, telegrams, entry of merchandise, insurance policies, leases, manifests,

mortgages, tickets, powers of attorney, proxies, protests, warehouse receipts, medicinal preparations, perfumery, chewing gum, refiners of sugar and petroleum, legacies, mixed flour (30 Stat. 448–470).

Act of March 2, 1901: Amendment of war revenue act. Special tax on bankers, brokers, pawnbrokers, proprietors of theaters, museums, and concert halls, circuses, public exhibitions, bowling alleys, billiard rooms. Tax on bonds, debentures, certificates, sales, etc.; on exchanges, bills of exchange, bills of lading, bonds, contracts, conveyances, entry of merchandise, tickets (31 Stat. 938–950).

Act of May 9, 1902: Tax on oleomargarine, etc. (32 Stat. 193–197.)

Act of August 5, 1909: Tax on corporations. (36 Stat. 112–117.)

Act of April 9, 1912: Tax on white phosphorous matches. (37 Stat. 81–84.)

Act of October 3, 1913: Tax on incomes over $3,000. (38 Stat. 166–181.)

Act of January 17, 1914: Tax on opium. (38 Stat. 277–278.)

Act of August 18, 1914: Tax on cotton exchanges. (38 Stat. 693–698.)

Act of October 22, 1914: Practically identical with war revenue act of 1898. (38 Stat. 745–764.)

Act of September 8, 1916: Tax on incomes over $3,000; on estates, munition manufacturers, corporations, brokers, pawnbrokers, proprietors of theaters, museums, concert halls, circuses, public exhibitions, bowling alleys, and billiard rooms, and manufacturers of tobacco, cigars, and cigarettes. (39 Stat. 756–801.)

Act of March 3, 1917: Tax on profits of over 8 per cent; increase of estate tax. (39 Stat. 1000–1004.)

Act of October 3, 1917: Increase of tax on incomes and estates; tax on war excess profits, soft drinks, transportation, telegraph and telephone messages, insurance, motor vehicles, musical instruments, moving-picture films, jewelry, sporting goods, toilet articles, proprietary medicines, chewing gum, cameras, yachts, motor boats, admissions, dues, bonds, stock issues and transfers, sales on exchanges, notes, deeds, customhouse entries, tickets, proxies, powers of attorney, playing cards, parcel-post packages. (40 Stat. 300–338.)

Act of February 24, 1919: Tax on incomes over $1,000, war profits and excess profits, estates, transportation, telegraph and telephone messages, insurance, soft drinks, ice-cream parlors, admissions, dues, motor vehicles, musical instruments, sporting goods, chewing gum, cameras, films, etc., candy, weapons, fans, thermos bottles, smokers' articles, slot machines, liveries, hunting garments, furs, yachts, motor boats, works of art, miscellaneous luxuries, etc., jewelry, motion-picture rentals, toilet articles, proprietary medicines, corporations, brokers, pawnbrokers, proprietors of theaters, museums, concert halls, circuses, public exhibitions, bowling alleys, billiard rooms, shooting galleries, riding academies, and taxicabs, brewers, distillers, liquor dealers, etc., manufacturers of tobacco, etc., opium, etc., bonds, stock issues and transfers, sales on exchanges, notes, deeds, customhouse entries, tickets, proxies, powers of attorney, playing cards, parcel-post packages, insurance, products of factories, etc., employing child labor. (40 Stat. 1057–1152.)

Act of November 23, 1921: Tax on incomes over $1,000, war profits and excess profits (for one year only), estates, telegraph and telephone messages, soft drinks, admissions, dues, motor vehicles, cameras, films, etc.; candy, weapons, smokers' articles, slot machines, liveries, hunting garments, yachts, motor boats, works of art, miscellaneous luxuries, etc.; jewelry, corporations, brokers, pawnbrokers, proprietors of theaters, museums, concert halls, circuses, public exhibitions, bowling alleys, billiard rooms, shooting galleries, riding academies and taxicabs, brewers, distillers, liquor dealers, etc.; manufacturers of tobacco, etc.; narcotics, bonds, stock issues and transfers, sales on exchanges, notes, deeds, customhouse entries, tickets, proxies, powers of attorney, playing cards, insurance; products of factories, etc., employing child labor (42 Stat. 227–321).

ACTS OF CONGRESS IMPOSING TAXES ON WINES, 1789–1923.

Act of July 1, 1862: Rate, 5 cents per gallon, on grape wine only (12 Stat. 465, sec. 75).

Act of June 30, 1864: Rates, 5 cents per gallon on grape wine; 50 cents per gallon on other wines not made from currants, rhubarb or berries and mixed with other spirits (13 Stat. 269, sec. 94).

Act of March 3, 1865: Increase of 20 per cent of duties levied by act of June 30, 1864 (13 Stat. 483, sec. 5).

Act of July 13, 1866: Tax on wines not made from grapes, currants, rhubarb, or berries and mixed with other spirits, 50 cents per gallon (p. 158, sec. 36); tax on wines in imitation of champagne or sparkling wine, put up in bottles, $3 to $6 per dozen bottles (14 Stat. 131).

Act of July 20, 1868, amended by act of July 27, 1868: Tax on imitation wines and liquor mixed with other spirits to be sold as wine, $3 to $6 per dozen bottles (15 Stat. 144, sec. 48; 15 Stat. 238).

Act of June 6, 1872: Tax on imitation wines and compounds as in act of July 20, 1868, 10 cents per bottle and up, depending on size (17 Stat. 240).

Act of June 13, 1898: Stamp tax on all wines bottled for sale, 1 or 2 cents per bottle (30 Stat. 451, secs. 6, 463).

Act of March 2, 1901: Same as act of June 13, 1898 (31 Stat. 940, secs. 5, 940).

Act of October 22, 1914: Stamp tax on still wines, one-half to 2 cents per bottle, or at rate of 8 cents per gallon; on sparkling wines, 5 to 20 cents per bottle, or at rate of 20 cents per quart. Tax of 55 cents per gallon on wine spirits used in rectification (38 Stat. 746–747).

Act of September 8, 1916: Tax on still wines and imitations, etc., 4 cents per gallon on wine containing up to 14 per cent alcohol; 10 cents per gallon on wine containing between 14 per cent and 21 per cent alcohol; 25 cents per gallon on wines containing between 21 per cent and 24 per cent alcohol (p. 784, sec. 402 (c)). Tax of 10 cents a gallon on wine spirits used in fortification (p. 786, sec. 402 (c)). Tax on sparkling wines, 3 cents on each half pint or fraction thereof; on artificially carbonated wine, 1½ cents on each half pint or fraction (39 Stat. 783, sec. 402 (a)).

Act of October 3, 1917: Additional tax of 15 cents per proof gallon on wines refined or rectified by persons classed as rectifiers (p. 311, sec. 311). Additional tax on wine spirits used in fortification, equal to double the tax under act of September 8, 1916 (40 Stat. 310, sec. 304).

Act of February 24, 1919: Tax of 30 cents per gallon on wines refined or mixed by persons classed as rectifiers (p. 1110, sec. 611). Tax on still wines, imitations, etc.; 16 cents per gallon on wine containing up to 14 per cent alcohol; 40 cents per gallon on wine containing between 14 and 21 per cent alcohol; $1 per gallon on wine containing between 21 per cent and 24 per cent alcohol (sec. 612). Tax of 60 cents per gallon on wine spirits used in fortification. (Sec. 613). Tax on sparkling wines, 12 cents per half pint or fraction thereof; on artificially carbonated wine, 6 cents per half pint or fraction (40 Stat. 1108, sec. 605).

ACTS OF CONGRESS IMPOSING TAXES ON DISTILLED SPIRITS, 1789–1923.

Act of March 3, 1791: Tax according to hydrometric proof; on spirits distilled from foreign materials, from 11 to 30 cents a gallon; on spirits distilled from domestic materials, from 9 to 25 cents a gallon (1 Stat. 202, sec. 14; 203, sec. 15).

Act of May 8, 1792: Tax according to class of proof; on spirits distilled from foreign materials, from 10 to 25 cents a gallon; on spirits distilled from domestic materials, from 7 to 18 cents a gallon (1 Stat. 267).

Act of December 21, 1814: Tax of 20 cents a gallon on spirits distilled from foreign or domestic materials (3 Stat. 152).

Act of July 1, 1862: Tax of 20 cents a gallon of first proof, with proportionate increase for greater strength (12 Stat. 447, sec. 41).

Act of March 7, 1864: Tax of 60 cents a gallon of first proof, with proportionate increase for greater strength (13 Stat. 14, sec. 1).

Act of June 30, 1864: Tax of $1.50 a gallon from July 1, 1864, to February 1, 1865 (by act of December 22, 1864 (13 Stat. 420), this date was changed to January 1, 1865); after February 1, 1865 (by act of December 22, 1864 (13 Stat. 420), this date was changed to January 1, 1865), $2; tax on brandy distilled from grapes, 25 cents a gallon (13 Stat. 243, sec. 55; 244, sec. 58).

Act of March 3, 1865: Tax on brandy distilled from grapes increased to 50 cents a gallon; tax on brandy distilled from apples or peaches fixed at $1.50 a gallon (13 Stat. 472).

Act of July 13, 1866: Tax of $2 a proof gallon (14 Stat. 157, sec. 32).

Act of March 2, 1867: Tax of $2 a proof gallon; tax on brandy made from grapes, $1 a gallon (14 Stat. 477, sec. 12; 480, sec. 14).

Act of July 20, 1868: Tax of 50 cents a proof gallon (15 Stat. 125, sec. 1).

Act of June 6, 1872: Tax of 70 cents a proof gallon (17 Stat. 238, sec. 12).

Act of March 3, 1875: Tax of 90 cents a proof gallon (18 Stat. 339, sec. 1).

Act of August 27, 1894: Tax of $1.10 a proof gallon (28 Stat. 563, sec. 48).

Act of October 3, 1917: Tax of $1.10 (or $2.10 if for beverage purposes) a proof gallon in addition to existing tax. Additional tax for rectifying, 15 cents a proof gallon (40 Stat. 308, sec. 300; 309, sec. 303; 310, sec. 304).

Act of February 24, 1919: Tax of $2.20 (or $6.40 if for beverage purposes) a proof gallon. Floor tax of $3.20 a proof gallon on stock on hand if intended for beverage purposes. Additional tax for rectifying, 30 cents a proof gallon (40 Stat. 1105, 1107, 1108).

Act of November 23, 1921: Tax of $4.20 a proof gallon on spirits diverted from nonbeverage to beverage purposes (42 Stat. 285, sec. 600).

ACTS OF CONGRESS IMPOSING TAXES ON CIGARS AND CIGARETTES.

Act of January 18, 1815: Duty on "manufactured segars," 20 per cent ad valorem (3 Stat. 180, sec. 1).

Act of July 1, 1862: Rate on cigars, $1.50 to $3.50 per thousand, according to value (12 Stat. 464, sec. 75).

Act of June 30, 1864: Rate on cigarettes: (a) If paper wrapped, $1 per hundred packages; (b) if wholly of tobacco, including cheroots, $3 per thousand. Rate on cigars, $8 to $40 per thousand, according to value (13 Stat. 270, sec. 94).

Act of March 3, 1865: Rate on cigarettes in paper wrappers, 5 cents per package; on cigarettes and cigars made wholly of tobacco, $10 per thousand (13 Stat. 477).

Act of July 13, 1866: Rate on cigars and cigarettes valued at not over $8 per thousand, $2 per thousand; valued between $8 and $12, $4 per thousand; valued at over $12, $4 per thousand plus 20 per cent ad valorem (14 Stat. 133).

Act of March 2, 1867: Rate on all cigars and cigarettes, $5 per thousand (14 Stat. 474).

Act of July 20, 1868: Rate on all cigars, $5 per thousand; on cigarettes weighing not more than 3 pounds per thousand, $1.50 per thousand; weighing over 3 pounds per thousand, $5 per thousand (15 Stat. 160, sec. 81).

Act of March 3, 1875: Increase of rates prescribed by act of July 20, 1868 (as included in R. S. 3394), from $5 to $6 (18 Stat. 339, sec. 2).

Act of March 3, 1883: Rate on all cigars, $3 per thousand; on cigarettes weighing not over 3 pounds per thousand, 50 cents per thousand; weighing over 3 pounds per thousand, $3 per thousand (22 Stat. 489, sec. 4).

Act of July 24, 1897: Rate on cigars and cigarettes weighing over 3 pounds per thousand, $3 per thousand; weighing not over 3 pounds per thousand, $1 per thousand (30 Stat. 206, sec. 10).

Act of June 13, 1898: Rate on cigars and cigarettes weighing more than 3 pounds per thousand, $3.60 per thousand; on cigars weighing not more than 3 pounds, $1 per thousand; on cigarettes weighing not more than 3 pounds, $1.50 per thousand (30 Stat. 449, sec. 3).

Act of March 2, 1901: Rate on cigars weighing over 3 pounds per thousand, $3 per thousand; weighing not more than 3 pounds, 18 cents a pound. Rate on cigarettes (all weighing not more than 3 pounds per thousand), 18 cents per pound, if valued at not over $2 per thousand; 36 cents a pound if valued at more than $2 per thousand (31 Stat. 939, sec. 3).

Act of April 12, 1902: Same as act of March 2, 1901 (32 Stat. 97, sec. 3).

Act of August 5, 1909: Rate on cigars weighing over 3 pounds per thousand, $3 per thousand; weighing not more than 3 pounds, 75 cents per thousand. Rate on cigarettes weighing over 3 pounds, $3.60 per thousand; weighing not over 3 pounds, $1.25 per thousand (36 Stat. 110, sec. 33).

Act of October 3, 1917: Rates as follows: Cigars (a) weighing not more than 3 pounds per thousand, 25 cents per thousand; (b) weighing more than 3 pounds per thousand, from $1 to $7 per thousand according to intended retail price; cigarettes (a) weighing not more than 3 pounds per thousand, 80 cents per thousand; (b) weighing more than 3 pounds per thousand, $1.20 per thousand (40 Stat. 312, sec. 400).

Act of February 24, 1919: Rates as follows: Cigars (a) weighing not more than 3 pounds per thousand, $1.50 per thousand; (b) weighing more than 3 pounds per thousand, $4 to $15 per thousand, according to intended retail price; cigarettes (a) weighing not more than 3 pounds per thousand, $3 per thousand; (b) weighing more than 3 pounds, $7.20 per thousand (40 Stat. 1116, sec. 700).

Act of November 23, 1921: Same as act of February 24, 1919. (42 Stat. 286, sec. 700.)

FEDERAL TAXATION OF FERMENTED LIQUORS, 1789–1923.

Act of July 1, 1862: Rate, $1 per barrel of 31 gallons (12 Stat. 450, sec. 50).

Act of March 3, 1863: Rate, 60 cents per barrel of 31 gallons (12 Stat. 723, sec. 12).

Act of June 30, 1864: Same as act of July 1, 1862 (13 Stat. 246, sec. 64).

Act of July 13, 1866: Same as act of July 1, 1862 (14 Stat. 164, sec. 48).

Act of March 2, 1867: Same as act of July 1, 1862 (14 Stat. 475, sec. 10).

Act of June 6, 1872: Same as act of July 1, 1862 (17 Stat. 245, sec. 18).

Act of March 3, 1873: Same as act of July 1, 1862 (17 Stat. 586).

Act of June 13, 1898: Rate, $2 per barrel of 31 gallons (30 Stat. 448, sec. 1).

Act of March 2, 1901: Rate, $1.60 per barrel of 31 gallons (31 Stat. 938, sec. 1).

Act of April 12, 1902: Rate, $1 per barrel of 31 gallons (32 Stat. 96, sec. 1).

Act of October 22, 1914: Rate, $1.50 per barrel of 31 gallons (38 Stat. 745).

Act of September 8, 1916: Rate, $1.50 per barrel of 31 gallons (39 Stat. 783, section. 400).

Act of October 3, 1917: Rate, $1.50 per barrel of 31 gallons, in addition to existing tax (40 Stat. 311, sec. 307).

Act of February 24, 1919: Rate, $6 per barrel of 31 gallons (40 Stat. 1109, sec. 608).

FEDERAL TAXATION OF TOBACCO, 1789–1923.

Act of January 18, 1815: Rate, 20 per cent ad valorem (3 Stat. 180).

Act of July 20, 1868: Rate, 16 and 32 cents a pound (15 Stat. 152–153).

Act of June 6, 1872: Rate, 20 cents a pound (17 Stat. 250).

Act of March 3, 1875: Rate, 24 cents a pound (18 Stat. 335, sec. 2).

Act of March 1, 1879: Rate, 16 cents a pound (20 Stat. 343, sec. 14).

Act of March 3, 1883: Rate, 8 cents a pound (22 Stat. 489, sec. 4).

Act of October 1, 1890: Rate, 6 cents a pound (26 Stat. 619, sec. 30).

Act of June 13, 1898: Rate, 12 cents a pound (30 Stat. 449, sec. 3).

Act of April 12, 1902: Rate, 6 cents a pound (32 Stat. 96, sec. 3).

Act of August 5, 1909: Rate, 8 cents a pound (36 Stat. 109, sec. 31).

Act of October 3, 1917: Rate, 5 cents a pound, in addition to existing tax (40 Stat. 313, sec. 401).

Act of February 24, 1919: Rate, 18 cents a pound (40 Stat. 1117, sec. 701).

Act of November 23, 1921: Rate: 18 cents a pound (42 Stat. 287, sec. 701).

ACTS OF CONGRESS IMPOSING DIRECT TAXES.

Act of July 14, 1798: Levy of $2,000,000 (1 Stat. 597, sec. 1).

Act of August 2, 1813: Levy of $3,000,000 (3 Stat. 53, sec. 1).

Act of January 9, 1815: Levy of $6,000,000 annually (3 Stat. 164, sec. 1).

Act of February 27, 1815: Levy of $19,998.40 annually on the District of Columbia (3 Stat. 216, sec. 1).

Act of March 5, 1816: Levy of $3,000,000 (3 Stat. 253, sec. 2).

Act of August 5, 1861: Levy of $20,000,000 annually (12 Stat. 294, sec. 8).

Mr. HAWLEY. Mr. Speaker, on behalf of those who believe the plan of tax reduction approved by the administration, and currently referred to as the Mellon plan, I offered the amendment in the House which proposed the adoption of this plan; and this amendment received 135 votes in the House on roll call.

The adherence of the Republican Party to sound financial policies and competent administration of the Treasury is historic.

The proposals for tax reduction contained in this plan are based upon scientific determination of the effect upon the revenue of the rates proposed, and the decreases have been distributed among the taxpaying public to give the largest possible measure of relief to the greatest number.

The country has read it, considered it, understood it, and voiced its approval in no uncertain terms. Not since it championed the gold standard has the financial policy of the Republican Party been so strongly indorsed by the people, irrespective of geographical distribution or party affiliation.

Its terms are too well known to need restatement at this time. The reduction in normal taxes, with the provision for earned incomes, gives to the hundreds of thousands of taxpayers in the lower brackets by far the greater proportion of the total amount of relief from taxation. By limiting the surtaxes to a maximum of 25 per cent and reducing correspondingly the rates in all brackets below capital will be diverted from the field of tax-exempt securities into industry and commerce. The Treasury will be furnished with revenues sufficient for the conduct of the Government by taxes earned on a greatly increased volume of income taxed at these lower rates.

The primary purpose of a revenue bill is to raise revenue, that the Treasury may at all times meet the demands constantly accruing upon it. The tax burden should be fairly distributed. A tax bill that intentionally fails to supply the Treasury adequately is inherently bad.

The Garner rates are financially unsound, and would have wrought injury to the country. We have preferred rates more adequate and better adjusted to its needs. When the rates proposed in the amendment, commonly referred to as the Mellon rates, were not agreed to by the House, I voted for the plan proposing a maximum surtax of 37½ per cent, as against the Garner rates, and voted for the bill on final passage. The Garner rates on normal and surtaxes are so readjusted as to produce a loss of revenue of approximately $511,000,000 which, together with the other reductions in excise taxes, will result in a deficit of over $300,000,000 in the Treasury. This Garner plan is political rather than financial, a makeshift rather than scientific, not adapted to the needs of the country, and above all creates a great and growing deficit in the Treasury. The only way by which deficits can be wiped out is by taxes obtained from the people. The Government is not a profit-making enterprise. Deficits increase the tax burden for subsequent years and impair the credit of the United States. The year 1924 is a presidential year. Hence we have the Garner political rates.

We had, therefore, the astonishing spectacle of a country at peace with all the world, well to do, willing to pay necessary taxes, proud of the honor and credit of their Government, compelled to face, had the Garner rates become effective, a large and constantly increasing deficit in the public revenue.

When the 1918 revenue act was passed with a maximum surtax rate of 65 per cent and with a normal tax rate of 8 per cent on taxable amounts in excess of $4,000, the country was engaged in war, and had taken over many industries and was subsidizing others for the production of war materials—food, clothing, munitions, and so forth—and part of the taxes collected were needed to furnishing capital to such industries.

When the revenue act of 1921 was enacted, with its continuance of the normal tax rates and a maximum surtax of 50 per cent, the Government was still in need of money for capital account with which to effect settlement of claims arising out of the war.

But in 1924 the Government is no longer under the necessity of making expenditures on capital account, having retired from the field of production. Private enterprise has again resumed the conduct of industry, commerce, and agriculture, and undertaken to provide the necessary funds, and in order then that they may have the benefit of funds formerly taken by the Government in taxes under the stress of war we proposed a 25 per cent reduction in the normal taxes and a maximum surtax of 25 per cent; that is, when the Government, under the urgencies of war, needs money as capital for the production of the material of war, high taxes prevail, but when private enterprise resumed the responsibility for production we proposed to reduce taxes and leave the capital in its hands.

High rates of surtaxes are not necessary to provide the funds the Treasury needs, nor will they relieve our industries or open the way to an increased general national prosperity.

Mr. CANFIELD. Mr. Speaker and gentlemen of the House, no doubt these two little words that are placed here on page 167 have escaped your attention, and in fact I expect there are very few of the Members that even knew they were there, and of those that did know they were there, very few of them have paid any attention to just what they mean, and were it not that my attention has been called to them I do not expect that I would have paid any attention to them; and right here I want to say that while I am in the furniture business I am in no way financially interested in any factory that manufactures smoking stands; but I know what it means to those that do manufacture them—to the dealers throughout the country that handles them, and the people that buy them for their homes.

These are very small items and can not produce much revenue; in fact I am sure the tax collected on them is not over $100,000 a year, and I do not doubt but what it costs from 50 to 75 per cent of this amount to collect it; but, on the other hand, it is a big handicap to the manufacturers of these small articles, and gentlemen, if you will take time to consider these items, you will agree with me that it is not right to tax any article that is produced for the purpose of making better and happier homes.

I would not say anything about these items if the committee had seen fit to put a tax on smoking stands that are sold by the manufacturer for $50 or more, for then they would be sold to people with homes who could well afford to pay a tax; but when it comes to taxing articles of furniture that are manufactured for our average workingmen, farmers, professional men, and small business men's homes I want to say frankly that I am against it; and I think every member of this committee should be against it, especially when the tax collected means practically nothing to the Government.

Everywhere we go to-day we hear much about the un-American spirit that prevails throughout our country, and that everything should be done by our leaders to check it in every way possible. To my mind one of the best ways to make better American citizens is to have better homes for them to live in, and after we have better homes we must have happy homes, and one of the best ways to make happy homes is to have good furniture in them; and when we have happy homes every Member of this House knows that we will not need to concern ourselves as to whether or not the Constitution of the United States will be upheld, for our American citizens will have something vital to protect and something for which they will be proud to follow the American flag.

Gentlemen of the House, I trust that you can see your way clear to support this amendment, as it does not mean much revenue to the Government, due to the fact that it costs 50 to 75 per cent to collect all tax obtained from these items.

Mr. TILSON. Mr. Speaker, the proposed Garner plan for tax reduction was, in my judgment, impossible from every point of view, including that of the Secretary of the Treasury, for it would have produced a serious deficit in the revenues. Therefore, it was a great gain to supplant it with the schedule of rates proposed by the gentleman from Ohio [Mr. LONGWORTH]. It is said that the Longworth rates are the best that could be secured by compromise, and it is a matter for congratulation that all Republicans of all brands are committed to a program no worse than the compromise.

Republicans who still believe that a sound, well-balanced tax reduction plan was being rejected for this makeshift compromise were justified in voting for it as the best that could be secured under existing circumstances. Therefore, I have no criticism whatever for those who, trying to secure the best, took the best they could get.

After all, the compromise at its best is only a makeshift, and I failed to give it my approval because I felt that its enactment into law at this time would make genuine tax reform more difficult or perhaps impossible hereafter. It makes a horizontal reduction of 25 per cent in the surtaxes. This, however, is not enough to accomplish the primary purpose of the Mellon proposal, which is to unshackle business investment. The surtax rates in the compromise will not effect this purpose. If a man can not swim he will drown in 10 feet of water just the same as in 100 feet.

Another serious defect in the compromise as well as in the Garner plan and one hard to remedy when once in the law is the too severe cut in the normal tax of moderately small incomes. I refer to the bracket under $8,000 in which the salaries of Congressmen unfortunately fall. A very large revenue comes from this class—very little of it from Congressmen, of course—so large that if cut as proposed in the compromise, other and far more important reductions will have to be indefinitely postponed. It would have been worse had the Garner rates been adopted.

The people who pay in this class are neither poor nor rich, and its payment by them affects economic conditions less seriously than if paid by any other class. For instance, a reduction of my tax by $100 more than under the Mellon rates is, of course, acceptable, but I doubt whether this reduction to me and to a million other taxpayers in my class will do half as much good to the country at large as would a further reduction in the surtaxes and the removal of more of the objectionable war-excise taxes.

There are other serious defects for which the compromise is in no wise responsible, having been put into the bill under the Garner leadership before the compromise was agreed upon, but which likewise will be difficult to get rid of when once in the law. I refer first to the increased inheritance tax, which will rob the States of large amounts of capital which should remain in the States for local taxation instead of being sent to Washington for questionable governmental expenditures. The new gift tax is open to the same criticism.

The "Peeping Tom" amendment by which partisan committees of Congress for purely partisan purposes may pry into and make public the private business affairs of anyone they may desire to criticize is fundamentally vicious and under present conditions at the other end of the Capitol will probably be made worse rather than better.

The provision for the refund of 25 per cent of the income tax payable this year should be taken out of the present bill and sent through as a separate bill. This would give immediate tax reduction, not scientific by any means, but doing approximate justice, and this could be continued next year if necessary.

Meanwhile the entire matter unhampered by any makeshift could be submitted to the final authority, the people themselves, for their consideration and advice. With their mandate the Republican Party, having been given power equal to its responsibility, would be in a position to give the country what it is entitled to—a real, sound, well-considered tax reduction and tax reform.

Mr. SCHALL. Mr. Speaker, the charge of partisan politics is being bandied back and forth, hotly repudiated by both sides. The question of taxation is neither partisan nor personal, but should consider the greatest good of the greatest number. I am for that form of taxation that shall provide sufficient money to take care of our Government. That is what taxes are for—to provide revenue to run the Government. The Garner plan, while it sounds well, will not provide in the long run sufficient revenue. I voted for the Frear plan and against the Mellon plan, both of which I think to be the two extremes, but I would rather err on the side of the common taxpayer than be classed with those who have no regard for the troubles of the poor. The real Yankee idea of justice to everybody concerned, it seems to me, is a compromise between these two extremes,

the Longworth amendment, which cuts everybody's taxes, rich and poor alike, 25 per cent. The increase in the inheritance tax from 25 per cent to 40 per cent, graduating from 1 per cent on amounts over $50,000 to 40 per cent over $10,000,000, together with the gift tax, which is a counterpart of the inheritance tax, will more than furnish the needed money for the back pay of the soldiers and show an attitude of justice for our liabilities.

The Government clerks receiving a bonus look upon it as part of their salary. There is nothing in the service the soldiers rendered that should cut them out from their slight back pay. We bonused the manufacturer where he lost money on account of preparation for a war that did not continue. We bonused the munitions maker, the miner, the shipowner, the shipbuilder, the manufacturer, because the war did not continue, and in this bill we even purpose—and I think it is right—to bonus the taxpayer, for we are intending in this bill to reduce and give back 25 per cent of the taxes due for last year and collectible under the present law.

Money should stand its share of war expense. It has had protection through the men who fought our battles and it should be willing to pay its just share. If not willing, it should be made to pay.

I voted against the Mellon plan because it is truly a "Mellon"-aire proposition and is constructed entirely to serve the millionaire. Instead of making a straight cut of 25 per cent all the way down the line it sought to cut the big fellow down 50 per cent while giving to the little fellow the smaller ratio of 10 to 25 per cent.

The Longworth compromise is strictly the consensus of the Republican idea, is a Republican measure, and should have the support of every Republican in the House, together with such other party designations as have the welfare of the country at heart, consistent with taking care of the soldiers' compensation and having sufficient money to take care of the Government's obligations.

This bill, I am informed by those in authority, will not only reduce the taxes 25 per cent all down the line, but will over and above furnish the money necessary for the soldiers' compensation, and thus avoid the President's veto on that excuse.

Mr. FREAR. Mr. Speaker, the House tax-reduction bill is several hundred per cent better and more equitable than the make-believe "scientific" Mellon bill. The House bill gives a tax cut of over $400,000,000. One hundred million dollars of this amount the Mellon bill gave to telephones, telegraph, and theaters with a return assured in propaganda. The House bill extends the tax cut to automobiles, stamps, jewelry, candy, seat tax, and other nuisance taxes that are reduced or wiped out. The Mellon bill gave another hundred million to earned income, including 12 officials of one oil company who receive a combined salary of over $1,000,000. The House bill cuts off, without any evidence required, one-quarter of all incomes under $5,000 from whatever source derived, all treated as earned income. Above $5,000 and to a maximum limit of $20,000 income, the right to further reduction is a matter of evidence.

The Mellon bill gave over $200,000,000 tax cut to income-tax payers, with 5 per cent of the total taxpayers at the top getting approximately one-half of the Mellon cut, and a measly one-quarter cut for the remaining 95 per cent of the tax-paying multitude. The House compromise bill dumped this scientific (?) cut into the wastebasket and reversed the order of distribution, giving a one-half tax cut to the 95 per centers and a one-quarter tax cut to the high-rolling 5 per centers, keeping in mind the old tax principle that a net income tax can not be passed on, and tax burdens so far as possible should be distributed according to ability to pay.

This cardinal principle was never considered by the "scientific," sham plan, put forth by the Treasury for Congress to pass, prepared by no one knows who; without one witness offered or a single income-tax hearing; strong only in propaganda and tax buncombe, repeatedly exploded and as repeatedly urged by favored interests; interests that alleged in one breath they dodged all income taxes and yet insisted the tax be removed for the public good.

In the House bill has been written a modified publicity clause, a higher estate-tax rate, a credit to States of 25 per cent thereon; a gift tax intended to supplement the estate tax and other needed wholesome amendments. The Mellon plan, after several million dollars spent in propaganda, only received slightly more than one-third the vote of the House; the House bill was passed by 408 affirmative votes on roll call.

That, in brief, is the difference between the Mellon bill and the House bill. Partisanship was never more in evidence than during the preparation and discussion of the tax bill just passed by the House. Representative GARNER, author of the Garner rates, Minority Leader GARRETT, Whip OLDFIELD, a liberal, Representative CORDELL HULL, of the Democratic National Committee, and every other Democratic Member, however, made possible the compromise bill by their opposition to the Mellon plan. Any attempt to misrepresent or make political capital out of the result only serves to emphasize the straits of those who would substitute cheap politics for statesmanship.

Democratic Members, with over 60 independent Republicans, helped defeat the Mellon bill and by such course compelled passage of a compromise tax measure more simple and scientific than either the Mellon or Garner plan. To the independent action of Members of both political parties the result is due.

Progressive Republicans, who secured the compromise in all its details, accept full responsibility therefor but will leave political partisans to scramble for whatever glory is to be had from the result.

The Mellon bill was conceived behind closed doors by selfish interests, concealed to the end. That bill juggled tax brackets and was "scientific" only in its attempt to give great tax cuts to big taxpayers and small relief to the great army of small taxpayers.

Last session a generous legislative gift to big business came from Congress in the shape of a repeal of the excess-profits tax which aggregated $450,000,000 tax annually, combined with a reduction of high surtaxes from 65 per cent to 50 per cent, adding about $50,000,000, according to estimates, or in all a $500,000,000 tax reduction was given to big business without any remission of taxes to the small man least able to pay.

The Mellon bill sought to compel another great legislative gift and declared for a 50 per cent reduction in upper brackets for the millionaire class and only 25 per cent tax reduction for the great tax-paying multitude.

The Mellon bill was prepared by men representing great wealth and supported by the greatest propaganda of all history, variously estimated to have cost several million dollars. With a novel new argument of "frozen credits," "aid to business," relief from "soaking the rich," and other catch words, the bill was placed on the table of the Ways and Means Committee of the House, that representing the House, the only body under the Constitution authorized to originate revenue legislation. Republican members then split in committee over the bill, over its unprecedented method of presentation, its concealed authorship and demand to sign on the dotted line. Demand for its immediate and unqualified acceptance from Secretary Mellon and other high officials met with opposition.

The Democratic organization of the House thereupon prepared a tax bill along different and more equitable lines, and in party caucus bound its members to the Garner rates. The Republican organization, split by the Mellon bill into two factions, refused to accept the so-called Mellon income-tax rates, but, on the other hand, a new test of party regularity for Republicans was invoked to oppose the Garner income rates proposed for substitution in the bill.

Progressive Republicans interested in giving substantial relief to small taxpayers prepared a separate bill that was also submitted in committee, wherein reduction of one-half normal tax rates was urged, thereby giving a total income-tax reduction of $184,000,000, of which amount small taxpayers would receive a 50 per cent tax cut, while less reductions were given to those best able to pay. In view of great tax reductions given to the latter by the last preceding revenue bill, this was claimed to be equitable and just.

The progressive group's income-tax amendment was defeated and then, when confronted by either the Mellon or Garner tax rates, Republican progressives unhesitatingly accepted the Garner rates, which were voted into the bill, although accompanied with Treasury estimates that the Garner rates would probably leave a deficit of from $150,000,000 to $300,000,000.

This wide range of estimates was not persuasive, but calculated to influence the Executive when called upon to act, so we prepared needed amendments to make up the deficit.

Then arose an unparalleled situation in legislative history of the House. Mellon-plan advocates gave out that the Garner rates, because of threatened deficit, would insure the bill's veto by the Executive, and hot-heads sought to defeat the bill by adding increased tax cuts beyond estimates, refusing to add new tax revenues to meet the threatened deficit.

On every vote in the committee Progressive Republicans endeavored to protect the bill and refused to countenance partisan blindness that would rule or ruin. Thus far the situation is well known, and efforts to save the tax bill thereupon devolved largely upon the progressive group of the House, that accepted full responsibility without hesitation.

To meet the threatened Garner tax rates deficit and provide needed tax reform, a measure was first offered by progressive

Members to tax so-called tax-free securities, leaving a decision therefor to the court. Briefs and authorities were submitted as to constitutionality in support of this plan, but opposition came unexpectedly from leaders of both political parties in the House and the proposed amendment failed, although supported by a few independent Members on both sides of the aisle.

A strong effort to tax stock dividends also having failed, progressive Republicans next offered an amendment to tax undistributed profits of corporations 10 per cent, which would bring to the Treasury $200,000,000 or more annually, a tax in principle identical with taxation of stock dividends. It had been proposed originally by Secretary Houston in 1921, and is more equitable and just than the present 12½ per cent corporation normal tax. This amendment met the same fate at the hands of Republican and Democratic leaders. I offer no criticism, but am disclosing efforts to meet the threatened deficit.

A vigorous effort was next made by the progressive group to secure reenactment of a moderate excess-profits tax with a 10 per cent rate in the lower brackets. This it was roughly estimated would bring from $150,000,000 to $200,000,000 increased revenues, based on receipts of 1921, and would meet any threatened deficit prophesied from adoption of the Garner rates. Again came failure through opposition of both Democratic and Republican leaders.

Other measures offered, including general publicity of income records, met with opposition from party leaders on both sides of the aisle.

Inheritance-tax rates were increased, accompanied by a 25 per cent credit for State taxes paid—an amendment I offered—while a gift tax offered by Chairman GREEN, both of which were opposed by the regular Republican organization of the House, were supported by independent Republicans and the Democratic membership generally. These latter measures were estimated to bring in only $20,000,000 additional revenue which, however, would be more than wiped out by an additional automobile-tax cut beyond estimates made in committee.

I have endeavored to give credit and fix responsibility without partisanship, although party influence unfortunately has been conspicuous throughout consideration of the tax bill.

We were finally confronted with a probable Treasury deficit of $200,000,000 or more by adoption of the Garner rates and refusal to accept amendments that would give needed revenues, with a probability of threatened presidential veto. If the bill with Garner rates was signed, as declared likely by Democratic leaders, a large deficit would cause the soldiers' compensation bill to be vetoed and probably prevent its becoming law.

With this situation, wherein partisan politics seemed to be strongly in evidence on both sides, the progressive Republican organization offered to renew its first tax proposal or to consider any plan that would give relief to small taxpayers, with incidental tax reduction for those best able to pay. The proposals made to and from the Republican organization were finally agreed to after important concessions were made of a normal-tax cut of one-half rates, or 2 per cent, up to $4,000 and a cut of three-eighths, or 5 per cent, from $4,000 to $8,000. With the average exemption of $2,000, this makes a tax reduction of from 50 per cent to 62 per cent for over 95 per cent of all the income-tax payers of the country who pay on $10,000 incomes or less, and is substantially the plan first offered by the progressive group. A straight cut of 25 per cent on all surtaxes now in the bill is based on existing law, and an added an added 2 per cent cut on the 8 per cent normal tax gives a fair reduction on large income taxes of over one-quarter off from the present tax payments. A one-half tax cut for small income-tax payers, with the added earned-income tax cut computed on $5,000 and under, gives the following generous tax reduction on small incomes as now carried in the bill passed by the House:

Income.	Present tax.	New rate.	Saving.	Per cent tax cut.
$4,000	$160	$60.00	$100.00	62½
$6,000	240	97.50	142.50	59½
$6,080	320	147.50	172.50	54
$7,000	410	197.50	212.50	52
$8,000	500	247.50	252.50	50½

The $2,000 added average exemption brings this needed relief to incomes of $10,000 or less paid by 95 per cent of the people, with smaller reduction for the remaining 5 per cent of the taxpayers. A further tax cut on incomes from $6,000 to $8,000 occurs where earned income is proven.

A tax cut of 25 per cent in present surtax rates that now reach 50 per cent maximum, in effect, brings maximum rates down to 37½ per cent, but the 0 per cent normal tax added makes the total maximum income tax rates 43¾ per cent, as passed by the House.

These rates compare favorably with the Garner tax rates, they are a matter of compromise and were agreed to on a bill that we were assured will come within the margin of surplus, whereas the Garner rates, we were warned officially, would leave a large deficit and jeopardize the passage of a soldiers' bonus bill, alternatives unthinkable and indefensible. In this I have laid no stress on the failure of Democratic and Republican leaders to support amendments whereby to meet the deficit caused by the proposed Garner rates, nor have I discussed the attitude of certain leaders on the soldiers' compensation bill in the past. These are matters of individual judgment, but I am stating a situation that caused progressive Republicans of the House, when their amendments to meet a threatened deficit were rejected, to throw their entire support to a compromise on income-tax rates which were voted in the bill and subsequently were supported by 408 Members of the House. In addition we held fast to every amendment secured in Committee of the Whole and kept faith throughout with principles while refusing to engage in political juggling or partisan jobbing.

Charges by Republican or Democratic press of any coalition were at all times foolish and unfounded. Without partisanship we sought to get the best tax bill possible out of committee and through the House. We ask for no credit nor fear criticism. The Mellon plan died before it was born and millions spent in propaganda failed to influence Congress that knows the game as it was played.

Any man whose name is linked with the bill passed by the House may feel honored from the fact that the measure grants annually $400,000,000 relief to millions of taxpayers; is likely to come within the limit set apart for income-tax reductions; and is so far removed from the "scientific" Mellon great gift to large wealth that it bears not the slightest resemblance to that plan.

For the splendid group of independent Members who brought order out of political chaos and saved a tax bill that will do full justice to those least able to pay, gratitude is expressed. Never once did they falter in their support, and such action came from an intelligent understanding of every proposition considered, for they had informed themselves regarding tax principles, brackets, and rates, and individually were competent to pass judgment on the different plans without advice.

They helped improve a tax bill by insertion of many needed amendments, and when called upon to act did not hesitate to put their oaths as Members above pleas of party regularity. The bill, contested for three weeks, finally found support from over 400 Members of the House, irrespective of partisanship. That is glory enough in itself. Of far greater importance were appeals made from the Chair's ruling, first by a vote of 315 Members and second by 254, when, joining with Democratic Members, the Chair was overruled by the progressive group and a principle laid down that the House refuses to be tied hand and foot or longer gagged when considering a revenue bill. Hereafter the House will assert its legislative rights like the Senate and other great parliamentary bodies and will function as authorized under the Constitution.

Briefly, I have reviewed a bill which after long controversy gives large tax relief to millions of people and reduces nuisance, income, and other taxes to an amount annually reaching over $400,000,000. These results were made possible by the small group of progressive Members who held the balance of power and yet refused to permit that power to be used as a political football.

The most just and equitable income tax bill ever passed by the House of Representatives is due largely to their efforts. For the truth of that claim I again point to its acceptance in all its terms by 408 Members, a verdict never before given any tax measure passed by the House of Representaitves. May the example of independent action bring others to recognize that party regularity and partisan politics have no place in tax legislation, while the bipartisanship of powerful invisible government, omnipresent in this tax bill, it has been shown can be met and overcome by legislation in the open.

Mr. CLANCY. Mr. Speaker, on February 28 the House of Representatives overthrew the decision of a controlling element in the Ways and Means Committee that there should be no reduction of the tremendous burden of Federal war excise taxes on the motorists of the country. A strenuous effort had been made before the committee by representatives of the motorists' organizations of the country and of farmers' organizations to have at least a measure of reduction of these taxes. But their pleas were unavailing, although the com-

mittee recommended some $320,000,000 reductions for various classes of taxpayers, including some $103,000,000 reductions for war excise taxes on commodities such as candy, soft drinks, telegraphs and telephones, theater tickets, jewelry, etc.

A hot battle was waged in the committee itself by Members thereof for reduction, both by Republicans and Democrats. Mr. McLAUGHLIN of Michigan and Mr. CROWTHER of New York made motions for repeal of certain taxes, I am informed, but lost. Various Democrats, including Mr. GARNER of Texas, Mr. OLDFIELD of Arkansas, Mr. RAINEY of Illinois, Mr. COLLIER of Mississippi, and Mr. CASEY of Pennsylvania also made motions for total or partial repeal of these taxes, according to the best information obtainable. They lost also.

During the very last sittings of the committee on war excise taxes, I believe, a majority of the committee, two Republicans and 11 Democrats, were fighting for some measure of relief for motorists, but I am informed points of order were made against such motions at that time and were sustained.

THE OLD GUARD PRESSED HARD, BUT WINS.

Thus a coterie in the committee, hostile to relief for motorists, were able to get the bill to the floor of the House without any auto tax reductions of benefit therein.

Representatives of motorists had fought the same fight with Secretary of the Treasury Mellon and had lost. He recommended many other tax reductions on transportation, on luxuries, and on amusements, but set his face like flint against the motorists.

It has been the same story for the past few years—motorists losing their contests both with the Secretary of the Treasury and with Congress.

THE SUN BEGINS TO SHINE.

But the turning point came on February 28 on the floor of the House with a coalition of Democrats and Republicans overturning the decision of the controlling element of the Ways and Means, and granting relief of approximately $23,500,000 out of a total of $146,000,000 of these taxes, figured on returns of the past fiscal year.

Representatives of the motorists' organizations were satisfied with the above amount of reduction and feared to ask any more at the eleventh hour because of the danger of jeopardizing the revenue bill. They expect to continue the fight in the Senate in the near future and in the House and Senate next December for greater reductions of these taxes.

NAUGHTY MOTORISTS PUT TO WORK WITH THE ROAD GANG.

It is sometimes argued by objectors to reduction of Federal war excise auto taxes that the autos use the roads and therefore should pay for them.

If this argument held good there should be excise taxes on ships which use canals, rivers, harbors, inland lakes, and so forth. To follow out the auto parallel, there should not only be a tax on the ships proper, but on parts and accessories and replacements and repairs. Thus there would be an extra tax on rudders, smokestacks, anchors, ropes and cables, compasses, the coal which is used for motive power as gasoline is used for auto motive power, and so forth.

REDUCTIO AD ABSURDUM.

There would be a tax for tugs, dredges, passenger and freight ships, sailboats, motor boats, pleasure yachts, rowboats, fishing boats, and canoes.

As a matter of fact water highways are developed out of the Public Treasury for the common good and the general welfare.

It is true that American ships pay tolls going through the Panama Canal, but that is because of the Hay-Pauncefote treaty. The American Congress and President Taft made it law that these tolls should not be charged, so that freight and passenger rates between the Atlantic and Pacific coasts should be cheaper. That was for the common good, although the canal cost the people about $400,000,000 and a large sum also each year to operate.

President Wilson advocated the repeal of the free tolls act, of which a Congressman from Detroit [Mr. DOREMUS] was the author, not because of the principle that ships should be taxed for using the canal, but because he said it broke the Hay-Pauncefote treaty, and a question of honor and treaty obligations with a foreign power was involved.

Hundreds of millions of dollars have been expended out of the Public Treasury for developing rivers, harbors, and so forth. Figures from the message of the President transmitting the Budget for the fiscal year ending June 30, 1924, show an estimate of $40,000,000 for rivers and harbors. For 1922 the amount was $43,316,668, and for the current year the estimated expenditure is $48,000,000.

RAILROAD-OWNED SHIPS BARRED FROM WATERWAYS BECAUSE OF THEIR UNFAIR METHODS.

It is very significant in view of the alleged antagonism of railroad interests to the development of the automobile and motor truck that the Congress of the United States saw fit, after very careful consideration, to pass the Panama Canal act of 1914 which forbids railroads to own competing water carriers.

The underlying reason was that railroads considered only their own interest and their own profits. When they went into the shipping business, often they would lower the freight and passenger rates until they had put competitors with less capital out of business, destroying them by a rate war. Then, not being checked by competition, they raised rates to suit their convenience and gouged the public unmercifully.

Therefore, the Interstate Commerce Commission, taking its cue and its authority from the Panama Canal act of 1914, ordered various railroad companies to get off the Great Lakes, to sell their ships and get out of business.

Like common criminals, not observing the amenities necessary for organized society, they were made outcasts.

DARK SHIPS THAT PASSED IN THE DARK.

In 1915, actions were begun against companies and ships owned by the Pennsylvania Railroad, the Lehigh, the New York Central, the Erie, the Rutland, the Grand Trunk, the Delaware, Lackawanna & Western, and the Canada Atlantic.

Their splendid liners were sold for whatever price the railroads could get in the open market.

"FINGY" AND JULIUS K. ENTER.

William J. Conners, who rose from the stevedore ranks to be a magnate and who rejoiced when on the docks in the sobriquet of "Fingy" Conners, bought in most of these boats, and organized the Great Lakes Transit Co., one of the valuable and best-known transportation companies of the Great Lakes.

It is noteworthy also that Julius Kruttschnitt, who states the case so energetically and powerfully for the railroads against the passenger automobile and the motor truck in certain Senate committee hearings, has been the dominating personality of the Southern Pacific Railroad for some time. He is chairman of the board of directors and has been recognized for some time as one of the chief spokesmen before the country for the railroads.

These hearings may be found reported in a Senate document entitled, "Hearings before the Committee on Interstate Commerce, United States Senate, pursuant to Senate Resolution 23, relating to revenues and expenses of railroads, Sixty-seventh Congress, first session, volume 1, May 10 to June 1, 1921." The testimony of Mr. Kruttschnitt with particular reference to auto competition is found on pages 40 to 44.

PANAMA CANAL GETS TO COVER.

It is pertinent that the Panama Canal act of 1914 is directed particularly against transcontinental railroads and Mr. Kruttschnitt directs one of these which is barred for the sake of general welfare from operating competing ships through the Panama Canal, which was built with the public moneys for the public good.

I am going to quote excerpts from Mr. Kruttschnitt's testimony and colloquy in the Senate Interstate Commerce Committee hearing. I will do so at some length because his viewpoint is so refreshing. His attitude that all agencies advancing the cause of mankind and civilization and competing with railroads, must be hampered to keep pace with railroads in difficulty through poor management or otherwise, is of vital interest to the automotive industry. The latter, by its fair political methods and its absence of desire to control all sorts of governmental agencies to promote selfish ends inimical to the general good, affords a striking contrast.

The predominating purpose of the auto people, so far, has been to make life easier and happier for all mankind. May they always cherish that ideal!

ENTER THAT VILLAIN, SUBSIDY.

The general argument of friends of the railroad interests is that the automobile and motor truck are subsidized by the public, which provides them free highways. They compete with the railroads. Why should they not be taxed, and heavily?

First let me remark that railroad people should understand subsidies because practically every railroad was subsidized by public annuities or grants of one character or another when it was constructed. Public land equal to the area of the thirteen original States has been granted to the railroads. That is one

of the most astounding facts in American history or in the history of the world!

Roman roads are one of the outstanding facts of civilization and they existed throughout the centuries until to-day in splendid condition, but if one were to believe the opponents of auto-tax reduction the geniuses of the Roman Republic and Empire built them with the automobile in view. The contention to-day is that roads are built to-day only for the automobile, and the motorist should pay, pay, pay! Rome and all countries of all times have built roads to advance the general welfare.

LIVE AND LET LIVE.

The sane view and the "live-and-let-live view" is that the proper field of the motor truck is in coordination with the railroad. To-day 157 railroad systems are using the truck in short hauls, in terminal operations, and for similar purposes. It is a complementary service which gives the shipper a more efficient completed transportation.

Studies of the Bureau of Public Roads shows that 67 per cent of all of the truck movement in Connecticut is under 70 miles. That which goes farther does so because it can haul more cheaply or because of rail congestion. Where the motor truck provides an economic competition it should abandon long haulage, and that is happening automatically.

Roads would be built if we had no trucks, and they would be paved roads since the measure of road improvement is density of traffic. In most States the truck is paying its share of road cost through special taxes. Where these taxes are not high enough they should be increased, but that is a State tax and should remain so.

WHY BITE THE HAND THAT FEEDS YOU?

The railroads of to-day could not prosper without the motor industry. Last year they derived $200,000,000 revenue from shipment of cars. The raw materials used by motor plants in fabrication of cars, the building materials used in roads, the haulage of gasoline and of the thousand other commodities entering into motor-car production, all contribute to the railroads.

Congress has taken the tax off railroad transportation, yet when a railroad uses a motor truck a special tax must be paid, which must be passed on to the consumer. Is there any difference between these taxes?

Can the railroads or the public afford to penalize an arm of transportation which must be of increasing service in providing a more adequate and more efficient system of collection, delivery, and transportation generally?

There are those who raise the question of taxation paid by motor vehicles and railroads. This is not an issue, as all transportation costs must be paid for by the consumer, hence all transportation taxation is an added burden. It is interesting to note, however, that in 1921 the motor vehicles paid $334,000,000 in special taxes, in addition to garages, income, and so forth, while the report of the Interstate Commerce Commission shows that the rail lines paid $276,000,000 in Federal, State, and local taxes in the same period.

HE'S TAXED HEAVY, ALL RIGHT.

If the purpose of the opponents and oppressors of the motorist is that he shall be taxed and taxed heavily—for it must always be remembered that the taxes are on the motorist and not on the manufacturer, who transmits the tax directly to the buyer of an auto or truck—then the purpose is fully achieved, and with a vengeance.

FIGURES DO NOT LIE.

Taking the 15,000,000 cars in operation to-day, I figure that during their short lives their owners have paid into various governmental treasuries the gigantic, astounding total of $1,245,570,944.23. Why the 23 cents? The figures are an approximation, necessarily, and the exact amount is based, of course, partly on estimates, but which estimates, I maintain, are fair.

The average life of the average car must be gauged through experience of motor experts. The wear and tear can be averaged to the satisfaction of a fair man. Seven years life for a car is a fair estimate.

The Federal war excise taxes to which I object amount to the stupendous sum of $600,183,644.23, as taken from the Federal Government records.

State licenses, including registration fees, gasoline tax, and so forth, are estimated at $510,387,300.

Personal-property taxes now levied in 36 States are estimated for the period at $125,000,000.

Local wheelage taxes in special levies by cities may be estimated for the period at $10,000,000.

These amounts give the total of approximately $1,245,570,000, surely enough to satisfy a Turk taxgatherer or one of those taxgatherers who precipitated the French Revolution and rolled under the heavy, razor-sharp strokes of the guillotine gallant male heads and fair ringleted feminine heads into the dust.

The Federal taxes are detailed as follows: Federal excise tax on new cars for the period, $363,363,593.63; on trucks, $52,637,963.79; on parts, tires, accessories, and so forth, $196,124,556.49; less deduction for repairs to old cars early part of this period, $60,000,000, estimated; total for this classification, $136,124,556.49. Now, take the unsegregated tax collected in 1917 and 1918 of $48,057,530.32, and total Federal war excise taxes are $600,183,644.23.

Surely nobody can fairly quarrel with these figures.

TAXES ON THE PASSENGER CAR IN MARYLAND.

But take the heaped-up taxes in another way. It is fair to consider the neighboring State of Maryland, for nearly every Member of Congress has ridden over the roads of Maryland and knows the sentiment of the people and their standard of Americanization.

The taxes, as I showed on a chart brought into the House cloakroom, are as follows:

1. Federal excise tax on the car.
2. Federal excise tax on tires and parts.
3. State registration fee.
4. Gasoline tax.
5. State property tax.
6. City property tax.
7. Driver's license tax.
8. Certificate of title tax.
9. Property tax on the garage.

In addition, trucks and taxicabs bear five other taxes.

AND THIS IS NOT CALCULUS. YOU CAN GET IT.

And to be more specific yet, take the taxes paid by typical new cars in Baltimore, Md.

The figures are as follows:

Ford touring with self-starter.

Federal, excise on purchase	$14.25
State, horsepower	7.20
State, gasoline	7.00
State, operator's (not for hire)	2.00
State, personal property	.77
State, certificate of title	1.00
City, personal property	7.30
Total	40.52

Also 5 per cent on value of any repair parts, accessories, and tires.

DODGE TOURING.

Federal, excise on purchase	$33.00
State, horsepower	7.68
State, gasoline, estimated (400 gallons, at 2 cents)	8.00
State, operator's (not for hire)	2.00
State, personal property	1.84
State, certificate of title	1.00
City, property	17.40
Total	70.92

Also 5 per cent on value of any repair parts, accessories, and tires.

BUICK "6" TOURING.

Federal, excise on purchase	$58.69
State, horsepower	8.74
State, gasoline, estimated (500 gallons, at 2 cents)	10.00
State, operator's (not for hire)	2.00
State, personal property	3.37
State, certificate of title	1.00
City, personal property	31.90
Total	115.70

Also 5 per cent on value of any repair parts, accessories, and tires.

In addition, trucks, buses, and taxicabs bear five other taxes.

WE WILL PUT POOR JOHN WISE!

Now, it may be said that the average owner of an automobile or truck does not know that he is thus discriminated against. But let every legislator be advised from now on the 15,000,000 owners, their friends, and relatives, are going to be educated to this gouging. That is the duty of the motorists' organizations, of the manufacturers' organizations, to protect these members and these customers from exploitation.

Vigilance and education will relieve these voters. There is no sane reason why such a powerful body of voters, thoroughly organized as they can be, for their names and addresses are available in every community, should be thus persecuted. Police headquarters at least have them registered.

MACHIAVELLI WAS A PIKER.

Now let us consider the philosophy of modern industrial competition with particular reference to one of the basic necessities of life and of organized society as developed by that master, Mr. Julius Kruttschnitt, aforetime director of the

board of one of the great American transcontinental railroads. This is in the Senate Interstate Commerce Committee in 1921.

Then see how that philosophy and theory is driven home against me in the House Ways and Means Committee hearings on auto reduction, January 16, 1924.

Then read the statements of Representative OLDFIELD of Arkansas, of the Ways and Means Committee, on railroads and the automotive industry on the floor of the House February 14, 1924, in which he shows the doubtful methods of some railroad men.

Then read the statements of Representative TAGUE of Massachusetts, also on railroads, also a member of the Ways and Means Committee, and also delivered on the floor of the House on February 18, 1924.

IT IS NOT ANCIENT HISTORY.

The combat of ideas depicted therein and of forces so tremendously vital to the ordinary life of every American individual is so thrilling and so pertinent that one is justified in giving the colloquies and statements at length. Moreover, that combat has not yet neared its peak and is to make some American history in the near future.

Meantime may I again disclaim any hostility to the railroads. They are vital. I am not anxious even to discipline them. They should be treated without animus or passion. But they must be taken off the necks of the 15,000,000 American motorists and out of the pockets of these aforesaid gentry.

Enter Mr. Julius Kruttschnitt, and reported in Senate document giving hearings of Interstate Commerce Committee May 10 to June 1, 1921, on Senate Resolution 23.

RIGHT IN FRONT OF A MICHIGAN SENATOR.

Remember that Senator Townsend, who does some of the questioning of Mr. Kruttschnitt, represents the great State of Michigan, the home and center of the automotive industry. Mr. Kruttschnitt knows that and believes his dogmas, doctrines, creeds, and tenets are fully justified. Therefore he enunciates them boldly and devil take the hindmost! Note also that apparently Mr. Kruttschnitt has some friendly Senators querying him.

Mr. Kruttschnitt speaks:

The conditions under which the highways are constructed and operated are grossly discriminative against the railroads and in favor of their competitors. As a rule the improved highway is located immediately adjacent to the right of way of the steam road, where it inflicts the maximum destructive effect on steam-road traffic. Under their charters, which are agreements with the public, the steam carriers must provide and maintain their permanent ways at large expense; are subject to drastic regulations as to profits, living conditions, and terms of employment of those who work for them, and heavy damages for injuries to persons or property. The desire to develop and use the powerful motor trucks and passenger vehicles has blinded the public to the necessity for proper and equitable regulation of this service, which takes thousands of tons of freight and hundreds of thousands of passengers every day from established rail lines. By reason of the unlimited profits that these carriers are thus allowed to earn they can put competing railroad lines out of business or greatly curtail their revenues. Southern Pacific lines alone were deprived of over $4,000,000 of passenger revenues in 1920 by the competition of public motor vehicles. Taxes paid by all the people and to a large extent by the railroads themselves are used for the purpose of providing free highways for vehicles, which are subjected to no regulation for the protection of life and property, and whose heavy wheel loads rapidly destroy the roads. In common justice these public carriers should be required to pay a tax on freight and passengers carried commensurate with the use of and injury to the roads they pass over. The press credits the President to be keenly alive to these inequities and the Legislature of Oregon as being engaged in an investigation of them.

Senator WALCOTT. How did you arrive at that figure of $4,000,000 of loss in passenger revenue in the year 1920?

Mr. KRUTTSCHNITT. Because we keep track on the Southern Pacific of the number of these vehicles that are running and the number of people they carry.

Senator WOLCOTT. Well, are they common carriers, these vehicles that you keep track of—bus lines?

Mr. KRUTTSCHNITT. They are common carriers to the extent that private individuals operate them for profit, and for the carriage of freight and passengers, but they are not subject to the laws of common carriers, and that is what I am complaining about. They are favored at the expense of the general public.

Senator WOLCOTT. I understand that.

Mr. KRUTTSCHNITT. In other words, Tom, Dick, and Harry can go and use those roads to make all the money that he can rake in, and he doesn't have to pay anything for it, except for the gasoline to run his machine.

Senator WOLCOTT. I understand your contention on that, and it would seem to have some merit in it—to me at least. But your figures do not take any account of the private individual, the head of a family, who wants to go from town to town, and instead of riding on the train just loads his own family into a car and goes.

Mr. KRUTTSCHNITT. No; I have not mentioned that.

Senator WOLCOTT. So that your figure of $4,000,000 would be an underestimate, if anything?

Mr. KRUTTSCHNITT. Yes; it takes no account of that. We do not keep tab on private automobiles.

Senator WOLCOTT. I was curious to know how you reached that figure.

Mr. KRUTTSCHNITT. But take it in California. They build a new highway, an improved road. That is between two points. We have electric service between those points. The first thing we know some gentleman gets a great big autobus that can carry 40 or 50 people, and he runs it at the expense of the public, and incidentally at ours, because we are heavily taxed, right alongside of us, and takes the passengers from our trains. We can not stop because our business is no longer profitable. This gentleman can take his motorbus off that service any time he pleases; if it is bad weather, he need not run it. But we are tied down by obligations to the public fixed by law.

Senator TOWNSEND. Well, you are assuming, Mr. Kruttschnitt, that everybody that rides in an autotruck or an autocar would otherwise ride on your trains?

Mr. KRUTTSCHNITT. That is a fair assumption.

Senator TOWNSEND. Do you think it is?

Mr. KRUTTSCHNITT. I don't see why not. If we have a line which is carrying, we will say, a million passengers a month, and a road is built and a number of autobuses put on that carry passengers right alongside of us, it is fair to assume that all they take will be taken from us, unless some of the people who would not ride in the autobuses would buy their own automobiles, and those we do not complain of.

Senator TOWNSEND. Well, I think that has been a long argument of the railroads against the electric lines, that the electric lines that were paralleling them were destroying the steam roads' business—the steam roads' traffic. It has been quite the reverse in many cases, hasn't it? It has encouraged traffic, and your steam lines have not lost, although the electric lines have gained?

Mr. KRUTTSCHNITT. It has been the case where the electric lines have been designedly built as feeders to steam roads to bring the passengers to them; in such cases it has been profitable. But in most cases the electric lines have been built for the specific purpose of taking the traffic, which has been created and fostered by the steam roads, away from them and appropriating it.

The CHAIRMAN. You don't expect, Mr. Kruttschnitt, that the carriage by highway will be stopped?

Mr. KRUTTSCHNITT. Senator, I have not dreamed of suggesting that.

The CHAIRMAN. No.

Mr. KRUTTSCHNITT. I merely suggest, in line with what I say, what the President himself has suggested.

The CHAIRMAN. Precisely.

Mr. KRUTTSCHNITT. That it is not right to build these highways, at high cost to the people generally, and then permit a limited number of people to put heavy vehicles on them, vehicles that destroy these highways more rapidly in one trip that a thousand private automobiles would do, and let them reap unlimited profit from that business.

The CHAIRMAN. What you suggest is that those who carry freight for hire or those who carry passengers for hire shall pay a fair license fee or compensation for the privilege of using the roads which have been built and which are maintained by the public?

Mr. KRUTTSCHNITT. That is it. To pay a fair, reasonable price for the interest on construction of the roads and their maintenance. Now, take the State of Connecticut. I think the tax on my automobile is somewhere around $15 a year. The tax on heavy motor vehicles I don't think is as much as twice that. It ought to be very, very much more. Because the automobile that I run and that my neighbors run has a light wheel load, does not damage the roads, and we are probably forced into the side ditch by a truck that is carrying 10 or 15 tons.

Senator WOLCOTT. And then the driver will laugh at you.

Mr. KRUTTSCHNITT. Yes; laugh at me. While I have no personal feeling about being crowded into the ditch, except at the time being, when I am irritated, I do think that the fellow that is carrying such enormous loads there and tearing the roads up should be made to pay for it. In other words, he should not, at the expense of the public, reap all of that benefit from it and put it in his pocket. Year before last, after a heavy winter, the roads between New York and Stamford, Conn., were for the whole distance almost impassable. It was detour after detour where the roads had been torn up and were being repaired.

Senator WATSON. This traffic which you speak of, Mr. Kruttschnitt, is largely intrastate; it doesn't run over the State lines much, does it, especially in the western country?

Mr. KRUTTSCHNITT. Well, I am speaking about the local traffic. Of course all the traffic from the factories in Connecticut to New York is interstate.

Senator POMERENE. There are truck lines from Akron, Ohio, to Boston, that have been maintained for several years.

Senator WATSON. Yes; but do they do a great volume of business, Senator?

Senator POMERENE. Yes; they haul a large part of the product of the rubber plants there in that way, so I am advised.

The CHAIRMAN. Your argument is that the Government ought not to subsidize these carriers for hire, which are in competition with the railroads?

Mr. KRUTTSCHNITT. That is my point exactly, Senator. And they should not be allowed to wreck the business of steam lines, to wreck the property of citizens who have dedicated their money to public use, by the Government limiting the profit of the steam lines and allowing these gentlemen that make these common carrier companies to collect everything they can get without any regulation or limitation whatsoever. I know, living as I do along the New Haven road, you can go on what is called the Boston Post Road, which is a main road from New York to Boston, and the use of the road by the public for pleasure purposes is seriously interfered with by these fleets of these heavy motor trucks carrying machinery, and I don't know what all, from Connecticut factories parallel with the railroad to New York, for export.

The CHAIRMAN. You may proceed.

Senator FRELINGHUYSEN. Mr. Chairman, may I ask a question? Are these motor trucks run by incorporated companies, or are they run privately by the industry furnishing the product?

Senator POMERENE. The one that I spoke of was run privately by an industry.

Mr. KRUTTSCHNITT. Well, I can tell you, Senator, that if you will travel along this road that I have in mind you will see vehicles the size of a good-sized railroad box car on wheels labeled, "John Smith Quick Express Service between Bridgeport and New York." They are owned by private individuals. They are not subject to any regulation or any limitation as to earnings, or any regulations as to providing for the safety of the people they carry. They just proceed on their own hook and get all they can, and the heavier they load the trucks, why presumably the more they make. And there is almost no limit to the amount they put on.

Senator FRELINGHUYSEN. I am very familiar with the situation, because there are regular lines between New York and Philadelphia across New Jersey maintained at the present time, and they are destroying our roads without paying to the State a proper return for the damage they do.

Senator TOWNSEND. Well, that is largely a matter of regulation for the State, isn't it? The State can fix those charges. There is a license fee upon the users of the automobiles now which maintains the roads very largely after the roads are constructed. Most of the roads depend upon the automobile license fee to maintain the roads.

Senator FRELINGHUYSEN. That is not so in New Jersey, because they have a reciprocal arrangement with New York State; and if New York licenses the truck, New Jersey will not charge them a license fee, unless there is some recent legislation on that. But is it not interstate commerce from New York to Philadelphia?

Senator TOWNSEND. A great deal of it is.

* * * * * * *

Senator TOWNSEND. The Federal Government is not contributing $1,400,000,000, as you mentioned. The Federal Government has contributed $275,000,000. Now, you got your figures from figures that are frequently stated of the moneys invested in roads. That is the statement that is put up in connection with the Federal aid. The Federal Government has expended only about $275,000,000—appropriated that money for the construction of roads, and that only goes into a very small proportion of the roads of any one State. The balance of this vast amount of money that you are speaking about is the money that the States are appropriating for constructing State and county roads. That is where the large amount comes in.

Senator POINDEXTER. The same principle would apply.

Senator TOWNSEND. The same principle would apply, only your amount is not the Federal money.

Mr. KRUTTSCHNITT. I was going to say that except for the correction that you make the principle still stands, that the public agencies should not discriminate in favor of carriers over the highways.

Senator TOWNSEND. I am very much in favor myself, and have advocated the proposition, that the users of the roads, especially those that use them for profit, should contribute very largely for the maintenance.

Senator POMERENE. For hire.

Mr. KRUTTSCHNITT. Those that are used for hire; that is the identical idea that I am arguing. I am not mentioning the private individuals. The private individuals use the roads at a nominal fee. A fee of $12 or $15 for a private automobile is not worth considering.

Senator TOWNSEND. You take your manufacturing concerns—for instance, the Buick people or the Ford people in Detroit; they don't use the roads for hire, but they ship their cars on their own power; they drive them across the country. The roads are full of them; full of those cars when they are delivering them.

The CHAIRMAN. You present rather a difficult problem, Mr. Kruttschnitt, because the public will remember all the while that the Government has made, in one form or another, very large contributions in the construction of steam railroads, in the form of rights of way and other things of that kind. It is pretty hard to tell just where the beneficence of the Government should cease in regard to public highways.

Mr. KRUTTSCHNITT. You must not blame me, Mr. Senator, if I don't remember that, because the Government did advance money to the Central Pacific for its construction and it collected every dollar with interest.

The CHAIRMAN. I don't mean in operations of recent times. I mean the public has given a large part of the right of way that is now used by the railroad companies without any compensation at all.

Mr. KRUTTSCHNITT. Yes; when that right of way was given it wasn't worth anything. Largely over land that was desert. Take our own roads. Most of the right of way is over public lands, over desert lands, which even to-day, with the existence of the railroads, could not be sold over $1 or $1.50 an acre.

* * * * * * *

Mr. Kruttschnitt does not emphasize the land sold at $1,000 per acre and upward, nor that the value of these donated public lands is many hundreds of millions of dollars.

Now, the scene shifts to the House Ways and Means Committee, where your humble servant prances into the arena and points a lance at the somber foe of the "tin Lizzie" and its more opulent kinfolk:

STATEMENT OF HON. E. H. CLANCY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MICHIGAN.

Mr. Chairman and gentlemen of the Ways and Means Committee, I am very glad to follow Mr. BLAND, of Virginia, because he has made clear to you one of the irritating difficulties of this automobile motor-truck law, and if you give your approval to my bill repealing the motor-truck war excise tax the time of future Ways and Means Committees will not be taken up with details of this sort. He has made it quite clear to you that the motor truck is a necessity.

Mr. TREADWAY. He was speaking of it for school purposes. He was only following one line, Mr. CLANCY.

Mr. TILSON. Yes; and you are broadening it now.

Mr. CLANCY. I want to make it broader. I want to reinforce that idea by saying that you consider the railroad a necessity, no doubt, and the Pennsylvania system, the Jersey Central system, and I understand a number of other progressive railroads throughout the country have adopted as a subsidiary transportation system the autotruck lines to relieve the road of the expensive short haul, which is one of the main factors in maintaining high transportation costs. A record was kept for three months in the State of Connecticut on the State highways, and it was ascertained in that small State 1,000,000 tons of freight were carried in autotrucks in the short haul, which is so disastrous to the railroads and to the general public.

Mr. GARNER. Carried how long—in what period of time?

Mr. CLANCY. Three months.

Mr. CHINDBLOM. In the entire State?

Mr. CLANCY. In the State of Connecticut; yes, sir; over the State highways.

Mr. TILSON. Mr. CLANCY did not tell you how many million dollars' worth of roads they tore up for Connecticut, nor did he tell you that the New Haven Railroad has been hovering near the edge of bankruptcy for some time because of the loss of business and because it has to maintain its right of way when these trucks do not have to maintain their right of way.

Mr. CLANCY. No; I do not think I could tell you the wear and tear on any road by a person walking across it, or an automobile traveling over it, or by horses traveling over it.

Mr. MILLS. And the New Haven is probably paying taxes in order to maintain the right of way for these trucks that are competing with it.

Mr. TILSON. That is exactly what happens.

Mr. CLANCY. The way the New Haven road has been managed, I do not think God Almighty could save it.

Mr. GARNER. If you follow out that idea, you would stop the use of automobile trucks that the railroads themselves operate for profit.

Mr. TILSON. No; I want them to pay for the roads. That is all I want.

Mr. GARNER. They pay their local taxes now, just the same as the railroads do.

Mr. TILSON. And they ought to pay for their roadbed just the same as the railroads must do.

Mr. GARNER. Probably so; but the railroads can use the trucks. He says the Pennsylvania system is doing that, and they can all do it if they want to.

Mr. TILSON. I do not think they ought to be allowed to use them without paying for the privilege of using the highways. I do not think the Pennsylvania road or any other road should be permitted to use trucks to help out the railroad system and thereby destroy the highways without paying for them.

Mr. TREADWAY. May I ask Mr. CLANCY this question? Has not the use of the automobile truck developed very gradually from the delivery, perhaps, of small quantities of goods over the highways, and eventually the big truck has come into existence?

Mr. CLANCY. Yes, sir.

Mr. TREADWAY. Would you not consider that is the method that has grown up in the country?

Mr. CLANCY. Yes, sir.

Mr. TREADWAY. Well, that being the case, have we not failed to legislate for permission, for the establishment of these great thoroughfares and rights of way for them?

Mr. CLANCY. These motor trucks are paying toll into the State treasuries, and that item is taken into consideration by the various State highway commissions in fixing the license taxes.

Mr. TREADWAY. I beg to differ with the gentleman there. You can not begin to figure the destruction to the highways covered by the license that any truck pays, that I know of, in the United States.

Mr. CLANCY. The gentleman is probably aware that about only one-half of the revenues raised from motor taxation is returned for the upkeep of roads. I have the figures here, and they are already in the record, and I will put them in the record again in a brief which I hope to file.

Mr. TREADWAY. I agree with you in this way, Mr. CLANCY: I believe in the commercial value of the automobile; I think we must encourage its use for commercial purposes, but I do not believe that the States or the Federal Government should provide a free right of way to be destroyed at will, and then for the companies making these trucks to come in and ask for a special exemption in the form of taxation in addition to the free rights of way and all the other privileges that they get under the present law. In other words, it looks to me as though we want to put the screws on a little tighter on that kind of transportation, rather than to add to the present privileges. That is the way I look at it.

Mr. CLANCY. I would remind the gentleman—which he undoubtedly knows and has forgotten—that the manufacturer does not pay this tax; the farmer pays the tax.

Mr. TREADWAY. No; I beg your pardon. The class of trucks that I am referring to are these tremendous big things that take as much space, carry as much goods, many tons of freight, as a freight car does. No farmer owns one of them in the United States.

Mr. CLANCY. The farmer owns a truck which carries his produce.

Mr. TREADWAY. Oh, well, that is a different proposition. I am talking about these great big heavy trucks that destroy the highways.

Mr. CLANCY. The gentleman did not allow me to finish my sentence.

Mr. TREADWAY. I beg your pardon. I will not interrupt you again.

Mr. CLANCY. I was going to say that the farmer, the owner of the truck and the ultimate consumer, pays the tax. The manufacturer does not pay a cent of the tax. He transmits the cost to the purchaser of the motor car.

This motor-truck tax amounts to only $10,700,000. It is one of the most indefensible taxes that you have to consider.

A STORM AROSE; THE THUNDER ROLLED.

By this time the dignified colloquy had become a roaring chorus, with numerous gentlemen shouting questions and answers all at the same time to the utter discomfiture of the committee stenographer. The rest of the hearing was not so clearly a discussion of Mr. Kruttschnitt's dark Machiavellian philosophy, and my audience is spared it.

But now enters Mr. OLDFIELD, of Arkansas, and the scene shifts to the floor of the House, and he is reported on page 2444 of the CONGRESSIONAL RECORD.

THE OLD GUARD AGAIN.

Mr. MILLS and the 10 others referred to by Mr. OLDFIELD are the coterie which I frequently called the old guard on the floor of the House and in various statements.

Mr. OLDFIELD speaks:

You ought to understand them thoroughly, and I want to call your attention to the report of Mr. MILLS and the 10 others. He is referring to this section, and on page 42 he says:

> "The railroads of the country have just had a good year, but they have been unable for the last few years to obtain the necessary funds for permanent improvements by inviting more partners and fresh capital and have had to rely on mortgage financing."

Now, if they had not put that in the report, I would not have said anything about the railroads in this argument, but that goes to the country and goes to the railroad owners so that I want to answer that paragraph. Is it not a wonder, gentlemen, that after the experience of the American people with the railroad owners—not exactly the railroad owners of America but the railroad wreckers of America—that they can get anybody to go into partnership with them and give them money with which to carry on their business? I do not want to destroy the railroads; I do not want to hurt the railroads or any other business institutions in America, but I think it comes with poor grace for these men to come here and make an argument for a lower surtax rate in order to help the railroads to get money in order to carry on their business, when everybody knows they wrecked the New York, New Haven & Hartford, and that is the reason why they can not get partners.

They wrecked the Frisco line, they wrecked the Rock Island road, and the Gould outfit wrecked the Gould system. And then these men talk about reducing the surtax in order that they may get fresh money to put into their business.

Everybody knows, and I can prove, that 20 years ago the railroads owned every State legislature in this Union; they debauched everybody who was debauchable, if you please, in the interest of the railroads—not in the interest of the railroads, either, but in the interest of the men who were preparing and fixing to wreck the railroads of the country. And yet they come here, my friends, and ask you to reduce the surtaxes in order that these same railroads may get additional money.

Then, gentlemen, they do not want to take off the taxes on automobile trucks. Why? Because the automobile trucks in our country are competing with the railroads. One railroad president a short time ago appeared before a Senate committee and said he could not compete with the automobile and the trucks. That is largely true in my country. On a 25 or 30 mile haul they will not load a freight car, pay the freight, and unload it, but they will hire trucks and carry the freight in that way because they can do it cheaper. And one of the biggest railroad men in America, the highest-salaried railroad president in America, getting $120,000 a year, made the statement before a Senate committee that the railroads could not compete with automobile trucks. He was asked, "What are we to do for you?" And he said, "I think you ought to make these highways toll roads." Yes; let the people pay for the roads and then make them toll roads and pay for going over them, thus reducing the competition with the railroads and permitting the railroads to still hold up the people, if you please, in freight and passenger rates. And yet they come here in this report and want you to reduce the surtaxes, the high surtaxes levied on the rich, my friends, because they want those people to have money to lend to the railroads and to the public utilities.

The public utilities are in the same fix. The public utilities in St. Louis are now in the hands of a receiver, as is the case in many other cities of the country, not because they were not a paying investment, but because of the wreckers of those institutions, the wreckers of those big business institutions, wreckers who wanted to milk the corporations and let the people and taxpayers in the localities hold the bag, if you please.

Mr. TAGUE speaks in the same strain on the floor of the House, as reported on page 2592 of the CONGRESSIONAL RECORD.

I want to direct the attention of every Member in this House to the railroad situation of this country. It can not be said that the condition of some of the railroads of the country to-day was caused by the war. It can not be said that their deplorable condition was caused by accident. It was rather the acts of unscrupulous men who robbed and plundered the treasuries of some of the railroads of this country for their own benefit.

I know whereof I speak. In my own State of Massachusetts, I served on the committee which investigated the theft of the capital of some of the railroads in New England. I also want to refer to the New York, New Haven & Hartford Railroad scandal, to the Boston & Maine Railroad scandal, to the street-railway scandal, to the destruction of competing steamboat lines by the New Haven Railroad, and then ask yourselves why the people of these United States will not put their money into these securities. Mr. Chairman and gentlemen of the House, these are only a few of the exhibitions by these men in high finance that cause the people to hesitate before again trusting them with their savings. They took from the people of New England over $400,000,000 and drove the value of their securities in these railroads to practically nothing. Railroad stocks selling at over $200 a share are now selling at $13 a share; street-railroad lines and railroad companies in the hands of receivers; steamboat lines sold upon the market for practically nothing; and then these men come forward after their unscrupulous methods and say, "Give us more of the money of the people of this Nation that we may play with it."

Reference was made here to-day to the Rockefeller millions. It was men like Rockefeller and his associates who wrecked the Boston & Maine Railroad and the New York, New Haven & Hartford Railroad. For years Mr. Rockefeller played with the money of the people of this Nation, and when old age was coming and he thought he had played with the people's money long enough he took his earnings out of

industry and stocks and placed it in nontaxable securities, where it could not be touched by the taxation system of the Government, which had protected him in all these years. I am not afraid of nontaxable securities. There will be a time when we will reach nontaxable securities, and the time is not far distant. When the railroads apply to the people of this Nation for more money, let me say that the people of the country have lost confidence in railroad stocks and bonds and will no longer take them.

We will have more investigations in time to come perhaps, and we will have exposés as we are having to-day at the other end of the Capitol; but, my friends, business will never be good, the people will never trust the men in high finance again, until they resort to different methods than those of deception, bribery, and corruption.

NOW, CLASS, SOME CALISTHENICS.

But by this time the class must be tired of the shock of fiercely contending humans, so let us taper off with some didactic "questions and answers" on vital points developed in the committee and House discussions:

Question. While the motor user pays large sums to the United States he receives back large sums in road construction. Does any other class get similar treatment?

Answer. Yes. The steel industry is given contracts for steel used in battleships, but is not called on to pay a special tax. The farmer does not pay a special tax for the work of the Department of Agriculture. There is always a special benefit to somebody out of every activity for the general good, but others are not compelled to pay discriminatory taxes as the moter user is.

Highways are public property and are used by all the public. They are only constructed by the Nation. They are maintained by the State and its subdivisions. The motorist pays for their maintenance through State and local taxes.

No class should be called upon to bear the cost of a general benefit and in no other case is a class called upon to do so.

Further, the Government does not award money for highway construction for the sole benefit of the motor user. Highway construction constitutes a general benefit in which all participate. It increases property valuations, provides for the national defense, facilitates the Postal Service, lowers the cost of transportation, makes possible better health, police, fire, and sanitation standards for farmer and city man alike, and promotes the welfare of the Nation through binding communities and States together.

The Government does not appropriate highway funds for the benefit of the motor user, but because the whole public demands them.

HEAVY MOTOR TRUCKS.

Question. The heavy motor truck damages the road; why should not it pay the tax?

Answer. Every State has laws for the protection of its highways against abuse. These laws should be enforced; and where they are, the trucks do not unduly damage the highways. Witness Maryland, Connecticut, and other Commonwealths, where stringent overloading laws are enforced. These laws should be enforced everywhere, and no one in the motor industry holds any brief for those who violate them.

The testimony of T. H. MacDonald, Chief of the Bureau of Public Roads, before the Senate District Subcommittee on Traffic, set forth clearly that a load of 28,000 pounds is permissible under favorable weather conditions.

Regulatory laws exist. Will anyone say that the police can not enforce them?

The heavy motor truck is not used for pleasure. It is used only because of a public demand for transportation, and every cost added to its use must be paid for by the consumer. Examine the uses of the heavy vehicle, and it will be found transporting milk, meat, coal, building materials, and the other commodities essential to life. It is used only when it is cheaper than other forms of transport, or when it provides a transport which would not exist otherwise.

Its field is necessarily limited, but in its field it is indispensable.

GOOD MORNING, JUDGE.

Then come aluminum and other gougers on the component parts of the automobile, each predatory malefactor bending the back of the motorist still farther over his steering wheel.

Now I append a table showing some of the various gentry and interests which live off of and on and with the automotive industry. It is prepared by the National Automobile Chamber of Commerce, published in the Detroit Free Press, under date of January 6, 1924, covering the commodities going into the manufacture of cars, such as iron and steel, aluminum, glass, and so forth. The clipping is as follows:

[From Detroit Free Press, January 6, 1924.]

Preliminary facts and figures of the automobile industry for 1923, by Alfred Reeves, general manager National Automobile Chamber of Commerce.

PRODUCTION.

Cars and trucks	4,014,000
Cars	3,644,000
Trucks	370,000
Previous record motor-vehicle production, 1922	2,659,064
Percentage increase over 1922	50
Production of closed cars	1,235,000
Per cent closed cars	35
Total wholesale value of cars	$2,243,385,000
Total wholesale value of trucks	$267,500,000
Total wholesale value of cars and trucks	$2,510,885,000
Tire production	45,000,000
Wholesale value of motor-vehicle tire business	$760,000,000
Total wholesale value of parts and accessories, exclusive of tires	$1,310,000,000
Average retail price of car, 1923	$811
Average retail price of truck, 1923	$1,080
Purchasing power of automobile dollar (1913=100)	$1.11
Number of persons employed in motor-vehicle and allied lines	2,750,000
Special Federal excise taxes paid to United States Government by automobile industry in 1923	$155,000,000

REGISTRATION.

Motor vehicles registered in United States (approximately)	14,500,000
Motor cars	12,880,000
Motor trucks	1,620,000
World registration of motor vehicles	17,000,000
Per cent of world registration owned by United States	85
Motor vehicle registration on farms	4,250,000
Motor cars	3,890,000
Motor trucks	360,000
Miles of improved highway	430,000
Total miles of highways in United States	2,941,294

AUTOMOBILE'S RELATION TO OTHER BUSINESS.

Number of carloads of automobiles, parts, and tires shipped over railroads	750,000
Per cent of rubber supply used by automobile industry	70
Per cent of plate glass supply used by automobile industry	36
Per cent of copper supply used by automobile industry	14
Per cent of aluminum supply used by automobile industry	25
Per cent of iron and steel supply used by automobile industry	4
Per cent of upholstery leather supply used by automobile industry	54
Gasoline consumed by motor vehicles, 1923 (gallons)	5,404,184,000

MOTOR BUS AND MOTOR TRUCK.

Number of motor busses in use	51,000
Number of consolidated schools using motor transportation	12,500
Number of street railways using motor busses	107
Number of railroads using motor vehicles on short lines	167

EXPORTS.

Number of motor vehicles exported from United States factories and Canadian plants owned in United States	328,333
Number of motor cars exported	189,884
Number of motor trucks exported	37,049
Number of assemblies abroad of American cars	101,400
Value of motor vehicles and parts exported (including engines and tires)	$234,129,000
Rank of automobiles and parts among all exports	6
Per cent of motor vehicles exported	8
Imports of motor vehicles	890

MOTOR VEHICLE RETAIL BUSINESS IN UNITED STATES.

Total car and truck dealers	43,607
Public garages	50,911
Service stations and repair shops	67,802
Supply stores	65,988

HIGHWAYS.

The total amount paid into the United States Treasury from receipts on discriminatory motor taxes from 1917 to 1923, inclusive, was	$589,000,000
The total withdrawals from the United States Treasury for Federal highway aid from 1917 to 1923, inclusive, were	$264,800,000

Relation of highway withdrawals to motor payments, 45 per cent.

HARK! A FRIENDLY VOICE.

Statement of Secretary of Agriculture Henry C. Wallace:

The automobile revenues of the Government for the last fiscal year ended June 30, 1923, were, in round numbers, $146,000,000, and the withdrawals from the Treasury for Federal-aid highway purposes were approximately $72,000,000, which indicates clearly that the owners and operators of motor vehicles on our highways are bearing more than double the entire Federal expenditure for roads.

In a day or so I hope to show the slimy trail of oil across the motorist's windshield and into his pocketbook, as shown in the congressional struggle of two years ago.

TIME AND THE VOTER CORRECT ALL.

Let us close with the sovereign voter, his friends and relatives. The table shows his habitat, and all candidates for the House and Senate will surely give this at least one fleeting glance. It is taken from a standard auto journal, the Automotive Industries, issue of January 10, 1924, and is presumed to represent the latest compilation of figures on the subject. It is estimated that 4,000,000 new cars will be sold in 1924. Thus does the prolific motor voter multiply!

Registration of motor vehicles.

States.	Total registration of cars and trucks.	Passenger cars.	Trucks.	Motor cycles.	Total fees.
Alabama	126,642	112,797	13,845	599	$1,532,614
Arizona	48,386	41,852	6,534	288	281,584
Arkansas	111,946	100,758	11,188	300	1,698,000
California	1,093,660	1,050,265	43,395	14,654	10,548,386
Colorado	189,500	176,000	13,500	2,500	1,125,500
Connecticut	191,647	156,747	34,900	2,500	4,329,209
Delaware	29,500	24,000	5,500	400	625,000
District of Columbia	103,171	94,787	8,384	2,510	445,712
Florida	160,000	180,000	30,000	1,200	1,963,000
Georgia	173,794	151,325	22,469	1,011	2,156,406
Idaho	62,350	56,950	5,400	670	913,440
Illinois	909,092	847,003	122,087	7,612	9,653,795
Indiana	582,882	509,821	73,061	5,000	8,993,699
Iowa	572,611	536,296	36,315	3,034	8,825,962
Kansas	375,594	349,038	26,556	1,950	203,158
Kentucky	196,110	175,869	20,241	1,014	2,680,580
Louisiana	138,500	117,500	21,000	350	2,200,000
Maine	106,847	91,055	15,792	1,558	1,659,349
Maryland	206,450	193,850	12,600	4,850	3,452,720
Massachusetts	566,150	482,645	83,505	11,733	6,989,633
Michigan	728,327	655,017	73,310	4,163	8,845,575
Minnesota	448,187	399,404	48,783	3,220	7,244,490
Mississippi	103,850	93,850	10,000	114	1,166,923
Missouri	450,800	405,720	45,080	2,000	4,800,000
Montana	73,827	65,448	8,379	374	729,678
Nebraska	285,488	258,941	26,547	1,605	3,350,640
Nevada	15,700	12,400	3,300	90	155,000
New Hampshire	59,571	52,583	6,988	1,987	1,447,000
New Jersey	418,212	329,534	88,678	8,779	7,927,439
New Mexico	31,737	28,564	3,173	172	280,000
New York	1,214,090	966,116	247,974	22,981	19,858,572
North Carolina	247,700	226,500	21,200	1,300	6,642,503
North Dakota	109,244	105,957	3,287	645	760,444
Ohio	1,072,750	924,832	147,918	15,300	9,500,000
Oklahoma	307,000	288,424	18,576	823	3,380,000
Oregon	166,403	152,967	13,436	3,140	4,069,550
Pennsylvania	1,064,625	899,697	164,928	19,817	15,828,494
Rhode Island	116,940	93,303	23,637	1,800	1,440,257
South Carolina	128,656	116,537	12,119	561	902,608
South Dakota	131,707	121,152	10,555	466	2,000,000
Tennessee	165,000	146,500	18,500	800	2,200,000
Texas	688,899	618,208	70,691	3,346	5,647,663
Utah	66,025	57,460	8,565	766	834,225
Vermont	52,776	49,420	3,356	839	638,860
Virginia	217,200	188,200	29,000	1,800	2,500,000
Washington	258,264	221,164	37,100	3,560	4,200,000
West Virginia	157,926	150,472	7,454	1,353	2,608,508
Wisconsin	455,714	422,714	33,000	5,643	4,908,053
Wyoming	39,845	35,295	4,550	291	415,000
Total	15,281,295	13,484,939	1,796,356	171,568	180,919,289

Mr. HASTINGS. Mr. Speaker, the question of tax reduction is, of course, one of intense interest to everyone throughout the country. The bill under consideration is to amend and take the place of the revenue act of 1921, and has for its purpose to reduce and equalize taxes and to provide revenue.

The bill as originally introduced contained 344 printed pages. Almost every provision of the revenue act of 1921 is amended, either by additions or eliminations or changes of some kind, and there has been much misrepresentation as to the attitude of Members of Congress spread broadcast throughout the country by well-organized propaganda. A very large number of people were led to believe that the so-called Mellon plan and tax reduction were synonymous. For that reason many letters and telegrams were sent to Members of Congress, and resolutions were passed urging that the Representatives in Congress should support the so-called Mellon plan of tax reduction. The records show that this tax bill was introduced in the House of Representatives on February 7, 1924 (H. R. 6715), and was reported by the Ways and Means Committee on February 11, 1924, and the reported bill contained 242 pages. Of course, the public could not have known many of the provisions of the bill prior to that time.

The truth is that every Member of Congress was in favor of tax reduction, the only differences between them being as to the plan of reduction.

The Committee on Ways and Means reported the Mellon plan in sections 210 and 211 of the proposed bill.

Section 210 deals with the normal tax and it provides for the collection of a normal tax of 3 per cent of the net income upon the first $4,000 over and above the exemption of $1,000 allowed to a single person, and the exemption of $2,500 allowed to married persons whose incomes are less than $5,000, and 6 per cent on all the income in excess of that amount; and section 211 of the so-called Mellon, or Treasury plan, provides that a surtax shall be collected beginning with 1 per cent of the amount by which the net income exceeds $10,000, and does not exceed $12,000, and is graduated upward until 25 per cent is collected on the net income which exceeds $100,000. The difference between this so-called Mellon plan and the Democratic plan is:

First. The exemption of an unmarried person is raised from $1,000 to $2,000, and the exemption of married persons is raised from $2,500 to $3,000.

Second. The normal income-tax rate is 2 per cent on amounts of $5,000 and under, 4 per cent on amounts from $5,000 to $10,000, and 6 per cent on all amounts in excess of $10,000.

Third. The surtaxes levied under the Democratic plan begin with a 1 per cent surtax on all incomes between $12,000 and $14,000, and were graduated upward until 44 per cent was collected on all incomes between $92,000 and $94,000, and on all incomes above that amount. For convenient reference, and in order that the two plans may be compared, I am inserting herewith the surtax rates as proposed by the two plans and the Longworth substitute or compromise:

Comparison of surtax rates.

Income.	Present law.	Mellon plan.	Democratic plan.	Longworth compromise plan.
	Per cent.	*Per cent.*	*Per cent.*	*Per cent.*
$6,000-$10,000	1	0	0	0
$10,000-$12,000	2	1	0	1½
$12,000-$14,000	3	2	1	2½
$14,000-$16,000	4	3	2	3
$16,000-$18,000	5	4	3	3½
$18,000-$20,000	6	5	4	4½
$20,000-$22,000	8	6	5	6
$22,000-$24,000	9	7	6	6½
$24,000-$26,000	10	8	7	7½
$26,000-$28,000	11	9	8	8½
$28,000-$30,000	12	10	9	9
$30,000-$32,000	13	11	10	9½
$32,000-$34,000	15	12	11	11½
$34,000-$36,000	15	13	12	11½
$36,000-$38,000	16	14	13	12
$38,000-$40,000	17	14	14	12½
$40,000-$42,000	18	15	15	13½
$42,000-$44,000	19	15	16	14½
$44,000-$46,000	20	15	17	15
$46,000-$48,000	21	16	18	15½
$48,000-$50,000	22	16	19	16½
$50,000-$52,000	23	16	20	17½
$52,000-$54,000	24	17	21	18
$54,000-$56,000	25	17	23	18½
$56,000-$58,000	26	17	23	19½
$58,000-$60,000	27	18	24	20½
$60,000-$61,000	28	18	25	21
$61,000-$62,000	28	18	26	21
$62,000-$63,000	29	18	27	21½
$63,000-$64,000	29	18	28	21½
$64,000-$65,000	30	19	30	22½
$65,000-$66,000	30	19	30	22½
$66,000-$68,000	31	19	31	23½
$68,000-$70,000	32	19	32	24
$70,000-$72,000	33	20	33	24½
$72,000-$74,000	34	20	34	25½
$74,000-$76,000	35	20	35	26½
$76,000-$78,000	36	21	36	27
$78,000-$80,000	37	21	37	27½
$80,000-$82,000	38	21	38	28½
$82,000-$84,000	39	22	39	29½
$84,000-$86,000	40	22	40	30
$86,000-$88,000	41	22	41	30½
$88,000-$90,000	42	23	42	31½
$90,000-$92,000	43	23	43	32½
$92,000-$94,000	44	23	44	33
$94,000-$96,000	45	24	44	33½
$96,000-$98,000	46	24	44	34½
$98,000-$100,000	47	24	44	35½
$100,000-$150,000	48	25	44	36
$150,000-$200,000	49	25	44	36½
$200,000 and over	50	25	44	37½

An examination of these plans shows that the Democratic plan relieves the small income-tax payer by, first, increasing the exemptions on single persons from $1,000 to $2,000, and upon married persons whose incomes are less than $5,000 from $2,500 to $3,000; second, reducing the normal taxes on the smaller incomes; and, third, increasing the exemptions upon which surtaxes are collected so as to begin at the rate of 1 per

cent upon net incomes between $12,000 and $14,000, instead of beginning, as does the Mellon plan, at the rate of 1 per cent upon net incomes between $10,000 and $12,000; and the Democratic plan increases the income taxes collected upon those paying the higher incomes so as to collect 44 per cent on net incomes of $92,000 or more, whereas the Treasury or Mellon plan collects only 25 per cent on the higher net incomes of $100,000 or more.

Stating the matter in a different way and using the statistics of the year 1921, these being the last figures available, 6,662,176 persons made Federal income-tax returns in 1921. The Democratic plan will afford a greater reduction upon 6,652,833 persons making income-tax returns, while under the Treasury or Mellon plan only 9,343 persons will receive a greater reduction in their taxes than they would receive under the Democratic plan.

In my State of Oklahoma 69,381 persons made Federal income-tax returns in 1921. Of these, 69,349 persons will receive a greater reduction under the Democratic plan, whereas only 32 would receive a greater reduction under the Mellon or Treasury plan. In order that these figures may be available, I am inserting herewith a table showing numerical comparison of taxpayers by States for the year 1921, the latest available statistics from the Treasury Department, as follows:

[The first column of figures represents the number of persons in each State who paid Federal taxes in 1921; the second column represents those who will receive a greater reduction in their taxes under the Democratic plan than under the Mellon plan; and the third column represents those who will receive a greater reduction in their taxes under the Mellon plan than under the Democratic plan.]

State.	(1)	(2)	(3)
Alabama	43,009	42,975	34
Arizona	18,477	18,476	1
Arkansas	33,830	33,820	10
California	286,082	385,647	435
Colorado	69,676	69,636	40
Connecticut	123,269	123,096	173
Delaware	15,889	15,872	17
District of Columbia	89,966	89,864	102
Florida	42,249	42,221	28
Georgia	67,719	67,671	48
Hawaii	11,481	11,451	30
Idaho	22,976	22,974	2
Illinois	611,558	610,703	855
Indiana	150,300	150,216	84
Iowa	111,483	111,441	42
Kansas	88,785	88,770	15
Kentucky	69,496	69,451	45
Louisiana	67,960	67,911	49
Maine	44,397	44,355	42
Maryland	112,963	112,787	176
Massachusetts	388,442	387,693	749
Michigan	250,147	249,883	264
Minnesota	124,501	124,370	131
Mississippi	25,614	25,606	8
Missouri	172,519	172,350	169
Montana	30,907	30,903	4
Nebraska	71,853	71,832	21
Nevada	9,719	9,717	2
New Hampshire	32,410	32,386	24
New Jersey	269,096	268,692	404
New Mexico	11,780	11,778	2
New York	1,066,637	1,063,606	3,031
North Carolina	44,161	44,109	52
North Dakota	18,440	18,439	1
Ohio	367,096	366,657	439
Oklahoma	69,381	69,349	32
Oregon	62,804	62,776	28
Pennsylvania	621,103	619,885	1,218
Rhode Island	48,057	47,919	138
South Carolina	25,160	25,149	11
South Dakota	21,681	21,680	1
Tennessee	60,949	60,919	30
Texas	200,188	200,084	104
Utah	26,128	26,125	3
Vermont	17,746	17,732	14
Virginia	76,257	76,225	32
Washington (Alaska)	115,688	115,659	29
West Virginia	75,277	75,215	62
Wisconsin	148,457	148,350	107
Wyoming	22,413	22,408	5
Total	6,662,176	6,652,833	9,343

When these figures are compared and analyzed, and the people are advised as to the difference between the two plans, I assert with great confidence that they will favor the adoption of the Democratic plan.

In order to assist in making a further comparison I am inserting a table showing comparative tax of married persons without dependents and the percentage of reduction under the Mellon and under the Democratic plans as compared with existing law, as follows:

Income.	Amount of tax under—			Per cent reduction under—	
	Present law.	Mellon plan.	Democratic plan.	Mellon plan.	Democratic plan.
				Per cent.	*Per cent.*
$5,000	$100.00	$75.00	$40.00	25.00	60.00
$10,000	520.00	360.00	240.00	30.76	53.84
$20,000	1,720.00	1,260.00	1,040.00	26.74	39.53
$30,000	3,520.00	2,660.00	2,340.00	24.43	20.68
$40,000	5,840.00	4,540.00	4,140.00	22.26	29.10
$50,000	8,640.00	6,680.00	6,440.00	22.68	25.46
$60,000	11,940.00	8,960.00	9,240.00	24.79	22.61
$70,000	15,740.00	11,640.00	12,750.00	26.04	18.99
$80,000	20,040.00	14,080.00	16,850.00	29.74	15.91
$90,000	24,840.00	16,880.00	21,450.00	32.04	13.64
$100,000	30,140.00	19,940.00	26,430.00	33.84	12.30
$200,000	86,640.00	52,740.00	76,430.00	39.12	11.78

The above table shows the amount of tax that would be collected under the present law, the amount that would be collected under the Mellon plan, and the saving to the taxpayers that would be effected under the Democratic plan.

Upon a vote in the House upon the two plans, the Mellon plan was rejected by a vote of 261 to 153, or by a majority of 108 votes. Sixty-two Republicans voted against the Mellon plan and in favor of the Democratic plan. The so-called compromise plan, introduced by the majority leader, Mr. LONGWORTH, does not materially differ from the Democratic plan. The principal differences are, first, the Longworth compromise plan does not raise the exemption upon individuals from $1,000 to $2,000, nor upon married persons from $2,500 to $3,000, as does the Democratic plan; second, it lowers the normal taxes, as does the Democratic plan, to 2 per cent upon the first $4,000, in excess of exemptions, and then it collects 5 per cent upon the next $4,000, and thereafter 6 per cent is the normal tax collected, whereas the Democratic plan imposes a normal income tax of 2 per cent on amounts of $5,000, 4 per cent on amounts from $5,000 to $10,000, and 6 per cent on the net incomes in excess of that amount; and, third, the compromise plan collects a surtax on net incomes between $10,000 and $12,000, whereas the Democratic plan begins imposing a surtax on net incomes between $12,000 and $14,000, and both plans graduate the surtax until 37½ per cent is collected in the highest brackets under the compromise plan upon net incomes of $200,000 or over, whereas the Democratic plan collects 44 per cent upon net incomes of $92,000 and over that amount.

There is no difference in principle between the plans, except as herein stated, between the Democratic plan and the compromise plan.

It is estimated that the raising of exemptions on incomes from $1,000 to $2,000 on single persons, and from $2,500 to $3,000 on married persons, would relieve about 800,000 persons from making returns, who are now required to make such returns, and would relieve from further taxes nearly 1,646,000 persons whose average taxes are under $12,000 each.

For convenient reference I am inserting the following comparative table showing amount of surtax under the existing law, Mellon plan, Democratic plan, and Longworth compromise plan:

Income.	Present.	Mellon.	Democratic.	Longworth.
$11,000	$60.00	$10.00		$15.00
$12,000	80.00	20.00		30.00
$13,000	110.00	40.00	$10.00	52.50
$14,000	140.00	60.00	20.00	75.00
$15,000	180.00	90.00	40.00	105.00
$16,000	220.00	120.00	60.00	135.00
$17,000	270.00	160.00	90.00	172.50
$18,000	320.00	200.00	120.00	210.00
$19,000	380.00	250.00	160.00	255.00
$20,000	440.00	300.00	200.00	300.00
$21,000	520.00	360.00	250.00	360.00
$22,000	600.00	420.00	300.00	420.00
$23,000	690.00	490.00	360.00	487.50
$24,000	780.00	560.00	420.00	555.00
$25,000	880.00	640.00	490.00	630.00
$26,000	980.00	720.00	560.00	705.00
$27,000	1,090.00	810.00	640.00	787.50
$28,000	1,200.00	900.00	720.00	870.00
$29,000	1,320.00	1,000.00	810.00	960.00
$30,000	1,440.00	1,100.00	900.00	1,050.00
$31,000	1,570.00	1,210.00	1,000.00	1,147.50
$32,000	1,700.00	1,320.00	1,100.00	1,245.00
$33,000	1,830.00	1,440.00	1,210.00	1,387.50

Income.	Present.	Mellon.	Democratic.	Longworth.
$34,000	$2,000.00	$1,560.00	$1,320.00	$1,470.00
$35,000	2,150.00	1,690.00	1,440.00	1,582.50
$36,000	2,300.00	1,820.00	1,560.00	1,720.00
$37,000	2,460.00	1,960.00	1,690.00	1,815.00
$38,000	2,620.00	2,100.00	1,820.00	1,935.00
$39,000	2,790.00	2,240.00	1,960.00	2,062.50
$40,000	2,960.00	2,380.00	2,100.00	2,190.00
$41,000	3,140.00	2,530.00	2,250.00	2,325.00
$42,000	3,320.00	2,680.00	2,400.00	2,460.00
$43,000	3,510.00	2,830.00	2,560.00	2,602.50
$44,000	3,700.00	2,980.00	2,720.00	2,745.00
$45,000	3,900.00	3,130.00	2,890.00	2,895.00
$46,000	4,100.00	3,280.00	3,060.00	3,045.00
$47,000	4,310.00	3,440.00	3,240.00	3,202.50
$48,000	4,520.00	3,600.00	3,420.00	3,360.00
$49,000	4,740.00	3,760.00	3,610.00	3,525.00
$50,000	4,960.00	3,920.00	3,800.00	3,690.00
$51,000	5,190.00	4,080.00	4,000.00	3,862.50
$52,000	5,420.00	4,240.00	4,200.00	4,035.00
$53,000	5,660.00	4,410.00	4,410.00	4,215.00
$54,000	5,900.00	4,580.00	4,620.00	4,395.00
$55,000	6,150.00	4,750.00	4,840.00	4,852.50
$56,000	6,400.00	4,920.00	5,060.00	4,770.00
$57,000	6,660.00	5,090.00	5,290.00	4,965.00
$58,000	6,920.00	5,260.00	5,520.00	5,160.00
$59,000	7,190.00	5,440.00	5,760.00	6,362.50
$60,000	7,460.00	5,620.00	6,000.00	5,565.00
$61,000	7,740.00	5,800.00	6,250.00	5,775.00
$62,000	8,020.00	5,980.00	6,510.00	5,985.00
$63,000	8,310.00	6,160.00	6,780.00	6,202.50
$64,000	8,600.00	6,340.00	7,060.00	6,420.00
$65,000	8,900.00	6,530.00	7,350.00	6,645.00
$66,000	9,200.00	6,720.00	7,650.00	6,870.00
$67,000	9,510.00	6,910.00	7,960.00	7,102.50
$68,000	9,820.00	7,100.00	8,270.00	7,335.00
$69,000	10,140.00	7,290.00	8,590.00	7,575.00
$70,000	10,460.00	7,480.00	8,910.00	7,815.00
$71,000	10,790.00	7,680.00	9,240.00	8,062.50
$72,000	11,120.00	7,880.00	9,570.00	8,310.00
$73,000	11,460.00	8,080.00	9,910.00	8,565.00
$74,000	11,800.00	8,280.00	10,250.00	8,820.00
$75,000	12,150.00	8,490.00	10,600.00	9,082.50
$76,000	12,500.00	8,680.00	10,950.00	9,345.00
$77,000	12,860.00	8,890.00	11,310.00	9,615.00
$78,000	13,220.00	9,100.00	11,670.00	9,885.00
$79,000	13,590.00	9,310.00	12,040.00	10,162.50
$80,000	13,960.00	9,520.00	12,410.00	10,440.00
$81,000	14,340.00	9,730.00	12,790.00	10,725.00
$82,000	14,720.00	9,940.00	13,170.00	11,010.00
$83,000	15,110.00	10,160.00	13,560.00	11,302.50
$84,000	15,500.00	10,380.00	13,950.00	11,595.00
$85,000	15,900.00	10,600.00	14,350.00	11,895.00
$86,000	16,300.00	10,820.00	14,750.00	12,195.00
$87,000	16,710.00	11,040.00	15,160.00	12,502.50
$88,000	17,120.00	11,260.00	15,570.00	12,810.00
$89,000	17,540.00	11,490.00	15,990.00	13,125.00
$90,000	17,960.00	11,720.00	16,410.00	13,440.00
$91,000	18,390.00	11,950.00	16,840.00	13,762.50
$92,000	18,820.00	12,180.00	17,270.00	14,085.00
$93,000	19,260.00	12,410.00	17,710.00	14,415.00
$94,000	19,700.00	12,640.00	18,150.00	14,745.00
$95,000	20,150.00	12,880.00	18,590.00	15,082.50
$96,000	20,600.00	13,120.00	19,030.00	15,420.00
$97,000	21,060.00	13,360.00	19,470.00	15,765.00
$98,000	21,520.00	13,600.00	19,910.00	16,110.00
$99,000	21,990.00	13,840.00	20,350.00	16,462.50
$100,000	22,460.00	14,080.00	20,790.00	16,815.00
$150,000	46,460.00	26,580.00	42,790.00	34,815.00
$200,000	70,960.00	39,080.00	64,790.00	53,190.00
$250,000	93,960.00	51,580.00	86,790.00	71,940.00

TAX REDUCTION JUSTIFIED.

The Treasury Department, under date of November 10, 1923, advised that there would be a surplus of more than $300,000,000 for the present year. For the fiscal year 1923, ending on June 30, 1923, there was a surplus of $309,657,460.30, and it is estimated for the year 1924 there will be a surplus of $329,639,924, and for the fiscal year of 1925, $395,681,634.

It will be seen, therefore, that it was the plain duty of the Congress to relieve the people of these unnecessary tax burdens.

It is interesting to remember that when the adjusted compensation bill was passed by the last Congress the Treasury Department, in order to justify a presidential veto of that bill, estimated that there would be a deficit of approximately $650,000,000.

OTHER PROVISIONS OF THE BILL.

There are, of course, many other provisions of the bill in addition to the income-tax provisions contained in sections 210 and 211.

The inheritance taxes were increased, and a tax on gifts imposed, and the excise taxes were either reduced or eliminated. The 2-cent tax on each $100 promissory note was repealed, as was the tax on theater admissions where the price of admission is 50 cents and under. A liberal exemption of $1,000 was allowed on automobiles, and a reduction from 5 per cent to 2½ per cent was made on automobile accessories. The administrative features were improved, in effect embodying in legislation many of the rules and regulations of the Treasury Department.

I really favor a larger reduction of excise taxes.

NECESSITY FOR STRICTEST ECONOMY.

In this connection permit me to repeat that the Congress should closely scrutinize every appropriation, and there should be the strictest economy in every branch of the Government. When money is appropriated it comes from the people and must be collected through taxation, direct and indirect. The people of the several States should, however, be reminded that most of the taxes which they pay, including ad valorem taxes and State income and other State taxes, are for local purposes to maintain their State governments, and for county, municipal, and educational purposes, and in this connection the people should be urged again to use the strictest economy against extravagant or unnecessary expenditures of all kinds. Their tax receipts will indicate for what purposes the taxes are collected.

HISTORY OF INCOME-TAX LEGISLATION.

The question of income-tax legislation as applied to the United States is an interesting one. The first income-tax law was enacted during the Civil War, on August 5, 1861, and amended July 1, 1862, and was repealed in 1872.

The next income-tax bill was enacted August 15, 1894, but was declared unconstitutional by the Supreme Court of the United States in the Pollock case, on rehearing, May 20, 1895 (158 U. S. 601). This led to the proposal and adoption of the Sixteenth Amendment to the Constitution, as follows:

The Congress shall have power to lay and collect taxes on incomes from whatever source derived without apportionment among the several States and without regard to any census or enumeration.

which was declared to have been ratified in a proclamation dated February 25, 1913.

The first income-tax law under this amendment was enacted October 3, 1913, as subdivision 2 of the tariff act. Other income tax acts have been passed—in 1916, 1917, 1919, and 1921. Nearly all of the leading countries of the world at the present time raise a large part of their revenue to sustain their respective governments by an income tax. It is conceded to be the fairest tax that is levied. No tax, direct or indirect, is popular, but conceding that the Government is economically run, that there are no extravagances, and that a certain amount of money is absolutely necessary to pay the expenses of government, the income tax, with certain exemptions to exclude small incomes, and deductions for families and other purposes, is based upon the amount actually earned during any calendar year. It is a tax upon wealth, taking into consideration the ability of the taxpayer to pay. It is a fair and a just tax provided it is equitably distributed and provided, of course, that no more money is collected from the people of the country than is absolutely necessary to pay the expenses of the Government economically administered.

THE BUDGET SYSTEM.

I supported the Budget system and made a speech in its favor in the House on October 25, 1919.

The Congress should not increase expenditures not recommended, except for the most urgent needs of the Government.

President Wilson strongly urged the Budget system, as did Hon. John J. Fitzgerald and Hon. Swager Sherley, both Democratic chairmen of the House Committee on Appropriations, and Congress, during the Wilson administration, passed the bill, but President Wilson was compelled to veto it because an unconstitutional provision was incorporated in it as to the manner of removing the head of the bureau—the Comptroller General—by a joint resolution of Congress. The Department of Justice held that this provision was unconstitutional, and President Wilson, though strongly favoring Budget legislation, felt compelled to veto the bill and urged Congress to repass the bill with the above objection eliminated. The Republican Congress refused to act upon his recommendation and permitted the bill to go over into the succeeding Congress and then enacted it in order to claim the credit for it politically.

CONSTITUTIONAL AMENDMENT.

In order to further aid in reducing appropriations I have introduced a constitutional amendment, which is pending before the Judiciary Committee, authorizing and empowering the President of the United States to veto separate items in an appropriation bill. The constitution of the State of Oklahoma has a similar provision. Many other State constitutions have like provisions. The governors of nearly all the States have indorsed this provision. Congress has heretofore been severely

criticized for including questionable items in appropriation bills for local purposes. This provision would enable the President to veto any separate item in an appropriation bill. The only objection urged against it is the reluctance to add another amendment to the Constitution, but of course that is an objection that could be urged against any amendment to the Constitution.

EXPENDITURES ENORMOUSLY INCREASED.

The expenditures of the Government have of course increased from year to year, and in order that we may have for convenient reference the amount of such increases so that they may be compared year by year I am submitting herewith the expenditures made from the beginning of our Government down to the present time. These expenditures include the civil and miscellaneous expenses, War Department, including rivers and harbors, Panama Canal, Navy Department, Indians, pensions, postal deficiencies, interest on the public debt, as shown by the annual report of the Secretary of the Treasury for the fiscal year ending June 30, 1923, as follows:

Expenditures of the United States Government, by fiscal years, from 1791 to 1923.

TOTAL EXPENDITURES CHARGEABLE AGAINST ORDINARY RECEIPTS.

1791	$4,269,027
1792	5,079,532
1793	4,482,313
1794	6,990,839
1795	7,529,809
1796	5,726,986
1797	6,133,634
1798	7,676,504
1799	9,666,455
1800	10,786,075
1801	9,394,582
1802	7,862,118
1803	7,851,653
1804	8,719,442
1805	10,506,234
1806	9,803,617
1807	8,354,151
1808	9,932,492
1809	10,280,748
1810	8,156,510
1811	8,058,337
1812	20,280,771
1813	31,681,852
1814	34,720,926
1815	32,708,139
1816	30,586,694
1817	21,848,820
1818	19,825,121
1819	21,463,810
1820	18,260,627
1821	15,810,753
1822	15,000,220
1823	14,708,840
1824	20,326,708
1825	15,857,229
1826	17,035,797
1827	16,139,108
1828	16,394,843
1829	15,293,333
1830	15,143,066
1831	15,247,651
1832	17,288,950
1833	23,017,552
1834	18,627,569
1835	17,572,813
1836	30,868,164
1837	37,243,496
1838	33,865,059
1839	26,899,128
1840	24,317,579
1841	26,565,873
1842	25,205,761
1843	11,858,075
1844	22,337,571
1845	22,937,408
1846	27,766,925
1847	57,281,472
1848	45,377,226
1849	45,051,657
1850	39,543,492
1851	47,709,017
1852	44,194,919
1853	48,184,111
1854	58,044,862
1855	59,742,068
1856	69,571,026
1857	67,795,708
1858	74,185,270
1859	69,070,977
1860	63,130,598
1861	66,546,045
1862	474,761,819
1863	714,740,725
1864	865,322,042
1865	1,297,555,224
1866	520,809,417
1867	357,542,675
1868	377,340,285
1869	322,865,278
1870	309,653,561
1871	$292,177,188
1872	277,517,963
1873	290,345,245
1874	302,633,873
1875	274,628,393
1876	265,101,085
1877	241,334,475
1878	236,964,327
1879	266,947,884
1880	267,642,958
1881	260,712,888
1882	257,981,440
1883	265,408,138
1884	244,126,244
1885	260,226,935
1886	242,483,139
1887	267,932,184
1888	267,924,801
1889	299,288,978
1890	318,040,711
1891	365,772,906
1892	345,022,383
1893	383,477,953
1894	367,525,281
1895	356,195,298
1896	352,179,446
1897	365,774,159
1898	443,368,583
1899	605,072,179
1900	520,809,847
1901	524,616,925
1902	485,234,249
1903	517,005,127
1904	583,659,909
1905	567,278,314
1906	570,202,278
1907	579,128,842
1908	659,196,320
1909	693,743,885
1910	693,617,065
1911	691,201,512
1912	689,881,334
1913	724,511,963
1914	735,081,421
1915	760,586,802
1916	741,996,727
1917	2,986,042,104
1918	13,791,907,895
1919	18,952,141,180
1920	6,141,745,240
1921	4,891,106,819
1922	3,618,037,797
1923	3,647,647,849

Let me emphasize that the above expenditures do not include the amounts annually expended for the Postal Service but do include the amounts appropriated for postal deficits.

Contrast the expenditure of $4,269,027 for the first 15 months of Washington's administration with the expenditure of $3,647,647,849 appropriated for the fiscal year ending June 30, 1923.

The revenues received by our Government, from all sources, for the fiscal year ending June 30, 1923, were as follows:

Ordinary receipts.	Fiscal year 1923.	Corresponding period fiscal year 1922.
Customs	$561,928,866.66	$356,443,387.18
Internal revenue:		
Income and profits tax	1,678,607,428.22	2,088,128,192.68
Miscellaneous internal revenue	945,865,332.61	1,145,125,094.11
Miscellaneous receipts:		
Proceeds Government-owned securities—		
Foreign obligations—		
Principal	31,636,907.64	48,673,554.63
Interest	204,332,247.86	26,548,513.03
Railroad securities	69,297,348.01	
All others	46,301,371.60	26,079,128.49
Trust-fund receipts (reappropriated for investment)	26,602,670.00	42,113,487.75
Proceeds sale of surplus property	91,706,388.29	118,606,798.68
Panama Canal tolls, etc	17,271,855.23	11,747,092.47
Receipts from miscellaneous sources credited direct to appropriations	65,911,405.40	
Other miscellaneous	240,333,648.32	270,638,990.92
Total	4,037,135,489.36	4,109,104,136.94

This table shows the amount, and from the sources collected, of all money received by the Federal Government for the above period, but does not include postal receipts of $532,827,925.09. The postal receipts added to the above amounts of revenue collected makes a grand total of $4,641,932,076.03.

THE FOREIGN DEBT.

Our Federal taxes could be further reduced, provided all of our foreign loans were funded and the interest and amortized payments regularly paid. The Treasury Department reported, under date of December 3, 1923, the following advances heretofore made on account of purchase of obligations of foreign governments:

Countries.	Credits established.	Cash advanced.	Other charges against credits.	Balance under established credits.
Belgium	$249,214,467.89	$249,214,467.89		
Cuba	10,000,000.00	10,000,000.00		
Czechoslovakia	67,329,041.10	61,974,041.10		$5,355,000.00
France	2,997,477,809.00	2,997,477,809.00		
Great Britain	4,277,000,000.00	4,277,000,000.00		
Greece	48,236,622.05	15,000,000.00	$33,235,622.05	
Italy	1,648,684,650.90	1,648,684,650.90		
Liberia	26,000.00	26,000.00		
Rumania	25,000,000.00	25,000,000.00		
Russia	187,729,750.00	187,729,750.00		
Serbia	26,780,465.56	26,780,465.56		
Total	9,639,823,204.50	9,593,236,575.45	33,236,629.05	5,355,000.00

Of these amounts the indebtedness of Great Britain has been funded.

There have also been some payments of comparatively small amounts on the above obligations but not sufficient to pay the interest thereon, and hence the amount due, principal and interest, is in excess of the above amounts.

Under date of December 3, 1923, the Treasury Department reports repayments on account of the principal of obligations of foreign governments purchased by the United States have been made as follows:

Belgian Government	$2,003,659.21
Cuban Government	10,000,000.00
French Government	64,212,568.04
British Government	202,181,641.56
Rumanian Government	1,794,180.48
Serbian Government	720,600.16
Italian Government	37,000.74
Total	280,949,650.19

The Republic of Finland recently funded an indebtedness due and owing our Government of approximately $9,000,000, upon the same terms and conditions as the British loan was funded, dividing it into 62 annual payments, the entire amount bearing interest at the rate of 3 per cent, payable semiannually, for the first 10 years, and 3½ per cent per annum thereafter.

Our World War Foreign Debt Commission, created by the act of Congress of February 9, 1922, as amended by the act of February 28, 1923, has made diligent effort to secure the funding of the obligations of the other foreign nations.

I favor the collection of every dollar of the entire foreign indebtedness, both principal and interest, and the remission of none of it. Congress should insist upon this commission urging the funding of this foreign indebtedness at the earliest possible moment, and to that end I favor a resolution expressing the impatience of Congress with the delays encountered by our commission, and if, after a reasonable time, say, June 30, 1925, the indebtedness is not funded, I would favor severing diplomatic relations with any foreign country declining, failing, or refusing to pay either the interest and principal due to our Government or funding the same in an acceptable manner. There can be no excuse given why this indebtedness should not be funded at an early date. The armistice was signed more than five years ago and the people of the United States are justified in expecting the representatives of our Government to see to it that the indebtedness due from foreign governments is funded and the interest and amortized payments be met so that our Government may, with certainty, anticipate the amounts to be paid, and the dates when they are to be paid, and to that extent our people may be relieved of taxes. I do not believe that such a resolution by Congress would embarrass our commission, or any other representative of our Government, but would strengthen them in urging an early funding of this foreign indebtedness.

Mr. ROBSION of Kentucky. Mr. Speaker, the proposal of President Coolidge to reduce Federal taxes touched a responsive chord. Everybody wants the tax burden lifted as much as possible. The Democrats are resorting to every sort of trick and device in their efforts to convince the American people that they will be responsible for the tax reduction. They want to claim the credit. They will not be able to fool the people. There could be no tax reduction at this time but for the wise and economical conduct of the Nation's business by the Republican administration for the last three years.

NATION'S DEBT, $27,000,000,000.

When the Democrats went into power in 1913 the Nation's debt was about $1,000,000,000. Before they went out of power, through waste and extravagance and the World War they had increased the Nation's debt to nearly $27,000,000,000. It was increased 27 times. Since the Republicans got into control of Congress and the executive branch of the Government, this debt has been steadily decreased. It is now less than $22,000,000,000. Federal taxes reached their highest point in all of our history under the Wilson administration. The war closed November 11, 1918, yet these heavy war-time taxes were still in full force when President Harding took office March 4, 1921.

DEMOCRATIC WASTE AND EXTRAVAGANCE.

Much of the increase of our national debt and Federal taxes was due to the wanton waste and reckless extravagance of the last administration. The Wilson administration spent in the fiscal year ended June 30, 1919, over $18,544,879,955, and only four and one-half months of that period was war. They spent in one year nearly five times as much as it cost the Union in four years of Civil War. They spent for the fiscal year ended June 30, 1920, about $7,000,000,000, nearly twice as much as the cost of four years of Civil War. This sum would pay the soldiers' bonus in cash five times. We can readily see why the heavy war taxes were kept in force until the Democrats went out of office.

THE REPUBLICANS REDUCED TAXES.

When President Harding assumed office March 4, 1921, he found all of the high war taxes still in effect. In cooperation with a Republican Congress he inaugurated a policy of the strictest economy. The Budget bill was promptly passed by Congress and signed by the President. This law placed the affairs of our Government upon a business basis and has saved hundreds of millions of dollars annually. The Army was greatly reduced and placed on a peace-time basis, thereby saving other millions of dollars. President Harding called the naval disarmament conference of the leading naval powers of the world and proposed that the competition in naval armaments cease, that no new battleships be built for 10 years, and that many of the battleships now in use be scrapped. The naval powers of the world adopted the President's suggestions, and in this way saved hundreds of millions of dollars to the American taxpayers; thousands of useless offices were abolished and thousands of useless job holders were let out. Because of these economies and wise administration of the Nation's affairs, the Harding administration spent $2,000,000,000 less the first year than had been spent by the Democrats the last year that they were in power. The Republican Congress in 1921 passed a tax-reduction bill which was promptly signed by President Harding. This reduced the tax burden of the American people nearly $1,000,000,000 annually.

REPUBLICAN SURPLUS VERSUS DEMOCRATIC DEFICIT.

Until the very day President Wilson retired from office, we had the highest Federal taxes in the history of this country, and our debt and deficit constantly increasing. Since the Republicans came into power, the national debt, which was nearly $27,000,000,000 is now less than $22,000,000,000. We have greatly reduced the Federal taxes. So effective has been the economy practiced by the Republican administration, we find a surplus in the Treasury of over $300,000,000, and we find that this sum or more will be saved annually to the people. It was this magnificent surplus in the Treasury that led President Coolidge recently to urge Congress to further reduce taxes. We have before us the amazing spectacle of two tax reductions in less than three years, and the national debt reduced billions of dollars. When the Democrats found that there was a surplus, they came forward with much noise and bluster and insisted that they tell the Congress how the taxes should be reduced. The country still remembers that they had eight years of control of this Government, but there was no surplus at any time, and was none when they went out of power. They had increased the taxes to the highest point in all our history. They had increased the Nation's debt from $1,000,000,000 to $27,000,000,000. The Democrats have proved themselves to be experts in tax increases and debt increases and without experience in tax reductions and debt reductions. It was the wise leadership of the Republicans that made a tax reduction possible in 1921, and that makes another tax reduction possible in 1924. The country certainly can trust the Republicans to grant all the reductions possible under the circumstances and to pass a law that is fair and just to all the people.

MELLON, GARNER, AND LONGWORTH PLANS.

There are three plans before the House. The so-called Mellon plan was submitted by Secretary Mellon. The Garner plan is backed by the Democrats. The Longworth plan was submitted as a compromise by the Republican floor leader LONGWORTH. There is no doubt but what Secretary Mellon is one of the very great financial experts of the country, and one of the very greatest Secretaries of the Treasury. Much of the Mellon plan has been agreed to by both Democrats and Republicans. The difference of opinion arises on the income taxes, inheritance taxes, and gift taxes. A majority of the House does not agree with Secretary Mellon on these propositions.

FAVORS THE RICH.

The objection to that part of the Mellon plan dealing with the income taxes, inheritance taxes, and gift taxes was that in the opinion of many it favored too much the people of very great wealth with very large incomes. It proposes to reduce the income taxes of Rockefeller, Ford, Morgan, and others of like wealth 50 per cent, or one-half of what they pay under the present law, while it reduces the taxes of persons of small incomes about 30 per cent. The Mellon plan, after the deduction of exemption, fixes the rate of normal tax at 3 per cent on incomes up to $4,000, and fixes the rate at 6 per cent on normal taxes on all incomes above $4,000. The Longworth plan after deduction of exemptions fixes the normal tax rate at 2 per cent on incomes up to $4,000 and 5 per cent on incomes between $4,000 and $8,000 and 6 per cent on all incomes above $8,000. The tax on incomes up to $4,000 is, under the Longworth plan, only two-thirds of what it is under the Mellon plan. The normal tax on incomes between $4,000 and $8,000 under the Longworth plan is only five-sixths of what it would be under the Mellon plan.

There is little difference between the rates fixed in the Garner plan and in the Longworth plan for the normal tax on moderate incomes. The Longworth plan is a great saving to the man of moderate income over the Mellon plan. To show what a substantial reduction is given to people of moderate incomes between the Longworth plan and the present law, I submit the following: The tax on incomes of $4,000 and less is reduced 62 per cent; on $5,000, 59 per cent; on $6,000, 55 per cent; on $7,000, 53 per cent; on $8,000, 52 per cent; on $9,000, 40 per cent, and above $9,000, 25 per cent. I am referring to the normal taxes. Under the Longworth plan the income taxes of at least nine-tenths of the income-tax payers of Kentucky will be reduced one-half of what they are under the present law. The Mellon plan proposes a great reduction in the surtaxes. A surtax is imposed in addition to the normal tax. Under the present law the surtax goes as high as 50 per cent. This applies to persons of very large incomes. Mr. Mellon proposes to cut the surtax on big incomes to 25 per cent, the Garner plan to 44 per cent, and the Longworth plan to 37½ per cent. Under the Longworth plan the surtax begins with the incomes of $10,001 at 1½ per cent, and continues upward to 37½ per cent on incomes of $200,000 and over. That is to say, a person whose income is over $10,000 and does not exceed $12,000 will pay a normal tax of 6 per cent and surtax of 1½ per cent. A person whose income is $25,000 will pay the normal tax of 6 per cent and a surtax of 8 per cent. Persons whose incomes are $200,000 or more will pay a normal tax of 6 per cent and a surtax of 37½ per cent.

The Government must always have sufficient revenue to operate the Government. The Longworth plan will produce sufficient revenue for this purpose, but it is shown that the Garner plan would create a deficit in the Treasury of more than $300,000,000 annually. The Longworth plan will give a much greater tax reduction to something like 4,000,000 income-tax payers than the Mellon plan would give to them.

While the Longworth plan would give less reduction to about 10,000 of the very large income-tax payers than the Mellon plan would give to them. We think that the Longworth plan is eminently fair, both to the small taxpayer and to the large taxpayer. It seems that the Republicans can get together on the Longworth plan, but not on the Mellon plan. I favor the Longworth plan.

INHERITANCE TAX.

A matter about which there is a sharp difference of opinion is the so-called estate tax or inheritance tax. The Mellon plan fixes a rate of 1 per cent of the net estate not in excess of $50,000 and range upward to 25 per cent on the net estate that exceed $10,000,000. We have a great war debt and it will soon cost this Government $1,000,000,000 annually to take care of the soldiers and sailors and their dependents. Many of the very large fortunes were created by the World War. This war debt must be paid and these defenders must be taken care of. We feel that instead of turning over all of these great estates to the heirs a proper share should be returned to the Government to meet our war debt and to take care of our defenders. Instead of a maximum rate of 25 per cent, I favor—and a majority of the House, I am sure, favors—the amendment offered by Mr. RAMSEYER. This amendment fixes the maximum of rate on these great estates at 40 per cent. If any man should leave a net estate of $100,000,000, under this amendment $40,000,000 would go to the Government as taxes.

It is a notorious fact that many of the people of great wealth of this country are dodging their just proportion of the tax burden. It is anticipated that if this tax should become a law, that many persons of great wealth would give away a large part of their estates in their lifetime, and in that way their estates would avoid the payment of this inheritance tax.

To avoid this, Chairman GREEN, of the Ways and Means Committee, has offered an amendment to tax all gifts of $50,000 or more to relatives at the same rate fixed for inheritance taxes, so that people of great wealth, if they should give away their estate, will be required to contribute a substantial sum to the Government. It is said that the inheritance tax will provide sufficient money to take care of the soldiers' bonus. It is unnecessary to say that the persons of great wealth have vigorously fought the high surtaxes, the inheritance tax, and the gift tax.

TWENTY-FIVE PER CENT REDUCTION NOW.

There is now more than $300,000,000 surplus in the Treasury. The taxes for 1923 will soon be due and payable. This bill amends the Mellon plan by granting a 25 per cent refund on the taxes payable this year. Most taxpayers will have paid at least a part of their Federal taxes before this bill can become a law. In such event this 25 per cent refund will be allowed on the subsequent payment or on the balance due this year. This measure, likewise, repeals many of the so-called nuisance taxes and excise taxes. This will become effective 30 days on and after the passage of this bill. This measure gives substantial relief to all classes of taxpayers in the Nation and gives most relief to those least able to pay, and gives the least relief to those most able to carry the burden.

Mr. CLANCY. Mr. Speaker, I wish to make more clear my recent remarks that the automobile industry and its customers have been and are the prey of predatory interests working through Government agencies. The main purpose in doing this is to further my campaign, conducted through the past few months with great intensity, to educate the motorist as to the impositions placed upon him and to arouse still further automobile organizations and friendly associations to oppose such gouging.

For many years men who know what they want and who wish to increase still further their enormous wealth, who get more and more selfish, avaricious, and unscrupulous as they get richer, have been sticking their fingers, their agents, and their agencies, into Government to plunder unsuspecting American citizens.

These men have strangle holds upon the basic necessities of life, such as oil, metals, cotton and wool, foods, transportation, etc.

One of the passing strange facts of big business is that a comparatively new industry, one of the grandest contributions to the happiness and the betterment of mankind and now one of the prime necessities of life, has never tried to manipulate Government to its own selfish aggrandizement. Stranger still, it has not intelligently and effectively tried to protect itself from aggressive combinations which "picked" on it and aimed to rob it blind.

That crooked big business has been manipulating government on a gigantic scale to the detriment of the common good is now patent to the American people. The slimy trail of oil, as revealed in the United States Senate investigations in the most stupendous scandals of American history, has opened the minds of the people to a condition which has been chronic for some time.

ASSASSINS GIVE PROTECTION.

A friend of President Garfield told me recently that Garfield had determined to make a thoroughgoing exposé of crooked business using Government to defraud the people. His experience in Ohio and in Washington had given him the facts. But an assassins' bullet, the furious rage of a disappointed office seeker, struck him down in the Pennsylvania Railroad depot in Washington before he could open the eyes of the people.

It is generally known that President McKinley, himself the framer of a tariff law when in Congress, had intended to attack predatory wealth using Government when he, too, was struck down by an assassin's bullet in Buffalo, where he had gone to make a keynote speech on the relations of business and government.

But before Presidents Roosevelt and Wilson were stricken with ruptured blood vessels in the brains, which could not withstand the terrific strain of their labors for the people, labors mainly directed against crooked big business and crooked national and international interests, they carried their message to the people and put crooked big business on the defensive. But the "malefactors of great wealth" came back strong in the present administration.

Senator DAVID I. WALSH, of Massachusetts, said not many days ago in the Senate that the important thing about the Teapot Dome scandal is the revelation "in successful operation"

of that heretofore intangible thing called by Theodore Roosevelt "invisible government" and by Woodrow Wilson the "invisible empire."

He describes in the Senate, in more incisive and luminous language than I could, this "thing," and I quote from him:

That it existed intelligent and progressive people have long affirmed; that it succeeds in shaping legislation, in directing political policies, and in securing appointments from administrative officials has been freely asserted.

Those who heretofore were reluctant to believe can no longer challenge or deny its existence.

Invisible government, the curse of American politics for nearly half a century, has baffled the progress of our free institutions; it has repeatedly nullified the solemn verdict of the people recorded at the ballot box. Surreptitiously it purchases the talents of men of influence in all political parties to espouse and promote its greedy and selfish ends. It supports corrupt, not party, politics.

If it can not control, it purchases or seeks to destroy the press that dares to oppose it. It invades even the pulpit.

It knows neither Democrat nor Republican. It writes into political platforms meaningless phrases to cajole the voters.

It knows only one party—the party in power. Its objective is to win the approval and sanction of those in authority. It discards its victims when they are out of power with Neronian mercilessness.

The backers of this paralyzing influence in government, disclosed in the present scandal, have been bolder and more brazen since wealth formed itself into great organizations of unchecked greed and selfishness to control and exploit the natural resources of the Nation and gouge the unorganized masses of this country.

These concession and privilege seekers yield to the popular government only when they must to stem defeat. They have successfully opposed humane and progressive legislation for years and have granted the people their rights only when the people have overthrown them.

Mr. President, the present situation demands patriotic, nonpartisan action. These disclosures are in vain if they do not stir us to a realization of the absolute necessity, if we are to preserve democratic institutions and maintain the confidence of the people in the Republic, to rid our political parties and this Government of these sinister influences.

How strange that the automotive industry, regarded by many as most typical in its origin and development of American genius in business, should not have properly protected itself against the "invisible government"!

The industry which taught the world high speed, high wages, quantity production, and revolutionized not only business but the everyday life of nearly every human being in the United States at least is caught napping by other businesses at the oldest game in the world, the use of government to despoil.

If by my campaign of the past few months, a gruelling contest which brought many bruises and some scars, I could awaken the automobile world of America to get out and be men and defend themselves, to use their strength and their brains, not for spoliation but for loyal defense of their customers, I would not deem my efforts to be in vain.

These customers who have helped to build up the most stupendous fortunes the world has ever known deserve that protection. That their cause is just was recognized by the House when it voted unanimously, at a time when the Budget was in danger, to strike $24,000,000 in taxes off the motorists of the country. But that was only after Ways and Means had given the motorists the marble heart and the appeal had been carried to the country with tens of thousands of telegrams and letters and bulletins.

That was only after "pitiless publicity" had been remorselessly administered, only after the spigot had been turned on and the bung yanked out. It certainly was glorious to see some of my colleagues run to cover and scores of them rush for the auto bandwagon and make a flying leap for the upper deck.

On Tuesday, February 26, that red-letter day for the 15,000,000 motorists of the country, when the fever for auto-tax reduction, precipitated the wildest mêlée seen on the floor of the House in many a day and when fist fights were threatened, I left the floor as the session broke up in disorder to meet representatives of automotive organizations in the corridor.

TURNING ON THE PUBLICITY.

They were white faced and alarmed.

"Has our cause been hurt?" they asked me.

"Not at all; you are just getting to the country with a vengeance," I replied. "That fracas will break on the front page of every live newspaper in the country. The press associations always carry a fist fight on the House floor near or 100 per cent. You could not get your cause on the front pages of newspapers for a million dollars. Now you get position for nothing and the motorist will be awakened to the fact that a battle is being waged for him. You spent hundreds of dollars for telegrams to your people. Here is a gift of million-dollar publicity gratis."

That was true. The most alert and brainiest newspaper in the country, so far as news gathering is concerned, carried the story for three and a half columns and flew the pennant on the front page. That was the New York Times. Thousands of other papers carried the story. Then followed the aftermath of editorials.

Yet I have been accused of endangering the automobile cause by starting that row on the floor of the House. I do aver and affirm that I was not wholly responsible for that fracas, and I fed the raw meat with no conscious intention of starting a mêlée whose outcome would be problematical.

To illustrate the point that the automotive industry must protect itself against bold and unscrupulous aggressors, I now cite the fight of the American Automobile Association two years ago in Congress against oil. This, of course, was before the methods of oil were known to the country and before Teapot Dome was on every lip.

The Dome revelations show that predatory oil was working particularly hard two years ago—all the various combinations of oil were working—working on the public and on one another, for oil, like little fishes and big fishes of the deep, is predacious and cannabilistic.

Oil was going so powerful in Ways and Means that it smashed down the automobile organizations. Flushed with victory and going strong, it came onto the floor of the House, eager to administer the knock-out to a groggy foe and collect the purse—winner take all.

It took the President of the United States, Mr. Harding, to turn the tide of battle. It took a violent blow at the constitutional independence of the legislative and executive functions of the Federal Government to stop oil. But President Harding did not hesitate to write a strong letter, in which he said that he "should be more than disappointed if Congress decided to levy a tariff on imported oil."

He put his interference on patriotic grounds "and the foreign policy to which we are already committed."

In view of Teapot Dome revelations as to how far oil had gotten into the President's Cabinet, his attitude in the crisis of two years is pertinent and important.

In this crisis the old guard of Ways and Means wanted to levy a tariff of 35 cents a barrel on oil and even threatened $1.50 per barrel. This meant a tax of about $140,000,000 on the motorists of the country. It probably meant raising the price of gasoline alone from 3 to 7 cents per gallon.

I sincerely hope one of the fights of the near future of the automotive organizations will be against the present high prices of oil and gasoline. That is a duty. It should be a pleasure.

Oil is persistent. Beaten in the House, through an appeal to the country and the bludgeon of the President of the United States, it took the fight nevertheless to the Senate Finance Committee and to the floor of the Senate. Oil knows not how to surrender and always comes back strong. Fortunately it was beaten both in Senate committee and on Senate floor. But it is still gouging the automotive industry.

This contest of two years ago is so illuminating that I give more of the facts as set forth in the statements of the American Automobile Association, and I give a fuller excerpt of President Harding's letter of July 13, 1921, to Chairman Fordney on proposed tariff on crude and fuel oil.

The battle is also waged against the proposed asphalt tariff as a hindrance to the good-roads movement which the automotive interests have built up and fostered.

The following appeal was sent to the country by the American Automobile Association on July 9, 1921, through the club secretaries:

The Committee on Ways and Means of the House of Representatives recently included in the tariff bill reported to the House a schedule on crude oil amounting to 35 cents per barrel. This amounts to about 100 per cent ad valorem in addition to the export duty of 113 per cent now imposed by the Mexican Government, the chief source of petroleum imported into this country.

Our consumption of petroleum products exceeds our domestic production by about 66,000,000 barrels annually. Our imports of petroleum are valued at about $90,000,000 annually, yet our exports of refined petroleum products amount to about $549,000,000 annually.

If this tariff prevails, it will enable and encourage foreign countries to monopolize foreign supplies of petroleum. At present we are supplying the world with two-thirds of its petroleum products notwithstanding the fact that we have only one-sixth of the world's resources.

Petroleum is one of our greatest natural resources. It is both definitely limited and rapidly diminishing. A tariff on oil therefore places a premium on the rapid depletion of this great natural resource.

The American people are the largest users of petroleum in the world. It is estimated that 83 per cent of the motor vehicles of the entire earth are found in the United States. Yet less than 17 per cent of the world's resources of petroleum is situated within the United States.

Sixty per cent of all the asphaltic materials used in the United States for road building and roofing purposes are imported from Mexico. If this tariff on petroleum finally prevails, it would therefore seriously interfere with the present road-building program of the country.

In view of these facts the American Automobile Association, in annual convention assembled in Washington, May 16 and 17, passed a resolution of protest against any provisions being included in the tariff measure on petroleum. The executive committee of the A. A. A. on Wednesday, July 6, voted in opposition to the 35-cent tariff on crude oil, and authorized notices to be sent to club secretaries urging them to ask their Representatives in Congress to oppose this tariff.

A vote will be taken on this schedule about the 21st of this month. You and the members of your club are therefore urgently requested to communicate by letter or by wire, if necessary, with your Representatives in the House protesting against this schedule.

We will keep you in touch with what happens in the House and later on it may be desirable to communicate with your Senators on this subject when the tariff bill reaches the Senate. Please supply us with copies of any replies you may receive from Members of Congress on this subject.

AMERICAN AUTOMOBILE ASSOCIATION.

Then follows the excerpt from the letter of President Harding to Chairman Fordney, of Ways and Means:

I can not refrain from expressing the hope that your committee will take note of the foreign policy to which we are already committed, under which the Government is doing every consistent thing to encourage the participation of American citizens in the development of oil resources in many foreign lands.

This course has been inspired by the growing concern of our country over the supply of crude oil to which we may turn for our future needs, not alone for our domestic commerce but in meeting the needs of our Navy and our merchant marine.

To levy a protective tariff on crude petroleum now would be at variance with all that has been done to safeguard our future interests. I can readily recognize the claim of some oil producers for a protective tariff on their product, but such a course of temporary relief would be so thoroughly out of harmony with the larger policy which I have had in mind that I should be more than disappointed if Congress decided to levy a tariff on imported oil.

The oil industry is so important to our country, and our future is so utterly dependent upon an abundance of resources rather than temporary profit to a few producers who feel the pinch of Mexican competition. I thank you very sincerely for your considerate attitude in the matter. (Printed in CONGRESSIONAL RECORD, July 13, 1921.)

The contest is carried to the Senate and the A. A. A. sent the following letter to all Senators. I give it because it presents some new facts and appeals:

MY DEAR SENATOR: In protesting against the tariff on petroleum we represent the interests and the wishes of more than 10,000,000 owners of automobiles. We likewise represent the interests of the half million owners of tractors, and the interests of 2,500,000 owners of stationary engines are also involved, as well as those of 46,000,000 consumers of artificial gas. The American merchant marine's desperate struggle for existence would be rendered hopeless by the imposition of this duty. Such a duty would scuttle our ships. It would devour the proposed subsidy. "Don't give up the ship."

Last, but not least, we would protest on behalf of those who are promoting and providing for the construction and maintenance of improved highways. Hundreds of millions of dollars are annually expended by community, county, State, and Nation on our system of public highways. The tariff on oil would increase the cost. It would be a tariff on travel and transportation.

In protesting the duty on oil we stand on the traditional policy of our Government. No Congress, no party has ever imposed a tariff on petroleum.

In protesting this duty we stand on the announced policy of the national administration. When this duty was under discussion in the House, the President addressed a letter to Chairman Fordney, in which he expressed the hope that a tariff would not be imposed on oil, and declared that "to levy a protective tariff on crude petroleum now would be at variance with all that has been done to safeguard our future interests." In accord with this enlightened policy, the House defeated the proposed tariff by a vote of 2 to 1. This vote was taken July 21, last year. Since that date the price of oil in the United States has increased 100 per cent. At times it has been considerably more than 100 per cent. Since that vote the price of the leading oil stocks has increased from 50 to 100 per cent. Certain stocks at certain times have shown an advance of 150 per cent. These prices have increased notwithstanding an enormous increase in domestic production.

The Senate Finance Committee, pursuing this enlightened policy, defeated the proposed duty on petroleum by a vote that was almost unanimous. It would seem to be doubly undesirable to depart from this policy at the present juncture. The coal situation would seem to be critical enough without laying a tariff on the only other available fuel.

It is earnestly to be hoped that the Senate, following the example of the Finance Committee, the House of Representatives, and the President, will oppose the imposition of a tariff on crude and fuel oils. It is earnestly to be hoped that the Senate will not disregard the wishes and sacrifice the interests of so many millions of American citizens when that sacrifice is entirely unnecessary, as evidenced by the enhanced price of oil stocks and the enhanced price of oil itself. Indeed, the oil producers of California adopted resolutions protesting against the oil tariff, and a referendum vote among the producers of the mid-continent field stood 90 for the tariff and 47 against the tariff.

It would be passing strange if the Senate of the United States should vote to increase the price of petroleum and its products while a committee of the Senate is investigating the prevailing high prices of petroleum and its product.

Most respectfully submitted.

DAI H. LEWIS,
Acting Executive Chairman.

Mr. LOZIER. Mr. Speaker, I desire to register my opposition to Title IX of the pending revenue bill, which seeks to create a board of tax appeals of not less than 7 nor more than 28 men, fixing their term of office at 10 years and carrying a salary to each of $10,000 per year. I favor striking this provision from the bill entirely, and if the House refuses to do this, I favor an amendment reducing the salary of the members of this board to not exceeding $7,500 per annum. I also favor an amendment providing that the appointment of the members of this board of tax appeals be submitted to and approved by the Senate like all other presidential appointments. Under our scheme of government, nominations for Cabinet positions, Federal judges, postmasters, appointments to the Diplomatic Service, and the principal appointments in practically every branch of our Government must be submitted by the President to and approved by the Senate. I can see no good reason why the appointment of the members of this board of tax appeals should not be submitted to and approved by the Senate as other appointments. Certainly the people of this Nation are interested in who shall serve on this board.

I am confident that the Senate will not act arbitrarily or refuse to confirm an appointment unless it appears from an investigation that the appointee is incapable or unworthy. This board of tax appeals, if created, will pass in review on questions involving hundreds of millions of dollars annually, and the appointments should not be left exclusively to the judgment of the President or Secretary of the Treasury.

We are now passing through a period of economic distress in the United States. In many occupations the earnings are too meager to insure even a moderate profit. This is particularly true among the small tradesmen and those engaged in moderate business activities. Among the agricultural classes there is a nation-wide distress, the inevitable result of the inability of the farmer to sell his commodities at a price that will yield even the cost of production. The national debt is a tremendous burden, amounting now to approximately $22,000,000,000, while the indebtedness of the 48 States and political subdivisions thereof is in excess of $10,000,000,000, making the total public debt over $32,000,000,000. To meet the interest on this debt a tremendous tax burden is inevitable.

The last 30 years have witnessed a tremendous increase in the expenses of government, State and municipal. The Federal Government and the 48 State governments have been in a mad race to see which could create the largest number of new offices, bureaus, and commissions. Each year the number of State and Federal officeholders is enlarged and the salaries increased, until the tax burdens have become almost unbearable.

Prior to the war the combined cost of all our State and Federal Governments was only about $2,000,000,000 annually. Now it amounts to about $7,000,000,000 per annum, or about three and one-half times the pre-war cost of government. This phenomenal increase can be met in but one way, and that is by taxation. I plead for more economy in the management of our public affairs.

It seems to me that the time has come for our Federal Government to inaugurate a policy of retrenchment, reform, and economy in public affairs. The Government, State and National, have no money except what they collect in the form of

taxes from the people. If the Government makes extravagant appropriations, pays excessive salaries, and maintains an army of unnecessary employees, then there will be an ever-increasing burden of taxation. It is time to stop, look, and listen before we create this new bureau, which will rapidly expand into a great army of clerks, auditors, inspectors, stenographers, and miscellaneous employees, meaning a tremendous additional tax burden on the American people.

We can never reduce the cost of government if we continue to create new offices and endow these offices with princely salaries.

There is, in my opinion, no worth-while demand for the creation of this board. The work these 28 men will do is now being done by employees in the Treasury Department whose salaries are around $5,000 per annum, none in excess of $7,500. If this provision stays in the bill these 28 offices will probably be filled by the men now performing this same work in the Treasury Department at salaries ranging from $5,000 to $7,500 per annum. In other words, the Government will get the same service it is getting now, but will pay each member of the board $10,000 annually instead of the much smaller salaries now being paid for the same service. The members of this board will hold office for a term of 10 years, during which each will draw a salary of $10,000 per annum, aggregating $100,000 for the 10-year term for each member. This means that the salaries of these 28 men will be $280,000 annually. In addition they are allowed by this bill $10 per day for expenses when their duties call them from their designated stations.

If this board is created, in a very few years it will have surrounded itself with an army of several thousand employees and subordinates. If Congress is determined to create this board of appeals, then the salaries of the members should be reduced to not exceeding $7,500 per annum. This reduction would mean a saving of $70,000 annually, or $700,000 in 10 years. I believe this can be done without impairing the efficiency of the board.

There is but one way to reduce tax burdens, and that way is to begin now to reduce the expenses of the Government and rigidly follow this rule in all matters relating to public expenditures except in the few cases where efficiency in the public service justifies and demands an increase. We accomplish nothing and get nowhere if while we talk economy we continue to create new offices and increase salaries of men who sit in swivel chairs in Washington and allot themselves more than their just proportion of the funds appropriated to carry on our Government. Capable men are not so scarce that we have to pay a salary of $10,000 per year to get efficient men to perform this service.

Let us begin to economize here and now and not put off until to-morrow what should be done to-day. If we once fix these salaries at $10,000 per annum, it is not probable that they will ever be reduced. So I favor reducing them now.

Mr. ROGERS of New Hampshire. Mr. Speaker, my attention was recently called to an unjust discrimination in the assessment of a tax on college fraternities by virtue of section 801 of the revenue act of 1921. This section is incorporated in section 501 of the revenue act of 1924 and reads as follows:

SEC. 501. On and after the date this title takes effect there shall be levied, assessed, collected, and paid, in lieu of the taxes imposed by section 801 of the revenue act of 1921, a tax equivalent to 10 per cent of any amount paid on or after such date, for any period after such date, (a) as dues or membership fees (where the dues or fees of an active resident annual member are in excess of $10 per year) to any social, athletic, or sporting club or organization; or (b) as initiation fees to such a club or organization, if such fees amount to more than $10, or if the dues or membership fees (not including initiation fees) of an active resident annual member are in excess of $10 per year, such taxes to be paid by the person paying such dues or fees: *Provided*, That there shall be exempted from the provisions of this section all amounts paid as dues or fees to a fraternal society, order, or association operating under the lodge system. In the case of life memberships, a life member shall pay annually, at the time for the payment of dues by active resident annual members, a tax equivalent to the tax upon the amount paid by such a member, but shall pay no tax upon the amount paid for life membership.

By virtue of the section just quoted a tax of 10 per cent on dues and initiation fees is assessed against members of any "social, athletic, or sporting club or organization." Under the proviso to this same section, however, the dues and fees paid to any fraternal society, orders, or associations are exempt from taxation when such societies are operating under the lodge system. By virtue of this proviso no taxes are assessed against such organizations as the Masons, Odd Fellows, Knights of Columbus, and so forth. While these organizations are exempt from taxation, no specific provision is found in the law exempting college fraternities from taxation under this section.

The Treasury Department, through the Commissioner of Internal Revenue, has ruled that a society or fraternity is "operating under the lodge system" when it is "carrying on its activities under a form of organization that comprises local branches chartered by a parent organization and largely self-governing, called lodges, chapters, or the like." In accordance with this ruling of the department, it is held that national fraternities with chapters in the different colleges having a parent organization from which these various chapters derive their charters are exempt from the taxes imposed under section 801. On the other hand, the Treasury Department has ruled that any fraternity existing only in a local college as an independent organization not deriving its charter from a parent organization does not fall within the exemption because such local society does not operate "under the lodge system" within the regulations above referred to.

The injustice of the existing situation is at once apparent. In nearly all American colleges the so-called national and local fraternities exist side by side, having the same quality of membership, organized for exactly the same purposes, and carrying on their work by the same methods. In short, they are similar in every respect, with the single exception that for some reason or other, because of age, prestige, or local conditions, the local chapters have never seen fit to become affiliated with national organizations. Under such circumstances it is obvious that to tax the locals and exempt the nationals is both unjust and inequitable. Moreover, it is well known that members of fraternal organizations, such as the Masons, are usually in a position to work and earn money with which to pay their dues and the taxes thereon. This is not true of members of college fraternities, who, if they are able to work at all, usually find it necessary to use all the money they can earn in order to pay their way through college.

In order to remedy the obvious injustice existing under the present law I offered an amendment to section 501 of the revenue act of 1924 exempting college fraternities from the payment of taxes assessed under this section. With this amendment added, the first sentence of the proviso will read as follows:

Provided, That there shall be exempted from the provisions of this section all amounts paid as dues or fees to a fraternal society, order, or association operating under the lodge system or to any local fraternal organization among the students of a college or university.

The House having adopted the amendment, if agreed to by the Senate it will do away with the present unjust discrimination against certain college fraternities and place them all in the same class with other fraternal organizations already exempt from taxation under the law.

I now desire to discuss the general income-tax provisions of the 1924 revenue act. Both on the floor of this House and in the public press there has been much comment relative to the comparative merits of the so-called Mellon and Garner plans for a general reduction of taxes. I desire at this time to discuss the situation briefly and to point out my reasons for supporting the Garner plan. Since the first session of Congress became organized I have given much time and thought to the proposed legislation for a reduction of taxes. I have made a careful study of the Mellon plan printed in a pamphlet containing 344 pages. I have also considered thoroughly the plan voiced by the minority of the Ways and Means Committee, known as the Garner plan, in order to determine which method would best promote a fair and equitable revision of taxes, at the same time accomplishing those substantial reductions in rates all along the line to which the country is justly entitled.

In his first message to Congress President Coolidge correctly and truly said:

The taxes of the Nation must be reduced now as much as prudence will permit, and expenditures must be reduced accordingly. They bear most heavily upon the poor. They diminish industry and commerce. They make agriculture unprofitable. They increase the rates on transportation. They are a charge on every necessary of life.

With these most significant words of the President in mind, let us examine the proposed Mellon plan and compare it with the so-called Garner plan to determine which method should be adopted by Congress in an effort to reduce taxation on a reasonable, just, and equitable basis.

Mr. GARNER's plan proposes to fix normal income-tax exemptions at $2,000 for single persons, instead of $1,000, as proposed by Mr. Mellon, and $3,000 for married persons or heads of families, instead of the present $2,500, as Mr. Mellon proposes. The Garner plan would also fix the normal income tax at 2

per cent on amounts of $5,000 and less, instead of 3 per cent on amounts less than $4,000, as proposed by Mr. Mellon, and instead of 4 per cent under the present law. Mr. GARNER would further fix the rate at 4 per cent from $5,000 to $8,000, instead of 6 per cent, proposed by Mr. Mellon, on incomes above $4,000 and instead of the 8 per cent under the present law.

The Garner plan will also fix the rate at 6 per cent on all incomes exceeding $8,000, instead of 8 per cent as under the present law. It will cause the surtax to commence with 1 per cent on incomes from $12,000 to $14,000, instead of $10,000 to $12,000 as Mr. Mellon proposes, and instead of $6,000 to $8,000, as under the present law. These surtax rates will then gradually increase to 44 per cent on incomes exceeding $92,000, instead of the 50 per cent under the present law and the 25 per cent on incomes exceeding $100,000 proposed by Mr. Mellon.

From an analysis of the two proposed plans we are at once confronted with the amazing and significant fact that the Garner plan, to a much greater extent than the Mellon plan, affords immediate relief by a reduction in taxes to 6,641,262 income-tax payers throughout the country, while the Mellon plan would confer a greater reduction than Mr. GARNER's on only 9,433 income-tax payers. For instance, Mr. Mellon would exempt only $1,000 from the income of a single man, while Mr. GARNER's plan doubles the amount of this exemption, making it $2,000. On the other hand, Mr. Mellon, universally reputed to have one of the largest personal incomes in America, proposes to reduce the taxes of the man with a million-dollar income more than a quarter of a million dollars per year.

In the light of a fair comparison and with the President's own words in mind, which plan should we adopt as better designed to promote a fair and equitable basis for a reduction of taxes? "They bear most heavily upon the poor."

An even more striking illustration of the actual working out of the two plans is shown by a concrete application of each to the situation existing in my own State of New Hampshire. According to the latest available statistics of the Treasury Department, 32,410 persons in New Hampshire paid Federal taxes for the year 1921. Of this number, 32,386 will receive a greater reduction in their taxes under the Garner plan than under the Mellon plan, while only 24 taxpayers in my whole State would receive a larger reduction in taxes under the Mellon plan than under the Garner plan. Assuming that these taxpayers are equally distributed in each congressional district, it follows that in the first congressional district only 12 taxpayers would receive greater reductions under the Mellon plan than under the Garner plan, while 16,193 taxpayers of the first district would have their taxes more substantially reduced under the Garner plan.

I am indeed most heartily in favor of a reduction in taxes, such a reduction as will stimulate business and industry. At the same time, it is necessary to bear in mind that relief from the burden of taxes must be just and equitable; that taxes should always be borne by those best able to carry the burden; that "they are a charge on every necessary of life" and that always "they bear most heavily upon the poor."

A vast amount of propaganda has been disseminated throughout the Nation to induce Congress to adopt the Mellon plan without regard to its effect upon the great majority who pay Federal income taxes. When traced to its original source we find that most of such propaganda has come from those who hope to receive immediate benefit from the Mellon plan through the reduction of their surtaxes, rather than those who are honestly interested in an attempt to secure an equitable distribution of taxes among citizens of all classes.

It is our duty as Members of this great legislative body to disregard organized propaganda and to seek the truth in the light of the facts. And it is my sincere belief that a thorough study of all the facts will convince any reasonable man that the adoption of the Garner plan will afford more just and equitable taxes throughout the Nation. It will lower the taxes of the rich and poor alike. It will provide the necessary revenue to run the Government, and it will ultimately place the taxes of the Nation upon the shoulders of those best able to bear the burden.

I have listened with interest to the advocates of the Mellon plan. Their arguments, instead of sustaining their contentions, furnish further evidence that such a plan will afford great relief to a certain special class of taxpayers, namely, those whose incomes are so large that they pay high surtaxes, while scarcely any relief is given the taxpayer in moderate circumstances with a small income.

In conclusion let me say that, regardless of what others may do, I am convinced that it is my duty to support the Garner plan, which, as I have said, will relieve the poor as well as the rich and which, let me repeat, in my own State of New Hampshire will give a greater degree of relief to 32,386 out of 32,410 taxpayers than would the Mellon plan.

Mr. SCHNEIDER. Mr. Speaker, although much has already been said on both sides of this important question, I feel that it behooves me also to voice my sentiments against any plan that ignores the fundamental basis of just taxation, namely, that the share of one's tax burden should be levied according to his ability to pay. In other words, taxes should bear heaviest upon those best able to pay.

This is a well-recognized and sound principle of taxation. Any plan that fails to take cognizance of this must and should meet defeat.

Very closely allied with this principle is the idea that a plan in order to be feasible must give us reasonable assurance that it will accomplish that which it is designed to do. I suppose that in proposing any kind of legislation there must be some urgent need for it, some present wrong to be remedied, or threatening evil to be averted.

That there is a great need for tax legislation I believe is the unanimous opinion of this body. But what is it that we are trying to remedy by this legislation? How will the Mellon plan, which I believe entirely ignores the principle that the share of one's tax burden should be levied according to his ability to pay, a principle that is the very essence of just taxation, remedy these evils? These are questions that we must constantly ask ourselves in considering the plan before us.

President Coolidge, in his address before Congress on December 6, in reviewing the economic situation of this country, had this to say:

> Looked at as a whole, the Nation is in the enjoyment of remarkable prosperity. Industry and commerce are thriving. For the most part agriculture is successful, 11 staples having risen in value from about $5,300,000,000 two years ago to about $7,000,000,000 for the current year.
>
> But range cattle are still low in price, and some sections of the wheat area, notably Minnesota, North Dakota, and on west, have many cases of actual distress. With his products not selling on a parity with the products of industry, every sound remedy that can be devised should be applied for the relief of the farmer.

The President has thus in his message frankly admitted this fact to exist at the present time, namely, a situation where, while industry and commerce are thriving, the farmers in the West are in distress. Yes; the President might well have included the average wage worker who, too, because of the still existing high cost of living and moderate wages finds himself in a no more prosperous situation than the farmer.

A very wholesome situation, is it not? A society where the masses are growing poorer, burdened with high cost of living and a staggering war debt thrust upon them while a privileged few, owning and controlling the industry and commerce, which in the words of our President are now thriving, are growing richer day by day. This appalling situation, partly admitted and, if you please, mostly omitted, by the President in his message; yet what does he and his devoted friends in Congress propose to do? Their answer is, "Pass the Mellon tax bill."

Gentlemen, in seeking to bring about a change in our tax laws it is fair, then, to assume that the sole purpose is to alleviate the burdens of those who are now hardest hit. I can see no other honest motive that would warrant the consideration of the tax question at this time. Will the Mellon tax bill meet this situation? Will it be of any appreciable aid to the farmers, wage workers, and general public?

I do not pretend to be an expert in taxation, nor will I burden you with any detailed analysis of this plan. My friend and colleague [Mr. FREAR] has already given you a careful explanation of the results of the Mellon plan. It is not very difficult, gentlemen, to see how this plan will only benefit those with large incomes at the expense of the many others.

The workings of this plan are very graphically and ably shown in an editorial by Mr. Werner N. Schomaker, editor of The Union Labor, published at Marinette, Wis., a very worthy and progressive organ that speaks for the people in my district. I am going to read this article in order that you may hear directly from my people:

> It will be noted that the Literary Digest, in line with the big-interests press of the country, omits any reference to the big criticism of the Mellon measure—that it is a bill framed purely in the interest of the rich man. The press, almost as a unit, has conspired to keep from the people the great benefits that would accrue to the country's millionaires, including Mr. Mellon, in the passage of the bill.

Have the newspapers told the country that a man with an income of $5,000,000 will save $1,500,000 under the Mellon bill; that a man with an income of $500,000 will save $116,000? Here is a table showing the amounts which persons of varying incomes will save under the Mellon bill:

Income of $5,000,000, a saving of $1,500,000.

Incomes of $1,000,000	$251,784.00
Income of $500,000	116,784.00
Income of $250,000	49,284.00
Income of $100,000	10,284.00
Income of $50,000	1,944.00
Income of $25,000	1,107.00
Income of $20,000	747.00
Income of $15,000	469.50
Income of $10,000	222.00
Income of $5,000	29.75
Income of $4,000	12.75

These are the amounts they would save under the Mellon plan. Now let us analyze this further and see how the Mellon bill works to the advantage of the persons with the huge incomes:

A person with $1,000,000 income saves under the Mellon plan $251,784.

Fifty heads of families, each having an income of $20,000, total $1,000,000, save under the Mellon plan $35,350.

One hundred heads of families, each having an income of $10,000, total $1,000,000, save under the Mellon plan $22,200.

Two hundred heads of families, each having an income of $5,000, total $1,000,000, save under the Mellon plan $5,950.

Four hundred heads of families, each having an income of $2,500, total $1,000,000, save under the Mellon plan nothing.

The propagandists of the Mellon tax plan continually refer to percentage of reduction taxpayers will receive. It is not a question of percentages, but a question of dollars and cents.

Evidently the Mellon plan needs as much bolstering as the League of Nations did under the Bok referendum.

This is practically the unanimous sentiment of the people whom I have the honor to represent, and that is the way they have the Mellon tax plan sized up.

Yet the advocates of this plan would hold this out as a panacea for the present ills. Their eyes are shut to the real situation or they refuse to see. They turn a deaf ear to the cries for help of the distressed agricultural classes of our country. They only speechify about helping the farmers. It is now three months that Congress has been in session, but nothing has been done and the farmers go on suffering. The Nation is tired of talks and more talks, speeches, and radio messages. The White House would do well to abandon this kind of tactics and get down to brass tacks and do something.

Here the Norris-Sinclair farm relief bill has been before Congress for three months, and little or nothing done about it. They are the best farm relief measures that have been introduced in Congress thus far. They have received the warm support of the oppressed farming class of the Nation. But any good measure that is a real relief of the situation must not pass. If you can not defeat it entirely, get it out of the way by a substitute. That is what will happen to real farm legislation. Substitutes are quite common nowadays. In fact, they are becoming so numerous that we occasionally discover their real identity. We thought we had a government of the people, by the people, and for the people. We know better now. Every man, woman, and child knows that it is only a substitute. It is a government of the two old reactionary political parties, by Falls and for Sinclairs and Doheneys.

You have heard the President's warning in his message to Congress of December 6. There must not be a wholesale assault upon the Public Treasury. Yet that is what he and Mr. Mellon and those of you advocating this bill propose to do. Of course that may be all right when we do not speak about helping the farmers or adjusted compensation for the ex-service men. I realize we can sing the song a different tune to suit the occasion.

The Mellon plan will take from the coffers of our Treasury millions of dollars and hand it over to the big fellow. This is no empty statement. In one instance alone, this bill lops off $11,000,000 from the taxes that 21 gentlemen with incomes of $1,000,000 or more who, under the present rates, would have to pay $19,000,000 into the Public Treasury. A handsome little gift of $11,000,000 neatly wrapped up in the Mellon bill to a privileged few. And do you think for a moment that the people of the United States will stand for that? Why should these gentlemen be relieved of paying $11,000,000 which you propose by cutting the surtax rates on large incomes from 50 per cent which they now pay to 25 per cent.

You are much more concerned about the decrease in the million-dollar-a-year income class than to relieve the common masses who are now greatly in need. You cite with alarm, the figures about the million-dollar-a-year or better class, which reveal the fact that in 1916 there were 206 who were making a little million or more a year, in 1917 only 141 had this privilege, by 1918 the number had fallen to 67, in 1919 there were 69, in 1920 there were 33, and now only 21 are receiving an income over $1,000,000. Under the present tax the million-dollar-a-year fellow has to pay 55 per cent of his income or $550,000. What a pity. He has only $450,000 left on which to live.

These are the figures of those who have reported their large earnings, but they do not tell us about the many who are escaping their taxes by the use of tax-dodging devices, who, if they would honestly report their incomes, would swell the ranks of the million-dollar-a-year class. Even so, I say, there are 21 too many of these enjoying a million-dollar-a-year income. But, gentlemen, the $11,000,000 is not the only loot from the Public Treasury that will be the result of the passage of the Mellon plan. Why, it is pregnant with bad features that will result only in the enrichment of those with large incomes.

One other condemning feature in the plan is the 25 per cent flat rebate on taxes for the fiscal year of 1923. This will mean a loss to the Treasury of about $232,750,000, as is given out by the committee's report. I wonder how much of that will be the workingman's or farmer's share, who do not earn enough even to pay an income tax. Do you realize that while 4,300,000 persons are paying income taxes, 19,000,000 families in this country live on less than $2,000 a year? Of the 4,300,000 persons that are paying some income tax, 83 per cent receive incomes of less than $5,000 a year. Draw your own conclusions, if you will, who here again gets away with the biggest slice of this rebate.

It is interesting to note that it is these same interests who are now being so well taken care of by the Mellon plan that just two years ago raised the cry for lower taxes and were able to shove through the last Congress a bill which repealed the excess profits tax and reduced the surtax from 65 per cent to 50 per cent, or $500,000,000 annually, but practically nothing was done for the little fellow.

But it was then claimed, as it is now, that reduction on surtaxes will mean greater prosperity, lower cost of living, and more work. Do not forget the last, "more work"; but they did not say anything about better wages. How much has the cost of living been reduced in the last two years? I ask you. How much has the plight of the farmer and worker been bettered as a result of exempting the big fellow from paying his just share of the taxes by repealing the excess-profits tax and reducing the surtaxes? Not only has there been no change for the better but the condition of the masses is growing worse. The cost of living is increasing, rents are sky high, many essentials in life according to American standards are almost beyond the reach of the average man. The farmer can not sell his crops; he has to give them away for almost nothing; the trusts and speculators have him by the throat and are gradually squeezing his belongings from him. The once healthy landowning, prosperous farming people of America are swiftly becoming landless and poverty-stricken tenants.

Gentlemen, I am for lower taxes. I am in favor of the abolition of the excise taxes that have unjustly been weighing down the jewelry-merchant business and the automobile business and many other lines of industry. These sales taxes inevitably were reflected in the articles purchased by the consuming public. I am in favor of abolition of the so-called nuisance taxes. I am opposed to the continuation of amusement taxes, such as taxes on theater tickets, and so forth. I would abolish all these so-called nuisance and sales taxes.

I am in favor of the tax plan such as was outlined by my colleague and friend Mr. FREAR, who has so ably and forcefully set forth the wishes of the Progressives in this matter of taxation.

The real problem, then, is not so much tax reduction as it is tax readjustment. We must get away from the warped standards of taxation, such as has been the basis of the Mellon plan, and get back to the principle that taxes should be levied according to ability to pay; and the sooner we do this the sooner will we actually bring relief to the country.

Mr. DEAL. Mr. Speaker, the question of taxation has more of interest to me, and should have to every Representative, than any that may come before us for consideration. Upon it depends the peace, happiness, and prosperity of the individual and the Nation. It has rightly been characterized as the power to destroy by many students of taxation as well as by our own Supreme Court in decisions bearing upon the subject. That its importance demands great research, profound study, and experience will not be denied. It would seem ludicrous, therefore, for one so ill informed as I to take issue with those

who for two decades and more have devoted so much time and thought to the subject, and I would not do so were it not apparent to even a casual observer that political advantage has a first place in the consideration of the revenue measure before us.

The demand for reduction in taxes has been so general and so pronounced that it approaches an upheaval in its proportions. I can not think that a request or effort by a few financiers could have aroused such a general demand for a reduction of taxes. I am constrained to believe that it is a spontaneous expression of suffering with which the business and agricultural interests of the country are afflicted. The Mellon plan was the first suggestion of relief in the matter of taxation, and became immediately popular. It is, of course, impossible that the public could know the details, advantages, or disadvantages of any of the plans that have been proposed. It wants tax reduction, and the Mellon idea was the first and only clear-cut proposal that has been presented. Other proposals seem to have only to do with a surtax, normal tax, and nuisance taxes, and have been advanced as amendments to the Mellon idea.

The foundation and framework of a tax plan is embodied only in House Resolution 6715. It was suggested when the Mellon plan was first announced that it proposed a simplification of the income-tax returns, a demand which has been and is universal. Indeed, the complaints against the intricacies, uncertainties, and utter inability to understand these laws by the average citizen has been the principal complaint against the income tax, but of all the measures that have been proposed the one now under consideration seems to me to be the most vicious, most dangerous, and most unjust.

I have always felt that incomes are a source from which the Government should derive revenue provided it is equitably apportioned. I have never felt, however, that a progressive income tax is either just or in conformity with the spirit of our Constitutttion. Indeed, I have not thought until consideration of the so-called Mellon plan began that it was constitutional. Only now do I concede so much because I find the Supreme Court, whose duty it is to interpret the law, has declared it permissible by the Constitution. That Congress has the right to tax incomes has not at any time been denied. Contentions have arisen from the belief that the tax has been improperly applied. The first income-tax law enacted by the Congress was in 1861 and continued until 1870, when it was repealed. There was no contest under these laws. In 1894 Congress again enacted an income-tax law which provided a flat tax of 2 per cent on incomes in excess of $4,000.

The constitutionality of this law was attacked in the case of Pollock *v.* Farmers' Loan & Trust Co. (U. S. 157, p. 429) on the ground primarily that it taxed incomes from lands, which is a direct tax, and, therefore, subject to apportionment.

Paragraph 3, section 2, Article I, of the Constitution provides that—

> Representatives and direct taxes shall be apportioned among the several States which may be included within the Union according to their respective numbers.

This apportionment not having been made, it was claimed that such a tax was confiscatory. The Supreme Court did not declare that income taxes as such were unconstitutional, but did determine what constitutes a direct tax, namely, capitation, lands and houses, and the revenue derived from these sources.

Section 8, Article I, provides that the—

> Congress shall have power to lay and collect taxes, duties, imposts, and excises to pay the debts, etc., of the United States, but all duties, imposts, and excises shall be uniform throughout the United States.

Previously it had been assumed that all income taxes would come under the head of excises, treating only as direct taxes a head tax and tax upon land values. This decision, above mentioned, therefore defined the two separate sources from which income could be derived—direct and indirect. The constitutionality of the indirect tax not having been attacked, the court did not at that time undertake to express an opinion as to taxes under this head, but merely declared the act as unconstitutional because there had been a failure to apportion the direct tax. There was a rehearing of this case (U. S. 158, p. 41), and on May 20, 1895, the court affirmed its previous decision, declaring that income from personal property is also a direct tax, still failing to express an opinion upon excise or indirect taxes other than that they should be uniform throughout the United States.

Mr. Justice Field, while concurring with the majority opinion in the aforesaid case, went further, taking the position that the act of 1894, as related to incomes, was unconstitutional in that it exempted from taxation incomes of $4,000 or less, thus destroying the uniformity of the tax, and closed his opinion with these remarks:

> I could not say less in view of questions of such gravity that go down to the very foundation of the Government. If the provisions of the Constitution can be set aside by an act of Congress, where is the course of usurpation to end? The present assault upon capital is but the beginning. It will be but the stepping stone to others, larger and more sweeping, till our political contests will become a war of the poor against the rich; a war constantly growing in intensity and bitterness.

No more prophetic vision was ever expressed; within 20 years his predictions reached the culmination of all of his fears. For 10 years the war has raged with a growing intensity, and the end is not yet. To-day the avowed purpose of many upon this floor is to exempt the poor, and relatively poor, from any income tax and to take from the larger incomes so much as to prevent that which they are pleased to term "swollen fortunes."

The difficulty of enacting legislation taxing incomes from indirect sources and at the same time from direct sources necessitated an amendment to the Federal Constitution, which was submitted by the Sixty-first Congress, in 1910. The resolution was submitted, not with the idea of giving Congress greater power to tax incomes than it already possessed, but to define how the tax might be laid, and reads as follows: "That Congress shall have the power to lay and collect taxes on incomes, from whatever source derived, without apportionment among the several States, and without regard to any census or enumeration." This was ratified by 36 States and proclaimed by the Secretary of State February 25, 1913. The evident intent of the amendment was to reach incomes from direct sources. It did not create any new source from which incomes might be collected, but merely brought together the two sources, direct and indirect, in such shape that Congress could, without complication, enact an income tax law. Congress, in June, 1913, enacted an income tax law and made it progressive. This was contested, and in 1916 declared constitutional by a majority of the Supreme Court of the United States. It is my opinion that the Supreme Court was too liberal in its interpretation as to the tax from excises, which the Constitution requires to be uniform.

The graduated tax is a varying tax, and is not uniform in that it undertakes to tax incomes of one person at a higher rate than that of another. A flat tax upon all incomes is indisputably the equitable method by which incomes should be taxed, and so it was considered by both the States and Congress until the progressive idea was advanced in 1913.

By a flat tax I mean the same percentage of an income, be it large or small, viz, if A has an income of $10,000,000 and B an income of $10,000, and a tax of 10 per cent were laid, A would pay a tax of $1,000,000, while B would pay $1,000; each would pay in proportion to his means, but if a progressive tax is laid, ranging, as proposed in the bill under consideration, the income up to ten or twelve thousand, as the case may be, would pay no surtax. The incomes from $10,000 to $100,000 would vary from 1 to 25 or 44 per cent, and those above $100,000 would pay at the same per cent as those of $100,000. This applies in principle equally to the Mellon and Garner plans.

The inconsistency being that neither plan carries out the theory of placing the burden of taxation upon those best able to bear it. As a matter of fact, the burden of progressive taxation is applied as between the incomes of $10,000 and $100,000, and there the progressive feature ends, leaving all incomes from $100,000 up to infinity to be taxed at the same rate as the $100,000 income and exempting those of $10,000 and under, so that the progressive tax is placed on those incomes which by no possible stretch of the imagination could be considered as a menace to the welfare or well-being of the American people, and certainly can not be regarded as uniform. The Supreme Court, however, has concluded that the word "uniform" means "geographical." The exact intent of this interpretation is not clear to me, the inference, however, appearing to be that "uniform" means varying, in the discretion of Congress. If this be true, and in practice it seems to be, that Congress could enlarge upon the idea and take all of the net income from Mr. Ford, Mr. Wrigley, Mr. Mellon, the Standard Oil Co., and so forth, and thus destroy the so-called menace to society. Constitutional guaranties would be eliminated and the avenue opened wide for confiscation at the instance of communistic movements, which have for their purpose the destruction of property rights. Be it remembered that this bill would not only

exempt incomes up to and including $10,000 and end its progressive feature at $100,000, but it also proposes to exempt earned incomes to the extent of 25 per cent over those of incomes from other sources of like amount, still further infringing upon the meaning of the word "uniform" as given by our standard dictionaries. While not in sympathy with any of the plans proposed, I am confronted with the fact that the plan is already in force and the degree at which this confiscatory process shall proceed is the question only with which we have to deal. My own opinion is that the so-called Mellon plan approximates more nearly equity than does either the Garner plan or the Frear plan, the difference, however, being so slight that it is my purpose to vote with my party and not take advantage of my liberty to vote for that which I consider the better. Permit me to submit a table of rates and taxes derived therefrom:

Income.	Present law.	Mellon plan.	Democratic plan.
	Per cent.	*Per cent.*	*Per cent.*
$6,000-$10,000	1	0	0
$10,000-$12,000	2	1	0
$12,000-$14,000	3	2	1
$14,000-$16,000	4	3	2
$16,000-$18,000	5	4	3
$18,000-$20,000	6	5	4
$20,000-$22,000	8	6	5
$22,000-$24,000	9	7	6
$24,000-$26,000	10	8	7
$26,000-$28,000	11	9	8
$28,000-$30,000	12	10	9
$30,000-$32,000	13	11	10
$32,000-$34,000	15	12	11
$34,000-$36,000	15	13	12
$36,000-$38,000	16	14	13
$38,000-$40,000	17	14	14
$40,000-$42,000	18	15	15
$42,000-$44,000	19	15	16
$44,000-$46,000	20	15	17
$46,000-$48,000	21	16	18
$48,000-$50,000	22	16	19
$50,000-$52,000	23	16	20
$52,000-$54,000	24	17	21
$54,000-$56,000	25	17	22
$56,000-$58,000	26	17	23
$58,000-$60,000	27	18	24
$60,000-$61,000	28	18	25
$61,000-$62,000	28	18	26
$62,000-$63,000	29	18	27
$63,000-$64,000	29	18	28
$64,000-$65,000	30	19	29
$65,000-$66,000	30	19	30
$66,000-$68,000	31	19	31
$68,000-$70,000	32	19	32
$70,000-$72,000	33	20	33
$72,000-$74,000	34	20	34
$74,000-$76,000	35	20	35
$76,000-$78,000	36	21	36
$78,000-$80,000	37	21	37
$80,000-$82,000	38	21	38
$82,000-$84,000	39	22	39
$84,000-$86,000	40	22	40
$86,000-$88,000	41	22	41
$88,000-$90,000	42	23	42
$90,000-$92,000	43	23	43
$92,000-$94,000	44	23	44
$94,000-$96,000	45	24	44
$96,000-$98,000	46	24	44
$98,000-$100,000	47	24	44
$100,000-$150,000	48	25	44
$150,000-$200,000	49	25	44
$200,000 and over	50	25	44

The following table of comparison of the Democratic plan with the Mellon plan will be interesting as well as instructive:

Comparative table showing amount of surtax under the existing law, Mellon plan, Democratic plan, and Longworth compromise plan.

Income.	Present.	Mellon.	Democratic.	Longworth.
$11,000	$60.00	$10.00		$15.00
$12,000	80.00	20.00		30.00
$13,000	110.00	40.00	$10.00	52.50
$14,000	140.00	60.00	20.00	75.00
$15,000	180.00	90.00	40.00	105.00
$16,000	220.00	120.00	60.00	135.00
$17,000	270.00	160.00	90.00	172.50
$18,000	330.00	200.00	120.00	210.00
$19,000	390.00	250.00	160.00	255.00
$20,000	440.00	300.00	200.00	300.00
$21,000	520.00	360.00	250.00	360.00
$22,000	600.00	420.00	300.00	420.00
$23,000	690.00	490.00	360.00	487.50
$24,000	780.00	560.00	420.00	555.00
$25,000	880.00	640.00	490.00	630.00
$26,000	980.00	720.00	560.00	705.00
$27,000	1,090.00	810.00	640.00	787.50
$28,000	1,200.00	900.00	720.00	870.00
$29,000	1,320.00	1,000.00	810.00	960.00
$30,000	1,440.00	1,100.00	900.00	1,050.00

Comparative table showing amount of surtax under the existing law, Mellon plan, Democratic plan, and Longworth compromise plan—Continued.

Income.	Present.	Mellon.	Democratic.	Longworth.
$31,000	$1,570.00	$1,210.00	$1,080.00	$1,147.50
$32,000	1,700.00	1,320.00	1,100.00	1,245.00
$33,000	1,850.00	1,440.00	1,210.00	1,357.50
$34,000	2,000.00	1,560.00	1,320.00	1,470.00
$35,000	2,150.00	1,680.00	1,440.00	1,582.50
$36,000	2,300.00	1,820.00	1,560.00	1,720.00
$37,000	2,460.00	1,960.00	1,680.00	1,815.00
$38,000	2,620.00	2,100.00	1,820.00	1,935.00
$39,000	2,790.00	2,240.00	1,960.00	2,062.50
$40,000	2,960.00	2,380.00	2,100.00	2,190.00
$41,000	3,140.00	2,530.00	2,250.00	2,325.00
$42,000	3,320.00	2,680.00	2,400.00	2,460.00
$43,000	3,510.00	2,830.00	2,560.00	2,602.50
$44,000	3,700.00	2,980.00	2,720.00	2,745.00
$45,000	3,900.00	3,130.00	2,890.00	2,895.00
$46,000	4,100.00	3,280.00	3,060.00	3,045.00
$47,000	4,310.00	3,440.00	3,240.00	3,202.50
$48,000	4,520.00	3,600.00	3,420.00	3,360.00
$49,000	4,740.00	3,760.00	3,610.00	3,525.00
$50,000	4,960.00	3,920.00	3,800.00	3,690.00
$51,000	5,190.00	4,080.00	4,000.00	3,862.50
$52,000	5,420.00	4,240.00	4,200.00	4,035.00
$53,000	5,660.00	4,410.00	4,410.00	4,275.00
$54,000	5,900.00	4,580.00	4,620.00	4,395.00
$55,000	6,150.00	4,750.00	4,840.00	4,852.50
$56,000	6,400.00	4,920.00	5,060.00	4,770.00
$57,000	6,660.00	5,090.00	5,290.00	4,985.00
$58,000	6,920.00	5,260.00	5,520.00	5,160.00
$59,000	7,190.00	5,440.00	5,760.00	5,362.50
$60,000	7,460.00	5,620.00	6,000.00	5,565.00
$61,000	7,740.00	5,800.00	6,250.00	5,775.00
$62,000	8,020.00	5,980.00	6,510.00	5,985.00
$63,000	8,310.00	6,160.00	6,780.00	6,202.50
$64,000	8,600.00	6,340.00	7,060.00	6,420.00
$65,000	8,900.00	6,530.00	7,350.00	6,645.00
$66,000	9,200.00	6,720.00	7,650.00	6,870.00
$67,000	9,510.00	6,910.00	7,960.00	7,102.50
$68,000	9,820.00	7,100.00	8,270.00	7,335.00
$69,000	10,140.00	7,290.00	8,590.00	7,575.00
$70,000	10,460.00	7,480.00	8,910.00	7,815.00
$71,000	10,790.00	7,680.00	9,240.00	8,062.50
$72,000	11,120.00	7,880.00	9,570.00	8,310.00
$73,000	11,460.00	8,080.00	9,910.00	8,565.00
$74,000	11,800.00	8,280.00	10,250.00	8,820.00
$75,000	12,150.00	8,480.00	10,600.00	9,082.50
$76,000	12,500.00	8,680.00	10,950.00	9,345.00
$77,000	12,860.00	8,880.00	11,310.00	9,615.00
$78,000	13,220.00	9,080.00	11,670.00	9,885.00
$79,000	13,590.00	9,310.00	12,040.00	10,162.50
$80,000	13,960.00	9,520.00	12,410.00	10,440.00
$81,000	14,340.00	9,730.00	12,790.00	10,725.00
$82,000	14,720.00	9,940.00	13,170.00	11,010.00
$83,000	15,110.00	10,160.00	13,560.00	11,302.50
$84,000	15,500.00	10,380.00	13,950.00	11,595.00
$85,000	15,900.00	10,600.00	14,350.00	11,895.00
$86,000	16,300.00	10,820.00	14,750.00	12,195.00
$87,000	16,710.00	11,040.00	15,160.00	12,502.50
$88,000	17,120.00	11,260.00	15,570.00	12,810.00
$89,000	17,540.00	11,480.00	15,990.00	13,125.00
$90,000	17,960.00	11,720.00	16,410.00	13,440.00
$91,000	18,390.00	11,950.00	16,840.00	13,762.50
$92,000	18,820.00	12,180.00	17,270.00	14,085.00
$93,000	19,260.00	12,410.00	17,710.00	14,415.00
$94,000	19,700.00	12,640.00	18,150.00	14,745.00
$95,000	20,150.00	12,880.00	18,590.00	15,082.50
$96,000	20,600.00	13,120.00	19,030.00	15,420.00
$97,000	21,060.00	13,360.00	19,470.00	15,765.00
$98,000	21,520.00	13,600.00	19,910.00	16,110.00
$99,000	21,990.00	13,840.00	20,350.00	16,462.50
$100,000	22,460.00	14,080.00	20,790.00	16,815.00
$150,000	46,460.00	26,580.00	42,780.00	34,815.00
$200,000	70,960.00	39,080.00	64,780.00	53,190.00
$250,000	95,960.00	51,580.00	86,780.00	71,940.00

The precedents established under this system of taxation may, with the changing vicissitudes of political conditions, some day react upon those whom we now seek to exempt in favor of those upon whom we now place the burden; such has been the history of autocracies. In our envy and malice and venom toward the man who has made "two blades of grass grow" instead of one we march with hilarity to the slogan, "We'll place the burden of taxation upon those best able to bear it." To accomplish this end we override with impatience certain constitutional inhibitions which are far more valuable to the poor man than to the rich, and though they now enable us to attain the end desired are susceptible to the grossest kind of oppression for our posterity when wealth shall in turn assume the reins of Government.

The colonist when subject to the British were oppressed by burdensome and unusual taxes. They were not given representation, and therefore had no voice in the burden placed upon them. To collect these oppressive taxes, because of which the people began to complain, British detectives and spies were authorized to break into the privacy of the home, to search and seize private papers, records, and correspondence of the people,

thus destroying their peace, happiness, and prosperity by placing their liberty in the hands of irresponsible petty officers.

John Adams, in the year 1817, referring to the trial of a case at Boston in the year 1761, at which he was present, for the searching of premises under general search warrants for smuggled liquor, in which the British court held that though an invasion of the citizens' rights it was necessary to enforce the law, declared that "American independence was then and there born" "In 15 years, 1776, he grew up to manhood and declared himself free." The colonist knew full well the price of liberty. They were willing to pay. Having suffered the humiliations imposed by a British tyrant plus seven years of war, can any sane mind conceive for a moment that those patriots, breathing the air of freedom, when assembled to construct a Government, did not mean every word literally that they wrote into a solemn contract between themselves and their posterity as parties of the first part and the creation by their own hands of a party of the second part?

This contract which we call a Constitution was intended as the inner fort of defense against a duplication of British tyranny. The Congress elected each two years was to be a first line of defense, the Senate a second, and finally the Constitution manned by the Supreme Court was to be the third line. In less than 130 years attacks by minorities of selfishness and greed have broken through the first line in sundry places, undermined the second, and has unquestionably made breaches in the third. To-day we find the first and second lines joining in an effort to destroy the liberty so dearly purchased. It would seem that the courts have weakened. The "big Bertha"—Congress—has been trained upon liberty. Breach after breach has been made. The Constitution said direct taxes shall be apportioned among the States according to representation determined by a census, meaning unquestionably to be kept as nearly equal and uniform as possible. The Supreme Court said this tax was not intended to be equal. The Constitution says that duties, impost, and excises shall be uniform throughout the United States. The court said incomes from realty and personal property is not an excise but a direct tax and subject to apportionment. The Constitution was changed to remove the direct income from apportionment. The court then said uniform taxes as applied to incomes do not mean equal taxes but is "geographical," and hence income taxes mean unequal taxes if Congress so wills. The Constitution says that property shall not be taken without due process. The court says that as applied to incomes unequal tax by progression does not take property without due process, and therefore not confiscatory. The Constitution says that Congress shall make the law and does not authorize it to delegate that power. The court says that Congress has the right to delegate these powers if they call them rules and regulations. The executive branch then makes a code of laws for violation of which citizens may be imprisoned. The Constitution says that the right to be free from unreasonable search and seizures shall not be violated. Congress says that the income tax and prohibition laws can not be enforced without an invasion of those rights. Now, what is the effect of this violence to the Constitution by the Congress and these decisions by the court? Some citizens have had and are having 50 per cent of their property (income) taken from them, while others are exempted; but this is "geographical," and therefore the fathers who fought the war in order to enjoy equal rights intended arbitrary and unequal taxation for their posterity. Congress says that a progressive tax is a just tax.

The court says all right. The Executive branch of the Government makes law and the citizen is persecuted. The Executive searches the home, the premises, the papers, books and letters of respectable citizens, and seizes his property without warrant. The fathers said government exist by consent of the governed. Congress and the Executive says we will govern without consent. The fathers said that government should afford the greatest amount of peace, happiness, and prosperity. Congress and the Executive backed to some extent by the Supreme Court says that we are the judges of what should be peace, happiness, and prosperity. English jurisprudence since the days of Magna Charter assumes that "all persons are innocent of crime till proven guilty, and the burden of proof rests upon the Government." Congress and the Executive, aided by court decisions, assumes that all persons are guilty of crime and the burden of proof as to innocence rest upon the citizen. Are we not back where we were in 1775? How long ere we must again fight the same old fight of our fathers against the tyrants John and Charles and George. What is there to a name? What matters if it be a king, an emperor, a president, a bureau, or a Congress, if we are to be taxed for the pleasure of the farmer to-day, the laborer to-morrow, capital the day after, and so forth, if the sacred rights of home, person, and private effects are to be violated at the instance of irresponsible underlings—if property rights are to be confiscated? Once upon the road to autocracy no Government ever turns back, and rarely, if ever, even halts. To invoke Constitutional limitation is but to provoke derision, so uncompromisingly determined are we to destroy those whom because of their wealth we are pleased to regard as a menace to society. Be it remembered that the estimated tangible wealth of the Nation is $300,000,000,000, it is safe to assume an intangible wealth of $200,000,000,000 in addition, or a total of $500,000,000,000 compared to this the menace of our wealthiest citizen with $750,000,000, would not seem particularly to be feared. My opinion is that the law against promogeniture will take care of this danger. So thought the framers of our Government. The breaking down of constitutional guaranties is a menace to the poor and the rich alike.

Section 1001 delegates absolutely to the commissioner authority to prescribe all needful rules and regulations for the enforcement of this act. It would have been more accurate to have stated that the commissioner is hereby authorized to make and repeal such law as he may deem necessary for the enforcement of this act. The power to make law is vested solely and exclusively in Congress, and the authority to delegate that power has not yet been given. There is nothing more important, however, to every citizen in the United States than the question of his taxes, and if there is any line to be drawn anywhere, at any time, under any conditions, as to the power of Congress to delegate to the executive branch of the Government the right to make law, this is the place and time at which and in which the line should be drawn. These rules and regulations have the binding force of law and subject the citizen to the penalties provided by the bill. Every citizen has a right to know what the law is, but under the powers herein delegated these laws of the commissioner may be changed from day to day, with no opportunity to the citizen to know of the changes that may have been made. The citizen is placed absolutely at the mercy of the honesty, of the decency, and of the intelligence of the commissioner and his assistants. The framers of our Government never intended that such powers should be exercised by the Executive. On the contrary, they attempted in every way possible to separate this power from the Executive, realizing the danger to human liberty resulting therefrom.

Section 1002–A provides that every person shall keep such records as may be required by the commissioner and Secretary. In other words, the millions of people who are struggling with small capital to earn a competence in some line of business would be forced to keep an extended system of red-tape bookkeeping at the command of the commissioner, a burden the cost of which can not be estimated. We have no means of knowing or determining what has been the cost to American citizens of making income-tax returns, and meeting the many unreasonable and complicated demands made by the commissioner. I have an idea that this cost runs into the hundreds of millions of dollars for the employment of lawyers, certified accountants, and traveling expenses to Washington in an effort to protect themselves against demands which they believe to be unjust and unreasonable.

Section 1004 provides that any revenue agent or inspector designated by the commissioner may examine the books, papers, records, or memorandum bearing upon matters required in a return. This enables a detective of the Government to pry into the most private and sacred matters of any citizen, in direct violation of the fourth amendment to the Constitution. I do no believe there is a Member of this body who can or would deny the accuracy of this statement. It is a most vicious principle, that takes from the American citizen the most sacred right and privilege guaranteed by the Constitution and enjoyed prior to the ratification of the sixteenth amendment. Surely there is intelligence enough in this body and among the splendid men who compose the Ways and Means Committee to draft a tax measure that would be within the limits of the Constitution and protect American citizens in the rights to which they are entitled. The practice of committees in accepting bills written by the executive departments of our Government is dangerous in the extreme and unworthy of the intelligence of this Congress.

Mr. LOZIER. Mr. Speaker, I have offered an amendment to subsection 1 of section 701 of the pending revenue bill. As reported by the Ways and Means Committee, this bill imposes a tax on brokers whose business is to negotiate sales of stocks, bonds, and other securities. It is intended primarily to reach the membership of organizations like the stock exchanges at New York, Boston, Philadelphia, and other large cities. It imposes a flat tax of $50 on each broker and requires the payment of an additional amount based on the value of the

broker's seat or membership in the stock exchange. If the seat or membership is worth from $2,000 to $5,000, the broker pays an additional tax of $100. If the membership is worth more than $5,000, the additional tax is $150.

Now, my amendment proposes to increase this tax in proportion to the value of the seat or membership. The section as reported by the committee makes the tax on a seat or membership worth $5,000 the same as the tax on a seat or membership worth $50,000 or $100,000. A membership on the New York Stock Exchange sells at prices ranging from $75,000 to $100,000. Under a progressive tax system, why should not this tax on these seats be graduated according to the value of such membership?

Assuming that a seat or membership on the New York Stock Exchange is worth $75,000 and a seat or membership in the Minneapolis Stock Exchange is worth $5,000, is there any reason or equity in charging the Minneapolis broker the same tax as is charged against the New York broker?

The section as reported by the committee starts out all right and is good as far as it goes, but it does not go far enough. A seat or membership in the New York Stock Exchange is exceedingly valuable, because on the floor of this exchange are sold daily stocks and bonds of the value of many millions of dollars. This means a large volume of business for the members and a greater opportunity for profits. Is it reasonable to tax a broker who handles only a few transactions on a second or third class stock exchange the same as the broker who does an exceedingly large business on the floor of the New York Stock Exchange?

My amendment not only graduates and equalizes the brokerage tax, but it will multiply the revenue from this source many times. The section as it now stands is only a gesture in the right direction. My amendment will make this provision a real revenue producer.

Mr. CELLER. Mr. Speaker and gentlemen of the House, I am in favor of the highest kind of inheritance tax, yet I am opposed to the Ramseyer amendment increasing inheritance taxes beyond the present rate. As to the theory of inheritance taxes, a purpose thereof, but not the primary purpose, is to raise revenue. We must always, however, keep in sight of the fact that fundamentally it is to prevent concentration of large wealth in the hands of a few individuals that we have these death duties. The inheritance tax, on the other hand, is the most direct tax we have. It is a tax that can be least evaded. It is a tax that will get at tax-exempt securities; and while I voted for the tax-exempt securities constitutional amendment, I will say to my friend from Wisconsin [Mr. FREAR], yet I am opposed to this amendment.

And why? We are living under a dual form of government, where the State government is sovereign and the Federal Government is sovereign under the Constitution, and we have the condition where the Federal Government is in the business of inheritance tax and where the State governments are in the business of inheritance tax, and we know which is the stronger of the two. The Federal Government is irrepressible, and once the Federal Government gets in competition with the State governments we know that the States must, of necessity, recede.

Now, I have taken the trouble to make a computation of the maximum rates that have been fixed by the various Commonwealths, and the amounts are astounding. We find, for example, that the maximum rate at which West Virginia taxes collateral relatives and what the Germans call "laughing heirs" is as high as 35 per cent; that Wisconsin and Washington are as high as 40 per cent; that Missouri and Illinois are 30 per cent; that Oregon, Nevada, and Arizona are 25 per cent; that Georgia taxes 21 per cent; that Iowa, Indiana, and California are 20 per cent.

Now, my friends, where and when will this intense competition cease? If we increase these inheritance taxes beyond 25 per cent, we know that the State governments will ape the Federal Government and they will increase the rates correspondingly.

In regard to New York State we have a condition where New York will be deprived, if you pass this amendment, of a goodly portion of its source of revenue. We are taxed in New York, for example, to the extent of nearly 3 per cent on city real property on its assessed valuation. That is a tremendously high rate, and that is because the State government can not otherwise secure enough revenue and therefore levies a direct tax upon the various cities and communities, who in turn tax real estate at very high rates.

Now, New York and other States are about to pass a State soldiers' bonus. We know, for example, that there are $11,000,000,000 of tax-exempt securities in existence. Where are the States going to get the money to pay the principal on all these tax-exempt securities nd the State soldiers' bonus? They must get it somewhere. I can say with greater grace than some gentlemen on that side of the House that I am in favor of the State-rights theory of government, and I do not want to see the Federal Government reaching out like an octopus in every direction, seeking and seizing every source of revenue that is now open to the States. For example, in New York City, because we have prohibition, we have been deprived of certain excise taxes, with the result that almost our entire police pension fund has been depleted, and that fund faces a gigantic deficit.

Where is New York going to raise the money to effect a surplus rather than have a deficit in the police fund? That is only typical of the situation in New York City and elsewhere throughout the country. We must not, without the maturest kind of consideration, take away this source of revenue from the States.

Away back in 1907, before New York passed its transfer tax law, in a report of the special tax commission presided over by Mr. Edward R. N. Seligman, of Columbia University, this report was made to the New York Legislature:

> From the point of view of financial needs, therefore, it is eminently desirable that the National Government should refrain from seizing on those sources of revenue which can constitutionally be utilized by our various Commonwealths and which will surely be more and more needed as time goes on.
>
> It is probably without a due appreciation of the importance of this fact that the President—

Roosevelt was President then—

> has recommended and many public-spirited and wealthy citizens have indorsed national inheritance taxes. The States must therefore not only act promptly by fastening upon these and other substantial subjects of taxation by equitable methods, so as to hold within our borders much-needed revenue for local purposes, but they must so seek to develop them that these sources of revenue be not closed to us in the future by the irresistible competition of the National Government. The National Government is stronger than any State government. If such taxes are once placed upon the statute books of the Nation as permanent measures, they will not readily be removed.

How true that prophecy has come to be. The Federal Government is seeking more and more to invade the States and take away from the States their right to tax and take away from the States their various and many sources of revenue, so that there is really nothing left to the States except a small income-tax rate, and the large income taxes we are fastening upon the country discourage the States from even trying to get their adequate portion of revenue from income tax.

Now, I admit there is a lack of comity in the country with reference to inheritance taxes. I have a case in mind where a man had Rock Island bonds in a safe-deposit vault in Boston. He was domiciled in New York and his estate had to pay an inheritance tax on those bonds in four different States; and why?

New York got its inheritance tax from his estate because he was domiciled there. Massachusetts insisted upon getting its inheritance tax because the physical possession of the security was in Massachusetts, because the securities were in a safe-deposit box in Boston, and the States of Illinois and Iowa insisted on getting their proportion because, as I understand it, the Rock Island Railroad Co. was incorporated in both of those Commonwealths. In addition to that, the Federal Government also insisted upon exacting its toll of the Federal inheritance tax.

I know of another case where a man in Michigan made a large bequest to the Smithsonian Institution, a Federal agency, and the State of Michigan said, "We must have our tax because Michigan"—as I understood it—"only allows a limit with reference to exemptions where the gift is made to educational institutions." And we had the spectacle of the Smithsonian Institution being compelled to pay back into the coffers of Michigan a portion of that gift.

I had to handle an estate in my office where it was necessary to file inheritance-tax returns in over a dozen different States, and several of them taxed the same property. It takes days and sometimes weeks to get waivers from the comptrollers or treasurers of the various States, which waivers evidence payment, or lack of necessity for payment, of the death duties; with the result that the endless delay results sometimes in violent changes in values due to fluctuations in the stock market quotations. Such uncertainties ought never enter into the sale of securities by executors and trustees of estates.

If a corporation is organized in State A and does business in State B and the decedent holding its stock lived in State C, all three States will exact its toll from the stock. Ofttimes the

taxes due the various Commonwealths total more than the value of the stock.

Every State has a different inheritance-tax procedure and law. Florida advertises that it proposes to amend its constitution to prevent the exaction of inheritance taxes, so as to attract rich men to come there and die.

Now, I say, because of this disparity of State inheritance taxes, because of this lack of comity, there should be assembled, as the gentleman from New York has well said, at some place representatives from all the Commonwealths and representatives of the Federal Government to work out some logical and scientific scheme of taxation on inheritances, and thus avoid the spectacle of a person being compelled to pay taxes to several States on the same property.

Until this chaos is removed from State transfer taxes the Federal Government should leave well enough alone.

We have a uniform sales act, a uniform negotiable instruments law, and should have a uniform transfer tax law operative in the various States.

IN OPPOSITION TO GIFT TAX AMENDMENT.

The so-called gift tax is objectionable because—

1. It is unnecessary.
2. It defeats the purpose of the inheritance taxes.

It is idle and regrettable to add subjects of taxation to the revenue bill when its purpose is to reduce taxes and to decrease the number of subjects and articles to be taxed. The revenue bill is, indeed, the piece de resistance of the present session of Congress, but the gift tax will not sit well upon the stomach of the Nation.

Of all nations France is the only one that I know of that has a gift tax. The principal theory of the inheritance tax is the prevention of concentrated wealth in the hands of a few. Democracies are jealous of swollen fortunes, that make for the very antithesis of democracy, namely, moneyed aristocracy. The inheritance tax, therefore, is supposed to encourage the rich man to divide his wealth in his lifetime, under penalty of paying the tax at his death. But if you penalize him in his lifetime by a gift tax—a tax on all gratuitous distribution of his property—you discourage the very diffusion of large estates, which diffusion the inheritance tax aims at, and on the other hand you increase the incentive to pile up fortunes, the very evil that the inheritance tax discourages.

The inheritance tax or death duties have not the primary purpose of raising revenue; that is its secondary purpose. Its primary purpose was and is to fritter away what Roosevelt called "swollen fortunes." The gift tax defeats this purpose.

The rich man, if you have the large inheritance tax and the corresponding gift tax, is caught between two fires; he is damned if he does and damned if he does not—that is, he is heavily taxed if he divides his property during his lifetime by gifts and is heavily taxed if he does not, and keeps it intact till death, when the inheritance taxes attach it. The gift tax will undoubtedly yield revenue and lots of it, but a great evil is engendered. The rich man, caught between Scylla of gift taxes and Charybdis of death taxes prefers always to hold his property to the end and pay the death taxes. We thus play into the hands of "swollen fortunes." Mortmain "the dead hand" is triumphant. The dead man controls the estate now in the hands of the living. His dead hand reaches out in absolute control.

This amendment is ill considered. I have examined the files of the Congressional Library and found nothing on it. England has no gift tax. No continental nation, except France, has adopted it. We know little of the operation of such a law. I am opposed to it and hope it shall be voted down despite the fact that its author is the ranking member on our side on the Ways and Means Committee, the distinguished gentleman from Texas [Mr. GARNER], a man whose wisdom and prudence I shall always respect, but whose leadership I must respectfully decline to follow at this time.

INTERIOR DEPARTMENT APPROPRIATION BILL.

Mr. CRAMTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 5078, the Interior Department appropriation bill, disagree to the Senate amendments, and agree to the conference asked for by the Senate.

The SPEAKER. The gentleman from Michigan asks unanimous consent to take from the Speaker's table the bill H. R. 5078, the Interior Department appropriation bill, disagree to all the Senate amendments, and agree to the conference asked for by the Senate. The Clerk will report the bill by title.

The Clerk read as follows:

A bill (H. R. 5078) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1925, and for other purposes.

The SPEAKER. Is there objection?

Mr. BLANTON. Mr. Speaker, reserving the right to object—and I shall not object—I want to ask the gentleman whether or not he is going to give us the opportunity——

Mr. SEARS of Florida. Mr. Speaker, I make the point of no quorum.

Mr. BLANTON. Then I object, Mr. Speaker.

Mr. CRAMTON. If the gentleman insists on his point, I would rather withdraw my request.

Mr. SEARS of Florida. I will withdraw it if you are not going to waste too much time.

Mr. BLANTON. The Senate has added $2,500,000 to that bill over and above what the House put in. Is the gentleman going to give us an opportunity to vote on those raises before he agrees to them in conference?

Mr. CRAMTON. I could not promise that as to all of them, but there are some of them as to which I could. For instance, there is an item of half a million dollars for Howard University that I would be obliged to bring back under the rules.

Mr. BLANTON. How about those matters out in Idaho?

Mr. CRAMTON. One of them, you will remember, I reported to the House.

Mr. BLANTON. But they are new items, so far as the House is concerned.

Mr. CRAMTON. My impression is that it went out in the House on a point of order. I am obliged to give a separate vote on that.

Mr. BLANTON. The gentleman promises to give us an opportunity to vote on that?

Mr. CRAMTON. I will promise to give an opportunity to the House to vote on that matter.

The SPEAKER. Is there objection?

There was no objection; and the Speaker announced as the conferees on the part of the House Mr. CRAMTON, Mr. MURPHY, and Mr. CARTER.

GRAND CANYON NATIONAL PARK.

Mr. CRAMTON. Mr. Speaker, I ask unanimous consent that I may speak for 30 minutes next Monday, following the reading of the Journal, on the accessibility of the Grand Canyon National Park.

The SPEAKER. The gentleman from Michigan asks unanimous consent to speak for 30 minutes next Monday, following the reading of the Journal, on the Grand Canyon National Park. Is there objection?

Mr. SEARS of Florida. Reserving the right to object, Mr. Speaker, I would like to find out the attitude of the majority leader on that question.

Mr. LONGWORTH. I shall certainly not object.

Mr. SEARS of Florida. I certainly shall not object, but the gentleman over there is so anxious to proceed when I want to talk that I want to find out his attitude.

Mr. GREEN of Iowa. The gentleman can talk now, so far as I am concerned.

The SPEAKER. Is there objection?

There was no objection.

ANNOUNCEMENT.

Mr. UPSHAW. Mr. Speaker, I ask unanimous consent to address the House for one-half minute.

The SPEAKER. The gentleman from Georgia asks unanimous consent to address the House for half a minute. Is there objection?

There was no objection.

Mr. UPSHAW. I wish to call the attention of my colleagues to the entertainment to be given in the caucus room to-morrow evening at 8 o'clock by Booth Lowrey, the gifted brother of our colleague. It will be an inspiring and entertaining hour.

EDUCATION.

Mr. EAGAN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting a message by the Governor of New Jersey to the joint session of the New Jersey Legislature on the subject of education.

The SPEAKER. The gentleman from New Jersey asks unanimous consent to extend his remarks in the matter indicated. Is there objection?

There was no objection.

Mr. EAGAN. Mr. Speaker, under leave to extend my remarks I submit the following message addressed by Governor Silzer to the joint session of the New Jersey Legislature on February 25, 1924:

To the Legislature:

I come to-night to counsel with you on the subject of education. It is clearly the most important thing we have to deal with in our State.

It is our business to see that our children get the best education possible. We are obliged to make our system of education both efficient and economical. Our duty is to the children and, back of them, to their parents, the taxpayers of the entire State.

No single department costs so much to conduct, for the people of New Jersey annually expend $46,000,000 for education.

Any business corporation spending $46,000,000 yearly for purely commercial purposes and profit would exercise the greatest care and scrutiny to secure efficiency and economy. Auditors would be employed, as well as supervisors, efficiency experts, and other well-paid, highly qualified men. By this method have the great business enterprises of the Nation been built up by our captains of industry.

In our public administration we usually adopt the course of least resistance and of least friction—the course of drifting until we reach a place where we come upon the rocks or see that we can drift no further. Then we stop, make slight changes in our course, and continue the journey, sure to come upon the rocks again.

In a matter of such great importance we can not continue this course. We must adopt the same methods which have built up our large industries and made this country great.

I do not mean to imply any criticism of those conscientious officers, boards, and teachers who give such unselfish and patriotic thought and attention to this work. What I do mean to say is that periodically we must examine ourselves in order to see whether we are getting the proper results.

In 1911 a legislative committee investigated the school question and made a number of recommendations which were adopted with resulting benefit to our schools. For 13 years there has been no further investigation. These 13 years, with the changes brought about by the war, the increasing complication of modern education, and its vast expense, have entirely changed conditions.

It is true that during that time our boards and those interested in the schools have done much for their advancement. The opportunity, however, for investigation by our State board of education and others is exceedingly limited, because they have neither the time, the money, nor the power to do this work.

In my judgment, the time has arrived when a thorough survey should be made of our entire school system in order to correct such evils as may exist, and to put into effect such improved methods as may be of advantage.

There are at present in the State 693,342 pupils attending school. We have 2,191 school buildings, representing an investment of $151,796,312.20. There are 21,644 teachers employed, all of which indicates the vastness and complexity of the problem.

In 1920 $1,200,000,000 was spent throughout the United States for education, an increase of 100 per cent over 1910.

In 1920 education took 36 per cent of the total State and local expenditures, as compared with 26½ per cent in 1915.

In 1920 the highest expenditure was 44.7 per cent, the lowest 16.1 per cent, New Jersey being eighth in the column of States. As I stated before, the present yearly cost is $46,000,000.

COMPLAINTS.

During the last few years numerous complaints and criticisms have been made of our school system. There are many people who believe that there is too much time spent upon what they call "fads and frills." In this category are included such subjects as basket ball and football, directed play, folk dances, intelligence tests, Palmer method of writing, business training, domestic science, drawing, music, modern language, manual training, public speaking, promiscuous reading to pupils, salesmanship, sewing, cooking, and stenography and typewriting.

These same critics complain that we are neglecting the primary education of our children; that the fundamentals are not being firmly implanted in their minds, and that too much time is being spent on subjects which will be of little or no use to the children in after life.

We learn that out of 298 high-school graduates who took an examination for admission to a State normal school 98 failed.

At another time 129 were examined and 70 failed.

Recently 17 normal-school graduates took an examination to teach in the schools of Irvington; 1 passed and 16 failed. Some received marks as low as 45½ per cent; in other subjects the marks ranged from 40 per cent to zero. The median in arithmetic was 30 per cent.

The questions that naturally arise are: What is wrong with this normal school? What is wrong with these graduates? Do we want our children taught by such teachers?

"A vicious circle," said a recent educational writer, "is drawn when the normal schools blame the high schools for not sending them better material; the high schools blame the grammar schools for sending along pupils insufficiently prepared, and the grammar school snaps back that they would do better work if the normal schools furnished them better teachers."

We spend $660,000 yearly for medical inspection. Is the inspection systematic and economical? Is there proper coordination between departments? Do educational laws need revising and codifying? Is proper progress being made in the preparation of textbooks? Is there uniformity of curriculum?

Is the term at normal school long enough to properly train teachers? Are we teaching enough of pedagogy? Have we too many daily subjects for pupils in the elementary departments?

Shall we segregate defective children and teach them useful manual work, or permit them to remain with other classes, trying to teach them that which they can not grasp?

Are teachers' institutes functioning as planned?

These and hundreds of other questions are being asked every day by those most interested in our schools.

Numerous criticisms are being made of the conduct of our schools and of the results obtained. Whether these criticisms are well founded or not I do not know. But I do know that we ought to ascertain whether these criticisms are well founded or not. This is our clear duty. If we find that there is nothing in these criticisms, then the critics will be silenced. On the other hand, if we find that they are well founded, then the evils can and should be speedily corrected. We have no right to leave the matter in the present uncertain state.

COST OF SCHOOLS.

In these times of high taxes it is but natural that there should be a great deal of criticism of the type and character of schools erected and of their high cost.

The value of school properties increased in 1923 over 1922 from $133,111,171 to $151,800,000, or nearly $19,000,000.

In 1914 the value was $58,000,000, the increase from 1914 to 1923 being nearly $100,000,000 or nearly 200 per cent.

Disbursement for purchase of land and erection of buildings during the last five years was as follows:

1919	$2,772,218
1920	5,467,458
1921	12,464,293
1922	14,279,157
1923	19,106,953

This shows an increase of about $17,000,000 in five years.

In the last five years $6,525,420 has been expended on buildings for high-school use only to accommodate 11,400 pupils.

In one city a high-school building cost approximately $2,000,000; in another, $1,016,000; in another a junior high school cost $1,400,000.

In even smaller districts with low ratables large sums are spent.

Applications are constantly being made for the passage of bills by the legislature to raise the bond limit so new and expensive schools may be built.

In the building of schools we find included in them large offices, swimming pools, organs, gymnasiums, kitchens, sewing rooms, manual-training rooms, large auditoriums, designed not for educational but rather for community purposes, and many other things of like character. These may all be necessary and advisable, but in view of the criticism we ought to find out. We ought to express our approval if they are correct and our disapproval if they are not, and so end these discussions.

INCOME.

Let us examine our sources of income, those which go to make up the $46,000,000 expended yearly, to determine whether there is any need for correction or improvement.

It is quite evident that with the natural increase in the number of school children from year to year, this will be a continuing and progressive and troublesome problem.

A comparison of the number of pupils enrolled during the last five years is as follows:

1919	596,994
1920	623,284
1921	640,765
1922	678,734
1923	693,342

This shows an annual increase of 24,097 during this five-year period.

EXPENDITURES.

We must also examine our method of expending the $46,000,000, to determine whether there is waste, and to determine whether we are getting value received. There are continuing demands for schools and school facilities which will have to be met. For this we must be prepared. We must look to the future and be ready to meet it.

Each year the State officials are confronted with the necessity of reducing requests for appropriations for worthy objects. To illustrate: It was found necessary, on account of insufficient revenue this year, to decline the request of the State Board of Education for the completion of the school for the deaf. This school is a veritable fire trap. From it the younger children have been removed. The older children should also be removed at once, but buildings are not available because the funds are not to be had.

New normal schools are required from time to time, as well as other units in our vast educational system.

Education consists not only of a fundamental and intermediary education, but in high-school and college education. Since the war

there has been an increasing demand for high-school education, as illustrated by the following figures:

Number of pupils entering high school (including repeaters):

1919	22,034
1920	24,297
1921	26,869
1922	31,484
1923	33,065

This shows an increase of 11,031 during the five-year period, or 50 per cent over the number entering in 1919.

Evidently the young men who went to the front were brought to a realization of the value of education and have made up their minds to have it and to see that the younger members of their families have it.

Our State is most fortunate, in the matter of higher education, in having within its borders institutions which are not surpassed by any in the United States—such institutions as Princeton University, Rutgers College, Stevens Institute, and Seton Hall. Most of these are private institutions, devoted to the education of those who can afford to pay the fees. The State college (Rutgers), however, has a number of free scholarships and is doing excellent work along educational and scientific and agricultural lines. In considering the question of education we can not neglect these demands and needs for higher education.

TEACHERS' RETIREMENT FUND.

Under a State statute our teachers are retired after a certain number of years of service. Under that statute the State is called upon to appropriate nearly $2,000,000 each year to provide the necessary funds for this purpose. Whether the present method is scientifically accurate and financially sound, and whether it expresses the policy which the States should continue for its protection and the protection of these teachers, is a question that should be examined.

THE PROBLEM.

We must determine how we are going to get the funds to provide the necessary facilities for the educational purposes above outlined.

In what I have said I have but touched the surface of the educational problem. There are many questions which will have to be taken up and examined.

According to the latest United States Census there are in New Jersey 127,661 people who can not read or write, over the age of 10 years. Of these, 911 are between the ages of 10 and 15 years of age. Of this 911, 283 are of native parentage.

These must be taken care of.

Our children must be thoroughly grounded in the fundamentals, and those who desire higher education must be given the facilities.

We can not permit our children, through our neglect and carelessness, to grow up in ignorance or to be half educated. We must make of them enlightened and helpful citizens. We can not permit them to drift back into ignorance and into that class so sadly exploited by others who have more knowledge.

We now have an educational system of which we are proud. We have made great advances in this work. We stand high among the States in our accomplishment. We must not stop now. Our goal should be the best, for nothing is too good for the children of our State.

RECOMMENDATIONS.

I would therefore recommend that the governor be authorized to appoint a committee of nine to make a survey of our entire educational system, the committee to be composed of the nine best qualified persons who can be found. I suggest nine in order that the committee may be large enough to divide itself into sections for the study of particular problems, following this study by a joint conference of the full committee on all questions.

I have not suggested a legislative commission because I realize the sacrifices which members of the legislature must make, not only during the pre-election period but afterwards in the legislative session. It is not fair to ask them to make further sacrifices. Those to be secured to take a place on such a commission must be those who can devote themselves to it and who at the same time have a deep and abiding interest in the solution of this important question as well as a patriotic desire to help the children of the State in which they live.

I would recommend an appropriation of $75,000 so that the committee may secure such expert advice and help as may be necessary to get the best results. This amount is small when we consider an annual expenditure of $46,000,000. It may not be necessary to use all of it, but it should be available.

I commend these thoughts and recommendations to your earnest consideration, and trust that in the interest of the schools of our State and the education of our children and their future well-being you will take prompt action.

Respectfully submitted,

GEORGE S. SILZER, *Governor.*

Attest:

FREDERIC M. P. PEARSE,
Secretary to the Governor.

EXPUNGING REMARKS FROM THE RECORD.

Mr. LONGWORTH. Mr. Speaker, I want to call the attention of the House to a speech printed in the RECORD under leave to extend by the gentleman from Illinois [Mr. MICHAELSON] on the subject of water diversion of Lake Michigan. During his speech he criticized very severely a Member of the United States Senate. He not only criticizes him but practically imputes to him motives of dishonesty.

Mr. BLANTON. Is he present, Mr. MICHAELSON?

Mr. MICHAELSON. Yes; he is here.

Mr. LONGWORTH. I am glad the gentleman is here, because I felt it my duty, whether he was here or not, that I must call the attention of the House to what I regard as a gross breach not only of the privilege of extension but of the well-understood rule that no Member of either body may criticize a Member of the other body. I move that these remarks be expunged from the RECORD.

Mr. MICHAELSON. Mr. Speaker, will the gentleman yield?

Mr. LONGWORTH. Yes.

Mr. MICHAELSON. Provided the truth is told in the article, would it be considered a breach of the rules of the House?

Mr. LONGWORTH. Absolutely a breach of the rules of this House for any gentleman to criticize Members of the other body.

Mr. MICHAELSON. I would like to see the rule.

Mr. LONGWORTH. The gentleman had better consult the rules before he so grossly violates the privileges of this House, as he has done in this instance. I move, Mr. Speaker, that the remarks of the gentleman be expunged from the RECORD.

Mr. CONNALLY of Texas. Does the gentleman's request apply to all of the remarks or just that portion to which the gentleman from Ohio has referred?

Mr. LONGWORTH. I think they should all be expunged, because they are so interwoven it is difficult to separate them.

Mr. CONNALLY of Texas. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois have a minute to make a statement, as the gentleman from Ohio has had a minute or so.

Mr. BLANTON. Mr. Speaker, I move as a substitute that such portions of the remarks as are violative of the rules be expunged.

The SPEAKER. The gentleman from Ohio did not yield the floor for the purpose of having another motion made.

Mr. LONGWORTH. Mr. Speaker, I move that these remarks be expunged from the RECORD.

The SPEAKER. Does the gentleman yield to the gentleman from Illinois, as has been suggested?

Mr. LONGWORTH. I yield to the gentleman in order that he may make any explanation he desires.

Mr. BLANTON. Mr. Speaker, a better opportunity should be given——

The SPEAKER. At present the gentleman from Ohio has the floor and the gentleman from Texas is out of order.

Mr. BLANTON. We ought to have a quorum present if we are to vote on this matter now.

The SPEAKER. The gentleman is out of order, because the gentleman from Ohio has the floor.

Mr. BLANTON. Then, Mr. Speaker, I make the point of order of no quorum.

The SPEAKER. The gentleman can do that, of course.

ADJOURNMENT.

Mr. GREEN of Iowa. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 27 minutes p. m.) the House adjourned until to-morrow, Saturday, March 1, 1924, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

386. Under clause 2 of Rule XXIV, a letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, reports on preliminary examination and survey of Cambridge Harbor, Md. (H. Doc. No. 210), was taken from the Speaker's table, referred to the Committee on Rivers and Harbors, and ordered to be printed, with illustrations.

CHANGE OF REFERENCE.

Under Clause 2 of Rule XXII, the Committee on Invalid Pensions was discharged from the consideration of the bill (H. R. 5655) granting a pension to William P. A. Fitzjohn, and the same was referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. FAIRFIELD: A bill (H. R. 7398) to amend the organic act of Porto Rico, approved March 2, 1917; to the Committee on Insular Affairs.

By Mr. WAINWRIGHT: A bill (H. R. 7399) to amend section 4 of the act entitled "An act to incorporate the National Society of the Sons of the American Revolution," approved June 9, 1906; to the Committee on the Judiciary.

By Mr. WILLIAMSON: A bill (H. R. 7400) authorizing the Secretary of the Interior to consider, ascertain, adjust, and determine claims of certain members of the Sioux Nation of Indians for damages occasioned by the destruction of their horses; to the Committee on Indian Affairs.

By Mr. McKEOWN: A bill (H. R. 7401) providing for the erection of a public building in the city of Sapulpa, Okla.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 7402) providing for the erection of a public building in the city of Ada, Okla.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 7403) for the erection of a public building at Drumright, Creek County, Okla.; to the Committee on Public Buildings and Grounds.

By Mr. BACON: A bill (H. R. 7404) for the apportionment of Representatives in Congress amongst the several States under the Fourteenth Census; to the Committee on the Census.

Also, a bill (H. R. 7405) authorizing an exchange of lands between the United States and the State of New York; to the Committee on Interstate and Foreign Commerce.

By Mr. LARSEN of Georgia: A bill (H. R. 7406) to provide for the authorization of appropriation for the purchase of a site and the erection of a Federal building at Swainsboro, Ga.; to the Committee on Public Buildings and Grounds.

By Mr. SUTHERLAND: A bill (H. R. 7407) to amend an act entitled "An act to provide additional credit facilities for the agricultural and livestock industries of the United States; to amend the Federal farm loan act; to amend the Federal reserve act, and for other purposes," approved March 4, 1923; to the Committee on the Territories.

By Mr. WILLIAMSON: A bill (H. R. 7408) to authorize the acquisition of a site and the erection thereon of a Federal building at Winner, S. Dak.; to the Committee on Public Buildings and Grounds.

By Mr. DAVEY: A bill (H. R. 7409) providing for the purchase of a site and the erection of a public building at Kent, Ohio; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 7410) providing for the purchase of a site and the erection of a public building at Oberlin, Ohio; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 7411) to increase the cost of the public building at Akron, Ohio; to the Committee on Public Buildings and Grounds.

By Mr. JACOBSTEIN: A bill (H. R. 7412) to create an additional judicial district in the territory embraced within the present western district of New York; to the Committee on the Judiciary.

By Mr. HUDDLESTON: A bill (H. R. 7413) to enlarge the post-office building at Bessemer, Ala.; to the Committee on Public Buildings and Grounds.

By Mr. HADLEY: A bill (H. R. 7414) to construct a public building for a post office at the city of Port Angeles, Wash.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 7415) to authorize the acquisition of a site and the erection thereon of a Federal building at Blaine, Wash.; to the Committee on Public Buildings and Grounds.

By Mr. McSWEENEY: A bill (H. R. 7416) authorizing and directing the Secretary of the Treasury to acquire, by purchase, condemnation, or otherwise, a suitable site and cause to be erected thereon a suitable building for the use and accommodation of the post office and other governmental offices at Canton, Ohio, at a cost not to exceed $750,000, and to sell the present building and site; to the Committee on Public Buildings and Grounds.

By Mr. WOLFF: A bill (H. R. 7417) to amend and modify section 408 of the war risk insurance act; to the Committee on World War Veterans' Legislation.

By Mr. McKEOWN: Joint resolution (H. J. Res. 202) for the relief of the boll weevil, drought, and flood stricken farm areas of Oklahoma; to the Committee on Agriculture.

By Mr. EVANS of Montana: Joint resolution (H. J. Res. 203) for the relief of the drought-stricken farm areas of Montana; to the Committee on Agriculture.

By Mr. WATKINS: Resolution (H. Res. 201) to investigate the operations, policies, and affairs of the Bureau of Investigation of the Department of Justice; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANTHONY: A bill (H. R. 7418) granting a pension to Sarah E. Lovell; to the Committee on Invalid Pensions.

By Mr. AYRES: A bill (H. R. 7419) granting an increase of pension to Lucy J. Hartley; to the Committee on Pensions.

By Mr. BECK: A bill (H. R. 7420) for the relief of Albert E. Laxton; to the Committee on Claims.

By Mr. BOYLAN: A bill (H. R. 7421) for the relief of Thomas Murphy; to the Committee on Military Affairs.

By Mr. DEAL: A bill (H. R. 7422) for the relief of Fred E. Jones Dredging Co.; to the Committee on Claims.

By Mr. FAIRCHILD: A bill (H. R. 7423) for the relief of the owner of the scow *John H. Ryerson;* to the Committee on Claims.

Also, a bill (H. R. 7424) for the relief of Lehigh Valley Railroad Co. and McAllister Lighterage Line (Inc.); to the Committee on Claims.

By Mr. GARDNER of Indiana: A bill (H. R. 7425) granting a pension to Mary J. Brown; to the Committee on Invalid Pensions.

By Mr. GREENWOOD: A bill (H. R. 7426) granting a pension to Zilpah I. Eaton; to the Committee on Invalid Pensions.

By Mr. GRIEST: A bill (H. R. 7427) granting an increase of pension to Mary E. Burns; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7428) granting an increase of pension to George Grove; to the Committee on Invalid Pensions.

By Mr. KING: A bill (H. R. 7429) granting an increase of pension to Anna W. Jones; to the Committee on Invalid Pensions.

By Mr. LEHLBACH: A bill (H. R. 7430) authorizing the President to order Leo P. Quinn before a retiring board for a rehearing of his case, and upon the finding of such board either confirm his discharge or place him on the retired list with the rank and pay held by him at the time of his discharge; to the Committee on Military Affairs.

By Mr. McSWEENEY: A bill (H. R. 7431) granting a pension to Raymond E. Fisher; to the Committee on Pensions.

By Mr. MILLIGAN: A bill (H. R. 7432) granting an increase of pension to Andrew J. Lee; to the Committee on Pensions.

By Mr. REECE: A bill (H. R. 7433) granting a pension to Roy B. Wilcox; to the Committee on Pensions.

By Mr. SANDERS of Indiana: A bill (H. R. 7434) granting an increase of pension to Malissa Sawyer; to the Committee on Invalid Pensions.

By Mr. SWOOPE: A bill (H. R. 7435) for the relief of Mary L. Sprague; to the Committee on Claims.

By Mr. TAYLOR of Tennessee: A bill (H. R. 7436) for the relief of the heirs of Joe Wallace; to the Committee on War Claims.

Also, a bill (H. R. 7437) granting a pension to George W. Moore; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7438) granting a pension to Mary M. Oody; to the Committee on Invalid Pensions.

By Mr. THOMPSON: A bill (H. R. 7439) granting an increase of pension to Warren A. Ritter; to the Committee on Pensions.

By Mr. VINCENT of Michigan: A bill (H. R. 7440) granting an increase of pension to Kate H. Garvin; to the Committee on Invalid Pensions.

By Mr. WELLER: A bill (H. R. 7441) for the relief of the owner of the steamship *Neptune;* to the Committee on Claims.

Also, a bill (H. R. 7442) for the relief of the owner of cargo aboard the American steamship *Lassell;* to the Committee on Claims.

By Mr. WILLIAMS of Illinois: A bill (H. R. 7443) granting a pension to Annis White; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7444) granting a pension to Abdillah Ray; to the Committee on Invalid Pensions.

By Mr. WILLIAMSON: A bill (H. R. 7445) granting a pension to Arthur Cruise; to the Committee on Invalid Pensions.

By Mr. WOLFF: A bill (H. R. 7446) for the relief of Luther H. Williams; to the Committee on Claims.

By Mr. WURZBACH: A bill (H. R. 7447) authorizing the President to appoint Robert C. Gregory a captain of Infantry

in the United States Army and place him upon the retired list of the Army; to the Committee on Military Affairs.

Also, a bill (H. R. 7448) authorizing the President to appoint Charles McKee Krausse a captain in the United States Marine Corps; to the Committee on Naval Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1427. By Mr. BIXLER: Petition of Rotary Club, Franklin, Pa., indorsing Kelly-Edge bill; to the Committee on the Post Office and Post Roads.

1428. Also, petition of members of Gus E. Warden Post, No. 526, American Legion Auxiliary, favoring bonus for World War veterans; to the Committee on Ways and Means.

1429. Also, petition of Gus E. Warden Post, No. 526, American Legion Auxiliary, Department of Pennsylvania, for adjusted compensation; to the Committee on Ways and Means.

1430. By Mr. BRIGGS: Petition of Clarence E. Gilmore, chairman, W. A. Nabors, commissioner, Walter Splawn, commissioner, Railroad Commission of Texas, opposing the passage of Senate bill 2224, to be known as "The railroad consolidation act of 1924"; to the Committee on Interstate and Foreign Commerce.

1431. By Mr. BURTON: Petition of the National Federation of Post Office Clerks, Local No. 72, Cleveland, Ohio, recommending favorable consideration by the committee of the bill H. R. 4123, and setting forth the reasons therefor; to the Committee on the Post Office and Post Roads.

1432. Also, petition of Asbestos Workers' Union, No. 3, of Cleveland, Ohio, urging passage of any resolution authorizing the appropriation of necessary funds to enable the President to send representatives of the United States to the forthcoming international conference; to the Committee on Foreign Affairs.

1433. Also, petition of the Cuyahoga County Council of the American Legion, February 18, 1924, approving the adjusted compensation bill now pending in Congress; to the Committee on Ways and Means.

1434. Also, petition of divers citizens of the city of Cleveland, requesting support of the measure now pending in Congress amending the Volstead act by permitting the manufacture and sale of beer and light wines; to the Committee on the Judiciary.

1435. Also, petition of the Italian Political and Civic Club, of Cleveland, Ohio, opposing the passage of the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1436. Also, petition of post-office employees of the city of Cleveland, requesting support of the Kelly omnibus bill providing for a reclassification of postal workers' salaries; to the Committee on the Post Office and Post Roads.

1437. By Mr. CULLEN: Petition of the Gold Star Association of America, New York City, N. Y., favoring the passage of House bill 4109, which authorizes an appropriation to enable gold star mothers, fathers, or wives of deceased soldiers buried in France to visit the last resting places of their dead; to the Committee on Military Affairs.

1438. Also, petition of the Victor H. Bridgman Post, No. 44, Veterans of Foreign Wars of the United States, Brooklyn, N. Y., favoring an adequate readjustment of the salaries of letter carriers and post-office clerks; to the Committee on the Post Office and Post Roads.

1439. By Mr. DOYLE: Petition of the city council of Chicago, Ill., favoring the enactment of legislation that will provide for a flow of 10,000 cubic feet per second through the main channel of the Sanitary District Canal; to the Committee on Interstate and Foreign Commerce.

1440. Also, petition of the city council of Chicago, Ill., favoring an amendment to the transportation act of 1920 as will divest the Interstate Commerce Commission of any jurisdiction over rates of depreciation to be charged by local telephone companies; to the Committee on Interstate and Foreign Commerce.

1441. By Mr. GARBER: Petition of citizens from the eighth district of Oklahoma, requesting that nuisance and war taxes be removed or reduced; to the Committee on Ways and Means.

1442. By Mr. KIESS: Evidence in support of House bill 1542, granting increased pension to Mary D. Bilbay; to the Committee on Invalid Pensions.

1443. By Mr. KINDRED: Petition of Abraham & Straus, Brooklyn, N. Y., favoring a 1-cent rate for postage; to the Committee on the Post Office and Post Roads.

1444. By Mr. KING: Petition of the city council of Genesco, Ill., favoring the adjusted compensation bill; to the Committee on Ways and Means.

1445. Also, petition of C. R. Hughes and 30 other citizens of Quincy, Ill., in favor of House bill 184, introduced by Representative MCGREGOR, providing for the maintaining and encouragement of the raising of canary birds; to the Committee on Ways and Means.

1446. Also, petition of the American Legion Post No. 45, Galva, Ill., on February 4, favoring the adjusted compensation bill; to the Committee on Ways and Means.

1447. By Mr. McNULTY: Petition of the Federation of Jewish Social Agencies, of Trenton, N. J., against the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1448. Also, petition of the Polish Clergymen's Society, Jersey City, N. J., against the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1449. Also, petition of the Bayonne Lodge, No. 909, F. O. B. B., against the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1450. Also, petition of the Master Barbers' Mutual Aid Protective Union Association, of Newark, N. J., against the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1451. By Mr. PERLMAN: Petition of the board of directors of the American Hungarian Chamber of Commerce, meeting on February 26, 1924, opposing the passage of the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1452. By Mr. YOUNG: Petition of 100 citizens of Linton, N. Dak., urging an increase in the duty on wheat from 30 to 60 cents per bushel, the repeal of the drawback provision and milling-in-bond provision of the tariff act of 1922, also urging the passage of the Wallace plan for the marketing of wheat; to the Committee on Ways and Means.

1453. Also, petition of 20 citizens of Wishek, N. Dak., urging the passage of House bill 4523; to the Committee on Ways and Means.

1454. Also, petitions of American Legion Post of Oberon, N. Dak., and petition signed by 162 citizens of Oberon and vicinity, and American Legion Post No. 118, of Gilby, N. Dak., urging the passage of the soldiers' adjusted compensation bill; to the Committee on Ways and Means.

1455. Also, petitions of S. G. Geoertson and D. A. Baertch, of Bismarck, N. Dak., and C. I. Turner and other citizens of Heaton, N. Dak., urging an increase in the duty on wheat from 30 to 60 cents per bushel, the repeal of the drawback and the milling-in-bond provision of the tariff act of 1922, also urging the passage of the Wallace plan for the exporting of surplus wheat; to the Committee on Ways and Means.

1456. Also, petition of 16 ex-service men of Kathryn, N. Dak., urging the passage of the adjusted compensation bill; to the Committee on Ways and Means.

1457. Also, petitions of 25 citizens of Beulah, N. Dak., and vicinity; 11 citizens of Mandan, N. Dak.; 10 citizens of Souris, N. Dak.; and 3 citizens of Westhope, N. Dak., urging the passage of the Norris-Sinclair bill; to the Committee on Agriculture.

1458. By Mr. YOUNG: Petition of W. R. Beyer and other citizens of Fort Totten, N. Dak., urging the passage of House bill 6806; to the Committee on the Civil Service.

SENATE.

SATURDAY, *March 1, 1924.*

(Legislative day of Friday, February 29, 1924.)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The PRESIDING OFFICER (Mr. MOSES in the chair). The Senate resumes the consideration of Senate Resolution 157.

ATTORNEY GENERAL DAUGHERTY.

The Senate resumed the consideration of Senate Resolution 157, submitted by Mr. WHEELER on February 13, as modified by him on yesterday, directing a committee to investigate the failure of the Attorney General to prosecute or defend certain criminal and civil actions wherein the Government is interested.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The principal legislative clerk called the roll, and the following Senators answered to their names:

Adams	Ferris	Ladd	Sheppard
Ashurst	Fess	La Follette	Shipstead
Ball	Fletcher	Lenroot	Shortridge
Bayard	Frazier	Lodge	Simmons
Borah	George	McKellar	Smith
Brandegee	Gerry	McKinley	Smoot
Brookhart	Gooding	McLean	Stanfield
Broussard	Hale	McNary	Stanley
Bursum	Harris	Mayfield	Stephens
Cameron	Harrison	Moses	Swanson
Caraway	Heflin	Neely	Trammell
Couzens	Howell	Norbeck	Walsh, Mass.
Curtis	Johnson, Calif.	Norris	Walsh, Mont.
Dale	Johnson, Minn.	Oddie	Warren
Dial	Jones, N. Mex.	Owen	Watson
Dill	Jones, Wash.	Ralston	Weller
Edge	Kendrick	Ransdell	Wheeler
Elkins	Keyes	Reed, Pa.	Willis
Ernst	King	Robinson	

The PRESIDING OFFICER. Seventy-five Senators having answered to their names, a quorum is present. The pending question is on agreeing to the amendment proposed by the Senator from Massachusetts [Mr. LODGE].

Mr. LODGE. Mr. President, I have been informed that the President pro tempore, Mr. CUMMINS, does not desire to be intrusted with the appointment of this committee. He thinks it had better be appointed by the Senate. Under those circumstances I withdraw my amendment.

The PRESIDING OFFICER. The Senator from Massachusetts withdraws his amendment. The question is then upon agreeing to the resolution proposed by the Senator from Montana [Mr. WHEELER].

Mr. FESS obtained the floor.

Mr. McNARY. Will the Senator from Ohio yield to me for a moment?

Mr. FESS. Certainly.

AGRICULTURAL EXPORT COMMISSION.

Mr. McNARY. I ask unanimous consent to submit a report.

The PRESIDING OFFICER. If there is no objection, the report will be received.

Mr. McNARY. From the Committee on Agriculture and Forestry I report back favorably with amendments the bill (S. 2012) declaring an emergency in respect to certain agricultural commodities, to promote equality between agricultural commodities and other commodities, and for other purposes, and I submit a report (No. 193) thereon.

The PRESIDING OFFICER. The bill will go to the calendar.

Mr. McNARY. I ask that the report be printed.

The PRESIDING OFFICER. The report will be printed under the rule.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Nebraska?

Mr. NORRIS. There are two things I want to state.

Mr. FESS. I yield to the Senator from Nebraska.

Mr. NORRIS. The first thing I want to do is to ask unanimous consent to submit a minority report within seven days. I would like to state, so that there may be no misunderstanding, that the minority report does not mean that the minority is opposed to the bill which the Senator from Oregon [Mr. McNARY] has just reported. I will consult with other members of the committee and other Senators before the minority report is made. There is a minority of the committee that favors another bill in preference to the one just reported. There is no misunderstanding in the committee. The Senator from Oregon himself is favorable to the bill I would report, but he prefers the one that he has reported. I want to make that clear.

Mr. ROBINSON. Mr. President, will the Senator yield for a question?

Mr. NORRIS. I yield.

Mr. ROBINSON. What is the other bill?

Mr. NORRIS. It is known as the Norris bill.

Mr. ROBINSON. Known by some as the Norris-Sinclair bill?

Mr. NORRIS. Yes. While the Senator from Ohio has yielded to me, I want to make another brief statement to the Senate.

The PRESIDING OFFICER. Regarding the same subject?

Mr. NORRIS. No; a different subject.

The PRESIDING OFFICER. Will the Senator permit the Chair to put the unanimous-consent request?

Mr. NORRIS. Certainly.

The PRESIDING OFFICER. Without objection, the Senator from Nebraska is granted unanimous consent to file a minority report within seven days, which minority report will be printed as part 2 of the report submitted by the Senator from Oregon.

PROSECUTION OF CLAIMS AGAINST THE GOVERNMENT BY EX-OFFICIALS.

Mr. NORRIS. Mr. President, several days ago the Senate passed seven resolutions calling upon the various departments for information. The resolutions were introduced by me. I would like to have the attention of the Senate, because what I am about to say is really in the nature of a notice to the Senate. I want the Senate to know what I did.

Yesterday I was called on the phone by the Secretary of the Interior, who told me that to comply fully with the resolution which applied to the Department of the Interior would require two or three weeks' time and take a large portion of his force. He called my attention to the various bureaus and branches of the Department of the Interior and wanted to send up some representative to consult with me about the matter. I asked them to come to my office this morning.

Three representatives of the Secretary of the Interior called on me this morning. They called my attention to the fact that to furnish the information called for by my resolution would, if carried out fully, require an examination, for instance, of all the land offices all over the United States and would require an examination of the Patent Office, the Pension Office, and so forth, and that including in it the ex-Members of the House of Representatives would include several thousand names, for which they would have to make an examination in all the various branches and bureaus of the department.

I made this suggestion to them: They are going to report it to the Secretary of the Interior and also to the heads of other departments, the Secretary of Commerce, and, I believe, one of the other Secretaries, with whom they had conferences, that are in a somewhat similar position. I said that in my judgment, if they had to do that, the information would come very late and would not be so useful, and that the Senate did not care for any information as it applied to certain branches like the Land Office, the Pension Office, and the Patent Office. I suggested that they should eliminate also from consideration under the resolution ex-Members of the House of Representatives. That would take away the largest number for which they would have to search and confine the resolution to ex-Members of the Senate and ex-Cabinet officials. I told them I would call the attention of the Senate to this suggestion, and that in my judgment the Senate would make no objection to that kind of a limitation; that they could make the report that far, and when the report was in, if the Senate desired them to go further, it could so indicate.

So I presume, unless there is some objection from the Senate, the report will come from all the departments confined only to ex-Cabinet officials and ex-Senators. I desired to make that statement to the Senate in order that the Senate might understand the matter.

Mr. COUZENS. May I ask what difference there is between an "ex-Senator" and an "ex-Congressman"?

Mr. NORRIS. An "ex-Congressman" includes both Senators and Members of the House of Representatives, while an "ex-Senator" does not include Members of the House of Representatives.

Mr. COUZENS. Why should ex-Members of the House of Representatives be excluded?

Mr. NORRIS. Mainly for the purpose of carrying the investigation forward without taking so much time and requiring so many employees to do the work. The resolutions call for the names of ex-Senators and ex-Members of the House who within two years after the time they shall have served, beginning in 1918 up to the present, have appeared as attorneys before any of the branches or bureaus of any of the departments of the Government. The House of Representatives is composed of over 400 Members, and there are more changes in that body than there are in the Senate. It may readily be seen that it will take a great deal more time if ex-Members of the House are also included, especially if we go into all the ramifications and branches of the subject.

Mr. COUZENS. But could we not include those who have been Members of the House of Representatives within the last two years?

Mr. NORRIS. Of course, the Senate can take any action it sees proper.

Mr. COUZENS. The practice referred to in the resolution is against the law?

Mr. NORRIS. It is. I should like to have the resolution apply to all ex-Members of the House of Representatives, but that would make the investigation and work of the departments much greater and would take much more time than if we confine it to ex-Senators. I thought, since they are Senate resolutions, it would be very appropriate if we confined the information to ex-Senators; and that the House of Representatives could pass a resolution relative to the matter if it wished to. When the information comes in, if it then only partially answers the inquiry, the Senate may ask for the additional information and in time obtain it.

Mr. COUZENS. Is it the opinion of the Senator that it would impose a very great additional task if we should include in the inquiry those who had been Members of the House of Representatives within the last two years?

Mr. NORRIS. If we should adopt that course, it would lessen the labor imposed by the resolutions.

Mr. COUZENS. I should like to see that information included.

Mr. NORRIS. I should like to see all of that information included, but when I was confronted with the enormous task which was before the departments and the way it would interfere with their routine work I thought that, at least, for the present, we might confine the request for information to ex-Senators and former members of the Cabinet. Then, when the information comes in, we can, of course, later ask for additional information.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House disagreed to the amendments of the Senate to the bill (H. R. 5078) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1925, and for other purposes; agreed to the conference requested by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. CRAMTON, Mr. MURPHY, and Mr. CARTER were appointed managers on the part of the House at the conference.

The message also announced that the House had passed a bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes, in which it requested the concurrence of the Senate.

PETITIONS AND MEMORIALS.

Mr. WILLIS presented a resolution adopted by the City Council of Toledo, Ohio, favoring the enactment of legislation granting increased compensation to postal employees, which was referred to the Committee on Post Offices and Post Roads.

Mr. CURTIS presented a resolution adopted by the Horton Federated Shop Crafts, of the Central Labor Union, American Federation of Labor, at Horton, Kans., favoring the prosecution and conviction of persons responsible for the killing and maiming of innocent employees through violation of the Federal laws relative to boiler inspection and safety appliances, which was referred to the Committee on Interstate Commerce.

He also presented a resolution of the Horton Community Chamber of Commerce, of Horton, Kans., protesting against making any amendment to the transportation act of 1920, which was referred to the Committee on Interstate Commerce.

He also presented a memorial, numerously signed, of members of the Santa Fe Supervisors' Association, of the Atchison, Topeka & Santa Fe Railway system, of Ottawa, Kans., remonstrating against the making of any substantial change in the transportation act of 1920, which was referred to the Committee on Interstate Commerce.

He also presented a resolution of the Rotary Club of Kansas City, Kans., favoring the enactment of legislation granting increased compensation to postal employees, which was referred to the Committee on Post Offices and Post Roads.

He also presented a resolution of the Independent Order B'nai B'rith, Beth Horon Lodge, No. 599, of Kansas City, Kans., protesting against the passage of the so-called Johnson selective immigration bill, which was referred to the Committee on Immigration.

He also presented a resolution of the Chamber of Commerce, of Marysville, Kans., favoring the passage of Senate bill 2012, creating a Federal agricultural export commission, which was referred to the Committee on Agriculture and Forestry.

He also presented a resolution of the American Legion Auxiliary, Kansas Department, of Topeka, Kans., favoring the acceleration of the work in the Veterans' Bureau and the employment, if necessary, of a more adequate force, which was referred to the Committee on Finance.

Mr. HARRIS presented telegrams in the nature of memorials from Loeb Apte Co., of Atlanta; and of Freeman & Co., T. H. Halliburton, E. M. Burney, Ouzts Mitchell & Whaley, and Howard Produce Co., of Macon, all in the State of Georgia, remonstrating against inclusion of a broker's tax in House bill 6715, the revenue bill, which were referred to the Committee on Finance.

He also presented telegrams and a letter in the nature of memorials from the Blackshear Tobacco Board of Trade, of Blackshear; E. L. Meadows and S. B. Meadows, of Vidalia; the Chamber of Commerce, the Planters' Tobacco Warehouse, A. W. Gaskins, and the First Bank of Nashville, of Nashville; and A. T. Coppage, the Hahira Board of Trade, and J. E. Massey, of Hahira, all in the State of Georgia, remonstrating against the inclusion of an extra tobacco tax in House bill 6715, the revenue bill, which were referred to the Committee on Finance.

Mr. OWEN presented the following resolution of the Senate of the State of Oklahoma, which was referred to the Committee on Indian Affairs:

STATE OF OKLAHOMA,
DEPARTMENT OF STATE.

To all to whom these presents shall come, greeting:

I, R. A. Sneed, secretary of state of the State of Oklahoma, do hereby certify that the following and hereto attached is a true copy of senate resolution 10, adopted by the senate February 6, 1924, the original of which is now on file and a matter of record in this office.

In testimony whereof I hereto set my hand and cause to be affixed the great seal of State.

Done at the city of Oklahoma City this 12th day of February, A. D. 1924.

[SEAL.]

R. A. SNEED,
Secretary of State.
UNA LEE ROBERTS,
Assistant Secretary of State.

Senate resolution 10 (by Cornett), memorializing the Congress of the United States to defeat that part of Senate bill No. 2065, by HARRELD, which provides for the repeal of 1 per cent gross production tax on royalties received by the Osage Tribe of Indians from oil and gas produced in Osage County, Okla.

Whereas on January 17, 1924, Hon. J. W. HARRELD, of Oklahoma, introduced in the Senate of the United States bill No. 2065, which provides, in part, for the repeal of section 5 of the act of Congress approved March 3, 1921, providing as follows:

"That the Secretary of the Interior is hereby authorized and directed to pay, through the proper officers of the Osage Agency to Osage County, Okla., an additional sum equal to 1 per cent of the amount received by the Osage Tribe of Indians as royalties from production of oil and gas, which sum shall be used by said county only for the construction and maintenance of roads and bridges therein."

Whereas the repeal of said act would mean a great loss to the county of Osage and the State of Oklahoma as well: Now, therefore, be it

Resolved by the Senate of the State of Oklahoma, That the Congress of the United States is hereby memorialized to defeat and oppose that part of Senate bill No. 2065 which provides for the repeal of said act of Congress approved March 3, 1921; be it further

Resolved, That a copy of this resolution be transmitted to each of the Senators and Representatives in Congress from the State of Oklahoma.

Adopted by the senate this the 6th day of February, 1924.

WASH E. HUDSON,
Acting President pro tempore of the Senate.

Correctly enrolled.

W. C. LEWIS,
Chairman Committee of Enrolled and Engrossed Bills.

REPORTS OF COMMITTEES.

Mr. BAYARD, from the Committee on Claims, to which was referred the bill (S. 1180) for the relief of J. B. Platt, reported it without amendment and submitted a report (No. 194) thereon.

Mr. GEORGE, from the Committee on Military Affairs, to which was referred the bill (S. 1974) providing for sundry matters affecting the Military Establishment, reported it with amendments and submitted a report (No. 195) thereon.

Mr. SIMMONS, from the Committee on Finance, to which was referred the bill (S. 684) to authorize the coinage of 50-cent pieces in commemoration of the commencement on June 18, 1923, of the work of carving on Stone Mountain, in the State of Georgia, a monument to the valor of the soldiers of the South, which was the inspiration of their sons and daughters and grandsons and granddaughters in the Spanish-American and World Wars, and in memory of Warren G. Harding, President of the United States of America, in whose administration the work was begun, reported it without amendment and submitted a report (No. 196) thereon.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BALL:

A bill (S. 2694) to enable the trustees of Howard University to develop an athletic field and gymnasium project, and for other purposes; to the Committee on the District of Columbia.

By Mr. McNARY:

A bill (S. 2695) granting a pension to Adella M. Porter; to the Committee on Pensions.

A bill (S. 2696) making an appropriation for the relief of the Oceanic Shipbuilding Co., of Portland, Oreg.; to the Committee on Claims.

A bill (S. 2697) to fix standards for hampers, round stave baskets, and splint baskets for fruits and vegetables, and for other purposes; to the Committee on Manufactures.

By Mr. NORBECK:

A bill (S. 2698) for the relief of Edward M. Brown; to the Committee on Civil Service.

A bill (S. 2699) to amend an act creating the Custer State Park Game Sanctuary in the State of South Dakota; to the Committee on Agriculture and Forestry.

By Mr. SIMMONS:

A bill (S. 2700) for the relief of J. R. and Eleanor Y. Collie; to the Committee on Claims.

By Mr. FERRIS:

A bill (S. 2701) granting a pension to Amy Clark; to the Committee on Pensions.

By Mr. BURSUM:

A bill (S. 2702) granting a pension to Gabriela Perea; to the Committee on Pensions.

By Mr. SMITH:

A bill (S. 2704) to amend paragraph (3), section 16, of the interstate commerce act; to the Committee on Interstate Commerce.

By Mr. WILLIS:

A bill (S. 2705) for the reward of enlisted men of the Army who have been or may hereafter be awarded the medal of honor; to the Committee on Military Affairs.

By Mr. EDGE:

A bill (S. 2706) for the relief of Emil Schneider; to the Committee on Claims.

By Mr. SHORTRIDGE:

A bill (S. 2707) placing certain noncommissioned officers in the first grade; to the Committee on Military Affairs.

A bill (S. 2708) to further amend section 4756 of the Revised Statutes; to the Committee on the Judiciary.

By Mr. LENROOT:

A bill (S. 2709) for the relief of Henry H. Hall; to the Committee on Claims.

MARGIN OR BUCKET SHOP TRANSACTIONS.

Mr. KING. I introduce a bill to prevent the use of the mails and other communication facilities in furtherance of margin or bucket shop transactions. Heretofore I submitted a resolution calling for an investigation of the activities of the stock exchanges. I ask that the bill which I now introduce may be referred to the Committee on the Judiciary.

The PRESIDING OFFICER. The bill will be received, and the reference requested by the Senator from Utah will be made.

The bill (S. 2703) to prevent the use of the mails and other communication facilities in furtherance of margin or bucket shop transactions was read twice by its title and referred to the Committee on the Judiciary.

PROMOTION OF AGRICULTURE.

Mr. BURSUM submitted an amendment intended to be proposed by him to the bill (S. 2250) to promote a permanent system of self-supporting agriculture in regions adversely affected by the stimulation of wheat production during the war, and aggravated by many years of small yields and high production costs of wheat, which was ordered to lie on the table and to be printed.

FEDERAL RESERVE BANKING SYSTEM.

Mr. JONES of New Mexico. I submit a resolution and ask that it may be read and lie on the table.

The resolution (S. Res. 182) was read and ordered to lie on the table, as follows:

Resolved, That the Committee on Banking and Currency of the Senate be, and is hereby, directed to formulate and present to the Senate for its consideration a bill which will effectually provide for the use of the surplus and current net earnings of the Federal reserve banking system as a guaranty for the prompt payment of the just claims of the depositors of all member banks of said system.

HOUSE BILL REFERRED.

The bill (H. R. 6715) to reduce and equalize taxation, to provide revenue, and for other purposes, was read twice by its title and referred to the Committee on Finance.

ATTORNEY GENERAL DAUGHERTY.

The Senate resumed the consideration of Senate Resolution 157, submitted by Mr. WHEELER on February 13, as modified by him on yesterday, directing a committee to investigate the failure of the Attorney General to prosecute or defend certain criminal and civil actions wherein the Government is interested.

Mr. FESS. Mr. President, I have been content to remain quiet during the months while I have been a Member of the Senate, as I thought it might befit a new Member of the body. I had not intended to participate in this debate at all, and I did not determine to do so until a remark was made at the close of yesterday's session by my friend the Senator from Nebraska [Mr. NORRIS] in reference to the proceedings in the other body on impeachment proceedings. I have reread what the Senator said yesterday, and I now want to absolve him from the first impressions that I had, that he was charging that that proceeding was an unfair and rather a partial examination. The Senator from Nebraska did not make that statement. However, he stated that he had been told that the proceeding was not fair. I think, in view of the fact that such a statement has been made on the floor of the Senate, which gives it a certain prestige and carries with it more or less responsibility, something ought to be said in regard to that proceeding. I assure the Senate that I shall not violate the rules of the Senate in any reference that I shall make in regard to the action of the other House. I shall not only respect the rules as I know them but I shall hope to avoid any insinuation of any sort that might reflect upon any action of any Member of that body.

I watched the proceedings of that investigation as carefully as could any Member of the House of Representatives not a member of the committee. There were reasons for my doing so, because impeachment proceedings are unusual; very few in our history have been a matter of record; and when charges are made such as were made in the House of Representatives against the Attorney General—seven in number, quite severe—it behooved every Member of the House to follow the proceedings carefully, because he was going to be called on to vote on the question.

It has been stated here that the progress of the proceedings turned into a persecution of the proponent of the impeachment resolution. While that is not the case, yet there was a pretty rigid examination and some very sharp remarks were made both in the committee and in the House when the report of the committee was being acted upon. I do not think that any responsible Member of the Senate, either on this floor or outside of the Senate, would want to risk his reputation for fairness by a statement that a committee made up as that committee was made up would be partial in its proceedings.

I should like to refresh the memory of the Senate as to the personnel of that committee. It was headed by Mr. Volstead, who had been a Member of the House for 20 years, who is recognized everywhere as a great lawyer, and who has always been regarded as impartial and very fair-minded. On that committee also was Mr. GEORGE S. GRAHAM, of Philadelphia, eminent in his legal attainments and without doubt one of the great lawyers of the country. On that committee was Mr. DYER, elected from Missouri first in the Sixty-second Congress and, with the exception of one term, continuously a Member of the body since then up to the present time, and still a Member of the House.

On that committee was Joseph Walsh, of Massachusetts, universally accredited as not only one of the best parliamentarians of the House but easily one of the best jurists and one of the fairest of all fair-minded men. I think nobody who knows Mr. Walsh would think for a moment that he could under any sort of pressure be induced to render an unfair decision. The fact of his fairness has been affirmed by an appointment to the judiciary by the late President because of his high eminence in the law, and he voluntarily left the House for that position.

On that committee was the distinguished Member from the Lincoln district of Nebraska, Mr. Frank Reavis, universally accredited an eminent lawyer and a fair-minded jurist. I am sure that those who know Frank Reavis as I know him would not for a moment charge him with anything that is unfair, especially in a judicial proceeding.

On that committee were such men as David G. Classon, of Wisconsin; Judge BOIES, of the Sioux Falls district of Iowa; Mr. CHRISTOPHERSON, of the Sioux Falls district of South

Dakota; ex-Gov. RICHARD YATES, of Illinois, son of former Governor Yates, the war Governor of Illinois. Mr. YATES twice was elected as Representative at Large from the State of Illinois and, without doubt, if he is a man with an unfair mind he would not have secured such an indorsement as his enormous majority indicated at the polls in that election.

On that committee also was Mr. Goodykoontz, of West Virginia; Walter Chandler, of New York; IRA G. HERSEY, of Maine; my own colleague, Mr. FOSTER, of Ohio; Mr. MICHENER, of Michigan; and Mr. HICKEY, of Indiana. I know all of these men personally and professionally. I am certain that none of them is capable of sitting on a case like this and rendering a partial decision from the facts that are adduced.

But, Members of the Senate, I am not satified to limit the observation to these members. I wish to call your attention to Mr. HATTON W. SUMNERS, of Texas, one of the brainy men of the other body, one of the clearest-headed men whom I know, and without doubt free from anything that would lead him to a partial decision when a man's reputation is at stake. I have known this man as a leader along lines on which he has impressed himself on the country.

Mr. CARAWAY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Arkansas?

Mr. FESS. I yield.

Mr. CARAWAY. I will ask the Senator if Mr. SUMNERS did not disagree to the report of the committee?

Mr. FESS. Mr. SUMNERS disagreed with the committee on just one question.

Mr. CARAWAY. On every question.

Mr. FESS. He disagreed on one question. Mr. KELLER refused to come before the committee to testify upon the charges he made, at the same time indicating that he had the facts to prove them. Mr. SUMNERS wanted Mr. KELLER subpœnaed, but the committee voted that it was not the proper function of the committee to subpœna a Member of the House. Mr. SUMNERS disagreed with the committee on that one point, but agreed with the committee upon the question of discharging the committee from further consideration of the measure.

On that committee sat Governor MONTAGUE. Need I make any comment on this ex-Governor of Virginia, who was appointed by Grover Cleveland district attorney in the Old Dominion State, who was elected by his people as State's attorney, a position which he held for four years; who was elected Governor of the State of Virginia, and reelected; stood as a delegate at large in the national convention of 1904; came to the House of Representatives, where he was recognized by everybody, Democrats and Republicans, as one of the fearless men of that body, and without a doubt to-day he is one of the most promising, forward-looking, and eminent statesmen of either branch of Congress? He not only voted to discharge the committee from further consideration of these charges, seven in number, but he made an eminent argument on the floor of the House, pointing out that there was no foundation whatever for the charges that had thus been made.

Who is there on this floor that would charge that Governor MONTAGUE is a partial-minded man, or that he would render an unfair decision upon a matter of this sort? It strikes me, my colleagues, that the Senate is reaching a rather low level. I hope this is not the school of scandal. I hope it is not the sluiceway through which flow all sorts of charges, supported and unsupported, to bring discredit in the minds of the public against public men. I sincerely hope that this distinguished body is not to-day on trial before the public mind, wondering whether, after all, everybody connected with the Government is not crooked, because of irresponsible statements that are bandied first from one to another and then vice versa. The United States Senate is remembered to-day only by those who read the textbooks as the forum in which operated the Calhouns, the Clays, the Websters, the Sewards, the Shermans, men of the type whose utterances to-day are commonplace, read by the children of our land whose only conception of the United States Senate is that received from reading those utterances. I sincerely hope that the public mind is not being diverted from the standard reached by this body under the leadership of such men as have made it distinguished to the low level where we are not a legislative body, if we judge from the events of the last two months; we are not a deliberative body, if I have a right to judge from what I have seen in the last two months; but we are an inquisition, and we have become a sluiceway, and if suspicion is raised against any man the only qualification is, "Has he entered public service?" Has it come to the point where the only safety is for a man to be a pauper, a do-nothing, a nonentity; otherwise he is to be charged with being subject to the predatory interests of the country and with undertaking to cover up what ought to be uncovered? I say, Mr. President, that this proceeding for the last two months has been a shame and a disgrace to America, and we ought to be ashamed of such a performance as has gone on.

I absolve certain things that have been done. I want to let it be known, as I have let it be known to the public, that the attitude of the senior Senator from Montana [Mr. WALSH] is most admirable. He has done a service to the country. The only thing that was in that joint resolution, for which I voted, that I wished had come out of it was the preamble. While it is not my business and not my province and probably not my privilege to comment upon certain things that I think ought not to take place in this body, yet it seems to me that we ought not to permit a resolution to be a means by which the preamble can drag all sorts of stump speeches into legislation. So far as I am concerned, in committee or out, I shall use my influence to prevent that; and if resolutions coming to the committees of which I happen to be a member persist in dragging in irrelevant and unauthorized and irresponsible utterances in the form of stump speeches, I shall reserve my right to vote against the resolution in the committees, and if I am doing wrong I am ready to resign from the committees.

Legislation should have a certain standard, and it should not stoop to the level of charging everybody irresponsibly, and assuming that those charged are guilty, when everybody knows that the genius of American liberty is to presume that the one charged is innocent until he is proved guilty. The only thing that I did not like in the joint resolution of the Senator from Montana was the preamble. We could not take that out; but with it in, rather than be misconstrued as being opposed to investigating the legality of these leases, I joined with other Members here, and voted for it.

Mr. President, what I am saying is not against investigations. What I am saying is not against what the Senate did on the leasing resolution. I have no doubt that had it not been for the leadership of the distinguished Senator from Montana [Mr. WALSH], we should have been thrashing out this thing on this floor, as if the Senate were a mere inquisition; but he took the lead to say, "This is not a legislative matter." I use his words. "This is a judicial matter. This is not for the Senate. This is for the courts"; and he proceeded upon that basis, and we all joined him, ready to go to the courts to determine the legality of these leases. While I am not going to prejudge, I shall not be at all surprised if, when the matter is tested in the courts under the direction of the strongest legal talent that we could secure—securing one eminent lawyer from Pennsylvania, and a very eminent lawyer from my own State—I should not be surprised if, when we go into the legality of those leases, they should be found to be legal. I mean by that that after all our province is to see that the court, which is the right process, shall determine the legality or otherwise of these leases. That we voted for; but see the limit to which we have come! As soon as that decision was made, then comes in a resolution to call upon the President, to direct him or invite him to ask the withdrawal of a member of his Cabinet.

Mr. President, the one feature that differentiates the American system from every other government on earth is the coordinate equality of the departments of government. That is the one thing that distinguishes us from every other government. Lord Bryce, in his American Commonwealth, commented upon that beyond any other foreign publicist who is living or has lived. In that work he said that in the respect that each government has the legislative, executive, and judicial functions, we are not different from any other government of history, for all of them have the three functions. It was Blackstone who said: "Intelligence to make the laws, good will to interpret the laws, and power to enforce the laws"; but some governments put the three in one. There you have a despotism, if the power goes to the executive. Other governments put the three in the legislative, as is rapidly coming to be the case in Great Britain. Therefore Great Britain in many respects is more democratic than is our country.

Great Britain's power, both in legislation and interpretation and enforcement, is not only in Parliament but it is in the House of Commons. It is America, our Government alone, that makes an executive here, a legislative there, a judicial elsewhere, each independent, each interdependent, no one consulting the other in the province of exercising its function. And yet, with that the very genius of American life, here we have this body sending to the President a resolution directing or inviting him to withdraw from his Cabinet a member that certain people here think can be played upon for political

purposes. We not only voted for that resolution, but we went further and voted to send it to the President, inviting him to give us the spanking that we so well deserved, and that we got.

That is the next step that was taken. Now comes this one—the step that is pending here to investigate the Attorney General.

Mr. ADAMS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Colorado?

Mr. FESS. I yield.

Mr. ADAMS. I should like to ask the Senator whether he thought the President was acting within his rights when, in his New York speech, he asked the people of the country to write to Congress and advise them what they should do in matters of legislation?

Mr. FESS. I do not know whether the President made any such statement as that. I heard the speech myself. I do not now recall any such statement. If he made that statement I should criticize it. I was one of the men in the other body who called attention to the tendency to extend the executive function over the legislative in the last administration, and I did it, not because I disliked anyone but, on the other hand, because I admired greatly the man who was doing it.

This resolution now comes on. I have no objection to it. This is what the Attorney General would like to have done. He wants the right that is guaranteed to us, that everyone charged shall have a hearing. I wonder with what interest our Democratic friends recall the terrific fight that was made in the Constitutional Convention and immediately afterwards, on establishing a bill of rights. Only a short while ago I heard a distinguished Senator make a very eloquent speech that I greatly enjoyed, and everybody present was edified. In that speech he exalted the idea of the civil rights bill, and he accurately and authoritatively quoted George Mason, of Virginia, as the author of the famous civil rights bill that was adopted even before the Declaration of Independence was adopted.

As he said, that has come to be the civil rights statement, or the bill of rights statement, in almost every State constitution of the 48 States of our great Nation. The civil rights bill was not put into the Constitution of the United States. A terrific fight took place as to whether it should be made a part of the Constitution. Certain elements in the convention said that the Bill of Rights had no part as an organic portion of the instrument, and they suggested that, instead of making the Bill of Rights a part of the organic law, it be submitted in the form of amendments, and that the States be allowed to pass on those amendments. Twelve amendments were submitted, 10 of which were adopted, and those 10 are the famous Bill of Rights which was originally outlined by the great Virginia statesman and which have been applauded ever since by Democratic leaders, especially by Thomas Jefferson, who was not a Member of the Constitutional Convention, but who was a close student of what was going on.

What is in that Bill of Rights? The very first item is the right of liberty of religious worship; then the right of liberty of expression, then liberty of assembly, and liberty of the press. Then there is a provision that the home shall be protected, and following that the fifth and sixth amendments, which guarantee to anybody charged a presentation of the charges against him and a trial by an impartial jury.

Members of the Senate, that is fundamental in America; that is the very genesis of our institutions; and this body is not going to deny the right to be heard to one charged with an offense. Neither will they, I hope, create a committee which is prejudiced one way or the other so as to defeat the fair, impartial trial of the case.

I have read the names of those suggested for the committee, and I have nothing to say against the personnel. I would have preferred that some one less convinced that there is guilt already, without any investigation, be placed on it than my good friend the junior Senator from Montana [Mr. WHEELER], although I am willing, naturally, to submit to what the Senate shall do.

I have absolute confidence in the good faith of and have the greatest admiration personally for my friend the junior Senator from Iowa [Mr. BROOKHART], a lovable character; yet he will not take offense when I say to him that I would prefer to have the senior Senator from Nebraska [Mr. NORRIS] on the committee, who took exception last night to certain things, for the reason that my friend from Iowa has been for years connected in his life and thought with certain drifts in industry which make certain acts of Mr. Daugherty very offensive to him. I hope that the members of the committee will not be so prejudiced that fair treatment can not be given, and I hope I am saying nothing offensive to the Senator from Iowa.

I am not speaking as a partisan of Mr. Daugherty. As those who know me best know, and those who do not know me so well will learn, I have never been one of the great admirers of Mr. Daugherty; but I have never doubted his honesty, I have never doubted his probity, I have never doubted his integrity, and, as far as I can, I shall go to the limit to see that he be given a fair trial. I mentioned the senior Senator from Nebraska, because I have known him for so many years; I know him as a fighter; I knew him as a four-fisted fighter, but never striking below the belt. That is the reason I hope the senior Senator from Nebraska may go on this committee.

I shall not resist the resolution. I shall vote for the investigation to go on. I do, however, want to absolve the committee in the other House from being a prejudiced committee or rendering a partial decision. Certain charges were made. They were gone into. There were 21 members of the committee, which was a standing committee, and one of the biggest in the House. Every member of the committee was a lawyer, every one a lawyer of distinction. They came out of the committee with a report. One man voted against the resolution to discharge the committee from further action, while the others stood against the charges being at all established, and therefore voted to dismiss them.

Mr. WILLIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to his colleague?

Mr. FESS. I yield.

Mr. WILLIS. Just at that point, does my colleague recall the vote in the House on the committee report?

Mr. FESS. The vote was 206 to 78, and among the 206 were a great many Democratic Members.

Mr. ADAMS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Colorado?

Mr. FESS. I yield.

Mr. ADAMS. Before the Senator concludes I want to verify for his recollection the portion of the President's speech in New York to which I have referred and which appears at page 2384 of the RECORD. He stated:

> But the people of the Nation must understand that this is their fight. They alone can win it. Unless they make their wishes known to the Congress without regard to party, this bill will not pass. I urge them to renewed efforts.

Mr. FESS. I state to the Senator from Colorado that I still question the wisdom of the statement. The Senator will see that that is only expressing the right of petition, which we find guaranteed in the first amendment of the Constitution. However, I doubt the wisdom of the President even taking that position over the legislative body. I say that frankly; I would say it against any President.

Mr. ADAMS. May I be permitted to say just a further word? If the Senator will pardon me, I think that answers in part the argument he made, that if the President feels that it is proper to have his opinion not only expressed by himself to Congress but reinforced by his urging upon the public, which certainly is a path which he has laid out, it is not improper for Congress to follow in expressing their opinion as to matters which they have investigated in order that he might have the benefit of the opinion of Congress, not that Congress is trespassing upon his constitutional powers, but merely expressing to the President their opinion, based upon matters which the Congress has investigated in the exercise of their constitutional powers.

Mr. FESS. The Senator from Colorado will recognize that the Constitution authorizes the President to make his views on the state of the Union known to the Congress. He does it either through a written statement, in the form of a message, or a spoken statement from the desk. Everybody admits that is a proper function. I think most people also would say that the right of petition could be recommended by the President. I have my serious doubts as to whether the President should do it.

Mr. ADAMS. Would the Senator go far enough to say that the President would have power to have a bill drafted down to the final dotting of the "i's" and crossing of the "t's," and sent to Congress, and then insist that the country coerce Congress, the legislative body, into passing that particular measure?

Mr. FESS. I do not know that anybody ever did that except President Wilson. I do not suppose anybody else would do it.

Mr. ADAMS. On my desk is a copy of the Mellon plan, prepared in one of the executive departments and sent here, as I understand it, with the determined effort that the bill shall be passed just as drawn and just as submitted to Congress.

Mr. FESS. I would say to the Senator from Colorado that if it passes just as it was drafted, it will not be because it was written by the Secretary of the Treasury or recommended by the President; it will be the judgment of the House and Senate, in their decision, and then the President has the legislative function, if he wants to exercise it, either to sign or veto the bill. That, in my judgment, is the legitimate course to be pursued by both Congress and the Executive.

Mr. WALSH of Massachusetts. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Massachusetts?

Mr. FESS. I yield.

Mr. WALSH of Massachusetts. The Senator has made a very severe arraignment of the Senate. I never have heard a worse one. He has said that the proceedings in this body for the last two months have been disgraceful and scandalous. Granting that, I hope the Senator will not take his seat until he admits that the proceedings disclosed before the Committee on Public Lands and Surveys were scandalous and disgraceful, and perhaps the Senate had some reason for its conduct, considering the subject matter it had to deal with.

Mr. FESS. I would say to the Senator from Massachusetts that if he wants to be regular and deliberative he will wait for the report of the Committee on Public Lands and Surveys and then act upon their report. He will not drag in a lot of unsubstantiated rumors and undertake to establish the facts by a mere whispering campaign, as this thing has become.

Mr. WALSH of Massachusetts. Was not the resolution we adopted reported from the Committee on Public Lands and Surveys?

Mr. FESS. It was.

Mr. WALSH of Massachusetts. Does not everybody in the country know that for the first time in years a Cabinet officer has corruptly transferred irreplaceable assets of the Government? Why does not the Senator denounce those responsible for the public scandals instead of reflecting on the conduct of the Senate?

Mr. FESS. The Senator is gratuitous in that. He says "everybody knows." If everybody knows, why should we have the investigation? We are waiting for the proper procedure in a court of justice to determine the facts, and when those facts are in, then the Senator can make his speech, and he probably will revise his utterances.

Mr. WALSH of Massachusetts. Does anybody dispute now that a member of the Cabinet received money improperly for transferring assets of the Government to private interests? Does the Senator dispute that? Does he want more evidence along that line? The Senator apparently has no words of condemnation for the fraud and corruption that has caused the Senate to act.

Mr. FESS. I would say to the Senator from Massachusetts that when we reach the point of saying "Does anybody dispute it?" I do not dispute it, but I do not assert it. Neither can the Senator assert it until the facts are all in.

Mr. WALSH of Massachusetts. My purpose in asking the Senator the question was to have him at least find some justification to the body of which he is a Member for the conduct he describes, in view of the disclosures which have shocked the country, and which naturally would be reflected here by very sharp, intense, and bitter debate.

Mr. FESS. Mr. President, in all matters of this kind the difficulty is that a man's views are always colored by the thing in which he is interested and the subject that is being discussed. We can not view the situation throughout the country from Washington. We can not view it from the Senate. There is not a man here who knows the situation throughout the country. Let me illustrate what I mean.

Here is a letter, only one letter of many that come to my desk, asking, "What is the situation in the Senate?" In part, the letter reads:

> It occurs to me that a lot of Senators have a serious case of hysteria, and are exploiting themselves in a way that would better become a corner grocer than what should be a dignified Senator. This is also true in some respects of the other body. It is exasperating to the men of the country to witness such an exhibition of petty politics as now disgraces both the Senate and the House. This is the time for exhibitions of some common sense.

That is only one letter coming from men of balanced minds who believe that the Senate of the United States is to-day on trial. I need no further evidence than the testimony of men who sit in this body who are being thoroughly disgusted with what is going on from day to day, and it is on both sides of the Chamber. It seems to me that it is about time for the Senate of the United States to get back to something like the Constitution that created it. So far as I can go, I propose to vote for the investigation, and I also will vote for the prosecution to the very limit of anyone found to be guilty, but I will not allow any manufactured clamor nor any petty politics nor any organized political régime to lead me to vote against the integrity of a man and assassinate his reputation without his having first a trial. That is un-American, and we ought to be ashamed of such procedure.

Mr. CARAWAY. Mr. President, one shudders to think of what would have happened to the Senate if the distinguished Senator [Mr. FESS] who has just taken his seat had not come here. All intelligence and all decency reside with him. All sense of propriety he possesses, and both sides of the Senate are devoid of the dignity they should have and the sense of justice that should actuate them, and therefore, like the schoolmaster, he reads the Senate a lecture.

But I want to say that nobody ever heard of the Senator from Ohio lecturing the Senate except when the Senate was trying to prosecute criminals, and criminals that belong to his party. His first speech in the Senate is to defend the Attorney General, because that is all it means. It is to lecture the Senate so that it shall pack the jury. I think everybody understands the Senator from Ohio and his purpose in reading the Senate a lecture this morning.

He read the Senator from Nebraska [Mr. NORRIS] a lecture about discussing the Judiciary Committee of the House as not being quite fair and undertook to show that it was fair and eulogized the membership of that committee. I served six years on that committee. He began by saying—and that is as near the truth as anything else he said—that Mr. Volstead was a great lawyer. God bless your soul, Volstead could not get a license to practice law anywhere unless by waiving his examination. I know something of Volstead. If he were now a Member of the House, I could not discuss him; but to call him a great lawyer is such a flight of imagination that even the Senator from Ohio, I should have thought, would have paused a minute before he paid that tribute.

It may be that the Senate is hysterical. If it is, it is hysterical in trying to see that crime shall be punished and the people's property protected. Only two Senators on the other side are hysterical, like the Senator from Ohio, in seeing that nobody is punished and no public property restored. He ventured the assertion that the contract made by Fall to Sinclair was legal, and even that Doheny and Sinclair were rightfully in possession of Teapot Dome and reserve No. 1. Now, we are apt to find out that Fall, who will not tell where he got the money and first told a deliberate falsehood about it, had an absolute right to sell our naval reserves and sold them legally, and that Sinclair and Doheny had a right to buy them. The people would get a fair trial with a jury of such distinguished men as the Senator from Ohio. The public rights would be preserved and criminals would tremble with that kind of an apologist in the Senate for men who corrupt public officials and for corrupt considerations sell the public property and endanger the very life of America by selling every drop of oil that was to steam our ships in time of war.

We are to hear a lecture of the Senate upon propriety. Oh, you know if we all had such propriety, the people would have some right, indeed, to suspect the Senate did not function, as the Senator from Ohio said. I am sure the Senator from Ohio would entirely approve of what is now disclosed to be a fact, that the Department of Justice turned over the secret code so that the criminals who were being pursued might keep in touch with the Department of Justice and by it be protected.

I should say that the Senator from Ohio could find no more appropriate occasion to rise than in view of that disclosure. He says he wants to vouch for the absolute integrity and high character of Mr. Daugherty, and here we are confronted with the fact that not only did Mr. Daugherty do nothing to help fathom the crookedness of public officials, to help restore public property stolen from the public, but he, on the other hand, lent positive aid by loaning the secret code of the Department of Justice to the criminals in Florida to communicate with criminals in the Department of Justice so that no investigation could be had and no disclosures had. Upon that disclosure the Senator from Ohio rose and said the Senate was hysterical and the Attorney General honest. That sort of recommendation ought to go a long way with everybody. I do not know and the public does not know what all the facts are.

Even Mr. Wile, who is the mouthpiece of the President since he got a cup of coffee and a sandwich on the *Mayflower* one day, is out in an article this morning—and I hope the Senator from Ohio will read him a lecture for being hysterical—saying that Cautious Cal is also growing nervous, because under the headline, "The President will strike soon for clean régime," Mr. Wile has the following to say:

Calvin Coolidge within a comparatively few weeks will take action in connection with current events at Washington designed to justify the confidence which he feels the country has in him.

A few weeks? How many weeks nobody knows, but sometime, when the cautious President shall have waked up, he is going to say something. Oh, I wish the Senator from Ohio would go down there and say, "Now, Mr. Coolidge, do not get hysterical. Take your time. Do not be swept away by the hysteria or by thieves stealing the public property, but wait. Oh, wait a few months, and after awhile the thing may blow over," because that is the hope of those people who are talking about hysteria now. The article goes on a little further and says:

To nobody, not even his most intimate advisers, has the President thus far confided the nature of the step he will take. Only so much can be said—

Here is where the hysteria comes—

and it is stated on high authority that before May 1, or perhaps much sooner than that, Mr. Coolidge will resort to measures of a positive kind.

I am so glad that he is not going to be swept away by that hysteria that so excites my friend from Ohio. He is going to take until May 1, but nobody knows what he is going to do. In the meantime he sits in the White House and leaves unanswered the statement that in this important investigation the man who was in the worst of it should have easy and quick access to the White House, because in a telegram sent from Washington one of the reasons urged for putting the private wire of Mr. McLean was "so that you may have quick and easy access to the White House."

They put in charge of that wire the man who was in charge of the confidential wire in the White House, so that there could be no misunderstanding. The same man handles both messages, and he will know what McLean says to Fall and what Fall said to Mr. Slemp after he went to Florida, and for what purpose Slemp was going. They even sent a code message to say to Mr. McLean in Florida that the Senator from Montana [Mr. WALSH] is taking the 10.35 train. Not a thing could happen but what they were informed, and in order to make the matter absolutely quick and sure they say, "You put in a private wire, and you will have quick and certain connection with the White House."

Oh, if it were not for exciting the distinguished Senator from Ohio to the same kind of hysteria that he so much condemns and so aptly illustrates, I would like for the President to say whether or not he had any communication with those people in Florida. I think he owes it to 100,000,000 of American people, who are swept, as the Senator from Ohio said, by hysteria, to say whether there is anything in the statement that "We want the private wire so we can have quick and easy communication with the White House."

I want to know—and I know the Senator from Ohio condemns me for asking the question—what right Mr. McLean has to have "quick and easy" access to the White House when he was shielding as best he could a criminal that he knew to be a criminal? I would like to know, if it is not too agitating to the Senator from Ohio, who is afraid everyone is going to grow hysterical except himself, why the Attorney General should turn over the secret code to enable criminals and their aiders and abettors to frame a defense? The Senator from Ohio will tell me to wait until the committee shall report.

I remember that same argument was made when I introduced a resolution to cancel the leases. The distinguished Senator from Wisconsin [Mr. LENROOT] said that it was a reflection on the committee and ought not to be urged at that time. I know he thought it, but I know, also, that after awhile everybody got interested and even those gentlemen who abhor hysteria voted for a resolution to employ lawyers to try to cancel the leases which the Senator from Ohio now feels are legal. I will say to the Senator from Ohio that I would have the courage of my hysteria. I would not have voted for the resolution to have canceled a lease I thought was legal. I would not have stultified myself. I would have been the one outstanding Senator in the Senate. I would have risen in my place and said to the country, "I think this transaction between Fall and Sinclair was proper; I think Fall ought to have sold the leases; I think he ought to have been paid for them, and since I believe that I will not be hysterical; I will be courageous; I will show the country what a Senator ought to be. I vote 'no.'" But the Senator did not do it. He swallowed it absolutely, preamble and all, and to-day is the first time that the waiting country ever knew that the Senator from Ohio did not believe in the preamble as much as he believed in the resolution.

Oh, it is so wrong for the Senator from Ohio, on whose words the country hangs, to have concealed from the public all these weeks that he did not believe those contracts were conceived in fraud and carried out in iniquity. He did not believe in the resolution for which he voted, and he did not believe that the hysteria that swept the Senate, which is asking for fair play, asking for justice, ought to be heeded. He read a letter from somebody, whose name I do not believe he gave to the Senate, commending his course. I will wager that the man said, "Don't tell on me, because nobody believes it when I say that the people are condemning the Senate for being honest and upholding the Attorney General for being a crook."

I am not going to discuss very much more the committee's action in the House in whitewashing Mr. Daugherty. There is not much to say about it. I am entirely familiar with the personnel of the committee. I do know what Mr. WOODRUFF, a gentleman that did more than the Senator from Ohio ever did in his life and got every vote in his district when he ran for Congress, said about it. Of course I was on the committee at one time, but I got off of it.

Oh, I know what Mr. WOODRUFF said. I consulted with him, as I did with other people. He said they would not hear KELLER; and I know, if the newspaper stories may be believed—and I do not see any reason why they may not be—it never was an investigation of Daugherty, but it was a browbeating process of destroying KELLER. Then the chairman wanted to put KELLER on trial because he would no longer submit to a heckling that no self-respecting white man would submit to.

However, this is one of the smoke screens about which the senior Senator from Ohio [Mr. WILLIS] talked so much yesterday as being thrown up. I should like the distinguished Senator from Ohio, when he gets over his hysteria, to tell the Senate what this telegram means. It was sent by Bennett to McLean and is dated January 29, 1924:

Saw principal; delivered message. He says greatly appreciates and sends regards to you and Mrs. McLean.

Now listen to this:

There will be no rocking of boat and no resignation. He expects reaction from unwarranted political attack.

Who is the "principal"? Who knows whether there will be any resignations or not? Who knows there will be "no rocking of boat"? Without so much agitating the Senator from Ohio, who knows everything and modestly admits it, I should like for him to say who is the "principal." Who is it that knew that nobody was going to be put out of the Cabinet? Who knew that nobody was going to "rock the boat," and who was praying that this political agitation, this hysteria, would soon pass away?

I say, Mr. President, if it is hysteria which has swept the country, every honest man except the Senator from Ohio should thank God that hysteria swept the Senate one time, because if it had not been for the hysteria in the Senate there would have been no disclosure of the treason on the part of the former Secretary of the Interior, Mr. Fall; for everybody knows that the Attorney General, if he had been in possession of the facts would not have done it, because he permitted his agent, Mr. Burns, to turn over to the friends of the accused the private code and inform them of every step that was being taken and instructed them to be very cautious. They sent a wire down there, "Do not even mention 'peaches' or 'apricots' or 'pears' in anybody's presence for fear somebody will know that you have got the code." That is what it means. "We have given you this code now, and don't go around talking, lest somebody should find out that you have it." They mention "ducks." I guess that was hysteria. They started talking about "ducks" and "peaches" and "pears" and "apples" and sending code messages.

Mr. WHEELER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Arkansas yield to the Sentaor from Montana?

Mr. CARAWAY. I yield.

Mr. WHEELER. Does not the Senator know that the man who is referred to as Duckstein is the private and confidential secretary of Mr. McLean?

Mr. CARAWAY. No; I did not know that.

Mr. WHEELER. Does the Senator know that Mrs. Duckstein was, up until about December, the confidential secretary for William J. Burns and is now an operative in the Department of Justice?

Mr. CARAWAY. I hope the Senator from Montana is not trying to sweep me into hysteria. [Laughter.] Mr. Rochester is the private secretary and publicity agent for the Attorney General, is he not?

Mr. WHEELER. I think so.

Mr. CARAWAY. And he sends messages. Of course, that is entirely proper; we have never heard the Senator from Ohio object to that at all. There is no hysteria in the department protecting crooks. It is only hysteria when the people try to regain their property and to punish criminals. That is hysteria.

Mr. NEELY. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Arkansas yield to the Senator from West Virginia?

Mr. CARAWAY. I yield.

Mr. NEELY. Does the Senator from Arkansas in saying that "that is proper" mean that it is proper to "play ducks and drakes" with the Department of Justice?

Mr. CARAWAY. The Senator knows it is worse than that, but that meets the approval of the Senator from Ohio [Mr. FESS], I am sure, because the Senator from West Virginia can not be unmindful that the Senate, including the Senator from West Virginia, has been lectured by the Senator from Ohio as being irresponsible and hysterical and a disgrace and a shame and infamous, and in the same breath, almost, he smiles and said, "I have known the Attorney General and he is a man of upright character and unimpeachable integrity."

Mr. WHEELER. And "as clean as a hound's tooth."

Mr. CARAWAY. It was the senior Senator from Ohio [Mr. WILLIS] who characterized the Attorney General as being "as clean as a hound's tooth." The two Senators from Ohio are not hysterical. Oh, no; they are not subject to hysteria; but they certainly are agitated when there is any effort made to find out what is Mr. Daugherty's connection with this matter. I defy either one of them to point out a single act of his, or to call attention to a single word that he ever uttered that helped in any way to uncover the sale of public property or to forward in any manner the investigation to ascertain, first, to what extent the corruption extends, and, secondly, to punish the people who are guilty of the offense.

It is not hysteria when one takes that side of it; when one stands with Fall and McLean and the Attorney General and helps them, as the Senator from West Virginia [Mr. NEELY] says, to "play ducks and drakes" with the people's rights. That is manifesting statesmanship; that is standing by the Constitution, the Senator from Tennessee [Mr. MCKELLAR] suggests, having in mind, probably, the touching lecture which the Senator from Ohio gave us a moment ago about the Bill of Rights. If it were not for probably being suspected of being hysterical, I should like to move some time that the Senate have night schools and get the junior Senator from Ohio to read us a lecture on the Bill of Rights and the protection which ought to be thrown around crooked officials when they are found betraying their country. He would be a very apt teacher, I am sure.

Mr. STANLEY.. The fourth amendment to the Constitution is a part of the Bill of Rights.

Mr. CARAWAY. Yes; but the Senator from Kentucky must not talk about the Constitution; he has not been constituted the guardian of the Constitution; he has not the proper viewpoint; he believes that crime is crime and that people who betray their country are guilty of wrongdoing; he is subject to hysteria; he must sit at the feet of the Senator from Ohio and learn to look with dispassion upon traitors and with approval upon the betrayal of public trust and spread the mantle of charity over every criminal, provided the criminal is from Ohio—and there will be a pretty large mantle needed. [Laughter.]

REPLYING TO SENATOR FESS OF OHIO.

Mr. HEFLIN. Mr. President, the people of the country who are really interested in what some Senators are trying to do here to prevent corruption in Federal office in the future and to punish those now in office who are guilty of corrupt conduct will read with interest and approval the able and timely speech of the Senator from Arkansas [Mr. CARAWAY]. The Senator from Ohio [Mr. FESS] scolds the Senate and lectures the Senate, as the Senator from Arkansas has said, and severely criticizes the Senate for what has been transpiring here for the last two or three months, as he puts it. I believe the Senator from Ohio referred to the proceedings as being disgraceful.

Mr. President, it is unpleasant to us to have to go into the very disgraceful conditions that have been uncovered among Republican officials high in authority. But somebody has got to do it. A grave responsibility rests upon every Senator in this body. The Department of Justice, the President admits, would not function properly, and so he employed two attorneys to represent the Government in the oil-scandal cases. The Senate of the United States, the Senator from Ohio included, authorized the selection of two attorneys outside of the Department of Justice to represent the Government. That act was a reflection upon Mr. Daugherty; that was a confession on the part of the Senate and the President that he was not the proper man to represent the Government in these cases. If the Department of Justice will not function and if the President feels that it is necessary to employ counsel outside to represent the Government and the Senate feels that way about it, the country is justified in asking, Why does the President continue to keep Mr. Daugherty at the head of the Department of Justice? What are we to do when officials accept bribes? What are we to do when they betray their trusts? Are we to sit here under such shameful conditions with folded hands and sealed lips and do nothing? Mr. President, if we did that the country would have good reason for saying the Senate itself is corrupt; but, thank God, there are Senators here who are foot-loose and free to fight to a finish the big, crooked interests and those that they corrupt in high office.

I know that it is disagreeable to the intensely partisan spirit of the Senator from Ohio to hear coming out day by day these astounding facts that involve the Republican administration. It is unpleasant and disagreeable to the Senator from Ohio to hear here day after day startling and astounding facts brought out that disclose scandal and corruption in the very citadel of the Republican Party. But ill does it become him in the face of the mighty facts already disclosed to undertake to lecture Senators who have the decency and the courage to fight crookedness and corruption wherever found.

The Senator from Ohio says that it is bad for the children of the country to read about the terrible things that are being discussed here. I confess that it is bad for them. Yes, indeed, unfortunate for them and all the people of the United States that conditions are so rotten as to make it necessary to discuss them. They are reading about it not because of any wrongdoing on the part of the Senators whose duty it is to discuss it but because of the crooked and corrupt conduct of unfit and unfaithful Republican officials. But for the disgraceful conduct of Denby and Fall, two members of the Republican Cabinet, and others connected with this national scandal, there would be no occasion for worry about what the youth of the country may read or not read concerning the debates that take place in this body. The Senator from Ohio need not think that the Senate will permit Republican officials to prove unfaithful and be corrupt in office and get away with it because, forsooth, the children of the country might read about the discovery and punishment of crooks in office. The way to keep wholesome newspaper articles before the eyes of the children of the country is to place men in office so clean and honest that they would not stoop to do an unclean and dishonest thing.

That is what we are striving for. That is why we are storming the ramparts of this administration. That is why we are pulling the curtains aside day by day and showing the awful, rotten condition that has been kept hid right in the strongholds of the Republican Party.

The Senator from Ohio speaks of certain Senators here who are being disgusted by the discussions that take place in this Chamber. Well, if there are those who are disgusted, I suggest that they resign. I think the country would be helped if some that I know should resign. I really do not think it would injuriously affect the country. The Senator who is disgusted because we are going into these unpleasant things and are trying to get at the truth for the good of the country, for the preservation of our free institutions, is not the right kind of Senator; I will say that to the Senator from Ohio. It might be well to spend a little time lecturing on that line—on respect for our oath of office and our duty to our country.

Why, of course, these discussions are not pleasant to the junior Senator from Ohio. The Senator is a very intense Republican partisan, and I know it must annoy and irritate him to see the Republican Party expiring in a lagoon of oil—to see these awful disclosures that permeate nearly every branch of the Government under Republican control. I know that it must pain him deeply, but he owes it to his country to help us to run down and punish every official crook in the country. I would not try to give Mr. Daugherty a clean bill of health before the committee is even selected to investigate him. I would let it be selected, and then let Mr. Daugherty go before it, and I want him to have a fair trial. The Senator objects to the proposed personnel of the committee. He would not have the junior Senator from Montana [Mr. WHEELER] on it and he would not have the junior Senator from Iowa [Mr. BROOKHART] on it.

I suppose he would like to have a little pink-tea performance staged or a little sewing circle arranged. We want to go after the facts in this thing. We want the truth brought out. We

want somebody to make this investigation who has the courage and moral stamina to get at the truth and the whole truth. We want somebody to do it who has the ability and disposition to do it. We want somebody to do it whose hands can not in any way be tied by sinister influences from any source and who can not be made to tread softly when approaching facts that ought to come out but that will involve somebody else, either on the inside or outside, high in the councils of the Republican Party.

Why, certainly the Senator from Ohio is disgusted. He says we have become not a deliberative body but an inquisition. What are you going to do when your Department of Justice, established for the purpose of looking after the enforcement of law, looking after the apprehending and punishing of criminals, falls down; when the head of it himself is arraigned and charged with reprehensible conduct? What are you to do—wait for the department itself to function against itself?

If a policeman should hold you up and rob you and you should report him, and those in authority should refer you to the policeman and tell you to take it up with him, would you feel that you were going to have a fair deal? When the Department of Justice is charged with doing things that we are going to try to stop, if you write to the President and he refers the matter to the Department of Justice, you have to deal then with the very people you are charging with having done things that were wrong. In a situation like that, whose business is it to investigate? It is the business of this branch of the lawmaking body or the other branch, the people's House of Representatives.

Of course these discussions are unpleasant to the Senator from Ohio. They no doubt cause him to have bad dreams and also some other Republicans.

I criticized the Senator from Wisconsin [Mr. LENROOT] yesterday for visiting Mr. Fall in his apartment with the Senator from Utah [Mr. SMOOT] without telling the other members of the committee, and the effort was made here yesterday to show that the Senator from Wisconsin [Mr. LENROOT] had done everything he could to help bring out the facts, to go to the bottom of things in question, when the Senator from Wisconsin himself voted against permitting Senator WALSH to ask Sinclair certain questions in the development of the case. Here it is, right in the record before me.

The Senator from Montana [Mr. WALSH] demanded that Sinclair answer these questions. The Senator from Wisconsin [Mr. LENROOT], the chairman of the committee, opposed making him answer the questions. The roll was called. The Senator from Montana voted to make him answer. The Senator from Colorado [Mr. ADAMS], another member of the committee, and the Senator from North Dakota [Mr. LADD], and one other, four against three, I believe, and he was compelled to answer. The Senator from Utah [Mr. SMOOT] voted against making Sinclair answer.

I suppose the Senator from Ohio is disgusted when the chairman of the committee that is itself investigating this thing has these things brought out in debate in the Senate. It is very unpleasant, no doubt. As I said yesterday, we are having to do a lot of things that are unpleasant. Well, we have a duty to perform here, a duty to the country. Ought we to leave these things covered up? Ought we to let them stay in the committee room, as the Senator from Ohio suggests, and never bring them out until at some distant day a final report may be made?

No; that is not my idea as to the way it should be done, Mr. President. Let public opinion—enlightened public opinion—begin to get in its work, because, God knows, a house cleaning is needed in Washington. Crooks must be driven out; criminals must be apprehended and punished; the Government must be cleansed and preserved. It makes no difference what individual suffers for his crooked conduct, if each one of us when he goes from here can look back and say, with his hand on his heart and his eyes lifted toward the skyland and the stars, "I have been faithful; I have discharged my duty to my country."

Mr. President, that is the thing that a public man ought to strive to be able to say; but some people seem to think that if they can serve some big interest and by being their agents accumulate some of this world's goods and be accounted rich, that that is the goal to be sought. It is not mine. It is not that of many that I know in this body, I am glad to say.

That is not all, Mr. President. The Senator from Wisconsin [Mr. LENROOT] on September 3, 1919, in a speech here said:

> I am very frank to say that I do not believe it is possible for the Government, irrespective of any questions which are pending here, ever to maintain naval reserve No. 2 as a naval reserve. If we get these claims, the only way to save the oil for the Government is to take it out of the ground from the wells that are now existing there.

That is entirely pleasing to Doheny. That is the position that he takes; and as far back as 1919 the Senator from Wisconsin held this view, and he is now the chairman of this investigating committee.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. HEFLIN. Certainly.

Mr. LENROOT. That is reserve No. 2. Does the Senator know that every officer of the Navy agrees with that statement, and everybody else, so far as I know?

Mr. HEFLIN. I do not know that. I know that all the officers of the Navy except Robison were opposed to transferring the naval reserves and that Robison was the man picked out to pass on it—the very man who was friendly to what Denby wanted to do and what Fall wanted to do and what Doheny and Sinclair wanted to do. He, of all men, was picked out to do this thing. The whole Navy rose up in arms against the transfer of these oil reserves, but this man Robison was picked out, and they got his opinion, and his opinion was expressed after Doheny had called on him on his ship and had spent some time with him very pleasantly.

I do not know. The Senator says that the naval officers agree with this. I am reminding the Senate of his position on this oil proposition as far back as 1919.

I want to bring another thing to the attention of the Senate. It will probably be disgusting to the Senator from Ohio.

On another occasion the question was up whether Mr. McLean should come and testify. By the way, the Senator from Wisconsin on yesterday claimed that he had done everything he could to get him there; that he was under subpœna now, and all that. If my recollection serves me right, when the matter came up as to whether they would have him come or accept merely a written statement that he might write out and send in to the committee, the Senator from Wisconsin voted to let him write out and send in the statement.

Mr. LENROOT. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Alabama yield to the Senator from Wisconsin?

Mr. HEFLIN. I do.

Mr. LENROOT. Will not the Senator read the record upon that point? Will he not be accurate enough to say to the Senate that the question was whether Mr. McLean should be excused from coming for a period of at least two weeks, and then the committee would determine the question? If the Senator will read the record, he will see that the Senator from Wisconsin voted to take the sworn statement with the statement that when the committee received that statement it would then determine whether it would proceed further in requiring his personal presence.

Mr. HEFLIN. I will look up that statement to get it absolutely accurate, Mr. President. I remember the incident, and I was correct in the view that the Senator from Wisconsin favored taking the written statement at that time. He states that he coupled with it the statement that Mr. McLean was to appear later; but he has not appeared yet, and I am very anxious for him to appear.

Now, I want to bring another thing to the attention of the Senate. It may also be disgusting to the Senator from Ohio. That is that the Senator from Wisconsin [Mr. LENROOT] made the statement to the committee over which he presides that he saw no necessity for Secretary Fall coming before the committee. Here was the man of all men who ought to have been interrogated. This is the man that the Senator from Wisconsin called on in his apartment with the Senator from Utah [Mr. SMOOT]; and this is what occurred, the Senator from Wisconsin speaking:

> With reference to Secretary Fall, I want to make this statement: When this testimony came in about the purchase of the ranch I then indicated to Senator SMOOT, who was then chairman of the committee, that Mr. Fall should appear before the committee. My only point was that there should be a disclosure of the method by which the purchase was made. That disclosure having been made, I do not think of any reason why he should appear before the committee.

Mr. LENROOT. Mr. President, will not the Senator read the rest of it?

Mr. HEFLIN. That is all of it I have here in the RECORD.

Mr. LENROOT. No; there is more there.

Mr. HEFLIN. I am reading from the speech of the Senator from Colorado [Mr. ADAMS].

Mr. LENROOT. If the Senator will read the record he will find that the Senator from Montana [Mr. WALSH], immediately preceding that statement, made the statement that he did not desire to press it himself; and he will find that I, in the statement the Senator is now reading, stated that if the Senator

from Montana did not care to press it, Mr. Fall having made the disclosure, I saw no reason for his appearing.

Mr. HEFLIN. Mr. President, I differ with the Senator about that. Why should he not be summoned? He is charged with having transferred this property, worth billions of dollars, to Doheny and Sinclair. Of all men, it seems to me he ought to have been called and interrogated, and here was a move made to let him off and not call him in at all. I do not know whether this was before or after the visit to Fall's apartment.

I merely call these things to the attention of the Senate because of the statement of the Senator yesterday that he was doing everything he could to get at all the facts. I recall another statement, though I can not put my finger on it just now, where the junior Senator from Wisconsin stated that up to that time he had not suggested a single witness. I will get that statement, so that it will be absolutely accurate.

Mr. LENROOT. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Alabama yield to the Senator from Wisconsin?

Mr. HEFLIN. I do.

Mr. LENROOT. I call the Senator's attention to the remarks of the Senator from Montana made yesterday. He said:

> Mr. Fall went to El Paso. He was there when the witnesses from New Mexico told their story about the sudden rise in affluence of Mr. Fall and his expenditure of approximately $200,000, as it was traced to him, when he had not had money enough to pay his taxes for 10 years. Of course, that testimony was startling in its character, and the Senator from Wisconsin rightly recites that forthwith, in what seemed to me something like consternation, because both he and the Senator from Utah had up to that time exhibited the most implicit confidence in Mr. Fall, he said that this information should be given to Senator Fall at once, and he should be invited to come before the committee. I said in that connection that in my judgment he should be apprised at once of the information, but that he should be left to judge for himself whether he should come or not.

Mr. HEFLIN. Whose statement was that?

Mr. LENROOT. The statement of the Senator from Montana [Mr. WALSH].

Mr. HEFLIN. Then, Mr. President, I disagree with the Senator from Montana on that. I would have summoned him. Of all men, Fall himself should have been called then and questioned by this committee, and I can not understand how an investigation would be complete without examining the man himself who had accepted money, who had been paid for the thing he had done, permitted to roam around the country undisturbed, at large, not even calling him before the committee.

I am reminded that at the time the Newberry case was up we criticized some members of the investigating committee then for not even inviting him to appear before the committee. It was shown in the debate that they had not even asked him to come before the committee and make a statement. The protection of party ought never to be indulged in to the hurt and injury of the country. Why should such treatment be accorded these big rich fellows?

We would not do that for the ordinary man. He would be brought in; if necessary, a policeman would bring him in, and he would be seated there, and he would be interrogated, and in right severe fashion in many instances. But Mr. Fall is going away. I think he is now down on his ranch, which he has improved so much with the thousands and thousands of dollars he got out of this corrupt transaction.

One other thing, Mr. President, in reply to the Senator from Ohio. I want this whole thing to be made so odious that no public official in the future will ever dare do such a thing. I want fathers and mothers of the country to be able to say to their children, "Yes; these things have been going on, but it is right and proper to expose them and to tell the truth concerning them. They got some bad men in office. The situation is humiliating and shameful, and it is right to clean it up. The Senators are cleaning it up, and it will have a wholesome and far-reaching effect. It will help to get good men in office in the future and benefit the Government now by letting unfaithful officials know that their days are numbered." Of course, good is going to come from it.

But the Senator from Ohio [Mr. FESS] suggested in his effort at scolding the Senate this morning that it was all disgusting to him. Disgusting to bring out facts? What are we here for—just to sit around and let things go on, and say, "If we bring it to the attention of the public it might disturb some child who will read about it in the newspapers?"

No, Mr. President; let the children be taught from their childhood up that there are two kinds of people—one class honest and upright and fearless; another class crooked, corrupt, and cowardly—and just as sure as there are good and evil in the world, there are people whose conception of right and justice is one way and people who look and feel the contrary way.

When the latter, the bad ones, get into office you are bound to find out just who and what they are, because the Bible says truly:

> By their fruits ye shall know them.

Now we are going after this investigation. We are going to get at the facts, and I want to say that this committee does not have the final say. This committee will bring in its findings. It makes the investigation and it will report to the Senate. There may be a majority report and a minority report, and both reports will be discussed and thrashed out before and by the Senate itself.

The effort to give Mr. Daugherty a clean bill of health before the investigation is had, it seems to me, is a little premature. I think it would have been better for the Senator from Ohio to have made his remarks to the committee or after the committee reports its findings.

I want to submit this statement in that connection: Why is it that the President permits Mr. Daugherty to remain in office? Why does Mr. Daugherty want to remain in office? Are these his reasons? Does he want to stay in possession of all the correspondence until the hearing is finished? Does he want to remain Attorney General so that all the officers and agents under him would not want to testify against their chief? Oh, Mr. President, I suggest to the Senator from Ohio that those are the disgusting things.

Why does he not go to the White House and say to the President, "Mr. President, I want to relieve you and I want to be relieved. I want an investigation and I want to resign, with the understanding that if I am found innocent you will immediately reappoint me Attorney General. Why does he not do that? Why does he stay where he can keep his hand on all the correspondence? Why does he remain where the officers under him are intimidated and feel embarrassed to testify against their chief?

If he will not do that, why will not the President ask for his resignation, so that these various agents of the department may be free, and can stand up and testify as they would like to testify, and as I believe many of them will testify if they have the opportunity, free and unfettered.

This is the Government's business. It is not a political party matter. It should not be. This investigation ought to be made in the interest of right and justice and truth, and we ought to have in mind always in all of these things the good of the country. That is my position in it, Mr. President, and however unpleasant it may be to the Senator from Ohio, however disgusted he may become day by day and week by week, these facts are going to be given to the people. They are entitled to know the facts, for this is their Government; we are their servants, and when we, speaking for them, find a crooked and corrupt condition in the Government, it is our duty to discuss it here in the open Senate and let the country know just what is going on in their Government at Washington.

Why are you after this man Fall? He has betrayed his trust. Why are you talking thus about him? He has accepted a bribe. Why are you saying these things in the Senate? He has bartered the oil domain of the Nation, he has deprived the country of its naval oil reserves, he has squandered billions of dollars worth of property, and we are after him to expose him and to punish him if we can; to get back this property, and to let those who are tempted in the future to do wrong know the fate of Denby and Fall and Daugherty, if he be convicted. Men who forget their oath of office and turn their backs upon the principles of right and justice and become the subservient tools of crooked and corrupt interests ought to be exposed and excoriated, it makes no difference how shocking and how disgusting the disclosures may be to the Senator from Ohio [Mr. FESS].

Mr. President, the truth should be known. The country knows what is going on here. The country knows under what difficulty some of us are laboring day by day to get the truth to the country. The country knows, from what has transpired, how the effort has been made to cover up and hide important facts. The country is entitled to know, and unless we stand up and fight, and expose evil doing that hurts the country, we ourselves are guilty of unfaithfulness to the American people.

Let it not be said of us that because of fear of somebody trying to connect us up with the Teapot Dome or with the Doheny oil interests we did not act. The fellow who is unable to talk on this subject and unable to condemn this thing may be suffering from color blindness caused by oil colors and oil paintings. If Mr. Daugherty is innocent, he ought to be ac-

quitted. If he is guilty, he ought to be exposed and convicted and removed from office. We are told that two Republicans, Senator LODGE and Senator PEPPER, requested Mr. Daugherty to resign. If the President is convinced by what he knows and by what the Senator from Idaho [Mr. BORAH] told him regarding Mr. Daugherty that something is radically wrong, why does he not ask Mr. Daugherty to get out and let a real and a very thorough investigation be had? Let him say to him if he chooses, "If you are found free of guilt and with clean hands, I will reappoint you as soon as the investigation is over." That is the way to get at the truth, if they really want to fight this thing to a finish in the interest of the people and the Government of the United States.

Mr. GEORGE. Mr. President, I would like to say that there may be a very wide difference of opinion concerning the last proposition laid down by the junior Senator from Ohio [Mr. FESS] in his speech. If I correctly understood him, he said that on this side of the Chamber, and very generally in the Chamber on this side, there had been a disposition to play politics, and if I correctly analyzed his statement the Senate was brought rather severely to task for engaging, as he classed it, in extraconstitutional activities, and particularly this side of the Chamber was so arraigned.

Mr. President, I do not believe it can be very justly said that Senators who have asserted themselves upon this side of the Chamber have done so from political motives only, or even chiefly. If there had been a disposition to play politics concerning the important revelations which have been made in the Senate for the two months past, the party on this side of the Chamber could have rested its case upon the able and searching and thorough presentation made by the senior Senator from Montana [Mr. WALSH], and could have left upon the present administration full responsibility for action upon the strength of that statement made by him.

But the Senate did not play politics. Rather than leave upon the administration the full and unassisted responsibility there was introduced and passed a resolution to which the junior Senator from Ohio takes exception, particularly to the preamble of the resolution, calling upon the President of the United States and authorizing the President of the United States to employ counsel for the cancellation of the naval oil reserve leases and for the prosecution of offenders, if offenders should be indicated to the satisfaction of those counsel. I had occasion to say, and I say again, that every legislative body on the face of the earth in taking action upon any question has a perfect right to express the reason for its action. It is not binding nor is it intended to be binding upon any other department of government, but it is only a question of whether the legislative body has the information and has the will to make the declaration. If it sees fit to make the declaration it can not be classed as an extraconstitutional exercise of authority by anybody.

Not only did the Senator from Ohio inveigh against the preamble to that resolution but the Senate was taken rather severely to task for the Denby resolution. The Denby resolution may have brought before the Senate a debatable question. The distinguished Senator from Idaho [Mr. BORAH] expressed himself upon that question, and in very clear and very forceful language. But I do not think that after the Senate has acted, the Senate is to be severely arraigned and criticized. I do not, and I am not willing to, admit that men of this side of the Chamber, at least, did not have some reason that seemed satisfactory to them even in the consideration of the Denby resolution. I know that I had, whether erroneously or not. Whether my reason was well founded or ill founded there appeared a reason upon which I was willing to vote.

I do not discuss the question of fact. It was too clear and palpable to all the world that Mr. Denby was a necessary party, at least a proper party, to the very suit that had been authorized by the Senate for the cancellation of the leases. As point of fact, he could not have remained in the Cabinet. In point of good conscience, he could not have remained in the Cabinet when his own acts were being solemnly challenged in the courts, and I do not refer to the facts upon which I acted and other Senators may have acted. I refer to the reason that seemed to me to justify the action, and seemed to me to remove it from the criticism directed against it by the junior Senator from Ohio.

I have never said and do not now say that the right of petition preserved in the first amendment to the Constitution was the authority upon which I acted. The right of petition was adverted to here, and by very able Senators. I recognize that the right of petition is the right of a citizen to petition his Government, and has absolutely no technical application to the right of one department of government to petition another department of government. But if those who framed the Constitution were careful to say that even the Congress should not take away from the people the right to peaceably assemble and to petition the Government for redress of grievance, it can hardly be imagined that they supposed that a coordinate department of government did not have the right of petition. Historically, the allusion may have some benefit, but technically it furnished no justification, in my judgment, for the vote that I cast on the Denby resolution.

Nor do I lay great store, Mr. President, by the assertion that the power to advise and consent to the appointment of Mr. Denby still continued or at least was not exhausted in the initial exercise thereof. Other Senators may have found justification for their vote in that, but in the Constitution I find an express grant of power to the Congress to preserve the national domain, a power expressly granted to the two Houses of Congress to protect the public property, including the naval oil reserves. When, in the exercise of an express grant of power, the legislative branch of the Government comes to the point where the subject committed to the Congress can not be adequately protected save by Executive action, I, so far as I am concerned, am willing to rest my vote requesting the executive department to act upon that express grant of power. Had the Congress gone over into the domain of the Executive power and had the Congress sought to exercise that power quite a different question would arise.

But since when has it become the doctrine in America that one coordinate department of Government under our Constitution, to which the Senator from Ohio adverts, shall not be on speaking terms with another coordinate department of that Government? Since when has the doctrine come into existence that the Congress, charged with the express power of protecting the public property of the Union, can not ask the Executive to exercise a power referred to and vested in him exclusively, if in the opinion of the Congress action by the executive department is necessary and is imperative?

So I say, Mr. President, that it seems to me the Senator from Ohio should not have subjected to criticism the Senate and those Senators present who voted not only for the Walsh substitute resolution with its preamble, who voted not only for the Denby resolution but who had what they believed to be a reasonable justification for that vote, and that the Senators who did so vote were not, as he said and very clearly indicated, exercising extraconstitutional powers and converting themselves into a court of inquisition, trespassing where they were not entitled to go.

It has occurred to me that many of us have confused the issues that have arisen in the last 60 days with the issues that ordinarily arise in public trials. A legislative body is not a court, but—and this seems to me to be the point that we have overlooked—the legislative body is to act and is to proceed on principle, and when a man's public reputation or public character is to suffer because of proper legislative action, it is but an incident, and it can not stay the legislative action.

It is not a trial now that is proposed, and there has been no trial proposed save the civil and criminal actions to be instituted and prosecuted by counsel employed under the resolution giving to the President the power to employ counsel. We are not to try the Attorney General. He is not to go upon trial. Shall we say the legislative branch of the Government shall stickle and halt and hesitate to act because a man's public reputation, his public character, may suffer because of that legislative action? Has not the Senate power to appoint a committee to investigate any department of the Government, any department supported by the Senate in part by appropriations made by the Congress? If the Senate has the right to investigate the department, is the Senate to hesitate, is the Senate to refuse to do its duty merely because the public character or the public reputation of some one who is investigated may be thereby smirched, to use the term that has been used so often in the debate?

To assert that we are to so hesitate is to lay it down as basic that we are to legislate not upon principle, that we are to act not upon principle, but that we are to proceed with a due regard for our personal feelings for men who occupy high and responsible official positions. The very suggestion is at bottom an insult to a man who thoroughly and fully appreciates his responsibility as a member of a legislative body.

Now, Mr. President, it has been asserted here by the junior Senator from Ohio that 60 days have been wasted, have been spent purely in an effort to play politics, to assassinate the character of men, purely in an effort unworthy of the Senate; and if he is to be allowed to define that effort, if he is to be permitted to define the reason and motive and purpose of the

Senate, and of individual Senators, then, of course, it is an exhibition wholly unworthy of the Senate. But I desire to say for myself that I have felt justified in supporting the Walsh substitute with its preamble; I have felt justified in supporting the Denby resolution; and I do not discuss the question of fact involved. I have felt justified and feel justified in supporting the resolution now before the Senate for the Senate to elect a committee to investigate the Attorney General.

I feel justified in doing so, Mr. President, upon the ground which I have tried to make plain; that is, that the investigation shall proceed, not as a criminal hearing or trial but as a proper legislative act, and shall proceed strictly and solely upon principle and without regard to and with no purpose to inflict any unauthorized or any unjustifiable injury upon the public reputation of the man who happens to hold the high office of Attorney General. Concerning that man, I shall say nothing; concerning any of his acts or official failures to act, I shall say nothing; concerning anything that may have been done or omitted to be done by the Department of Justice, I shall say nothing. It is sufficient for me to know that there are grounds upon which I may justly base my vote for the resolution; and I am willing to leave it to the agent created by the Senate to proceed with the investigation fearlessly upon principle, not for the purpose of trying but for the purpose of ascertaining facts which the Senate is entitled to have within its possession in order that it may properly function as a legislative body.

Mr. ROBINSON obtained the floor.

Mr. CURTIS. Mr. President, will the Senator from Arkansas yield to me?

Mr. ROBINSON. I yield to the Senator from Kansas.

Mr. CURTIS. I was wondering if we could not agree upon an hour to vote upon the pending resolution this afternoon. A number of Senators on this side of the Chamber—and I think on the other side—have engagements this afternoon which they would like to meet. So, if we could get an agreement to vote I wish we might do so. I suggest that we vote at half past 3 o'clock.

Mr. ROBINSON. Mr. President, I am very much in sympathy with the suggestion just made by the Senator from Kansas. The debate has had a very wide range during the last two days, and we should dispose of the resolution this afternoon if it be possible to do so. There are, however, one or two Senators who have stated that if a proposal to fix a time to vote upon the resolution were made they desired that the absence of a quorum be suggested in order that they might be present while the arrangement is under consideration.

Mr. BORAH. Mr. President, before any agreement shall be made I should like to ask if the form of the resolution as it now obtains is to be the form upon which we are going to vote? The preamble will require some attention if we are going to vote upon it.

Mr. ROBINSON. Mr. President, in reply to the question of the Senator from Idaho I desire to say that I myself see no objection to striking out the preamble. It raises issues of fact that are not necessarily pertinent to the provisions of the resolution, and, so far as I am concerned, I shall make no objection if the author of the resolution consents to such an arrangement, to striking out the preamble.

Mr. WHEELER rose.

Mr. BORAH. Let me say to the Senator from Montana, who has risen, that the objection I have to the preamble is that it states facts, and I am not sufficiently informed to know whether they are facts or not to enable me to vote upon them.

Mr. WHEELER. To which clause of the preamble does the Senator from Idaho refer?

Mr. BORAH. There are several of them. In the first place the preamble refers to reports of the Federal Trade Commission and the failure of the Attorney General to act upon them. It states as a fact that such reports were made; that so many cases were reported to him, and he did not proceed. I do not know about that. I do not see that it will help the committee which shall investigate the matter to retain any of the preambles in the resolution. The second preamble is similar, and the last preamble reads:

> Whereas no action has been taken by the Department of Justice in prosecuting to a conclusion the so-called war fraud cases.

I am informed that some of those cases have been adjusted and settled, but I do not know what the facts are. However, as I see the matter, it will not help us to retain the preamble in the resolution. If the preamble strengthened the Senator's resolution, I should feel differently about it, but I do not perceive that it does so.

Mr. WHEELER. Mr. President, I will say to the Senator from Idaho that after conferring with the senior Senator from Ohio [Mr. WILLIS], who, I assumed, was looking after the interests of the Attorney General, I agreed to strike out two clauses of the preamble, and the Senator from Ohio stated that the remainder of the preamble was satisfactory to him. Consequently I have not any particular objection to the preamble being stricken out, except that I will say to the Senator from Idaho that two reports have been sent in by the Department of Justice since the resolution was offered; and yet I have the positive evidence in my pocket, furnished to me by attorneys who work in the Department of Justice, that there are numerous cases which have not been prosecuted by the Attorney General and numerous other cases which have been dismissed after they were started.

Mr. BORAH. Mr. President, it is altogether probable that the Senator from Montana when he drew the resolution was in possession of facts which warranted him in drawing it as he has drawn it, but I am not sufficiently familiar with the facts to vote them as facts. The Senator will be able, if he is on the committee, or any other Senator who is interested in the matter or who is on the committee will be able to present such matters without the preamble quite as efficiently and effectively as if the preamble were retained in the resolution. I do not care to debate the matter at length, although I do want to be placed in a position where it is understood that I am not passing upon a question of fact. I am willing to vote, and am rather anxious to vote, for the investigation, but I myself do not want to pass upon a question of fact.

Mr. MOSES. In the whereas, at the top of page 2 of the resolution, there is found a reference to disclosures in the investigation of the Veterans' Bureau, which apparently has no place in the resolution, for it appears from the press reports this morning that indictments were found on yesterday.

Mr. BORAH. There may be others that ought to be found. However, it is not that proposition that I have especially in mind, but that I am called upon as a Senator to vote on something which is set forth as a fact which I do not know to be a fact, although I presume the Senator from Montana is himself in possession of the information.

Mr. ROBINSON. Mr. President, my opinion is that the preamble of the resolution has no controlling force; that it will not in anywise help to uncover the facts to which the investigation will be directed, and, frankly, I think if a preamble of the character of that contained in the resolution is to be adopted it should be revised very materially. There are other circumstances and transactions and failures to act upon the part of the Department of Justice and its head not referred to in the preamble of the resolution which, according to evidence brought to my attention in a form which I believe to be authentic, could certainly, with as much propriety, constitute a part of the preamble. The point I am making is that the preamble is no part of the resolution; that it is weaker than the resolution; and that nothing detrimental to any interest involved in the investigation could result if the preamble was stricken out entirely. Of course, in the first instance, that is the question to be determined by the author of the resolution. I should like now to proceed.

Mr. BORAH. Mr. President, I call the attention of the Senator from Arkansas, and also the attention of the Senator from Montana, to the language of the resolution proper on page 3, from line 7 to 13:

> And said committee is further directed to inquire into, investigate, and report to the Senate the activities of the said Harry M. Daugherty, Attorney General, and any of his assistants in the Department of Justice, which would in any manner tend to impair their efficiency or influence as representatives of the Government of the United States.

Under that provision all the various subjects matter could be inquired into.

Mr. ROBINSON. Certainly; and that is the reason I say that the preamble is narrower and weaker than the resolution itself. The resolution is all-comprehensive, and very properly so.

Mr. WHEELER. I have no objection, so far as I am concerned, to the preamble being stricken out.

Mr. ROBINSON. Very well, then; we will assume that the preamble will be stricken out.

Before the agreement is entered into——

Mr. CURTIS. Mr. President, will the Senator yield for the purpose of suggesting the absence of a quorum?

Mr. ROBINSON. I yield for that purpose, but I should like to resume the floor afterwards.

Mr. CURTIS. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The absence of a quorum being suggested, the Secretary will call the roll.

The principal legislative clerk called the roll, and the following Senators answered to their names:

Adams	Ernst	King	Robinson
Ashurst	Ferris	Ladd	Sheppard
Ball	Fess	La Follette	Shortridge
Bayard	Fletcher	Lenroot	Simmons
Borah	Frazier	Lodge	Smith
Brandegee	Gerry	McKellar	Smoot
Brookhart	Gooding	McKinley	Stanfield
Broussard	Hale	McLean	Stanley
Bursum	Harris	McNary	Stephens
Cameron	Harrison	Mayfield	Swanson
Caraway	Heflin	Moses	Trammell
Couzens	Howell	Neely	Walsh, Mass.
Cummins	Johnson, Calif.	Norbeck	Walsh, Mont.
Curtis	Johnson, Minn.	Norris	Warren
Dale	Jones, N. Mex.	Oddie	Watson
Dial	Jones, Wash.	Owen	Weller
Dill	Kendrick	Ralston	Wheeler
Edge	Keyes	Ransdell	Willis

Mr. CURTIS. I wish to announce that my colleague [Mr. CAPPER] is unavoidably absent. I ask that this announcement may stand for the day.

Mr. GERRY. I desire to announce that the junior Senator from Maryland [Mr. BRUCE] is necessarily absent for the day. The Senator from Nevada [Mr. PITTMAN] also is necessarily detained from the Chamber. The Senator from Alabama [Mr. UNDERWOOD] is absent because of illness.

The PRESIDING OFFICER (Mr. ODDIE in the chair). Seventy-two Senators having answered to their names, there is a quorum present.

Mr. ROBINSON obtained the floor.

Mr. CURTIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Kansas?

Mr. ROBINSON. I yield to the Senator from Kansas.

Mr. CURTIS. I ask unanimous consent that all debate close, and that we vote on the resolution and all pending amendments and amendments to be offered at 3.30 o'clock this afternoon.

Mr. DILL. Mr. President, reserving the right to object, may amendments still be offered?

Mr. CURTIS. I said that—amendments to be offered.

Mr. DILL. And what about the limitation on speaking on those amendments?

Mr. CURTIS. I think we ought to close all debate. I do not think any material amendments will be offered. I will state to the Senator that I had intended to offer three or four amendments myself; but I have talked with the Senator who has charge of the resolution, and I think we will agree upon those amendments, and he will amend his resolution.

Mr. DILL. I will say to the Senator that I want to offer an amendment, and I want at least five minutes to talk on it.

Mr. CURTIS. I am perfectly willing.

Mr. ROBINSON. The Senator can offer that amendment now, if he will, and take the floor. If he has the amendment ready, he may present it now.

Mr. DILL. I can present it later, when I can talk on it. I would rather do it at that time, but I do not want to be shut out of an opportunity to offer the amendment and speak five minues on it.

Mr. BORAH. Mr. President, after the resolution is adopted will we proceed immediately to the election of the committee?

Mr. ROBINSON. I suggest that the Senator from Kansas incorporate that in his agreement.

Mr. CURTIS. I will.

Mr. NORBECK. Mr. President, I want to reserve the right to object to that part of it. The unfinished business here is the farm-relief measure. I gave notice in the Senate three days ago that I wanted to speak 20 minutes on Thursday or Friday. I have not yet had an opportunity to speak, and I should like very much to address the Senate for a few minutes.

Mr. ROBINSON. Very well; then we will have to go ahead and take the regular course, if the Senator objects.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

Mr. JONES of Washington. What is that, Mr. President?

The PRESIDING OFFICER. The Secretary will read the unanimous-consent agreement.

Mr. JONES of Washington. There was objection, as I understood.

The PRESIDING OFFICER. There was no objection.

Mr. JONES of Washington. There was objection to the unanimous-consent request.

Mr. CURTIS. There was objection—objection to the last part.

Mr. JONES of Washington. It is objected to entirely, and request has been made that it take the regular course.

Mr. KING. I call for the regular order.

Mr. NORBECK. I do not object to bringing the matter to a vote at 3.30, but I object to proceeding to vote immediately afterwards on the election of the committee.

Mr. ROBINSON. Very well. Nothing is to be accomplished unless we can dispose of the whole matter, by merely passing the resolution. I have the floor.

The PRESIDING OFFICER. The Senator from Arkansas has the floor.

Mr. ROBINSON. Mr. President, during the debate many subjects remotely if at all related to the subject matter of the resolution under consideration have been discussed, and in some instances the discussions have been characterized by intense feeling on the part of those participating.

The Senator from Ohio [Mr. FESS] yesterday and this morning criticized a reference made by the Senator from Nebraska [Mr. NORRIS] to proceedings in another body. It is, of course, desirable that in so far as practicable allusions to debates and actions in the body at the other end of the Capitol be omitted; but, Mr. President, at the time of that proceeding, and for all the period that has elapsed since, there have been many who felt that there was a failure for one cause or another, fully to develop the facts and circumstances which might justly have been brought out in that proceeding; and my understanding of the reference which the Senator from Nebraska made to it was that he primarily intended to show that unless there is upon the special committee some one who has a knowledge of the circumstances and facts to be developed, and who has a purpose and intention to see that they are presented, there will likely result failure of disclosures that ought to be made.

The Senator from Nebraska contended, and I think fairly, that this is not a trial; that the resolution does not contemplate a trial in any fair test of that term within the meaning of American jurisprudence. This is an investigation; and the whole power, the countless agents of the Department of Justice, are directed against the effective consummation of the purpose of this resolution. Instead of having the assistance and cooperation of the Attorney General and of the agents who are employed under him, the committee will find itself, so long as the Attorney General remains in office, opposed at every turn and in every effort that it may make.

I do not say this in censure of the Attorney General nor in criticism of the skilled investigators who are employed in his department. I say it because it is natural and true. Every Senator knows that the instant it became known that this resolution is to pass, the great investigating organization of the Government of the United States, whose business and duty it is to expose fraud and corruption, has been directed toward the prevention of the disclosures contemplated by the resolution.

The Senator from Ohio [Mr. FESS] may criticize the Senator from Nebraska [Mr. NORRIS] and other Senators when he chooses. That is the privilege of a Member of this body, so long as he does not transcend the rules of the body; and I think the Senator from Ohio did not violate the rules. The Senator from Nebraska, however, has enjoyed a long and honorable service in the Congress of the United States. I knew him when he was a Member of the House of Representatives, and I have known him, as most of you have known him, throughout his career as a United States Senator. I make the declaration that for courage, sincerity of conviction, intellectual honesty, and honesty in every sense in which the term may be applied to individual and to official conduct the Senator from Nebraska stands preeminent among the public men of America.

The Senator from Ohio saw fit to arraign the majority in the Senate. His language was severe to a point approaching bitterness. He declared, on page 61 of the stenographic notes of his remarks, that the Senate is not a deliberative body if judged by its record of the last two months; that it is an inquisition and has become a sluiceway for the transmission of suspicion.

Mr. President, it is doubtful if in the history of this body there has ever before been an occasion and an issue which have aroused such interest among the people generally and such feeling among the Members of the Senate as have been produced by the disclosures made through the activities of the Public Lands Committee in connection with the naval oil-reserve leases. The Senator from Ohio sees in these disclosures nothing to occasion alarm, nothing to arouse excitement, nothing to invite or provoke criticism. From reading and re-

reading the language of his address I reached the conclusion, as I think anyone else who heard it concluded, that there is in his mind a grave doubt as to whether anything has transpired that has been disclosed that justifies resentment in the breasts of honest citizens. He doubts whether the Government is right and will prevail in its suits to recover the properties bartered away through the faithless betrayal of trust by members of the Cabinet of the President of the United States.

He thinks, after reading all the evidence and hearing all the discussions, that the Government probably will lose the suits, and, judging from his remarks, he is not conscious of any act on the part of either the Secretary of the Navy or Secretary Fall or of the Attorney General which justifies the censure which the people of this country have heaped upon those officers and which has been reflected in the debates in the Senate.

I shall not make an effort now to convince the Senator from Ohio that when the Secretary of the Navy signed the leases to the Government oil lands—in violation of law, in disregard of law, and against the public interest and the well-established policy of the Government, as the Senator himself voted the action of the Secretary of the Navy to be—I shall not consume time in trying to convince him that such conduct on the part of Cabinet officers forfeits their right to the confidence of the public, and to remain in the offices whose prerogatives they have so grossly abused.

The Senator from Ohio thinks that the Senate committed an offense against the Constitution of the United States, violated every propriety which should govern, when it adopted the resolution asking the President to call for the resignation of Secretary of the Navy Denby, and he finds great pleasure in that the President declared that he would not act upon the recommendation or request contained in the resolution. Yet Senators, and everyone who reads the press of the country, know that if the Senate had not passed the resolution Secretary Denby would be in office to-day, just as the Attorney General is in office, in spite of the fact that the President has plainly indicated he would like to have that officer resign.

The Senator from Ohio characterizes the passage of the Denby resolution as a political act. He might well remember that, notwithstanding the officer whose cause he has so valiantly and recklessly challenged has not been heard by the Senate or any committee of the Senate, Members on his side of the Chamber who are influential, and not insignificant in their power, have asked the President to dismiss the Attorney General from the high office which he holds.

We read how the Senator from Massachusetts [Mr. LODGE], after having characterized a public resolution of the Senate calling for the resignation of Secretary Denby as "lynch law," went to the White House and attempted privately to accomplish what the resolution sought to do publicly. We read, too, how the Senator from Massachusetts [Mr. LODGE] and the Senator from Pennsylvania [Mr. PEPPER] went to the White House and demanded that the President discharge Mr. Daugherty, notwithstanding the fact that while Secretary Denby had been heard three times Mr. Daugherty had never been called to appear before any committee.

On yesterday that amiable but somewhat dictatorial Senator, the senior Senator from Indiana [Mr. WATSON], issued a pronunciamento, in which he explained that before Mr. Daugherty could be gotten out of the Cabinet it would be necessary for Republicans to bring more pressure. I read from a report contained in the New York World:

Senator WATSON called on the President and later expressed the opinion it would take more pressure from the Republicans to force Daugherty out at this time. He said there were three eventualities which would bring a resignation, and those, as recounted to him after the Attorney General had seen the President, were:

1. If President Coolidge requests the resignation.

Everyone knows that the President has the power to choose his own advisers, his own Cabinet members, and that the instant a condition arises that makes a Cabinet member useless to him, or the instant his usefulness has become impaired, the President has the power to put him out of the Cabinet and select some one with whom he can advise.

It is perfectly apparent, then, that the President has not requested the resignation of the Attorney General. Every Senator knows that if he does do so the Attorney General will be compelled to comply with his request.

The second condition, says the Senator from Indiana in his remarkable analysis of this situation, is that—

2. In case the investigation proposed by the Senate might establish something about him of which he himself is not now aware, in such fashion as to besmirch his reputation and force him to resign.

3. In case the investigation should prove him absolutely guiltless of any wrongdoing, so that he could retire honorably and not by the back door.

So that while the Senator from Ohio is arraigning the Senate of the United States for having abandoned or discarded the characteristics that should mark its procedure and for having become a sluiceway for suspicion against innocent men, the leaders of his own party, who manifestly have not found it either necessary or profitable to advise with the junior Senator from Ohio, have been putting on pressure in every possible form to get the Attorney General out of the Cabinet, to "lynch" Attorney General Daugherty. It was "lynch law" for the Senate to ask the President, in a formal resolution, to call for Secretary Denby's resignation, but it is an act of virtue for prominent Republican Senators in order, I take it, to save their party from the effects which inevitably will result if the Attorney General remains in office—it is a virtuous act for them privately to try to induce the President to put him out of office.

The mystery of all this proceeding is disclosed by a statement emanating from the White House and published this morning in the Washington Post. It says:

PRESIDENT TO ORDER INVESTIGATION INTO LEASE GRANTED STANDARD OIL.

While the Senate was debating on the resolution to investigate the Department of Justice, President Coolidge yesterday authorized the announcement that he would name within a few days another special counsel to conduct an investigation into the rights of the Standard Oil Co. to section 36 in naval oil reserve No. 1, in California, concerning which there is great controversy and which has been described as the key to the whole oil leasing scandal.

Listen to this:

Investigation of this phase of the matter is expected to involve Attorney General Daugherty directly with the oil scandal and with the operations of former Secretary of Interior Fall. The Government had instituted a contest against the Standard Oil Co. claims to section 36. They were held by responsible Government officials who had charge of the case to be valueless, but the Standard Oil Co., in a proceeding which has been characterized as "unprecedented," took the case directly before Fall, who dismissed the contest "out of hand" without hearing the Government side of the case. This action was taken despite a recommendation to the Attorney General by his subordinates that the Government press the contest.

In several administration quarters it was stated yesterday that the President by instituting this special inquiry may force the Attorney General into a position where he must resign sooner than he now expects to retire from the Cabinet.

Diabolical beyond the power of language to describe! It is "lynch law" for Senators in open session to say to the President, "A committee of this body has found a state of facts which disclose that the Secretary of the Navy has violated the law, has acted without authority of law, has acted in disregard of the public interest and the well-settled policy of the country, and therefore we respectfully request that you substitute some one for him who will obey the law." It is "lynch law" to make a formal declaration of that character, but it is virtuous conduct to go in the back door of the White House secretly, without giving Mr. Daugherty a chance to defend himself, and urge the President to put him out of the Cabinet.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Tennessee?

Mr. ROBINSON. I yield.

Mr. McKELLAR. That statement from the White House would indicate that the President himself has joined those "hysterical" Senators whom the junior Senator from Ohio inveighed against this morning, would it not?

Mr. ROBINSON. Clearly it is an indication that the President is attempting to force the resignation of the Attorney General without asking him to tender his resignation.

It is incomprehensible to me, in view of those facts, how the Senator from Ohio, in any stretch of the remarkable imagination which must characterize the mentality of any Senator who can make a speech like the one he uttered on this floor this morning, can find that this is a political persecution inaugurated and carried on by Democrats.

The Senator from Ohio has joined with the chairman of the Republican National Committee in an effort to give to the proceedings of the Senate a character which will discredit them. We occasionally say things here in the heat of debate which we do not mean. Sometimes we become perfervid and utter sentiments which afterwards we wish we had not uttered.

While I do not profess skill in prophecy, I think that in the years to come when the junior Senator from Ohio looks back upon the proceedings of the Senate which he has characterized so harshly, which he has criticized and condemned so bitterly, and then reads again, if he is not forever hereafter ashamed to read his own utterances, the strange words, the incomprehensible sentences that composed the greater portion of his speech to-day, he will wish that he had never given vent to utterances which in their legitimate construction stamps approval upon transactions which constitute dishonorable and corrupt conduct upon the part of officers of the United States when they bartered away in secret hundreds of millions of dollars' worth of public property.

Mr. President, the opinion of the junior Senator from Ohio to the contrary notwithstanding, the people of this country do not regard and will not regard the passage of the Denby resolution as an act of usurpation on the part of the Senate of the United States. They will never be able to comprehend how a trained statesman, experienced as is the junior Senator from Ohio, could put his approval upon transactions which everyone else than himself regard as having discredited the administration of which the Senator from Ohio assumes to be a champion.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Tennessee?

Mr. ROBINSON. I yield.

Mr. McKELLAR. Inasmuch as the two Senators from Ohio, as I recall, are the only Senators who have risen in their places on the other side of the Chamber to defend Mr. Daugherty, is it not a matter of not the greatest importance in the world as to their views?

Mr. ROBINSON. O, Mr. President, the resolution will pass unanimously, except possibly for the votes in opposition of the two Senators from Ohio. The Denby resolution passed by an overwhelming vote, and the Wheeler resolution, characterizing the acts of Denby and Fall as violative of law and against the public interest and well-settled policies of the Government, passed unanimously both Houses of Congress. And yet the junior Senator from Ohio characterizes the preamble to that resolution and characterizes the Denby resolution as a demonstration of hysteria.

It is not remarkable that the Senate should have displayed intensity of feeling. The most remarkable thing that has occurred is the performance to-day of the junior Senator from Ohio. I do not blame him for defending Mr. Daugherty. He is his friend; and, God knows, Mr. Daugherty has few friends left. I honor the junior Senator from Ohio if he believes the statements that he makes, and I know that he must believe them or he would not make them. If he believes in the honor and the integrity of the Attorney General, I honor him for standing by the side of his colleague and defending Mr. Daugherty to the last ditch. But when he stands isolated in this body—when he stands alone and takes a position by himself—propriety and sound sense, if he demonstrates either, ought to prompt him not to be unduly censorious against the overwhelming majority that stands in opposition to him.

I sympathize with Mr. Daugherty. He came into the Cabinet as the supreme political boss in the affairs of the Nation. Men who wanted to go upon the bench, men who desired positions in the Government service, not only in the department of which the Attorney General became the head but in the other departments as well, had to procure the O. K. of the great political patronage distributer, the Attorney General of the United States. And now for a year or more his prestige and power have been declining. For more than a year charges have been made which affect the integrity of his administration. Charges have been made which involve questions as to his efficiency. And now, with the Senate passing a resolution to investigate his conduct and his administration, he stands with his back to the wall fighting alone, except that the chairman of the Republican National Committee, Mr. Adams, says that it is all politics, and the Senator from Ohio [Mr. FESS] seems to agree with him.

Mr. President, I want fair treatment for the Attorney General. I want just consideration of his acts. But, sir, the interests of the people of the United States can not be submerged, can not be disregarded, can not be subordinated to considerations of sympathy or politics. While the investigation is on let it be thorough and complete. Let every rogue in office, whether Democrat or Republican, be brought to account. Let the Senate move with majesty and determination, in the face of puny and petulant criticism, to the performance of its duties. Such considerations overshadow, as stated by the Senator from Georgia [Mr. GEORGE], mere considerations of personal interest and friendship. Deep down beneath the multifarious transactions pertaining to Government procedure in the recent past the committee must delve to find and make known the facts. If the result should prove that the Senator from Massachusetts [Mr. LODGE], the Senator from Pennsylvania [Mr. PEPPER], the Senator from Indiana [Mr. WATSON], and the President have done Mr. Daugherty an injustice by bringing every possible pressure to bear upon him to resign when he does not want to resign, if the facts justify the vindication of the Attorney General, no one will be more highly gratified than I.

AGRICULTURAL DIVERSIFICATION BILL.

Mr. NORBECK. Mr. President, this bill may fairly be considered as two separate measures. When introduced it covered only one feature—relief for the farmers in the wheat area. It provided for a $50,000,000 fund to be loaned in small amounts to worthy farmers for the purchase of livestock as an important step in the necessary diversification. This is the feature on which the committee held hearings for several weeks.

Just before the bill was reported out of committee an amendment was offered and adopted providing for an additional $25,000,000 to be loaned in sections outside of the wheat district in need of relief. This feature is applicable to every one of the 48 States in the Union and the Territory of Alaska, though it is not anticipated that there will be any great demand from that far away and much neglected part of this Union.

You will note that it is not intended to be an agricultural relief measure in any broad sense. It is, as the title expresses it, an emergency relief for a very limited area—the wheat belt—for those farmers who were not permitted to sell their products in a free and open market during the war.

Mr. KENDRICK. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Wyoming?

Mr. NORBECK. I yield.

Mr. KENDRICK. The bill, as I understand it, is limited to the wheat area, which is not described geographically. We would assume from that that it would pertain and apply more particularly to the large wheat-growing sections of Minnesota and North Dakota. Is that the Senator's idea?

Mr. NORBECK. Yes; more particularly in the way that they are the larger wheat-producing area, but it is not limited to that section.

Mr. KENDRICK. It is not limited to that section?

Mr. NORBECK. No.

Mr. KENDRICK. It will apply to surrounding States—South Dakota, Wyoming, Montana, and States of that kind——

Mr. NORBECK. That is the understanding.

Mr. KENDRICK. In the same proportion where the same conditions prevail and the same need for relief is felt?

Mr. NORBECK. Exactly.

Mr. KENDRICK. I thank the Senator, for he is unusually well informed as to conditions in my State and knows that wheat growers of Wyoming have been punished as severely as those of any place in the country and will therefore be entitled to every provision of relief that can be extended to them.

Mr. NORBECK. The Government did not only fix the price of wheat, but it fixed it 50 or 60 cents per bushel below the prevailing market and held it down to the same level when every other commodity was permitted to soar. Wheat farmers have a special claim upon the Government, because the widespread disaster that now exists in that region was due primarily to governmental action:

First. By lowering the price and holding it down.

Second. By appealing to the wheat farmer to win the war by a greater production of wheat.

Third. By inaugurating an effective system to reduce the domestic consumption of wheat.

It is always an open question how much the farmers lost by the Government interference with the wheat market. The price was reduced by the Government approximately 50 cents a bushel. Upon that basis they can prove a loss of nearly $2,000,000,000. But had their products been permitted to find their own price levels in a free and open market, as other commodities, the farmers would have received some six or eight billion dollars more for their wheat.

No class in the whole country responded more readily to the appeal of our Government than did the wheat farmer. He understood his farming conditions well; he needed no tutor. He was not only aware of the benefits of diversification, but he realized its absolute necessity. He had already substantially

reduced his wheat area and materially increased his livestock holdings in the years preceding the war, as will be shown in the table on page 139 of the hearings. But the Government said "more wheat"—so he sold his hogs, he sold his cattle, he sold his sheep. He invested the money in plows, harrows, binders, tractors, and trucks. His compliance with the Government suggestion was 100 per cent.

Neither did the farmer complain of the fact that an effective propaganda was inaugurated to reduce the domestic consumption of wheat.

The Government succeeded in weaning our people away from wheat. Had it not been for the increased acreage and the decreased consumption, due directly to governmental orders, we would not now be exporting a surplus product. The farmer would have been selling all his products in a protected market, for he would be supplying the domestic market only. He would be selling his wheat at a profit instead of at a loss. At the present time he is selling his exportable surplus in the world market in competition with cheap labor and cheap land, and this feature has largely regulated the price in the domestic market.

You would think from this, Mr. President, that the Government had done plenty to the wheat farmer and that they would not have thought of doing any more to him. But truth is stranger than fiction. The facts are that while the Government acted as the beneficent agent of the farmer in the handling of his grain they proceeded to take out of him a profit of somewhere between fifty and eighty million dollars.

It would be a fair statement to say that the Government holds in trust to-day more than $50,000,000 of money that belongs to the farmers, taken from them by the Grain Corporation.

I well realize that a technical denial can be made of this fact, but any lawyer or layman would admit that the denial was technical and not fair, nor even true.

It seems that on at least two different occasions our Congress took pity on underfed and starving people of Europe. Under an act approved March 30, 1920, a credit for food supplies to the amount of nearly $57,000,000 was given to Armenia, Austria, Czechoslovakia, Hungary, and Poland, for which the Government received the bonds of these countries. But the food furnished was from the stores of the Government Grain Corporation and no reimbursement was made to the farmers.

Under an act approved December 22, 1921, a $20,000,000 fund was provided for Russia. The common impression is this was taken out of the United States Treasury, but it was taken from a fund that the Government held in trust for the farmers.

These facts are set out fully in a recent communication from the Treasury Department.

This country has prided itself on its liberal attitude to Europe, and it is difficult to understand why this relief burden should be borne by the wheat farmers instead of by the country as a whole.

This measure is commonly known as the "Coulter plan," named after Doctor Coulter, president of the North Dakota Agricultural College. It was the outgrowth of several conferences held in the northern wheat district, to see what measure of relief might be worked out for the wheat farmers. The people of South Dakota took no part in these conferences, but are in hearty accord with this purpose. South Dakota is no longer a one-crop State. We raise 5 bushels of corn for every 1 of wheat. Diversification started 40 years ago in the southern part of my State, but the northern part has continued up to the present time to be a heavy producer of wheat. This is the section that participated in a small way in the seed-grain loan of last year, but I am proud to report that 86 per cent of that loan has already been repaid to the Government and the remainder is in process of collection.

Even under normal conditions the credit situation of the western country is different than other sections. There is a scarcity of local capital. The country is new and its accumulation of cash is small. The large industries that have made so many wealthy people in other sections and created such a surplus of funds as to provide available credit are unknown in the Northwest. The rich man does not live among us. When we buy a wagon, a harrow, or a sled we send our money East. When we buy shoes, or clothing, or groceries, the money goes East. When we pay for a life-insurance policy or a fire-insurance policy the money goes East.

The Northwest farmer from the very beginning of the settlement of the country has fully realized that he needs two kinds of credit. He can generally secure the long-time or farm-mortgage money from the East through life insurance companies or farm mortgage bankers. In the 50 years of its settlement there has always been a scarcity of short-time money, except for a short period of inflation following the close of the war. Never has there been such a shortage as in the last three years; the deflation period. Ordinarily small loans would be available at the local banks for putting in the crops or the harvesting of same, or for the payment of taxes or other current expenses until the crop could be marketed. Eastern or outside capital has never been available for these purposes and is not now.

We have for a half century been suffering from a scarcity of funds and high interest rates. The farmer's hopes ran high a year and a half ago, when it was announced that the Federal Government at Washington would soon inaugurate an intermediate credit system that would make funds available for the farmer's ordinary needs. But the most promising thing about the proposition was that we were assured that it would tend to reduce interest rates. I shall not here deal on the disappointments of the failure to secure the promised legislation.

The purpose of this bill is not to have the Government reimburse the farmer for his loss. It does not even aim at securing a better market for him in the future. It is an emergency measure to reach a small percentage of farmers who must diversify in order to survive.

Mr. KENDRICK. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from South Dakota yield to the Senator from Wyoming?

Mr. NORBECK. I yield.

Mr. KENDRICK. I should like to ask the Senator if there is not a widespread appeal from the Northwest for this proposed legislation, and does not that appeal come from men in every line of business and every industry as well as from the agricultural or farming community?

Mr. NORBECK. Yes. The Senator from Wyoming is entirely correct. I will speak of that later. There is universal demand for this proposed legislation from many of the Northwestern States. That demand comes from Minnesota, North Dakota, South Dakota, Montana, and other States.

There are over 20,000 farmers in North Dakota alone who do not produce their own milk and butter. They are without livestock. They have not the funds with which to purchase. There is no credit available to them. They have inquired at the Federal reserve bank and have been told that they are not eligible as customers. They have received the same answer from the War Finance Corporation. They have gone to the intermediate credit and have turned back without hope, the first requirement being that the loan must be made through a local bank.

The widespread disaster has ruined or crippled about 95 per cent of the banks in the northern wheat district. There is not one bank in twenty that is able to take on an additional burden. The farmer can look to no one, except to the Government—that ruined him—to give him a small chance once more. The farmers ask through this measure that the Government lend them a few hundred dollars each with which to purchase some cows, pigs, or other livestock. They have the land; they have the buildings; most of them have the experience. They are men of long residence and good standing in their communities. They are worthy and well qualified.

The bill provides that the maximum loan shall not exceed $1,000, but it is believed that the average loan will be less than half of this.

In the long, thorough investigations conducted by the Agricultural Committee of the Senate much accurate and valuable information was secured. Among witnesses who appeared were practical farmers from the Northwest, officials of farm organizations, persons connected with the agricultural colleges, State officials having special charge of agricultural work, and many bankers and business men who spoke with an intimate knowledge of the situation.

Under the direction of the North Dakota Agricultural College, a careful survey was made of the needs of a typical section of this wheat district. I desire to quote from the testimony given by Mr. Willard, farm economist of the college referred to. I ask that the testimony of Doctor Willard may be inserted in the RECORD without reading. It deals at length and in detail with the situation. They took a survey of a large part of the county; they took a number of farmers and figured out the per cent of those who had buildings and those who had lands, how many cattle they could handle, what their credit facilities were, what their chance of success was, and what their attitude toward a measure of this kind was.

The PRESIDING OFFICER. Without objection, the request of the Senator from South Dakota will be granted.

The testimony referred to is as follows:

I wish to turn now for just a few minutes to a short discussion of a survey that we made near the central part of State for the very purpose of determining the necessity and the applicability of this $1,000 loan proposition as embodied in the proposed legislation. We took a corps of 12 men, who are trained men, who understand how to get this sort of information, to this region and we completely covered three townships and half of a fourth, taking every farmer without regard to who he was, and got a set of detailed information from him as to his cropping system, his amount of stock, the various classes, his net worth; that is, his assets of all sorts and liabilities, consisting of first, second, and third mortgages, his chattels, personal notes, back taxes, interest past due, etc. We verified those liabilities with the financial representative of those farmers and found that they had given in general a very true report, and some of the information contained in that survey I will touch upon, and you may find in these sheets the detailed information, which you can consider at your leisure. That region is representative of probably more than two-thirds of the State of North Dakota, and also is applicable to parts of Montana and South Dakota.

The average size of farms in this region was 575 acres, and 217 acres was in wheat, and this comprised 47 per cent of the crop area of those farms. The average yield of wheat for five years was slightly over 8 bushels on these farms and for this year 5.6 bushels, being about 40 per cent less this year than for the five-year average.

Of all the crops produced, corn, which occupied about 11 per cent of the crop area, maintained its average five-year yield of approximately 24 bushels to the acre. There is some variation between owners and tenants. There were 61 owners and 45 tenants covered. The number of livestock varies between them somewhat, but in general the relationship holds for both classes.

There were 21 farms out of the total 106 farms that had no brood sows whatever; there were 48 out of 106 that had 2 or less; out of 106 farms there were 13 who did raise some sheep and 88 per cent raised no sheep at all. There were 14 farms that had less than 50 head of poultry, and there were 54 farms, or more than 50 per cent, that had less than 100 poultry, which is about the lowest economic unit for our conditions.

There were 50 farms that had less than five milch cows, and those milch cows were only milch cows of a sort, because they were of the short-horn breed that are usually recognized as of the beef type, and these they were endeavoring to milk.

On this average farm the total income for dairy sales amounted to $234 per farm, that meaning a cash income of only $39 per cow. For all classes of cattle, both beef and dairy, the combined income reduced the average income per cow to $23.

Now, in spite of that low income, under present conditions it was a better proposition than wheat, as I will point out just a minute later. Now, these farms show from the quality of the livestock quite definitely how this loan can be used to big advantage, and we determined the number of farmers who desire to make use of this loan for these purposes also. There were 31 farms out of 106 that had scrub sires for cattle. There were 30 farms that had pure-bred sires. The remainder in between had a rather low quality grade cattle.

Now, the outstanding things that these farms require is to improve the quality by disposing of the scrub stuff and substituting therefor pure-bred sires and in some cases better quality of grade stuff.

Records and experiments carried on in actual farms in surrounding territory and across the line in Canada indicate that in two years, with such a substitution in the quality of the stock, an increase in the income, without additional cost, of 50 per cent can be made in two or three years.

In the case of hog production we find the same sort of situation, practically. Twenty per cent of the farms have no sows at all, and there are 10 per cent more that had scrub sires, and there the same sort of introduction should be made.

At the present time and for a number of years sheep have been the most economical class of livestock that we have in North Dakota, as determined from detail records we have maintained on many farms where sheep have been handled. A very large number of the 88 per cent who have no sheep should immediately arrange for a sufficient number of sheep to begin on this enterprise as quickly as possible, and if the governmental policy with respect to the tariff on wool is maintained there is little prospect of overdoing the wool business for many, many years to come.

Now, the total average sales from these farms, being 575 acres in size, amounted to only $968, and that means a turnover of only 3.3 per cent on the investment.

Of 61 owners, 52 reported that they had barns and other buildings; and I might say that this section was visited by a terrific storm during the last year which almost completely demolished a few farmsteads, which accounts for the fact that not all owners of farms are now equipped with buildings, because it is rather the exception that they do not have barns for their work stock at least which are capable of housing some more additional livestock. Twenty-one out of 61 owner farms reported tractors and 47 reported automobiles. Fifty-eight out of 61 owner farms reported a considerable mileage of fence and 58 reported considerable quantities of feed and seed on hand for future use.

Now, in regard to obligations, 55 out of 61 owners reported first mortgages, and the average first mortgage amounted to $6,700 per farm; 19 reported second mortgages, and 3 reported third mortgages; 32 owners and 32 tenants out of 106 farms reported chattel mortgages; 101 farms had some sort of liabilities; only 5 farms out of the 106 had no obligations.

Now, the average amount of assets of owner farms was $29,419, and the average amount of liabilities was $11,317, and the average amount of net worth was $18,102 for owners. For tenants the average amount of net worth was $1,507, their average assets being $3,426. The relation of liabilities to assets seems to be of some significance and we find that of the owners 38 per cent of their assets was covered by liabilities, and in the case of the tenants 56 per cent was so covered. Of the owner farms 8 per cent had liabilities in excess of their assets, 37 per cent of the owners have more than half of their assets covered by liabilities, and of the tenants 13 per cent have liabilities in excess of their assets and 41 per cent have more than half of their assets covered by obligations. Under these conditions about 40 per cent do not have collateral of any sort with which to secure loans for livestock or any other purpose, even if money were available for their use.

In order to determine the attitude of the farmers toward the loan a series of question were asked. For example, we found that 34 out of 58 owners said they wanted to get this loan. They also said that they would be willing to make a report every 60 days on the condition of the livestock, and all but 1 of them said that he would be willing to accept the advice of a Government or agricultural college representative, if it were practical, in the handling of such livestock. Twenty-eight of the 34 who answered yes said that they had or could provide shelter for the livestock, and 33 said they had a sufficient water supply; 29 said that they had or could provide ample pasture.

The relative number of tenants that need the loan was greater than the relative number of owners, but the answers to these various questions as to shelter, the taking of advice, etc., was in about the same relative proportion.

Twenty-five farmers out of those desiring the loan wanted to replace the poor quality of stock, 32 out of 64 wanted to add to the stock they now have, and 7 wanted to start anew. This relationship, of course, is expected because of the livestock that they now have.

In the case of owners of small farms 60 per cent of their assets are covered by liabilities. The intermediate-size farms, between 320 and 640 acres, about 41 per cent are covered by liabilities. In the case of the large farms 28 per cent are covered by liabilities, and the average for all owners is 38 per cent.

Now, the relation of the livestock business to net worth has an important bearing in determining whether we want to urge livestock or not, so we made as careful a study as we could from this material and corroborated it from other information that we have from many parts of the State, and we find for these owner farms that have no livestock or very little livestock their net worth was $41 per acre, whereas those who had considerable livestock and made more sales the net worth per acre is $46, and we made an arbitrary division right in the middle, the lower half and the upper half, and their net worth was $46 an acre of land owned, or a difference of $5 in favor of the livestock farmer. That meant a difference in the net worth per farm on an equal-sized basis of approximately $4,000 in favor of the livestock fellow over the fellow who had little or no livestock.

Mr. NORBECK. Mr. President, the question has been raised whether diversification will result in overproduction in other lines. The production of dairy products has not kept pace with the consumption.

I quote further from the testimony of Mr. Willard:

In 1919, for example, we had a balance of trade in exports of dairy products; that is to say, that we exported more than we were importing by 2,645,000,000 pounds. But from 1919 down to the present time we have gradually reduced our exports until in the year just passed, according to the estimates furnished me by the Department of Agriculture, based on the commerce reports as far as they are available, we actually imported in 1923, 500,000,000 pounds of dairy products. That is the net balance.

From the standpoint of the national welfare we are now importing dairy products where a few years ago we were exporting large quantities. We are importing large quantities of wool. Our balance of trade in poultry products is slightly on the export side.

Mr. President, in closing I wish to repeat what I said in the beginning, that this is not a measure of general farm relief. The enactment of this bill into law will not bring the farmer's dollar back to par. He will still be unable to exchange a day's labor with anybody. This measure simply provides for limited credit to the farmers in the wheat region that have been nearly shipwrecked by Government interference with economic law.

This measure does not provide that the $6,000,000,000 that the wheat farmer lost by the Government refusing him a free and open market when every other industry was accorded one shall be paid back to him.

Nor does it even provide that he shall be reimbursed for the $2,000,000,000 that was lost on account of the Government lowering the price of wheat from its actual market to a lower fixed price.

It does not even provide that the $50,000,000 to $80,000,000 abstracted from the farmers by the Government Grain Corporation in the way of profits in dealing with his grain shall go back to the farmer's pockets.

Mr. President, this bill simply provides that the money taken away from the farmers in the form of profit by the Government Grain Corporation shall be loaned to them for a short time at 6 per cent interest.

Mr. President, I ask that a communication addressed to me by the Treasury Department may be published in the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The communication referred to is as follows:

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, February 29, 1924.

MY DEAR SENATOR: Referring to your telephone inquiry of to-day with respect to the profits of the United States Grain Corporation, the Treasury does not have all the details of the matter, and you could probably obtain more complete data, if desired, by addressing Mr. Edward M. Flesh, president and treasurer United States Grain Corporation, 42 Broadway, New York City, but I hope that the following will serve your purpose:

The Treasury's information is that substantially all of the profits of the grain corporation, and in fact some of its capital, have been used up in providing relief under two special acts of Congress, for part of which foreign obligations were received in payment. In this connection I am inclosing herewith a copy of the act approved March 30, 1920, authorizing the corporation to sell or dispose of flour then in its possession, not to exceed 5,000,000 barrels, for cash or credit and at such prices and on such terms and conditions as might be necessary to carry out the purposes of the act for relief of the populations in countries of Europe or countries contiguous thereto suffering for want of food. For this flour the grain corporation received foreign obligations aggregating $56,858,802.49, face amount, a list of which is shown on the reverse side of the statement of the public debt for November 30, 1923. (Copy inclosed.)

I am inclosing also a copy of the act approved December 22, 1921, authorizing the expenditure from the funds of the United States Grain Corporation of a sum not exceeding $20,000,000, or so much thereof as should be necessary, to purchase in the United States and transport and distribute corn, seed grain, and preserved milk for the relief of the distressed and starving people of Russia and for spring planting in areas where seed grains have been exhausted. I understand that the expenditures made by the corporation under authorization of this act practicaly exhausted its remaining cash assets.

The $500,000,000 capital stock of the corporation, all of which was owned by the United States Government, has been reduced by repayments to the Treasury of $475,000,000, and the Treasury understands from the corporation that the remaining $25,000,000 of capital stock has since been retired in the course of liquidation, so that the corporation now has no stock outstanding. It is, in fact, in course of dissolution under the Delaware law, its charter having expired on August 16, 1922, and has practically no assets remaining.

You may also be interested in the President's Executive order of August 21, 1920, which provided in part as follows:

> "The United States Grain Corporation (a governmental agency organized and conducted pursuant to Executive orders and proclamations of the President under said acts of Congress) shall pay and cover, or cause to be paid and covered, into the Treasury of the United States, as miscellaneous receipts, all amounts refunded by certain licensees of the United States Food Administration (a governmental agency organized and conducted pursuant to Executive orders and proclamations of the President, under said act of Congress approved August 10, 1917), in voluntary divestment of profits taken by said licensees during the 10 months which ended June 30, 1918, in excess of the maximum allowable profits fixed and determined under and pursuant to said act of Congress approved August 10, 1917, and the proclamations, Executive orders, and regulations thereunder. * * *."

Under this order the United States Grain Corporation deposited in the Treasury cash to the amount of $7,078,988.55, which was covered into the Treasury as miscellaneous receipts.

From the above it will be apparent that in connection with the retirement of its $500,000,000 capital stock subscribed for by the Government, the corporation has repaid to the Treasury $475,000,000, and for the remaining $25,000,000 has delivered $56,858,802.49 face amount obligations of foreign countries, whose economic conditions are such as to negative any expectation of early payment.

Very truly yours,

A. W. MELLON,
Secretary of the Treasury.

Hon. PETER NORBECK,
United States Senate, Washington, D. C.

COLOMBIAN STEAMSHIP CO.

Mr. FLETCHER. Mr. President, I do not wish to delay a vote on the pending resolution; I am perfectly willing that a vote should be taken; I merely wish to occupy a moment or two while others may be getting ready to discuss the resolution, before the vote on it, to have inserted in the RECORD a letter which I have received from the Colombian Steamship Co. of New York.

On the 13th day of February I submitted some observations on the general subject of the shipping situation. In those remarks on page 2372 of the CONGRESSIONAL RECORD I made reference to the Colombian Steamship Co. It appears that as to one particular matter, which I stated had come to me on information, my statement was somewhat erroneous. I asked the Colombian Steamship Co. to submit the facts to me, which they have done in this letter, and I ask to have the letter inserted in the RECORD.

The PRESIDING OFFICER. The Chair hears no objection, and it will be so ordered.

The letter referred to is as follows:

COLOMBIAN STEAMSHIP CO. (INC.),
New York, February 19, 1924.

Hon. DUNCAN U. FLETCHER,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I have been interested in reading your speech in the Senate on the shipping situation as recorded in the CONGRESSIONAL RECORD of February 13, although you probably know that I do not agree; in fact, am opposed to the principle of Government operation, which your remarks from time to time lead me to believe you favor if I correctly interpret them.

I know that you do not wish to make an incorrect statement against any American line, and especially a comparatively new company that is seeking to develop at its own expense business in American ships from American ports to foreign countries. In the next to the last paragraph of the first column on page 2372 of the CONGRESSIONAL RECORD of February 13, after commenting as to the number of ships in operation under the direction of the Shipping Board owned by the Government, you state that some of these contracts require examination, and illustrate the Colombian Line, New York to Windward Islands, as purchasing three ships from the Shipping Board and later being allocated four vessels by the Shipping Board. You are not correctly informed.

The facts are that the Colombian Steamship Co. was organized in April, 1923, with a capital of $500,000, subscribed to by a few American citizens of Massachusetts, New York, New Jersey, Georgia, and Florida for the purpose of operating, primarily, to Colombia, but with calls at some West Indian ports. This company purchased five steamers from the Shipping Board, which were placed in the route with one other steamer owned by an affiliated company. The Shipping Board had up to this time been operating through agents three services covered by nine ships to the various foreign ports in the Caribbean and to the north coast of South America. The Shipping Board ships are now covering the Virgin Islands, Trinidad, British, French, and Dutch Guiana with two steamers, and have one vessel engaged in the Haitian outport trade. To all of their ports they have no privately owned American competitive sailings. Our joint services with the Shipping Board cover 28 ports under five foreign flags to which there has never been an established private American flag service. The Colombian privately owned service to the Windward Islands since the purchase of the ships from the Government has operated at a loss.

The only compensation that the Colombian line has received from the Shipping Board for operating all of its three vessels is that provided under the M. O. 4 agreement. The overhead expenses to which you refer are borne entirely by the Colombian Steamship Co. The Shipping Board in no way contributes to this expense, either directly or indirectly.

The Colombian Steamship Co. (Inc.) is the first privately owned American steamship company to buy in its entirety a Shipping Board service established under the merchant marine act of 1920.

Very truly yours,

COLOMBIAN STEAMSHIP CO. (INC.),
H. H. RAYMOND, *President.*

Mr. FLETCHER. Mr. President, I desire to refer to one other matter. On July 29, 1921, in the CONGRESSIONAL RECORD, page 4791, Sixty-seventh Congress, first session, I submitted some observations on the subject of the discrimination in ocean freight rates against South Atlantic ports and Gulf ports and in favor

of North Atlantic ports. I understand the situation which I described at that time still continues. There has been some suggestion recently looking to a possible increase in trans-Atlantic Ocean freight rates, and I want to submit that before such increase goes into effect there should be a readjustment of the rates now discriminatory against the Gulf ports and South Atlantic ports and in favor of North Atlantic ports, extending all the way from Norfolk to Galveston, such discrimination including Wilmington, Charleston, Savannah, Brunswick, Fernandina, Jacksonville, Key West, Tampa, Pensacola, Mobile, and New Orleans. Those rates should be readjusted and those discriminations should be done away with. The present system is based on old-established rates. Prior to the time when we had adequate shipping under our flag and were dependent upon foreign lines to carry our products overseas the foreign lines put those rates into effect. They allowed differentials against the South Atlantic and Gulf ports which have been in effect for many years and are still continued. I submit that if there is to be any increase of trans-Atlantic Ocean rates there should be a readjustment respecting these old rates, and there should be an observance of the constitutional provision which protects the ports of this country, and which is to the effect that no preference shall be given to the ports of one State over those of another.

I have before me an extract from the Traffic World on this subject, and a communication from Mr. R. L. McKellar, of Louisville, Ky., which I ask to have inserted in the RECORD and referred to the Committee on Commerce.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FLETCHER. And upon the subject of the proposed increase of ocean rates, particularly as applied to agricultural products, I desire to have inserted in the RECORD also and referred to the Committee on Commerce a letter from the Secretary of Agriculture, dated February 29.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

OPPOSES SOUTHERN RATE CHANGES.

Officials of steamship lines operating from New York to Europe are protesting to the Shipping Board against the movement started by R. L. McKellar, foreign freight traffic manager of the Southern Railway Co., to obtain export rates by Government vessels from south Atlantic ports equal to the New York rates. Local shipping men declare that the present rail-and-water rates are not unfair to the southern ports, considering the length of railroad and ocean hauls, and that the McKellar proposal would, in effect, be a distinct advantage to those points.

The normal movement to Europe from Chicago is through New York, which is the most direct route, and a differential in favor of Jacksonville is not only uneconomic but unjustified by any other reason, according to New York officials.

Mr. McKellar's illustration of the movement of agricultural implements from Chicago to French ports has been analyzed on the basis of present and proposed rates. The railroad rate from Chicago to New York is 47.5 cents per 100 pounds, or $10.64 a ton. The rail rate to Jacksonville is 41.5 cents per 100 pounds, or $9.30 a ton. The ocean rate from New York to French ports, on the basis of one weight ton equaling two measurement tons, is $10, while the Jacksonville rate is $11.60. The rail-and-water rate by way of New York is $20.64 a ton, compared with $20.90 a ton by Jacksonville, which is a longer route. If the steamship rates were equalized, as suggested by Mr. McKellar, the combined rate per ton by New York would be $20.64 against $19.30 by Jacksonville, a differential in favor of the latter port of $1.34 a ton. If points lower down the Mississippi and Missouri River territories are taken, the advantage in favor of Jacksonville would be correspondingly greater.

In the opinion of local shipping men this would be a discrimination against New York without any economic justification. (Taken from the Traffic World, February 2, 1924, p. 295.)

OCEAN RATES FROM ATLANTIC AND GULF PORTS TO EUROPEAN AND MEDITERRANEAN PORTS.

The parity adjustment of ocean rates that is being demanded by southern ports is needed to couple up with the approximate parity of inland rates from competitive territory, thus providing an adjustment of through rates and routes to foreign ports that will enable our foreign commerce originating in midwest and northwest territory to flow freely and without discrimination through all Atlantic and Gulf ports offering suitable steamship service. A wider distribution of our foreign commerce through Atlantic and Gulf ports is also economically desirable from the fact that the preponderance of traffic movement from the midwest is eastbound and from southern territory it is northbound, which means that the empty-car movement in eastern and middle western territory is westbound and in southern territory it is southbound; therefore, an additional loaded movement southbound, which export business will supply, will bring about a more equitable disposition of available cars and reduce the empty-car movement.

EXISTING DIFFERENTIALS FAVORABLE TO NORTH ATLANTIC PORTS.

Ocean rates from North Atlantic, South Atlantic, and Gulf ports to Cuba and other West Indian ports, South America, Central America, the Orient, through the Panama Canal, and even to Mexican ports, are the same from the three groups, notwithstanding the great disparity in distance in favor of the Gulf and South Atlantic as compared with the North Atlantic to the majority of these foreign ports. On the other hand, ocean rates from Gulf and South Atlantic to United Kingdom and continental ports are higher than from North Atlantic ports, the differential from Gulf ports, except on a few parity commodities, being 15 cents per 100 pounds, and from South Atlantic ports, except on a few parity commodities, the differential is 7½ cents per 100 pounds higher than from North Atlantic ports. In brief, where distance is in favor of New York, as representative of the North Atlantic group, rates are lower than from southern ports, but where distance is in favor of southern ports rates are the same from New York as from the lesser distant southern ports. The measure of ocean rates is not at all in issue. It is the relationship between port groups.

Some few examples of existing distance in mileage and ocean rates as between North Atlantic, South Atlantic, and Gulf ports are as follows:

1. Distance from New York to Liverpool, 3,107 miles. From Charleston to Liverpool, 3,540 miles. New York, less than Charleston, 433 miles, or 12.2 per cent. Rates from Charleston to Liverpool are 7½ cents per hundred pounds higher than from New York, except on coal, iron and steel, tobacco, and a few other parity commodities, which are the same as from New York. Cotton, which is a southern commodity, is 12½ cents per hundred pounds higher from Charleston than from New York.

2. From New York to Gibraltar, 3,207 miles. From Charleston to Gibraltar, 3,619 miles. New York, less than Charleston, 412 miles, or 13 per cent. Rates from Charleston to Mediterranean ports reached through Gibraltar are 7½ cents per hundred pounds higher than from New York, except on a few parity commodities.

3. From New York to Habana, 1,186 miles. From Jacksonville to Habana, 528 miles. Jacksonville, less than New York, 658 miles, or 55.5 per cent. Rates from New York to Habana are the same as from Jacksonville and other South Atlantic ports.

4. From New York to Habana, 1,186 miles. From Mobile to Habana, 553 miles. Mobile, less than New York, 633 miles, or 53.4 per cent. Rates from New York and Mobile to Habana are the same.

5. From New York to Colon, 1,974 miles. From Mobile to Colon, 1,371 miles. Mobile, less than New York, 603 miles, or 30.5 per cent. Rates from New York and Mobile to the west coast of South America, Orient, Philippines, Australia, New Zealand, and India, reached through the Panama Canal, are the same.

6. From New York to Liverpool, 3,107 miles. From New Orleans to Liverpool, 4,613 miles. New York, less than New Orleans, 1,506 miles, or 32.7 per cent. Rates from New Orleans to Liverpool are 15 cents per hundred pounds higher than from New York, except on tobacco, iron and steel, and a few other parity commodities, which are the same. Cotton, a southern commodity, is 20 cents per hundred pounds higher than from New York.

7. From New York to Gibraltar, 3,207 miles. From New Orleans to Gibraltar, 4,593 miles. New York less than New Orleans, 1,386 miles, or 30 per cent. Rates from New Orleans to Mediterranean ports reached through Gibraltar are 15 cents per hundred pounds higher than from New York, except on a few parity commodities, which are the same.

8. From New York to Vera Cruz, 2,017 miles. From New Orleans to Vera Cruz, 780 miles. New Orleans less than New York, 1,228 miles, or 60.9 per cent. Rates from New York and New Orleans to Vera Cruz are the same. From New Orleans to Tampico is 711 miles, or 65 per cent, less than from New York.

There are some other parity exceptions not mentioned, but in the main the general adjustment is as outlined.

The examples of discrimination given can be multiplied without limit, but these are sufficient to be fully illustrative.

There is a fringe of territory extending all around from Halifax to Galveston for 400 to 500 miles into the interior hinterland, from which territory rail rates to the seaboard are carried lowest to the nearest group of ports, as, for example, from territory on and east of the Buffalo-Pittsburgh line rail rates are lower to North Atlantic ports than to other competing ports, and from territory east of the Alleghenies, including West Virginia, they are lowest to Virginia and South Atlantic ports; and from territory south of the Ohio River, embracing the Southeast and Mississippi Valley territory, they are lowest to South Atlantic and Gulf ports; and from Arkansas, Oklahoma, and Texas they are lowest to Gulf ports. From this hinterland territory it is entirly proper that both rail and ocean rates be so adjusted as to insure movement through nearby port, but from

competitive mid-west territory, including the States of Ohio, Indiana, Illinois, Michigan, Wisconsin, and other States north of the Missouri River, the rail rates to Gulf and South Atlantic ports for export are, with few exceptions, the same or no higher than to New York. This mid-west territory is highly productive of measurement cargo, which is so essential to profitable steamship operation; therefore, if there is a parity of ocean rates from Gulf, South and North Atlantic ports, it will allow export commodities originating in this large and productive territory to move to foreign ports on an approximate parity of through rates all the way around the circle from Halifax to New Orleans, with the exception of slight differentials in inland rates that exist in favor of Norfolk, Baltimore, Philadelphia, and Canadian ports under New York.

However, the approximate parity of inland rate adjustment from this competitive mid-west territory outlined is nullified so far as European movement is concerned, unless there is a parity adjustment of ocean rates on commodities originating in that territory.

It is appreciated that the differential ocean adjustment so manifestly discriminatory against South Atlantic and Gulf ports is of several years standing, and that any readjustment will be stubbornly resisted by competing interests. It is a fact, however, that this adjustment was established by foreign steamship lines whose interests largely center at New York, and before this country had a merchant marine of its own and prior to the publication by rail lines of export rates from the Middle West to South Atlantic and Gulf ports the same as to New York.

As a general proposition, ocean rates in the reverse direction on import traffic from Europe to United States ports are practically the same as to North Atlantic, South Atlantic, and Gulf ports.

PROPOSED DIFFERENTIALS IN FAVOR OF SOUTHERN PORTS.

Gulf and South Atlantic ports, and interior exporters using those ports, have for some time been contending for differential ocean rates under eastern ports to Cuba and other Gulf and Caribbean ports, based on the shorter mileage as compared with North Atlantic. The percentage difference in distance in favor of Gulf and South Atlantic ports to Cuba and other Gulf and Caribbean ports is much greater than is the percentage difference in favor of New York to United Kingdom and continental ports; therefore, if the same ocean rates from both groups are justified in the one instance they should also be justified from both groups in the other. It is a well-known fact to steamship men that in actual practice ocean rates are not varied in direct ratio to the distance freight is transported; that distance is most often disregarded and that cost of service is only one factor in determining ocean rates, which are rarely, if ever, made as the result of a scientific process of calculation. If, however, it is decided that the present trans-Atlantic differentials, or any differential, from South Atlantic and Gulf ports higher than North Atlantic ports is justified, either by competition or greater steaming distance—and that differential should therefore be continued—then in all fairness South Atlantic and Gulf ports are entitled to like differentials under North Atlantic ports to Cuba and other Gulf and Caribbean ports based on the lesser mileage from southern ports, and it devolves upon the United States Shipping Board, as a neutral body charged by law with the responsibility of maintaining trade routes from all groups of ports, to remove this unjust discrimination against southern ports, either by wiping out the trans-Atlantic differentials or establishing relative differentials under the North Atlantic from southern ports to Gulf and Caribbean ports.

This is a proposition that not only vitally interests the ports involved, but also all interior exporters desiring the benefit of additional trade routes in marketing their products in foreign countries, and what is needed from the ocean carriers is to place South Atlantic and Gulf ports upon a competing rate basis to the same extent that has been done by the rail carriers.

Eastern steamship interests are unduly alarmed over the proposed readjustment from southern ports. In the first place, all of the leading North Atlantic steamship lines have resident representation in all the principal interior markets, and this representation, added to all other advantages enjoyed by the port of New York, is sufficient to insure the continued supremacy of that port in foreign commerce.

Some of the leading advantages enjoyed by the port of New York are as follows:

1. The influence that cargo in volume has upon the establishment and maintenance of adequate steamship service, it being axiomatic that volume begets volume.

2. Frequency and regularity of sailings; superior and faster service—freight and passenger and joint passenger and cargo.

3. The wide range of foreign ports served by regular steamship service.

4. Superior banking facilities for financing exports and imports.

5. The shorter ocean distance to Europe than from southern ports.

6. The saving in interest charges by using the shorter and faster voyages from New York, as compared with the longer and slower voyages from southern ports.

7. The location of headquarters for all the leading steamship lines, including those serving outports.

8. The location of export and import commission houses.

9. The location of commercial representatives of foreign countries engaged in export and import trade.

10. The location of export and import offices of shippers, carriers (both rail and ocean), and foreign buyers, thus affording a meeting place for all of these foreign trade interests.

11. The volume of exports produced locally in the New York metropolitan district.

12. The volume of exports moving locally into New York for storage, rehandling, and sale by local export commission houses.

13. The volume of mixed car movement of less-than-carload commodities on basis of carload rates.

14. The volume of imports consumed locally in the New York metropolitan district.

15. Advantageous marine insurance rates and facilities.

16. The availability of ocean rates on distress room.

17. The strength of east-and-west lines in controlling export freight for their long haul from highly productive territory.

18. The use of long established trade routes and port arrangements incident thereto which, as a whole, makes the route through New York the line of least resistance.

These cumulative advantages render discriminating ocean differentials in favor of New York entirely unnecessary; in fact, these advantages outweigh any small differential against New York as evidenced by existing rail differentials in favor of Philadelphia, Baltimore, and Montreal, and they also overbalance substantially higher port charges, both in the handling of freight and in the docking of vessels, as compared with southern ports, where ordinarily no charge is assessed for docking vessels.

R. L. MCKELLAR.

DEPARTMENT OF AGRICULTURE,
OFFICE OF SECRETARY,
Washington.

In reply to a letter addressed to him by Mr. Alfred G. Smith, president American Steamship Owners' Association, and made public in the press of February 27, Secretary of Agriculture Wallace released yesterday his answer to Mr. Smith as follows:

FEBRUARY 29, 1924.

DEAR MR. SMITH: I have your letter of February 25 with regard to the advance of 10 cents per hundred pounds on ocean shipments of packing-house commodities.

You say, "In the first place the advance is entirely justified, and, in the second place, as the commodities affected are principally manufactured packing-house products the prices received by the farmers can not in any way be affected.

From the standpoint of the shippers the advance can not be justified, and when I speak of the shipper of meat products I am thinking not of the packer but of the farmers and of stockmen who produce the livestock from which the meat is processed. Your suggestion that advance on packing-house products can not in any way affect the farmer is not well considered. The packer is in a position to take his manufacturing margin whether prices of livestock are high or low. His operating expense, including freight which must be paid, is included in the margin he takes and must be passed on. Transportation and packing charges are a part of the farmers' cost of production. Our meat products are competing in the European market with meat products from other countries. High freight rates and shipping rates handicap us in meeting that competition, and it is conceivable that these rates might be advanced to a point which would drive us entirely out of the market and leave us burdened with a domestic surplus which would be ruinous to our producers. Hog prices are even now below cost of production.

There is another angle to this matter which I wish you would consider. Your proposed increase in the shipping rate, while seemingly not large, is nevertheless substantial. If as a result of this increased cost of getting our livestock to market (for meat must be considered in terms of livestock) our foreign market is narrowed, shipping lines will suffer because of decreased shipments. It is quite possible that the decrease in the amount of freight moved might be much more than enough through reduction in total revenue from this kind of traffic to more than offset any possible gain from an advance in the rates.

I think a study of the relative prices of American meat products before the war and at the present time and of shipping rates before the war and at the present time will show that shipping rates have advanced out of proportion to the price of products. I am told that in November last the rate on meat products was advanced from 35 to 40 cents.

I am told further that, while this proposed increase does not affect wheat or other grains, there has been a steady upward trend in freight rates on wheat and flour since last September.

Permit me to make clear my position by saying that at the present time American farmers can not stand any advance whatsoever in any

freight rates on any agricultural products on land or sea. American agriculture has been undergoing a depression, the like of which we have not seen before in all our history. Prices which the farmers get for their products are altogether out of line with prices which they pay for what they buy. They can not afford to pay one penny more in the way of freight rates. Indeed, they can not afford to pay the rates now in force.

Our shipping lines can render a great service to agriculture in its depressed state if they will make substantial reductions in rates on grains and meat products and do everything they possibly can to help farmers enlarge the foreign market for their surplus. I am convinced that such a policy would not only be of great benefit to the farmers but would be decidedly helpful to our shipping lines as well.

The condition of agriculture is such that all who transport, process, and handle farm products ought to reduce their charges to the minimum, and do everything possible to aid in its rehabilitation.

Very sincerely,

HENRY C. WALLACE.

Mr. ALFRED GILBERT SMITH,
President American Steamship Owners' Association,
11 Broadway, New York, N. Y.

REDUCTION OF TAXES—ADJUSTED COMPENSATION OF WORLD WAR VETERANS.

Mr. OWEN. Mr. President, I have received quite a number of letters in which apparently there was a determined purpose to establish the theory that the reduction of taxes necessarily would eliminate the soldier bonus. I do not think that is true at all. I think the reduction of taxes can be carried out quite consistently with the granting of the soldier bonus. Under the proposal made by Mr. Mellon the reduction of taxes will be $300,000,000, of which $102,000,000 on surtaxes would increase the revenues by increasing the volume of business, so as practically to recoup that.

On the basis of the amortization system established by the farm loan act first as a principle in this country, if applied to the soldier bonus, and applied in precisely the same way that it was applied in the payment of the loan to the British Empire by the United States, it would require only $55,000,000 per annum to liquidate in 50 years the principal and interest of a billion dollars, or the total charge would be one and a half times $55,000,000 per annum on a 50-year amortization plan. I requested Dr. Clarence Owens to have these figures worked out by an actuary, and I wish to submit for the RECORD and have referred to the Committee on Finance his letter in response to that request, together with the figures, so that they may be seen by Senators in the RECORD. It will be observed that the charge of $55,000,000, plus the half of that amount, would be a little over $75,000,000 per annum by which the soldier bonus could be liquidated, estimating it at a billion and a half.

The PRESIDING OFFICER. Without objection, the letter and figures will be inserted in the RECORD and referred to the Committee on Finance.

The matter referred to is as follows:

THE SOUTHERN COMMERCIAL CONGRESS,
Washington, D. C., February 5, 1924.

Senator ROBERT L. OWEN,
Senate Office Building, Washington, D. C.

MY DEAR SENATOR OWEN: I have the honor to submit to you a plan employing the principle of amortization under which it would be possible to secure the funds with which to pay the cash under the soldier bonus bill.

The Southern Commercial Congress organized the American Commission that, under an act of the Congress of the United States, cooperated with the United States Commission on Rural Credits, appointed by the President of the United States. I had the honor to serve as a member of the commission appointed by President Woodrow Wilson March 14, 1913. The heart of the Federal farm loan act, passed by the Congress of the United States, based upon the report of these commissions, employs the principle of amortization, and under the law $1,200,000,000 have been loaned to American farmers. The principle is therefore understood by the farmers throughout the United States, as every rural district in the country has been the recipient of the benefits of the law. Herewith you will find a digest of the reports of the commissions above referred to and also a copy of Senate bill 500 of the Sixty-fourth Congress, containing the Federal farm loan act. See page 29 of this document for the chronology of this legislation.

The Southern Commercial Congress during 1922 and 1923 organized and directed the International Trade Commission throughout Europe and submitted a plan for the settlement of the debts of nations, including German reparations, by the employment of the principle of amortization. The Southern Commercial Congress initiated this plan that was adopted in the settlement with Great Britain and Finland. The plan has been submitted to the debt-funding missions of all interested countries. Great Britain is now funding a debt of $4,600,000,000 on this principle. The principle has been approved by the British Parliament and by the Congress of the United States. In approving it the Congress of the United States set aside a law previously adopted providing for 4¼ per cent and 25 years to run as a basis for the settlement of the debts of nations.

Now, with this high indorsement of the principle that has been sponsored by the Southern Commercial Congress, we have the privilege of submitting to you for your consideration a plan involving the principle that may be employed in providing the funds with which to pay the cash as a bonus to soldiers and sailors of the United States.

The plan involves the issuance of bonds by the United States, to be exempt from taxation, carrying 5 per cent interest and one-half of 1 per cent for amortization, or $55,000,000 per billion dollars per annum, to retire the bonds in approximately 50 years. Herewith is a table indicating the amounts to be paid annually on account of interest and principal, showing the unpaid balance at the end of each year. If bonds are issued for one and one-half billion, then the annual fixed sum would be $82,500,000.

If this plan is adopted, the Congress of the United States would not find it necessary to raise taxation nor to find new sources of revenue, nor appropriate money coming into the Treasury of the United States from the usual sources. It would be necessary only to apply to the annual payments a part of the annual amortization to be received from Great Britain. No doubt in the near future other nations now indebted to the United States will be given a similar privilege as extended to Great Britain, and they will be making annual payments to liquidate their indebtedness to the United States.

With the hope that this plan will meet with your approval and that you will submit it to the Congress of the United States, I beg to remain,

Cordially and sincerely,

CLARENCE J. OWENS, *President.*

[Submitted by Clarence J. Owens, president, Southern Commercial Congress.]

AMORTIZATION PLAN FOR ISSUANCE OF UNITED STATES BONDS TO PROVIDE CASH REQUIREMENTS FOR THE BONUS FOR AMERICAN SOLDIERS AND SAILORS.

Table showing annual payments on principal and interest upon $1,000,000,000 to be amortized at 5 per cent and one-half of 1 per cent amortization.

(Annual payment $53,000,000.)

Year.	Interest.	Paid on principal.	Balance unpaid.
1	$50,000,000	$5,000,000	$995,000,000
2	49,750,000	5,250,000	989,750,000
3	49,427,000	5,513,000	984,237,000
4	49,211,850	5,788,150	978,448,850
5	48,922,443	6,077,557	972,371,293
6	48,618,565	6,381,435	965,989,858
7	48,299,493	6,700,507	959,289,351
8	47,964,468	7,035,532	952,253,819
9	47,610,690	7,387,309	944,866,511
10	47,243,328	7,756,674	937,109,836
11	46,855,492	8,144,508	928,965,328
12	46,448,255	8,551,734	920,413,594
13	46,020,680	8,979,320	911,434,274
14	45,571,714	9,428,588	902,005,988
15	45,100,299	9,899,701	892,106,287
16	44,605,314	10,394,986	881,711,601
17	44,085,580	10,914,420	870,797,181
18	43,539,859	11,460,141	859,337,040
19	42,966,852	12,033,148	847,303,892
20	42,365,195	12,634,805	834,669,087
21	41,733,454	13,266,546	821,402,541
22	41,070,127	13,929,873	807,472,668
23	40,373,633	14,626,367	792,846,301
24	39,642,315	15,357,685	777,488,616
25	38,874,431	16,125,569	761,363,047
26	38,068,152	16,931,848	744,431,199
27	37,221,360	17,778,440	726,652,759
28	36,332,638	18,667,362	707,985,397
29	35,399,270	19,600,730	688,384,667
30	34,419,233	20,580,767	667,803,900
31	33,390,195	21,609,805	646,194,095
32	32,309,705	22,690,295	623,503,800
33	31,175,190	23,824,810	599,678,990
34	29,983,950	25,016,050	574,662,940
35	28,733,147	26,266,853	548,396,087
36	27,419,804	27,580,196	520,815,891
37	26,040,795	28,959,205	491,856,686
38	24,592,834	30,407,166	461,449,520
39	23,072,476	31,927,524	429,521,996
40	21,476,100	33,523,900	395,998,096
41	19,799,905	35,200,095	360,798,001
42	18,039,900	36,960,100	323,837,901
43	16,191,895	38,808,105	285,029,796
44	14,251,490	40,748,510	244,281,286
45	12,214,064	42,785,936	201,495,350
46	10,074,768	44,935,232	156,570,118
47	7,828,506	47,171,494	109,398,624
48	5,469,931	49,530,069	59,858,555
49	2,993,428	52,008,572	7,861,983
50	393,099	7,861,983	

ATTORNEY GENERAL DAUGHERTY.

The Senate resumed the consideration of Senate Resolution 157, submitted by Mr. WHEELER on February 13, as modified by him on yesterday, directing a committee to investigate the failure of the Attorney General to prosecute or defend certain criminal and civil actions wherein the Government is interested.

Mr. ROBINSON. Mr. President, during the course of my remarks this afternoon I read and discussed an article which I said emanated from the White House relative to efforts upon the part of the Government to recover section 36 in naval oil reserve No. 1. The article and the statement to which I referred indicated that the President himself initiated the movement and the proceedings to recover this property on behalf of the Government.

I call the attention of the Senate to the fact that Senate Joint Resolution 71, by Mr. WALSH of Montana, introduced in this body January 28, 1924, passed the Senate on February 7 and passed the House of Representatives on February 16, requiring or directing the Secretary of the Interior to institute proceedings for the recovery of this property and authorizing the President of the United States to employ special counsel for that purpose.

I make the statement in order that the Senate and the country may understand that the Senate really initiated the proceeding and not the Chief Executive.

Mr. McKELLAR. Mr. President, I believe we are to vote now. Before we vote, I wish to read a very short article from the Washington Times which has just been issued. The headlines are these:

M'LEAN A JUSTICE DEPARTMENT AGENT—LISTED AS DOLLAR-A-YEAR MAN—CARRIES SHIELD AND CREDENTIALS OF REGULAR OPERATOR, DISCLOSED BY PROBE.

[By Kenneth Clark, International News Service.]

Edward B. McLean, wealthy publisher and one of the central figures in the oil scandal, is a duly accredited agent of the Department of Justice, it was learned officially to-day.

McLean, whose secret telegrams have been under scrutiny by the Senate investigating committee for 10 days, is known as "a dollar-a-year man," it was revealed to-day. He possesses a shield and an operative's credentials.

Mr. President, the junior Senator from Ohio [Mr. FESS] spoke this morning in very harsh terms of his colleagues in the Senate. It seems to me the fact that has just come to light in these hearings in regard to Mr. McLean, whose record has been of such an unsavory kind in this whole transaction, ought to be sufficient to convince even the junior Senator from Ohio that this resolution ought to pass, and that all of the Attorney General's acts should be carefully and fairly investigated.

Mr. President, one other word and I am through.

I regret that the junior Senator from Ohio, with whom I served in the House and for a short time in this body, took the course that he took this morning. I regretted to find that in order to defend conduct of the kind of which the Attorney General has been guilty, even that which he admits to be true, the Senator was willing to condemn all of his associates in the Senate, and to denounce their conduct as shameful and disgraceful.

Mr. President, it seems to me that characterizations by the junior Senator from Ohio of the conduct of his colleagues in this body during the short time he has been a Member of it are very unfair and very unjust. I could hardly believe my ears when I heard these characterizations indulged in by the junior Senator from Ohio. I hope that upon reflection, at some subsequent time, the junior Senator from Ohio will apologize to his colleagues in the Senate for the statements that he has made about them. In my humble judgment his criticism was wholly unwarranted, and it seems to me it should be apparent to him, because, so far as I have heard, he and his colleague from Ohio [Mr. WILLIS] are the only persons who have defended the Attorney General; and the distinguished senior Senator from Ohio [Mr. WILLIS] has not seen fit to bring a blanket indictment against his colleagues because they differed with him. It seems to me that if I were in such a hopeless minority I would not undertake to characterize as shameful and disgraceful the conduct of my colleagues.

Mr. WILLIS. Mr. President, I request the attention of the junior Senator from Montana [Mr. WHEELER]. I desire to offer an amendment to the resolution.

In line 5 of page 2, after the word "the," I move to insert the word "alleged," so that it will read "the alleged failure," and so forth. I understand that is not objectionable to the Senator from Montana.

Mr. WHEELER. I have no objection to the amendment.

The PRESIDING OFFICER. The Senator from Ohio offers an amendment, which will be stated.

The READING CLERK. On page 2, line 5, before the word "failure," it is proposed to insert the word "alleged," so that it will read "concerning the alleged failure," and so forth.

Mr. CURTIS. Mr. President, I had intended to offer a similar amendment, not only at that point but at others; but I think the amendment offered by the Senator from Ohio will cover the matter, and I hope it will be adopted.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. WILLIS. Now I desire to offer another amendment. In line 9, before the word "neglect," I move to insert the word "alleged," so that it will read "the alleged neglect," and so forth.

The PRESIDING OFFICER. The Senator from Ohio offers an amendment, which will be stated.

The READING CLERK. On page 2, line 9, before the word "neglect," it is proposed to insert the word "alleged," so that it will read "the alleged neglect and failure," and so forth.

The amendment was agreed to.

Mr. WILLIS. On line 2, page 3, I offer a similar amendment. I move to insert, before the word "neglect," the word "alleged."

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. On page 3, line 2, before the word "neglect," it is proposed to insert the word "alleged," so that it will read, "as well as the alleged neglect and failure of the said Attorney General."

The amendment was agreed to.

Mr. WILLIS. On page 3, in line 4, before the word "failure," I offer a similar amendment. I move to insert the word "alleged," so that it will read "his alleged failure."

The PRESIDING OFFICER. The Senator from Ohio offers an amendment, which will be stated.

The READING CLERK. On page 3, line 4, before the word "failure," it is proposed to insert the word "alleged," so that it will read "and his alleged failure to prosecute," and so forth.

The amendment was agreed to.

Mr. WILLIS. Mr. President, I ask unanimous consent at this point to insert in the RECORD three brief editorials which I have gone over carefully, and which I can assure the Senate contain no reflection upon any Member of the Senate but do relate to the matter of this resolution.

The PRESIDING OFFICER. Without objection, the material may be inserted.

The matter referred to is as follows:

[From the Herald-Examiner of February 23, 1924.]

(By Arthur Brisbane.)

(Copyright, 1924, by Star Co.)

The fight between Attorney General Daugherty and the crowd trying to drive him out of office will be worth watching. The Attorney General is a fighter. His enemies include some able men.

One question is: Who are the men behind those that are trying to get rid of Mr. Daugherty?

The charges made against him are vague. That he had nothing to do with the Teapot Dome case everybody knows. Both Mr. Fall and Mr. Denby testified that the Attorney General was not consulted. Nobody asked his opinion. His duty and powers in the administration are limited to giving legal opinions when asked for them.

It is no part of his business to tell Cabinet officers that they are breaking the law, whatever his own opinion may be, unless the President or a Cabinet member asks for advice.

Some of Mr. Daugherty's enemies, that have real cause for wishing him out of office, keep very quiet in these proceedings. They include men that Daugherty accused of selling to themselves or to friends, for a nominal, dishonest price, property which they held as public trustees.

Mr. Daugherty brought legal proceedings against a collection of war profiteers and grafters and talked plainly about them. Some powerful men are included among those that have good reason to hate him.

The public will withhold its opinion concerning Mr. Daugherty until it knows whether he is being attacked in the interest of the public or in the interest of war grafters whom he attacked and exposed.

[From the Cincinnati Times-Star of February 9, 1924.]

WITHOUT BENEFIT OF JURY.

Legislative impeachments are a historical part of the development of representative institutions. Legislative investigations, such as the oil inquiry at Washington, have quite another origin. When Indian war parties captured a prisoner and felt that the encampment deserved or desired entertainment, they bound him to a stake with a fire at

his feet; the squaws did the rest. Lighted splinters were thrust into his body, the village danced around him, and he was slowly burned and whittled to death. The blood lust was sated, and, with one exception, a good time was had by all.

In form, and often in fact, a search for the truth, an American legislative inquiry resembles the Indian stake dance in that the person under examination is deprived of his rights as a man and subjected to torture for purposes of popular entertainment.

An American citizen is supposed to be entitled to his day in court and to representation by counsel there; and there is something in the Constitution about an impartial trial by a jury of his peers. He loses all these guaranties when he goes before a legislative inquiry, because in form it is not a trial at law. He has no right to counsel; only by grace can his lawyer be present, and if the latter's presence be permitted his power to help his client is so circumscribed that it may become nothing at all. What the accused says is under oath with a perjury penalty. But any Senator may call him a thief and scoundrel or make any false statement about him without taking oath or being held accountable therefor. * * * Private or partisan rancor has opportunities to wreak itself in slander beyond anything available to Venetian spies when they dropped their accusations in the lion's mouth.

The vice of such investigations is that while purporting to be inquiries merely, in fact they are trials, and trials that end as trials are bound to do when an accused person is not allowed to defend himself. The punishment is publicity, and sometimes it is heavier than a jail sentence. Innocent and guilty pass through the furnace together, and the casual malice of a single senatorial inquisitor will make them look so like that the public will not see the difference for three or four years afterwards, or will not see it at all. "That man was somehow mixed up in the oil investigation" is the label that a number of Americans, of both parties, some of them of far higher character than their official inquisitors, will wear the rest of their lives, simply because it has become a habit here to let mere committees of the National Legislature override personal rights that kings have been beheaded for ignoring.

Through a period of years we have followed the history of such investigations and have noted the betrayal of basic rights, the denial of constitutional guaranties, the conscienceless gratification of partisan necessities and personal grudges. We have appraised both the incidental good they do and the evil they intend and achieve. Our conclusion is found in Magna Charta, the Bill of Rights, the Constitution, and other still respectable sources—that the place to try a man is before a jury in a court room and nowhere else.

[From the Akron Beacon-Journal of February 26, 1924.]

GIVE DAUGHERTY A FAIR TRIAL.

No one in Ohio has less reason to love Harry M. Daugherty politically than ourselves. Our ways have been separate, our ideals different, our objects not the same, but notwithstanding this fact we do not hesitate to say that he is being most unjustly treated. Nothing has been proved against him. Not a charge that he could answer has been brought forth, except those disposed of by Congress when it voted almost unanimously that there was nothing substantial in the Kellar impeachment proceedings. Beyond this it is only rumor, inference, and gossip which may have behind them damaging truth or which may be false as hell. And yet a mighty hue and cry is raised even by good and sensible men that he should flee from the Cabinet and thereby confess his guilt. It is true they do not express it that way. They say it would relieve President Coolidge of embarrassment.

If Daugherty is guilty of violating the law or even compromising the great office he holds, Coolidge can duly be relieved of embarrassment by having that fact proved and Daugherty driven in disgrace from the high office he holds. It could not relieve the President of anything except his self-respect to crucify an innocent man upon the political crosses that are now being set up. If Daugherty is guilty he should not be spared, but he should not be lynched in advance of the establishment of his guilt by mob or any other kind of clamor. The thing has gone too far now to stop. The truth at the back of it should be fully established. But until that is done no one should demand that he should take a step which the whole world would say never would have been taken had he been innocent. To assassinate the body is a frightful crime, but to insist that he shall voluntarily perform an act which would destroy his whole future in order to satisfy clamor that is so far backed by no evidence is going entirely too far.

We repeat that if he is guilty he should not be allowed to escape the full consequences of that guilt. No question should be left about it even though it destroys good Democratic campaign material. It should be proved or disproved and until then, unless we have lost the spirit of fair play in this country, let us suspend judgment. In this we believe we express the sound opinion of the country, and we are doing it notwithstanding the fact that no love on political questions and methods between Mr. Daugherty and ourselves has ever been or is ever likely to be lost.

The PRESIDING OFFICER. The question is on agreeing to the resolution as modified and amended.

Mr. EDGE. Mr. President, a parliamentary inquiry. Do I understand that the preamble has been stricken out?

The PRESIDING OFFICER. Action on the preamble will come after the vote on the body of the resolution.

Mr. CURTIS. Mr. President, I think it should be understood that we have an agreement that the preamble will be stricken out.

Mr. EDGE. The question now is on the resolution by itself?

The PRESIDING OFFICER. It is.

Mr. McKELLAR. I call for the yeas and nays, Mr. President.

The yeas and nays were ordered.

Mr. COUZENS. Mr. President, may we have the resolution read?

The PRESIDING OFFICER. The Secretary will read the resolution as it now stands.

The READING CLERK. The resolution, as modified and amended, reads as follows:

Resolved, That a committee of five Senators, consisting of three members of the majority and two of the minority, be authorized and directed to investigate circumstances and facts, and report the same to the Senate, concerning the alleged failure of Harry M. Daugherty, Attorney General of the United States, to prosecute properly violators of the Sherman Antitrust Act and the Clayton Act against monopolies and unlawful restraint of trade; the alleged neglect and failure of the said Harry M. Daugherty, Attorney General of the United States, to arrest and prosecute Albert B. Fall, Harry F. Sinclair, E. L. Doheny, C. R. Forbes, and their coconspirators in defrauding the Government, as well as the alleged neglect and failure of the said Attorney General to arrest and prosecute many others for violations of Federal statutes, and his alleged failure to prosecute properly, efficiently, and promptly, and defend all manner of civil and criminal actions wherein the Government of the United States is interested as a party plaintiff or defendant. And said committee is further directed to inquire into, investigate, and report to the Senate the activities of the said Harry M. Daugherty, Attorney General, and any of his assistants in the Department of Justice which would in any manner tend to impair their efficiency or influence as representatives of the Government of the United States.

That said committee above referred to and the chairman thereof shall be elected by the Senate of the United States.

Resolved further, That in pursuance of the purposes of this resolution said committee or any member thereof be, and hereby is, authorized during the Sixty-eighth Congress to send for persons, books, and papers, to administer oaths, and to employ stenographic assistance at a cost not to exceed 25 cents per hundred words, to report such hearings as may be had in connection herewith, the expenses thereof to be paid out of the contingent fund of the Senate, and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

The PRESIDING OFFICER. The question is now upon agreeing to the resolution as amended. The yeas and nays have been ordered, and the Secretary will call the roll.

The reading clerk proceeded to call the roll.

Mr. BROUSSARD (when his name was called). I have a general pair with the senior Senator from New Hampshire [Mr. MOSES], and not being able to secure a transfer, will withhold my vote. If permitted to vote, I would vote "yea."

Mr. CURTIS (when Mr. CAPPER's name was called). I desire to announce the unavoidable absence of my colleague [Mr. CAPPER]. If present, he would vote "yea."

Mr. EDGE (when his name was called). I have a pair with the junior Senator from New Jersey [Mr. EDWARDS]. I understand that if he were present he would vote as I shall vote, and therefore I am at liberty to vote. I vote "yea."

Mr. JONES of New Mexico (when his name was called). I transfer my general pair with the Senator from Maine [Mr. FERNALD] to the senior Senator from Tennessee [Mr. SHIELDS] and vote "yea."

Mr. KING (when his name was called). I have a general pair for the day with the senior Senator from New York [Mr. WADSWORTH]. I am not advised as to what the attitude of my pair would be upon this resolution, and therefore I withhold my vote. If I were permitted to vote, I should vote "yea."

Mr. SIMMONS (when Mr. OVERMAN's name was called). My colleague [Mr. OVERMAN] is absent on account of illness. If he were present, he would vote "yea." He is paired, however, with the senior Senator from Wyoming [Mr. WARREN].

Mr. MCKELLAR (when Mr. SHIELDS's name was called). I desire to announce that my colleague [Mr. SHIELDS] is unavoidably absent from the Senate to-day.

Mr. SIMMONS (when his name was called). I have a general pair with the junior Senator from Oklahoma [Mr. HARREL], who is absent. I transfer that pair to the senior Senator from Nevada [Mr. PITTMAN] and vote "yea."

Mr. STEPHENS (when his name was called). I have a pair with the junior Senator from Missouri [Mr. SPENCER]. In his absence, I withhold my vote. If permitted to vote, I would vote "yea."

Mr. TRAMMELL (when his name was called). I have a pair with the senior Senator from Rhode Island [Mr. COLT]. In his absence, I transfer that pair to the junior Senator from New York [Mr. COPELAND] and vote "yea."

Mr. GERRY (when Mr. UNDERWOOD's name was called). The senior Senator from Alabama [Mr. UNDERWOOD] is paired with the senior Senator from Massachusetts [Mr. LODGE]. He is unavoidably absent on account of sickness. If present, he would vote "yea."

I also desire to announce that the senior Senator from Nevada [Mr. PITTMAN] is unavoidably absent. Also that the junior Senator from Maryland [Mr. BRUCE] is necessarily absent.

Mr. WALSH of Massachusetts (when his name was called). I have a general pair for the day with the senior Senator from Indiana [Mr. WATSON]. If present, the Senator from Indiana states that he would vote as I intend to vote, and therefore being free to vote, I vote "yea."

Mr. WARREN (when his name was called). I have a general pair with the junior Senator from North Carolina [Mr. OVERMAN]. He is absent, and I therefore withhold my vote.

The roll call was concluded.

Mr. SWANSON. I desire to state that my colleague [Mr. GLASS] is paired with the senior Senator from Connecticut [Mr. MCLEAN]. He is unavoidably detained from the Senate.

Mr. SMITH. I have a general pair with the senior Senator from South Dakota [Mr. STERLING]. I have been informed that if he were present he would vote as I shall vote. Therefore I vote "yea."

Mr. BAYARD (after having voted in the affirmative). I have a general pair with the junior Senator from Pennsylvania [Mr. REED]. When my name was called I thought he was present. I find, however, that he is absent. I now transfer my pair to the junior Senator from Maryland [Mr. BRUCE] and allow my vote to stand.

Mr. DIAL. I have a pair with the senior Senator from Colorado [Mr. PHIPPS]. I transfer that pair to the senior Senator from Missouri [Mr. REED] and vote "yea."

Mr. CURTIS. It is my understanding that the senior Senator from Pennsylvania [Mr. PEPPER] would vote "yea" if present. He is necessarily absent.

The result was announced—yeas 66, nays 1, as follows:

YEAS—66.

Adams	Ernst	Kendrick	Sheppard
Ashurst	Ferris	Keyes	Shipstead
Ball	Fess	Ladd	Shortridge
Bayard	Fletcher	La Follette	Simmons
Borah	Frazier	Lenroot	Smith
Brandegee	George	McKellar	Smoot
Brookhart	Gerry	McKinley	Stanfield
Bursum	Gooding	McLean	Stanley
Cameron	Hale	McNary	Swanson
Caraway	Harris	Mayfield	Trammell
Couzens	Harrison	Neely	Walsh, Mass.
Cummins	Heflin	Norbeck	Walsh, Mont.
Curtis	Howell	Norris	Weller
Dale	Johnson, Calif.	Oddie	Wheeler
Dial	Johnson, Minn.	Ralston	Willis
Dill	Jones, N. Mex.	Ransdell	
Edge	Jones, Wash.	Robinson	

NAYS—1.

Elkins.

NOT VOTING—29.

Broussard	Greene	Pepper	Sterling
Bruce	Harreld	Phipps	Underwood
Capper	King	Pittman	Wadsworth
Colt	Lodge	Reed, Mo.	Warren
Copeland	McCormick	Reed, Pa.	Watson
Edwards	Moses	Shields	
Fernald	Overman	Spencer	
Glass	Owen	Stephens	

So Mr. WHEELER's resolution as amended was agreed to.

Mr. LA FOLLETTE obtained the floor.

Mr. CURTIS. Will the Senator yield? We have not disposed of the preamble.

Mr. LA FOLLETTE. I yield for that purpose.

Mr. CURTIS. I understand that the preamble is to be withdrawn.

Mr. ROBINSON. That was the understanding. It may be stricken out.

The PRESIDENT pro tempore. The Senator from Montana [Mr. WHEELER] asks leave to withdraw the preamble of the resolution. Is there objection?

Mr. FLETCHER. I take it that the language introducing the resolution will have to be modified to some extent. It should begin merely with the word "*Resolved.*"

The PRESIDENT pro tempore. That is the case. The Chair hears no objection, and the preamble to the resolution is withdrawn.

Mr. LA FOLLETTE. Mr. President, pursuant to the provisions of this resolution, I nominate as a member of the special committee for which the resolution makes provision, and as chairman of that committee, the junior Senator from Iowa [Mr. BROOKHART].

In so designating him as chairman of that committee, I desire merely to say that it is in conformity with the precedents of the Senate. I had expected to speak upon this resolution and would have done so had not the Senator from Massachusetts withdrawn his proposed amendment. I take this opportunity to say that besides being in strict conformity with the rules of the Senate, it is no innovation in the practice of this body that both standing committees and special committees shall be elected by the Senate and not appointed by the Presiding Officer.

From my study of the question, I am unable to find that it has ever been taken as a reflection upon the Vice President, the President pro tempore, or any Senator who might chance to be the Presiding Officer of the Senate at the time such proposition was submitted.

Mr. President, although it is not so pertinent now as it would have been with the amendment proposed by the Senator from Massachusetts pending, I beg just in a word to direct the attention of Senators to the fact that this investigation is the investigation by the Senate. Who, therefore, should select the investigators other than the Senate?

I have gathered together many of the precedents of the Senate providing for the election by the Senate of special committees, some of them naming the special committees in the resolution and some of them providing for the election by the Senate and leaving, as does this resolution in its modified form, the Senators to make nominations after it shall have been passed, just as we are proposing to do now. I say this because I am unwilling to let the record stand where it stood in conformity with the declaration of the senior Senator from Massachusetts, that it was a violation of precedent. It is nothing of the kind.

There has grown in the Senate, in conformity with the growth of machine manipulation of politics, the practice of attempting to control the selection of committees either through having them named by the presiding officer or by taking the business of the Senate into caucuses, in violation, I believe, of the Constitution. They transact the business there and then bring it in here and attempt to put it through, thus making the selection of committees, which are to control the business of the Senate, the office of caucuses held in secret, instead of choosing on the floor of the Senate, in the light of the public eye, the important bodies that control really the legislation of Congress. I hope, sir, that the time will come when all committees will be chosen in the Senate and not arranged for in secret conferences and caucuses.

I lay it down as a great fundamental principle of government that "no power ought to be delegated which can be fairly exercised by the constituent body."

Sir, I believe the time is near at hand when we will change the present practice of naming regular or standing committees of the Senate.

It is un-American; it is undemocratic. It has grown into an abuse. It typifies all of the most harmful practices which have led an enlightened and aroused public judgment to decree the destruction of the caucus, convention, and delegate system of party nominations.

Under the present system of choosing the standing committees of the United States Senate, a party caucus is called. A chairman is authorized to appoint a committee on committees. The caucus adjourns. The committee on committees is thereafter appointed by the chairman of the caucus. It proceeds to determine the committee assignments of Senators. This places the selection of the membership of the standing committees completely in the hands of a majority of the committee on committees, because in practice the caucus ratifies the action of the committee and the Senate ratifies the action of the caucus.

See now what has happened. The people have delegated us to represent them in the Senate. The Senate, in effect, has delegated its authority to party caucuses upon either side.

The party caucus delegates its authority to a chairman to select a committee on committees. The committee on committees largely defer to the chairman of the committee on committees in the final decision as to committee assignments.

The standing committees of the Senate so selected, Mr. President, determine the fate of all bills; they report, shape, or suppress legislation practically at will.

Hence the control of legislation, speaking in a broad sense, has been delegated and redelegated until responsibility to the public has been so weakened that the public can scarcely be said to be represented at all.

Mr. President, I believe the day is near at hand when Members of this body will refuse to permit the secret senatorial caucus to exercise any controlling action upon the public business.

Mr. ROBINSON. May I suggest to the Senator from Wisconsin that he put in the RECORD the precedents to which he has referred?

Mr. LA FOLLETTE. Yes; I shall do so.

One of the earliest precedents I came across in my examination of the subject arose on the 3d of March, 1803. At that time the Senate elected a select committee to consider the impeachment of Judge Pickering. This fact was cited by Senator Tazewell when the impeachment of Judge James H. Peck came up, April 26, 1830. The debates in Congress of April 26, 1830 (vol. 6, pt. 1, p. 384), read:

Mr. Tazewell then read from the Senate Journal as follows:

"In the Senate of the United States, March 3, 1808.

"On motion,

"*Ordered*, That the message received this day from the House of Representatives respecting the impeachment of John Pickering, judge of a district court, be referred to Messrs. Tracy, Clinton, and Nicholas, to consider and report thereon."

Report of the proceedings of the Senate at that time were not as now a chronicle of every statement made on the floor of the Senate, but a summation of what occurred.

In the Congressional Globe, Twenty-fourth Congress, first session, December 22, 1835, page 24, I find the following:

The Senate proceeded to ballot for a select committee to consider the President's message relative to the northern boundary of the State of Ohio and the application of the State of Michigan for admission into the Union, and Messrs. Benton, Wright, Clayton, Crittenden, and Preston were chosen.

On page 514 of the same volume, following debate regarding the deposit of public moneys on May 31, 1836, I quote as follows:

On motion of Mr. Calhoun, the whole subject was referred to a select committee of nine members, which, on balloting, was found to consist of Wright, Calhoun, Webster, King of Alabama, Buchanan, Hendricks, Shepley, Leigh, and Ewing of Ohio.

In the first session of the Thirty-second Congress a contest arose over the seat of the Senator from Florida, Hon. Stephen R. Mallory. Immediately upon the presentation of his credentials by Senator Morton question was raised as to his right to a seat. It was moved—and now I quote from the Globe—

that the credentials of the Senator elect, together with the extract from the journal of the Florida Legislature, be referred to a select committee of five.

The motion was agreed to.

On motion of Mr. Gwin, the election of the special committee was postponed until 1 o'clock to-morrow.

* * * * * * *

SPECIAL ELECTION COMMITTEE.

(From p. 11.)

The hour of 1 o'clock having arrived, the Senate proceeded to ballot for a special committee agreed to be appointed yesterday to consider and report on the Florida contested-election case.

The President announced that the Secretary had furnished him with the following result of the balloting: Mr. Berrien received 21 votes, Mr. Bright 21, Mr. Davis 21, Mr. Mason 17, and Mr. Pearce 12. These five gentlemen having received the highest votes, they were duly elected the special committee.

* * * * * * *

Mr. BERRIEN. I would inquire what was the whole number of Senators voting?

The PRESIDENT. The Chair can not tell. It is not usual to require a majority of the whole number to elect members of a select committee. They are elected by plurality.

Mr. BERRIEN. I was under the impression that it required a majority to constitute any act of the Senate. My impression is that we have several times balloted repeatedly for members of committees.

The PRESIDENT. The majority rule applies to standing committees.

* * * * * * *

The PRESIDENT. The rule on the subject, after speaking of the standing committees, says:

"All other committees shall be appointed by ballot, and a plurality of votes shall make a choice."

The Senate having under consideration the assault upon Mr. Sumner, the CONGRESSIONAL GLOBE of May 22, 1856, contains the following:

Mr. MASON. I move to amend the resolution in such a manner as to provide that the committee shall be elected by the Senate.

Mr. SEWARD. I accept the amendment.

The PRESIDENT. The resolution will be read as proposed to be amended.

The Secretary read it, as follows:

"*Resolved*, That a committee of five Members be elected by the Senate to inquire into the circumstances attending the assault committed on the person of the Hon. Charles Sumner, a Member of the Senate, in the Senate Chamber yesterday; and that the said committee be instructed to report a statement of the facts, together with their opinion thereon, to the Senate."

The PRESIDENT. The question is on the resolution as amended.

The resolution was agreed to.

That was not regarded as a reflection upon the Vice President or the President pro tempore.

APPOINTMENT OF A SPECIAL COMMITTEE ON RETRENCHMENT.

On December 13, 1871, Mr. Anthony, of Rhode Island:

I offer the following resolution and ask for its consideration:

"*Resolved*, That a standing committee of seven, to be known as the Committee of Investigation and Retrenchment, be created to investigate and report on such subjects as may be committed to it by the Senate, such committee to be elected by the Senate as other standing committees."

By unanimous consent the Senate proceeded to consider the resolution.

This resolution was debated at length, the discussion extending over several pages of the CONGRESSIONAL RECORD and taking up the entire session. It was also debated through two or three other sessions of the Senate; and thereafter, on December 18, Mr. Anthony, of Rhode Island, perfecting the resolutions which he had submitted, added thereto the following:

"*Resolved*, That the Committee of Investigation and Retrenchment consist of Mr. Buckingham (chairman)."

There was a Member on the floor of this Senate assuming to nominate the members of that committee—

to consist of Mr. Buckingham (chairman), Mr. Pratt, Mr. Howe, Mr. Harlan, Mr. Stewart, Mr. Pool, and Mr. Bayard.

The name of Mr. Casserly was later added as a member of the proposed committee.

The debate upon the resolution as perfected by Mr. Anthony proceeded throughout the session of December 18. The resolution was further amended by providing "that the said committee be authorized to send for persons and papers and report by bill or otherwise, and also to appoint a clerk."

While that was called a standing committee, all the debate shows plainly that it was a committee that was chosen upon the nomination of a Senator and with a view to searching the records of the departments of the opposition party. It was in character just like a special committee, although it was called a standing committee.

During the debate question was raised as to whether the resolution named the Senators who had been advocates of the Committee on Investigation and Retrenchment, and it was argued at some length that the committee should be composed of the Senators who had been most favorable to the forming of such committee.

Shortly before the adoption of the resolution the following proceedings occurred:

The PRESIDING OFFICER. The question recurs on adopting the amendment as amended.

Mr. VICKERS. I offer this amendment: To strike out the names in the original resolution, namely, "Mr. Buckingham (chairman), Mr. Pratt, Mr. Howe, Mr. Harlan, Mr. Stewart, Mr. Pool, Mr. Bayard, and Mr. Casserly," and in lieu thereof to insert "Lyman Trumbull (chairman), Charles Sumner, Eugene Casserly, Thomas F. Bayard, Henry B. Anthony, Roscoe Conkling, Oliver P. Morton, and T. W. Tipton."

Mr. EDMUNDS. On that I ask for the yeas and nays.

The yeas and nays were ordered.

The question being taken by yeas and nays, resulted—yeas 12, nays 27, absent 32.

So the amendment to the amendment was rejected.

The question upon the final passage of the resolution creating the special committee and naming the members of the committee in the resolution being taken by yeas and nays, resulted—yeas 48, nays 1.

Mr. CURTIS. Mr. President, I nominate for membership on the committee the Senator from Washington [Mr. JONES] and the Senator from New Hampshire [Mr. MOSES].

Mr. ROBINSON. Mr. President, I nominate for membership on the committee the Senator from Montana [Mr. WHEELER] and the Senator from Arizona [Mr. ASHURST].

The PRESIDENT pro tempore. The question is upon the election of the junior Senator from Iowa [Mr. BROOKHART] as chairman of the committee authorized by the Senate. [Putting the question:] The ayes have it.

Mr. McKELLAR. Let us have the yeas and nays.

Mr. ELKINS. I call for the yeas and nays.

The PRESIDENT pro tempore. The Chair is of the opinion that the ayes have it unless there be a roll call demanded. The ayes have it, and Mr. BROOKHART, the junior Senator from Iowa, is elected as chairman of the committee.

Mr. McKELLAR. I asked for a roll call. I do not know how many hands went up.

Mr. ELKINS. I also asked for a roll call.

Mr. CURTIS. I make the point of order that the result has been announced and that there were not a sufficient number held up their hands.

Mr. ELKINS. I did not hear any request to hold up hands. I asked for a roll call.

The PRESIDENT pro tempore. The demand for the yeas and nays was not sufficiently seconded. The Chair announces again the ruling that the ayes have it, and Mr. BROOKHART is elected chairman of the committee.

The question now is upon the selection of the four remaining members of the committee, which, as the Chair understands the rule, may be selected en bloc. They are Mr. JONES, of Washington; Mr. MOSES, of New Hampshire; Mr. WHEELER, of Montana; and Mr. ASHURST, of Arizona. The question is upon the election of these Senators as members of the committee. As many as favor their election will say "aye"; opposed, "no." The ayes have it, and the Senators named are elected members of the committee.

Mr. WALSH of Montana. I ask unanimous consent that there may be printed in the RECORD an article appearing in the New York World of this morning which makes a substantially accurate statement concerning some startling testimony introduced before the Committee on Public Lands and Surveys on yesterday.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The article referred to is as follows:

THE WORLD GIVES TRANSLATED MESSAGES TO COMMITTEE—PUBLISHER REVEALED AS "SECRET AGENT."

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The World prints herewith the contents of the four most important of the code messages sent to Edward B. McLean in Palm Beach by his Washington agents during the disturbing opening days of the Teapot Dome investigation. These were among the messages made public in Washington Thursday by the Public Lands Committee of the Senate as being "entirely unintelligible."

As there is reason to believe the code which concealed the import of the messages is one used by agents of the Department of Justice, the World communicated their texts immediately to the Senate committee.

This was the committee's first clue to the real meaning of the mysterious communications. Literal translations were forwarded to the committee by mail late last night.

Department of Justice codes are limited by law strictly to working agents and for the transmission of official business. One of the first steps of the committee, it is now understood, will be to ascertain how such a code got into the possession of McLean and his confidants. Senate investigation also will show whether, as indicated, the code was used with the knowledge of high officials in the department under Attorney General Daugherty.

BURNS REVEALED AS M'LEAN INFORMANT.

One of the messages to McLean reveals William J. Burns, Director of the Bureau of Investigation of the Department of Justice, as an active informant of McLean on developments in the Teapot Dome inquiry, and is the first direct link, except for one message from E. S. Rochester, between the department and any of the principals in the oil-lease scandal.

Another message of first importance advises McLean that certain "papers" have been placed in a safe-deposit box in the Commercial Bank in Washington, held jointly by him and George B. Fraser, his financial secretary. It now will be the business of the Senate committee to ascertain what these papers are and where they are at the present time.

When put together the Washington-Palm Beach series shows an effective "grapevine" of advance information to McLean, the important links in the chain of tip offs including the Department of Justice; Col. J. W. Zevely, attorney for Harry F. Sinclair and also confidential legal adviser to ex-Secretary Fall; Wilton J. Lambert, attorney for McLean; William O. Duckstein, a confidential employee of McLean in the offices of the Washington Post; and Miss Mary Quigley, chief telephone operator at the office of the Washington Post; in addition to Fraser, financial secretary to McLean.

Miss Quigley, already disclosed before the committee as an alert friend of her employer, is shown by to-day's translations to be one of the most important of the group. It was she who telegraphed Duckstein in Palm Beach that Burns had sent for her and told her to inform McLean that an investigation by Department of Justice agents was under way and that Burns believed "this information is important."

DUCKSTEIN'S WIFE IN FEDERAL EMPLOY.

Another link, not appearing on the surface of the messages, but important, is the reported fact that Duckstein's wife is or was a confidential stenographer in the Bureau of Investigation.

That there may be no clue to the form of the code in which the messages were written the World offers, not a translation, but paraphrases of their contents. These are as follows:

"JANUARY 9, 1924.

"EDWARD MCLEAN, *Palm Beach:*

"Jaguar baptistical stowage beadle 1235 Huff Pulsator commensal fitful Lambert conation fecund-hybridize.

"WOD."

(Paraphrase.)

"Walsh will take 12.35 Atlantic Coast Line to-night and not Seaboard Air Line. Lambert will accompany him.

"WILLIAM O. DUCKSTEIN."

"JANUARY 9, 1924.

"EDWARD MCLEAN, *Palm Beach:*

"Zev hocusing imagery commensal abad opaque hosier lectionary. Clot prattle lamb jaguar rovod timepiece nudity. Hocusing lectionary chinchilla peternet bedraggled rip rale overshade quake. Zev pentecost swine herd lamb lambert eulogies lodgment reveling hosier encapsulates ketose bombardment romancer commensal ketose lambert konite reeve lectionary Jaguar baptistical fitful huff. Waxwork pairless cascade wippen.

"WOD."

(Paraphrase.)

"Zevely believes investigation is progressing entirely in your favor. He doesn't think much of Walsh as a cross-examiner. He thinks you needn't worry about approaching examination. Zevely went over with Lambert questions that will probably be asked you, and Lambert will advise you regarding answers. Walsh due 8 o'clock Friday morning.

"WILLIAM O. DUCKSTEIN."

PAPERS PUT IN SAFE-DEPOSIT BOX.

"JANUARY 11, 1924.

"EDWARD MCLEAN, *Palm Beach:*

"Cravingly in dxewoux resurge ledgment ailment fastidious tuck skewered suckled scrag emerse vethousl punctators gob. Virgin lectionary jangler highlander kelder hobgoblin roguery sawbuck hosier bonka gob saline dismounted renominated torso.

"W. O. D."

(Paraphrase.)

"According to Lambert's instructions, the papers have been put in the safe-deposit box belonging to you and Fraser in the Commercial Bank. Would you like to have them where they will be available to me? I will be all day at the office of the Post.

"WILLIAM O. DUCKSTEIN."

"Mr. W. O. DUCKSTEIN, *Palm Beach:*

"Haxpw sent overbuy bonka and householder bonka sultry tkvouop prozoics bepelt goal hocusing this pouted proponent.

"MARY."

(Paraphrase.)

"Sent for by Burns, who told me to say McLean investigation is under way by special agents of Justice Department. He believes information is important.

"MARY."

(Quigley, chief telephone operator in office of Washington Post.)

Arrival this morning in Washington of the exact translations of the code messages, and their examination by the Public Lands Committee

will probably have an important effect on the question of the continuance of Harry M. Daugherty in President Coolidge's Cabinet. The intimate connection now shown to exist between the Attorney General's department and McLean during the Teapot Dome inquiry will increase the growing demand for his resignation, and, failing that, his forced retirement. The Burns message alone, it is thought, will prove a sufficient ground.

One defense likely to be offered by the department officials, it was reported last night, is that McLean has been for some time a secret agent, though for what purpose has never been disclosed. He wears an agent's badge under his coat, according to report, and has the regular credentials. But even this, it is pointed out, would not justify the use of a department code for private messages, nor would it account for the code being in the hands of Duckstein and Miss Quigley.

Another aspect of the situation which probably will figure in the further investigation of these messages is the fact that the Burns-Quigley message apparently disclosed the fact that an investigation had been started by the department.

One authority on Federal law informed the World last night that the disclosure of any official secret of this nature furnished grounds for a prosecution on a charge of conspiracy. All parties taking part in the disclosure of a confidential Department of Justice matter probably would be involved in the same charge, it was said.

AWARE OF CODE DANGER.

That the senders and receivers of the messages decoded yesterday were aware of the danger involved in the use of their code is indicated by the fact that they used it in only 4 messages thus far brought to light out of the 30 or more exchanged between the McLean camps during the course of the investigation.

The alleged Department of Justice code was dropped after January 11. A message signed "Chris," January 22, is in a different code. Then follows a series of undated messages in which the terminology of the orchard replaces the heavy phraseology of the previous code and the meanings are conveyed by references to "apples," "peaches," "apricots," and "cherries." The fruit messages have not been decoded by anyone outside the McLean circle, so far as could be learned last night.

One explanation of the sudden change in codes is found in the telegram from John Major to McLean, dated January 23, which the Senate committee made public on Thursday. This message shows that Duckstein, known as "The Duck," was under suspicion. Major telegraphed:

> "After you telephoned this morning instructions to Lambert, the Duck at once telephoned his wife and, according to Mary Quigley, who listened in on the line, said: 'I have them where I want them. I will make them bow to me before I am through. I am turning over this stuff without receipt, but you know my intentions.' Mary Quigley, whom I trust with any secrets you or I may have, informs me that Mrs. Duckstein said: 'Billy, you have the right idea at last.'"

Duckstein's alleged exclamation, "I have them where I want them," may, it is pointed out, have referred to the illegal use of the code, a conclusion further borne out by another caution from Major to McLean:

> "My advice to you is not to acquaint the latter party (the Duck) with our new code system. However, use your own judgment about that."

BURNS WAS DAUGHERTY'S CHOICE.

William J. Burns was appointed Director of the Bureau of Investigation of the United States Department of Justice by Attorney General Daugherty in 1921. He succeeded William J. Flynn, a former chief of the Secret Service.

Burns's appointment caused a protest from various quarters. Both former Attorney General Wickersham and Samuel Gompers were among those active in opposing him.

At the time of his appointment Burns was the directing head of the William J. Burns International Private Detective Agency, with a principal office in the Woolworth Building. Burns, following his appointment as head of the Department of Justice, announced he had withdrawn from his private agency and turned the business over to his sons, Raymond and Sherman.

Shortly after Burns took office he appointed Gaston B. Means as a special agent of the Government. Means had previously been employed as a private detective in the Burns Agency. Gaston B. Means was under investigation by the United States Military Intelligence for pro-German activities during the World War. He also had been tried and acquitted on the charge of murder of Mrs. Maud King, in Concord, N. C., in 1918. Means, according to Burns, was dismissed from the Government's pay roll following repeated protests received by Burns.

Means is now awaiting trial in Federal court here on charges of conspiracy in connection with liquor graft traffic.

Burns shortly after becoming head of the Department of Justice announced he would solve the Wall Street bomb explosion. At various intervals during that period he announced what on each occasion he termed a "positive solution," although different in each case. Before entering private detective work he was a Secret Service operative.

After leaving this position he became identified with the prosecution in the San Francisco graft inquiry. Following this he became active in running down the perpetrators of the Los Angeles Times dynamite explosion.

Burns's appointment by Daugherty was the result of a friendship formed while they were neighbors in Columbus, Ohio. The director maintains a New York home at Scarborough.

EXECUTIVE SESSION.

Mr. CURTIS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and the Senate (at 4 o'clock and 15 minutes p. m.) adjourned until Monday, March 3, 1924, at 12 o'clock meridian.

CONFIRMATIONS.

Executive nominations confirmed by the Senate March 1 (legislative day of February 29), 1924.

PUBLIC HEALTH SERVICE.

Hugh S. Cumming to be Surgeon General.
Gregory J. Van Beeck to be assistant surgeon.
Frank J. Halpin to be assistant surgeon.
Russell R. Tomlin to be passed assistant surgeon.

POSTMASTERS.

ALABAMA.

Ora B. Wann, Madison.

ARKANSAS.

Charles N. Ruffin, De Witt.
Julius L. Stephenson, Everton.
Ralph F. Locke, Lockesburg.
John W. Seaton, Luxora.
William E. Hill, Norphlet.
Warren P. Downing, Weiner.

COLORADO.

Bessie Salubar, Bayfield.
Alice A. Blazer, Elizabeth.
Ben H. Glaze, Fowler.
Paul C. Boyles, Gunnison.
Nettie Elliott, Loma.
John R. Munro, Rifle.

CONNECTICUT.

Marshall Emmons, East Haddam.
Harry K. Taylor, Hartford.
Sidney M. Cowles, Kensington.

DELAWARE.

George W. Mitchell, Ocean View.

FLORIDA.

Arthur H. Fuller, Altamonte Springs.
Mary Conway, Green Cove Springs.
Frank Watts Hall, Labelle.

IDAHO.

Clarence P. Smith, Eden.
John E. McBurney, Harrison.
Hannah H. Bills, Kimberly.

ILLINOIS.

Benjamin W. Landborg, Elgin.

IOWA.

Lewis H. Roberts, Clinton.
Masel F. Sawin, Oto.

KANSAS.

Joseph V. Barbo, Lenora.
George J. Frank, Manhattan.
Nora J. Casteel, Montezuma.
Anna M. Bryan, Mullinville.

KENTUCKY.

Harvey H. Pherigo, Clay City.
Lois Belcher, Greenville.
Roy J. Blankenship, Hitchins.
Sam H. Fisher, McRoberts.
Elizabeth A. Bradley, Van Lear.
Fred Hall, Weeksbury.

MAINE.

Thomas E. Wilson, Kittery.
Winfield L. Ames, North Haven.
Hiram W. Ricker, jr., South Poland
Parker B. Stinson, Wiscasset.

MARYLAND.

Harry E. Pyle, Aberdeen Proving Ground.
Charles F. Peters, Western Port.

MASSACHUSETTS.

Fred C. Small, Buzzards Bay.

MINNESOTA.

Ida E. Marshall, Babbitt.
Frederic E. Hamlin, Chaska.
Charles G. Carlson, Gibbon.
Francis S. Pollard, Morgan.
Selma O. Hoff, St. Hilaire.
Alfred Gronner, Underwood.

NEW YORK.

Medose J. Robert, Au Sable Forks.
Elmer C. Wyman, Dover Plains.
Rose H. Munsey, Dryden.

OHIO.

Arthur L. Van Osdall, Ashland.
Edward M. Barber, Ashley.
Charles E. Kniesly, Bradford.
Elizabeth A. Krizer, Bremen.
Andrew L. Brunson, Degraff.
Elizabeth I. Grimm, Hopedale.
Bayard F. Thompson, Jewett.
William H. Snodgrass, Marysville.
Clem Couden, Morrow.
La Bert Davie, New Lexington.
Orlando W. Schwab, Port Washington.
Rufus A. Borland, West Jefferson.

OKLAHOMA.

John P. Jones, Roff.

PENNSYLVANIA.

William A. Leroy, Canonsburg.
Thomas Collins, Commodore.
Joseph N. Ritchey, Falls Creek.
Tillie Bradley, Loretto.
Winston J. Beglin, Midland.
Thomas J. Kennedy, Renfrew.
Edna Bracken, Wehrum.

TENNESSEE.

Thomas W. Williams, Lucy.

TEXAS.

Gustav A. Wulfman, Farwell.
Theodor Reichert, Nordheim.
Hal Singleton, O'Donnell.
Silas J. White, Rising Star.
William J. Davis, Silsbee.
Fannie Dawson, Wilson.

WEST VIRGINIA.

Guy E. McCutcheon, Reedy.

HOUSE OF REPRESENTATIVES.

SATURDAY, *March 1, 1924.*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Lord of life, Thy benediction enlightens, cheers, and blesses. Thy earthly children, we therefore own Thee as our Father and our God. Cause us to keep Thy precepts and walk in the ways of Thy wisdom. We thank Thee that we share Thy rational and spiritual nature and may draw our usefulness and happiness from the great infinite source of all truth. Let us hear the inward voice that speaks in terms of peace, righteousness, and purity, and keep us this day without sin. May the dawn of the morrow come to us with the breath of God, blessing us and making us to rejoice and be glad about our happy hearthstones. Amen.

THE JOURNAL.

The Journal of the proceedings of yesterday was read.

The SPEAKER. Without objection, the Journal will stand approved.

Mr. GARRETT of Tennessee. Mr. Speaker, reserving the right to object, I should like to make an inquiry. I notice in the reading of the Journal it was stated that the gentleman from Oregon offered the following amendment to the Garner amendment. Of course, we all know what that means, but does the Journal show amendments by the name of the individual introducing them?

The SPEAKER. The Chair thinks not. The Chair thinks the amendments are reported by their number.

Mr. GARRETT of Tennessee. Of course, so far as the RECORD is concerned, that is all right, but in the Journal, which is, after all, the official record of the body in any legal controversies or constructions that may arise, it occurs to me that to use the name of the individual might possibly be meaningless.

The SPEAKER. The Chair thinks the Journal clerk should make the correction according to the suggestion of the gentleman from Tennessee.

Mr. GARRETT of Tennessee. As I recall it, the amendments are set out in the Journal, I believe, under some sort of number. I am quite sure that is correct. I simply call attention to that matter.

The SPEAKER. With the correction indicated, the Journal will stand approved.

There was no objection.

DEFICIENCY APPROPRIATION BILL.

Mr. MADDEN, chairman of the Committee on Appropriations, by direction of that committee, reported the bill (H. R. 7449) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1924, and for other purposes, which, with the accompanying report, was ordered printed and referred to the Committee of the Whole House on the state of the Union.

Mr. BYRNS of Tennessee reserved all points of order.

EXPUNGING REMARKS FROM THE RECORD.

Mr. MICHAELSON. Mr. Speaker, it has been called to my attention that remarks which I made under the privilege of extension contained matter in violation of the rules of the House. It has never been my intent, and is not now, willfully to violate any rule of the House, much less so in an extension of any remarks I may have the privilege of making. If that is so, and it seems to be so, I ask unanimous consent to withdraw, revise, and reextend my remarks upon this very important subject of water diversion from Lake Michigan.

The SPEAKER. The gentleman from Illinois asks unanimous consent to withdraw, revise, and reextend remarks he made in the RECORD. Is there objection?

Mr. RAINEY. Mr. Speaker, reserving the right to object, may I suggest to my colleague that the first part of his remarks contains a valuable contribution to the subject and contains much valuable information, and that he withdraw that portion of his remarks to which objection has been made. The rest of it is all right and is a valuable contribution to the subject.

Mr. MICHAELSON. Mr. Speaker, I thank the gentleman for his suggestion, but I would rather proceed the other way and withdraw the entire matter and revise and reextend if I may have that privilege.

Mr. CONNALLY of Texas. Mr. Speaker, reserving the right to object, does the gentleman from Ohio withdraw his motion, which is in the RECORD, to strike out these remarks? This would not be in order otherwise.

Mr. LONGWORTH. I do not think the motion is pending now. I am certainly entirely satisfied with the statement of the gentleman.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. MICHAELSON. Mr. Speaker, in accordance with an agreement entered into by the trustees of the sanitary district of Chicago and Members of Congress representing Chicago districts, I, as the Illinois Member of the Rivers and Harbors Committee, introduced in the House on November 9, 1921, a bill (H. R. 9046) providing for the amount of water which may be withdrawn from Lake Michigan by the Sanitary District of Chicago, giving authority therefor, and fixing the conditions of such withdrawal.

This bill, because of objections raised by the War Department, failed of passage. Believing that a study by the War Department of facts and figures subsequently presented relative to the Chicago drainage question will now bring about a favorable report, I reintroduced the bill (H. R. 6873) on February 11, 1924.

This bill, when passed, will authorize by law the withdrawal of 10,000 cubic feet of water per second from Lake Michigan, an amount which is necessary to properly dilute and take care of the sewage of Chicago's 3,000,000 population, thereby pre-

venting pollution of our Lake Michigan drinking water and stamping out forever the dreaded typhoid fever. It will also make possible the construction of a 9-foot Illinois waterway from the Lakes to the Gulf.

The question of insuring pure drinking water to the people of Chicago, thereby protecting health, and the necessity of securing congressional action in the matter have been discussed for years, but no action has been obtained; and it is my purpose here to show what sinister interests and influences, in order to serve their own selfish desires for gain, power, or favor, have for years been gambling with the lives of 3,000,000 people and by publicity and the use of official power have been obstructing, delaying, and preventing congressional action having for its purpose a solution of this most serious problem.

Pure drinking water is essential to healthy human life. Ninety years ago the village of Chicago drank from wells; so did the city, until the wells became so filled with poison, which leaked through the sand from vaults and cesspools into the wells, that there was "death in the cup."

Then the water supply was dipped from the lake where its waves lapped the shore and water peddlers distributed it to the people for pay.

Then water was pumped from the lake a short distance from shore into tanks, from which it was conveyed through wooden pipes to the consumers. But it was not long before the shore waters became unfit for use, and the pipes through which the water was drawn had to be extended farther into the lake. Sewage was disposed of by discharging it into the Chicago River or directly into Lake Michigan.

As population increased so did the amount of filth which was discharged into the lake. The death rate from typhoid fever was higher than that of any other city in the country. The highest death rate was among the children and the poor people, who could not move away or afford water from any other source than the polluted waters of Lake Michigan.

Under these circumstances and for the purpose of protecting the public health the Sanitary District of Chicago was created as a public body under a State law passed by the Illinois General Assembly in 1889.

It was authorized to build a sanitary and ship canal connecting the Chicago River with the Des Plaines River and empowered to divert the sewage, which at that time polluted Lake Michigan, into the Mississippi watershed.

The State law required the sanitary district to dilute the sewage turned into the Des Plaines River on a basis of 3½ cubic feet of water per second for each 1,000 population. The main drainage canal, which is 32 miles long, 24 feet deep, and 160 feet wide, has a capacity of about 10,000 cubic feet per second, and was intended to care for a population of 3,000,000.

The Sanitary District of Chicago lies along the shore of Lake Michigan. About 10 miles west of the shore line, at a height of only 11 feet above Lake Michigan, is the summit between the Gulf of Mexico, 1,600 miles to the south, and the Gulf of St. Lawrence, 1,700 miles to the east. The city of Joliet, 40 miles from Lake Michigan, is 40 feet lower than Chicago. Nowhere else on the whole chain of lakes has nature provided for such a gravity flow from one watershed into another.

The main channel of the sanitary district, costing about $30,000,000, was built prior to 1899, but the water was not turned in until 1900, as the intercepting sewers connecting the city's sewers with the Chicago River and the drainage canal had not then been completed. Since that time the Chicago and Des Plaines Rivers have been improved by the district, and other branch canals, pumping stations, intercepting sewers, and sewage-treatment plants, representing a total cost of about $90,000,000, have been constructed.

The Chicago plan of sewage disposal by dilution and diversion from Lake Michigan, aided by the pasteurization of milk and the chlorination of water, resulted in a reduction of the typhoid death rate to the lowest point of any big city in the world. During the past year, however, with the sanitary district controlled by the Chicago Tribune, through its bipartisan combination, and the city of Chicago under Democratic rule, several hundred cases of typhoid fever, with numerous deaths, have occurred.

After the main channel had been completed, but before the water was turned in, Congress passed a law under which the War Department claims the right to limit the amount of water which may be taken from Lake Michigan for sewage dilution on the ground that the withdrawal by the district of the amount of water required under the Illinois law has reduced the levels of all the Great Lakes, except Lake Superior, by about 5½ inches, and is an obstruction to navigation and commerce.

Federal engineers and officials had full knowledge of the creation of the sanitary district and of the plan to reverse the flow of the Chicago River and to divert from Lake Michigan the amount of water needed to properly dilute the sewage of the district so that when discharged into the Des Plaines River it would not be offensive or injurious to the health of any of the people of Illinois.

As far as I am able to learn, no objection to this plan was made by Federal authorities at that time, and, prior to the opening of the canal in 1900, a permit for the diversion of 4,167 cubic feet of water per second—sufficient to care for a population of 1,250,000—was issued by the then Secretary of War. Since then, however, that office has consistently refused to grant permission for any greater flow, regardless of increased population, on the ground that Congress alone has authority to permit such diversion.

In the meantime the growth of population was so rapid that it became necessary, in order to protect the public health, to increase the amount of water used for dilution purposes as required by the Illinois law, but in excess of the amount authorized by the War Department permit.

The district contains about 450 square miles, including all of Chicago and about 50 other incorporated cities and villages in Cook County. It is governed by a board of nine trustees, three being elected every two years. The trustees have authority to levy annual taxes up to two-thirds of 1 per cent of the assessed valuation of all property within the district and may also issue bonds not to exceed 3 per cent of such assessed valuation.

The main diversion channel of the district was intended to care for an ultimate population of 3,000,000. We had reached that limit in 1920, to say nothing of the trade wastes which are equal to a population of at least a million and a half more—so some method of sewage disposal other than by dilution and diversion must be provided to care for the constantly growing excess in population.

To appease the rising wrath of the War Department, due to the alleged, but wholly theoretical, lowering of lake levels caused by the sanitary district's diversion at Chicago—stimulated no doubt by the demand of the water-power interests that all the waters of the Great Lakes this side of Niagara should pass over the Falls or through the turbines there, which produce immense profits for private owners of power privileges on both sides of the boundary—the trustees had on July 8, 1920, adopted an ordinance—

> Offering and agreeing to defray the expense of the construction of works in one or more of the outlets of the Great Lakes to compensate for any diminishing levels of the Great Lakes due to the diversion of 10,000 cubic feet of water per second from Lake Michigan by the Sanitary District of Chicago, etc.

In accordance with this program there was secured from the 1921 session of the Illinois Legislature two important amendments of the sanitary district act, one of which, in express terms, not only authorizes but requires the building by the district of sewage purification works, supplemental to the dilution system, to care for our constantly growing population, so that no further increase in the amount of water to be diverted from Lake Michigan would be necessary.

Another amendment authorizes the district to deal directly with the Federal Government and to pay for the construction of regulating or compensating works in the outlets of the Great Lakes to restore lake levels and justify Congress in passing a law permitting the continued use of our present sewage dilution system and the diversion of the amount of water now being used for that purpose.

At the same session the legislature, by joint resolution No. 41, unanimously passed, declared the policy of the State of Illinois in favor of the continued diversion of water from Lake Michigan for purposes of sanitation and to adequately supply the Illinois waterway. The resolution further provided for a commission of 10 persons, 4 appointed by the speaker of the house, 3 by the president of the senate, and 3 by the governor, to cooperate with the trustees of the sanitary district and the Illinois delegation in Congress to secure authority for the withdrawal of 10,000 cubic feet of water from Lake Michigan for said purposes. An appropriation of $15,000 for the expenses of this commission was also passed.

These laws were approved by Governor Small and became effective July 1, 1921.

In the meantime the attorney general of Wisconsin had, after several fruitless efforts, induced the legislature of that State to authorize him to file suit in the Supreme Court to restrain the State of Illinois and the Sanitary District of Chicago from

diverting any water from Lake Michigan on the ground that such withdrawal lowers the lake levels, injures the ports and harbors of Wisconsin on Lake Michigan, and obstructs commerce and navigation.

The Wisconsin attorney general agreed to withhold suit until the trustees of the sanitary district had been given a fair chance to lay their plans before Congress. The suit of Wisconsin v. Illinois and the Sanitary District of Chicago was not filed until the October, 1922, term of the Supreme Court, long after it became apparent that because of some influence at work in Washington the proposed plan for early congressional action was being thwarted.

In furtherance of the plan to secure early and harmonious action a suggested form of a bill was prepared, and on September 20, 1921, the following invitation was sent to all Members of Congress from Illinois:

The trustees of the Sanitary District of Chicago expect to suggest to the Congress of the United States certain legislation which is necessary to protect the public health of the residents of the sanitary district and of the residents of the Illinois Valley, and would appreciate an opportunity to discuss the matter with you and the other members of the Illinois congressional delegation.

Finding that several Illinois Members of Congress are now in Chicago, the trustees earnestly invite you to be their guest at an informal luncheon to be held at room 103, Hotel La Salle, Chicago, on Friday, September 23, 1921, at 12.30 o'clock. We hope you can arrange to be present.

Several members of the Illinois delegation attended the conference, which was held in Chicago on September 23, and others who were unable to attend expressed their willingness to cooperate in the plan outlined.

At this conference, upon suggestion of Congressman MARTIN B. MADDEN, it was unanimously agreed that the proposed bill should be introduced by me, as I was the Illinois Member of the House Committee on Rivers and Harbors, and I introduced the bill November 9, 1921 (H. R. 9046, 67th Cong., 1st sess.).

On the day of the conference, September 23, 1921, however, there was introduced in the Senate a joint resolution:

Requesting the President to invite the Government of Great Britain to join in the formation of an international commission, to be composed of three members representing the United States and three members representing the Dominion of Canada, to investigate the flow of water through the Chicago drainage canal and to make such recommendations as they may deem advisable to their respective Governments, looking to an agreement or treaty which will secure an adequate flow of water through such canal.

This resolution (S. J. Res. 116, 67th Cong., 1st sess.) was referred to the Committee on Foreign Relations, and if adopted by the Senate and concurred in by the House would have put the Government of the United States in the false position of admitting that Great Britain has some control over the inland waters of the United States, and consenting to representatives of the English Government having equal voice with our own in determining the use to which the waters of Lake Michigan, wholly within the United States, may be put. No action was taken on it.

As a matter of fact, under article 2 of the existing "treaty between the United Kingdom and the United States of America relating to boundary waters and questions arising along the boundary between Canada and the United States" (proclaimed May 13, 1910), each country "reserves to itself" the exclusive jurisdiction and control over the use and diversion of all waters on its own side of the boundary line "which in their natural channels would flow across the boundary or into boundary waters." This absolutely excludes Lake Michigan.

This treaty of 1910 created an international joint commission of six members, three representing the United States and three the Dominion of Canada, but it has no authority over diversions "existing" at the time, to which class the sanitary district diversion belongs.

My bill (H. R. 9046) was referred to the Committee on Rivers and Harbors of the House, which committee sent it to the Secretary of War and the Chief of Engineers, who forwarded the same to the United States district engineer at Chicago—Col. William V. Judson—who returned the same to his superior officer with a favorable recommendation. (See Doc. No. 2, Committee on Rivers and Harbors, House of Representatives, 67th Cong., 1st sess.)

Meanwhile, for the first time in many years, representatives of the sanitary district and the State government, through its executive and administrative officers and through the waterways commission, created under H. J. R. No. 41 of the Fifty-second General Assembly, were actively cooperating with the Illinois delegation in Congress, supported by the associations of commerce and other civic bodies in the State, to promote the passage of H. R. 9046, which, if successful, would not only have disposed of the injunction proceedings brought by the United States against the sanitary district, but would have saved the Wisconsin suit from being filed.

Engineering briefs in support of the Michaelson bill (H. R. 9046, 67th Cong.) were prepared by the Illinois Department of Public Works, division of waterways, and by the sanitary district for consideration by the Chief of Engineers of the United States. He, however, asked for more detailed information as to the financial capacity of the district and its ability to construct additional sewage treatment works in a shorter period than provided for in the bill.

The management of the sanitary district, the legislative and executive departments of the State government, the Illinois and Chicago Associations of Commerce, and many other State-wide commercial organizations had approved H. R. 9046, and all were working together in complete harmony; the engineers had prepared the information requested by the Chief of Engineers and were ready to submit the same, when, on January 6, 1922, like a bolt from the blue there came a message from Washington announcing to the trustees of the sanitary district that the Secretary of War had transmitted to the Committee on Rivers and Harbors a report prepared by the Chief of Engineers, which report on the Michaelson bill was very prejudicial to its passage.

When I protested to the Chief of Engineers against this apparent breach of faith in not giving the State and sanitary district engineers a chance to supply the information prepared at his suggestion before making his report, that official stated in substance that his action had been taken by direction of the Secretary of War and at the instigation, as he understood, of a member of another body.

Subsequently, January 23, 1923, a bill was introduced in the Senate carrying provisions similar to the original Michaelson measure. The bill was referred for consideration to a "select committee" composed of five Senators, with Senator MCCORMICK as chairman, appointed under a resolution introduced by him January 16, 1923. This select committee has not yet reported.

In the meantime, on June 18, 1923, Joseph B. Fleming, of R. R. McCormick's law firm, acting as Special Attorney General of the United States, secured an injunction restraining the sanitary district from diverting from Lake Michigan more than 4,167 cubic feet of water per second, although over 8,500 cubic feet per second is now being used, and under the Illinois State law at least 10,000 cubic feet per second is required.

If this injunction should be sustained by the United States Supreme Court, in which it is now pending, it will reduce the present flow in the Drainage Canal by more than one-half. This will not only double the pollution of the Desplaines and Illinois Rivers but, since the run-off of water in the sanitary district is 10,000 cubic feet per second, the curtailment of the flow in the Drainage Canal will in times of heavy rainfall result in the reversing of the current of the Chicago River and send its sewage-polluted water into the lake to mingle with our drinking water—as it did recently, through the fault of some one, with dire consequences on the south side—thus carrying germs of typhoid fever into the homes of all residents of the sanitary district.

If Robert R. McCormick was sincere in his pretended hope and desire that the sanitary district would defeat the suit of the Federal Government to reduce to 4,167 cubic feet per second the amount of water to be withdrawn through the drainage canal and discharged into the Illinois waterway, how does it happen that Joseph B. Fleming (of the law firm of McCormick, Kirkland, Patterson & Fleming, of which this same Robert R. McCormick, "coeditor" of the Chicago Tribune, and sometime president of the sanitary district, is the titular head) was in 1922 appointed Special Attorney General of the United States to prosecute this old injunction suit which was started with the tacit approval if not at the instigation of Robert R. McCormick when he was president of the district?

Congressional authority to continue the present diversion of water, which would have saved the injunction from being issued, was provided for in the Michaelson bill, introduced November 9, 1921.

Responsibility for delay in securing congressional action and relief for the more than 3,000,000 people whose health is put in peril by the pending injunction does not rest upon my shoulders, although this false charge was printed in the Chicago Tribune.

Responsibility for the present wasteful and incompetent management of sanitary district affairs rests upon the Chicago Tribune and its family, who through a bipartisan deal and their control of publicity and patronage—not to mention any

possible influence they may have with certain agencies of protection or prosecution—are able to dictate to the trustees of the district, a majority of whom make haste to carry out the Tribune's orders.

As evidence bearing out the facts here stated and called to your attention, I herewith submit excerpts from a letter recently received from William F. Mulvihill, a citizen of Chicago, who as former chief counsel for the drainage board made an investigation and a thorough study of this entire subject:

FEBRUARY 25, 1924.

In re the Sanitary District of Chicago.

Hon. M. A. MICHAELSON,
Representative in Congress, Washington, D. C.

DEAR MR. MICHAELSON: Permit me to call to your attention the inclosed clippings from the Chicago Tribune which falsely charges you with responsibility for the failure of the Sanitary District of Chicago to secure congressional authority to withdraw 10,000 cubic feet of water per second from Lake Michigan for the purpose of diverting the sewage of said district from Lake Michigan into the Mississippi watershed.

Having been chief counsel for the sanitary district of Chicago for more than two years and also special counsel in the so-called lake level controversy for one year thereafter, I am in a position to know that these charges are absolutely false and that, as a matter of fact, you, on November 9, 1921, introduced in Congress a bill expressly authorizing such diversion.

Fearing that these untrue publications might escape your notice, I take the liberty of calling your attention to the same and to the following facts, which place the responsibility for playing politics with the public health of 3,000,000 people where it belongs.

I charge, first, that the Chicago Tribune, although pretending to be a Republican newspaper, pursues a rule-or-ruin policy in politics, and that after its candidates for trustees of the sanitary district were defeated in the Republican primary of 1922 the Tribune bolted the party ticket and supported the Democratic nominees.

I charge, second, that after the Tribune had fooled enough Republicans into voting for the Democrats to defeat the Republican nominees the Tribune forced a bipartisan combination between these Democrats and certain hold-over Republicans, whereby, since that time, the Tribune has controlled a majority of the board of trustees of the sanitary district, and, through that control, the district's annual appropriation bill has been doubled in two years, being boosted from $19,000,000 in 1922 to $38,000,000 for 1924.

I charge, third, that this increase in the sanitary district's budget, under the Tribune's bipartisan board, has provided a reservoir of political jobs, which are being used to build up a bipartisan organization to promote the political ambitions of members of the family which owns and publishes the Chicago Tribune.

I charge, fourth, that Robert R. McCormick, former president of the sanitary district, now editor of the Chicago Tribune and a member of the law firm of McCormick, Kirkland, Patterson & Fleming, is more responsible than any other one man for the Federal injunction against the district, now pending in the United States Supreme Court, which if sustained will reduce by more than one-half the amount of water now being withdrawn from Lake Michigan and which is essential for diluting the sewage of Chicago before diverting the same through the Chicago drainage canal into the Des Plaines and Illinois Rivers.

I charge, fifth, that this injunction, procured by Joseph R. Fleming, McCormick's law partner, as "Special Attorney General of the United States," on June 18, 1923, if sustained, will, in times of heavy rainfall, reverse the current of the Chicago River and again send its sewage polluted water into the lake to mingle with our drinking water as it did before the drainage canal was dug, when the annual death rate from typhoid fever ran as high as 170 per 100,000 of population.

You will recall, Congressman, that in 1921 the Illinois Legislature amended the sanitary district act authorizing the district to build sewage-purification works, supplemental to its dilution system, so that no increase in the amount of water withdrawn from Lake Michigan will be necessary, and authorizing the district to pay for the construction of compensating works in the outlets of the Great Lakes, to restore lake levels, and justify Congress in permitting the continued use of our present sewage-disposal system, which has cost the taxpayers $100,000,000.

After Governor Small had approved these amendments and the aid of the Illinois State government had been enlisted, a meeting of the Illinois congressional delegation was held in Chicago on September 20, 1921, to agree upon a plan for securing early congressional authority to continue the present amount of diversion, which would have put an end to the litigation and have made the creation of the present bad situation impossible.

I feel, Congressman, that because the public health of the people of the sanitary district has been put in peril and because the false attacks made upon you in the Chicago Tribune and its allies are attributed to your opponent—who is affiliated with the Tribune political faction and who is drawing a fat salary from the sanitary district for very little work—it is my duty to call your attention to the facts. I trust that you may be able in some way to inform your constituents and the residents of the sanitary district of the real situation and place the responsibility for the delay in securing congressional action and for the present wasteful and incompetent management of the sanitary district where it belongs.

Yours very truly, WILLIAM F. MULVIHILL.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had passed without amendment bills of the following titles:

H. R. 3265. An act to authorize the construction of a bridge between the Boroughs of Brooklyn and Queens, in the city and State of New York;

H. R. 3681. An act to authorize the building of a bridge across the Waccamaw River, in South Carolina;

H. R. 4808. An act granting the consent of Congress to the construction, maintenance, and operation of a bridge across the Pearl River between St. Tammany Parish in Louisiana and Hancock County in Mississippi;

H. R. 4807. An act granting the consent of Congress to the State Highway Commission of Louisiana to construct, maintain, and operate a bridge across West Pearl River in the State of Louisiana; and

H. R. 584. An act to authorize the county of Multnomah, Oreg., to construct, maintain, and operate a bridge and approaches thereto across the Willamette River, in the city of Portland, Oreg., in the vicinity of present site of Sellwood Ferry.

SENATE BILL REFERRED.

Under clause 2 of Rule XXIV, Senate bill of the following title was taken from the Speaker's table and referred to its appropriate committee, as indicated below:

S. 383. An act for the relief of William R. Bradley, former acting collector of internal revenue for South Carolina; to the Committee on Claims.

WILLIAM H. FULHAM AND BELLE DUPRÉ.

Mr. MacGREGOR. Mr. Speaker, I desire to call up the following reports from the Committee on Accounts.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

House Resolution 200.

Resolved, That the Clerk of the House of Representatives be, and he is hereby, authorized and directed to pay, out of the contingent fund of the House, to William H. Fulham the sum of $203.33 and to Belle Dupré the sum of $103.33, being the amount received by them per month as clerks of the late Hon. H. Garland Dupré.

The SPEAKER. The question is on agreeing to the resolution.

The question was taken, and the resolution was agreed to.

ASSISTANT CLERK TO COMMITTEE ON ENROLLED BILLS.

The SPEAKER. The Clerk will report the next resolution.

The Clerk read as follows:

House Resolution 195.

Resolved, That the chairman of the Committee on Enrolled Bills be authorized to appoint an assistant clerk to the Committee on Enrolled Bills, who shall receive compensation at the rate of $3 per diem during the sessions of the Sixty-eighth Congress, to be paid out of the contingent fund of the House, payment to commence from the date such clerk entered upon the performance of duties, which shall be ascertained and evidenced by the certificate of the chairman of said committee.

Mr. MADDEN. Mr. Speaker, reserving the right to object, I would like to ask the gentleman a question. Is this the usual provision made at each session of Congress for assistant clerks?

Mr. MacGREGOR. This has been done ordinarily, only the per diem has been $6 instead of $3. We have cut it $3.

Mr. BYRNS of Tennessee. Let me ask this question: Does this increase the number of clerks for the committee over what it was in previous sessions or is it the same number? In other words, how does the present force compare with other sessions?

Mr. MacGREGOR. The Committee on Enrolled Bills has one clerk. This gives him an assistant clerk and has been customary.

Mr. BYRNS of Tennessee. I understood the gentleman to say that, but how many clerks did they have during the last Congress?

Mr. MACGREGOR. They had the same. We gave the clerk an assistant clerk.

Mr. GARRETT of Tennessee. Throughout the major portion of the Congress?

Mr. MACGREGOR. Yes; during practically all of it.

Mr. BANKHEAD. Will the gentleman allow me to ask a question?

Mr. MACGREGOR. Certainly.

Mr. BANKHEAD. This is a competent man and you have been paying $6. Why is it you cut him to $3 unless you expect to work him half the time? That is a rather unusual thing.

Mr. MACGREGOR. During a good many Congresses they have been paid a per diem, sometimes three and sometimes four, at so much per diem. The chairman of the committee now seems to think he can get along with this one man as a comparing clerk with the regular clerk at this rate.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. MACGREGOR. Certainly.

Mr. BLANTON. I am a member of this committee. Would the gentleman mind giving me five minutes on this resolution?

Mr. MACGREGOR. Certainly not. I have no objection.

The SPEAKER. Is there objection to the present consideration of the resolution? [After a pause.] The Chair hears none.

Mr. MACGREGOR. Mr. Speaker, I yield five minutes to the gentleman from Texas.

Mr. BLANTON. Mr. Speaker, I just wanted to call attention to the peculiar actions of inconsistency on the part of the House of Representatives concerning various measures. We are now voting to pay a clerk $3 a day as compensation. This is supposed to furnish him a livelihood. Yesterday and day before we had a proposition up here concerning the several hundred traveling employees of the Revenue Bureau, and in addition to the big salaries they are to draw and in addition to paying all their transportation expenses, the House of Representatives, over my protest, allowed them $7 a day additional for subsistence alone.

Mr. GILBERT. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. GILBERT. Does the gentleman know what service this clerk performs?

Mr. BLANTON. The service of an extra clerk to the committee. I presume if he does not perform some service valuable to the country he ought not to be appointed, but if he is appointed he ought to be paid more than $3 a day for the House to be consistent, especially when the House went on record yesterday in favor of $7 per day allowance to employees for subsistence. I asked that the rate of subsistence allowance be reduced from $7 to $5 and the House voted down that amendment and insisted on paying an allowance for subsistence of $7 a day in addition to transportation and salaries to certain other employees of the Government. And yet on this occasion we are giving a clerk for the performance of duties $3 a day. If the duties are not worth performing, he ought not to be appointed.

Mr. GILBERT. For the gentleman's enlightenment I will say that this clerk is a temporary clerk to read and compare the bills. The chairman said he could find a young lady thoroughly competent who would listen while some one else read to see if the comparison was correct, and he could get the service for $3 a day; and if so, why pay more?

Mr. BLANTON. I agree with the gentleman that for such work you can get an efficient young lady for that remuneration. At the same time, what I was calling the attention of the House to was that if a young lady can live on $3 a day—furnish board, room rent, and clothe herself properly—surely other employees of the Government on good salaries, with the payment of all their transportation expenses, should not be allowed $7 a day additional for subsistence, but that $5 would be sufficient.

Mr. GILBERT. This young lady only gives a part of her time. I would say that I am on that committee—not only in the Directory but in fact—and have examined into this matter, and I think it is a reasonable and proper allowance.

Mr. BLANTON. Has my distinguished friend and ex-jurist from Kentucky ever seen an employee of the Government who gave more than part time? Part time is the practice and custom in these days. All give part time to the Government. I was merely protesting against the extravagance of the House yesterday.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

ENROLLING CLERK.

Mr. MACGREGOR. Mr. Speaker, I call up a further resolution from the Committee on Accounts.

The Clerk read as follows:

House Resolution 199.

Resolved, That there be paid out of the contingent fund of the House, from and after February 1, 1924, compensation at the rate now paid for the services of an enrolling clerk to act during the illness of the present incumbent.

The SPEAKER. The question is on agreeing to the resolution.

The question was taken, and the resolution was agreed to.

DISTRICT OF COLUMBIA POLICE AND FIRE DEPARTMENTS.

Mr. ZIHLMAN. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 5855) to fix the salaries of officers and members of the Metropolitan police force and the fire department of the District of Columbia; and pending that, I ask unanimous consent that general debate be limited to two hours, one half to be controlled by the gentleman from Texas [Mr. BLANTON], the ranking member of the minority, and the other half by myself.

The SPEAKER. The gentleman from Maryland moves that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 5855.

The motion was agreed to.

The SPEAKER. The gentleman from Maryland asks unanimous consent that general debate be limited to two hours, one-half to be controlled by himself and one-half by the gentleman from Texas. Is there objection?

There was no objection.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. CHINDBLOM in the chair.

Mr. ZIHLMAN. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. ZIHLMAN. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. COOPER].

Mr. BLANTON. Mr. Chairman, I yield 10 minutes also to the gentleman from Ohio [Mr. COOPER].

The CHAIRMAN. The gentleman from Ohio is recognized for 20 minutes.

Mr. COOPER of Ohio. Mr. Chairman, the people of Washington and the whole Nation were startled a few days ago when the news came to them that United States Senator GREENE, of Vermont, was shot down while peacefully walking along historic Pennsylvania Avenue, literally in the shadow of the Dome of the Nation's Capitol, during a pistol battle between bootleggers and officers of the law.

This incident has done more than anything else to focus the attention of the public on the bold activities of outlaw liquor dealers and the entire question of law enforcement. Properly and rightfully the people are demanding to know why it is not safe for law-abiding citizens to walk along the best-known street in the country within almost a stone's throw of our Nation's Capitol Building, where our laws are made.

TIME TO SPEAK OUT.

I say that the time has come for some one to speak out and endeavor to place the blame on the right shoulders for the condition which made possible this outrageous occurrence. If a prohibition officer is guilty of carelessly shooting firearms, he should be punished.

But, Mr. Chairman, it seems that every effort is being made by certain interests in Washington to fix the entire responsibility on the Federal agent, who with police officers of the district, surprised a band of bootleggers who were boldly unloading a whisky still in the heart of the Nation's Capital, and when the officers came upon them, they engaged the latter in a pistol battle which resulted in the shooting of Senator GREENE.

BOOTLEGGERS FAVORED.

I regret to have to say that it appears that the effort to make the Federal prohibition agent solely responsible for this shooting is not restricted to wet committees and organizations. Immediately after the shooting the Federal agent was placed under arrest and kept in jail until late the following afternoon before being released on bond. The next morning the bootleggers who escaped the officers the night before were arrested and immediately released on bond of $3,000 apiece, while the prohibition agent had to furnish bond for $5,000 when he was finally given his freedom.

Why this discrimination against the officer of the law and this tenderness toward the bootleggers by officials in Washington who are supposed to uphold the law? I assert that the bootleggers who were involved in this affair should have been kept in jail without bond until all danger that Senator GREENE would lose his life had been removed. Why did not the United States District attorney here in Washington see that this was done?

BOOTLEGGERS' PATRONS MUST SHARE BLAME.

I charge that this is just an illustration of the attitude of powerful influences in the Nation's Capital toward the illegal, disgraceful, and notorious traffic in booze which has been thriving in Washington. And the greatest shame and disgrace of it all is, that there are many, so we are told, who are high in the official and political life of the Nation, people of supposed intelligence and education, those of social and financial standing who stand back of the bootlegger by patronizing their contemptible illegal business. These people of the gay night life mixing their cocktails and highballs are the first to speak in superior condemnation of the officers who take their lives in their hands when they interfere with the bold bandits who are engaged in supplying these thirsty patrons.

If these people had sufficient respect for the Federal Constitution and the law of the land to control their selfish appetites, the so-called "society" bootleggers would starve to death, and the likelihood of pitched battles on the public streets, endangering the lives of law-abiding citizens, would be almost removed. [Applause.]

So, Mr. Chairman, I say to the people of the country who would know why a United States Senator was shot down on Pennsylvania Avenue the other day, that they can first of all put the blame on the careless, indifferent, selfish patrons of the bootleggers, especially those who boast of their standing in the community and who therefore serve as examples for the poor and the ignorant to follow.

LAW OFFICERS SCORED.

Next among those who deserve the condemnation of all right-minded citizens are those public officials charged with enforcing the law, who fail to do their duty earnestly, honestly, and without fear or favor. I grant you that these officials have no easy task, but unless they are willing to do their best and try to perform their sworn duty they should surrender their places to others more ready or more competent.

The best men available should be given a free hand to enforce the law. I charge that this has not been done in Washington. Young inexperienced lawyers are assigned by the district attorney to prosecute cases against bootleggers, while the bootleggers have the best talent obtainable to defend them.

Only a few days before Senator GREENE was shot it was announced that several deputy United States marshals in the District had been suspended from office for alleged complicity with a rum-running syndicate. It does not seem to me that either the district attorney or the United States marshal take the prohibition enforcement question with sufficient seriousness.

POLITICS CAUSES TROUBLE.

Mr. Chairman, a large number of the prohibition-enforcement officers honestly try to do their duty and enforce the law, but just as long as men are appointed to the difficult task of enforcing prohibition because of political influence and backing, enforcement of the law will be neglected. Many of those appointed as prohibition-enforcement officers are not chosen for their qualifications or because they honestly believe in the enforcement of the eighteenth amendment but, by reason of strong political influence, enforcement officers have been appointed who were not in sympathy with the law. It is charged that politicians have cooperated with dishonest enforcement officers and collected their share of the spoils. It is a known fact which can not be challenged that many of the politically appointed enforcement officers, while on the pay roll of the Government have spent a large part of their time in working at the political game in the interest of the politicians who were responsible for their appointments. And this is one of the chief reasons why prohibition enforcement has not been more effective.

Politics should have no place in the enforcement of the eighteenth amendment. It is not a party question. The whole enforcement of prohibition should be taken away from the politicians and placed into the hands of some department of government under one head who would be held responsible for the enforcement of the law.

POLITICAL APPOINTEES PILL BUREAU.

The work of prohibition enforcement is hard enough without being complicated because of political obligations and entanglements. To-day the Federal prohibition bureau is full of political appointees from the top to the bottom. The time has come when the people are going to demand that our prohibition officials see to it that the law is enforced. I have come to the conclusion that some of the officers who have been appointed are not now and never have been in sympathy with the enforcement of the provisions of the eighteenth amendment to our Constitution.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. COOPER of Ohio. Yes.

Mr. BLANTON. Men high up in legislative activities and prominent newspapers are advocating that prohibition-enforcement officers should be disarmed. How could there be any enforcement as against armed bootleggers if we disarmed our enforcement agents?

Mr. COOPER of Ohio. I think the gentleman's question answers itself.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. COOPER of Ohio. I have only a little time, and I wish the gentleman would permit me to proceed without interruption at present. Finally we have the wet propagandists themselves, who by their activities, their utterances, and their declarations encourage violation of the law.

Mr. Chairman, a few days ago I received an amazing communication through the mail relative to the recent unfortunate shooting of Senator GREENE.

WETS ENCOURAGE LAW VIOLATIONS.

This communication came to me from an organization styling itself the "Joint legislative committee of the American Federation of Labor, National Association Against the Prohibition Amendment, Constitutional Liberty League, and the Moderation League Incorporated." It states that James Duncan, first vice president of the American Federation of Labor is chairman, and one James C. Espy is publicity director. The committee headquarters are at the New Willard Hotel, Washington, D. C.

The communication which I referred to a moment ago reads, in part, as follows:

> We charge that United States Prohibition Commissioner Roy A. Haynes has incited his agents to commit murder in the enforcement of the prohibition law. There are instances where Federal prohibition agents have attacked and shot innocent citizens. The indiscriminate use of firearms by the several thousand armed agents of the enforcement department has become a menace to the lives and safety of the people, and nobody has done anything about it.

We all deplore the shooting of Senator GREENE. Among his colleagues in the Senate and the Members of the House of Representatives with whom he served for years with distinction and credit to his State and Nation, no party lines nor other distinctions separate us in the common shock which we experienced when the news was brought to us that he had been wounded.

LIQUOR OUTLAWS HAVE BLOODY RECORD.

But, to my mind, those who are responsible more than anyone else for this outrage are attempting to throw out a smoke screen under which they would cover their guilt and shame. The liquor outlaws have written a bloody record since the advent of prohibition. They have defied all our laws, and in the very shadow of the Nation's Capitol they were caught violating the fundamental law of the land.

This wet organization or committee which makes the public charge that the Federal prohibition commissioner has incited his agents to commit murder does not utter one word of criticism of the bootleggers who were caught in the act of unloading from an automobile a whisky still almost within a stone's throw of this Capitol Building at the point where Senator GREENE was shot. Not one word do we hear from them which even slightly reflects on these law violators.

During the last two or three years from 35 to 50 Federal officers have been killed by bootleggers and rum runners. I now challenge this organization to show where they have on any single occasion expressed any regret for the murder of these officers who were trying to carry out their sworn duty. Many of these victims were young men. They are survived by families with little children who must now face life's battle alone. Some of them fought under our flag during the World War and passed through all the major engagements of the great conflict without a scratch from the enemy, only to be murdered by bootlegging assassins after they returned home.

WETS DON'T CONDEMN BOOTLEGGERS.

Whisky runners and bootleggers killed these officers, but we do not hear one word of condemnation from the lawless liquor-traffic advocates or this organization of personal-liberty howlers

who have their headquarters at the seat of our Government in Washington and are now challenging the right of the American people to enforce laws that have been enacted by the orderly process of Government.

That such an accident to a prominent Senator should be seized upon by a wet organization for propaganda purposes is an outrage and insult to every law-abiding citizen. Their attitude gives encouragement to the bootlegger and whisky runner and to a large extent is responsible for the shooting of prohibition-enforcement officials. The demand which they make that the officers of the law shall not be permitted to defend themselves is an open invitation to every criminal in the country to violate the law with impunity. [Applause.]

Their charge that prohibition agents are invited to shoot is a falsehood, for the instructions given them are never to use firearms except in self-defense.

LIQUOR OUTLAWS SHOOT TO KILL.

How long should an officer stand as the target for the bullets of the outlaw rum runner? Shall we permit those who have no respect for the laws of the land to kill those who are trying to enforce a plain provision in the Constitution? [Applause.]

To-day we find the outlaw bootlegger and rum runner with high-powered motor cars, equipped with smoke screens to throw off pursuit. Armed to the teeth, these criminals of the liquor traffic are the most desperate and dangerous group of organized bandits in our country.

They deal in poison and ply their trade with murder and bloodshed. A short time ago these outlaws killed a Federal officer, and, not content with his death, they poured 76 shot in the dead body of their victim. These are the type of criminals who make it unsafe for law-abiding citizens to walk the streets day or night.

About two months ago, in my own State of Ohio, in the dead hour of the night, bootleggers dynamited the home of a prohibition agent, seriously injuring the officer's wife and baby. Two or three weeks later this same brave officer was stabbed to death by whisky runners in my home city. But this foul murder was not wholly unexpected, for the organized band of law violators had served notice that they would kill him or anyone else who attempted to interfere with them while they were plying their unlawful business.

SHOCKING MURDERS COMMITTED.

It is only a short time ago that the country was shocked by the slaying of Federal Prohibition Officer Stewart, of Buffalo. This officer was killed by the riffraff who put no value on human life. But these murders do not stop the ceaseless propaganda by the wets, who are seeking to break down the law of the land and thereby encouraging those who are engaged in bootlegging and whisky running to kill those who would balk them.

Recently the sheriff of Franklin County, Ind., was shot and killed by whisky runners whom he surprised. A patrolman of South Bend, Ind., was killed and another seriously wounded in a fight with bootleggers. Booze bandits in ambush fired on Federal officers who were returning from a raid in Floyd County, Ind., in an attempt to rescue prisoners whom they had taken. All of these are recent events; but we have not heard one word for law observance; we have not heard one word of condemnation from this so-called joint legislative committee which is trying to divert the attention of the country from the criminal to the officers of the law who are endeavoring to enforce a constitutional provision against the sale of intoxicating liquors.

WHISKY RUNNERS BUSY.

Last week an officer of the Unted States Coast Guard testified before a committee of Congress that the whisky runners along our coasts go armed to the teeth and frequently fire upon the Coast Guard men when the attempt is made to capture them.

I believe that Congress and the States should pass additional laws to severely punish the murderous bootlegger and whisky runner who are at large in many parts of our country, determined to kill those who try to prevent them from selling their poison liquor. [Applause.]

Let me say to this committee and the National Association Against the Prohibition Amendment and other organizations of like character that they would command greater respect from the American people if they would proceed in an orderly and lawful way to carry on their campaign for the repeal of the national prohibition act, instead of quickly coming to the defense of whisky runners and encouraging them to carry on their unlawful business.

WORKERS WON'T AID WETS.

Mr. Chairman, in closing let me say it is no credit to labor organizations to have Mr. James Duncan, vice president of the American Federation of Labor, as chairman of this wet committee. It is no credit to Mr. Duncan, who has been a leader of organized labor for years, to allow his name to be used by an organization which would nullify the Constitution of our Republic and put obstacles in the way of law enforcement. It is to be regretted by the decent, law-abiding workmen that Mr. Duncan can not find something more worth while to do for the benefit of wage earners than to place himself at the head of an organization which seeks the return of the liquor traffic, which was ever the arch enemy of the workingman and his family. [Applause.] But the workers will not assist him in this effort to flood the country with wet propaganda. He has allowed himself to be used as a tool of wet agitators who are misrepresenting the thought and attitude of the decent, sober-minded, law-abiding working classes of our Nation.

An overwhelming majority of the American wage earners stand for law and order, not for moonshine whisky and nullification. They stand for opportunity and decency, not for crime and drunkenness. [Applause.]

PROHIBITION SURE TO BE TRIUMPHANT.

Mr. Chairman, in conclusion I want to express the hope that nothing I have said here to-day will cause anyone to think that I am fearful of the future of prohibition. I am not, because I have faith in America and the American people. Our people have always met a great crisis when it came. And sooner or later the citizens of our country will be aroused and demand that the laws against the liquor traffic be fully enforced. For the sake of our country, for the sake of clean politics and good government, for the sake of the home, for humanity's sake, let all good citizens unite and put an end to present wanton disregard for the Constitution and the law of the land. [Applause.]

Mr. ZIHLMAN. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. CABLE].

Mr. CABLE. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CABLE. Mr. Chairman, I have sent a letter to the Clerk's desk, written to Commissioner Curran, which I ask the Clerk to read in my time.

The CHAIRMAN. Without objection, the Clerk will read.

There was no objection, and the Clerk read as follows:

FEBRUARY 11, 1924

To Mr. CHARLY CURON

Imigration Commissioner of Ellis Island N. Y.

So I read in the newspapers that you ar from Congresman Johansons grup as against the Imigration and your advers to clos the American dors for Imigration. So you should know that next year 1925 will be a demecratic President in the White house and he will nok our your hed from the Immigration office he will apoint a liberal man as Imigration Commissioner in Ellis Island and you should remember if the Imigration law will be pasd so like you want so all the republican caundiats for offices from the President and down wil be defidet by next election—

FROM CITIZEN OF THE UNITED STATES.

Mr. CABLE. Mr. Chairman, partisan politics has not up to this year entered into the question of immigration legislation. It was a hundred years after the signing of the Declaration of Independence before Congress enacted any restrictive immigration laws at all, and it was only then because certain foreign countries were literally shipping their paupers and convicts to America. Later Democratic and Republican Congresses passed immigration bills only to be vetoed by Republican and Democratic Presidents. In 1917 our present basic immigration law was passed by a Democratic Congress over the veto of a Democratic President. In 1921 it was a Republican President who signed the present quota law. I want to say, as my friend and colleague from Ohio [Mr. COOPER] has just said in respect to prohibition, that there is no room for partisan politics in solving the immigration problem. It is a purely patriotic question involving American traditions and ideals. Democrats and Republicans alike, in my opinion, are equally loyal in their desire to protect America and the American people from the influx of immigrants that threaten to come to the United States at the present time. [Applause.] The partisan issue was not raised until what I term a foreign bloc raised its head and held out its votes to the Republican Party and to the Democratic Party alike, offering its support and votes to the party that would

assist them in the defeat of the immigration bill, and threatening the defeat of the other party.

Mr. LINEBERGER. Mr. Chairman, will the gentleman yield?

Mr. CABLE. Yes.

Mr. LINEBERGER. If this bloc, which has the influence to which the gentleman has referred at this time, is permitted to increase itself in the coming years by a further influx of immigration, what sort of a situation would the gentleman anticipate we will have in four or five or ten years from now when we attempt to pass restrictive measures?

Mr. CABLE. A more difficult situation. I submit that the Democrats and the Republicans must unite in forming an "American bloc" and that neither need yield to the foreign influence.

Mr. BOX. In view of the fact that five of the seven Democrats of the House Committee on Immigration have joined in the report favoring the Johnson bill, and the probability that it will be almost solidly supported by the Democrats of the House, to what place will these gentlemen who threaten our patriotic Republican brethren be forced to go for comfort?

Mr. CABLE. They will have no place, unless they return to the foreign countries in whose nationals they seem more interested.

Mr. SABATH. Mr. Chairman, will the gentleman yield?

Mr. CABLE. Yes. But before I yield I want to say that the question of partisan politics has never been raised in the House Committee on Immigration since I have been a member, and it should not have been raised in this House.

Mr. SABATH. Will the gentleman designate the bloc in the House which the gentleman says has been formed on the immigration bill, and what pledges or promises they had made as to what legislation to defeat?

Mr. CABLE. They propose to defeat H. R. 6540. As the gentleman knows, that bill was reported to the House by the committee on February 9. Yet, according to the Boston Transcript of February 7, a report was sent from Washington to New England stating that certain Italians had come to Washington and that they had conferred with certain Congressmen, and that these Congressmen had agreed to work against the bill.

Mr. SABATH. What I want to know is the bloc in the House?

Mr. CABLE. I will answer the gentleman's question.

Mr. SABATH. And on what legislation they had made a deal.

Mr. CABLE. I will answer the gentleman's question. Here is the report that was broadcasted throughout the New England States by the bloc that came here to defeat the bill:

Let me read to the gentleman the last paragraph of the special dispatch appearing in the Boston Transcript the 7th of February. After naming the Congressmen pledged against part of the bill, it states:

> Mr. Petetti said that apparently Congress intends to pass the House bill. He added that if the measure should pass in its present form he was afraid the Italian voters of Massachusetts, New York, Rhode Island, and Connecticut, who are practically all Republicans, will leave the party in a body. The delegation intends to return to Boston tonight to begin a series of mass meetings against the bill.

That delegation did not come here as American citizens, but as a foreign nationality or group to oppose the bill.

I have here a report from the New York Herald of February 9, the day on which the bill was reported out, wherein it is stated that Representative LAGUARDIA, of New York, said and predicted that if the bill passed, New York City in the next election would go 500,000 Democratic and make it impossible for the Republican vote up State to overcome the lead, thus losing the State in the Electoral College.

I repeat, partisan politics have no place in this patriotic question. It is a nonpartisan proposition, and it is a serious matter to determine who shall come to the United States and who may become American citizens. Congress must not be dictated to by a foreign bloc in framing the law.

Mr. SABATH. I agree with the gentleman, but I would like to know the bloc. I understand the term "bloc" is used in Congress when a group of Members get together and fight for or against certain legislation. You have charged that there has been such a group formed here for the purpose of defeating this legislation and has made arrangements, or a deal, to support or defeat some other legislation.

Mr. CABLE. I will not yield to the gentleman to make a speech. I have made that statement before. If this newspaper report is true, these people coming from the New England States show that there is a bloc.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. CABLE. Yes.

Mr. RANKIN. The gentleman read into the RECORD a letter from some alien threatening the Republicans in case this restrictive law was passed. I presume the gentleman knows that we Democrats are also receiving similar letters, threatening a Republican administration if we refuse to accede to their wishes.

Mr. CABLE. Yes; that is the way the game is being played, both ends against the middle. I want to show that partisan politics has been injected into this proposition by the foreign bloc. For example, here is what Major Curran, commissioner of immigration at Ellis Island, said:

> I had a telegram from a Congressman the other day demanding the admission of a certain Greek immigrant because, he said, the Greek vote in his city depended upon the admission of that immigrant, and there were 8,000 Greek votes in that city. Just what is a "Greek vote" in America? What business has it to be here?

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. CABLE. Mr. BLANTON, may I have five minutes more?

Mr. BLANTON. I yield to the gentleman five minutes more.

The CHAIRMAN. The gentleman from Ohio is recognized for five minutes more.

Mr. CABLE. I want to call further attention to the influence that is being brought to bear. Take the city of New York, for example. The foreign stock constitute 80 per cent of the population. Only 20 per cent of the people of the city of New York are native born of native-born parentage. What happens in the city of New York? I read from the New York American of February 20, 1924, the following:

> The board of aldermen yesterday unanimously adopted a resolution petitioning Congress to defeat the Johnson immigration bill.

That shows the effect of the foreign born in the United States in attempting to dictate to Congress what laws should be passed and what should be defeated.

Now, the St. Louis Globe-Democrat—what does it say? On February 16, 1924, in an editorial the St. Louis Globe-Democrat says:

> Warnings that the State of New York will be lost to the Republicans next fall if the bill passes are not to be taken too seriously. The regulation of immigration has never been a partisan issue, and the humane provisions of this bill ought to appeal to rather than affront the naturalized vote in the East, whose alienation is alleged to be threatened.

The New York Times of February 26 says:

> Too many of the protests against immigration restriction have been made by persons more interested in specific foreign groups or foreign nations than in the homogeneity of the United States.

According to another newspaper, it appears that foreign-language newspaper editors have organized to defeat the bill.

Not only nationals in the United States but foreign nations throughout the world are attempting to defeat this bill.

Mr. RANKIN. Mr. Chairman, will the gentleman yield again?

Mr. CABLE. In a second.

According to the Columbus Dispatch of January 27, the Japanese Government has brought pressure to bear to defeat the legislation. The Columbus Dispatch says:

> Japs may cancel $200,000,000 in United States trade orders. • • • New York alien bloc ready.
>
> The pressure of foreign governments and alien blocs on administration leaders and Members of Congress will retard formation of the new immigration bill and may lead to radical changes, if not the defeat of the bill, in the opinion of some members of the committee.

Now I yield to the gentleman.

Mr. RANKIN. I understand the Secretary of State, Mr. Hughes, is opposed to this bill, and I just wanted to ask the gentleman if, in his opinion, such a propaganda as he refers to has had any effect on him in making up his mind in opposition to it?

Mr. CABLE. I respect the Secretary of State, but I can not agree with him on his proposition of admitting Japanese into the United States on a quota basis.

Mr. RANKIN. Does the gentleman think that the Secretary of State's opposition to this bill is going to retard its passage?

Mr. CABLE. I doubt it.

Mr. KING. Mr. Chairman, will the gentleman yield there?

Mr. CABLE. Yes.

Mr. KING. I want to know, for information, whether the gentleman in his work has discovered whether or not the shipping interests of New York City, and allied shipping interests, are opposed to the bill?

Mr. CABLE. I imagine they are, because the bill would cut down their revenue.

Mr. BOX. Is opposition to restriction and proper regulation of immigration not in line with their attitude throughout the entire history of the country's efforts to deal with the problem?

Mr. CABLE. Yes.

Mr. JOHNSON of Washington. In answer to what effect statements in letters by Secretary Hughes might have on the bill, I wish to say that if the committee has time, it proposes to accept some of the administrative suggestions of the Secretary of State or amendments that might make the overseas immigration more workable. But as to the question of policy, the committee insists on the bill as it is reported, and will let the House vote up or down on the bill.

Mr. CABLE. I am glad to have the chairman make that statement.

Members of the committee, I want to call your attention to a clipping from Labor, a paper published in Washington, wherein it is stated:

> Foreign nations seek to write United States immigration law. Great pressure being brought on Congress to defeat Johnson restrictive measure. Large employers, foreign governments, and so-called alien blocs in this country have turned their batteries against the bill sponsored by ALBERT JOHNSON, Representative from Washington.

From the Times-Star of Cincinnati, Ohio, of February 10, 1924, I want to read this editorial statement to the members of the committee, and particularly to the gentleman from Chicago, Mr. SABATH:

> There is a foreign bloc in Washington, and it is at least as active as the other blocs. It is trying hard just now to prevent the enactment of any effective immigration legislation. On the other hand, feeling throughout the country is ten to one for restriction.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. CABLE. Mr. Chairman, may I have one more minute?

Mr. BLANTON. Mr. Chairman, if we could locate the gentleman from Maryland [Mr. ZIHLMAN], the gentleman might have additional time. I have already yielded the gentleman five minutes.

Mr. SANDERS of Indiana. Mr. Chairman, I will take the responsibility of yielding two minutes to the gentleman from Ohio.

The CHAIRMAN. The gentleman from Ohio is recognized for two additional minutes.

Mr. CABLE. I thank the gentleman. I have a letter here from a lawyer—who is a naturalized citizen—in the city of Cleveland, Ohio, and I want to read the concluding paragraph of that letter:

> You and your "American" friends in the American Congress assembled should know and must know that, although some of us were born in foreign countries, we are not "foreigners" but loyal American citizens. We are with you in the "American bloc."

I want to commend that statement and the writer's patriotism. Many naturalized citizens are just as loyal as the native born. The mistake some make is that they attempt to use influence in the passage of legislation more in the interest of their native land than their adopted country. This immigration bill would not affect any foreign born here. I favor restrictive legislation. It will benefit all here alike, native and foreign born, alien and citizen.

Mr. LINEBERGER. Will the gentleman yield?

Mr. CABLE. Yes.

Mr. LINEBERGER. This is a selective immigration bill.

Mr. CABLE. Yes.

Mr. LINEBERGER. Has not the gentleman found in his experience as a member of the Immigration Committee that there is a very substantial, a very large, sentiment in this country that is for the entire suspension of immigration for a period of five or ten years, and is not this bill, in a measure, a compromise with that sentiment?

Mr. CABLE. I will say to the gentleman that if the committee reported a suspension bill the House would pass it.

Mr. LINEBERGER. There is no doubt about that.

Mr. CABLE. This bill admits fireside relatives of American citizens outside the quota. It counts abroad instead of in New York. It will do away absolutely with the hardships of deportation as far as the quota provisions are concerned.

The national need for a further restrictive as well as selective measure is recognized in the bill. The changes proposed are not radical but necessary and may be summarized as follows:

The weaklings are weeded out abroad by means of a certificate plan and the granting to American consuls the discretion to refuse visés to those in their opinion undesirable. No families will be separated because of excess quotas, as no one can start without a certificate, which must be used within two months from the date of issue. It also prevents the racing of huge liners across the ocean to be the first to land their passengers. By means of this certificate plan a steady flow of foreign born through Ellis Island will be possible, resulting in a more thorough and more intensive examination.

The quota is reduced from 3 to 2 per cent, so that new arrivals may be limited to our capacity to absorb them. The census of 1890 instead of that of 1910 is proposed.

No discrimination against any country can be claimed, because fathers and mothers over 55 years of age, husbands and wives of citizens of the United States, as well as their unmarried minor children under 18 years of age, are admitted as nonquota immigrants, and such persons will come chiefly from countries whose quotas will be cut.

Those who are not eligible for citizenship are not admissible, because "we have no room in this land for those who can not assume the duties and obligations of citizenship."

A minimum quota of 200 is provided for every country. Seepage of alien seamen into the United States will be stopped by means of a landing-card provision. The proposed bill reduces the number who may come from 357,000 to 169,000.

The fight for further restrictive immigration is not as yet won. The bill is not a law. Alien influence, international in character, is joining forces with "alien blocs" in the United States to prevent the passage of this measure. In large cities where the foreign born hold the balance of power, threats of political punishment have already gone out to their Congressmen in case the measure is passed.

In addition, the work is not complete. Congress should continue the constructive program by adding to the quota the nationals of Mexico. A law should be passed penalizing the thousands of aliens who are smuggled into this country in defiance of our law. The only legal remedy now available is deportation, and that is seldom used because of lack of funds.

Enact a law placing the alien bootlegger in the class with the other deportable aliens. Permit the confiscation of airplanes, automobiles, and ships now used in the business of smuggling aliens into the United States. Establish patrols along the many unguarded highways leading into this country and at the same time conduct a thorough survey of our penal institutions to ascertain the undesirable alien and deport him.

Our Nation, neither economically nor socially, needs more immigrants, but it does need to make good citizens of aliens now here. This is best accomplished by the restrictive policy of this bill. America must be kept American.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. ZIHLMAN. Mr. Chairman, I yield five minutes to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Chairman and gentlemen of the committee, the bloc which has been created by my friend and colleague from Ohio——

Mr. CABLE. Will the gentleman yield?

Mr. SABATH. Yes.

Mr. CABLE. I will say this: It was the foreign born who came here before the bill was reported out that opposed the organization of an American bloc to protect American principles and ideals under American laws. [Applause.]

Mr. SABATH. I venture to say that all of the gentlemen who came and appeared before the committee are just as loyal and just as law abiding as any voters or citizens in the gentleman's district, and you nor anyone else needs to fear that American principles and ideals are in any danger by anything that they have done or may do in the future.

What I desire to say is this: That the bloc is a creation in the suspicious mind of the gentleman who has given birth to the foreign bloc in the interview he gave out and in the statement he made here some time ago.

Mr. Chairman and gentlemen, you all, as well as myself, were very much amused when the gentleman from Ohio had the letter, purporting to come from some foreign born, addressed to the commissioner at Ellis Island, read. As you observed, it was signed "Citizen" and typewritten. Does not that appear a little suspicious? Of course, I would not even insinuate that my colleague would for a moment doubt that such letter had actually been written, but I do firmly believe that it was written—not by a foreign-born citizen—but by one of those busy professional restrictionists with a view of being utilized and, perhaps, even read by some one on the floor not only for political reasons but for the purpose of creating prejudice in the minds of the Members of the House, and this would not be unusual because at all times while immigration bills are being considered, statements, articles, yes, even statistics, are being manufactured to be utilized to mislead the American people against immigration.

Mr. CABLE. Will the gentleman yield?

Mr. SABATH. I have only five minutes.

Mr. CABLE. I have the original letter here which the commissioner gave me.

Mr. SABATH. I have only five minutes. Now, the gentleman from California, and, of course, as Californians feel the same way, they are continuously fearful and afraid of the future of our Nation. Well, I want to say to him——

Mr. LINEBERGER. I want to correct the gentleman. We are not afraid of anything, but we want to protect the Nation.

Mr. SABATH. The gentleman should not be afraid of anything.

Mr. LINEBERGER. We are afraid of this bloc more than anything else.

Mr. SABATH. I assure the gentleman he does not need to lose any sleep or be afraid of this bloc, because there is no such thing in existence that I know of. I have been a member of this committee for 16 years; this is my seventeenth year, and if there were such a bloc I believe I would know about it; in this, I believe, even the gentleman from Ohio will agree that I hide nothing and usually say things as they are to the best of my ability.

Mr. CABLE. I will say to the House that the gentleman is a good member of the committee, but we do not usually vote the same way.

Mr. SABATH. No; we do not always agree, and that is because the gentleman does not really understand the fundamental principle involved in the great question. [Applause.]

I have believed, and I believe now——

Mr. CABLE. Will the gentleman yield?

Mr. SABATH. In one second. I am of the firm opinion and belief that notwithstanding the frequent unjustified charges that are being made against immigration our country in no way has suffered from it, but, on the contrary, has been greatly benefited. It is not only the present-day immigration but the immigration of a hundred, eighty, sixty, and forty years ago was obliged and did perform the hardest and the most common work which helped to upbuild our country. It has been employed in the forests and in the fields, in the mines, in the shops and plants, and has in every way aided and assisted in developing the wealth of our Nation. Not only has the immigrant helped to create, but he materially aided in finding an outlet for our surpluses, which has made our country the envy of the world, not only rich and prosperous, but the best country to live in.

The so-called "new" immigrant beyond doubt has clearly proven and demonstrated his loyalty to our country, to our flag, and to our institutions, and it is manifestly unfair that not only he but those of foreign parentage should be condemned on the floor of the House by a certain few gentlemen who make it appear that they are undeserving or that the Nation, as is so often stated, is in imminent danger from them.

Of course, I had not expected that the gentleman from Ohio would deliver his immigration speech, so ably prepared, at this time. In the near future I am going to answer him and others at length. Then I will show the gentleman from Ohio and some of my colleagues from the South, as well as from the Pacific coast, that they unnecessarily fret and that they are in error when they try to make the Nation believe that the newer immigration is inferior to the older immigration, and I will not only go back to the immigration of the eighties and sixties but for their information I will read statements and reports made by men who, like they, looked with apprehension to the then coming immigration, and I know that the Members and the country will be amused when they read the unkind things that were said of the immigrants who were charged with overrunning our cities and filling our penal institutions in 1670. And when opportunity presents itself I shall also read some of the reports about the immigrants who were coming in the seventeenth, eighteenth, and nineteenth centuries. Not with the intention, of course, to reflect upon them or the splendid citizenship of our country but merely to bring to the attention of the House and the country how some gentlemen even in those early years have been carried away with prejudice as some are to-day, and that the praise given to the earlier immigration was not forthcoming then, and for that purpose alone I insert, having the opportunity to extend my remarks, an extract from pages 18, 19, 20, and 21 of the second annual report of the managers of the Society for the Prevention of Pauperism, dated New York City, December, 1819:

First. As to emigrations from foreign countries, the managers are compelled to speak of them in the language of astonishment and apprehension. This inlet of pauperism threatens us with the most overwhelming consequences.

And this in the report of 1819, over 100 years ago:

The present state of Europe contributes in a thousand ways to vast and unceasing emigration to the United States. A universal shock of commercial embarrassment has pervaded, and still pervades the continent of Europe. The whole system of trade and exchange is affected; internal industry directed to new objects; nations are manufacturing for themselves, and abandoning the usual resorts; armies and navies are disbanded and labor-saving machinery is daily lessening the necessity of manual industry. Hence an almost innumerable population beyond the ocean is cast out of employment, and this has the effect of increasing the usual want of employ. This country is the resort of vast numbers of these needy and wretched beings. Thousands are continually resting their hopes on the refuge which she offers, filled with the delusive visions of plenty and luxury. They seize the earliest opportunity to cross the Atlantic and land upon our shores. Many arrive here destitute of everything. When they do arrive, instead of seeking the interior, they cluster in our cities, or sojourn along our seaboard, depending on the incidents of time, charity, or depredation, for subsistence.

And this in the report, 1819:

On application by one of the managers to his honor the mayor, he states that from the 1st day of March, 1818, to the 1st day of November, 1819, there have been 35,560 passengers who have arrived in vessels at the city of New York, and been reported at his office, of these, 18,930 are foreigners. How many others have crossed our frontier lines, and arrived by way of the Canadas, or how many thousands have evaded our laws, which requires a report of each person on landing, we can not say, but the chief magistrate of this city has calculated that the number of 18,000 and upward, does not include more than two-thirds of the real number; and after making every reasonable deduction, this would give as an aggregate of more than 28,000 who have arrived at this port in 20 months. What has been the destination of this immense accession of population, and where is it now? Many of these foreigners may have found employment; some may have passed into the interior; but thousands still remain among us. They are frequently found destitute in our streets; they seek employment at our doors; they are found in our almshouse and in our hospitals; they are found at the bar of our criminal tribunals, in our bridewell, our penitentiary, and our State prison. And we lament to say that they are too often led by want, by vice, and by habit, to form a phalanx of plunder and depredation, rendering our city more liable to the increase of crimes, and our houses of correction more crowded with convicts and felons. For years and generations will Europe continue to send forth her surplus population. The winds and the waves will still bring needy thousands to our seaports, and this city continue the general point of arrival. Over this subject can we longer slumber? Shall we behold a moral contagion spreading and expanding with the most inveterate ravages amid the ranks of our growing population, without endeavoring to arrest its progress? Shall this mass suddenly be identified with ourselves and our children, inculcating their habits and their principles, without an anxious effort on our part to stay the impending calamity?

And this is a part of report made in the year 1819!

Mr. Chairman, all I want, or, rather, will say to you to-day is this: You ought not to accuse Secretary Hughes because he has sent in the letter or report pointing out the defects in the bill. He was obliged to do that, and any honest Secretary would be obliged to do the same thing. He pointed out in his report that the bill is violative of our treaties with foreign governments, and there is no question about that. He pointed out that it is a dicriminatory bill, and there is no question about that.

I hope in the near future, when you gentlemen who are sane on the question of immigration will read unbiased reports, you will come to the conclusion that he was right and that the bill that was reported by the committee was discriminatory and violative of our treaties with the foreign governments.

Mr. CONNERY. Will the gentleman yield?

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. SABATH. Can I have two more minutes?

Mr. ZIHLMAN. I yield the gentleman two additional minutes.

Mr. SABATH. I yield to the gentleman.

Mr. CONNERY. Does not my colleague from Illinois know that the President of the United States told a delegation which came here to visit him, as quoted in the newspapers a few days ago, that he was against any bill which would discriminate against any nation in particular, and does not this bill discriminate particularly against southern Europe in contradistinction to northern Europe?

Mr. SABATH. So I have been informed, but, as I have stated, the bill does discriminate against the so-called newer

immigration, because it is based on the census of 1890 instead of 1920; and that is done for the purpose, as I say, of keeping out as many of the newer immigrants, or people of that kind of immigration which has been designated as the newer immigration. In connection with that I want to say to you that the records will clearly demonstrate that there is no danger or need of fear from the newer immigration. They have demonstrated their loyalty and patriotism to the same extent that the older immigration has.

Mr. LINEBERGER. Will the gentleman yield?

Mr. SABATH. But, of course, the advocates of restriction, and especially those who believe there should be no immigration, must have something, and consequently they send out from day to day statements, interviews, and misleading articles to prejudice the minds of the American people against the so-called newer immigration.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LINEBERGER. May the gentleman have another minute? I want to ask him a question.

Mr. BLANTON. I yield the gentleman one minute.

Mr. LINEBERGER. The gentleman said the 1890 bill discriminates against the so-called newer immigration.

Mr. SABATH. Yes, sir.

Mr. LINEBERGER. If that is true, would not the 1910 basis, which I understand the gentleman is in favor of, discriminate against the older immigration?

Mr. SABATH. No; it would not.

Mr. LINEBERGER. Who were the original American stock.

Mr. SABATH. What do you call the original stock?

Mr. LINEBERGER. From northwestern Europe.

Mr. SABATH. No; it would not. It would give them the same percentage; in fact, it would give them a larger number of immigrants than the 1890, and there would be no discrimination.

Mr. LINEBERGER. There would be a discrimination in ratio, however, if 1910 is adopted instead of 1890.

Mr. SABATH. No.

Mr. HOLADAY. Will the gentleman yield?

The CHAIRMAN. The time of the gentleman has again expired.

Mr. SABATH. Can I have three more minutes to answer some of these questions?

Mr. ZIHLMAN. I yield the gentleman one additional minute.

Mr. SABATH. I yield to my colleague.

Mr. HOLADAY. I would like to ask the gentleman if he does not believe that these alien groups, organized as a particular alien group, appearing before the committee and putting out propaganda in behalf of their native land against the action of the American Congress, are doing more to stir up prejudice against them than anything else?

Mr. SABATH. Yes; I do agree with the gentleman that some of these overanxious gentlemen coming down here and pleading for fair play and against discrimination creates a prejudice, but it should not, because they are sincere and honest men. They are well-meaning men. They do not mean to do any harm; but they do not realize that you gentlemen look upon them with suspicion and believe they are undeserving of being permitted to appear before the Committee on Immigration or any other committee and state their grievance. That is their right and privilege, and you should not resent it.

The CHAIRMAN. The time of the gentleman has again expired.

[By unanimous consent, Mr. SABATH was given permission to revise and extend his remarks.]

Mr. ZIHLMAN. Mr. Chairman, I yield 10 minutes to the gentleman from Washington [Mr. JOHNSON].

Mr. JOHNSON of Washington. Mr. Chairman, a bill which will carry on some of the restrictive provisions of the present quota law, which would expire on June 30, must be passed soon through this body and through the Senate. It must be apparent to all Members and citizens generally that as the weeks go by, bringing us closer to the time when such a restrictive law, which was the first one ever signed by any President, expires, that the issue will become more and more keen.

Nothing breeds so much trouble as racial differences. There is nothing which makes such vicious debate as religious prejudice. Therefore if the membership of this House which desires to act for the good of the United States will, as these debates come on and as letters and telegrams pour in, and as the issue becomes more and more clear cut, begin to sort up and classify the varying forms of opposition and endeavor to see why this kind of opposition and why that kind of opposition and how all opposition is bound together, we shall be prepared to exercise good judgment when the time comes to vote on the restrictive immigration bill.

I believe now more firmly than ever that races will stick together. There must be some reason. In Europe, where there is so much trouble, often when you cross a river you step from one nation to another nation. You find the people not only speaking a different language but hating the people on the other side of the river with all their might, as they have hated them for a thousand years; and, to my mind, as we come in the United States to a reflex of these disturbances in connection with an effort to restrict immigration, and when we hear the appeals of various peoples calling themselves this or that hyphenated type of American, we can see what we are breeding in the United States if we do not act now while the opportunity is ours. [Applause.]

There is no malice and there is no attempt at discrimination and no hatred in the bill which is on the calendar (H. R. 7995). A situation has arisen and that bill meets it. I have taken occasion in years past to say to those who come with special appeals in behalf of special peoples who seem to think that because they have arrived in the United States the people they left behind in other countries have vested rights in the United States, that each time the House Committee on Immigration labors on and the challenge becomes more bitter, I feel sure that the committee of which I have the honor to be chairman will, if it makes any change in the bill at all, make it still more restrictive. [Applause.] Many Members of the House want a bill completely suspending immigration.

But, my friends, when you come to write a bill suspending immigration you find you can not write one unless you suspend the treaties with all nations. So you have to make exemptions to cover the requirements of all the treaties, and then make exemptions for visitors, for sailors, for wives and children, and soon you make so many exemptions that you destroy the plan of suspension. A small quota is the better plan.

I am only one member of the committee and only one Member of this great House, but if I could write a bill I would restrict the quota almost to the vanishing point, and then I would admit the bona fide wives and children—the unmarried children under 18 of the people in the country prior to April 1, 1924, or any other date certain. In that way we could clean house and help those now here to establish their homes. To my mind there is nothing gained in bringing new people, new immigrants, without their wives and children, and then denying them the opportunity or privilege of bringing their actual immediate families. I hope some day that those who are working the hardest to solve the immigration question will see that.

The preamble to our Constitution starts with "We, the people of the United States." That takes care of all the people here. We do not say "citizens," but we say "people," and we mean "people." That being so, the quicker we decide to be a little more careful as to who are admitted as "people of the United States" the more certain we shall be as to the future of the United States. If we continue to admit great numbers of those who fail to assimilate, we will be in danger of ourselves being assimilated. Our customs will be changed for us. Indeed, that very thing is happening in many localities. Entire political subdivisions have become so beholden to the views of the new arrivals—even of those who do not vote—that a rational consideration of the immigration problem is out of the question. When we read the authentic and official reports as to the great numbers of those who are trying to get to the United States from central Europe, we should realize that the quicker we shut down immigration to the vanishing point the better off we will be. [Applause.]

Mr. Chairman, the people here should know something about the proposition of Mussolini, of Italy, for the establishment of a new kind of Italian savings bank in this country for the benefit of the people in Italy. The people in the United States should know why the Italian wives and children do not come here.

Let us try to pass a law which will be for the good of the United States to-day, to-morrow, and for all time, and let us do it without malice, without regard to the threats to sabotage any political party. If we do not do it no political party, either Democratic or Republican, will be safe from similar attack. In New York City to-day to elect men to high places you put up one man with a foreign name naturalized on one ticket and another man with a foreign name on the other ticket, and you call such candidates Republican or Democrat as best fits the situation. No good can come of such low politics. [Applause.]

Mr. BLANTON. Mr. Chairman, I yield myself 15 minutes, and I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. BLANTON. Mr. Chairman, if every once in a while we could get from some foreign government an immigrant from the many thousands who come to this country, a citizen who would become as good a citizen and as valuable and honorable a citizen as our distinguished friend from Illinois [Mr. SABATH], there might be some excuse for opening wide the doors and having no restrictions. He is a valuable citizen. Some of his colleagues may not know it, but last year from his farm he raised over 100,000 baskets of potatoes to help feed this Nation. [Applause.] Last year from his farm he raised nearly 150,000 baskets of onions to help feed the Nation. I approve of such a citizen as Brother SABATH, but I believe, as our friend from Ohio [Mr. CABLE] said, that if the question was put fairly up to this House, not by a compromise bill from this committee, but put fairly and squarely before the House to protect the rights of just such citizens as the gentleman from Illinois, I believe the House would pass a bill to suspend immigration for at least five years in this country. [Applause.]

Mr. SABATH. Will the gentleman yield for one question?

Mr. BLANTON. Yes.

Mr. SABATH. I wish to state that there are hundreds of thousands much better men and much more deserving men, who came the same way I did, right in the United States than I am.

Mr. BLANTON. Where you get one good citizen like the gentleman from Illinois [Mr. SABATH] we get thousands of anarchistic Bolshevists who would tear down and destroy the Government of the United States.

Now, I can not pass on without referring to the splendid speech delivered by our colleague from Ohio [Mr. COOPER] this morning. The gentleman from Ohio [Mr. COOPER] and myself differ on a great many subjects. We have voted against each other on a great many occasions. He does not agree with me many times, and he has fought against me across this aisle on numerous occasions. But I have learned to love him since I have been in the House. I do not know a braver man in this House than our distinguished friend from Ohio [Mr. COOPER]. There is not a more loyal citizen, there is not a more patriotic citizen, who stands here day after day fighting for the best interests of the Nation. I appreciate a man like that, even when I sometimes differ with him, and I say God speed him in the splendid work he is doing.

But I must get down to the bill we now have under discussion.

Mr. Chairman, the Metropolitan police of the District of Columbia have given their promise to Congress that if we will pass this salary bill granting them adequate compensation they will furnish Washington, the Nation's Capital, with the most up-to-date, efficient, law-enforcing police force in the United States. If they will do this, it will be money well spent. I am in favor of giving them a trial.

We have been told that present salaries do not attract enough men of high character and necessary qualifications to fill the ranks, but that with the increases granted by this bill eliminations may be made of any members of the force who may be inefficient, unqualified, or careless in law enforcement and the personnel brought up to 100 per cent good.

There are some men on this force who are careless, for on their beats exists dives where the law is daily violated. I have had occasion to check up on them where complaints came to me from citizens. I know of one such place where it is reliably reported that the proprietor has been arrested three times, and immediately after releasing himself by giving a small bond has resumed his business of selling liquor that intoxicates, with a crowd of young men hanging around his establishment each afternoon and night, notwithstanding that I personally brought these complaints to the attention of the superintendent and inspector. A vigilant police should be able to put such a lawbreaker out of business by arresting him every time he opened up.

It has become so dangerous to walk across the streets of Washington that every time you start across the street one of these taxicabs that operate here now is liable to run over you. There is no attempt whatever made in the city of Washington to regulate the speed, especially of these black and white taxicabs. All of them are bad enough. I want you colleagues of mine to watch them every time you go out on the streets of Washington and you will see that they are darting here and there, driving all the way at from 25 miles to 40 miles per hour in certain parts of the city with little children out in the streets.

Mr. STEVENSON. Is not the reason they paint them black and white so that you can see them? You could hardly see them if they were not so painted, they go so fast.

Mr. BLANTON. The law that regulates speeding is just as applicable to the black and white taxicabs and to every other kind of taxicab as it is to every other kind of an automobile that runs in the city. I say that the policemen of the city of Washington must stop it. They are winking at those taxicab companies. They are granting them immunities and special privileges. They are letting them violate the law every day for some reason, I know not what, and they ought to enforce the law as to them as well as to individuals.

Mr. KING. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. KING. I wonder if the gentleman has made any investigation of the monopoly of the standing space in front of the Union Station by the black and white taxicabs.

Mr. BLANTON. Oh, I have mentioned that on the floor a dozen times. Even a Representative or Senator in his own car can not drive into the Union Station without going in a side way. The main passage there next to the station is reserved exclusively for the black and white taxicabs. If a man goes there in his own car, he has to go into the second or third or fourth driveway, and then walk in between privileged taxicabs to get into the station. He can not go into the main driveway, because that is reserved for the black and white taxicabs. Nor can any other taxi enter there. The President's car itself would not be permitted to drive in there, because the black and white taxicab has a monopoly there which it enjoys; and these busses do not observe the traffic rules and pay no attention to the rights of individuals. The police force must enforce the laws. Unless, Mr. Chairman, the Metropolitan police force does clean up and does eliminate the careless, indifferent, and inefficient policemen and force every policeman to be active on his beat and promptly suppress all violations, I am going to be the first Member of Congress to introduce a bill to abolish the salary of the superintendent and to cut in half the salary of every policeman in Washington. This must be made the model police force in the Nation. It must set the pace in law enforcement. It must lead, so that all other forces may follow. If I did not have confidence in these men and did not believe they would do this and make good, I would not support this bill.

But, Mr. Chairman, believing that this bill will pass without opposition, I desire to use my time in discussing another matter that may soon come before us.

Mr. GRIFFIN. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. GRIFFIN. I suggest that the gentleman try the other alternative and double the salaries of the policemen and he might find a more effective force.

Mr. BLANTON. Oh, we are giving a very substantial raise of all salaries in this bill. That is what I have been discussing. We are doing that with the hope that they will make their promise good and make the police force here the best in the Nation. We are giving them all substantial raises, from the superintendent down to the lowest grade of policemen on the force.

Mr. CONNERY. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. CONNERY. How does the gentleman expect the police of Washington to keep order under the worst-lighted street system of any city of its size in the United States?

Mr. BLANTON. That is a matter which we will take up on another occasion. I want now to discuss the garden-seed ghost.

GARDEN-SEED GHOST.

Mr. Chairman, on January 3, 1923, a motion was made to recommit the Agriculture appropriation bill in order to add to same $360,000 for free garden seed. I made a point of order against it. The Speaker sustained the point of order. The gentleman from Kentucky [Mr. LANGLEY] appealed from the decision of the Chair, and by a vote of 173 to 85 the membership of the House sustained the Speaker in his decision, which prevented this $360,000 garden-seed item from going in the bill. This stopped free garden seed.

Early in December the press reported that in this Congress the gentleman from Kentucky [Mr. LANGLEY] would introduce his bill to make this $360,000 garden-seed appropriation permanent law, appropriated annually. Shortly after this the newspapers all over Texas began publishing notices about this Langley garden-seed bill.

And after the people became apprised of the fact that some Members of Congress had in contemplation the resumption of the practice of permitting Congressmen and Senators to mail out to the people under their franks $360,000 worth of free garden seed, I want to read to you colleagues some of the protests against same which I have received.

WHAT THE PEOPLE AT HOME THINK.

Here is a protest I received from one part of Jones County:

LUEDERS, TEX., *December 17, 1923.*

Hon. THOMAS L. BLANTON,
House of Representatives, Washington, D. C.

DEAR TOM: We have noticed in the public press that there is to come before the House a bill to try to start again the garden-seed graft and thus increase taxes on the people. We, the undersigned citizens in your district, ask that you do all in your power to prevent its passage, as we feel that we have all the expenses in the way of taxation that we are able to bear. We ask that you do all you can to get your worthy colleagues to defeat it:

I. Z. Brown, M. D.; Berry M. Campbell, druggist; M. G. George, farmer; S. W. Seaman, oil driller; J. A. Wilbite, merchant; C. A. Douthit, ginner; W. F. Terry, restaurant; N. J. Tosh, druggist; Mrs. M. J. Brown, gardener; J. N. Loop, farmer; J. H. Lee, bookkeeper; Charles Stifflemire, banker; B. U. Fox, merchant; H. L. Brown, restaurant; B. E. Compton, farmer; Frank H. Herrick, editor; J. E. Powell, teacher; Charles Webb, clerk; J. J. Gentry, pastor Baptist church; T. R. Putnam, merchant; Ray Rushing, farmer; Albert Hansen, clerk; W. C. Smart, farmer; H. E. Herrick, merchant; T. M. Smart, druggist; R. Dunlap, M. D.; E. L. Loudder, M. D.; J. R. Carrell, merchant; Mrs. T. M. Smart, clerk; G. W. Price, farmer; W. C. Herrington, farmer; Oscar F. Seth, farmer; T. F. Murry, restaurant; O. B. Cotton, clerk; G. F. Vaughn, shoe maker; A. Fitzgerald, merchant; C. G. Covery, farmer; R. J. Fickel, machinist; Mrs. Sarah Sharbutt; R. W. Harper.

The above list fairly represents the citizenship of this splendid community. The following comes from San Saba County:

SAN SABA, TEX., *December 22, 1923.*

Hon. THOMAS L. BLANTON, M. C.,
Washington, D. C.

MY DEAR MR. BLANTON: I am herewith inclosing you a protest against the reenactment of the free garden seed bill.

This protest is signed by the very best element of citizenship of this county, representing nearly every avocation. Nearly every man, woman, and child here would sign this protest eagerly. The spirit an expression of the people are against this foolish proposition. This extravagant expenditure of the people's money is a mock pretense of Congress to do benefit to the people of the country. A majority of us are strictly against this measure and hope that it will be defeated.

With best wishes and kind regards, I am,

Yours truly,

W. C. EDWARDS.

PETITION.

SAN SABA, TEX., *December 19, 1923.*

Hon. THOMAS L. BLANTON, M. C.,
Washington, D. C.

DEAR SIR: There has recently appeared in press reports a strong intimation that the "free garden seed" act would at this session of Congress be attempted to be reenacted.

We the undersigned wish to protest against this useless bill because in our opinion the benefits are not commensurate with the expenditures.

Respectfully,

W. C. Edwards, ranchman; S. J. Bross, county surveyor; C. A. Harkey, county treasurer; George W. Horton, secretary chamber of commerce; G. L. Huckaby, county school superintendent; A. B. Wilson, county attorney; W. A. Smith, editor the News; W. V. Dean, county judge; Edgar T. Neal, sheriff of county; E. L. Rector, ex-State senator; T. A. Murray, president City National Bank; Mrs. Eddie Williams, clerk district court; J. K. Rector, attorney; Mitch Johnson, attorney; Dr. Ira O. Stone; Dr. J. L. Dailey; Dr. William S. Bickham; Leonard A. Skaggs, druggist; W. A. Ashley, ranchman; J. E. Rainey, farmer; T. J. Burnham, farmer; W. H. Kimbrough, merchant; James W. Cummins, merchant; W. G. Jarvis, optometrist; G. A. Walters, jr., abstractor; H. B. Clark, clerk; W. R. Hines, merchant; B. D. Sullivan, merchant; O. L. Gray, ranchman; W. L. White, clerk; H. D. Chadwick, clerk; Rev. E. E. Giesler; C. B. Lambert, farmer; W. W. Whitley, ranchman; R. Terry, farmer; Arch Woods, clerk county court.

I think that includes every officer in that county.

I have a protest sent me by Mr. E. C. Brand, of Hamlin, Tex., in which he says:

I hope to see the day when Congress will be filled with men who will try to preserve the finances of our country as they do their own, or, in other words, before they spend a dollar of the people's money, ask themselves the question, if the dollar belonged to them in person, would they expend it in such a manner.

With reference to this garden seed, we think that it is money thrown away. For instance, in talking with three men in my office yesterday two of them told me that they had received garden seed from the Government and they were stored away unused. The writer in a clean-up at home two or three days ago ran across several packages. I sincerely hope that if this seed graft bill comes up again you will use every effort to defeat it. Attached you will find a petition signed by a few of our leading citizens who ask that you protest against this graft. I believe that 90 per cent of the farmers in your district are against it.

PETITION.

HAMLIN, TEX., *December 18, 1923.*

Hon. THOMAS L. BLANTON, M. C.,
Washington, D. C.

DEAR SIR: We the undersigned farmers and business men petition that you use every effort to defeat the garden seed bill, as we believe that it is a waste to the taxpayer. We think that it is a useless expenditure and doubt that over one-third of the seed are ever planted. Your efforts will be appreciated.

T. F. Holman, C. S. Low, E. C. Brand, Lewis Boyd, W. R. Townsend, J. A. Feagan, J. C. Bledsoe, O. H. Berry, D. M. Poe, J. B. Eakin, Fred Sledge, G. L. Barnett, H. M. Payne, W. L. Hunter, D. O. Sauls, Lennie Greenway, G. H. Tumlin, R. G. Bowdry, Pat Henry, S. C. Ferguson, J. P. Terrill, H. Fields, Dr. J. F. Taylor, T. Cooper, W. M. Hinton.

The following, Mr. Chairman, was received from Taylor County:

To the Hon. THOMAS L. BLANTON, M. C.,
Washington, D. C.

We, the undersigned citizens and qualified voters of Taylor County, Tex., respectfully ask that you exert every legitimate effort in opposing the free-seed bill when it comes up in Congress

G. T. Robinson, B. W. Ellison, F. A. Walden, R. L. Shepard, W. R. Gilbreth, B. T. Chrane, M. C. Rampy, J. H. Kading, R. E. Longacre, A. B. Lewis, C. E. Taylor, J. R. Hardwick, W. C. Davis, J. E. McCarty, S. C. Bright, D. Booth, J. A. Labett, H. M. Stevens, T. C. Tibbs, G. C. Welch, T. J. Colley, J. L. Richardson, J. P. Davis, Lon Lockley, Sam Gilbreth, C. K. Kirkendall, J. W. Smith, F. M. Smothers, M. R. Street, W. M. Webb, J. D. Ayres, P. H. Hollingshead, T. C. Cox, C. B. Bynum, Luther Rogers, J. M. Plowman, C. M. Bell, H. C. Callaway, W. D. Ross, W. J. Hodges, G. A. Chrane, W. T. Lindley, R. P. Bright, W. E. Carter, M. E. Williams, T. J. Key, J. D. Rodgers, Ben Holmes, R. J. Donald, J. W. Caton, J. L. Reynolds, Wm. Slaughter, sr., C. F. Latham, A. Hefferman, N. A. Cummings, W. E. Biggers, L. A. Petree, V. T. Babston, S. B. Brannan, A. B. Smothers, L. F. Spencer, J. P. Davis, D. F. Downing, C. D. Varnell, J. C. Putman, H. A. McMinns, E. E. Wood, W. O. Mobley, C. P. Abbott, S. C. Eager, B. P. Smothers, J. D. Abbott, T. A. Fuqua, W. F. Utzman, M. C. Bynum, B. C. Plowman, J. F. Reed.

I received the following protest from Mr. R. E. Bradbury, editor of the Lometa Reporter, and who formerly edited the Mullin Enterprise:

[From the Lometa Reporter]

LOMETA, TEX., *December 19, 1923.*

Congressman THOMAS L. BLANTON,
Washington, D. C.

DEAR MR. BLANTON: From press reports we learn that Congress will soon take up for consideration the measure to appropriate an exceedingly large sum in order that the people might be supplied with a few free garden seeds, a practice that is considered very foolish by most every person receiving them. From a sensible and economical standpoint we hope the measure will be defeated this time as it was during the last session. It is a needless waste and we feel confident that you will fight it to a cold finish. Multitudes of others are of the same opinion.

I have talked to hundreds of people living in Brown, Mills, and Lampasas Counties about this waste and not one appreciates the seeds that are usually sent out, and the Congressmen who fosters such a proposition is surely to be pitied.

Find a better use for the people's money than buying a few packages of garden seeds that, if planted, will never come up.

Wishing you and family a merry Christmas and a happy New Year, and may you live to give a century more of service in Congress.

I am, yours sincerely,

R. E. BRADBURY.

The following protest was sent me by one of the leading citizens of Anson, Tex.:

ANSON, TEX., *December 15, 1923.*

Hon. THOMAS L. BLANTON,
Congressman, Washington, D. C.

DEAR SIR: We, the undersigned citizens of Jones County, Tex., learning that there will be an attempt made to again pass a bill or get an appropriation for the distribution of garden seed, do hereby protest against such action on the part of Congress, and call upon you to defeat same if possible.

We understand that this matter costs the Government about a half a million dollars annually, or something near that sum, and by itself it probably would not affect to any great extent the vast number of taxpayers in the United States, yet it is one item among many items of the kind which is useless, and when taken together with all such items in the aggregate constitutes a big sum, which eliminated from the annual appropriation bills would relieve the taxpayers of this country. Besides it is not good policy or good morals to waste the public money for any purpose, and we hereby call upon you to use your best endeavors to defeat such a bill.

Barrett Brasher, John B. Thomas, T. J. Barrett, W. O. Wornack, J. C. Edwards, R. L. Smith, J. H. Barrett, T. J. Stubbs, Frank Powell, Claude Grace, Ed Altman, C. F. Harper, A. L. Cole, Charles F. Murray, M. C. Meyers, J. L. Neville, George H. Baker, E. J. Byrd, J. H. Holt, J. R. Thompson, J. A. Mills, W. F. McDuff, F. A. Arnold, W. S. Pope, Sid L. Castle, Clyde S. Brooks, G. A. Gray, Owen Thomas (district clerk), Lee McCaleb, S. A. Palmer, O. W. Lasebee, A. M. McCraight, P. F. Willis, R. L. Alexander, A. McK. Jones, M. D., J. C. Ingran.

The following protest was sent me by one of the leading citizens of Bradshaw, Tex.:

BRADSHAW, TEX., *January 5, 1924.*

To the honorable body of Representatives of the Sixty-eighth Congress of the United States:

We do hereby petition you as follows:

"From press reports some Members of Congress are again organizing their forces to pass at this Congress their $360,000 garden seed graft bill, which was defeated last year. These seeds are practically worthless, and a great expense is attached to sending them out. We must curtail expenses if we desire a tax reduction. If this $360,000 is expended annually for these seed, there must necessarily be collected a like amount in taxes from the people to pay the bill. Therefore we, the undersigned citizens and taxpayers of this town, do hereby enter our protest against this bill and petition you to defeat it, as it is a useless expenditure—one that is sapping the American taxpayer's pocketbook."

N. B. Bailey, J. T. Boon, M. D.; Joe Poindexter, C. J. Pfor, W. M. Oldham, S. W. Browne, W. J. Harrington, J. U. B. Polloch, W. P. Hancock, H. Grissett, J. M. Smallwood, W. G. Daniel, Homer Traylor, Guy Taylor, L. J. Hardin, W. L. Pratt, R. W. Smith, E. G. Allen, W. H. Cochran, H. A. Parris, J. J. Watts, A. F. Benge, B. Y. Howze, H. B. Turner, F. P. McCarland, J. S. Thornton, A. J. Bagmell, J. D. Halsell, Joe Floyd, L. F. Turnbow, L. H. Turnbow, J. F. Crow, C. F. Smith, L. H. Smith, J. F. Sanders, Geo. Lent, A. J. Ware, P. R. Gerlach, M. R. Bagmell, J. B. Berton, R. C. Malone, C. B. Poindexter.

I received the following protest from Dr. T. Richard Sealy, one of the leading physicians of Coleman County:

SANTA ANNA, TEX., *December 22, 1923.*

Hon. THOMAS L. BLANTON, M. C.,
Washington, D. C.

MY DEAR MR. BLANTON: From recent press dispatches we note that there will be an effort made to reestablish the old custom of spending about one-half million dollars of the Government money so that each and every Congressman may send to Bill Jones or Sy Smith free garden seed.

From my own personal experience and that of many hundreds of your constituents with whom I have talked, we believe this to be a wasteful expenditure of money and should not be permitted. We further believe that if Congress would assist to cut out entirely and cut down immensely, particularly in the number of unnecessary Government employees, that it would be unnecessary for the Government to assess the present high tax rate, for by your plan you are cutting down expenses and when you do that you make it unnecessary for so much income.

Please let me have a personal letter from you concerning your campaign for Congress in your old district next year, if you have decided to make the race again. If you do decide to run again, I am for you, as always in the past, even though we do have an avowed candidate here in my own county, who is my neighbor and friend.

Very truly yours,

T. RICHARD SEALY.

I received the following protest from one of the leading merchants and business men of Brown County:

BROWNWOOD, TEX., *December 21, 1923.*

MR. THOMAS L. BLANTON,
Washington, D. C.

DEAR MR. BLANTON: I have been noticing for several years the comments of the press on the practice of Congressmen distributing garden seed over the country. I consider this an absolute waste of the people's money, and am writing you to ask that you register a protest against this for the people.

There may be some short-sighted people who receive these seed thinking they have gotten something for nothing, who are pleased with this pork-barrel system of trying to get votes, but any man with brains enough to think knows that these seeds cost more than if raised by private individuals or corporations, and each individual certainly should select the seeds needed in his garden to a better advantage and to his liking than his Congressman could possibly do. Besides, seed shipped over the country by freight is certainly a more economical way of distributing than to dribble them out through the mails. I assure you that there are very few people ignorant enough in these enlightened times to think this wasteful system does not cost them anything.

I believe that it is the duty of the people in charge of our affairs to put a stop to this awful humbug business.

I am inclosing the names of several of my friends who join me in this protest, and I will say to you frankly that not a single individual approached on this subject has favored the continuance of Congressmen dishing out garden seed.

Yours truly,

W. G. BAXTER.

Mr. ALLEN. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. ALLEN. I just want to ask if those petitioners to whom the gentleman has referred are his constituents?

Mr. BLANTON. Yes; every one of them; but I have a whole bunch of others in my office, among which are some from the constituents of other Congressmen.

Mr. ALLEN. Did the gentleman send those constituents seed?

Mr. BLANTON. Yes; I have done it in the past, before we stopped the practice last year.

Mr. ALLEN. Does not that indicate very strongly that the people to whom the seed was sent are not garden men, they are not farmers, but they are officers, as the gentleman suggested?

Mr. BLANTON. If my friend will read their names in the RECORD to-morrow morning, he will see that many of them sign their names as farmers.

Mr. ALLEN. But doctors seldom use seed.

Mr. BLANTON. Sometimes they do. I can not yield further. I did not attempt in my time to read their vocations, but the vocations of many of these petitioners are stated opposite their names, and the gentleman can see that a great percentage of them are farmers.

Mr. ALLEN. I think the gentleman said that they were all officers of a county.

Mr. BLANTON. Oh, I merely said that one list embraced every officer of San Saba County. But it likewise embraced men of all vocations. Here is one sent me by one of the leading merchants of Brown County.

Mr. KING. What is his business?

Mr. BLANTON. He is a general merchant.

Mr. LILLY. He sells seed?

Mr. BLANTON. He may; I do not know. Here is the petition:

Hon. THOMAS L. BLANTON,
Washington, D. C.

DEAR SIR: We, the undersigned citizens of Brownwood, Tex., ask that you please do all in your power to stop the wasteful practice of distributing garden seed over the country at the expense of the

people. We do not believe that the people receive benefits to justify the amounts expended by this practice.

H. G. Baxter, Glennie Patterson, Erva Sinclair, Mrs. Fred L. Hayes, B. H. Baxter, Mrs. W. R. Cooper, Henry Keith, W. F. Anrich, J. Waldo Carson, B. F. Anthony, Eba Carson, H. F. Hunter, T. P. Kelly, J. L. Lane, Geo. Gardenhire, Mrs. B. F. Anthony, Mrs. B. H. Baxter, H. F. Hunter, Mrs. H. F. Hunter, J. F. Hunter.

The following protest was sent to me by Mr. C. T. Beckham, one of the leading farmers and citizens of Trent, Tex.:

TRENT, TEX., *December 15, 1923.*

HON. THOMAS L. BLANTON, M. C.,
Washington, D. C.

DEAR SIR: We notice from the press dispatches that Congress may soon again be called on to pass appropriations for the distribution of garden seeds, etc.

May we, as citizens of the country, be permitted to express our disapproval of all these unnecessary expenditures and to respectfully suggest to you that you use your utmost influence against the passage of such bills. We know from our own experience and observation that the money spent for seeds is largely wasted, as the garden seed from the post office is a huge joke with many of us. Assuring you that we appreciate your efforts in your endeavor to eliminate all such expenses of the Government, we are,

Very respectfully,

L. E. Adrian, C. T. Beckham, Jas. Bright, J. K. P. Winn, A. Williamson, T. J. Williamson, H. W. Beckham, H. M. Scott, O. L. Dowchy, M. G. Scott, J. O. Walter, Mrs. Billings, R. B. Johnson, Joe Winter, W. F. Steadman, W. J. Armour, J. S. Reid, E. Kegans, Carl Edwards, Ross Campbell, L. Z. Petsworth, C. Murdock, J. S. Campbell, Jackson Bright, Isaac Bright, C. Whitfield, J. M. Jones, A. J. English, R. R. Meets, Mrs. E. L. Mangum, Mrs. Jas. G. Waters, H. Kelso, R. B. McKee, C. C. McKee, C. L. McLeod, R. B. McKee, jr., A. C. Terry, H. N. Smith.

The following was sent to me by Mr. M. W. Oldham, one of the leading farmers of Avoca, Tex.:

AVOCA, TEX., *December 22, 1923.*

Congressman THOMAS L. BLANTON,
Washington, D. C.

DEAR JUDGE: As farmers and voters we appeal to you as our Representative to oppose the garden seed bill. We understand that it is to come up before Congress again soon. We oppose any such law, because we consider it of no value whatever.

These seed that are sent out by the Government to all parts of the United States are of no benefit to us, because our climate and soil do not suit these seeds sent out.

We, as taxpayers, do not think it right to spend money for this, which is of no benefit to us.

We appeal to the United States Congress to oppose any such law or matter that comes before you.

We earnestly ask that this matter be considered seriously.

Yours truly,

M. W. OLDHAM.
N. B. OLDHAM.
J. H. EVETTS.
P. H. GIFFORD.
JOHN GIFFORD.
W. W. FARMER.

Mr. LINEBERGER. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. In just a moment. I could put in the RECORD a whole bunch more but that would take me another hour to read them, and I do not want to encumber the RECORD in that way. But I wanted you to know about these expressions from the people. If you get the pulse of your own constituents, if you could hear what they say about these free garden seeds when they take them from the post office, you would find that the great majority of the people of this country think that it is humbug practice that has well been stopped. I am glad that the Congress stopped it in the last session, and I hope that the Congress will not go back to it again. Let us give our constituents something else beside garden-seed service. You remember our former colleague, one of the most distinguished gentlemen in the House, the former gentleman from Mississippi, Mr. Candler. You will all recall that he made so many speeches in favor of free garden seed that some of us got to calling him the garden-seed Congressman. Did the sending out of those garden seed keep him in Congress? Not at all. Neither will it keep any of you gentlemen in Congress. It is a liability instead of an asset. It makes the business men and the farmers of your community lose confidence in the work that we should do here when we take up the time of our office to mail out a lot of 5-cent packages of garden seed, each one of which costs this Government more than 25 cents by the time they reach our particular constituents. It is a practice that should have been stopped long before Congress did stop it. It is a practice that I believe Congress will not again inaugurate.

Mr. Chairman, how much time have I left?

The CHAIRMAN. Thirteen minutes.

Mr. BLANTON. I reserve the balance of my time.

Mr. LINEBERGER. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes; I yield to the gentleman two minutes.

Mr. LINEBERGER. I want to say to the gentleman that I come from a district where there is no greater opportunity for trucking and farming and gardening afforded in any other part of the country, and the people there are absolutely disgusted with this free-seed distribution. Two-thirds of the seeds sent out by the former Congressman, before I came here, lay in the post offices and was eaten up by the rats. It cost a thousand dollars a day. I just wanted to indorse everything the gentleman from Texas said, but the gentleman did not want to give me an opportunity to do it.

Mr. BLANTON. I will say that the gentleman from California knows that I would not knowingly show him any discourtesy. I have the highest regard for him and we are good friends. I want to point him out to my colleagues as the kind of product that we in Texas raise—the very distinguished gentleman from California—as Texas sent him to California, and we are still proud of him.

Mr. LINEBERGER. No; I was born in Tennessee.

Mr. BLANTON. But we gave the gentleman a good education down there in Texas at a good Baptist college.

Mr. LINEBERGER. I am very proud of my sojourn in Texas, but I spent only two years in Texas, one in school. I thank the gentleman for the compliment, and I am sorry I do not merit all he says.

Mr. BLANTON. Mr. Chairman, I reserve the balance of my time.

Mr. ZIHLMAN. Mr. Chairman, will the gentleman from Texas use the balance of his time? We have only one speech over here?

Mr. BLANTON. I yield seven minutes to the gentleman from Georgia [Mr. LANKFORD].

Mr. LANKFORD. Mr. Chairman and gentlemen of the committee, I really feel like not using the time allotted to me. I intended to talk along the line which was so fully covered by the gentleman from Ohio [Mr. COOPER]. However, I wish to add, if I may, just one or two suggestions to the most excellent speech which he made. We have here a most splendid city. It is a beautiful city to live in. It is the Nation's Capital, and I regret very much that there is so much violation of law here in the Nation's Capital. I regret very much that the newspapers speak so flippantly of the violation of law. I saw in a paper not long ago where some man who drove a high-powered car was pointed out by a prominent official as being one of the great bootleggers in the Nation's Capital. The newspapers carried an article about this bootlegger, as though it were a great honor to be a bootlegger here in the Nation's Capital.

We ought to enforce the law in Washington. We ought to enforce the prohibition laws. But that subject has been so fully covered that I want to talk just a little about the enforcement of the law against the autoists who speed here in the city of Washington. I believe our good friend Mr. BLANTON made a suggestion that there ought to be, possibly, a secret service corps of enforcement officers. That is true. If you get on a street car here at the Capitol and go out on the Mount Pleasant line I venture the assertion that you will see at least two or three men in that distance risking their lives by driving in front of the street car, forcing the man who drives that street car to slow down in order to save the life of the driver. The man who endangers his own life by driving in front of a speeding street car and forcing the motorman of that street car to slow down to save the life of the autoist will endanger by speeding your life and the lives of your wife and children.

Mr. KING. Mr. Chairman, will the gentleman yield?

Mr. LANKFORD. Yes.

Mr. KING. I wonder if in the gentleman's investigation he has noticed the activity with which a man who drives a car seeks to run down those people who are crossing the white lines. I think it is a safer plan to keep out of the white lines rather than walk within the white lines. I understand also that Mr. Commissioner Oyster talks about removing the wooden platforms along the street-car tracks. Those are the last hope of the downtrodden pedestrian.

Mr. CLARKE of New York. Mr. Chairman, will the gentleman yield?

Mr. LANKFORD. Yes.

Mr. CLARKE of New York. Does not the gentleman think the white lines help the people to see better?

Mr. LANKFORD. I can not say as to that. I notice that Mr. Oyster proposes to take off the speed limit as well as take away the wooden platforms. We need here an appropriation for officers dressed in plain clothes to go throughout the city and when they find a man violating the street ordinance arrest that man then and there and bring him into court and try him. Consider the low amount of the fines that are imposed here in the District of Columbia for violation of the speed law—$1, $2, or $3. The ordinary man arrested for exceeding the speed limit is not fined enough. There ought to be a heavy fine put on the man who goes out and violates the law here, endangering the lives of men, women, and children. You pick up a newspaper in the morning and you see where a child is crushed by an automobile and is taken to the hospital, and then they wait to see if the child dies before they arrest the driver of the automobile that injured him, or the driver is let out on bail, and then an inquest is held and it is proven that the child walked in front of the automobile and the driver is released. Should the child have been crawling or running? It is a joke the way the speed ordinance is enforced here in the District of Columbia. The other day a poor woman was knocked down by an automobile in front of the House Office Building and dragged an entire square and since died.

Mr. COOPER of Ohio. And the driver did not stop——

Mr. LANKFORD. No; the automobile did not stop. If the driver had been arrested, he would have probably been turned loose on his plea that the poor woman walked in front of the car. I do not suppose she flew there.

Officials in the District of Columbia who are charged with the enforcement of rules and regulations against speeding seem to accept as a good defense the fact that a child or a grown person walked in front of a speeding automobile and was hit. It is impossible to cross the street without walking in front of not one car only but dozens of cars. The fact that the man driving the car is doing so carelessly or at a high rate of speed and hits an individual either standing, walking, or running does not relieve the auto driver from full responsibility. The great trouble is that thousands of automobile drivers put the burden on other people to dodge them. They force the motormen of street cars to slow down in order to protect them. They force other drivers who are careful to slow down or change the course of their cars in order to protect them. These same careless, and in most cases extremely criminal, drivers also put the burden on the pedestrian to dodge and run for their lives.

Stand on one of our street corners for only a few minutes and watch and you will soon see drivers of automobiles hurrying along, turning corners, and looking not ahead but either back or in some direction other than where the car is going. They look enough to see that they are not driving their car into a tree, a brick wall, or a steam shovel, or some larger automobile, then they speed up their car, force the drivers of street cars to slow down to protect them. They force the drivers of smaller automobiles to dodge them and force pedestrians to run for their lives. If the pedestrian is hit he is accused of the awful crime of being on foot, walking on the street in front of the car at the time he was hit. This seems to make an absolute defense unless the newspapers report inaccurately the defenses which are sustained in cases where people are killed by automobiles driven at reckless speed or in a criminally negligent manner. It seems to make no difference how criminal the driver of the car is provided the party who was hit was walking in front of the car when he was hit, or got in front of the car by walking.

Under this same theory of defense, if a man takes a pistol and discharges it down a crowded street—it matters not how criminal his act may be—if he happened to hit some one who happened to walk where the bullet was going then he would not be guilty, for the wounded man walked in front of the pistol which was being discharged along a street in a crowded section of the city.

The effort to enforce rules and regulations in Washington against the automobile speed fiend is a farce and joke. I happened to be a witness some time ago in a case where an automobile driver criminally knocked the life out of a man, and in two or three minutes after the occurrence half a dozen or more negroes came up to where the negro driver who had knocked the life out of the man was held in the custody of a policeman and promptly told the policeman how carefully the driver of the automobile was proceeding and how negligently the man who was run over was walking. I knew that what these witnesses told the policeman was absolutely false, and yet their names were furnished to the authorities, and the driver of the automobile was fully exonerated on their testimony.

The truth is the law is not being enforced. The driver who kills a man has disposed of a witness. He and his friends swear for him just what is necessary to clear him, and it is swallowed and believed and the criminal discharged harmless. I am positive that what happened in the case which came under my personal observation is happening every day. One thing which would relieve the situation very much would be the employment of a squad of plain-clothes men to go over the city and report violations and have those that violate traffic rules arrested and tried at once. It is a poor policy to wait until some one is severely injured or killed before an arrest is made. It is still worse to make arrests when some one has been severely injured then make a joke of the whole situation by turning the criminal loose with a light fine or with no fine at all. We ought to have a squad of plain-clothes men patrolling the city and arresting violators of the speed and traffic regulations as fast as they occur without waiting for some one to be seriously injured. If this were done, there would be decidedly less violations of the law, scores of lives would be saved each year in Washington, hundreds of people who are injured would be saved harmless, and the streets of Washington would be at least reasonably safe for men, women, and children who themselves are observing the law. Drivers would be more careful, and I venture the assertion that the instance which I have just mentioned where the man was knocked lifeless at the intersection of Eighteenth and Mount Pleasant Streets would not have occurred if that driver had known that probably among the people passing this particular point there was a plain-clothes officer charged with the duty of making cases against people violating the traffic regulations of the city. It is my observation that the speed fiends and other autoist criminals here make at least a little effort to observe the rules in the presence of a uniformed official. What we need is a system whereby they may expect to be arrested at any moment regardless of whether there is a uniformed policeman in sight or not.

Mr. KUNZ. How many policemen did you find there where the accident you just mentioned occurred?

Mr. LANKFORD. A policeman finally came. I did not see any at first. I had to threaten using force to keep the driver from leaving before an officer came.

Mr. KUNZ. Is it not a fact that we have not enough policemen in this city?

Mr. LANKFORD. We probably have not, and we should have plain-clothes men to watch these cases and make arrests before serious harm is done by the criminal.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BLANTON. Mr. Chairman, I yield the balance of the time to the gentleman from Tennessee [Mr. MCREYNOLDS].

The CHAIRMAN. The gentleman from Tennessee is recognized for seven and one-half minutes.

Mr. MCREYNOLDS. Mr. Chairman, the discussion this morning has been very interesting, and I would like to have gotten into the discussion on the immigration proposition; but as my time is very limited, I merely want to call your attention to a letter which I have in my possession and which I feel the Members of this House ought to know about.

In doing this, it is necessary for me to give you a little history of bills which have been introduced in this House. On the 12th of January two identical bills were introduced in this House, one by the gentleman from Texas [Mr. JOHNSON] and one by myself, for the purpose of equalizing the compensation which was paid to young men who were in the training camps during the war. Certain young men sent me their claims from home, and I found that the young men who went in the first and second training camps received $100 a month, but a bill was passed providing for pay to parties in training camps of $100 per month up to June, 1918, and the department construed this act as only referring to men who had been assigned from line duty.

In discussing this matter with the gentleman from Texas [Mr. JOHNSON] I found he had had the same trouble, and after taking up the matter with the Comptroller General we drew and introduced this bill for the relief of these soldiers.

Mr. Chairman, I ask unanimous consent to have this short bill printed with my remarks.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent to print a bill which he has introduced in connection with his remarks. Is there objection?

There was no objection.

The bill referred to is as follows:

A bill (H. R. 5333) authorizing the payment of claims of men of the Army and Marine Corps while in training for commissions in the combatant branches of the Army and Marine Corps, and authorizing appropriation therefor.

Be it enacted, etc., That there are hereby authorized and directed to be paid the claims of all men of the Army and Marine Corps the difference between the pay received by them and pay at $100 per month while in training in the training camps for commissions as officers in the combatant branches of the Army and Marine Corps for the actual period in training for such commissions during the period April 6, 1917, to November 11, 1918, both dates inclusive, who have not been so paid; and payments shall be made to all such men, whether they entered training camps direct from civil life or were detached from duty with their organization. An appropriation is hereby authorized to carry out the purposes of this act: *Provided*, That all such claims shall be settled in the General Accounting Office and shall be held as finally determined, and shall never thereafter be reopened or considered, except upon review or reconsideration by the Comptroller General of the United States: *Provided further*, That no check or warrant issued in payment of such claims shall be delivered to any person other than the claimant or claimants, and the check or warrant shall be mailed to the claimant or claimants at their actual bona fide address or addresses, and no fee or fees shall be paid to any attorney, attorneys, or agents or for prosecution of such claims on account of such training service arising under this or any other act.

Mr. McREYNOLDS. The thing to which I wish to call your attention especially is a letter which is being circulated from Indianapolis, Ind. The letter is headed in this way:

John P. Fitzgerald, Twelfth Company. Ralph Muszar, Fifteenth Company. Camp Gordon Veterans' League, organizing veterans of Central Officers' Training School, Indianapolis, Ind.

Mr. H. A. Griffith—

There is no date on this letter—

Dear Buddy—

A stranger—

Under an act of Congress of June 15, 1917, all men who attended officers' training school were entitled to pay at the rate of $100 per month. However, this act did not carry any appropriation for such pay after June 30, 1918.

Now, as there were quite a few of us who were in training school after June 30, 1918, we should have received and are justly entitled to the same pay as the men who were in training school just a month or so before us; we were put to additional expense in the way of clothing, etc., and in all justice should be given the same pay as the men received who attended the earlier training schools.

It is our intention to have bills prepared and presented to both Senate and the House of Representatives asking that this matter be adjusted so that we may receive this additional pay.

From advice received by the party who had this letter sent to him I found that it was received by him on the 16th day of February, over a month after this bill had been prepared and introduced in the House and also introduced in the Senate by Senator SHEPPARD, of Texas.

In having these bills prepared and watching them through to a successful termination there will be certain expenses to be taken care of—necessary expenses—and we want you and all men who will be benefited by this legislation to help bear this necessary expense. We have made an estimate, and find that each man's pro rata share will be $5.

Now, gentlemen, how far-reaching is that? A few days ago a representative of the War Department was in my office and discussed this bill, after it had been referred by the Military Committee to that department, and he informed me that there were 82,000 who would be the beneficiaries under this bill if it were passed. So they have figured it out on that basis, and they say it will require $5 from each one of these men. You can see from this how large a fraud this is that they are undertaking to practice upon the soldiers.

As you are to receive benefits from the legislation and as the time to have these bills prepared and presented to Congress at this session is getting short, we ask that you join with us now; send in your share of this expense, so that we may get immediate action in this matter.

Mr. KELLER. To whom is the gentleman referring when he says "we"?

Mr. McREYNOLDS. Fitzgerald and Muszar are the men who signed this letter, the men who wrote this letter, and it is signed that way, or, rather, Camp Gordon Veterans' League, by John P. Fitzgerald, secretary.

They state further that they will look after this matter after it is passed in seeing that each receives his share, when the bill which has been introduced provides that no expense shall be attached to the collection of the money and that no attorney or agent shall receive anything out of any compensation which may be voted for these boys. It was our idea that whatever was voted in the interest of these young men should go to them as net, and we felt that the Members of Congress would be glad to render them assistance in seeing that their claims were collected. Further on they state:

Do not let this matter drag; time is short; you will receive benefits of approximately $210 from this legislation.

That letter shows it is a fraud on its face, and it is an attempt, according to my idea, to get money under false pretenses and graft of the worst character, and I am further of the opinion they are guilty of using the mails for fraudulent purposes and attempting to rob the soldiers of this country who are the beneficiaries under this bill.

For what purposes do they want this money? I never heard of these people before. If they want it for the purpose of drafting bills, then let them be advised that it does not require money to have bills introduced in this House. If they want it to pay lobbyists, then let it be understood that no bill will pass this House when it is advocated by paid lobbyists. If it is for propaganda, then, as you know, we would all say, "God deliver us from any more propaganda, because we have had sufficient during this term of Congress."

I have called the attention of the Members of the House to this because I think it is a fraud and because I felt the Members of the House would be glad and would like to notify their boys at home not to give an organization of this kind any money under these circumstances. This is a just bill and should be passed, but, if passed at all, it will be passed alone upon its merits.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ZIHLMAN. Mr. Chairman, I yield one minute to the gentleman from Texas [Mr. JOHNSON].

Mr. JOHNSON of Texas. Mr. Chairman and gentlemen of the committee, I merely want to corroborate what has been said by my good friend and colleague from Tennessee [Mr. McREYNOLDS]. The bill he mentions would have been jointly introduced by the gentleman from Tennessee and myself but for the rules, which forbid an introduction jointly by Members, and we introduced the bills separately at the same time. The subject matter of this legislation was called to our attention not by any attorneys or by any lobbyists but by reason of the fact that some of our own constituents wrote us with reference to compensation due them in attending training camps. In one instance an ex-service man who wrote me and who was entitled to receive compensation under a ruling of the department sent a letter of some attorney who had written him asking that he place his claim with him for collection.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ZIHLMAN. I yield the gentleman one additional minute.

Mr. JOHNSON of Texas. This is the reason that in drafting the bill the gentleman from Tennessee [Mr. McREYNOLDS] and I incorporated the provision that no attorneys' fees should be paid for those who handle these claims. It was to protect the soldiers against this species of graft, and I resent, in the same forceful language that the gentleman from Tennessee [Mr. McREYNOLDS] does, the implication that it is necessary for ex-service men to pay money to anybody to get legislation passed through this Congress in their behalf. [Applause.]

Mr. ZIHLMAN. Mr. Chairman, may I inquire how much time I have remaining?

The CHAIRMAN. The gentleman has 21 minutes remaining.

Mr. ZIHLMAN. Mr. Chairman, I yield five minutes to the gentleman from Ohio [Mr. BEGG].

Mr. BEGG. Mr. Chairman and members of the committee, the purpose of any remarks I have to make to-day is to call attention to a condition in traffic which I think this Congress is as much to blame for as anybody else, and I believe it is only negligence that it is here. A good deal of criticism comes from time to time about reckless driving in the city of Washington. Perhaps there is some reckless driving, and there may be much of it, but there is another angle to safety in travel in a city, particularly in the congested parts and during the congested time of the day, which I think is just as important to the welfare and safety of the public as to be a careful driver, and that is to be a careful walker across the street. In the city of Washington I believe the pedestrian in crossing the street is more reckless than in any other city of the United States. Many times you will drive along the street where there is no street crossing in sight, even at dusk when it is not very light, and somebody will step out from behind a car and

start diagonally across the street. The individual who jeopardizes his life ought to have no comeback in law if the driver of the vehicle that injures him has been driving in such a way as to have his car under control at all times. Every driver of an automobile expects an obstruction to come in the way at the street crossings, and in between the street crossings he has a right to expect a clear way; and, in fact, beyond that, I believe that he ought to be given a clear way in order to clear traffic off the streets. The problem of traffic to-day is one of the big problems in every city, and the only criticism I can make along that line in this city is that traffic is held on the streets a half longer than it ought to be to clear the way. Now, what could be remedied and what could be done to make it possible to get an automobile off of the street? I am sure that 90 per cent of the people in automobiles are going to some definite point.

There may be 10 per cent joy riding around. To do anything to clear off the streets for the joy rider would not help at all, but for the business man and the man who is going in a machine to some definite point, the quicker he can get there the quicker he gets off of one street and onto another, and your traffic is less congested. Then what could be done, and this is the part that Congress will be held responsible for, in my judgment? If you get in your automobile this afternoon and start down any street in the city where there are traffic officers—and let me just digress enough to say that I believe the traffic officers in the city of Washington are on a par with those in any city in the United States, and it is very, very seldom in my experience that I have ever encountered even a discourteous one. They are usually tolerant and courteous. Once in a while, as will happen in all crowds of people, you will find a man who is an exception, but if you start down the street this afternoon and the traffic officer stops you, we will say, at Sixth Street, and you are going down Pennsylvania Avenue, you will stay there until the traffic going across Pennsylvania Avenue is through, and then he will turn the sign and let you through, and just about the time you get your car started well up goes the block on Seventh Street, and it continues that way all the way down the Avenue. You can not blame the traffic officers for that, because there is no way to-day whereby the traffic cop on Sixth Street can tell what the traffic officers on Seventh Street and Ninth Street and Eleventh Street and Thirteenth Street are going to do. So what is the solution? The only solution is for this Congress to appropriate enough money so that on the main thoroughfares you can have it like it is in New York and Philadelphia on the main thoroughfares, a semaphore system which gives you the right of way to drive for three or four or five minutes and then drive at a speed that will get you off of the street. There is not any reason, there is not any sense, in an 8 or 10 mile an hour speed limit in traffic other than the fact that you have not got your problem solved so that you can get rid of your traffic.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ZIHLMAN. I yield the gentleman two additional minutes.

Mr. BEGG. Take the situation at Seventeenth and Pennsylvania Avenue, when a great crowd of automobiles on Seventeenth Street start to go across and they are flagged and are turned up on Pennsylvania Avenue to go across and turn around and get on the other side of Pennsylvania Avenue and come back to Seventeenth Street and then go down the street. That kind of an arrangement only increases the congestion of traffic, and it is not to the best interests of getting traffic off of the streets. I am not offering this as a criticism of the traffic officers. I am offering it as one of the problems of the traffic situation in Washington, and I believe that part of the burden of responsibility rests on us for not appropriating the amount of money necessary to furnish the equipment, so they can lay the city out with direct traffic streets, so that when they give you the right of way you can expect to drive 10 blocks and not have somebody switch in on a side street and run into you. I believe that if such an arrangement was worked out traffic accidents in the city of Washington could be reduced by at least 50 per cent.

Just as a clincher to what I have tried to tell you, I will recite my experience last summer. In coming back to Washington I came by New York and Philadelphia. I had never driven an automobile in New York City, and I would rather drive down Broadway or Fifth Avenue this afternoon in my automobile with my family and would feel more secure than I would to take it at 5 o'clock and start to go from here to my apartment or to my home out in the northwest. Why? Simply because I know that when the semaphore flashes the signal to go I am going to be permitted to go, and there is no one to come in from a side street and wreck me broadside.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ZIHLMAN. Mr. Chairman, I will take the 10 minutes I yielded to myself and endeavor to say something about the bill before the committee. I will state that the bill as originally introduced has the approval of the District of Columbia Commissioners and the Director of the Budget. The members of the subcommittee of the District of Columbia Committee which considered this bill made a number of changes. We have endeavored in the increase granted to confine our recommendations within reasonable limits and bounds. The aggregate increases carried in the bill approximate about 10 per cent. We have granted to the policemen of the District the following increases: Privates of the first class, an increase of from $1,700 to $1,800; to privates of the second class, from $1,800 to $1,900; to privates of the third class, from $1,900 to $2,100; sergeants, from $2,040 to $2,400; lieutenants, from $2,240 to $2,700; lieutenant detectives, $2,640 to $3,000; captains, $2,640 to $3,000; inspectors, $2,640 to $3,250; assistant superintendent, $3,000 to $3,500; and to the major and superintendent, $4,500 to $5,200.

In the fire department we propose an increase for private, class 1, from $1,700 to $1,800; class 2, $1,800 to $1,900; class 3, $1,900 to $2,100; marine fireman, $1,700 to $1,800; marine engineer's assistant, $1,900 to $2,150; marine engineer, $1,940 to $2,250; pilot, $1,940 to $2,250; assistant superintendent of machinery, $2,240 to $2,500; superintendent of machinery, $2,740 to $3,250; sergeant, $1,940 to $2,200; captain, $2,140 to $2,500; inspector, $1,900 to $2,000; deputy fire marshal, $2,240 to $2,500; fire marshal, $2,640 to $3,250; deputy chief engineer, $3,000 to $3,500; and the chief engineer, $4,000 to $5,200.

The total increase of the police department is $197,460. The total pay roll under the present law is $1,873,440. The total pay roll as provided in this bill is $2,072,900.

The fire department is increased from $1,319,040 to a total pay roll as carried in this bill of $1,466,200.

The total increase carried in the bill for the fire department is $147,160. The bill also provides that the members of the police department and the fire department shall be allowed one day of rest in seven. This will necessitate 139 additional privates in the police department and will necessitate, assuming such a number is immediately appointed, an appropriation of $250,000.

In the fire department one day of rest in seven will require 105 additional men and an expenditure of $189,000. So the total increase in the two departments as carried in this bill amounts to $344,620 in the way of increase.

Mr. LARSEN of Georgia. Will the gentleman yield?

Mr. ZIHLMAN. Yes.

Mr. LARSEN of Georgia. The bill carries a proposed increased salary for the police.

Mr. ZIHLMAN. Yes.

Mr. LARSEN of Georgia. What per cent?

Mr. ZIHLMAN. About 10 per cent, but less than that for privates.

Mr. LARSEN of Georgia. Does it contemplate that we will have more efficient service with reference to pedestrians than we now have? Does the gentleman happen to know the intention of the police force?

Mr. ZIHLMAN. The members of the police department and the members of the fire department have assured the committee that they expect to render the highest possible service. I will say that we have one of the most efficient police forces in the country, and I can say the same of the fire department.

Mr. LARSEN of Georgia. I noticed one day last week that the driver of an automobile struck a negro woman about the office building and dragged her all the way across that square and he escaped and he never was caught by the police department. On the same day a white woman was killed down near Seventh Street. What excuse can the police authorities give for that?

Mr. ZIHLMAN. Let me say to the gentleman that the Capitol grounds are not under the supervision of the Metropolitan police force.

Mr. LARSEN of Georgia. This was not on the Capitol grounds, this was on B Street. The newspaper account of it was that the woman was struck and dragged all the way across the block to Brown's café. Does the gentleman from Maryland think that is efficient service?

Mr. ZIHLMAN. I will say that as a matter of record during the past year the police department of the city of Washington had a 100 per cent record in the apprehension of criminals.

Mr. LARSEN of Georgia. Does the gentleman remember how many assaults upon women and how many of the parties

were caught in the city of Washington? If that is efficiency, I should like to know it.

Mr. ZIHLMAN. I have not the figures, but they have been put in the record several times by the gentleman from Massachusetts [Mr. TINKHAM].

Mr. LARSEN of Georgia. I must say that the gentleman's figures are not very reliable if reports are correct. Now, I am in favor of paying policemen well. However, I happen to have lived in several different small cities, ranging from 10,000 to 50,000 inhabitants. The gentleman speaks of the efficiency of the police force of this city. I think there is less efficiency here in the police force when it comes to protection of women upon whom assaults are made, and protection of pedestrians who would like to walk the streets feeling a measure of safety, than in any other city I have ever been in, and the streets here are very much wider than they are in other cities.

Mr. ZIHLMAN. Is the gentleman familiar with the statistics in other cities? Does he not know that there has been an epidemic of crime in the great cities. I think the gentleman will find the record of this city compares more than favorably with that of the others.

Mr. LARSEN of Georgia. Does not the gentleman think that the daily casualties in the city of Washington are about twice as heavy as they have been in other cities in the last few years, when it comes to automobile accidents?

Mr. ZIHLMAN. It is true they have been greater than those of some other cities, but not twice.

Mr. LARSEN of Georgia. What is the explanation of that, when the streets here are almost twice as wide as they are in other cities?

Mr. ZIHLMAN. Oh, that is a very long story, and I would not have time to go into it now.

Mr. LARSEN of Georgia. Does not the gentleman think that makes a record for efficiency?

Mr. ZIHLMAN. I think the police department has done as well as it could under the existing laws and the crowded conditions of the local courts, and the releasing of many men on small collateral.

Mr. SANDERS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. ZIHLMAN. Yes.

Mr. SANDERS of Indiana. Does the organic law fix the number of officers and privates on the police force?

Mr. ZIHLMAN. Not to my knowledge. It is my understanding that the number of the police force was fixed by law of Congress passed in 1919.

Mr. SANDERS of Indiana. How many were permitted?

Mr. ZIHLMAN. I can not tell the gentleman right now.

Mr. SANDERS of Indiana. In section 2 of the bill there is a provision for the authorization of 35 lieutenant detectives.

Mr. ZIHLMAN. That is existing law.

Mr. SANDERS of Indiana. The amendment strikes that out, so that the bill as presented with the committee amendments does not increase the number of officers or the number of privates. The gentleman's report indicates that since one day in seven is to be given, the number of privates will have to be increased.

I am asking the question only to be sure that the bill accomplishes just what the gentleman desires. Did the gentleman understand that this bill creates additional officers or men?

Mr. ZIHLMAN. It is not my idea that this bill in general terms by direction changes the existing number of policemen, but it is my opinion that if Congress should pass this bill in its present form and these men were to be given by direction of law one day's rest in seven, and Congress wants to keep the same number of men on police duty and fire duty throughout the 24 hours that they now have, it would be necessary to increase the number of firemen and policemen by one-seventh.

Mr. SANDERS of Indiana. This bill creates a necessity for an additional number of men and as I understand the gentleman the bill itself does not provide for them. The bill as originally drawn did make provision for additional ones.

Mr. ZIHLMAN. No; the gentleman is mistaken, the 35 detectives constitute the number now on the force under existing law.

Mr. BLANTON. If the gentleman will permit me, the police and fire departments in the District of Columbia were the only two departments paid by the Government who were not granted a day off in lieu of Sunday out of every seven. The committee in considering that matter thought it was just to the policemen and firemen to accord to them what has been accorded every other employee of this Government, and they provided for that in this bill.

Mr. SANDERS of Indiana. I am not talking about that at all.

Mr. BLANTON. There is where the additional men come in. That is the only provision of the bill that requires additional men.

The CHAIRMAN. The time of the gentleman from Maryland has expired. All time has expired and the Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the annual basic salaries of the officers and members of the Metropolitan police force shall be as follows: Major and superintendent, $5,200; assistant superintendents, $3,500 each; inspector in charge of detective headquarters, $3,730; inspectors, $3,250 each; lieutenant assistant to inspector in charge of detective headquarters, $2,980; captains, $2,800 each; lieutenant detectives, $2,600 each; lieutenants, $2,500 each; sergeants, $2,200 each; privates of class 3, $2,100 each; privates of class 2, $1,900 each; privates of class 1, $1,800 each. Driver-privates shall have the same rank and pay as privates of the above classes. Members of said police force who may be mounted on horses, furnished and maintained by themselves, shall each receive an extra compensation of $450 per annum; members of said force who may be mounted on motor vehicles, furnished and maintained by themselves, shall each receive an extra compensation of $480 per annum; members of said force who may be mounted on bicycles shall each receive an extra compensation of $70 per annum; members of said force detailed for special service in the various precincts in the prevention and detection of crime shall each receive an extra compensation of $180 per annum; and members detailed to the motorcycle service shall each receive an extra compensation of $120 per annum.

The CHAIRMAN. The Chair would suggest that unless there is a different order it would be necessary probably to report each amendment separately.

Mr. ZIHLMAN. Mr. Chairman, I ask unanimous consent that the amendments may be reported and voted upon en bloc.

The CHAIRMAN. Is there objection?

There was no objection.

The Clerk read the committee amendments, as follows:

Page 1, line 6, after the word "each," strike out the words "inspector in charge of detective headquarters, $3,730."

Page 1, line 7, after the word "each," strike out the semicolon and the words "lieutenant assistant to inspector in charge of detective headquarters, $2,980," and insert a colon and the words: "*Provided*, That the inspector assigned to the supervision and command of the detective bureau shall during the period of such assignment be rated as and shall receive the pay of an assistant superintendent."

Page 2, line 3, strike out "$2,800" and insert in lieu thereof "$3,000."

Page 2, line 4, strike out the words "lieutenant detectives, $2,600 each"; and in the same line strike out the figures "$2,500" and insert in lieu thereof the figures "$2,700"; and after the word "each," in line 5, page 2, insert a colon and the words: "*Provided*, That the lieutenant assigned as assistant to the inspector commanding the detective bureau shall during the period of such assignment hold the rank and receive the pay of a captain."

Page 2, line 8, strike out "$2,200" and insert in lieu thereof "$2,400."

Page 2, line 9, strike out "$2,000" and insert in lieu thereof "$2,100."

Page 2, line 15, strike out the words "mounted on" and insert "called upon to use"; and in line 18, after the word "annum," insert "members of said force detailed to detective headquarters in the prevention and detection of crime shall each receive extra compensation of $600 per annum."

Page 2, line 25, strike out "$180" and insert "$240."

The CHAIRMAN. The question is on agreeing to the committee amendments.

Mr. SANDERS of Indiana. I desire recognition, Mr. Chairman, in opposition to the committee amendment; but let my friend from Georgia [Mr. LARSEN] go ahead first.

Mr. LARSEN of Georgia. I desire to discuss the amendment.

The CHAIRMAN. The gentleman from Georgia is recognized.

Mr. LARSEN of Georgia. Mr. Chairman and gentlemen of the committee, if I understand the purpose of this amendment it is to increase the salary of the members of the police force and other officials of the city who are now serving and is not to increase the number of the force. As I understand, some of these increases range a little above 10 per cent. So far as I am personally concerned, I would be glad of an opportunity to reduce expenses rather than increase them. Yesterday we were engaged in the consideration of legislation for the reduction of taxation. Of course, we can not reduce taxes if, after voting tax reduction one day, we engage next day in raising salaries. If we pursue such policy, it will be only a question of time when we shall have to increase taxes again. If we could in-

crease the efficiency of the service by an increase of compensation, and I could be assured of that fact, I might be willing to vote for the proposed increase.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. LARSEN of Georgia. Yes.

Mr. BLANTON. That is the only motive that prompts me to support these increases—the assurance given by the police department and the fire department that if we grant them these increases they can weed out from their force inefficient men, men not qualified, and get the highest-class men available, and that they will give us a model service, the best in the United States. Usually I am not in favor of any kind of increases, but I am in favor of an increase for these men who risk their lives daily. There is hardly a day passes but that when they leave home they do not know that they will ever get back alive to their wives and children. If they assure us that they will give us good service, I believe in giving them an increase.

Mr. LARSEN of Georgia. If I were a policeman, I might believe my life endangered if I undertook to walk around the streets of this city, especially just at a time when some one else might desire to cross the street in an automobile. I think their lives are endangered often in this way when they walk the streets. But the trouble is that their lives are not endangered in many instances by trying to protect the lives of people of the city. I fear they do not always make an honest effort to protect the citizens.

Mr. BLANTON. I think the gentleman is doing a little injustice to the police force in saying that. There are some high-class men on this police force. Of course, they have some others, but the main body of them are men of the highest character.

Mr. LARSEN of Georgia. I want a guaranty from them before I vote an increase. I want to know whether they will get rid of those who have not been discharging their duties. Last year, if I have the figures correct, this city was the second among all the cities of the United States, regardless of population, for casualties caused by automobile accidents. Is that correct?

Mr. ZIHLMAN. I understood there were about 60 automobile accidents.

Mr. LARSEN of Georgia. I think it was 85 persons killed here, and year before last it was 97. Last year, I believe, the city of Los Angeles, Calif., was the only city in the United States where the death rate from automobile accidents was as high as that in Washington. Yet here is a city with streets 300 feet wide—no reason for hurting pedestrians—and yet a man must ofttimes risk his life to cross the street.

Mr. ALLGOOD. There have been, as I understand, more than 8,000 violations of the traffic regulations.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. LARSEN of Georgia. May I have five minutes more?

Mr. BLANTON. Yes; I yield to the gentleman five minutes more.

Mr. ALLGOOD. There were over 8,000 violations. I wonder if the gentleman does not think that the courts are somewhat to blame. It looks as if the policemen were arresting violators all right, but the courts must be to blame for not enforcing fines on those violators. There were 8,000 violations of the law in a year.

Mr. LARSEN of Georgia. I do not know just where the trouble is, but I presume there must be some fault with the policemen themselves. When 97 people are killed in one year in this city and about 90 in another by automobiles, it becomes a startling situation. When a man can not safely cross a street 300 feet wide in the Capital of the Nation something is wrong.

Mr. BEGG. Mr. Chairman, will the gentleman yield for a question?

Mr. LARSEN of Georgia. For a brief question.

Mr. BEGG. Does not the gentleman think that the man crossing the street is more responsible than the driver of the automobile? Is not the important thing the requirement that the man shall cross at the crossing and not between blocks?

Mr. LARSEN of Georgia. Does the gentleman know of anybody that was killed who was not killed on the crossing?

Mr. BEGG. I venture the assertion that most of the accidents occurred at places other than on the crossings.

Mr. LARSEN of Georgia. Give the facts. I do not want the gentleman to "venture the assertion." Give the facts. Name them.

Mr. BEGG. I saw one accident myself up on Florida avenue and Fourteenth street. The man was not killed, but was hurt by an automobile.

Mr. LARSEN of Georgia. Was he walking across the street at the crossing?

Mr. BEGG. No; he was walking across at some other place than the crossing. I think the gentleman will find that in other cities people walk across the street at the crossings, while here never.

Mr. LARSEN of Georgia. Pedestrians usually cross at the proper places. Does the gentleman drive a car?

Mr. BEGG. Yes; I have driven a car, and I never have hit anybody, but we may do it at any time.

Mr. LARSEN of Georgia. Maybe that affects the gentleman's judgment. I have to dodge for my life almost onto the sidewalk.

Mr. BEGG. Not if the gentleman will observe the traffic cop's orders and walk within the marked lines.

Mr. LARSEN of Georgia. The gentleman should know that is seldom the case. One woman was killed over here near the Capitol this week. Almost every time a Member of Congress crosses the white lines between the House Office Building and the Capitol he takes his life in his own hands. He usually runs great risk.

Mr. HUDSPETH. Will the gentleman yield?

Mr. LARSEN of Georgia. Yes.

Mr. HUDSPETH. And the gentleman knows, if he drives a car, that he has to watch out for the reckless driver. That is where the danger lies.

Mr. LARSEN of Georgia. Yes; that is exactly the situation.

Mr. HUDSPETH. And bearing on the case of the old charwoman who was killed right on the crossing two or three days ago, if the party who was driving that automobile had been held up by a policeman that poor, old charwoman would not have lost her life; and yet she was where she had a right to be.

Mr. LARSEN of Georgia. Yes. And the press said not only that but that she was dragged a whole block and that the guilty party, having killed the poor, old negress, escaped. Not a policeman in the whole city of Washington to arrest him, yet he had miles to go to get out of the city. On the same day another old lady, 50 years old, was killed at another place by an automobile, and to show our gratitude we are asked to raise the salaries of the police force.

Mr. MOORE of Virginia. Will the gentleman yield?

Mr. LARSEN of Georgia. Yes.

Mr. MOORE of Virginia. Has my friend ever investigated to find out how many police officers there are in this city in comparison with other cities? I think that is a matter which should be investigated. In Detroit some time ago they had the same sort of a situation which is complained of here, and what they did there was to increase the number of policemen and organize an efficient traffic squad. One difficulty here has been a shortage of men.

Mr. LARSEN of Georgia. I have never yet seen any department in Washington City that did not have plenty of employees. I think the great trouble is that they have too many, but I am not sure how many they have on the police force.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LARSEN of Georgia. Mr. Chairman, may I have just one minute more?

The CHAIRMAN. The gentleman from Georgia asks unanimous consent to proceed for one additional minute. Is there objection?

There was no objection.

Mr. LARSEN of Georgia. In addition to those who were killed, there were quite a number of casualties which did not prove fatal.

For just a minute I want to speak in behalf of the women of this city. The great number of assaults that were made upon women in this city last year is enough to make the blood of every American citizen boil. To think that a negro, or a white man, either, can come here under the Dome of the Capitol and outrage the women of this land, and never arrested or punished, is a disgrace to the Nation. Gentlemen, that is a serious matter, and, so far as I am concerned, I want more than assurances when you talk about raising the salaries of our police force. I want a guaranty that the life and virtue of women at the Capital will be safe and sacred. That is a condition which does not exist now.

The CHAIRMAN. The time of the gentleman has again expired. The gentleman from Indiana [Mr. SANDERS] is recognized.

Mr. ZIHLMAN. Before the gentleman from Indiana proceeds, I ask unanimous consent that all debate on this section and all amendments thereto close in 10 minutes.

Mr. BLANTON. I would not ask that. The gentlemen have some things on their system which they want to get off, and I think we should let them do it. I would not try to limit them, and you will get along faster by it.

The CHAIRMAN. What is the request of the gentleman from Maryland?

Mr. ZIHLMAN. I ask unanimous consent that all debate on this section and all amendments thereto close in 15 minutes.

The CHAIRMAN. The gentleman from Maryland asks unanimous consent that all debate on this section and all amendments thereto close in 15 minutes.

Mr. STENGLE. Mr. Chairman, reserving the right to object, will the time be divided equally between those who favor the bill and those who oppose it?

The CHAIRMAN. The Chair will try to so divide it.

Mr. STENGLE. I hope the Chair will. Some of us would like to speak in favor of the bill and not hear from all those who oppose it.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. STENGLE. Mr. Chairman, whom does the Chair recognize?

The CHAIRMAN. The Chair has recognized the gentleman from Indiana [Mr. SANDERS].

Mr. SANDERS of Indiana. Mr. Chairman, I sought to find out from the members of the committee in general debate whether or not there is any limitation in the organic law as to the number of officers and privates on the police force. I do not know, because I have not examined it. If there is not, I think this bill, as they propose to amend it, is in order; but if there is a limitation, the bill does not accomplish anything, because it does not increase the number, although it proposes a law which creates a necessity for a great increase.

Mr. BLANTON. They have been increasing them as fast as the Congress, through the Appropriations Committee would give them the money. Therefore, I take it, the organic law makes no restriction, because the police force has been increased from time to time whenever the Appropriations Committee would grant the estimate made by the commissioners.

Mr. SANDERS of Indiana. I thank my friend from Texas. In 1917 there was this provision in the appropriation bill:

> And the provision in the District of Columbia appropriation act for the fiscal year 1913, which provides: "After June 30, 1912, there shall be no appointments except by promotion," etc., "until the whole number of privates in all of said classes shall have been reduced to 640."

In 1913 there seems to have been a limitation placed on the appropriation bill which was in the nature of general law and was the same as if it were the organic law making the number of privates 640, and that seems to have been repealed by the appropriation act of 1917. I do not know whether there has been any change or not.

Mr. BLANTON. I will say to the gentleman that we had the inspector of the police department and of the fire department go over this bill, and the provisions of it were approved by them.

Mr. SANDERS of Indiana. And the amendments.

Mr. BLANTON. The various paragraphs of the bill and the amendments of the committee.

Mr. SANDERS of Indiana. Yes. The second section provides for additional officers and additional men, and that is stricken out by the committee amendment, so there is nothing in the bill except to raise the salaries of the different officers and of the different men and to provide that they shall have a rest one day in seven.

Mr. ZIHLMAN. I will state to the gentleman that the language stricken out in section 2 is existing law. Thirty-five is the number of lieutenant detectives now.

Mr. SANDERS of Indiana. That may be the number that is appropriated for and that is exactly what I am trying to find out. I think the gentleman from Texas [Mr. BLANTON] is accurate when he says there is no limitation.

Mr. BLANTON. I do not think so. It is dependent on the appropriation Congress gives them.

Mr. HAMMER. Will the gentleman yield?

Mr. SANDERS of Indiana. Yes; I yield.

Mr. HAMMER. I simply wanted to say to the gentleman that there clearly would have to be more policemen appointed, because the provision providing for one day of rest in seven will necessarily require that and there will have to be an appropriation by Congress in a deficiency bill.

Mr. SANDERS of Indiana. There is no doubt about that, and we can provide for it when we come to the matter of appropriations. The thing I was driving at was whether you had any law to provide for your additional 139, and if there is no limitation you do not need any provision, but I notice the report says that for the police department the one-day rest in seven provision will require 139 additional privates of class I.

I am going to support this measure, Mr. Chairman, not because I have studied it carefully and know whether this is a just rate to be paid or not but because I am going to trust the District Committee, but this is a very great increase in pay. It is substantially 10 per cent to the men themselves, and one day in seven means 14⅔ per cent, which makes substantially a 25 per cent increase in the cost to the Government of paying these police officers. I take it the gentlemen who have reported this measure have investigated the question of the rest of one day in seven to police officers in other jurisdictions, and that this is a just measure, but I was rather surprised to find out that in this one measure there is practically a 25 per cent increase in the cost of the police force.

Mr. KELLER. Will the gentleman yield?

Mr. SANDERS of Indiana. Yes.

Mr. KELLER. Some of us think it is not high enough, as the bill stands now, compared with other cities, so that it is not the maximum, in my judgment, that ought to have been provided.

Mr. SANDERS of Indiana. I think we should pay these police officers well, and I think the police officers in the city of Washington, in a general way, measure up to the high standard of the police officers of this country. They have their difficulties, of course.

The CHAIRMAN. The time of the gentleman has expired.

Mr. KELLER. This is a compromise salary bill.

Mr. MOORE of Virginia. Mr. Chairman, may I ask the gentleman from Michigan a question?

Mr. McKEOWN and Mr. STENGLE rose.

The CHAIRMAN. Is the gentleman from Virginia opposed to the bill?

Mr. MOORE of Virginia. No, Mr. Chairman.

Mr. McKEOWN. I am opposed to the bill.

The CHAIRMAN. The gentleman from Oklahoma is recognized.

Mr. McKEOWN. Gentlemen, I agree with the gentleman from Indiana that the police ought to be well paid; but, on the other hand, I am reminded when it comes to increasing salaries in this Congress of the great petition of the farmers of the United States brought here by the gentleman from Pennsylvania, in which the farmers asked that there be no more increases in salaries and that there be no more increases in the number of officers. It does seem to me that this could have gone on for at least another year, until the country has somewhat recovered, before we bring such an increase in here. I would be inclined to follow the gentleman from Texas [Mr. BLANTON], because he is a very safe and sound man to follow on the question of economy, but I do not think at this time you ought to bring increases in here. You have talked about the police force. It is a very dangerous business and is very dangerous work. I do not think the trouble in Washington is so much from the police force; I think the trouble comes from the fact that you do not have sufficient penalties to penalize and punish these people who have no regard for human life. There ought to be a statute in this city that any man who shows an abandoned disposition touching the matter of human life ought to be a felon and go to the penitentiary, and whenever you put some of these birds in the penitentiary you are going to have safer driving in Washington, and you are not going to have it until then. You talk about your policemen; the engineer who pulls a passenger train at midnight through the country has on every hand signals of danger. He has lights all along the way he goes to show him the danger, but the policeman going down through a back alley in the darkness of the night has nothing to show him the danger of the assassin or the burglar or the bootlegger; and, by the way, the bootlegger has become one of the most dangerous criminals in the country to-day. He has become an abandoned criminal. He cares not for human life and he is a dangerous element which the police have to deal with; but aside from that, gentlemen, what ought we to do in the city of Washington? What ought the Congress of the United States to do?

In my humble judgment, the Congress of the United States ought to give to the city of Washington a Territorial form of government at the earliest possible moment. They ought to have a Territorial form of government and the Congress of the United States ought to set aside the amount of money that goes to the city of Washington, and that ought to be all required of the Appropriations Committee. Then let the District of Columbia have a legislature, say, of 24 members in the house and 12 senators; let there be a governor appointed by the President of the United States; give them a Delegate in the House, and let the legislature levy its taxes and let it appropriate the money which Congress appropriates in bulk to them; and let them have their own government and not take up the time of the Congress here when we ought to be engaged in business for all the great cities of the country. The District gets one-thirteenth of the time of the United States Congress, and yet it constitutes only one two-hundred-and-fifteenth part of the population of the United States. Gentlemen, this is serious.

The District gets two days out of every month. The men on the Committee on the District of Columbia are the hardest-worked Members of the Congress, outside, probably, of the Committee on Appropriations. They have to wrestle with these matters that should be settled here in the District by the people themselves. The Congress ought to get rid of this unnecessary burden. It ought to reserve the right to disapprove any act that the legislature of the District of Columbia passed any time within two years. The statutes would be in force unless it is disapproved by such act of Congress. I think the time is here now when the Congress of the United States ought to act on this question. We have some of the best Members of this House whose time is taken up on matters of the District of Columbia, whose talents ought to be engaged in the great questions that are confronting the whole people; and I say to you that the personnel of that committee is as good as any committee we have in the House. They are now wrestling with the rent question here in the District of Columbia. I say that if you will turn these people over to a territorial form of government, give them a governor and a legislature and let them solve their own difficulties, they will be better solved and you will have less trouble.

Mr. STENGLE. Mr. Chairman, I have no intention of engaging in any heated discussion on this subject, but I felt after hearing some remarks made on the bill that it probably would not be amiss if I made a few observations. Let me say in the beginning that during the past six years I have actively participated in the making of more than 25,000 policemen in the largest city in this country. During that same period I have had to do with the promotion from grade to grade of the entire force, numbering 12,000 men. It is all right to talk about giving the vote to the District of Columbia, if that is the subject before us, but if I understand this bill it is merely and purely a question of giving to the policemen and firemen in this city a reasonable compensation upon which to exist while they undertake to perform their public duty.

I am sometimes amazed at the wonderful economy displayed by my colleagues who will argue here for two hours or more that we are giving these poor fellows too much money when only two weeks ago without ever looking into the details they were voting daily 50, 80, and 90 per cent increases for the supervisory officials in the Departments of the Interior, the Treasury, and the Post Office. If you want to be economists why not cut down the salaries of such men as those instead of taking from these men the measly salaries they draw in trying to get an honest and decent livelihood?

Mr. BLANTON. Will the gentleman yield?

Mr. STENGLE. I will yield gladly.

Mr. BLANTON. Does the gentleman think the gentleman from Indiana can charge up against the police and firemen's increase their day off in lieu of Sunday which everybody has?

Mr. STENGLE. He should not unless he charges for the day and a half of employees of the city and the Government and make that a part of the increase in the salary that we are proclaiming we are going to give them. It is customary, gentlemen, to give every man his day off for rest. It is nothing unusual to see a man in public service, with the exception of Members of Congress, have his day off for rest. We never get it here. But these men are entitled to it. The fact that a man gets run down on a public highway is an incident and not an argument in favor of or against the increase of salary for patrolmen who happen per se to be standing on the crossing. The whole question before us, as I understand it, is just this: Are we giving them too much, or are we giving them too little? I say to you, based on an experience that is greater than any of those I have heard here on the floor, that $2,100 as a maximum for a patrolman in this District is entirely too small, as compared with $1,200 in the smaller cities. We give $2,500 in the city of New York, and give them time off and we do not cry about it.

Mr. SPROUL of Illinois. Will the gentleman yield?

Mr. STENGLE. Gladly.

Mr. SPROUL of Illinois. I have here a table showing the average pay of patrolmen in 98 cities in the United States, and the average is $2,376.

Mr. STENGLE. We pay the street cleaners more in New York City than you pay your patrolmen in the city of Washington.

The CHAIRMAN. The time of the gentleman from New York has expired. All time has expired, and the question is on the committee amendments to section 1.

The question was taken, and the committee amendments to section 1 were agreed to.

Mr. KUNZ. Mr. Chairman, I make a motion to recommit the bill.

Mr. SANDERS of Indiana. The gentleman can not make that motion in the Committee of the Whole.

Mr. LARSEN of Georgia. Mr. Chairman, is not that the same as moving to strike out the enacting clause?

Mr. KUNZ. I do not care to move to strike out the enacting clause. Mr. Chairman, I move to strike out the last word.

Mr. Chairman and gentlemen of the committee, this bill, while I am not opposing it, I believe in raising the salaries of these men who are on the police force in Washington. But so far as the citizens of Washington are concerned, it gives to them no protection. This bill does not increase the number of men; it simply increases the salaries. What we need in Washington is more protection with uniformed policemen. When you drive along the streets of Washington, you know very well that you are liable to find somebody coming along at a rate of 30 or 40 miles an hour, and unless you are very careful you are going to have some one run into you. If we had policemen enough to protect the people of Washington, you would have them in uniform and they would be a prevention of crime; they would prevent accidents. It is too late after some one has been injured.

The CHAIRMAN. The Chair is reminded that the time for debate was limited and exhausted.

Mr. SANDERS of Indiana. Mr. Chairman, I ask unanimous consent that the gentleman from Illinois may finish his five minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. KUNZ. The trouble is that while this is District of Columbia day, Members have had so much poison injected into their systems with other matters that their minds are not in position to properly discuss this subject. We have men on the District Committee who come and talk about economy, never taking into consideration the fact that conditions are different here, that requirements are different. They are reading into the RECORD letters and telegrams in order to apprise their constituents of how busy they are in economizing for the great Government of the United States. We have men who have come here and know nothing about city life—they come from the State of Texas, and might make good farmers, might make good country lawyers, but so far as running a city like Washington they have not the remotest idea of it. I want to call attention to the fact that in this bill an increase has been made to these men, and I believe justly so. The man who rides a horse has his salary decreased because some gentleman wants to economize and show to the people of his district that he was here and objected to the people of this country paying to support Washington and Washingtonians. What we need is more money for protection. If this Congress would appropriate more money for more men, you would have better protection and you would have less accidents on the streets in the city of Washington.

Mr. STENGLE. Mr. Chairman, will the gentleman yield?

Mr. KUNZ. Yes.

Mr. STENGLE. I notice the chairman of the Committee on Appropriations is here. Will the gentleman kindly address those remarks to him?

Mr. KUNZ. The chairman of the Committee on Appropriations, who formerly served in the city council of the city of Chicago, well knows the condition of Washington, far better than a number of men who are now here trying to economize, and I know that the gentleman who presides as the chairman of the Committee on Appropriations is willing to do for Washington what he did for Chicago when he was chairman of the finance committee of the common council of that city. He understands the condition, and, as I said before, you have men who are penny-wise and pound-foolish, who are all the time objecting to and opposing appropriations which ought to be made in the interest of this great city. If these gentlemen will only take more interest and save more time by less talk, filling the CONGRESSIONAL RECORD, there would be a greater saving and more good done for the people of the country. [Applause.]

The Clerk read as follows:

SEC. 2. In addition to the officers now authorized by law, the Metropolitan police force shall consist of 35 lieutenant detectives, to be appointed by the Commissioners of the District of Columbia, in lieu of the 35 privates now authorized to be detailed to detective headquarters for special service in the detection and prevention of crime. Any of the privates so detailed at the time this act takes effect may be so appointed without examination.

With the following committee amendment:

Strike out all of section 2.

Mr. BLANTON. Mr. Chairman, I rise in favor of the committee amendment. Our colleague from Illinois [Mr. KUNZ] has taken a most ridiculous position upon the floor of the House. When there was nothing before the committee except to begin reading another part of the bill; when the committee had agreed upon the former section and was ready to do something else, he took up five minutes of our time in an attempt to give this committee a lecture about wasting the time of the committee in windbagging and about how little some people knew about things. I want him to read over his remarks in the morning when they appear in the RECORD if he lets them go in, and he will see just how much enlightenment he gave us. I noticed that he mentioned the State of Texas. I hail from that great State; and in connection with that he spoke in derision of the economy of reducing the extra allowance for a policeman who kept a horse to $450. The idea of such a thing! Some men could get rich stabling horses at $450 each. The gentleman from Illinois has thoroughbred horses. He imagines that it costs a policeman as much to barn a police horse here as it does him to take care of those fine horses of his in Chicago.

Mr. HUDSPETH. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. HUDSPETH. Perhaps the gentleman from Illinois is not particularly friendly to the great State of Texas on account of the fact that a gentleman from that State—I think from the gentleman's own district—broke up the sale of gold bricks in the city of Chicago, and there were three citizens less in that city after he left there.

Mr. BLANTON. Yes; and that is what is probably disturbing his equanimity. My colleague refers to the incident when a horseman from west Texas went to Chicago and they tried to sell him the usual gold brick. But at the same time he handed them his $5,000 he picked up the real brick of gold and would not let them take it off to wrap it up and thus make the exchange for something worthless, and when they assaulted him there were three less gold-brick sellers in Chicago; and a Chicago jury cleared the Texan of wrongdoing.

Mr. HUDSPETH. He still remembers that incident?

Mr. BLANTON. Yes. Show me a man who knows anything much about horses and about maintaining them who would claim that a man should be allowed more than $450 a year for maintaining one. That is what the committee cuts that down to. A larger amount was expected of your committee, and we thought that $450 was sufficient to maintain a policeman's horse.

If you will confer with your constituents who keep horses, even in livery stables, you will find that it can be done within that sum. There is nothing picayune about it, nor extravagant. We allowed what we thought was a fair allowance for maintaining a horse in the District, and I want to say to the gentleman that all of these policemen who are mounted have barns on their premises in the outskirts of the city where they keep their horses.

Mr. KUNZ. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes; certainly I yield to my friend from Chicago.

Mr. KUNZ. Is it not a fact that the committee reduced the keep of a horse under what was allowed last year?

Mr. BLANTON. I think they were allowed $480 last year. They asked $540, and we reduced it to $450.

Mr. KUNZ. So that the policeman gets $30 less this year than last?

Mr. BLANTON. Yes. The committee thought $450 was enough to keep a horse.

Mr. KUNZ. But feed is not any cheaper than it was last year.

Mr. BLANTON. Oh, but we paid them too much last year; these policemen do not feed their horses as the gentleman from Chicago does his thoroughbreds, and when they ship one of them they do not ride in palace cars, as do the horses of the gentleman from Illinois, and they do not have a special man in care of them, as do the horses of the gentleman from Illinois. And they are not specially blanketed as his are. The gentleman has an idea about only one specific thing, and the committee has general ideas about a whole combination of things. The committee is looking at the matter from the standpoint of the interest of the American people and not from the viewpoint of thoroughbred-horse fanciers in Chicago. I hope the distinguished gentleman will study up on this question before he again endeavors to lecture the members of the committee who worked hard on this bill.

Mr. ZIHLMAN. Mr. Chairman, I ask unanimous consent that all debate upon this section and all amendments thereto do now close.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 3. That the annual basic salaries of the officers and members of the fire department of the District of Columbia shall be as follows: Chief engineer, $5,200; deputy chief engineers, $3,500 each; battalion chief engineers, $3,050 each; fire marshal, $3,250; deputy fire marshal, $2,500; inspectors, $2,000 each; captains, $2,500 each; lieutenants, $2,350 each; sergeants, $2,200 each; superintendent of machinery, $3,250; assistant superintendent of machinery, $2,500; pilots, $2,250 each; marine engineers, $2,250 each; assistant marine engineers, $2,150 each; marine firemen, $1,800 each; privates of class 3, $2,000 each; privates of class 2, $1,900 each; privates of class 1, $1,800 each.

With the following committee amendments:

Page 3, line 11, strike out the figure "3" and insert the figure "2."

Page 3, line 21, strike out "$2,000" and insert "$2,100."

The CHAIRMAN. The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

Mr. McSWEENEY rose.

Mr. ZIHLMAN. Mr. Chairman, I ask unanimous consent that debate upon this section and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. McSWEENEY. Mr. Chairman and gentlemen of the committee, the gentleman from Illinois [Mr. KUNZ] has spoken about extravagance in expenditures. I am greatly in favor of tax reduction and of reducing all of the expenditures of Government, but I do believe a sharp distinction must be drawn as between expenditures which are foolish and those that might be classed as good, sound investments. I feel there are no men in civil life who so jeopardize themselves as the firemen and policemen of a community. As a member of my own local volunteer fire department, I realize as my community grows that there are added difficulties for these men. I feel it to be a real investment to do something to provide better men, better equipment, and to let them have a standard of living that every other group has. We all realize that the basis of pay has been generally fixed according to the hazard of the work in which men are engaged.

You realize that back in the old days, when James B. Eads built the bridge across the Mississippi River, the men who were engaged in that work were allowed $6 or $8 per hour because they were subjected to great danger and difficulty. That was back in the old days when the present modern high wages were unknown. Now, we know that the man in the police department or in the fire department is subjected to difficulties, and yet he receives a relatively low rate of wages. Nowadays the firemen have to protect higher buildings and larger structures, and the larger the structures are the greater the danger. These men in the fire department and in the police department who are now asking for an increase of wages are the ones that should be considered. The policemen, as the city of Washington grows, have increased difficulties and increased labor to perform. Traffic is increasing, and these men have to watch over the safety of the citizens.

We realize that with every law that is passed to protect the citizens greater difficulty arises for these men who have charge of its enforcement. Therefore I am in favor of regarding this not as an expenditure but as an investment, and I am in favor of giving these men who are serving this community, which is the National Capital of America, some increase, and allow them to have the compensation that men should have in hazardous occupations.

We realize that the miner is a man of that type who is subjecting himself to dangers, and he should be paid accordingly, and the same is true with respect to the locomotive engineers, and that they should be paid more than the ordinary man in the quiet pursuits of life; and therefore I favor this bill and shall ardently support it, and I hope that we shall be able to give these men better opportunities for themselves and families, and I am sure that they will deserve it. [Applause.]

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. MADDEN. Mr. Chairman, I want to speak on this bill, and I may wander a little in doing so. I was in some doubt in the beginning as to whether the provision of this bill which gives Sunday, or a day off in the week in lieu of service, was the proper thing to be done, but I find on some investigation

that it is becoming the practice all over the United States. It has been the policy in the city from which I come for a long while, and I understand that as a result of that it is altogether likely that you will get a better class of men; at any rate you will do more justice to whatever class of men you get.

I do not think the wages proposed are higher perhaps than they ought to be under existing circumstances, so that I shall very cheerfully support the bill.

For one I was sorry not to have been here to speak on the question of inspectors. I do not think there should be any differentiation in the pay granted to inspectors. I think all inspectors should be paid alike. I notice that this bill provides that one inspector, while serving as head of the detective service, shall be given the rank of assistant superintendent and $250 additional pay. I do not think the work of an inspector of the detective service is any more important than the work of inspectors of other services. It may be, but I doubt it.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. Yes.

Mr. BLANTON. He is in charge of 36 men under him, and he is responsible for what they do. Does not the gentleman think we should pay $250 extra to him?

Mr. MADDEN. Well, the other inspectors also have men under them, and they are responsible for them.

Mr. ZIHLMAN. You recognize the difference in the service?

Mr. MADDEN. Yes; I recognize what the difference in the service is, but I do not see any difference in the importance of the service. I do not think it requires a man to be a greater genius as inspector in the detective service than in the traffic service or any other service. In fact, I think the man in charge of the traffic service has a much more arduous job than the other man. He does not deal with the same class of cases, it is true.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. Yes.

Mr. BLANTON. We pay the distinguished gentleman from Illinois $7,500 a year——

Mr. MADDEN. Yes; $150 a week——

Mr. BLANTON. And that is about one-fourth of what the gentleman could make at home——

Mr. MADDEN. About one-tenth——

Mr. BLANTON. But the man who presides over the gentleman, the man who presides over the House, the Speaker, receives $12,000, or $4,500 more, because he is the supervising officer.

Mr. MADDEN. But the inspector of the detective service has jurisdiction over only a certain branch of the police work. If you are going to call one branch of the police work more important than any other, it is all right. But you are simply giving to Mr. Grant an increase of pay because his name is Grant or because he presides over the detective service. I do not know which it is.

Mr. ZIHLMAN. The committee looked upon the detective force of the District of Columbia as the most important branch of the work in the city. The members of the detective force are all selected, and the sergeants and other officers are given a little increase over the other policemen. The privates get $60 a year more.

Mr. BLANTON. They are sergeants. It is not because they are privates but sergeants. They are detective sergeants.

Mr. ZIHLMAN. They can be sent back at any time.

Mr. MADDEN. Yes. Then they will be demoted when that is done. But whatever the committee did, I suppose, is wise, and I will not controvert that.

Mr. LARSEN of Georgia. I understood the gentleman to say that he would support the bill and that the salaries were satisfactory.

Mr. MADDEN. I say they are not exorbitant.

Mr. LARSEN of Georgia. The raises are about from 10 to 25 per cent.

Mr. MADDEN. Yes; it is about 25 per cent increase in cost, because of the fact that they are given one day a week off.

Mr. LARSEN of Georgia. There is a bill drawn to increase the compensation of the employees of the House. I understand that increase will be about 5 per cent. Why not give the House employees an increase commensurate with these employees of the city?

Mr. MADDEN. What the House authorized the gentleman from Illinois, and those associated with him, to do was to reclassify the salaries in accordance with the reclassification act, and we are carrying out the instructions of the House. If the House does not agree with us when we report, the gentleman knows what it can do.

The CHAIRMAN. All time has expired. The question is on the committee amendments.

The question was taken, and the committee amendments were agreed to.

The CHAIRMAN. The Clerk will read:

The Clerk read as follows:

SEC. 4. That in lieu of Sunday there shall be granted to the Metropolitan police and to each officer and member of the fire department of the District of Columbia one day off out of each week of seven days, which shall be in addition to his annual leave and sick leave now allowed by law: *Provided, however*, That whenever the Commissioners of the District of Columbia declare that an emergency exists of such a character as to require the continuous service of all the members of the Metropolitan police force, the major and superintendent of police shall have authority, and it shall be his duty, to suspend and discontinue the granting of the said one day off in seven during the continuation of such emergency.

With the following committee amendments:

Page 3, line 23, strike out the figure "4" and insert the figure "3."

Page 4, line 6, after the word "force" insert the words "and the members of the fire department."

Page 4, line 8, after the word "police" insert the words "and the chief engineer of the fire department."

Page 4, line 9, strike out the word "his" and insert the word "their."

The CHAIRMAN. The question is on agreeing to the committee amendments.

The question was taken, and the committee amendments were agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 5. That the salaries herein provided for shall be payable on and after July 1, 1924.

With the following committee amendment:

Page 4, line 12, strike out the figure "5" and insert the figure "4."

The CHAIRMAN. The question is on the committee amendment.

The question was taken, and the committee amendment was agreed to.

Mr. ZIHLMAN. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with the amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. CHINDBLOM, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (H. R. 5855) to fix the salaries of officers and members of the Metropolitan police force and the fire department of the District of Columbia, had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. ZIHLMAN. Mr. Speaker, I move the previous question on the bill and amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gross. The question is on agreeing to the amendments.

The amendments were agreed to.

The SPEAKER. The question is now on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. BLANTON, a motion to reconsider the vote whereby the bill was passed was laid on the table.

MUSCLE SHOALS.

Mr. SNELL. Mr. Speaker, I desire to present a privileged report from the Committee on Rules on House Resolution 169 for printing under the rule.

The SPEAKER. The Clerk will report the resolution by title.

The Clerk read as follows:

House Resolution 169, for the immediate consideration of the bill H. R. 518.

The SPEAKER. Referred to the House Calendar and ordered to be printed.

The resolution is as follows:

House Resolution 169.

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R.

518. That after general debate, which shall be confined to the bill and shall continue not to exceed 10 hours, to be equally divided and controlled by the acting chairman and some member of the Military Affairs Committee opposed to this bill, the bill shall be read for amendment under the five-minute rule. At the conclusion of the reading of the bill for amendment the committee shall arise and report the bill to the House, with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and the amendments thereto to final passage without intervening motion, except one motion to recommit.

PREVENTION OF VENEREAL DISEASES IN THE DISTRICT OF COLUMBIA.

Mr. ZIHLMAN. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 491) for the prevention of venereal diseases in the District of Columbia, and for other purposes. Pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to 30 minutes, one half to be controlled by the gentleman from Texas [Mr. BLANTON] and the other half by myself.

The SPEAKER. The gentleman from Maryland asks unanimous consent that general debate be limited to 30 minutes, one half to be controlled by himself and the other half to be controlled by the gentleman from Texas [Mr. BLANTON]. Is there objection? [After a pause.] The Chair hears none.

The question now is on the motion that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 491) for the prevention of venereal diseases in the District of Columbia, and for other purposes.

The question was taken, and the motion was agreed to.

Thereupon the House resolved itself into Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 491) for the prevention of venereal diseases in the District of Columbia, and for other purposes, with Mr. CHINDBLOM in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 491, which the Clerk will report.

The Clerk read as follows:

H. R. 491. For the prevention of venereal diseases in the District of Columbia, and for other purposes.

Mr. SANDERS of Indiana. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Indiana asks unanimous consent that the first reading of the bill be dispensed with. Is there objection?

There was no objection.

Mr. ZIHLMAN. Mr. Chairman, I yield 15 minutes to the gentleman from Kentucky [Mr. GILBERT].

Mr. BLANTON. Mr. Chairman, I yield the gentleman from Kentucky 15 minutes.

The CHAIRMAN. The gentleman from Kentucky [Mr. GILBERT] is recognized for 30 minutes.

Mr. GILBERT. Mr. Chairman and gentlemen of the committee, before confining myself exclusively to the consideration of this bill I want to make a few observations upon the attitude of the membership of the House toward business presented to it by the District Committee and toward the District itself, especially as so many observations have been made along those lines in the debate on the previous bill.

I consider the personnel of this committee as high as that of any committee in this House when the purposes for which it is created are taken into consideration, and yet I regret to say that whenever any business is presented to this House by the District Committee most of the Members of the House immediately leave, and the business is subjected to criticism and facetiousness by those who remain.

A few moments ago some gentleman made the remark that he would follow the membership of this committee, and that was the first time I had ever heard such an indulgence presented and I was very much impressed by it.

Now, for the benefit of the House I will run over the membership of this committee. I desire to discuss the personnel of this committee.

The chairman of this committee is the gentleman from West Virginia [Mr. REED], who was formerly State senator and secretary of state of West Virginia, and who in his State was prominent in educational work. He was a member of the international tax conference in 1909, and he has for seven years been active in District legislation.

The acting chairman of this committee is the gentleman from Maryland [Mr. ZIHLMAN], who was former president of the Maryland State Federation of Labor, active in manufacturing and real estate. He was formerly the leader of the senate of his State, and he has been active in District legislation for five years.

The gentleman from Wisconsin [Mr. LAMPERT] is an active business man and has been active in District of Columbia legislation for seven years.

The gentleman from Minnesota [Mr. KELLER] was former commissioner of the city of St. Paul, has been active in the administration of city affairs there for several years, especially that phase of it dealing with public utilities. He has been active in legislation for the District of Columba.

The gentleman from Massachusetts [Mr. UNDERHILL] was a member of the Massachusetts Legislature for 10 years; is a manufacturer by business, has been in close touch with the city administration of Boston, and active in District affairs since a Member of Congress.

The gentleman from Ohio [Mr. FITZGERALD] is a lawyer, war veteran, officer, and has been active in city affairs of the city of Dayton, in war veterans' associations, and District legislation since a Member of Congress.

The gentleman from Michigan [Mr. MCLEOD] is a lawyer, war veteran, former officer, and active in the city administration of the great city of Detroit.

The gentleman from Vermont [Mr. GIBSON] is a lawyer, former president of the State Senate of Vermont, war veteran, and banker.

The gentleman from Pennsylvania [Mr. BEERS] is a lawyer and has been actively interested in banking and agriculture.

The gentleman from Illinois [Mr. RATHBONE] is a lawyer, a former resident of this District, and now a Congressman at Large from the State of Illinois. He has been an active participant in the State and city administrations of his State and city, and has a splendid knowledge of the civic administration of Chicago.

The gentleman from New York [Mr. STALKER] is a banker, a manufacturer, and has been active in business affairs.

The gentleman from New York [Mr. SULLIVAN] is a resident of New York City; engaged in the real-estate business; has been active in the State senate of New York, especially in corporation legislation, public health, labor, and industry.

The gentleman from Texas [Mr. BLANTON] is a lawyer, has been on the bench, and has been active in District matters since being in Congress.

The gentleman from Kentucky [Mr. GILBERT] was on the bench eight years before coming to Congress.

The gentleman from North Carolina [Mr. HAMMER] is a lawyer, active in educational affairs, former United States attorney, and has been active in District legislation since being in Congress.

The gentleman from New Jersey [Mr. O'BRIEN] is a lawyer and judge, active, and acquainted with civic administration in Hudson County, N. J.

The gentleman from Illinois [Mr. KUNZ] is a resident of Chicago, has been actively identified with the city administration of that great city, and interested in District legislation since being in Congress.

The gentleman from Missouri [Mr. JOST] is a former mayor of the great municipality of Kansas City and a lawyer by profession.

The gentleman from South Carolina [Mr. GASQUE] has been active in educational affairs of his community, county superintendent of education, president of State Teachers and State County Superintendents' Association.

The gentleman from Pennsylvania [Mr. KENT] has been active in municipalities as attorney and counsel for municipalities in his State.

I run over this list for the purpose of assuring this House that for the purpose of civic administration I do not believe, former training and environment considered, the membership of this House could have been bettered in its selection than the committee that has been selected. So that I do not believe that the indifference which this House seems to pay to matters coming from the District Committee and concerning the District itself is directed at the personnel of that committee.

Mr. LARSEN of Georgia. Will the gentleman yield for a question?

Mr. GILBERT. Yes, sir.

Mr. LARSEN of Georgia. I have been very much interested in the history of the personnel of this committee which the gentlemen has given, but I would like to ask the gentleman this question: Is the record of these gentlemen, as disclosed by the Congressional Directory that the gentleman took this from, better or worse than the other Members of Congress? It is about the average, is it not?

Mr. GILBERT. Yes, I should say so; but I am pointing out that their former acquaintance with civic affairs and their training before coming to Congress fitted them peculiarly for their service on this committee.

Mr. LARSEN of Georgia. In point of fact, does the gentleman think there is a single Member of Congress who prior to coming to this House has not had equal experience?

Mr. GILBERT. I of course can not judge of that.

Mr. LARSEN of Georgia. Does not the gentleman think they are all qualified? Does the gentleman think there is a Member in the Congress, with the possible exception of the gentleman from Georgia, whose experience prior to coming to Congress is not such that he ought to be qualified to fill the position of a member of the city council of Washington?

Mr. GILBERT. I have the highest regard for the gentleman from Georgia and, of course, nothing I said was intended or could be construed as a reflection on the gentleman from Georgia.

Mr. LARSEN of Georgia. I did not so take it, but I am speaking of the general membership of the House. Is not that true?

Mr. GILBERT. Yes; and I repeat that this committee, as compared with the general membership of the House, is entitled to consideration on matters presented by it to this Congress concerning the District of Columbia.

It is not a pleasant committee to serve upon. By being in proximity with the people for whom we are dealing, we are subject to importunities, and it is unquestionably one of the disagreeable committees to serve upon. I heard a Member of this House say the other day that a Member was entitled to sympathy who got on the District Committee, but if he stayed on it he deserved only censure.

The attitude of Congress to the District itself, in my opinion, is too often treated as the gentleman from Georgia, perhaps, showed a disposition to-day to treat the District and its matters, instead of being in the attitude of considering it a ward of Congress, treating it in a hostile attitude. I have heard from time to time Members rise on this floor and anything affecting the District or the District's welfare would be treated as if it were in opposition to the general conduct of the country itself.

Mr. LANKFORD. Will the gentleman yield?

Mr. GILBERT. Yes.

Mr. LANKFORD. Does not the gentleman think that that condition really exists because the District of Columbia and the people of the District of Columbia insist more on securing appropriations than they do on giving real service in the way of law enforcement and protecting the lives of the Members of Congress and those who come here to live.

Mr. GILBERT. I will say to the gentleman that for over a century and a quarter, ever since the Constitution was adopted, the District of Columbia has been the ward of Congress, subject to its exclusive control, and if there is any wrong existing in the District of Columbia, Congress itself is to blame.

Mr. LANKFORD. Does not the gentleman see more in the newspapers urging appropriations than the gentleman sees in the papers urging law enforcement and the protection of the rights of the people living here?

Mr. GILBERT. Oh, it is, of course, human nature to want all they can get, and it is the duty of the gentleman who has just taken his seat, and all other gentlemen, to protect the country; and it is also their duty at the same time to realize that this is their city.

It was the dream of Washington, of Jefferson, and of the framers of the Constitution that this city should grow up not only the center of beauty but the center of wealth, refinement, culture, education, and art; and I am informed by the gentleman who is the chairman of the Library Committee [Mr. LUCE], a gentleman in position to know, that there are to-day in Washington, making their homes here, more scientific men than in any other city in the world; and Congress, while dealing fairly with the country at large, should, I feel, be imbued with those same ideals that were fostered by the founders of this Republic when they set aside this District not as a city for the people of Washington to live in so much but as the home of the President, the home of Congress, and the official home of 110,000,000 of people and not alone of the 437,000 people who live within its borders.

Mr. SANDERS of Indiana and Mr. LANKFORD rose.

Mr. GILBERT. I yield to the gentleman from Indiana.

Mr. SANDERS of Indiana. I do not want to interfere with the gentleman's trend of thought, but does the gentleman intend a little later to come to a discussion of the bill itself, because I want to ask some questions about that?

Mr. GILBERT. Yes; right now.

Mr. LANKFORD. Will the gentleman yield?

Mr. GILBERT. Yes.

Mr. LANKFORD. Does not the gentleman think the very fact that Washington and our forefathers had such a lofty ideal for the city of Washington authorizes us to now beg for and plead for the enforcement of law in the District of Columbia and for a better observance of the rights of the people living here?

Mr. GILBERT. To get to a discussion of this particular bill, if there is any legislation that is needed, according to the opinion of military and medical circles, it is the bill before you. Within the last few years the people have realized that venereal disease is more prevalent than tuberculosis. It is more insidious than cancer. As a result, practically every State in the United States has passed a bill similar to but not identical with the bill we have before us.

Mr. SANDERS of Indiana. That is what I want to ask about. I have read the provisions of the bill and it seems to me they are unusually drastic. I note the statement in the report that a number of the States have adopted laws, and I wondered if any State had adopted a law which had the provisions of this law which gives the right to the health officer to examine any individual person and see whether he is afflicted with the disease.

Mr. GILBERT. I will come to the suggestion of the gentleman from Indiana and say, not only yes, but more drastic than is provided by this bill. When our boys were inducted into the service of the United States it is astounding to know that between 27 and 28 per cent were afflicted with a venereal disease to a distinguishable extent. That of itself shows the necessity for this legislation. We had several bills presented and chief among them was the bill presented by the gentleman from California [Mr. RAKER]. It was on the discussion of that bill that this bill was produced. I am not the champion of this character of legislation. We realized that we were going far contrary to the liberties and privacies of people in legislation of this kind by reason of the fact that this disease is different from diseases of general contagion and infection; but we did not go so far as many of the laws of the other States provide.

The bill of the gentleman from California was similar to most of the laws in operation in various States, but the committee thought that while a man had no compunction in informing the authorities that he was afflicted with a contagious disease and seeking its prevention or cure, such as typhoid or diphtheria, that this character of disease carried with it a condition of odium. No sensible man will report to any health authorities that he is afflicted with venereal disease, because, as I say, it immediately subjects him to the suspicion of immorality. So it is to be dealt with very carefully and frequently the very privacies of people, in order to get effective legislation, have to be invaded.

I assure the gentleman from Indiana and the members of the committee that this bill goes into that matter more delicately and to less extent than any bill that I have seen from any State in the Union, and I have examined most of them.

Mr. SANDERS of Indiana. I call attention particularly to section 5, which provides that it shall be the duty of the health officer or some physician authorized to practice medicine in the District of Columbia when directed by the health officer to make examination of persons whom the health officer believes and has reasonable grounds to believe is afflicted with these diseases. He does that regardless of what the person may say. He can not make the examination over the objection of the person, but if he does object the officer can file an affidavit that he believes it and have a trial on the question of examination. It seems to me that that is pretty strong law.

Mr. GILBERT. Other States in the Union go further than that and provide that if the health officer on information believes that a person is so afflicted, they can be examined then and there. In order to prevent the health officer from unduly interfering with the rights of an individual, we provide that he can not make the examination until he appears before the court and has a rule showing cause for the party to appear, and then they must appear. The purpose of that is to insure that the health officer will not make a frivolous and fictitious complaint. The law is that if the person in good faith does not believe he has venereal disease, he can on a writ of habeas corpus require the reasonable grounds to be submitted to the court itself. To that extent this bill is less drastic than other States. These laws have been upheld as to their constitutionality and have been found necessary by the court in the regulation of public health. The constitutionality of the law has been upheld in many cases, three of which I have before me. There is one in the One hundred and eightieth Pacific Reporter, page 644; there is one in the State of California; one

case from Oklahoma; one from Texas, that I have here. In fact, gentlemen, realizing the seriousness of this matter I have reports upholding the constitutionality of every clause in this bill.

Under the Raker bill, which is similar to the laws of most States of the Union, when one goes to the drug store for medicine for this disease he must give his name and address for a record to the druggist whereby the drug store will have the record that this person is so afflicted. In this bill we tried to provide so strongly for the rights of the individual that his misfortune can not be made public unless he has violated the rules of the health officer or his own physician in charge.

Mr. LARSEN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. GILBERT. Yes.

Mr. LARSEN of Georgia. It is provided in section 3 as follows:

SEC. 3. That the report herein required shall state in writing the disease from which the person is suffering, his name, age, sex, color, occupation, marital state, and address.

Mr. SANDERS of Indiana. And also on the top of page 3 there is the same requirement.

Mr. LARSEN of Georgia. It seems to me that you are exposing a man instead of protecting him.

Mr. GILBERT. But the gentleman overlooks where that health report is. That is not in a drug store, but that is in the health department, and then not in there until he has first violated the regulations of the department itself or of his own family physician. Under the other bills and the laws prevalent in most of the States of the Union that becomes a public record, whether he is guilty of any misconduct or not. Under the provisions of this bill that can not be recorded, and that report is not sent in until he has first violated the instructions of the health officers.

Mr. LARSEN of Georgia. Let me then ask this question: In the first section it is provided that the chief administrative officer of every penal institution "in which or in attendance upon which there is a person having syphilis," and so forth. That appears to me as I understand the language that he may report anybody who might happen to be even in attendance there as a witness. What does the gentleman mean by that language?

Mr. GILBERT. The gentleman brings out the provisions of the bill by his questions.

Mr. LARSEN of Georgia. It may include somebody who just simply happened to be attending there.

Mr. GILBERT. While the statement I just made, that he must first violate some regulations provided for his own protection, applies to practically all of the population, this bill necessarily makes an exception of those already in some penal institution. Let me read the provision:

That every chief administrative officer of every penal institution in which or in attendance upon which there is a person having syphilis, gonorrhea, or chancroid shall immediately upon becoming aware of that fact report the circumstances to the health officer as hereinafter provided.

It was my thought, whether it meets with the opinion of this committee or not, that a person already in some penal institution would not be seriously affected if it developed that he was at the same time suffering from some venereal disease, and that became necessary by reason of an incident which happened in this very town. It appears from the police court record in this town that many soldiers were infected at the same place. The proof showed that they had become infected with this venereal disease by going to the same house, and although the authorities knew where it was they were helpless to take any steps to prevent its spread.

Mr. LARSEN of Georgia. Do I understand from what the gentleman says that there is a bawdy house maintained in the city of Washington? Why, I thought they were abolished years ago.

Mr. GILBERT. I mean to say only that the proof showed that these soldiers had gone to one house and had become infected with this disease. The gentleman can draw his own deduction in respect to the character of this house.

Mr. LARSEN of Georgia. Does the gentleman not think that the provisions of this bill are such that it will be used to humiliate people and actually interfere with domestic relations? Suppose a man's wife should get the notion that he is unfaithful. Under the provisions of this bill she could go out and report him and say to the police, "I want you to take my husband out in the alley and examine him." Is not that possible under the provisions of this bill?

Mr. GILBERT. I say that the gentleman is totally ignorant of the provisions of this bill.

Mr. LARSEN of Georgia. I would like to have the gentleman convince me that he was not also ignorant as to its effect in the introduction of it, and discuss it so that he can enlighten me if that is not a sensible deduction to draw from it. Will the gentleman show me that is not possible? I know that I am very ignorant, but I think I compare favorably with the gentleman from Kentucky.

Mr. GILBERT. Oh, the gentleman is not ignorant; he is of very high standing; but I say and repeat that he is ignorant of the provisions of this bill, and I confine that statement simply to the provisions of the bill.

Mr. LARSEN of Georgia. Is not that possible under the provisions of the bill?

Mr. GILBERT. It is not.

Mr. LARSEN of Georgia. Why?

Mr. GILBERT. Because if the gentleman will turn to section 5 he will see that it is not. First let me point out to the gentleman from Georgia that if he had any knowledge about legislation on venereal diseases——

Mr. LARSEN of Georgia. Oh, let us not talk so much of my lack of knowledge.

Mr. GILBERT. I decline to yield further to the gentleman from Georgia.

Mr. LARSEN of Georgia. The gentleman will find it is a little more pleasant if he will simply answer the question.

Mr. GILBERT. Legislation provided in all of the States of the Union is subject to the criticism of the gentleman from Georgia. The Raker bill introduced here does so provide, and for fear that somebody might use this to have some employee even of the board of health, which the Raker bill provides, make this examination, for fear that some police officer, as suggested by the gentleman from Georgia, might have some ulterior motive in examining somebody, or some member of the health department might not act in good faith, I have provided by section 5 of the bill, which protects the individual more than the law of any State of the Union, that it shall be the duty of the chief health officer—not even of an employee—to make this examination, and no law of the United States on this subject gives that much protection. Nobody, not even in the health department, can make this examination except the health officer, and who else? Some employee or policeman or agent or governmental clerk? Oh, no. It must be some physician authorized to practice medicine in the District of Columbia and directed by the health officer.

Mr. LARSEN of Georgia. He has the examination just the same.

Mr. GILBERT. The health officer and some physician directed by the health officer alone has this in charge.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That every chief administrative officer of every penal institution in which or in attendance upon which there is a person having syphilis, gonorrhea, or chancroid shall immediately upon becoming aware of that fact report the circumstances to the health officer as hereinafter provided.

Mr. SANDERS of Indiana. Mr. Chairman, I move to strike out the enacting clause.

The CHAIRMAN. The gentleman from Indiana moves to strike out the enacting clause.

Mr. SANDERS of Indiana. Mr. Chairman, I would not make this motion to strike out the enacting clause were I not satisfied in my own mind that this bill not only ought not to pass in its present form, but that it can not be made in Committee of the Whole into such a bill as we should pass. I say that with great respect for the distinguished gentleman who is the author of the bill, who has made a study of this question and is earnest in his desire to cure a great evil in the District.

May I have unanimous consent for 10 minutes on this?

The CHAIRMAN. The gentleman from Indiana asks unanimous consent to proceed for 10 minutes.

Mr. BLANTON. With the understanding, of course, that I shall desire about five or six minutes to answer the gentleman.

Mr. SANDERS of Indiana. The gentleman is entitled to it.

The CHAIRMAN. It can not be done without unanimous consent.

Mr. BLANTON. I shall want at least five minutes to answer the gentleman.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

Mr. LARSEN of Georgia. Reserving the right to object, Mr. Chairman, what is the request?

The CHAIRMAN. That he may proceed for 10 minutes.

Mr. LARSEN of Georgia. I am in favor of that, but I would like to make the suggestion, Mr. Chairman, that there ought to be a little more time allowed under the rule.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana that he shall have 10 minutes?

There was no objection.

Mr. SANDERS of Indiana. I would like to have the attention of the committee while I make an analysis of this bill. There are parts of it which are absolutely out of keeping with good legislation.

Section 2 provides that when any person is brought before the judge of the juvenile court or a judge of any court for trial and investigation and the judge believes or has reasonable ground to believe that any such person is afflicted with syphilis, gonorrhea, or chancroid, he shall immediately report said fact to the health officer. If the person is brought before the judge for drunkenness, the judge immediately reports to the health officer that he believes the person is afflicted with one of these venereal diseases, and the report shall give his name. Then the health officer "shall use every available means to ascertain the existence of and to investigate all cases of syphilis, gonorrhea, or chancroid of which they have or may receive information and to ascertain the sources of such infection."

That is the provision of section 4. Then section 5 provides that it shall be the duty of the health officer or some other physician to make examination of all persons who the health officer believes or has reasonable ground to believe is afflicted with any of these diseases, but it says the examination can not be made if the person objects, unless he has an order of court.

You might think they would have a right of trial. But section 6 provides that whenever a person suspected refuses to submit to said examination it is the duty of the health officer to file an affidavit before any judge of the police court or the judge of any court having criminal jurisdiction. Thereupon the judge, without trial or any hearing whatever, shall issue an order and name the time and the place, and the person must appear and be examined or be punished for contempt.

Mr. LARSEN of Georgia. Section 3, if I understand that section, means when he comes before this judge here the report is made down to the Public Health Service, he giving his name, occupation, and age, and everything else?

Mr. SANDERS of Indiana. Yes. That first part refers to persons in penal institutions or persons convicted. But this part that I am talking about refers to every person in the District. When the health officer believes that any person is afflicted with any of these diseases, he must submit to an examination, or a report is made to the judge, and the judge must order, and the judge names the time and place for examination. If the person does not come there for the examination, he is in contempt of court and can be fined or imprisoned, but it does not say definitely what the punishment shall be.

Now, let us trace this on down. Section 8 provides that the health officer must quarantine anyone suffering from this disease.

Mr. ALLEN. Mr. Chairman, will the gentleman yield?

Mr. SANDERS of Indiana. Yes.

Mr. ALLEN. Is that disease as serious as measles or scarlet fever practically, or something of that kind that is quarantined? Why should it not be quarantined?

Mr. SANDERS of Indiana. All right, if the gentleman believes in it. I am simply pointing out what it does. Then in section 11—listen to this provision—no person can purchase medicine at a drug store to cure the disease. You have got to get a prescription from a physician, and no drug store can sell any of the medicines that can be used for the cure of these diseases. It also provides that no person can get a prescription filled unless he has a doctor's prescription, and it must be the prescription of a doctor in the District of Columbia. You can not go out into Maryland and there get a doctor's prescription and fill it here. It must be a doctor authorized to practice medicine in the District of Columbia.

Then the thirteenth provision provides that he shall be isolated. Mr. Chairman, I could go on and analyze the remainder of these provisions, and there are 21 of them; but time will not permit.

Mr. LARSEN of Georgia. What does that mean?

Mr. SANDERS of Indiana. It does not say that if a doctor thinks a person is afflicted with gonorrhœa and should be quarantined it shall be done, but it says the health officer must quarantine everyone afflicted with that disease. And then, in section 21, there is a provision that any person who violates any of the provisions of this act shall, on conviction thereof, be punished for the first offense by a fine not exceeding $100, and for the second or any subsequent offenses by a fine not exceeding $300, or by imprisonment in the workhouse for not exceeding 30 days, or by both such fine and imprisonment, in the discretion of the court.

Now, gentlemen of the House, I do not want you to understand that I do not realize that you have a great evil to deal with. You have, but the liberties of our people are entitled to more consideration than is given in this bill. This bill goes further than any measure I have ever seen.

Mr. KELLER. Will the gentleman yield?

Mr. SANDERS of Indiana. Yes.

Mr. KELLER. Does the gentleman know about the law in his own State of Indiana?

Mr. SANDERS of Indiana. No; I do not know that I do.

Mr. KELLER. The gentleman's own State law is more drastic and does not give the protection to the unfortunate that this bill does.

Mr. SANDERS of Indiana. I will say to the gentleman from Minnesota that I do not think the law as written in Indiana is like this, but if it does not more carefully guard the rights of the individual than this bill does it is not of much value.

Mr. LEATHERWOOD. Will the gentleman yield now?

Mr. SANDERS of Indiana. Yes.

Mr. LEATHERWOOD. Is it not a fact that the State acts referred to have had written into them many of the odious things to which the gentleman has called attention, and thereby have become a practical nullity and scarcely any attention is paid to them?

Mr. SANDERS of Indiana. I do not know, but I do know this: That throughout this country men are not quarantined on account of having the diseases mentioned here; they are not quarantined while this bill says they shall be; throughout the country they do purchase medicines from the drug stores for the cure of these diseases, but this bill says no man shall do so.

Mr. KELLER. I think the gentleman is mistaken as far as quarantine is concerned, if he will read the bill.

Mr. SANDERS of Indiana. I have read that provision.

Mr. GILBERT. The gentleman is right in using the word quarantine, but the committee investigated that pretty carefully, and quarantine, as the committee understood it, means any degree of quarantine, which simply may be, as provided and permitted in this bill, an admonition by the doctor to stay in the house, or in the case of school children the quarantine might permit them to do certain labor but not to go to school. Quarantine is a very broad term as construed by the courts.

Mr. SANDERS of Indiana. Everybody knows what quarantine means, and here is the language:

> That the chief health officer is authorized and directed—
>
> It is not within his discretion, but he is directed—
>
> to order the quarantine of any person who is found under the provisions of this act to have—

Any one of these diseases. Now, it has not been very many months since we sent a similar bill back to the committee on a motion to recommit or strike out the enacting clause.

This measure will never pass in the House of Representatives; unless you make some provision that will be helpful you will never have this sort of a law on the statute books of the United States.

Mr. LEATHERWOOD. Will the gentleman yield again?

Mr. SANDERS of Indiana. I yield.

Mr. LEATHERWOOD. I call the gentleman's attention to section 16 for the purpose of asking whether or not, in his judgment, that section could be uniformly enforced?

Mr. SANDERS of Indiana. Why, certainly not. That thing would be impossible.

Section 16 reads:

> That every physician practicing medicine in the District of Columbia shall report to the health officer within 10 days any case of syphilis, gonorrhea, or chancroid which he has been employed to treat, but said report shall be used for statistical purposes and shall in no event disclose the identity of the person so treated except under the conditions in this act provided.

Certainly it is impossible to enforce that.

Mr. LARSEN of Georgia. I will ask the gentleman with reference to section 14.

Mr. SANDERS of Indiana. There are so many provisions, and I have only reached the high places and pointed out the reason why this ought not to be passed.

Mr. BLANTON. Mr. Chairman——

The CHAIRMAN. The gentleman from Texas is recognized.

Mr. BLANTON. Mr. Chairman, the only trouble about most of our criminal laws is that in legislatures they are largely framed to protect the rights of criminals instead of the rights of the law-abiding people.

And so it is with laws concerning immoral actions not constituting crime. We think more of protecting the one guilty of immorality than of protecting the innocent public suffering because of it. We have laws with reference to all contagious diseases—scarlet fever, for instance, which is now prevailing over Washington—and those laws provide that when a member of a family takes it they must segregate themselves, in the interest of the good of society, from the body politic. To protect the whole instead of the few they have to go to many inconveniences; they have to go through certain performances in having their furniture and clothing fumigated and their houses fumigated when the disease is over; all for the protection of society.

I am not thinking so much about the protection of the unfortunate individuals who are spoken of in this bill as I am of society. I am thinking more of the womanhood of the land, the young girls of our country and the young manhood not yet contaminated than I am the ones we are now restricting.

Mr. BOX. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. BOX. I do not suppose there will be any disagreement about the desire to protect society, but I am wondering how the gentleman feels about the power that this bill gives to officials, or to others vested with this power, to abuse it in its exercise and the degree to which it subjects men to abuse who should not be subjected to it.

Mr. BLANTON. I catch the gentleman's point and I will try to answer it. This bill is designed to protect society against an individual who has a loathsome disease which he does not make public.

He does not advertise it. He keeps it a secret to himself. You have got to have some kind of restriction in such a case if you protect society. This bill was framed by a man who has had much experience in law matters, the distinguished gentleman from Kentucky [Mr. GILBERT]. He was formerly a distinguished judge on the bench. He is its author. The gentleman from Kentucky has spent much time in its preparation. The committee, composed of some lawyers and some laymen, took it under consideration and thrashed it over. In that committee there were several bills of this nature pending. There were some, more drastic, far beyond the provisions of this bill. The committee thrashed all out with the gentleman from Kentucky [Mr. GILBERT] and with members of the committee and agreed upon this measure. I know it does place some restrictions on certain individuals. There should be such restrictions placed upon them. Why should there not be? Why should they not report such a matter to their family physician? That is all it requires them to do. It requires them to report to their family physician, just like they would if they had scarlet fever, and why should they not do that?

Mr. WOLFF. Will the gentleman yield?

Mr. BLANTON. I yield to the gentleman.

Mr. WOLFF. Will it prevent these men who are working as orderlies out at Walter Reed and who have this same disease from serving and handling the food out there?

Mr. BLANTON. It provides they shall report it immediately to some physician, who would then use precautions to protect others. As it is now they do not have to do that. They can continue to do the very thing the gentleman says they are doing, but if you pass this bill they have got to report it to some physician—their family physician of their own choosing. He does not make the matter public. It is kept within his own breast and his own bosom as the physician of the individual.

Mr. LARSEN of Georgia. Will the gentleman yield now?

Mr. BLANTON. Certainly.

Mr. LARSEN of Georgia. If I understand the provisions of this bill, he can not go to a drug store here in the city of Washington and procure a prescription?

Mr. BLANTON. I am glad my colleague asked that question.

Mr. LARSEN of Georgia. Wait a moment. Let me finish the question. But there is nothing in this bill that prohibits him from going across the line over into Maryland and into any drug store across the line and getting all the medicine he wants.

Mr. BLANTON. I am glad my colleague from Georgia mentioned that because that is one of the main reasons for the passage of this bill. Let a young boy unfortunately contract a bad disease and he will not go to a doctor, when if he would go to a doctor he could be relieved in a week or ten days.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLANTON. I ask for two minutes more to answer the gentleman, Mr. Chairman.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. BLANTON. Instead of going to a good physician he will sneak around to a drug store and get some kind of cheap patent medicine that is well advertised, and the first thing you know all the doctors in the land can not cure him. What he wants is expert medical advice, and expert medical treatment, and if it were my boy I would want him to go to a doctor and to the best doctor he could get. If it was my colleague's boy, he would want him to go to a doctor. He would not want him to go to a drug store around the corner and buy some 25-cent box of patent medicine that would do him more harm, possibly, than if he did not take it. That is the very purpose of this bill, to prevent it.

We ought not to get scared because our friend from Indiana [Mr. SANDERS] has moved to strike out the enacting clause. We do not have to strike it out. This is not a matter that has been brought before the House hurriedly. It is a matter that your District Committee—as one member of it, I will say—for several years has had under consideration, and I think every member of the District Committee that has been on it any length of time has had this matter before him for years and has been giving it careful consideration. I hope my colleagues will not get disturbed about some little restriction that is placed around individuals that ought to have restrictions placed around them. I think we ought to pass this bill; and I think if my colleague from Georgia knew the full necessity of it, he would be the strongest advocate on the floor here fighting for it.

Mr. LARSEN of Georgia. What about section 11 as to advertisements of medicines?

Mr. BLANTON. I do not think they ought to be advertised, concerning these particular diseases.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. ZIHLMAN. Mr. Chairman, I ask unanimous consent that the gentleman from Kentucky [Mr. GILBERT] be given five minutes on the motion to strike out the enacting clause.

Mr. LARSEN of Georgia. Mr. Chairman, reserving the right to object, and I do not want to object and shall not object, but I think there ought also to be given a little opportunity for other gentlemen to be heard who desire to strike out the enacting clause. I think we ought to have a free discussion of this matter. This is a pretty big question. I certainly want to hear the gentleman from Kentucky, but let it be with the understanding that the gentleman from Maryland will not oppose other gentlemen being heard.

Mr. ZIHLMAN. Mr. Chairman, I wish to modify my request by asking that the gentleman from Kentucky [Mr. GILBERT] have five minutes and the gentleman from Georgia [Mr. LARSEN] have five minutes.

Mr. LARSEN of Georgia. I wish the gentleman would ask for 10 minutes additional so that other gentlemen can also discuss the matter.

Mr. ZIHLMAN. No one else has asked for such an opportunity.

The CHAIRMAN. The gentleman from Maryland asks unanimous consent that the debate on the motion to strike out the enacting clause be extended 10 minutes, the gentleman from Kentucky [Mr. GILBERT] to have five minutes, and the gentleman from Georgia [Mr. LARSEN] to have five minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. GILBERT. Gentlemen of the committee, I want to reiterate that my connection with this bill was not by any reason of any personal desire on my part to advance any legislation whatever. I was simply on the subcommittee to which was referred all of these different bills, and as the gentleman from Texas [Mr. BLANTON] has said, we considered this matter all through the last Congress.

We have considered the laws of many States dealing with this subject. We have consulted the health authorities all over the United States, and not only during the last Congress but during this Congress. After our deliberation the committee unanimously came to the conclusion that this bill should be presented because, more than any bill that was presented to the committee and more than the law of any State in the Union, it preserved the privacies and individual rights of the individuals. Of course, the subject itself is such that to a certain extent the privacies of the people must be invaded, and the only question you have to determine, in my opinion, is whether or not the prevalence and character of the disease is such that

for the protection of the boys and girls and the innocent public, these rights should be given up by those who are reasonably suspected by the health officer in whom we should have confidence.

Mr. LEATHERWOOD. Will the gentleman yield?

Mr. GILBERT. Yes.

Mr. LEATHERWOOD. Do you claim this power under the police power of the State?

Mr. GILBERT. Yes; under the police power.

Mr. LEATHERWOOD. You believe, then, that under the police power you can deprive the accused of the right to trial?

Mr. GILBERT. I will say to the gentleman from Utah that it goes to this extent: Of course, you can not deprive him of that right if he cares to take out a writ of habeas corpus. He is then entitled to have it determined on the merits of whether or not the health officer has reasonable ground to believe that he is so afflicted. That has been determined and I can give the gentleman the decision upholding that position.

There is one more thing I want to bring out and then I am through.

Mr. LEATHERWOOD. Will the gentleman yield for another question?

Mr. GILBERT. Yes, sir.

Mr. LEATHERWOOD. I think we are all agreed upon doing everything possible to protect not only the afflicted but the innocent. The thing that appeals to me is whether this bill does not have in it grave danger of having innocent persons wrongfully accused of something which would hold them up to shame in the community.

Mr. GILBERT. To a certain extent it does and necessarily must put great powers in the health officer, I would say to the gentleman from Utah. It enables him to say whether or not he has reasonable grounds to believe that this person is so afflicted.

Now, I want to answer the gentleman's suggestion as to the right to buy this medicine. All the medical authorities agree that this disease, more than any other disease known to the human body, requires individual treatment. What would be beneficial to a disease in its incipiency would not be beneficial to one in the advanced stages, and by the application of a nostrum it was shown that a person who was afflicted in its incipiency took a prescription for one in the advanced stages and became totally blind.

It is not a pleasant thing to talk about; but whenever you go to the water-closet you find a little circular placed on the door, "Go to the drug store and get a prescription No. so-and-so" or "Call for so-and-so," and that is plastered all over this country. Of course, I do not know, but the medical authorities agree that it is absolutely disastrous in its effect. It was for that purpose, and for that purpose only, that we incorporated in the bill that they must have a prescription from a physician, so that they would be assured that cases would get individual treatment. That provision of the bill has been upheld as constitutional and salutary by three different high courts of this country.

As to the wisdom of this legislation and this particular bill, I want to say that I have letters of recommendation from the United States Social Hygiene Board; I have them from the medical department of the Army approving this bill. I have it from civic workers throughout the United States. This bill protects the citizens that do not have this disease from its terrific ravages.

Mr. LARSEN of Georgia. Mr. Chairman and gentlemen of the committee, there are several provisions in the bill to which I can not subscribe. Take, for instance, section 11. It says:

> That it shall be unlawful for any person, firm, or corporation to advertise within the District of Columbia any medicine or remedy, by number of prescriptions or otherwise, for the treatment, cure, or prevention, etc.

I can understand very well that certain classes of men would favor a provision like that in legislation. There is probably not a doctor practicing in the city that would object to it. But, gentlemen, it is not every man in this country that is practicing medicine that knows all about it. There are many men who have sense enough to put up prescriptions that doctors themselves recommend. If we want to do something radical, why not regulate the trade; why not regulate the druggists; why not provide that the druggist who is known to sell medicines, patent or otherwise, unfit for this specific purpose for which recommended shall be punished? Why say that a man shall not advertise? I do not believe that is legal.

Mr. KENT. Will the gentleman yield?

Mr. LARSEN of Georgia. Yes.

Mr. KENT. Has the gentleman ever seen an advertisement designed to foster the sale of medicine for the prevention or cure of diphtheria or scarlet fever?

Mr. LARSEN of Georgia. I do not know that I have, but I assume that there are such instances.

Mr. KENT. The gentleman would not approve of advertisements of that kind?

Mr. LARSEN of Georgia. I would if they were good remedies. I would not try to prevent them by legislation if they were good remedies. I think if my child had diphtheria or scarlet fever I would want to get a doctor to prescribe for it, but that is no reason why I would object to an advertisement of a remedy which was thought to be efficient or which other men said was efficient.

Mr. BLANTON. Will the gentleman yield?

Mr. LARSEN of Georgia. Yes.

Mr. BLANTON. Suppose a physician should determine that the taking of a patent medicine would result in death in most cases in scarlet fever and diphtheria, would the gentleman stop the advertisement of that patent medicine?

Mr. LARSEN of Georgia. I do not believe that the doctors think anybody is going to get killed in this way.

Mr. BLANTON. But the consensus of most of the doctors is that these boys ought to go to a physician.

Mr. LARSEN of Georgia. Oh, yes; but the very thing you are doing will prevent his going to a doctor. Under section 13 you say that he shall be isolated. The boy knows that if he goes to a doctor he will be isolated. He will say, "Oh, yes; John Smith was a fool, he went to a doctor and he is out here in quarantine, and I won't go." The result may be that the boy will walk around and die of the disease. Why, gentlemen, I have seen some politicians walk around straddling on issues. They have straddled so long until they walk straddle legged. If you enact the proposed law, before long they will be up before some health officer for examination. [Laughter.]

Why should we want to do such a foolish thing? I assume that the persons coming within the provisions of the bill would be isolated according to the disease with which they may be afflicted. Therefore you must have at least three quarantine stations. What funds do you provide for them? How long are they to be kept in quarantine? Do you know what this bill would cost, have you figured it up, can you calculate it?

The CHAIRMAN. The time of the gentleman from Georgia has expired. All time has expired. The question is on the motion of the gentleman from Indiana [Mr. SANDERS] to strike out the enacting clause.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 10, noes 15.

Mr. LARSEN of Georgia. Mr. Chairman, if nobody else does it, I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Georgia makes the point of order that there is no quorum present. The Chair will count.

Mr. LARSEN of Georgia. Mr. Chairman, I withdraw that and call for tellers.

Mr. SANDERS of Indiana. Mr. Chairman, I move that the committee do now rise.

The CHAIRMAN. The question is on the motion of the gentleman from Indiana that the committee do now rise.

The question was taken, and the motion was rejected.

Mr. LARSEN of Georgia. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Georgia makes the point of order that there is no quorum present. The Chair will count. [After counting.] Forty-five Members present; not a quorum.

Mr. ZIHLMAN. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. CHINDBLOM, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 491) for the prevention of venereal diseases in the District of Columbia, and for other purposes, and had come to no resolution thereon.

ADJOURNMENT.

Mr. ZIHLMAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 4 o'clock and 41 minutes p. m.) the House adjourned until Monday, March 3, 1924, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

387. A letter from the Secretary of the Navy, transmitting copy of letter from the Judge Advocate General of the Navy, dated February 4, 1924, describing certain valueless records which are no longer needed for use in connection with the transaction of public business, and have no permanent value or historical interest; to the Committee on Disposition of Useless Executive Papers.

388. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Department of Agriculture for the fiscal year ending June 30, 1924, to remain available until June 30, 1925, for the eradication of the foot-and-mouth and other contagious diseases of animals, $1,000,000 (H. Doc. No. 211); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. HAUGEN: Committee on Agriculture. H. R. 7111. A bill to promote American agriculture by making more extensively available by expanding the service now rendered by the Department of Agriculture in gathering and disseminating information regarding agricultural production, competition, and demand in foreign countries in promoting the sale of farm products abroad, and in other ways; without amendment (Rept. No. 248). Referred to the Committee of the Whole House on the state of the Union.

Mr. MADDEN: Committee on Appropriations. H. R. 7449. A bill making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1924, and for other purposes; without amendment (Rept. No. 249). Referred to the Committee of the Whole House on the state of the Union.

Mr. GRAHAM of Pennsylvania: Committee on the Judiciary. S. 1192. An act to confer jurisdiction upon the United States District Court, Northern District of California, to adjudicate the claims of American citizens; with an amendment (Rept. No. 253). Referred to the Committee of the Whole House on the state of the Union.

Mr. SNELL: Committee on Rules. H. Res. 169. A resolution providing for the immediate consideration of H. R. 518; without amendment (Rept. 254). Referred to the House Calendar.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Invalid Pensions was discharged from the consideration of the bill (H. R. 6233) granting a pension to Louise Donovan, and the same was referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. MADDEN: A bill (H. R. 7449) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1924, and for other purposes; to the Committee of the Whole House on the state of the Union.

By Mr. BACON: A bill (H. R. 7450) to provide for the promotion of physical education in the United States through cooperation with the States in the preparation and payment of supervisors and teachers of physical education, to appropriate money and regulate its expenditure, and for other purposes; to the Committee on Education.

By Mr. BUCKLEY: A bill (H. R. 7451) for the purchase of a site and the erection of a public building thereon to be used as a post office at Chicago, Ill.; to the Committee on Public Buildings and Grounds.

By Mr. HOWARD of Oklahoma: A bill (H. R. 7452) for the payment to certain members of the Wisconsin Band of Pottawatomie Indians of their share of the proceeds of sale of tribal lands; to the Committee on Indian Affairs.

Also, a bill (H. R. 7453) to amend an act approved March 3, 1909, entitled "An act for the removal of the restrictions on alienation of lands of allottees of the Quapaw Agency, Okla., and the sale of all tribal lands, school, agency, or other buildings on any of the reservations within the jurisdiction of such agency, and for other purposes"; to the Committee on Indian Affairs.

By Mr. MORTON D. HULL: A bill (H. R. 7454) to empower the President to classify certain offices, places, and employments under the provisions of the civil service law; to the Committee on the Civil Service.

By Mr. KAHN: A bill (H. R. 7455) to authorize the Secretary of War to convey to the States in which located, Government owned or controlled approach roads to the national cemeteries and national military parks, and for other purposes; to the Committee on Military Affairs.

By Mr. FAVROT: A bill (H. R. 7456) providing for the purchase of a site and the erection of a public building thereon at Covington, St. Tammany Parish, La.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 7457) providing for the purchase of a site and the erection thereon of a public building at Baton Rouge, East Baton Rouge Parish, La.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 7458) providing for the purchase of a site and the erection thereon of a public building at Plaquemine, Iberville Parish, La.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 7459) providing for the purchase of a site and the erection thereon of a public building at Bogalusa, Washington Parish, La.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 7460) providing for the purchase of a site and the erection thereon of a public building at Donaldsonville, Ascension Parish, La.; to the Committee on Public Buildings and Grounds.

By Mr. NEWTON of Minnesota: A bill (H. R. 7461) amending the provisions of the act entitled "An act making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1922, and for other purposes," approved March 1, 1921, which amends the act to reclassify postmasters and employees of the Postal Service and readjust their salaries and compensation on an equitable basis, approved June 5, 1920; to the Committee on the Post Office and Post Roads.

Also, a bill (H. R. 7462) to amend the interstate commerce act and the transportation act, 1920; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 7463) to amend the interstate commerce act by providing that telegraph and telephone and cable companies shall be made subject to the act and be required to file and publish tariffs and be liable for damage sustained by any persons by reason of the negligence or omission of such company; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 7464) to amend paragraphs (18), (19), (20), and (21) of section 1 of the act to regulate commerce, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. SMITHWICK: A bill (H. R. 7465) authorizing the Secretary of War to lease or, in his discretion, to convey by quitclaim deed a certain tract of land in the military reservation of Santa Rosa Island; to the Committee on Military Affairs.

By Mr. CLARK of Florida: A bill (H. R. 7466) to regulate the operation of motor-propelled vehicles in the District of Columbia and to provide penalties for its violation; to the Committee on the District of Columbia.

By Mr. FULMER: A bill (H. R. 7467) to amend subdivision (a) of section 19, Federal reserve act; to the Committee on Banking and Currency.

By Mr. NELSON of Wisconsin: A bill (H. R. 7468) for the erection of a post-office building at Madison, Wis.; to the Committee on Public Buildings and Grounds.

Also, resolution (H. Res. 202) authorizing the Committee on Patents to inquire into the operations of the United States Army Air Service, Naval Bureau of Aeronautics, the United States Mail Air Service, or any agency, branch, or subsidiary of either; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BROWNING: A bill (H. R. 7469) granting an increase of pension to David W. Graves; to the Committee on Pensions.

By Mr. CARTER: A bill (H. R. 7470) granting a pension to Mary Marker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7471) granting an increase of pension to James A. Garner; to the Committee on Pensions.

Also, a bill (H. R. 7472) granting a pension to Mary A. Raglin; to the Committee on Pensions.

Also, a bill (H. R. 7473) granting an increase of pension to Sarah A. Strawn; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7474) granting a pension to Adidamiah Reeves; to the Committee on Invalid Pensions.

By Mr. FREDERICKS: A bill (H. R. 7475) granting a pension to Laura C. Dupree; to the Committee on Invalid Pensions.

By Mr. KNUTSON: A bill (H. R. 7476) granting a pension to John Abear; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7477) granting a pension to David Abear; to the Committee on Invalid Pensions.

By Mr. NEWTON of Minnesota: A bill (H. R. 7478) for the relief of Liberty-loan subscribers of the Robbinsdale State Bank, Robbinsdale, Minn.; to the Committee on Claims.

Also, a bill (H. R. 7479) for the relief of Joseph Lane; to the Committee on Claims.

Also, a bill (H. R. 7480) for the relief of Dwight L. Wagner; to the Committee on Naval Affairs.

By Mr. PURNELL: A bill (H. R. 7481) granting a pension to Sarah J. Harper; to the Committee on Invalid Pensions.

By Mr. RAMSEYER: A bill (H. R. 7482) granting a pension to Adaline LaFollett; to the Committee on Invalid Pensions.

By Mr. ROBSION of Kentucky: A bill (H. R. 7483) granting a pension to Taylor Wagers; to the Committee on Pensions.

By Mr. STRONG of Pennsylvania: A bill (H. R. 7484) granting an increase of pension to Bell L. Duncan; to the Committee on Invalid Pensions.

By Mr. SWANK: A bill (H. R. 7485) to make a preliminary survey of the Cimarron River, in Oklahoma, with a view to the control of its floods; to the Committee on Flood Control.

By Mr. TINCHER: A bill (H. R. 7486) granting an increase of pension to Elizabeth Tedrow; to the Committee on Invalid Pensions.

By Mr. WEAVER: A bill (H. R. 7487) granting an increase of pension to Mrs. Martin A. King; to the Committee on Pensions.

Also, a bill (H. R 7488) granting a pension to Margaret E. Farmer; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1459. By the SPEAKER (by request): Petition of National Association of Table Manufacturers, Chicago, Ill., urging Congress to effect a reduction in first-class rates by making drop-letter rate 1 cent; to the Committee on the Post Office and Post Roads.

1460. Also (by request), petition of citizens of Cleveland, Ohio, favoring tax reduction; to the Committee on Ways and Means.

1461. Also (by request), petition of citizens of Pittsburgh, Pa., requesting repeal of war taxes on motor vehicles and motor parts; to the Committee on Ways and Means.

1462. Also (by request), petition of the National Association of Builders' Exchanges, opposing a bonus bill and favoring appropriations to provide for the disabled soldiers; to the Committee on Ways and Means.

1463. Also (by request), petition of the National Association of Builders' Exchanges, favoring a constitutional amendment that would authorize an assessment of income tax on incomes derived from bonds issued by States; to the Committee on Ways and Means.

1464. Also (by request), petition of board of aldermen of the city of New York, urging Congress to extend relief to the starving and needy people of Germany; to the Committee on Foreign Affairs.

1465. By Mr. ALDRICH: Petition of Hope Council, No. 6, Junior Order United American Mechanics, of Westerly, R. I., favoring passage of the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1466. By Mr. COOK: Petition of Machinists' Local, No. 450, and Sheet Metal Workers' Local, No. 480, of Logansport, Ind., in favor of the Brookhart-Hull bill; to the Committee on Naval Affairs.

1467. Also, petition of Charter Oak Council, of Hartford City, Ind., in favor of the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1468. By Mr. CRAMTON: Resolution of the Polar Bear Association, Detroit, Mich., urging favorable action on an adjusted compensation act for former service men; to the Committee on Ways and Means.

1469. By Mr. ELLIOTT: Petition of postal employees at New Castle, Ind., in re reclassification act and salary increase to postal employees; to the Committee on the Post Office and Post Roads.

1470. By Mr. FULLER: Petition of the American Legion posts of Sangamon County, Ill., praying for the passage of an adjusted compensation bill; to the Committee on Ways and Means.

1471. Also, petition of the Chamber of Commerce of East St. Louis, Ill., opposing any amendment of the transportation act; to the Committee on Interstate and Foreign Commerce.

1472. Also, petition of sundry citizens of La Salle County, Ill., favoring repeal of excise taxes on automobiles and accessories; to the Committee on Ways and Means.

1473. By Mr. GARBER: Petition of the executive committee of the Oklahoma Wheat Growers' Association, of Enid, Okla., dated February 21, 1924, recommending the retention of the tax-exempt security law, etc.; to the Committee on Ways and Means.

1474. By Mr. GRAHAM of Pennsylvania: Petition of the Philadelphia Board of Trade, favoring House bills 5843 and 5429; to the Committee on Foreign Affairs.

1475. By Mr. GREENE of Massachusetts: Petition of Octave O. Desmarais, manager of the Coca Cola Bottling Works, Fall River, Mass., urging the repeal of tax on carbonated beverages; to the Committee on Ways and Means.

1476. By Mr. KING: Petition of the Charles De Crane Post of the American Legion, of Atkinson, Ill., favoring the adjusted compensation bill; to the Committee on Ways and Means.

1477. By Mr. McNULTY: Petition of the Men's Club of the First Baptist Church of Bayonne, N. J., in favor of Johnson immigration bill; to the Committee on Immigration and Naturalization.

1478. By Mr. MORROW: Petition of Chamber of Commerce, Carlsbad, N. Mex., F. E. Hubert, chairman of the transportation committee, opposing any change or amendment to the transportation act; to the Committee on Interstate and Foreign Commerce.

1479. Also, petition of the Lordsburg Woman's Club, Lordsburg, N. Mex., in support of Senate bill 3855, the Lenroot substitute bill; to the Committee on Indian Affairs.

1480. By Mr. TAGUE: Petition of Amos Lodge, No. 27, Independent Order of B'nai Brith, condemning the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1481. By Mr. TEMPLE: Petition of auxiliary of the Edwin Scott Linton American Legion Post, Washington, Pa., favoring the adjusted compensation bill; to the Committee on Ways and Means.

SENATE.

MONDAY, *March 3, 1924.*

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father, we thank Thee for these days of brightness and of cheer, the harbingers of the good time near at hand, when winter shall be past and the sound of the singing of birds shall be heard in the land. We do ask Thee to give unto us strength of purpose and such ideals of devotion to duty that we may realize that we can make the world a happier and a better place in which to live; that we can add to its cheer and deliver many from its sorrow and gloom. The Lord our God help us continually. We humbly ask in Jesus' name. Amen.

The reading clerk proceeded to read the Journal of the proceedings of the legislative day of Friday, February 29, 1924, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

CALL OF THE ROLL.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The principal legislative clerk called the roll, and the following Senators answered to their names:

Adams	Curtis	Hale	McKellar
Ashurst	Dale	Harreld	McLean
Ball	Dial	Harris	McNary
Bayard	Dill	Harrison	Mayfield
Borah	Edge	Heflin	Moses
Brandegee	Edwards	Howell	Norris
Brookhart	Elkins	Johnson, Minn.	Oddie
Broussard	Ernst	Jones, N. Mex.	Overman
Bruce	Ferris	Jones, Wash.	Pepper
Bursum	Fess	Kendrick	Phipps
Cameron	Fletcher	Keyes	Pittman
Capper	Frazier	King	Ralston
Caraway	George	Ladd	Ransdell
Copeland	Gerry	La Follette	Reed, Pa.
Couzens	Glass	Lenroot	Robinson
Cummins	Gooding	Lodge	Sheppard

Shields	Smoot	Swanson	Watson
Shipstead	Spencer	Trammell	Weller
Shortridge	Stanfield	Walsh, Mass.	Wheeler
Simmons	Stanley	Walsh, Mont.	Willis
Smith	Stephens	Warren	

The PRESIDENT pro tempore. Eighty-three Senators have answered to their names. A quorum is present.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed a bill (H. R. 5855) to fix the salaries of officers and members of the Metropolitan police force and the fire department of the District of Columbia, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED.

The message also announced that the Speaker of the House had signed enrolled bills of the following titles, and they were subsequently signed by the President pro tempore:

S. 2583. An act granting a franking privilege to Edith Bolling Wilson;

H. R. 4807. An act granting the consent of Congress to the State Highway Commission of Louisiana to construct, maintain, and operate a bridge across West Pearl River, in the State of Louisiana; and

H. R. 4808. An act granting the consent of Congress to the construction, maintenance, and operation of a bridge across the Pearl River between St. Tammany Parish, in Louisiana, and Hancock County, in Mississippi.

PROSECUTION OF CLAIMS AGAINST THE GOVERNMENT BY EX-OFFICIALS.

The PRESIDENT pro tempore. The Chair lays before the Senate a communication from the Secretary of the Navy, and will ask the Secretary to read it. The Chair calls it to the attention of the Senator from Nebraska [Mr. NORRIS].

The reading clerk read as follows:

DEPARTMENT OF THE NAVY,
OFFICE OF THE SECRETARY,
Washington, March 1, 1924.

The PRESIDENT OF THE SENATE,
United States Senate, Washington, D. C.

SIR: This department has received Senate Resolution 176, passed February 26, 1924, directing the Secretary of the Navy to furnish the Senate certain information.

In order to fully comply with said resolution, it is requested that this department be furnished with the names of all ex-Members of the United States Senate, together with the dates of their leaving office, who will come within the provisions of Senate Resolution 176.

It is requested that this data be forwarded at the earliest practicable date.

Very truly yours,

EDWIN DENBY,
Secretary of the Navy.

Mr. NORRIS. Mr. President, as I understand the reading of the letter, the Secretary of the Navy wants the Senate to supply him with the names of ex-Senators who will come within the provisions of the resolution. That information is accessible to the Secretary of the Navy I should think.

Mr. HARRIS. Mr. President, we can not hear what the Senator is saying.

Mr. NORRIS. I do not think the Senate heard the reading of the letter; there has been a great deal of commotion in the Senate. The Secretary of the Navy has asked the Senate, as I understand the reading of the letter, to supply him with the names of ex-Senators who would come within the provisions of the resolution which we passed a few days ago asking for certain information. I was stating that the names of ex-Senators are accessible to anyone, I think, who would take a Congressional Directory and look them up. However, in order to get the question settled, I move that the Secretary of the Senate be directed to supply the Secretary of the Navy with the names of ex-Senators who will come within the provisions of the resolution.

The PRESIDENT pro tempore. The Senator from Nebraska moves that the Secretary of the Senate be directed to supply the Secretary of the Navy with the names of the ex-Senators referred to in the communication of the Secretary of the Navy.

The motion was agreed to.

PETITIONS AND MEMORIALS.

Mr. ROBINSON. Mr. President, I have received a number of petitions, one from letter carriers with headquarters at Texarkana, Ark., and other postal employees operating out of Texarkana, a number of similar communications from carriers and other postal employees of Searcy and Fort Smith, Ark., and still others at Eldorado, Ark., urging the passage of the bill (H. R. 7016) reclassifying the salaries of postmasters and employees and readjusting their compensation on an equitable basis.

I am informed that a subcommittee of the Committee on Post Offices and Post Roads of the Senate and a subcommittee of the Committee on the Post Office and Post Roads of the House of Representatives are now sitting jointly for the consideration of the bill and measures of a similar character. I present the petitions and ask that they may be referred to the special subcommittee of the Committee on Post Offices and Post Roads, of which the Senator from New Jersey [Mr. EDGE] is chairman.

The PRESIDENT pro tempore. Without objection, the petitions will be so referred.

Mr. BURSUM. I present a number of petitions and letters relating to the transportation act, the first page of each of which I ask may be printed in the RECORD, and I ask that they be referred to the Committee on Interstate Commerce.

There being no objection, the petitions and letters were referred to the Committee on Interstate Commerce, and the first pages thereof were ordered to be printed in the RECORD, as follows:

LAS VEGAS-SAN MIGUEL COUNTY CHAMBER OF COMMERCE,
East Las Vegas, N. Mex., February 26, 1924.

Hon. H. O. BURSUM,
United States Senate, Washington, D. C.

DEAR HONORABLE: We are herewith inclosing a copy of resolutions touching on railroads and transportations, which were recently passed by our chamber of commerce.

We would ask that these resolutions receive your consideration.

With very kind wishes, we remain,

Respectfully yours,

CHAMBER OF COMMERCE,
By THOMAS A. JOHNSEN, *President.*

Resolution adopted by the Las Vegas and San Miguel County Chamber of Commerce.

Whereas the Las Vegas and San Miguel County Chamber of Commerce has had under consideration matters pertaining to railroad transportation, as the same affects not only our immediate community, county, and State, but also the United States at large; and

Recognizing that commercial and industrial development and prosperity is contingent upon adequate transportation facilities, which in turn are contingent upon healthy competitive operation and reasonable dictation by regulating and legislative bodies of political groups; and

It appearing that the railroads of the country in good faith are borrowing and expending large sums of money in the repair of equipment, the purchase of new equipment, and in the increase of trackage and other facilities in an endeavor to recover from abnormal operation and under war conditions and to care for a greatly increasing volume of traffic; and that the railroads of the country have formulated and are progressing with policies of rehabilitation under the present transportation act of Congress, which should at least be given a fair and impartial trial; and

Whereas in a time of large prospective volume of business there is liable to be a shortage of cars which may bring about dissatisfaction among some shippers in the country and also a demand from some political groups for further legislation by the Government and thus possibly toward honest efforts on the part of the railroads to give and maintain adequate service to our community and country and promote the resources; and

Whereas the Government should not adopt a policy which would result in a confiscation of the business institutions of the country: Now, therefore, be it

Resolved by the Las Vegas and San Miguel County Chamber of Commerce of Las Vegas, N. Mex., That it hereby declares its confidence in the railroad companies and the good faith and ability of the railroads in the manner in which they are endeavoring to carry out their policies in handling the complex transportation situation of the country, and that this chamber believes that the said railroads should be given full opportunity of developing and carrying out their policies in regard to such matters and under the transportation laws as they now exist: Be it further

Resolved, That this chamber is opposed to any policies on the part of regulating and legislative bodies which will tend to destroy healthy, competitive operation and development of the railroads of the country or make necessary or toward Government ownership of the railroads: Be it further

Resolved, That this chamber lend whatever assistance it may toward developing wholesome cooperation between shippers and the public and the railroads to insure fair treatment to all parties and the most

effective utilization of the transportation systems; and that we urge other commercial organizations to take a like action, and that copies of these resolutions be sent to our Senators and Congressman.

Adopted by the board of directors February 6, 1924, Las Vegas-San Miguel County Chamber of Commerce.

THOMAS A. JOHNSEN, *President.*
W. W. PHILLIPS, *Secretary.*

ALBUQUERQUE, N. MEX., *February 11, 1924.*

Hon. H. O. BURSUM,
Senator from State of New Mexico,
Washington, D. C.

DEAR SENATOR: I am attaching hereto, for your consideration, a petition which explains itself, signed by 52 supervisors of mechanics, Albuquerque shops, roundhouse, and repair yards of the Atchison, Topeka & Santa Fe Railway Co., at Albuquerque.

These men have made a study of railroad work and have devoted practically their entire lives to railroad service, and by reason of their ability and understanding of conditions on the railroads of this country have been selected to head the various departments and branches at Albuquerque.

Their opinion and judgment in matters pertaining to the betterment of conditions on this road is sought daily by the management and will no doubt be of benefit to you and your colleagues in determining the position you will take when these matters come before Congress.

Yours respectfully, J. H. LEWIS,
President Santa Fe Supervisors' Association,
Albuquerque Local.

PETITION TO OUR UNITED STATES SENATORS AND CONGRESSMAN IN REGARD TO THE TRANSPORTATION ACT, 1920.

ALBUQUERQUE, N. MEX., *February 9, 1924.*

Whereas we have noted in the daily press statements to the effect that the so-called progressives who are Members of the present Congress are in favor of repealing the transportation act, 1920, otherwise known as the Esch-Cummins bill; and

Whereas this act recognizes the rights of labor and for the first time in the history of our Government labor, organized or unorganized, was given a tribunal to which it might appeal in case of oppression; and

Whereas this tribunal, known as the Labor Board, has functioned to the satisfaction of all fair-minded elements of labor or capital; and

Whereas we know by experience the great harm that has been done in the industrial world by radical and unfair railroad legislation: Therefore be it

Resolved by the members of the Santa Fe Supervisors' Association of the Atchison, Topeka & Santa Fe Railway system, That we respectfully petition all Members of Congress, especially from our State, to vote against any substantial change in the transportation act, 1920; and be it further

Resolved, That we pledge ourselves and our families to do everything in our power to elect, regardless of party affiliations, men pledged to the support of this law.

SANTA FE CHAMBER OF COMMERCE,
OFFICE OF THE SECRETARY,
Santa Fe, N. Mex., February 16, 1924.

Hon. HUGH H. WILLIAMS,
Chairman State Corporation Commission,
care of United States Senator H. O. Bursum,
Washington, D. C.

DEAR MR. WILLIAMS: Some time ago, at the request of the traveling passenger agent of the Atchison, Topeka & Santa Fe Railway Co., the Santa Fe Chamber of Commerce passed a resolution indorsing the transportation act in its entirety. After due consideration, the directors, realizing that they had not been fully advised in regard to the said act, called a special meeting and rescinded their previous action.

We desire to express our confidence in you, and know that you will do all you can to have certain amendments passed which will be beneficial to the people of this and other States. Wishing you success, I am,

Very truly yours,

EDGAR L. STREET,
President Santa Fe Chamber of Commerce.

WINSLOW, ARIZ., *February 13, 1924.*

Hon. H. O. BURSUM,
United States Senator from New Mexico, Washington, D. C.

DEAR SIR: I am herewith attaching a petition signed by the Association of Shop Crafts, at Gallup, N. Mex., asking that you vote against any substantial change in the transportation act of 1920.

Yours truly,

R. C. ABELL.

Mr. WARREN presented a resolution adopted by the Kiwanis Club of Lander, Wyo., favoring the so-called Mellon plan of tax reduction, which was referred to the Committee on Finance.

Mr. CAPPER presented a petition of sundry rural letter carriers of Sumner County, Kans., praying for the passage of legislation providing an equipment allowance to rural letter carriers of 6 cents per mile per day, which was referred to the Committee on Post Offices and Post Roads.

Mr. WILLIS presented a petition of sundry citizens of Waynesville, Ohio, praying for the passage of the so-called Johnson selective immigration bill, which was referred to the Committee on Immigration.

He also presented a resolution adopted at a mass meeting in the Perkins Auditorium, Akron, Ohio, by sundry citizens of foreign birth protesting against the passage of the so-called Johnson selective immigration bill as being discriminatory, which was referred to the Committee on Immigration.

He also presented a resolution of the Kiwanis Club of Napoleon, Ohio, favoring the making of adequate appropriations for the support of the Army, so as to carry out the provisions of the national defense act, which was referred to the Committee on Military Affairs.

He also presented a resolution of the Coshocton Chapter, No. 20, Disabled American Veterans of the World War, of Coshocton, Ohio, favoring the enactment of legislation granting adjusted compensation to veterans of the World War, which was referred to the Committee on Finance.

He also presented a resolution adopted at a mass meeting of citizens at Clyde, Ohio, favoring the enactment of legislation granting adjusted compensation to veterans of the World War, which was referred to the Committee on Finance.

Mr. McLEAN presented a petition of the Ansonia (Conn.) Chamber of Commerce, praying for the enactment of legislation limiting the production of narcotics to the medical and scientific needs of the world, which was referred to the Committee on Foreign Relations.

He also presented a resolution of the Bridgeport (Conn.) Central Labor Union favoring the enactment of legislation restricting the production of narcotics to the medical and scientific needs of the world, which was referred to the Committee on Foreign Relations.

He also presented a resolution of the Meriden (Conn.) Woman's Club favoring the enactment of legislation creating a Federal department of education, which was referred to the Committee on Education and Labor.

He also presented a petition of the Woman's Christian Temperance Union, of Putnam, Conn., praying an amendment to the Constitution regulating child labor, which was referred to the Committee on the Judiciary.

He also presented papers and a telegram in the nature of petitions from Leo J. L'Homme Post, No. 21, the American Legion, of Danielson; sundry citizens of New Preston; and Horace J. Tanguay Post, No. 80, the American Legion, of Thompsonville, all in the State of Connecticut, praying for the enactment of legislation granting adjusted compensation to veterans of the World War, which were referred to the Committee on Finance.

He also presented resolutions of the Fairfield County Organization of the American Legion, of Greenwich, and the committee on arrangements of the citizens of the borough of Naugatuck in mass meeting assembled, all in the State of Connecticut, favoring the enactment of legislation granting adjusted compensation to veterans of the World War, which were referred to the Committee on Finance.

He also presented petitions of the Building Trades Council of Waterbury and vicinity, of Waterbury; of sundry employees of the post office of Southington; of Local Union No. 952, United Brotherhood of Carpenters and Joiners of America, of Bristol; of the Danbury branch, United National Association of Post Office Clerks, of Danbury; of Local Union No. 35, International Union of United Brewery, Flour, Cereal, and Soft Drink Workers of America, of Hartford; of Local No. 35, Metal Polishers International Union, of Hartford; of Local Union No. 79, United Brotherhood of Carpenters and Joiners of America, of New Haven; of Local No. 237, National Federation of Post Office Clerks, of New Haven; and of the Bridgeport Central Labor Union, of Bridgeport, all in the State of Connecticut, praying for the enactment of legislation granting increased compensation to postal employees, which were referred to the Committee on Post Offices and Post Roads.

He also presented resolutions of the Merchants Bureau of the Naugatuck Chamber of Commerce, of Naugatuck; of delegates to the Connecticut State Federation of Post Office Clerks; the board of aldermen of the city of New Haven, and of San

Salvador Council No. 1, Knights of Columbus, of New Haven, all in the State of Connecticut, favoring the enactment of legislation granting increased compensation to postal employees, which were referred to the Committee on Post Offices and Post Roads.

He also presented memorials of the Societa Operaia Del Casali Comune Di Faicchio, Benevento; Societa Regionale Marchiana; Societa Provincia D'Avellino; Loggia Roma, No. 326; Societa Maria SS Della Consolzaione; Lodge Piave, Sons of Italy, and of sundry citizens of Italian descent, all of New Haven, and of Independent Norwich Lodge, No. 309, I. O. B. A., of Norwich, all in the State of Connecticut, remonstrating against the passage of the so-called Johnson selective immigration bill, as being discriminatory, which were referred to the Committee on Immigration.

REPORTS OF COMMITTEES.

Mr. BROOKHART, from the Committee on Claims, to which was referred the bill (S. 1643) for the relief of Samuel S. Archer, reported it without amendment and submitted a report (No. 197) thereon.

Mr. SMITH, from the Committee on Interstate Commerce, submitted a report (No. 198) to accompany the bill (S. 1499) to promote the safety of passengers and employees upon railroads by prohibiting the use of wooden cars under certain circumstances, heretofore reported by him with an amendment.

He also, from the same committee, submitted a report (No. 199) to accompany the resolution (S. Res. 124) directing the Interstate Commerce Commission to secure information relative to amount of money expended for the purpose of creating public interest favorable to railroad sentiment, heretofore reported by him with an amendment.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. DIAL:

A bill (S. 2710) to finance the exportation of American agricultural products and raw materials; to the Committee on Agriculture and Forestry.

Mr. NORRIS. I introduce a bill at the request of the Department of Agriculture, and ask that it be referred to the Committee on Agriculture and Forestry.

By Mr. NORRIS:

A bill (S. 2711) for the relief of the Pitt River Power Co.; to the Committee on Agriculture and Forestry.

Mr. NORRIS. The title of the bill would indicate that it ought to go to the Committee on Claims, but I find upon reading the bill that its subject matter is such that it clearly ought to go to the Committee on Agriculture and Forestry.

By Mr. COPELAND:

A bill (S. 2712) to prohibit the collection of a surcharge for the transportation of persons or baggage in connection with the payment for parlor or sleeping car accommodations; to the Committee on Interstate Commerce.

By Mr. CAPPER:

A bill (S. 2713) to provide for the promotion of physical education in the United States through cooperation with the States in the preparation and payment of supervisors and teachers of physical education, and for other purposes; to the Committee on Education and Labor.

By Mr. WALSH of Massachusetts:

A bill (S. 2714) for the relief of John F. Malley; and

A bill (S. 2715) for the relief of John F. Malley; to the Committee on Claims.

By Mr. BURSUM:

A bill (S. 2716) granting a pension to Seledon Jaramillo; to the Committee on Pensions.

By Mr. SMOOT:

A bill (S. 2717) for the relief of Joseph H. Wilson; to the Committee on Claims.

By Mr. LODGE:

A bill (S. 2718) to authorize the payment of an indemnity to the Government of Norway on account of losses sustained by the owners of the Norwegian steamship *Hassel* as the result of a collision between that steamship and the American steamship *Ausable;* and

A bill (S. 2719) to authorize the payment of an indemnity to the British Government on account of losses sustained by the owners of the British steamship *Baron Berwick* as the result of a collision between that vessel and the U. S. S. *Iroquois* (now *Freedom*) and a further collision with the U. S. destroyer *Truxtun;* to the Committee on Foreign Relations.

By Mr. WELLER:

A bill (S. 2720) for the relief of Charles S. Cook;

A bill (S. 2721) for the relief of Levin P. Kelly; and

A bill (S. 2722) for the relief of Levin P. Kelly; to the Committee on Claims.

By Mr. FERRIS:

A bill (S. 2723) granting a pension to Frank Truman Perrigo (with accompanying papers); to the Committee on Pensions.

By Mr. SHIELDS:

A bill (S. 2724) granting a pension to Cal Hopson; to the Committee on Pensions.

A bill (S. 2725) for the relief of Edward E. Kemp; to the Committee on Military Affairs.

By Mr. FLETCHER:

A bill (S. 2726) granting a pension to Frieda Kyle Read; to the Committee on Pensions.

CHANNEL OF GILA RIVER, GRAHAM COUNTY, ARIZ.

Mr. ASHURST submitted an amendment intended to be proposed by him to the bill (S. 966) for the continuance of construction work on the San Carlos Federal irrigation project in Arizona, and for other purposes, which was ordered to lie on the table and to be printed.

PROPOSED NITRATE PLANT ON COLUMBIA RIVER, WASH.

Mr. JONES of Washington submitted an amendment intended to be proposed by him to the bill (H. R. 518) to authorize and direct the Secretary of War to sell to Henry Ford nitrate plant No. 1, at Sheffield, Ala.; nitrate plant No. 2, at Muscle Shoals, Ala.; Waco Quarry, near Russellville, Ala.; and to lease to the corporation to be incorporated by him Dam No. 2 and Dam No. 3 (as designated in H. Doc. No. 1262, 64th Cong., 1st sess.), including power stations when constructed as provided herein, and for other purposes, which was referred to the Committee on Agriculture and Forestry and ordered to be printed.

EULOGY ON THE LATE PRESIDENT WILSON.

Mr. CARAWAY. Mr. President, I ask to have printed in the RECORD a eulogy delivered by Mr. Pattangall, of Maine, on Woodrow Wilson. The request to have this done comes to me from Thomas F. O'Neil, of Portland, Me., a locomotive fireman of that State.

The PRESIDENT pro tempore. Is there objection?

Mr. MOSES. I ask that it be referred to the Committee on Printing.

Mr. CARAWAY. I will withdraw the request, and read it into the RECORD this afternoon.

Mr. CARAWAY subsequently said:

Mr. President, I wish to renew a request for unanimous consent to have inserted in the RECORD a speech of Mr. Pattangall in eulogy of the late President Woodrow Wilson, the request being made by Thomas F. O'Neil, of Portland, Me. I spoke to the Senator from New Hampshire [Mr. MOSES], who objected a minute ago, and there is no further objection as far as I know.

There being no objection, the eulogy was ordered to be printed in the RECORD, as follows:

[From the Portland Press Herald, Portland, Me.]

WILSON "BELONGS TO THE AGES," DECLARES PATTANGALL IN EULOGY—IN HIS NAME MEN WILL DEDICATE LIVES TO HIS GREAT IDEALS—MEMORIAL SERVICE HELD AT AUGUSTA—BENEDICT F. MAHER, REPUBLICAN, ALSO PAYS TRIBUTE AT CITY HALL GATHERING.

STRIKING POINTS BY W. R. PATTANGALL IN HIS EULOGY OF WOODROW WILSON.

I speak of him now as I spoke of him when living. I place no flowers on his grave that I did not strew in his pathway when he trod the ways of men.

To me he stands supreme among all of those who have lived in my generation.

His life was a romance, impossible to have been lived in any country but our own.

All that he lacked was an intimate knowledge of the human beings with whose aid and in spite of whose opposition he was obliged to carry out his plans.

His place in history will be determined by his record as a great war statesman and a great war President.

And once having entered the war the great modern apostle of peace struck with the force of a thunderbolt.

The war ended and he sought to build upon the wreck of the world an edifice of lasting peace.

Those who should have stood by him and have fought the battle of humanity shoulder to shoulder with him failed him, and he who had reached the mountain top trod his sad way back to the valley.

He met their condemnation as he had met their praise—with steady gaze and bravest smile, weary and broken in the flesh, strong and upright in the spirit.

Men prayed for a leader and God gave him to them. For a time they followed, but as he led ever onward and ever upward the trailing marchers tired and fell back and the leader walked alone.

He lived to sound the height and depth.

He belongs to the ages.

Men said he failed. It was the failure of Calvary. The crucifix his, the crown of thorns, but life everlasting and glory for ever and ever.

AUGUSTA, ME., February 17.—Striking eulogies of the life and achievements of Woodrow Wilson were delivered this evening by William R. Pattangall, Democrat, and Benedict F. Maher, Republican, at a memorial service held in city hall.

The services were arranged by a group of women at the invitation of Mayor Ernest L. McLean, who presided. Clergymen from several of the churches assisted in the service, and there was music by an orchestra. Mr. Pattangall said:

"The high regard in which I held President Wilson while he lived, the reverence which I have for his memory, now that he has passed from earth, is difficult, if not impossible, to translate into language.

"I speak of him now as I spoke of him living. I place no flowers on his grave that I did not strew in his pathway when he trod the ways of men. I sing no praise of him now that he lies in the tomb that I did not sing both when he stood at the head of the Nation, at the height of his power, worshipped by the world, and when he lay broken and defeated in the sick room while his enemies cried his failure.

"To me he stands supreme among all of those who have lived in my generation. I can not speak of him excepting in superlatives. I can not even think of him in moderation.

"His life was a romance, impossible to have lived in any country but our own. The son of a clergyman, a quiet, thoughtful, studious youth, graduating from Princeton at 23, admitted to the practice of law at 25, giving up law to study and teach history and economics, he became president of his alma mater at the age of 46. As a writer he attracted the attention of public men, and after having presided for eight years over the great university, with which his name will always be identified, he was induced to enter active politics, and in 1910 was elected Governor of New Jersey, to be called to the Presidency of the United States two years later, where he served his country and the world for eight long, weary, glorious years.

"From a clergyman's home to school, from school to law office, from law office to a teacher's chair, from professorship to head of a university, then chief executive of the State of his adoption, then to the Presidency, and reelected to that great office, briefly resumes his wonderful career up to the time of the World War.

HIS TRAINING NOT POLITICAL.

"His training was not political in the ordinary use of the word. He had no legislative experience, no congressional experience, no record of party service, no intimate acquaintance with leaders, either of his own or the opposite party, when he became Governor of New Jersey, and only two years passed between his inauguration as governor and his inauguration as President.

"But he was a profound student of history and an expert economist. His trained mind, his knowledge of the experience of mankind, enabled him to approach the solution of the problems of government as a mathematician approaches the solution of problems in calculus.

"All that he lacked was an intimate knowledge of the human beings with whose aid and in spite of whose opposition he was obliged to carry out his plans.

"In his first term as President he devoted his time to domestic problems. During that period he was the means of placing in the statute books of our country laws which will remain for many years a monument to his capacity for practical statesmanship.

"Under him epoch-making advance was made in sound progressive legislation, not only in humanitarian and social welfare lines but in matters as well which pertained to business and finance and made for the ultimate prosperity of the Nation.

"Under him the business of government was carried on by the chosen representatives of the people and not by the self-selected representatives of special interests.

HIS AIM TO SERVE.

"An aristocrat in intellect, his heart was filled with love of the common people, and his whole aim was to serve them, not as a demagogue but as one who knew their needs better than they knew them themselves.

"Had the world remained at peace until his first term as President ended he might never have served his second term and might not have cared to do so; but in 1914 the mad ambition of the product of many royal intermarriages plunged Europe into the chaos of war, and he was called upon first to act as the chief spokesman of the neutral nations and later, when, in spite of his every endeavor, our own country and all the world was drawn into the maelstrom, as the leader of the forces that battled for the preservation of civilization.

"Essentially a man of peace, his name is so connected with the World War that his place in history will be determined rather by his record as a great war statesman and a great war President than by his achievements as an economist, splendid as were those achievements.

"His leadership of national thought from 1914 to 1917 was a marvel of patience and tact. Certain of our people desired our entrance into the war soon after it broke out. The whole Atlantic seaboard clamored for war when the crime of the *Lusitania* was perpetrated. He waited, guiding the national thought by the application to the situation of inexorable logic to a just conclusion until every section of the Nation was ready to respond to the call to arms.

"As a result, when war was declared the whole American people approved the declaration.

"There were Tories in the time of the Revolution; the Hartford convention resolved against war and in favor of secession in 1812; draft riots marred the patriotic record of the men of 1863; but so carefully, so patiently had Woodrow Wilson counseled with the people in 1915 and 1916 that when he called for war in 1917 there was no peace party to dispute the decision.

STRUCK WITH MIGHTY FORCE.

"And once having entered the war the great modern apostle of peace struck with the force of a thunderbolt. Under his direction the man power, the brain power, the money power, the hearts and conscience of all America were mobilized. When we entered the war the Allies were all but ready to acknowledge defeat. In 18 short months the greatest of conquering armies was humbled, the war lord of Germany had sought refuge in flight, the dream of world domination by a middle European empire was dissipated, and the nations which had conspired together against civilization joined in unconditional surrender.

"The war ended, and he sought to build upon the wreck of the world an edifice of lasting peace. He had reached the heights. For a few brief moments the nations listened to his words of wisdom and his plans for their future safety, then those who should have stood by him and have fought the battle of humanity shoulder to shoulder with them failed him, and he who had reached the mountain top trod his sad way back to the valley. He heard then the jeers of those who had cheered him loudest when he last went their way, and he met their condemnation as he had met their praise with steady gaze and bravest smile, weary and broken in the flesh, strong and upright in the spirit.

"Men prayed for a leader and God gave him to them. For a time they followed, but as he led ever onward and ever upward, the trailing marchers tired and fell back, and the leader walked alone.

HIS BROTHER'S KEEPER.

"A great man, philosopher, statesman, prophet, interpreter of democracy, companion for kings, he rested his faith in the multitude. He was his brother's keeper, and the burden that the weary toiler bore taxed his strength as though it were his own.

"Loved, worshipped, honored, trusted, hated, vilified, betrayed, he went his way unmoved by victory or defeat, conscious of his rectitude—sure of the verdict of history.

"Men called him cold. His heart was warm with love of all mankind. They charged him with ambition. He had no aim except the common good; no purpose save to serve his fellow men.

"He lived to sound the height and depth of life. He heard the crowd shout 'Hosanna' and heard them cry 'Crucify him.' Under the tremendous strain which he put upon his mental and physical energy his health broke down, and for months he lay stricken, unable to take part in the world's work.

THE WHOLE WORLD MOURNED.

"The people turned back to him toward the last and gave him their love, their tears, their prayers in place of the cheers and the applause they had given him in the earlier days. As time went on he became nearer and dearer to them, and when the end came the whole world mourned.

"Woodrow Wilson has passed into history now. He belongs to the ages. He will take his place with those whose lives mark milestones in mankind's progress. The world is better for his having lived, and so long as the English language is spoken, so long as the memory of this Nation endures, his fame will live, and in his name men will dedicate their lives to those great ideals which were his, and for which he worked and spoke and wrote and prayed, for which he lived, and for which he suffered and died.

"Men said he failed because he could not make blind partisanship see the vision he beheld. It was the failure of Calvary. The crucifix his, the crown of thorns, but life everlasting and glory forever and ever."

HOUSE BILL REFERRED.

The bill (H. R. 5855) to fix the salaries of officers and members of the Metropolitan police force and the fire department of the District of Columbia was read twice by its title and referred to the Committee on the District of Columbia.

INFORMATION FURNISHED BY THE ATTORNEY GENERAL.

Mr. BRANDEGEE. Mr. President, the Senate has previously passed three resolutions asking for information from the Department of Justice and the Attorney General. The first resolution was Senate Resolution 73, which was submitted on December 17, 1923, by the Senator from Utah [Mr. KING], asking that the Attorney General be directed to report to the Senate the particulars and specifications of all cases transmitted to him by the Federal Trade Commission, and asking other information in relation to that subject.

The second resolution, being Senate Resolution 138, was adopted on February 1, 1924, having been introduced by the Senator from Nebraska [Mr. NORRIS]. It directed the Attorney General to furnish information as to whether in cases involving persons or corporations charged with defrauding the Government in any war contract or contracts or the sale of surplus war material wherein both a civil and criminal liability is alleged or claimed the Department of Justice has made a settlement of the civil liability without prosecuting some of the defendants for criminal liability.

The third resolution, being Senate Resolution 139, was submitted by the Senator from Utah [Mr. KING] on February 1, 1924, and directed the Attorney General to inform the Senate what disposition, if any, has been made of the million dollars appropriated for the prosecution of frauds against the Government growing out of war contracts, and also to report to the Senate the number of actions, if any, which have been brought to prosecute such fraud or to recover moneys due the Government, the status of each case, and particularly to report to the Senate what disposition has been made by the Attorney General of the case of the Government against the Wright-Martin Aircraft Co., of New York.

All these resolutions have been replied to at length by the Attorney General. I hold his replies in my hand. They were referred to the Committee on the Judiciary. At a meeting of that committee this morning I was instructed to ask that the Judiciary Committee be discharged from the further consideration of these matters and that all the information furnished by the Attorney General in response to the resolutions which I have mentioned be referred to the special committee which the Senate has elected to investigate the Department of Justice.

The PRESIDENT pro tempore. The Senator from Connecticut asks that the Committee on the Judiciary be discharged from the further consideration of the several communications and reports made by the Attorney General to which he has referred and that they be referred to the special committee elected by the Senate for the investigation of the Department of Justice.

Mr. KING. Mr. President, may I inquire of the Senator from Connecticut whether the report which he has just made referred to two resolutions or only to the resolution to which the Senator last referred? I was out of the Chamber and did not hear the opening part of the Senator's statement.

Mr. BRANDEGEE. It referred to all three of the resolutions, Senate Resolution 73, Senate Resolution 138, and Senate Resolution 139, two of which resolutions were submitted by the Senator from Utah himself and the third by the Senator from Nebraska [Mr. NORRIS].

Mr. KING. May I inquire of the Senator whether from the examination which has been made by the Committee on the Judiciary the conclusion was reached that none of those reports should be printed?

Mr. BRANDEGEE. We did not consider that question. The Attorney General in the reports and the letters which accompany them suggested that he felt constrained, under the language of the Senate resolutions, to furnish the information at length, although he suggested there were certain portions which the department did not think, in the public interest, should be made public at present, referring more particularly to corporations and persons who had been investigated and found to be innocent and others who had been investigated and were to be prosecuted. He stated that he did not think in either case it would be in the public interest to divulge the names of such persons or corporations to the public.

The committee were not instructed by the Senate to select such portions of the communications as the Judiciary Committee might think ought to be made public, and, of course, the committee has no information as to which portions the department would desire to be made public. Therefore, inasmuch as the Senate has raised a special committee to investigate the entire Department of Justice and its officials, the committee thought that these matters came within the jurisdiction of that committee, and that that committee could decide, perhaps, better than could we what portions of the information should be made public and what portions should not.

Mr. KING. Mr. President, if it is understood that the special committee referred to by the Senator from Connecticut will have the authority to determine whether these reports or any parts of them shall be printed, I shall make no objection to the request of the Senator, but if it means that these reports are to be buried with the committee or that the committee is not to have the authority to determine whether or not they are to be printed, then it seems to me that the Judiciary Committee should retain possession of these reports and should themselves make the investigation as to what portions of them should be printed.

Mr. BRANDEGEE. Mr. President, I wish to suggest that I thought the Senate would see the point of view which I had; but, perhaps, I did not state it as clearly as I should have done.

A special committee has been raised by the Senate for the purpose of investigating the entire Department of Justice. In the preamble to the resolution raising that special committee are embraced certain whereases enumerating and involving the very matters upon which the Department of Justice has now furnished information. It seemed to me that it would save that committee an enormous amount of work and of examination if it had all this information submitted to it in advance in writing, and then the committee without making it public by cross-examination could decide what part of the information, in its opinion, ought to be kept private.

If the Judiciary Committee should be of the opinion that certain parts of it ought to be kept private and the special committee should be of the opinion that those parts ought to be made public, immediately a conflict of opinion and jurisdiction would arise over the same matter. It seemed to our committee that it was extremely desirable to put the special committee which has just been raised to investigate this department in possession of all the evidence the department has furnished us under previous resolutions, and that they would be probably more competent, in view of what else may come before them, to say what they wanted to make public. I think it would also be a great aid to that committee in determining what lines of inquiry to pursue rather than, without having a complete subject before them, to follow particular leads, so to speak, that might occur to them.

Mr. KING. Mr. President, the two resolutions in which I am particularly interested called for certain information. The first resolution called for information respecting the million dollars which was appropriated for the prosecution of the so-called war-fraud cases and for a full and detailed report by the Attorney General as to what he had done with the million dollars and what prosecutions, if any, had been instituted. The second resolution called attention to various reports which had been filed with the Attorney General's office by the Federal Trade Commission, in which it is alleged recommendations were made, or at least evidence submitted, which called for the prosecution of a number of corporations for violation of the Sherman antitrust law and of the Clayton Act.

I concede that there may be information in these reports—I have not had the opportunity as yet to examine them—that ought not to be made public, because there may be suits still pending, and to reveal to the public the full information might

hamper the department in protecting the rights of the United States. I also concede, in harmony with the view of the distinguished Senator from Connecticut, that the information in these reports may be of considerable advantage to the special committee which has just been appointed, and I have no objection to the reference of these reports to that committee; but I want to state now, Mr. President, that if the committee shall not use these reports or, if having examined them, they make no reference to them or do not report them back to the Senate for action by the Senate, I reserve the right, then, to call the attention of the Senate to the reports and, if deemed necessary, to ask for their return to the Senate, so that it may order such disposition as may be deemed proper under the circumstances.

Mr. WILLIS. Mr. President, I desire to ask a question of the Senator from Utah.

Mr. KING. I yield.

Mr. WILLIS. My question is particularly with reference to the documents and the report relating to the prosecution of war-fraud cases. The Senator will remember that when that report came in here I asked for and received from the Senate an order for its immediate publication as a document, because I thought the light ought to be let in and we should have fullest publicity, but the next morning, when the Senate convened, the Senator from Utah suggested that, in his opinion, and in conformity with the views of the Attorney General, there might be some matter that ought not to be published. I understand the Senator has since examined in some detail this document.

Mr. KING. No.

Mr. WILLIS. The Senator has not done so?

Mr. KING. May I say to the Senator that his statement is substantially accurate. When the report first came to the Senate the Senator from Ohio moved that it be printed as a public document. I had not had sufficient time to read the report to learn that the Attorney General had suggested that perhaps some portions of the report ought not to be made public. I saw in the newspapers that evening that the Attorney General had made such a suggestion. I thereupon called the Presiding Officer over the telephone quite late at night, and then tried to get into contact with the Senator from Ohio, because I felt that that suggestion of the Attorney General ought to be respected to the extent at least of having a committee examine the report before it was ordered to be published. So the following morning I suggested that the order for printing be rescinded and that the report be referred to the Judiciary Committee to determine whether there was any part of it which ought not to be published. I have not read the report, let me say to the Senator.

Mr. WILLIS. I thought the Senator had, because I knew he had it in his possession and I thought he had read it.

Mr. KING. I had it for only a short time, and then returned it to the Judiciary Committee.

Mr. WILLIS. It was my opinion then and it is now that the report ought to be published as a document, so that the information may be made available to the people.

Mr. KING. I am content for the present to have the committee which has just been appointed by the Senate consider the question.

Mr. NORRIS. Mr. President——

Mr. BRANDEGEE. Mr. President, will the Senator from Nebraska allow me a moment?

Mr. NORRIS. Certainly.

Mr. BRANDEGEE. If the Senator from Utah will look at the record I think he will see, as I did, that these documents were not referred to the Senate Judiciary Committee with instructions to winnow out such information as ought to be made public and such as ought to be kept secret. They were simply referred to the Judiciary Committee, and the committee did not know what use to make of them. Certain Senators wanted to see them, and, of course, any Senator was allowed to look at the reports, and I believe that several of them did so; but we were under no instructions about the matter. If we had been, I should not have reported back and recommended the reference to the other committee.

Mr. NORRIS. Mr. President, what has been said by the Senator from Connecticut and also by the Senator from Utah in regard to making public the reports of the Attorney General does not apply to the report of the Attorney General on the resolution which I introduced, the number of which I have forgotten. The reply to that resolution was read from the desk, and of course is in the CONGRESSIONAL RECORD.

Mr. BRANDEGEE. I only meant that, of course, to apply where the communication from the department suggested that it be not made public.

Mr. NORRIS. I agree with the chairman of the committee that the proper place for all of these reports is in the hands of the special committee. I think they ought to be referred there for such action as they in their judgment may deem proper.

The PRESIDENT pro tempore. The Chair hears no objection up to this time. The communications and reports will be referred to the special committee.

HEARINGS BEFORE COMMITTEE ON TERRITORIES AND INSULAR POSSESSIONS.

Mr. WILLIS. Mr. President, out of order, I ask unanimous consent to call up Senate Resolution 162, Order of Business No. 180, authorizing the Committee on Territories and Insular Possessions during the Sixty-eighth Congress to hold hearings and employ a stenographer.

Mr. CURTIS. Mr. President, I hope the Senator will not do that. This is Calendar Monday, and the calendar can only be set aside by unanimous consent. Debate is limited to five minutes; and I do hope that the balance of the time until 2 o'clock will be put in on the calendar. I therefore ask for the regular order.

The PRESIDENT pro tempore. The regular order is demanded. Reports of committees are in order.

SENATOR THOMAS J. WALSH, OF MONTANA.

Mr. WHEELER. Mr. President, out of order I send to the desk and ask to have read two letters showing the lengths to which some of the interests of this country are going in an endeavor to ascertain and find out something detrimental to the senior Senator from Montana [Mr. WALSH].

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and the letters will be read.

The reading clerk read as follows:

NEW YORK COMMERCIAL,
New York, February 15, 1924.

Mr. E. C. SHIELDS,
Associated Industries, Billings, Mont.

MY DEAR MR. SHIELDS: How goes the game? I have not had time to write you since Heck was a pup, as the work down here has been exceptionally heavy.

Now I am writing only because I want a little "dope." I want the "low down" on one THOMAS WALSH, Senator from your State. To what extent has he been mixed with Bill Dunn and the radical element? What is his political life, so far as connections with radicals are concerned? If you have anything along that line, shoot it to me, please, and I will be your everlasting friend.

Hope the game goes well with you. When you have any bulletin or news matters about open-shop work in Billings, mail it in; we like to use all such matter in the Commercial.

Yours for national loyalty,

FRED R. MARVIN,
Editor Searchlight Department.

BILLINGS, MONT., *February 19, 1924.*

FRED R. MARVIN,
New York Commercial, 38 Park Row, New York, N. Y.

DEAR MR. MARVIN: In response to yours of February 15, will say that to be truthful no one can give you the desired dope and remain within the realm of truth.

As you know, Silver Bow County, which is Butte, is Democratic. Bill Dunn's crowd, in order to get anywhere, have to assume that they are Democrats. In such cases during the campaign they are forced on the Senator and other party leaders. This is the full extent of their relations. Remember Bill Dunn went to the legislature as a Democrat.

Senator WALSH is not and never has been a socialist. To appreciate the Senator it is necessary to know something of his life, his moral standard, and his lofty ideals.

The Senator started the practice of law in our State a poor man, but through his unusual ability and mining suits his fees made him wealthy. Strange to relate, as his wealth increased his concern for the less fortunate citizens, the masses, increased in proportion. It became his ambition to devote the use of his abilities to his fellow citizens rather than the further accumulation of wealth—an old-fashioned ambition.

The vested interests of the State prevented the legislature from gratifying this ambition. When the amendment to the Constitution was made effective he was the choice of the popular vote. His conduct since has never shown a desire to use his high office to retaliate for his defeat.

You have lived long enough in the West to know that we have produced some men of the first magnitude, who honor their fellow men for what they are, not what they possess. The possessor of wealth is not worshipped or honored because of its possession. WALSH is the personification of this idea. His early struggles with poverty seem to have not been forgotten. His sympathies, through this trait, are unusu-

ally keen, but never fear that they will lead him astray from the path of practical justice into the realms of some fancied utopia. His ability as an attorney, his keen sense of justice, prohibits his ever becoming a radical. His most bitter opponent will concede his honesty of purpose and laugh at the idea of any connection of his with radicalism. He is firm of convictions—never a wobbly. Had he been chairman or on the Senate investigating committee on radicalism, the cause would, through his conversion to it being a menace, have secured a most valuable adherent. His lofty ideas call for a republic in which its citizens are equal before the law and their constitutional guaranties are put into practice, not paper existence only.

It is difficult for me to convey the proper thought without your thinking I wish to eulogize him. It is a good deal like the liquor decisions of a Butte judge who is condemned as being biased by the drys when in reality he is a dry at heart, but he sees in their methods a danger of violation of personal guaranties given by our fundamental law.

None of the "isms" of Montana have touched WALSH. You can bet your hat he is like the granite of our hills.

We are still operating on the American plan to the satisfaction of all. Have not been issuing any bulletins, as we are conserving our expense account for the time. The Farmer-Labor Party was rejected by the State carpenters in their session in Butte the first week of the present month.

Wish you would step into your business office and have them credit our account with the amount of commission due us, which I take it to be $8. Will then remit the balance upon receipt of statement.

Get much pleasure in reading your sheet, aside from your department. Your editorial writer is a "whiz." Will keep in mind your request for information. With best wishes, I remain,

Yours truly,

E. C. SHIELDS.

THE CALENDAR.

The PRESIDENT pro tempore. The morning business is closed. The calendar, under Rule VIII, is in order.

Mr. NORRIS. I ask unanimous consent that the Secretary begin the call of the calendar where we left off the other day.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it will be so ordered.

The first bill on the calendar under the unanimous-consent agreement was the bill (S. 1181) naming the seat of government of the United States.

Mr. ROBINSON. I think that had better go over.

Mr. LODGE. Mr. President, I know nothing about the bill except that I have read it; that is all. What is the objection?

Mr. ROBINSON. If the Senator would like to proceed with the consideration of the bill, I shall make no objection.

Mr. LODGE. I make no motion of that character. I thought perhaps the Senator would explain to me why he wanted the bill to go over.

The PRESIDENT pro tempore. The objection is withdrawn. The Secretary will read the bill.

Mr. CURTIS. Let it go over, Mr. President.

The PRESIDENT pro tempore. The bill will be passed over.

AMENDMENT OF REVISED STATUTES.

The bill (S. 1724) to amend section 4414 of the Revised Statutes of the United States, as amended by the act approved July 2, 1918, to abolish the inspection districts of Apalachicola, Fla., and Burlington, Vt., Steamboat Inspection Service, was considered as in Committee of the Whole.

The reading clerk proceeded to read the bill, which is as follows:

Be it enacted, etc., That the first paragraph of section 4414 of the Revised Statutes of the United States, as amended by the act of Congress approved July 2, 1918, be, and is hereby, amended by striking out the words "Apalachicola, Fla.," and "and Burlington, Vt.," and by inserting the word "and" immediately before the words "Point Pleasant," so that the said paragraph as amended shall read as follows:

"SEC. 4414. There shall be in each of the following collection districts, namely, the districts of Philadelphia, Pa.; San Francisco, Calif.; New London, Conn.; Baltimore, Md.; Detroit, Mich.; Chicago, Ill.; Bangor, Me.; New Haven, Conn.; Michigan, Mich.; Milwaukee, Wis.; Willamette, Oreg.; Puget Sound, Wash.; Savannah, Ga.; Pittsburgh, Pa.; Oswego, N. Y.; Charleston, S. C.; Duluth, Minn.; Superior, Mich.; Galveston, Tex.; Mobile, Ala.; Providence, R. I.; and in each of the following ports: New York, N. Y.; Jacksonville, Fla.; Tampa, Fla.; Portland, Me.; Boston, Mass.; Buffalo, N. Y.; Cleveland, Ohio; Toledo, Ohio; Norfolk, Va.; Evansville, Ind.; Dubuque, Iowa; Louisville, Ky.; Albany, N. Y.; Cincinnati, Ohio; Memphis, Tenn.; Nashville, Tenn.; St. Louis, Mo.; Port Huron, Mich.; New Orleans, La.; Los Angeles, Calif.; Juneau, Alaska; St. Michael, Alaska; and Point Pleasant, W. Va.; Honolulu, Hawaii; and San Juan, P. R., one inspector of hulls and one inspector of boilers."

SEC. 2. That the seventh paragraph of section 4414 of the Revised Statutes of the United States, as amended by the act of Congress approved July 2, 1918, be, and is hereby, amended by striking out the words "and Apalachicola, Fla.," and "Burlington, Vt.," and by inserting the word "and" immediately before the word "Bangor," so that the said paragraph as amended shall read as follows:

"For the districts of Pittsburgh, Pa.; New Haven, Conn.; Savannah, Ga.; Charleston, S. C.; Galveston, Tex.; New London, Conn.; Superior, Mich.; and Bangor, Me.; and the ports of Dubuque, Iowa; Toledo, Ohio; Evansville, Ind.; Memphis, Tenn.; Nashville, Tenn.; Point Pleasant, W. Va.; Jacksonville, Fla.; Tampa, Fla.; Louisville, Ky.; and Cincinnati, Ohio, at the rate of $2,100 per year for each local inspector."

SEC. 3. That this act shall be effective on and after the date of its approval.

Mr. JONES of Washington. Mr. President, the bill simply embodies two paragraphs of section 4414 of the Revised Statutes, with the words which the clerk has just read stricken out, and naming the different districts. I ask that the further reading of the bill be dispensed with.

The PRESIDENT pro tempore. Is there objection? The Chair hears none.

The Senate, as in Committee of the Whole, proceeded to consider the bill.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

STEAMBOAT INSPECTION SERVICE.

The bill (S. 1718) to amend section 4404 of the Revised Statutes of the United States as amended by the act approved July 2, 1918, placing the supervising inspectors of the Steamboat Inspection Service under the classified civil service, was announced as next in order.

Mr. KING. Let that go over.

Mr. JONES of Washington. Mr. President, I hope the Senator will not insist upon that objection. The title of the bill, which has just been read, really discloses what the bill does. It simply puts these supervising inspectors of the Steamboat Inspection Service under the classified civil service.

Mr. McKELLAR. How many are there now, Mr. President?

Mr. JONES of Washington. There are 11 authorized now. This cuts down the number to 10.

Mr. FLETCHER. It means a saving to the Government of $10,000 a year.

Mr. JONES of Washington. It means a saving to the Government of $10,000 a year, and also takes these persons away from possible political appointment.

Mr. ROBINSON. How does it mean a saving of $10,000 a year? That does not appear on the face of the bill.

Mr. JONES of Washington. I think the Senator from Florida is mistaken; it is not $10,000 a year, but $3,450. The Senator from Florida was referring to the bill we just passed.

Mr. McKELLAR. Is that the same salary they now get?

Mr. JONES of Washington. It is the same salary they now get. It does not increase the salary.

Mr. ROBINSON. Then, it does not either increase or decrease the cost of the service?

Mr. JONES of Washington. It decreases the cost. It provides for 10 supervising inspectors instead of 11. As I understand, by a rearrangement of the districts there are now only 10 districts, but the law authorizes 11, and this bill limits it to 10.

Mr. ROBINSON. There is no necessity for 11?

Mr. JONES of Washington. No; there is no necessity for 11.

Mr. ROBINSON. Of course, I should think at least that part of the bill should be enacted.

Mr. JONES of Washington. As I said, the other proposition is to put these men under the civil service.

Mr. KING. Is it the only purpose of the bill to place them under the civil service?

Mr. JONES of Washington. That is the sole purpose of the bill.

Mr. KING. They have not been under the civil service in the past?

Mr. JONES of Washington. They have not been.

Mr. KING. These have been political appointments?

Mr. JONES of Washington. Partisan appointments have not been made, but they are legally not on the classified civil-service roll.

Mr. ROBINSON. The greater number of them have served for a very long period?

Mr. JONES of Washington. That is true.

Mr. ROBINSON. Can the Senator state when the last appointment was made?

Mr. JONES of Washington. I can not; but men in the service have been promoted.

Mr. McKELLAR. Are examinations held for these places? There must be some kind of an examination.

Mr. JONES of Washington. It is not necessary that they should have an examination. A man can be taken from the outside and put in one of these places, as far as my knowledge goes now, but the department has been taking them from the service and promoting them.

Mr. McKELLAR. This change will provide that hereafter there must be examinations?

Mr. JONES of Washington. They will be required to have examinations.

Mr. KING. I would like to inquire of the Senator whether those who have been promoting this legislation are the employees themselves, who, perhaps, for fear of being discharged, probably for incompetency or for some other reason, desire to be entrenched for life under the protecting arm of the civil service?

Mr. JONES of Washington. The Secretary of the Department of Commerce has urged this legislation. A similar bill has been reported from the committee two or three different times, but we have not been able to get it through as yet.

Mr. NORRIS. If the Senator will permit, of course, if these men are put under civil service that does not mean that they can not be removed for incompetence.

Mr. JONES of Washington. Of course not.

Mr. KING. I differ from the Senator from Nebraska if we are to judge from the few removals where there are so many complaints by superior officers of incompetency. This is not for the purpose of blanketing into the civil service a number of incompetent employees who might otherwise be discharged?

Mr. JONES of Washington. Not at all.

Mr. FLETCHER. May I say to the Senator that the local or assistant inspectors are now in the classified service? This applies to the supervising inspectors who are appointed now by the President.

Mr. JONES of Washington. My recollection is that this legislation was recommended by the preceding administration.

Mr. ROBINSON. The committee reported on the bill unanimously?

Mr. JONES of Washington. It did.

Mr. REED of Pennsylvania. Will the Senator indicate which district would be deprived of a supervising inspector?

Mr. LODGE. No district is to be deprived.

Mr. JONES of Washington. The letter of the Secretary does not state, but I inquired of the department and was informed by them that they have reorganized the districts, so that they need only 10 instead of 11.

Mr. LODGE. It is a consolidation of districts.

Mr. JONES of Washington. I suppose so.

Mr. REED of Pennsylvania. The reason for my inquiry is that for the last two or three years the office of supervising inspector in western Pennsylvania has been performed by an official who lives in St. Louis, and it has not seemed to us that that district was getting the attention it deserved. I was curious to know whether the Senator could tell us whether it is the intention of the latter part of the bill to make that arrangement permanent?

Mr. ROBINSON. May I ask the Senator from Pennsylvania a question for information? How does the residence of the supervising inspector affect the character of his services as such?

Mr. REED of Pennsylvania. The inspector located at St. Louis has to take charge of all the inspections in the St. Louis district, and under the present arrangement, which is not sanctioned by the law, as I understand it, he is also supposed to take care of the Pittsburgh district, which is a pretty big contract in itself.

Mr. ROBINSON. Of course a small number of these supervising inspectors perform service for the entire country. It is expected that they shall travel a great deal. It is not expected that the performance of their duties shall be limited to the immediate vicinity of their residence.

Mr. REED of Pennsylvania. I quite understand that.

Mr. ROBINSON. I am really trying to ascertain whether there has been a failure efficiently to perform the service required of the inspector by reason of his residence in St. Louis.

Mr. REED of Pennsylvania. I am told so by the people in the steamboat business in Pittsburgh, and they have been urging the appointment of an inspector for that district, but none has been appointed. There has been a vacancy there for several years.

Mr. JONES of Washington. Apparently these complaints have not come to the department with such force as to make the department feel that an additional inspector is necessary, because prior to last year they have had 11, but the department itself recommends a reduction to 10, thinking they can take care of the situation with that number.

Mr. REED of Pennsylvania. I had a complaint as recently as last week. Will not the Senator allow the bill to go over until that point can be determined?

Mr. JONES of Washington. Of course, if the Senator would like to have it go over——

Mr. REED of Pennsylvania. I should like to have it go over.

Mr. JONES of Washington. If we should pass the bill, it would go to the House, and the House committee could look into the situation; but if the Senator would like to have it go over, of course its consideration may be deferred.

Mr. REED of Pennsylvania. I ask that the bill may go over.

Mr. JONES of Washington. I would like to ask the Senator from Pennsylvania if he will not take up that phase of the matter respecting his locality with the department, so that if it is satisfactorily explained, when we reach the bill on the calendar the next time, we can pass it.

Mr. REED of Pennsylvania. I will be very glad to do that.

The PRESIDENT pro tempore. The bill will be passed over.

COLLECTION OF TAXES IN THE DISTRICT OF COLUMBIA.

The bill (S. 1786) to amend sections 5, 6, and 7 of the act of Congress making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1903, approved July 1, 1902, and for other purposes, was announced as next in order.

Mr. ROBINSON. This bill appears to be quite a lengthy one and contains many rather important provisions relating to the District of Columbia. I do not see the Senator who reported the bill in the Chamber, and I think it ought to go over for the present, at least.

The PRESIDENT pro tempore. The bill will be passed over.

PARKS IN THE DISTRICT OF COLUMBIA—DONATION OF LAND BY CHARLES C. GLOVER.

The bill (S. 1971) to authorize the Commissioners of the District of Columbia to accept certain land in the District of Columbia, dedicated by Charles C. Glover for park purposes, was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the Commissioners of the District of Columbia be, and they are hereby, authorized and directed to accept the land lying along Foundry Branch between Massachusetts Avenue and Reservoir Street, dedicated by Charles C. Glover for park purposes, and containing approximately 77½ acres, as more accurately shown on map No. 1003, filed in the office of the surveyor of the District of Columbia, which tract of land shall be known as "The Glover Parkway and Children's Playground"; and the said commissioners are further authorized to accept any dedications of additional land contiguous to this tract for park purposes.

SEC. 2. That the Glover Parkway and Children's Playground and additions thereto, when acquired, shall become a part of the park system of the District of Columbia.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

Mr. KING. Mr. President, the measure just passed calls for more than a passing remark in commendation of the munificence of Mr. Charles C. Glover. The people of Washington and the Government are indebted to Mr. Glover for the important work which he has performed in behalf of the public park system of the District of Columbia. He has devoted much of his time for many years to the interests of the Capital of the Nation. With broad vision, he has perceived the needs of the Capital of this great Republic and has earnestly sought to have broad and comprehensive plans adopted that would comport with the dignity and importance of this beautiful city. Except for his persistent and unselfish efforts Washington would not now possess the fine parks which adorn the District of Columbia and add to the beauty of the Capital.

The bill just passed, as stated, is another evidence of his interest in Washington and his public spirit in behalf of a comprehensive park system. Mr. Glover is entitled to the gratitude of the residents of the District of Columbia, as well as the Government of the United States. I hope, in some fitting and proper manner, his generous contributions and his faithful service in behalf of the interests of the District may be recognized.

ADDITION TO COURTHOUSE IN THE DISTRICT OF COLUMBIA.

The bill (S. 1972) to provide for the erection of a fireproof addition to the courthouse of the District of Columbia in Judiciary Square for the use of the office of recorder of deeds,

and for other purposes, was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the Architect of the Capitol is hereby authorized and directed to construct a fireproof addition to the courthouse of the District of Columbia for the use of the office of the recorder of deeds and such other activities of the District of Columbia as the Commissioners of the District of Columbia may designate, including fireproof vaults and heating and ventilating apparatus, in accordance with plans to be prepared under the direction of the said architect; and there is hereby authorized to be appropriated a sum not to exceed $735,000 for the said addition, including preparation of plans and specifications, 60 per cent of which shall be chargeable to the revenues of the District of Columbia and 40 per cent to be paid out of any moneys in the Treasury of the United States not otherwise appropriated.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

VETERANS' BUREAU HOSPITAL AT CORPUS CHRISTI, TEX.

The bill (S. 2100) authorizing the sale of the United States Veterans' Bureau Hospital at Corpus Christi, Tex., was announced as next in order.

Mr. ROBINSON. Mr. President, I should like to have an explanation of this bill. I do not see any written or printed report accompanying it. Why is it proposed to sell the hospital at Corpus Christi?

Mr. SHIPSTEAD. I introduced the bill at the request of the Committee on Public Buildings and Grounds.

Mr. ROBINSON. Is the building now in use as a hospital?

Mr. SHIPSTEAD. Oh, no; the building was only partially completed, and it was damaged considerably by a storm. The information which I have—that which was conveyed to the committee—is that the building has been held to be unsuitable for hospital purposes, and is not used as a hospital now. The senior Senator from Maine [Mr. FERNALD] prepared a report on the bill, but I have not a copy of the report here. The committee is reporting this bill for passage, because they are convinced that the building is unsuitable for use as a hospital, and that it would cost a very considerable sum of money to repair the damage caused by a very severe storm.

Mr. ROBINSON. May I ask the Senator a question?

Mr. SHIPSTEAD. Certainly.

Mr. ROBINSON. Has this bill been referred to the Veterans' Bureau for consideration and report?

Mr. SHIPSTEAD. That I can not say. I introduced it at the request of the Committee on Public Buildings and Grounds. The senior Senator from Maine [Mr. FERNALD] reported the bill; but he is not present, and I have not a copy of his report.

Mr. ROBINSON. It occurs to me that a measure of this character, a bill providing for the sale of a hospital reservation by the Veterans' Bureau, ought to be considered by the head of that bureau, so that he can furnish the Senate with the facts as to whether the building or the reservation is needed.

Mr. SHIPSTEAD. May I inquire of the Secretary if there is a report by the subcommittee on this bill at the Secretary's desk?

The PRESIDENT pro tempore. The Chair is advised that no report was filed with the bill.

Mr. ROBINSON. I ask that the bill may go over.

Mr. SHIPSTEAD. Very well.

Mr. McKELLAR. Has the Senator from Minnesota any idea what this property is worth?

Mr. SHIPSTEAD. I have not the figures here now.

The PRESIDENT pro tempore. The bill will go over.

COLLECTION OF TAXES IN THE DISTRICT OF COLUMBIA.

Mr. JONES of Washington. Mr. President, when Senate bill 1786 was reached I was otherwise engaged and I had overlooked the fact that I reported that bill. I think the request is made that it go over because of the length of the bill. I would like to have the attention of the Senator who asked that it go over. I think I can explain it in just about two minutes. This bill provides for administrative changes to aid in the collection of taxes, and so forth, and it is urged by the District Commissioners.

The first section of the bill simply provides in a legislative way for those assessments. The law as it is now provides for a board of five, although in the appropriation bills for several years we have provided for six, so this section simply makes legislative provision for what we have been carrying legislatively in the appropriation bills.

Mr. ROBINSON. Have six been performing the service?

Mr. JONES of Washington. Yes.

Mr. KING. Are six necessary?

Mr. ROBINSON. Yes; that is the point.

Mr. JONES of Washington. Yes; clearly necessary, because we have provided for them in the appropriation acts for several years. This would indicate that they have made a pretty strong showing as to the necessity for that number.

Mr. ROBINSON. Yes; if we have appropriated for them, of course they would have that number.

Mr. JONES of Washington. Not exactly in that way, but we do not appropriate for additional ones unless there is a pretty good showing made.

Section 2 simply defines who shall be residents of the District of Columbia for the purposes of taxation. That provision is necessary for administrative purposes. Section 3 gives authority to include certain property after the assessment books have been made up. With the rapid development of building Senators will readily appreciate the necessity for that provision. Section 4 is the reenactment of the old law providing that property shall be assessed at its actual value. I understand that is just a reenactment of the provision of the law as it stands now.

Mr. ROBINSON. Is that statute now in force?

Mr. JONES of Washington. It is.

Mr. ROBINSON. Is it actually carried out?

Mr. JONES of Washington. I do not know whether the assessor actually assesses property at its true value or not.

Mr. McKELLAR. May I ask the Senator what is the meaning of full and true value?

Mr. CURTIS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Washington yield to the Senator from Kansas?

Mr. JONES of Washington. I yield.

Mr. CURTIS. My recollection is that there was a hearing three or four years ago at which it was stated that the assessment is made on the basis of about 85 per cent of the actual value.

Mr. ROBINSON. I am at a loss to understand the consistency of carrying on the books a statute that requires property to be assessed at its full and true value and then adopting a policy of taxation that assesses it upon a different basis. Why reenact this statute? Nearly all of the States of the Union, or at least a number of them, have provisions that all property shall be assessed at its fair market value, and then through some process they assess the property at a certain percentage of its value. It seems to me it is a bad policy to legislate in that way. Why not say that property shall be assessed at 85 per cent of its value instead of writing into the statute what might be termed a fraudulent provision?

Mr. JONES of Washington. I imagine if we did that they would assess the property at about 60 per cent. A legislative enactment would not force them to levy on the basis of 85 per cent any more than it does now on the basis of 100 per cent, but then if we should not put such a provision in the law would still exist in that way.

Mr. ROBINSON. I have in mind a thought that I have not made clear to the Senator from Washington. I do not know of a jurisdiction in the United States where property is assessed at its actual, full, and true value. I wonder if the Congress wants again to commit itself to a basis of assessment in the District of Columbia that does not actually prevail anywhere else in the country?

Mr. JONES of Washington. I have objection to striking out that provision, so far as that is concerned.

Mr. ROBINSON. I do not ask that it be stricken out, but I think that it ought to be considered very seriously before it is reenacted.

Mr. JONES of Washington. Would the Senator like to have the bill go over?

Mr. ROBINSON. I think it had better go over.

Mr. McKELLAR. Will the Senator yield for another question about fair and full value?

Mr. JONES of Washington. I yield.

Mr. McKELLAR. Can the Senator tell us what is the difference in valuation as fixed by the Rent Commission and the value as fixed by the tax authorities?

Mr. JONES of Washington. No; I can not.

Mr. McKELLAR. I have been informed that the value as fixed in listing the properties to the Rent Commission is very much greater than it is when the same properties are rendered for tax purposes. It seems to me there ought to be some provision in the bill to ascertain similar values, both for fixing the value which forms the basis of fixing rentals to those who have to rent property, and for fixing a valuation for taxation purposes. It appears to me to be manifestly fair and just that instead of section 4 of the bill some system should be adopted to bring about uniformity as between the value of property fixed

for rental and the value of the same property fixed for taxation purposes.

Mr. JONES of Washington. That is probably true. I will just read the last paragraph of the report, which shows clearly what the purpose of the bill is. It is not intended as a general revision of the law or to make fundamental changes. It reads:

The changes proposed in the bill make no radical departure from the provisions of the existing law, but are intended to improve the administration of tax and license matters.

If the Senator would prefer to have the bill go over, I have no objection.

Mr. ROBINSON. Will not the Senator let it go over at least for to-day?

Mr. JONES of Washington. Very well.

The PRESIDENT pro tempore. The bill will remain on the calendar.

HAROLD KERNAN.

The bill (S. 1213) for the relief of Harold Kernan was considered as in Committee of the Whole, and was read by the reading clerk.

The bill had been reported from the Committee on Claims with an amendment in line 3 to strike out the words "accounting officers of the Treasury Department are" and insert in lieu thereof "Comptroller General of the United States is," so as to read:

That the Comptroller General of the United States is hereby authorized and directed to credit the account of Harold Kernan, etc.

The amendment was agreed to.

Mr. KING. Let the report be read.

The PRESIDENT pro tempore. The Secretary will read the report as requested.

The reading clerk read the report submitted by Mr. CAPPER January 30, 1924, as follows:

The Committee on Claims, to whom was referred the bill (S. 1213) for the relief of Harold Kernan, having considered the same, report favorably thereon with the recommendation that the bill do pass with the following amendments:

Strike out the words "accounting officers of the Treasury Department are" and insert in lieu thereof "Comptroller General of the United States is."

Strike out the words "first lieutenant, Thirteenth Field Artillery," and insert in lieu thereof "captain, Twelfth Field Artillery."

The purpose of the bill is to credit the account of Harold Kernan, now serving as captain, Twelfth Field Artillery, United States Army, in the sum of $3,426, with which said officer was charged for money stolen from an enlisted man serving under him while stationed at the city of Brest, France, in October, 1919, and for which he was held responsible.

A similar bill (S. 405, 67th Cong.) was favorably reported by the Committee on Claims (S. Rept. 166) and passed the Senate December 7, 1921. House bill 11397, in which the same provision was contained, passed the House of Representatives January 27, 1923.

The following letter from the former Secretary of War, in which he recommends the passage of the bill, is appended hereto and made a part of this report:

WAR DEPARTMENT,
Washington, January 20, 1921.

The CHAIRMAN COMMITTEE ON CLAIMS,
House of Representatives.

SIR: I have the honor to acknowledge the receipt of your letter dated January 14, 1921, inclosing copy of H. R. 14814, a bill for the relief of Harold Kernan, and requesting that you be furnished with copies of the papers in this case and that I express an opinion as to its merits.

The Adjutant General has been directed to furnish copies of the desired papers, from which you will see that the loss of the funds was due to the robbery of an enlisted messenger who had been intrusted with their transfer from the sales branch, depot quartermaster's office, to the finance office in the city of Brest, France. The board which investigated this matter at the time of the loss held Captain Kernan responsible, due to his not having provided a sufficient guard. It appears, however, that since the transfer took place in the middle of the afternoon and the route followed was along frequented streets, the failure to provide more adequate protection was due to an error in judgment which might have been committed by anyone similarly placed. This view is also justified by the fact that Captain Kernan's predecessor had, so far as the papers disclose, followed the same procedure in the daily transfer of these funds. I feel, therefore, that the ends of justice will be served by granting the relief contemplated.

Respectfully,

NEWTON D. BAKER,
Secretary of War.

Mr. KING. Mr. President, I would like to inquire of some member of the committee if the object of the bill is not primarily to relieve some insurance company or some bonding company of the obligation upon them to pay the amount or to refund to them the amount which perhaps they have paid into the Treasury of the United States?

Mr. RANSDELL. I will say to the Senator that all I know about it is that Capt. Harold Kernan is a prominent citizen of my State, and that while he was serving in France to the very best of his ability he was in charge of certain duties in the city of Brest. Following the precedent set for him by his predecessors he committed this fund, some $3,400, to one of the soldiers, who carried it through the streets of that city along frequented routes about the middle of the afternoon. The messenger was set upon and robbed. Captain Kernan's account was charged with the amount, and, as I understand it, he has not been paid that amount of money.

I can not answer the Senator's question as to whether some insurance company may have refunded the amount lost by Captain Kernan, but my understanding is that he has just had that much of his salary charged up to him, and the Government now owes him the amount which was lost without any error or misdoing on his part. It is a case of very genuine hardship, I will say to the Senator, that this young soldier should have been charged up with that amount of money through no fault or neglect of his own. The Senate passed a similar bill once and the House passed it once.

Mr. KING. May I say to the Senator that we have had a number of cases somewhat similar to this, and the Senator is familiar with the fact that we have had many such cases from post offices. Obviously the Government ought to require bonds, and doubtless it does now, of those who are charged with the responsibility of caring for Government funds. If bonds are given of course they would protect the Government against robbery and burglary as well as against losses from other quarters. It would seem to me that if a bond were given by Captain Kernan, the Government of the United States ought not to be called upon now to compensate the insurance company.

Mr. RANSDELL. I do not think any bond was given. This was in time of war, I remind the Senator.

Mr. FLETCHER. May I interrupt to say that if the captain himself was under bond, the surety company signing the bond, he would still be liable as principal. The only recourse to the surety company would be after the principal was called upon to pay and was unable to pay, so that in any case if he was under bond he would be liable for the loss if the loss were chargeable to him.

Mr. RANSDELL. I thank the Senator for the suggestion.

Mr. BROUSSARD. Mr. President, may I answer the inquiry of the Senator from Utah?

The PRESIDENT pro tempore. Does the Senator from Louisiana yield to his colleague?

Mr. RANSDELL. Certainly.

Mr. BROUSSARD. The insurance company could not have been charged with the amount, because it has been charged to Captain Kernan's account. The Government is not out anything and the company is not responsible for the return of the money to anybody. The bill passed the Senate last year at a time when I was a member of the Committee on Claims, and we went into it quite fully. Army officers were not required at that time to furnish bonds. I understand that since then the law has been amended.

The PRESIDENT pro tempore. The next amendment will be stated.

The READING CLERK. In line 6, after the word "as," strike out the words "first lieutenant, Thirteenth Field Artillery," and insert in lieu thereof "captain, Twelfth Field Artillery," so as to make the bill read:

Be it enacted, etc., That the Comptroller General of the United States is hereby authorized and directed to credit the account of Harold Kernan, now serving as captain, Twelfth Field Artillery, United States Army, in the sum of $3,426, with which said officer was charged for money stolen from an enlisted man serving under him, for which said officer was held responsible, while stationed at the city of Brest, France, in October, 1919.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

EDWARD M. M'CARTY.

The bill (S. 225) to extend the benefits of the employers' liability act of September 7, 1916, to Edward M. McCarty was announced as next in order.

Mr. KING. Let the bill go over. Certain matters have been brought to my attention in connection with the bill, and I ask that it may go over.

The PRESIDING OFFICER (Mr. JONES of New Mexico). The bill will be passed over.

SIAMESE SUBJECTS AT WEST POINT.

The joint resolution (S. J. Res. 63) authorizing the Secretary of War to receive for instruction at the United States Military Academy at West Point two Siamese subjects, to be designated hereafter by the Government of Siam, was considered as in Committee of the Whole and was read, as follows:

Resolved, etc., That the Secretary of War be, and he hereby is, authorized to permit two Siamese subjects, to be designated hereafter by the Government of Siam, to receive instruction at the United States Military Academy at West Point: *Provided*, That no expense shall be caused to the United States thereby, and that the said Siamese subjects shall agree to comply with all regulations for the police and discipline of the academy, to be studious, and to give their utmost efforts to accomplish the courses in the various departments of instruction, and that the said Siamese subjects shall not be admitted to the academy until they shall have passed the mental and physical examinations prescribed for candidates from the United States, and that they shall be immediately withdrawn if deficient in studies or in conduct and so recommended by the academic board: *And provided further*, That in the case of the said Siamese subjects the provisions of sections 1320 and 1321 of the Revised Statutes shall be suspended.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

EXPERIMENT IN RURAL MAIL SERVICE.

The bill (S. 2111) authorizing the Postmaster General to conduct an experiment in the Rural Mail Service, and for other purposes, was announced as next in order.

Mr. KING. Let that bill go over.

The PRESIDING OFFICER. Objection in made to the bill, and it will go over.

Mr. HARRIS. Mr. President, I hope the Senator from Utah [Mr. KING] will not object to the consideration of the bill. The Senator objected to its consideration the other day, when, of course, it had to go over. The passage of the bill is recommended by the Postmaster General. It does not require any appropriation. It is also unanimously recommended by the Committee on Post Offices and Post Roads. It simply proposes an experiment on certain rural mail routes, but does not affect other routes at all. I therefore hope the Senator from Utah will not object to its present consideration. Of course, the Senator has a perfect right to oppose the bill or to object to its consideration, but I have consulted with a large number of Senators on both sides of the Chamber, and they all agree to the merits of the bill except the Senator from Utah. If the experiments made by the rural carriers on the 50 rural routes are successful, it will be a great help to farmers who wish to sell their products, and it will also benefit the consumers in the towns and cities.

Mr. KING. Mr. President, I regret that I shall have to adhere to my opposition to the bill. I shall be glad when we have more time to have the bill taken up and to discuss it, but there are some features of it to which I wish to call the attention of the Senate, and I could not do so under the five-minute rule.

The PRESIDING OFFICER. Objection having been made, the bill will go over.

CLAIMS OF CHEROKEE INDIANS.

The bill (S. 2115) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Cherokee Indians may have against the United States, and for other purposes, was announced as next in order.

Mr. DIAL. Let that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

INDIAN NATIONS OR TRIBES IN MONTANA, IDAHO, AND WASHINGTON.

The Senate, as in Committee of the Whole, proceeded to consider the bill (S. 321) for the relief of certain nations or tribes of Indians in Montana, Idaho, and Washington, which was read, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the Court of Claims, with right of appeal to the Supreme Court of the United States, to consider and determine all legal and equitable claims against the United States of the Blackfeet, Blood, Piegan, and Gros Ventre Nations or Tribes of Indians, residing upon the Blackfeet and Fort Belknap Indian Reservations, in the State of Montana; and the Flathead, Kootenais, and Upper Pend d'Oreilles Nations or Tribes of Indians, residing upon the Flathead Indian Reservation, in the State of Montana; and the Nez Perce Nation or Tribe of Indians, residing upon the Lapwai Indian Reservation, in the State of Idaho; and upon the Colville Indian Reservation, in the State of Washington, for lands or hunting rights claimed to be existing in all said nations or tribes of Indians by virtue of the treaty of October 17, 1855 (11 Stat. L. p. 657, and the following), and in said Flathead, Kootenais, and Upper Pend d'Oreilles Nations or Tribes of Indians by virtue of the treaty of July 16, 1855 (12 Stat. L. p. 975, and the following), with said Indians, and all claims arising directly therefrom, which lands and hunting rights are alleged to have been taken from the said Indians by the United States, and also any legal or equitable defenses, set-offs, or counterclaims, including gratuities, which the United States may have against the said nations or tribes, and to enter judgment thereon, all claims and defenses to be considered without regard to lapse of time; and the final judgment and satisfaction thereof shall be in full settlement of all said claims.

That suits under this act shall be begun by the filing of a petition within two years of the date of the approval of this act, to be verified by the attorney or attorneys selected by the claimant Indians, with the approval of the Secretary of the Interior, employed under contracts executed and approved in accordance with existing law. The claimant Indians shall be parties plaintiff and the United States shall be party defendant, and such suits shall on motion of either party be advanced on the docket of the Court of Claims and of the Supreme Court of the United States. The compensation to be paid the attorneys for the claimant Indians shall be determined by the Court of Claims in accordance with terms of the said approved contracts and shall be paid out of any sum or sums found and adjudged to be due said Indians. But in no event shall said compensation exceed 10 per cent of the amount of the respective judgments, nor exceed $25,000 for the Indians residing on each respective reservation: *Provided, however*, That said compensation shall not exceed $25,000 for the Nez Perce Nation or Tribe of Indians residing on both the Lapwai and Colville Indian Reservations, said compensation to be exclusive of all actual and necessary expenses in prosecuting said suits. The balance of any such judgments shall be placed in the Treasury of the United States to the credit of the Indians entitled thereto and draw interest at the rate of 4 per cent per annum.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

JOHN H. M'ATEE.

The bill (S. 107) for the relief of John H. McAtee was announced as next in order.

Mr. KING. Let that bill go over.

The PRESIDING OFFICER. Objection being made, the bill will be passed over.

MEDICINE BOW NATIONAL FOREST, WYO.

Mr. KENDRICK. I move that the Senate proceed to the consideration of the bill (S. 699) authorizing the addition of certain lands to the Medicine Bow National Forest, Wyo., and for other purposes.

Mr. FLETCHER. Why can we not go on with the calendar, Mr. President? I think we should go on with the calendar.

Mr. KENDRICK. I am anxious to have the bill for which I have asked consideration brought before the Senate, because I have to leave the Chamber in a little while. The bill will only take a moment. A similar bill has heretofore passed the Senate.

Mr. FLETCHER. There are other Senators who are interested in bills on the calendar who have been waiting here for days to secure their consideration. I dislike, therefore, for the Senate to take up some other measure out of order.

The PRESIDING OFFICER. To-day being Calendar Monday, it would require unanimous consent at this time to bring up the bill consideration of which is asked for by the Senator from Wyoming.

EXTENSION AND WIDENING OF CERTAIN STREETS.

The Senate, as in Committee of the Whole, proceeded to consider the bill (S. 114) to vacate certain streets and alleys within the area known as the Walter Reed General Hospital, District of Columbia; and to authorize the extension and widening of Fourteenth Street from Montague Street to its southern terminus south of Dahlia Street, Nicholson Street from Thirteenth Street to Sixteenth Street, Colorado Avenue from Montague Street to Thirteenth Street, Concord Avenue from Sixteenth Street to its western terminus west of Eighth Street west, Thirteenth Street from Nicholson Street to Piney Branch Road, and Piney Branch Road from Thirteenth Street to Blair Road, and for other purposes, which was read, as follows:

Be it enacted, etc., That in order to provide for the necessary extensions and additional buildings to be erected at the Walter Reed General Hospital, in the District of Columbia, all public streets, except Fourteenth Street, and alleys included within the area bounded by

Sixteenth Street on the west, Alaska Avenue on the northwest, Fern Street on the north, Georgia Avenue on the east, and Aspen Street, as platted on the official survey map, on the south be, and the same hereby are, vacated, abandoned, and closed, the portions of public streets within said area which are hereby abandoned and closed by this act being known as Thirteenth Street, Fifteenth Street, Dahlia Street, Dogwood Street, and Elder Street.

SEC. 2. That under and in accordance with the provisions of subchapter 1 of chapter 15 of the Code of Law for the District of Columbia, the Commissioners of the District of Columbia be, and they are hereby, authorized and directed to institute in the Supreme Court of the District of Columbia a proceeding in rem to condemn the land that may be necessary for the extension and widening of Fourteenth Street from Montague Street to the southern boundary of the Walter Reed General Hospital grounds, Nicholson Street from Thirteenth Street to Sixteenth Street, Colorado Avenue from Montague Street to Thirteenth Street, Concord Avenue from Sixteenth Street to its western terminus west of Eighth Street west, Thirteenth Street from Nicholson Street to Piney Branch Road, and Piney Branch Road from Thirteenth Street to Blair Road, all in accordance with the plan of the permanent system of highways for the District of Columbia: *Provided, however*, That of the amount found to be due and awarded by the jury in said proceedings as damages for, and in respect of, the land to be condemned for said extensions or widening, plus the cost and expenses of the proceedings hereunder, four-tenths shall be assessed against the property which the jury shall find to be benefited.

SEC. 3. That when Fourteenth Street shall be opened for traffic to the south boundary of the property known as the Walter Reed General Hospital grounds, numbered for purposes of assessment and taxation as parcel eighty-nine sub seven, the control and jurisdiction of that part of Fourteenth Street as laid down on the plan of the permanent system of highways of the District of Columbia which lies within the said hospital grounds, shall immediately pass to the Commissioners of the District of Columbia, the same in all respects as other streets and avenues in the District of Columbia: *Provided*, That the grade of the street through the hospital grounds shall be subject to the approval of the Secretary of War.

SEC. 4. That an amount sufficient to pay the necessary costs and expenses of the condemnation proceedings taken pursuant hereto, and for the payment of the amounts awarded as damages, is hereby authorized, payable out of the revenues of the District of Columbia; the amounts collected as benefits to be covered in to the Treasury of the United States to the credit of the revenues of the District of Columbia.

Mr. KING. Mr. President, I should like to ask the Senator from Delaware [Mr. BALL] what approximately will be the amount which will be required to be appropriated out of the Treasury or charged to the District of Columbia in order to meet the judgments that may be rendered against the District in the execution of the plan proposed in this bill?

Mr. BALL. Mr. President, I am unable to answer that question. The legislation proposed by the bill involves a matter which has been before the Committee on the District of Columbia for about four years. Until during the last Congress the different departments could not agree on a bill covering the matter. The War Department objected to the street being open through the hospital, but under certain conditions, as provided for in the pending measure, the War Department, the Surgeon General, the highway commission, and the District Commissioners all have agreed to the passage of the bill as reported by the committee.

Mr. NORRIS. Mr. President, I wish to call attention to a proviso in section 2 of the bill, which reads as follows:

> That of the amount found to be due and awarded by the jury in said proceedings as damages for, and in respect of, the land to be condemned for said extensions or widening, plus the cost and expenses of the proceedings hereunder, four-tenths shall be assessed against the property which the jury shall find to be benefited.

That provision or one very similar is found very often in bills of this character.

Mr. McKELLAR. Mr. President, will the Senator from Nebraska yield to me?

Mr. NORRIS. I shall yield in just a moment. I wish to call the attention of the Senate to the practice of inserting in bills such language as that which I have just read from the pending bill. It may be in this case that it will work all right; I know nothing about it; I have not talked with anybody who is interested in any of the property involved; but it seems to me hardly proper for us to say that the amount of damages, or any part of the amount of damages, shall be assessed as benefits, when we do not know and can not know whether anybody is going to derive any benefits or whether one man may not have a benefit that is worth more than four-tenths. If he has, it ought to be assessed against him. There may be some other property involved which will not be benefited at all, or benefited less than four-tenths. This is an arbitrary fixing of the amount that shall be assessed as benefits, and certainly it has no justice in it. It seems to me that it is wicked. Now I yield to the Senator from Tennessee.

Mr. McKELLAR. Mr. President, the Senator from Nebraska will recall that a day or two ago the very question which he now raises came up in reference to certain other special bills of this character, and no objection was made to those bills; but they were passed with the assurance by members of the committee that there were particular circumstances connected with them which made the proposed legislation equitable in those particular cases. I find upon examination that we now have a uniform condemnation law for the District of Columbia, and I can not understand why these proceedings can not be brought under that law.

Mr. NORRIS. I should think they could.

Mr. McKELLAR. Of course, the only possible reason that can be advanced for the condemnation proceedings not being undertaken under the general law is that some special benefit may be derived by having special bills passed and condemnation proceedings under such special bills. I do not think bills of this character ought to be passed. I gave notice the other day that I should object to the next bill of this kind that was brought up. The Senate does not have the time or opportunity to go into the details of each particular case.

Mr. NORRIS. If the Senate took a week, it could not go into them as thoroughly as might be desirable.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. NORRIS. Mr. President——

Mr. McKELLAR. I object.

The PRESIDING OFFICER. Objection is made, and the bill will go over.

Mr. NORRIS. I should like to add a word.

Mr. McKELLAR. I did not intend to take the Senator off his feet at all. I beg his pardon and I beg the pardon of the Chair. I withhold the objection for a moment.

Mr. NORRIS. Mr. President, I do not know anything about this bill; I am speaking of the general practice. I have in mind now a case that was pointed out to me several years ago by a person who claimed that he owned a lot where a street was widened. It was the only lot he owned; he had been saving his money to buy that lot for a good many years; but the way in which the street was widened took a good share of the lot and made it almost worthless to him, leaving him only a little strip of land, and yet under the law he was assessed—and it was the duty of the officials to assess him—for benefits to that land when he received nothing but damages.

I can conceive how the opening of a street may add very materially to the value of property. If it does, the owner ought to pay for it; but I can see how it can bring him no benefit and perhaps a damage, and in that case the public ought to pay him for the damage; he ought to be paid from some source, anyway. To say in the law that four-tenths or one-half or any other fraction, or all, arbitrarily is going to be assessed up as benefits when we do not know what the benefits will be and do not know what the damages will be, is absolutely unjust, and such a provision ought never to be included in any statute.

Mr. McKELLAR. I renew my objection.

The PRESIDING OFFICER. Under objection, the bill will be passed over.

F. A. MARON.

The bill (S. 799) for the relief of F. A. Maron was announced as next in order.

Mr. KING. I ask that that bill may go over until I can have an opportunity of looking into it.

The PRESIDING OFFICER. The bill will be passed over.

Mr. BROOKHART subsequently said: Mr. President, I was absent from the Chamber a moment ago when Order of Business No. 117, being the bill (S. 799) for the relief of F. A. Maron, came up.

The PRESIDING OFFICER. The bill went over under objection.

Mr. BROOKHART. If the bill went over, very well.

PAUL B. BELDING.

The bill (S. 611) for the relief of Paul B. Belding was considered as in Committee of the Whole.

The bill was reported from the Committee on Claims with an amendment, in line 5, after the words "sum of," to strike out "$10,000" and insert "$5,000," so as to make the bill read:

> *Be it enacted, etc.*, That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Paul B. Belding, of Hot Springs, Garland County, Ark., the sum of $5,000 for injuries received

while serving as a member of the Reserve Officers' Training Camp at Fort Sheridan, Ill., on the 24th day of June, 1921, due to the explosion of a rifle.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ADMINISTRATION OF OATH TO NATIONAL BANK DIRECTORS.

The bill (S. 2269) to amend section 5147 of the Revised Statutes was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That section 5147 of the Revised Statutes is amended to read as follows:

"SEC. 5147. Each director, when appointed or elected, shall take an oath that he will, so far as the duty devolves on him, diligently and honestly administer the affairs of such association, and will not knowingly violate, or willingly permit to be violated, any of the provisions of this title, and that he is the owner in good faith, and in his own right, of the number of shares of stock required by this title, subscribed by him, or standing in his name on the books of the association, and that the same is not hypothecated, or in any way pledged, as security for any loan or debt. The oath shall be taken before a notary public, properly authorized and commissioned by the State in which he resides, or before any other officer having an official seal and authorized by the State to administer oaths, except that the oath shall not be taken before any such notary public or other officer who is an officer of the director's bank. The oath, subscribed by the director making it, and certified by the notary public or other officer before whom it is taken, shall be immediately transmitted to the Comptroller of the Currency and shall be filed and preserved in his office for a period of 10 years."

Mr. McLEAN. Mr. President, I think I can explain this bill in a sentence.

Section 5147 of the Revised Statutes requires that directors of national banks shall be sworn, but the law does not provide any officer who can administer the oath, and consequently the law is a dead letter. This bill merely provides that the directors of national banks shall be sworn by a notary public; in other words, a notary public shall administer the oath. It also requires that a record shall be kept in the office of the comptroller. That is all the bill provides. It passed the Senate in the last session but did not pass the House.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

ELLEN B. WALKER.

The bill (S. 365) for the relief of Ellen B. Walker was considered as in Committee of the Whole. It directs the Secretary of the Treasury to pay $5,000 to Ellen B. Walker, of Albuquerque, N. Mex., as full compensation for the death of her husband, Thomas A. Walker, who, while in the employ of the United States Government, in the Bureau of Indian Affairs, lost his life by the collapse of a water-tower structure at Paguate, N. Mex., on July 17, 1915.

Mr. KING. Mr. President, I should like some explanation of this bill.

The PRESIDING OFFICER (Mr. JONES of New Mexico in the chair). The present occupant of the chair perhaps is the only Senator present who can explain it. Quite a lucid report has been filed with the bill. It is recommended by the Secretary of the Interior, and a similar bill passed the Senate during the last Congress. The employee lost his life in the construction of a water tank at Albuquerque, N. Mex., and the Interior Department has recommended the passage of the bill for the relief of his widow.

Mr. KING. May I inquire of the able Senator from New Mexico and the able Presiding Officer whether the amount is chargeable to the funds of the Indians or whether it is chargeable to the Treasury of the United States?

The PRESIDING OFFICER. It is chargeable to the Treasury of the United States.

Mr. KING. May I inquire whether under the usual procedure it ought not to be chargeable to the funds of the Indians?

The PRESIDING OFFICER. Those particular Indians have no funds, and so it would be of no avail.

Mr. KING. Was there any negligence upon the part of the decedent?

The PRESIDING OFFICER. The Interior Department reports there was no such negligence.

Mr. KING. Does the able Senator from New Mexico, from his knowledge of the case, think the bill is a meritorious one?

The PRESIDING OFFICER. I certainly do.

Mr. KING. Yielding to the judgment of the able Presiding Officer, I have no objection to the bill.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

EMMA LA MEE.

The bill (S. 833) for the relief of Emma La Mee was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Emma La Mee, widow of the late Frank W. La Mee, deceased, out of any money in the Treasury not otherwise appropriated, the sum of $5,000 as full compensation to her, the said Emma La Mee, for and on account of the death of the said Frank W. La Mee, caused by his falling in an open elevator shaft in the United States post-office building at Jacksonville, Fla., on December 3, 1919.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

ALASKA COMMERCIAL CO.

The bill (S. 1021) for the relief of the Alaska Commercial Co. was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That the claim of the Alaska Commercial Co., a corporation created by and existing under the laws of the State of California, legal owner of wharf at Dutch Harbor, Alaska, and which wharf was damaged and partially destroyed on or about November 5, 1920, through collision with the U. S. S. *Saturn*, United States Navy, may be sued for by said Alaska Commercial Co. in the District Court of the United States for the Northern District of California, sitting as a court of admiralty and acting under the rules governing such court, and said court shall have jurisdiction to hear and determine such suit and to enter a judgment or decree for the amount of such damages and costs, if any, as shall be found to be due against the United States in favor of the said Alaska Commercial Co., or against the Alaska Commercial Co. in favor of the United States, upon the same principles and measures of liability as in like cases in admiralty between private parties and with the same rights of appeal: *Provided*, That such notice of the suit shall be given to the Attorney General of the United States as may be provided by order of the said court, and it shall be the duty of the Attorney General to cause the United States attorney in such district to appear and defend for the United States: *Provided further*, That said suit shall be brought and commenced within four months of the date of the passage of this act.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILLS AND JOINT RESOLUTIONS PASSED OVER.

The bill (S. 33) making eligible for retirement under certain conditions officers of the Army of the United States, other than officers of the Regular Army, who incurred physical disability in line of duty while in the service of the United States during the World War, was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2250) to promote a permanent system of self-supporting agriculture in regions adversely affected by the stimulation of wheat production during the war and aggravated by many years of small yields and high production costs of wheat was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2154) to amend the act of September 22, 1922, entitled "An act to provide for the applicability of the pension laws to certain classes of persons in the military and naval services not entitled to the benefits of article 3 of the war risk insurance act as amended" was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 5) granting pensions and increase of pensions to certain soldiers and sailors of the Civil and Mexican Wars and to certain widows, former widows, minor children, and helpless children of said soldiers and sailors, and to widows of the War of 1812, and to certain Indian war veterans and widows, was announced as next in order.

Mr. OVERMAN. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

The joint resolution (S. J. Res. 3) authorizing the Federal Reserve Bank of Kansas City to invest its funds in the construction of a building for its branch office at Denver, Colo., was announced as next in order.

Mr. JONES of Washington. Let that go over.

The PRESIDING OFFICER. The joint resolution will be passed over.

The joint resolution (S. J. Res. 51) authorizing the Federal Reserve Bank of Kansas City to invest its funds in the construction of a building for its branch office at Omaha, Nebr., was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The joint resolution will be passed over.

SAN CARLOS FEDERAL IRRIGATION PROJECT, ARIZONA.

The bill (S. 966) for the continuance of construction work on the San Carlos Federal irrigation project in Arizona, and for other purposes, was announced as next in order.

Mr. KING. Mr. President, may I inquire of the able junior Senator from Arizona [Mr. CAMERON] whether, under the five-minute rule, we can consider this case, with all of its details?

Mr. CAMERON. I think so. I should like to start it, anyhow; and then, if we can not finish it, I shall have no objection to its going over. I do not intend to make a speech on it. I want the statement of the committee read, and I believe then that everybody will understand it.

Mr. KING. Will the Senator be satisfied if he makes a statement and then gives us a chance to examine it before the next calendar day? It involves five or six million dollars, I understand.

Mr. CAMERON. Of course, I shall be glad to have that done if Senators prefer to have that course taken; but this is an important measure, and we have waited on it for a great many years. I should like to get it through, if I can, as soon as possible, so that the people in that valley will know what we are going to do. However, I am willing to acquiesce in the Senator's desire.

Mr. ASHURST. Mr. President, did the Senator from Utah ask that the bill go over? If so, before that is done, will he permit my colleague and myself to make short statements within the five-minute rule?

Mr. KING. Certainly. What I asked was, in view of the importance of the bill, whether the Senator thought it should be considered under the five-minute rule. It seemed to me that we ought to have a little further time. I shall be glad to hear the Senator's statement, however.

Mr. ASHURST. My colleague, I know, wishes to make some observations, which is his right under the five-minute rule.

Mr. KING. Reserving the right to object, I shall be glad to hear the Senator's statement.

Mr. CAMERON. Mr. President, I have here a committee report which I think will cover this bill in its entirety. I ask unanimous consent to have it read from the desk as a part of my remarks.

The PRESIDING OFFICER. Without objection, the Secretary will read as requested.

The principal legislative clerk proceeded to read the report (No. 129) submitted by Mr. CAMERON on February 8, 1924, and read as follows:

(Report to accompany S. 966.)

The Committee on Indian Affairs, to whom was referred the bill (S. 966) for the continuance of construction work on the San Carlos Federal irrigation project in Arizona, and for other purposes, having considered the same, report favorably thereon with the recommendation that the bill do pass with the following amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $5,500,000, or so much thereof as may be needed, for the construction by the Indian Service of the San Carlos Reservoir project for storage purposes, as contemplated in report submitted by the chief engineer of the Indian irrigation service to the Commissioner of Indian Affairs under date of November 1, 1915, embodied in Appendix A, hearings before the Committee on Indian Affairs, House of Representatives, Sixty-sixth Congress, first session, act of June 30, 1919, provided the total cost of the project shall be distributed equally among the lands in Indian ownership and the lands in private ownership that can be served from the waters impounded in said reservoir: *Provided*, That the cost assessed against the Indian lands shall be reimbursable to the Treasury of the United States on a per acre basis, under such rules and regulations as the Secretary of the Interior may prescribe; and there is hereby created a lien against all such lands, which lien shall be recited in any patent issued therefor prior to the reimbursement of the total amount chargeable against such land, and that the construction cost as fixed against the land in private ownership under the project shall be paid by the owners in not less than 20 annual installments, in accordance with such rules and regulations to be promulgated by the Secretary of the Interior: *Provided further*, That said project shall only be undertaken if the Secretary of the Interior shall be able to make or provide for what he shall deem to be satisfactory agreements with the private landowners for the repayment of their proportionate share of the cost of the project, and that the money hereby authorized to be appropriated shall be available for the acquiring of necessary rights of way by purchase or judicial proceedings and for other purposes necessary in successfully prosecuting the work to complete the project: *Provided further*, That for the beginning of this work subject to the provisions hereof there is hereby authorized to be appropriated $500,000, to be immediately available and to remain available until expended."

This bill, as amended, has the approval of the Secretary of the Interior, and the following letter from the Secretary of the Interior is made a part of this report:

DEPARTMENT OF THE INTERIOR,
Washington, January 24, 1924.

Hon. J. W. HARRELD,
Chairman Committee on Indian Affairs,
Washington, D. C.

MY DEAR SENATOR HARRELD: I am in receipt of your request for report upon S. 966, a bill to authorize the construction of what is known as the San Carlos irrigation project, Arizona.

It appears that this project has been studied by the chief engineer of the Indian irrigation service, whose report of November 1, 1915, was printed as an Appendix A, hearings before the Committee on Indian Affairs, House of Representatives, Sixty-fifth Congress, first session, "on the condition of various tribes of Indians."

A substitute bill has been prepared in the Office of Indian Affairs and is herewith inclosed for consideration by the committee.

Should Congress decide that the construction of this reservoir is desirable and that an appropriation therefor should be authorized, this department will be glad to carry out any construction work directed.

Sincerely yours,

HUBERT WORK.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. ASHURST. Mr. President, I call attention to pages 2 and 3 of the report of the committee, where appears a letter written by Mr. S. M. Brosius, who represents the Indian Rights Association.

Mr. Brosius has for many years been the agent and attorney of the Indian Rights Association, and I read the following from his letter. It is addressed to Hon. JOHN W. HARRELD, chairman of the Senate Committee on Indian Affairs, and is dated February 8, 1924. Amongst other things, Mr. Brosius, referring to Pima Indians, says:

The millions of our people are awakening as never before to the obligation of a Christian Nation toward these wards of the Government. They are urging upon the Congress—yes, demanding—that justice shall mark our treatment of the red man.

We urge that you will be alert in the effort to redeem the Nation's obligation by vigorously supporting the San Carlos irrigation project.

Very respectfully,

S. M. BROSIUS,
Representing the Indian Rights Association.

Humanitarian persons all over the United States who have examined this legislation proposing to construct the San Carlos project are favorable to the project.

There are some physical features about the construction of this project that have in the past caused perplexity, but happily these features are solved. I have no doubt that the bill as reported has language eligible and appropriate to take care of the desilting of the reservoir, but out of abundant caution I offer the following amendment and ask that it be adopted when the bill is called up for consideration.

On page 4, after the word "expended," on line 4, I move to add the following:

And provided further, That $500,000 of the amount hereby authorized to be appropriated, or so much thereof as may be necessary, shall be expended in confining the Gila River within a fixed channel in Graham County.

Mr. KING. Mr. President, will the Senator yield?

Mr. ASHURST. Certainly.

Mr. KING. Take it in my time, if the Senator's time has expired.

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Utah?

Mr. ASHURST. I yield.

Mr. KING. I should like to ask the Senator why this matter was not brought up when we were considering the Interior De-

partment bill, and were considering the reclamation projects, and were considering the Indian projects? It seems to me that if this bill ought to be passed, it should come here with the O. K. of the Reclamation Service and of the Indian Bureau.

Mr. ASHURST. The bill has the approval of the Secretary of the Interior and the Indian Bureau, but it does not carry an appropriation. It simply authorizes an appropriation. Therefore it could not be placed into the Interior Department appropriation bill. It is an authorization for future appropriations.

Mr. CAMERON. Mr. President——

Mr. ASHURST. I yield the floor, but I want my amendment adopted.

Mr. CAMERON. I will state, for the benefit of the Senator from Utah, that this comes under the Secretary of the Interior and the Indian Department. It does not come under the general reclamation law, but it is governed by practically the same law.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. JONES of Washington. Mr. President, I shall have to ask that this bill go over. It is a very important measure, and this is a very important amendment.

Mr. ASHURST. Will the Senator permit my amendment to be disposed of?

Mr. JONES of Washington. I think that is too important an amendment to be disposed of until we get the bill up for consideration. I have read over the report partly, and it appeals to me very strongly, and I probably shall have no objection to the bill; but it does seem to me that we ought to have more time to consider an important measure like this.

The PRESIDING OFFICER. The amendment will be printed and lie on the table. The bill will be passed over, on objection.

FEDERAL RESERVE BANK BUILDING AT DENVER.

Mr. PHIPPS. Mr. President, I was called to the Chamber when Senate Joint Resolution 3, Order of Business 132, was reached; but the call did not come to me in time, and the joint resolution was passed over. I ask unanimous consent to revert to that measure, which provides for the erection of a branch bank of the Federal reserve system in the city of Denver, Colo.

The PRESIDING OFFICER. The Senator from Colorado asks unanimous consent to return to Order of Business 132, Senate Joint Resolution 3. Is there objection? The Chair hears none.

The Senate, as in Committee of the Whole, proceeded to consider the joint resolution (S. J. Res. 3) authorizing the Federal Reserve Bank of Kansas City to invest its funds in the construction of a building for its branch office at Denver, Colo.

The joint resolution had been reported from the Committee on Banking and Currency, with an amendment, on page 1, line 6, after the word "exceed," to strike out "$650,000" and insert "$550,000," so as to make the joint resolution read:

Resolved, etc., That the Federal Reserve Bank of Kansas City is hereby authorized to invest in the construction of a building for its branch office at Denver, Colo., on lots heretofore acquired for that purpose, a sum not to exceed $550,000 out of its paid-in capital stock and surplus.

Mr. ROBINSON. Mr. President, will the Senator from Colorado state the circumstances which make necessary the construction of this building?

Mr. PHIPPS. I shall be very glad to do so. The business of the Federal reserve bank at Denver runs up into hundreds of millions of dollars. At present they are carrying on their business in rented quarters, which are inadequate, which are overcrowded. They have no place in which to store their money. Part of it is kept in the mint building at Denver and other parts in as many as three and sometimes four different national banks in the city of Denver. They are required to handle very large sums of money. The site proposed for the building is within easy distance of the Union Station, where the funds come in and the bank building could be readily reached.

The building in design is comparable to one which has been erected in Oklahoma City and will be also practically the same as one proposed for Omaha, Nebr., where the business conditions are very similar. The property value at the present time of the land where the bank building would be erected I would estimate at about $175,000; and if any banking institution had that property and were going to improve it, they would spend not less than $1,000,000 for the structure alone.

Mr. ROBINSON. The bank is now occupying rented quarters, I take it?

Mr. PHIPPS. It is.

Mr. ROBINSON. Does the Senator know what rentals are paid or required?

Mr. PHIPPS. I fear my recollection on that subject is not good enough to enable me to state it accurately, but this was gone into very thoroughly by the Federal Reserve Board. There was a hearing here at which the representatives of the parent bank in Kansas City were present, and I have discussed the matter somewhat with the senior Senator from Georgia [Mr. HARRIS] and, I believe, also the junior Senator from Alabama [Mr. HEFLIN], who are interested in the bill, which puts a limitation of $250,000 on such structures without the consent of Congress being obtained for a larger expenditure.

Mr. ROBINSON. What vault facilities are now available?

Mr. PHIPPS. The vault facilities now, as I have said, are practically nil, because, instead of having the money right in the same building where they are carrying on their banking business, they can have only part of it there. The great bulk of it has to be carried in the United States mint and at least three national-bank vaults, where they are borrowing room. As the Senator may recall, a little over a year ago we had a robbery right in front of the mint in Denver, when money belonging to the Federal reserve was stolen by bandits and two lives were lost, one of the bandits and one officer of the peace being killed. The matter has been gone into very carefully, and I believe the estimate of $550,000 is fair and moderate and will only provide a building suitable for the needs of the city and the business the bank is carrying on and one that will be in keeping with other institutions erected in that central part of the city.

Mr. KING. Mr. President, I would like to ask the Senator whether the committee has considered this general policy of constructing bank buildings in the various cities where the Federal reserve is doing business, and whether it is considered necessary and wise to invest such large sums as will certainly be called for in so many places in the United States for these buildings if we inaugurate the practice.

Mr. PHIPPS. Where they have branches I think the policy would be to have their own buildings, but not necessarily as extensive or expensive structures as they would erect, for instance, in Denver, in Omaha, or in Salt Lake City, where, as the Senator probably recalls, building construction is now under way, I believe.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The joint resolution was reported to the Senate as amended, and the amendment was concurred in.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

FEDERAL RESERVE BANK BUILDING AT OMAHA.

Mr. PHIPPS. Mr. President, I request similar action with reference to Senate Joint Resolution 51, authorizing the Federal Reserve Bank of Kansas City to invest its funds in the construction of a building for its branch office at Omaha, Nebr.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution, which had been reported from the Committee on Banking and Currency with an amendment, on page 1, line 6, to strike out "$650,000" and to insert "$550,000,'" so as to make the joint resolution read:

Resolved, etc., That the Federal Reserve Bank of Kansas City is hereby authorized to invest in the construction of a building for its branch office at Omaha, Nebr., on lots acquired for that purpose, a sum not to exceed $550,000 out of its paid-in capital stock and surplus.

The amendment was agreed to.

The joint resolution was reported to the Senate, and the amendment was concurred in.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

GREAT KANAWHA RIVER BRIDGE, WEST VIRGINIA.

The bill (S. 1614) providing for the construction of bridges across the Great Kanawha River below the falls in West Virginia under certain conditions, was considered as in Committee of the Whole.

The bill had been reported from the Committee on Commerce with an amendment to strike out all after the enacting clause and to insert:

That the act of Congress entitled "An act to authorise the construction of bridges across the Great Kanawha River below the falls, and to prescribe the dimensions of the same," approved March 3, 1887, be, and the same is, hereby repealed.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to repeal an act authorizing the construction of bridges across the Great Kanawha River."

CUMBERLAND RIVER BRIDGE, TENNESSEE.

The bill (S. 431) to extend the time for the construction of a bridge across the Cumberland River in Montgomery County, Tenn., was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge authorized by act of Congress approved August 31, 1919, to be built by the county of Montgomery, State of Tennessee, across the Cumberland River at a point suitable to the interests of navigation and within a distance of 7 miles from Clarksville, in said county and State, are hereby extended one and three years, respectively, from the date of approval hereof.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

SECOND LIEUT. AMBROSE I. MORIARITY.

The bill (S. 2090) to provide for the advancement on the retired list of the Regular Army of Second Lieut. Ambrose I. Moriarity was considered as in Committee of the Whole.

The bill had been reported from the Committee on Military Affairs with amendments; on page 1, line 4, to strike out the word "Congress" and insert in lieu thereof the word "Senate"; on line 5, to strike out "Moriarity" and insert in lieu thereof "Moriarty"; and after the word "Army," on line 7, to insert the words "with retired pay from the date of said appointment, as now prescribed by law for a major of his length of service retired prior to July 1, 1922," so as to make the bill read:

Be it enacted, etc., That the President be, and hereby is, authorized, by and with the advice and consent of the Senate, to appoint Ambrose I. Moriarty, second lieutenant, on the retired list of the Regular Army, a major on the retired list of the Regular Army, with retired pay from the date of said appointment, as now prescribed by law for a major of his length of service retired prior to July 1, 1922.

The amendments were agreed to.

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. Objection is made, and the bill will go over, under the rule.

Mr. WARREN subsequently said: Mr. President, I would like to have the Moriarty bill taken up and considered. I have no special interest in it except that the man is lying ill, with attendants taking care of him, and has not sufficient funds to support him. He was a gallant soldier, and has been greatly afflicted. The bill had due consideration in the committee, and I believe had the unanimous support of the Committee on Military Affairs.

The PRESIDING OFFICER. Is the objection withdrawn?

Mr. KING. I woud like to inquire a little further into the matter. Was this man a Regular Army officer?

Mr. WARREN. He was.

Mr. KING. Could he not be retired under the present law?

Mr. WARREN. Under the circumstances, I think he receives but small pay. He was retired as a second lieutenant, I believe. The history of the case is in the report; I do not recall all the facts now.

Mr. KING. Let the bill go over, and I will consider it before we reach the bill at the next call of the calendar.

The PRESIDING OFFICER. The bill goes over.

CAPT. RAMON B. HARRISON.

The joint resolution (S. J. Res. 46) for the relief of Capt. Raymon B. Harrison was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The joint resolution will be passed over.

ANNIE M. PETERSON.

The resolution (S. Res. 121) was read and agreed to as follows:

Resolved, That the Secretary of the Senate be, and he hereby is, authorized and directed to pay out of the contingent fund of the Senate to Annie M. Peterson, sole surviving child of John Hickman, late a skilled laborer for 58 years in the employ of the Senators' barber shop, a sum equal to one year's compensation at the rate he was receiving by law at the time of his death; said sum to be considered as including funeral expenses and all other allowances.

COL. GEORGE M. APPLE.

The bill (S. 1763) to validate certain payments made to George M. Apple and to authorize the General Accounting Office to allow credit to certain disbursing officers for payments of salaries made on properly certified and approved vouchers was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That payments of salaries or compensation made to George M. Apple as an employee of the Federal Board for Vocational Education, the War Risk Insurance Bureau, the United States Veterans' Bureau, and the United States Veterans' Bureau regional office in Denver, Colo., in the period from November 20, 1920, to August 17, 1922, on properly certified and approved vouchers, be, and the same are hereby, validated, notwithstanding the provisions of section 2 of the act entitled "An act making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1895, and for other purposes," approved July 31, 1894, and that the General Accounting Office be, and is hereby, authorized and directed to allow credit in the settlement of the accounts of disbursing officers making such payments to the extent that credit for the payments has not already been given: *Provided*, That any amount heretofore collected from said George M. Apple on account of payments so validated shall be refunded to him from appropriation or appropriations credited with the refundments.

Mr. KING. I would like to have an explanation of the bill from the Senator from Colorado.

Mr. PHIPPS. Mr. President, this bill is identical with the bill which was considered by the Senate and passed at the last session.

Colonel Apple, while on the retired list, accepted employment from the Veterans' Bureau after having raised the question as to compensation. He was advised that it was entirely proper for him to accept this employment, notwithstanding the fact that he was on the retired list of the Army.

The matter went on for some six or eight months, during which time he was receiving his pay from the Veterans' Bureau and drawing his retirement pay. Then there was a ruling on the part of the Comptroller General to the effect that he was not properly entitled to receive pay from the Veterans' Bureau. Then they stopped his pay in the Veterans' Bureau and began to reimburse the Treasury out of his retirement pay, leaving him with practically nothing. That has been his condition. He has been even without his retirement pay, and, as I said, the Senate considered this bill at length at the last session and passed it, but it did not reach the House Calendar in time for consideration.

Mr. KING. Will the Senator yield?

Mr. PHIPPS. Certainly.

Mr. KING. Does not the Senator think this really will become a precedent, which may be pointed to in future legislation?

Mr. PHIPPS. I do not. The circumstances are quite peculiar in that one feature. Colonel Apple went to the trouble to write to headquarters at Washington and get a ruling on the part of some officer in the War Department, and was informed in reply that it was not in violation of law for him to accept this employment. He rendered the service which some one else would have rendered and would have been paid for had he not rendered it. He drew the pay for the time he served. Then the adverse ruling came from the Comptroller General, he lost his employment, and his retirement pay has been stopped until the Government shall be reimbursed for the pay he had drawn from the Veterans' Bureau. I think it would not establish a precedent. There was a ruling to the effect that he was qualified and had the right to accept that service.

Mr. KING. I would like to inquire of the senior Senator from Wyoming, who is a member of the Committee on Military Affairs and familiar with legislation, whether it has been considered wise for retired officers to accept employment at the hands of the Government and draw two compensations, and whether there have not been rulings against the wisdom of that course?

Mr. WARREN. As I recall the rulings affecting retired officers, they have had the right to accept positions and receive salaries from employers outside of the Army. There were cases where they could take employment under the Government, and it was ruled that such employment was all right if the compensation did not exceed a certain sum. I do not recall any ruling as to the amount which should be paid in a case like this, and I do not know what this man's salary was. It is a question as

to whether there has been some difference in the way the ruling has been construed in the department. Of course, the Comptroller General may have established some rule differing from the rule enforced at an earlier date.

Mr. KING. There is no doubt in my mind but that he ought to receive in the aggregate the highest amount; that is, if the retired pay was higher than the compensation allowed by the Veterans' Bureau, he ought to receive that amount; or if the Veterans' Bureau compensation was in excess of the retired pay, he ought to receive that amount. But I question the wisdom of adopting a policy which permits men who are upon the retired list, and who are drawing a considerable compensation from the Government, to accept employment and get the full compensation which might be paid for that particular employment.

Mr. PHIPPS. As a matter of principle, I would certainly agree with the Senator. I think in this case, where the man was entirely innocent of any wrongdoing, and tried to be so straight that he went to the trouble of sending to Washington to have a direct ruling on this matter of special employment, a different rule should apply. It is not a matter of taking regular employment. This was special work he was doing for the Veterans' Bureau, and having the authority to go ahead and accept the employment, and having performed the service and having received the compensation, it seems rather hard that he should be called upon to surrender the amount of money he was paid for that special service. I think he was in the clear. There was no suspicion of wrongdoing on his part.

Mr. FLETCHER. May I inquire of the Senator whether this case comes within the provision in the appropriation act of last year prohibiting officers, after being retired, from engaging in work which involved contracts with the Government, and that sort of thing?

Mr. PHIPPS. I will say to the Senator that it undoubtedly would; but this occurred before the passage of the act which the Senator has in mind. I would not like to say as to the specific nature of the work, because I understand it was an unusual duty he was performing.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

AGRICULTURAL DIVERSIFICATION.

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which is Senate bill 2250.

The Senate, as in Committee of the Whole, proceeded to consider the bill (S. 2250) to promote a permanent system of self-supporting agriculture in regions adversely affected by the stimulation of wheat production during the war, and aggravated by many years of small yields and high production costs of wheat, which had been reported from the Committee on Agriculture and Forestry with amendments.

COST AS A FACTOR IN PRICE FIXING.

Mr. LADD. Mr. President, there is no more important question confronting the farmers to-day than that of price stabilization so as to insure a reasonable return and some profit to the farmer. This is necessary before any industry can be secure against failure. The farmer as a class is in other respects no different than any other group or industry—the woolen goods manufacturer, the steel industry, the petroleum-products industry. To succeed each must be assured a reasonable return on their investment and for their labor. The farmers are the only group who are not already assured such a protection. Some are assured by the tariff, as the woolen industry or trust. Some by direct subsidy; for example, the silver-mine operators; likewise the proposed ship subsidy. Others by indirect subsidy, as the railroads; others by patent control, frequently combined with a monopoly, as the Steel Trust or monopoly, the Standard Oil monopoly, and so forth, the Banking Trust, the Insurance Trust, the Packer Trust, and so forth.

The farmers of the great West and Southland, as I shall attempt to show, are afforded protection under neither of these provisions, and are, therefore, placed at the mercy of the middleman and speculator, often controlled by some gigantic groups or some organizations already mentioned.

Unless by some means we afford protection to the farmers of the great West and South, the region where are produced our great surplus of foodstuffs, not only to meet the wants of the great industrial centers of the East but for fully 80 per cent of the surplus for foreign export, we shall face food shortage if not real famine.

I desire, therefore, at this time to present some observations on this vital question, and especially with regard to cost as a factor in price fixing by farmers.

PRICE FIXING.

Mr. President, those financial and business interests which oppose the proposal to make cost of production a chief factor in the fixing of farm prices show more temper than reason. They represent that such action would amount to a conspiracy in restraint of trade, but ignore the fact that all of the great producing corporations base their selling prices on costs, except where market conditions enable them to sell at prices so high that costs may be ignored. They hold that the proposition is economically unsound, but they advance no economic principle to sustain this assertion, except the broad general proposition that price is due to the relation between supply and demand. This generalization is employed without qualification or explanation, notwithstanding the fact that economists have long since stated very important qualifications, without which the law of supply and demand does not apply at all.

Mr. President, the price of any commodity at any given time is determined by the relation of the effective supply to the effective demand at that time. The effective supply is the quantity of a given commodity actually on the market at a given price at a given time; and the effective demand represents the volume of actual offers to buy at that time and at that price. The actual supply or the actual need for the existing supply of a given commodity may be greater or less than is represented in the offerings to buy or to sell; but the fact of the supply being greater or less or the need greater or less at any given time is only one factor among a great many making the effective supply or the effective demand.

The fixing of a price under which the producer or producers of a given commodity will not sell it may itself be an important factor in effective supply. And likewise the fixing of a price above which purchasers will not go may be an equally important factor in determining effective demand. To illustrate: If all of the facilities for the production of steel were in the control of a single corporation the effective supply of steel products would be the quantity that such corporation would furnish at a given price. Similarly, if all the consumers of steel products were represented by a single buying concern the demand would be the quantity that buying concern would take at a stated price. With both the producers' interest and consumers' interest thus consolidated, it is, of course, conceivable that there might be an absolute deadlock, so that trading in steel products would not take place at all.

LAW OF SUPPLY AND DEMAND NOT OPERATIVE.

Mr. President, under present conditions effective demand to the farmer is largely determined by buying interests which do not represent consumers at all, while effective supply to the consumer is equally controlled by selling interests that do not come into contact with the farmer, nor in many instances even with the buyers who determine the effective demand to the farmer. Largely on account of the seasonal nature of the marketing problem, and because of the peculiar business system that has arisen out of that fact, effective supply at the time when the consumer makes his purchase is quite a different thing from the actual quantity of products produced and sold by the farmers.

The objection to making cost the chief factor in the fixing of farm prices is entirely lacking in consistency, not only from the economic but from the ordinary business point of view. In any business cost must be the final factor in determining price for the obvious reason that continuing to sell below cost would bankrupt the business. Admitting that business must in the long run conform to economic law, it must also be admitted that it is as necessary for farming to be conducted on economic principles as for any other business or industry. The fixing of the price of any commodity by the producer has the effect of determining the basis for all transactions with regard to that commodity from the producer to the consumer. If, for example, the price of 1920 wheat had been fixed by united action of all producers at $3 a bushel, the effect would have been exactly the same as though the relation of the actual supply of wheat to the whole demand had determined that price. Of course, the fixing of the price at $3 may or may not have been wise. If in so fixing the price producers overestimated the demand or underestimated the volume of the crop to be sold, with the result that only half of the crop could be disposed of at $3 a bushel, they would undoubtedly have faired worse than as though they had sold for a lower price. That, of course, would be bad business, just as it would be bad busi-

ness for the United States Steel Corporation or any other strongly organized industry to demand higher prices than the traffic will bear.

Such an error in business judgment would be corrected exactly in the same manner that errors in the judgment of individuals are corrected, where farmers sell their products without the aid of organization as they now do. In the long run, the result to consumers would be the same, owing to the gradual adjustment to market conditions of the prices asked by the producers. However, the period of adjustment would be shorter with united selling than with individual selling, because the united producers, having better and more complete information, would be less likely to go wrong in the first place, and would also be in a much better position to make readjustments upon the discovery of mistakes. With regard to the effect upon individual producers, united selling would be incomparably superior, since it would protect such high cost producers as are necessary to make up the needed supply, and would tend greatly to minimize the losses incurred in the progressive elimination of producers whose costs are too high to enable them to continue in operation at the prices warranted by the entire demand.

BANKRUPTING THE FARMER.

On the other hand, if prices were adjusted without regard to cost, taking into consideration only the possibility of selling at a given time, and under particular conditions, it is conceivable that all farmers might go bankrupt. It is entirely probable that under such a method of selling the losses incurred by the majority of farmers would accumulate so rapidly that within a few years they would be eliminated from production. It will not be denied that such elimination is constantly in progress under our existing system of marketing, and that it is likely to prove in the near future very disastrous to agricultural industry. The effect upon consumers of farm products is, in the long run, equally injurious, from the fact that the elimination of such high cost producers, in so far as they are necessary to make up the needed supply, will necessitate the substitution of inexperienced men who, because of their inexperience, will produce at still higher costs. These higher costs will finally be covered by higher prices to consumers, either under a condition of free competition or under the present condition of control of the markets by business interests. Assuming that no interest will take a loss unless compelled to, it follows that the stronger interest will eventually shift the loss to one or the other of the weaker interests, or will distribute it among them. In actual practice in farm marketing the losses due to selling below cost are first fastened upon the farmers, and then, as the entire industry is reduced to a lower level of efficiency by the taking of such losses, this condition is made the basis for the advancing of prices to consumers; so that the final adjustment of prices to consumers is made on the basis of the cost of the last considerable unit of the product necessary to meet the entire demand.

FARMERS PROFITS GO WHERE?

That, of course, leaves a profit for some one, represented by the difference between the highest cost unit and all other units. Under free competition, if that were possible, and with full information in the possession of all producers, each grower of wheat who is able to produce at a cost less than that of the highest unit would take a proportionate profit. For example, if, in any year, it required 1,000,000,000 bushels of wheat to meet the entire demand, and the Northwestern section of the country produced 200,000,000 bushels, at a cost of $3 a bushel, the price for the entire 1,000,000,000 would be $3 a bushel. The farmers of the Northwest section would make no profit. But if, for example, the farmers of the Southwest, making allowance for the difference in grades and lessened cost of production for winter wheat produced at a cost of $2 a bushel, they would take a profit of $1 on every bushel produced.

Mr. President, the problem does not work out exactly this way in practice; first, because free competition does not exist; and, second, because of the advantageous position of the dealer in farm products with regard to the control of the market, through better sources of information, and a readier access to credit and other business accommodations. Because of this favorable position, the dealer is able to absorb a considerable portion, and possibly the greater part, of the profit that under conditions of free competition and equal access to information and other business service would go to the better situated or more skillful and industrious farmers.

It is obvious that these advantages to dealers will be greater as farmers are less united and less well informed, and less as the farmers develop greater unity, secure better information regarding market conditions and develop more orderly marketing methods, thus enabling them to exert an influence upon the market more nearly proportionate to their importance as producers.

NORMAL VERSUS MANIPULATED MARKETING.

The situation is here discussed without reference to alleged manipulation of the market or speculative activities injurious to the farmers which are well known to exist. Though there is ample evidence of the existence of manipulative and speculative activities, they may be ignored in this discussion, for the reason that, because of elements inherent in the situation, so long as they are without unity and without economic and business education, the farmers will be at a tremendous disadvantage, even though all interests concerned in the handling of their products are scrupulously honest and unitedly intent upon giving the farmers a square deal. However good their intentions, business interests can not adjust the entire agricultural situation on a sound economic basis for the protection of all interests involved, because they lack, in the first place, information concerning the fundamental factors of production and, in the second place, control of the ultimate factors of the situation. The business of the dealer in farm products is based upon the assumption of a continuous inflow of products at one end and an equally continuous demand for those products at the other. The business problem of the dealer is to adjust himself to the volume of such products in such a way as to make the highest possible profit upon his operations. In case of exceptionally heavy production, it is a recognized function of the dealer's business to slow up the movement to the consumer so as not to depress prices to the point where business profits would be endangered. This slowing up and feeding out process is not, and can not be, conducted primarily in the interests of either producer or consumer, but must, from the very nature of the situation, be conducted in the interest of the middleman. All the benefits that go to either the producer or the consumer are merely incidental to the conduct of the business of handling products in the interest of business profits.

MARKETING THEORIES.

Mr. President, it has been shown that if the prices of farm products to the consumer were based entirely on the relation between supply and demand, in a condition under which products moved with absolute freedom from individual producers to individual consumers, and in which there was absolutely accurate information equally shared by all producers and all consumers, the best that the consumer could hope for would be a price equal to the cost of the highest cost unit necessary to make up the needed supply.

But, as it must be admitted that such absolutely free competition and complete and equally distributed information do not and can not exist, what we have really to consider is a condition under which all economic processes from the field to the consumer's table are regulated, in one way or another.

Even in the absence of intentional regulation there is always a general state of mind, or psychology, of different economic groups and interests which goes a long way toward determining the relations between those groups. The cost of producing a bushel of wheat, for example, which is actually effective as an economic factor may not be the actual cost as it might be determined by an expert but what is held or believed to be the cost in a given section at a given time. If the farmers of Kansas have it fixed in their minds that it costs them $2 a bushel to grow wheat, no matter how that belief was acquired, it is bound to be a very important factor in the determination of price. If all producers of wheat should be simultaneously convinced that it cost them $2 a bushel to grow a particular crop, very strong reasons would have to be presented to them why they should sell at a lower price before they would yield. If, at the same time, all these growers of wheat had the idea firmly fixed in their minds that there was not enough wheat to go around, it would be still more difficult to get them to accept lower prices. And if they were all confident of their ability to hold out longer than the buyers, it would be practically impossible to beat down their price. The point is that the immediate determining factor of supply, as well as of demand, is often largely psychological. It is a matter of belief. It is the mental attitude of one economic interest pitted against the mental attitude of another. Facts may change the attitude of either or both, but facts other than this all-important fact of the mental attitude itself can have no effect upon the relation between supply and demand except in so far as they modify that attitude.

In the past the farmers have, of all interests, been the least able to get full information of market conditions. At the same time, because of their inability to act together, they have developed a common psychology with regard to the situation in a much lesser degree than have the business interests concerned with the marketing of farm products. Not until quite recently have farmers been at all definitely concerned with questions of cost. It was not so long ago that farmers were seeking a market only for a comparatively small surplus over what was needed to supply their own families, this surplus being counted upon to bring in money enough to pay taxes and to buy a few simple luxuries. The growing of great commercial crops is comparatively a modern development. And the economic sense of the farmer has developed only in proportion to the development of commercial agriculture. In fact, farmers have gone so long without considering costs that all other interests connected with the selling of farm products have counted upon that as a normal condition. This is true to such an extent that our entire industrial system has been built largely upon the assumption of a continuous flow of farm products in excess of normal demands and at prices correspondingly low. The present insistency of business interests that farmers are not justified in basing prices upon production costs is therefore largely an expression of the actual necessity to business for such a condition.

Mr. COPELAND. Mr. President——

The PRESIDING OFFICER (Mr. SHIPSTEAD in the chair). Does the Senator from North Dakota yield to the Senator from New York?

Mr. LADD. I yield to the Senator.

Mr. COPELAND. May I ask the Senator if there has been any attempt in establishing the cost of producing wheat to work out a formula such, for instance, as the Warren formula for milk?

Mr. LADD. There have been during the past six or seven years various studies made in nearly all the great wheat-growing States, showing the actual cost of production on a number of farms that fairly represent conditions throughout the State.

Mr. COPELAND. Then, there has been a scientific effort made to work out the cost and the farmers now better understand what the actual cost is.

Mr. LADD. They understand better now what the actual cost is.

PRICE FIXING IN PRACTICE.

Mr. President, the most serious objection to the plan for unified selling of farm products by the farmers themselves is based on the difficulty, or, as many hold, the impossibility of determining farm costs. This objection, however, is not nearly so serious as it appears to be at first glance. In all other industry and business it is accepted as a purely common-sense proposition that prices shall be based on production costs. This does not mean that it is necessary in every case to determine exactly what is the cost of any article. Even in an industry concerned with the production of a single commodity it can not be expected that costs will be identical for each separate unit produced, nor that they will remain constant for every day or every month of the year. The final figure used as a basis for fixing selling prices will in every case be an average. This is still more true of an industry or business producing or handling numerous commodities, and of the business of great producing corporations having numerous divisions and plants, such as the United States Steel Corporation, the Standard Oil corporations, the big packing companies, and so forth.

Of course, cost figures not only as an element in the selling price of commodities produced in these industries, but, in the case of an individual or a corporation proposing to engage in a certain line of production, or in the furnishing of any certain service, it must be the chief factor in determining whether the enterprise will be undertaken at all. If the determination is against engaging in such industry or business, it will have the effect of limiting production in that line, and, therefore, a corresponding effect upon the selling prices of all goods produced in such industry, since it will limit the supply of such goods.

If in any industry there is so little organization and such an absence of reliable information with regard to existing or possible supply or markets that no cost figures can be compiled nor can it be determined whether commodities can be sold for prices that will cover costs. Everything is haphazard. Under such conditions not even a fairly good guess can be made by any individual producer as to whether or not he can pay costs of production. Such uncertainty has been largely eliminated in the production of metals and in the wholesale manufacture and distribution of food products and clothing. It is still more completely eliminated in the oil business. Even sugar, cotton, and wool producers are in much better shape for the determination of production costs than are the producers of the principal food crops other than sugar. And in every case the better situation is due to united action of one kind or another, usually in the form of voluntary association or of incorporation of large units, with more or less definite working understandings among them. The chief reason why farmers are relatively unable to determine costs is to be found in the fact that they are less well organized than those engaged in other industries.

DETERMINING THE COST BASIS.

The fact that under present conditions farmers would have difficulty in determining a cost basis for the fixing of prices does not mean that such inability would continue in equal degree after they had perfected their organizations. On the contrary there are the best of reasons for believing that in proportion as the farmers' organizations are perfected they will be able to develop an information service that will result in the early establishment of standards of production costs equal to those now in use in other industry and business. Much of the information necessary for the fixing of such standards already exists, having been accumulated during recent years by the United States Department of Agriculture in cooperation with the various State experiment stations, agricultural colleges, and extension departments. It is true that the results of this service have been subjected to very severe criticism; but in most instances such criticism may be heavily discounted, because of the fact that it is instigated by interests that believe they would be injured by the establishment of a cooperative system of marketing and the fixing of farm prices on a cost basis.

Mr. President, farmers do not expect to be able to fix the selling price of any farm product on the basis of the highest cost incurred by a particular farmer without regard to the natural productivity of his land or his own industry or ability. Nor have they any thought of attempting to fix prices without reference to the demand for their products. On the contrary, the probable demand would be in every case the first fact to be given consideration. With that determined the next question would be: At what cost can a sufficient supply of the given product be produced to meet this demand? If, say, it should be found that the probable domestic and foreign demand for American wheat in any year was 1,000,000,000 bushels, and if it were estimated that 100,000,000 bushels would have to be produced under such conditions that it would cost $2 a bushel, then the selling prices determined upon would be $2 a bushel. As already explained, that would leave profits to those producing at lower costs equal to the difference between their cost and $2 a bushel. Of course, with a unit selling organization perfected and in successful operation it might be possible to pool the entire crop and distribute profits on some other basis than that of costs in particular instances. That, however, is not a necessary element of the plan. And while in a fundamental sense the pooling of profits might be more just to all concerned it is obvious that the assurance of a price that would cover his cost to the less favorably situated farmer would be a great improvement over his present condition in which he nearly always takes a loss.

ADVANTAGES OF PROPOSED PLAN.

Mr. President, not the least among the advantages of such a plan is that the elimination of the grower who is unable to produce at the price fixed would be a comparatively painless operation. Under present conditions the only possible way in which a plentiful supply of farm products can be assured is to play up generally, and especially during the months just preceding the time of planting, the extreme desirability of planting the largest possible acreage. It is at this season that the middlemen and speculators resort to propaganda to induce the planting of a large acreage, and for whose benefit? Owing to the numerous uncertainties that are always involved in production it is never possible to assure a sufficient supply unless many plant crops under conditions that made it certain that they will lose, if a plentiful supply be produced. The only situation in which the so-called "marginal" farmer ever gets by is one in which either an extraordinary demand has been created or in which extraordinary losses are suffered by farmers who ordinarily have good crops. On the other hand, the best situated farmers never make big profits, except when the marginal farmers are eliminated from the market by the loss of practically their entire crop. Thus ample production means in every case hardship or disaster for a considerable number of producers. And in every case extraordinary success to any class of farmers comes only through the distress of bankruptcy of a great many others.

BIGGER THE CROP LESS THE PROFITS.

Mr. President, these facts are always soft-pedaled by those who yearly play upon the perennial hopefulness of farmers at planting time, through their propagandists whose interests are

never identical with that of the farmers. Unhappily, these facts are often overlooked by the farmers themselves. Many farmers seem to accept at full value the general, vague proposition that the bigger the crops produced the greater will be their profits. It is obvious that quite the reverse is true. A large total production always means heavy losses to many and relatively low profits even to the most successful. The best years for the farmers who have the best land, the highest ability, and the greatest industry are the years of limited production and high prices. But high prices mean nothing to a farmer who has lost his crop; and, on the other hand, they often impose a ruinous burden upon the consumer. The present method of producing with no regard to cost, and with no beforehand adjustment of production to probable demand, is not beneficial to consumers. It has already been shown that where the law of supply and demand works at all, either under conditions of free competition or conditions of partial or complete monopoly, the consumer pays for the entire supply on the basis of the highest cost of any considerable part of it. The highest cost of the production of farm products under present practice is to be found on the so-called marginal land. This marginal land is used, partly because much of the better land is held out of use, or at prohibitive rentals, but largely because of the constant urge to production already explained. To illustrate: Studies made at the North Dakota Agricultural Experiment Station showed that in 1919 a part of the wheat produced cost $14 a bushel. Of course, a farmer who can not produce for less than this will soon be eliminated in any case, but where the margin of difference is less there is always some ground for the hope that conditions will be better next year, or that certain improvements in methods may still further narrow the margin, so that the producer's balance will be on the right side. In any case those who are not able to establish such a favorable balance must soon be eliminated, with the result that the cost of their experiment is added to the entire cost of production for the given crop. This is all finally added to the price the consumer has to pay, and the difference between this highest cost and the cost in all other cases is taken somewhere as profit, as previously explained.

KNOWLEDGE OF COUNTRY'S NEEDS.

Under the proposed plan, with even an approximate fixing of a cost standard, individual farmers would be discouraged from undertaking production under these extremely adverse conditions. The result would be, in the long run, the limitation of the production of a given crop to the land best fitted for that purpose. It would lead necessarily to a better classification of agricultural land and a better system of cropping. It would lead to the improvement of methods of cultivation and to the adoption by farmers of better business practices, because of the fact that they would have a standard for their guidance. As compared with the present situation, there would be, if not in every case, at least for the principal farm crops, fairly definite beforehand information as to the prices that could be expected. Every farmer would have some reliable data on which to determine whether he should increase or decrease his acreage of this or that crop. Overproduction in any year could be definitely disposed of to take care of a part of the needs for the following year and planting adjusted accordingly. In short, we should have, in the place of the present haphazard system which gives no advantage to the consumer and which bankrupts thousands of farmers every year, to say nothing of the rapid exhaustion of soil fertility, a definite business system of agriculture adjusted to proved economic laws.

This is the entire proposition. Interests that oppose it must do so, either because of ignorance, or because they think that, through its establishment, they would lose the important advantages which they now hold, or think they hold. If their motive is that of self-interest, it is entirely likely that they are proceeding upon a mistaken assumption—which is that a sufficient supply of raw materials can be assured only by aiming to produce more than can be consumed. In the larger sense, this is to assume that existing organized industry and business depend for their success upon a continuous waste of human energy and natural resources. But this waste is exactly the thing that, if continued, will eventually ruin the industry and business that now supposes it is drawing advantages therefrom.

Mr. President, a readjustment of agriculture on the basis of the elimination of this waste is absolutely imperative for all business and industry. It is a condition upon which the life of the Nation depends.

The wheat farmers and particularly the spring wheat growers were during the war, and for two years or more thereafter, placed at a peculiarly disadvantageous position to which the people of no other group of farmers or of any industry were placed. The Government arbitrarily fixed the price of wheat so far below the cost of production as it turned out, and then demanded that the farmers be patriotic and produce wheat in increased quantity, and the wheat farmers responded to their Government's demand, but the Government failed to prevent or even to hold in check every other interest who in turn profiteered off the wheat farmer, and then in 1920, on what proved to be the most extensive crop produced in recent years by the spring wheat farmer and before he had an opportunity to market his 1920 crop, proceeded to remove the fixed guaranteed minimum price which was made the maximum price, and wheat at once proceeded to fall, largely because of a forced deflation policy brought on in the fall of 1920 by another governmental agency, the Federal reserve bank, and the spring wheat farmer found himself a bankrupt, made so by the policy of the very Government which he, the farmer, had struggled so bravely and unselfishly to help "win the war," supposing, as they had been told, they were fighting to "end all war." These wheat farmers, therefore, have a right to complain, and to insist that they shall not now be neglected and forgotten in their time of distress, for let me say, in my humble opinion, if the Northwest farmer is further forced into bankruptcy, the banks will continue to fall, the collapse will rapidly spread east, until from Montana and the Dakotas to the Atlantic seaboard we shall see such a crash as has never been known in the history of our country.

Lest you gain the impression that the farmers of my State grow only wheat, I want to call your attention to some of their achievements in trying to help themselves in spite of the great odds against which they have struggled. The following data is furnished by the department of agriculture and labor for the State of North Dakota:

North Dakota farmers diversifying.

Year.	Butterfat marketed through cream stations for fiscal years beginning July 1, 1913, and ending June 30.		Calendar year figures.		
	Pounds butterfat.	Total dollars.	Cows used for milking.	Acres sweet clover and alfalfa.	Corn, acreage.
1913			190,824	18,951	372,893
1914	3,726,374	$873,177.93	210,306	37,209	(1)
1915	5,116,678	1,367,612.09	230,337	51,982	(1)
1916	5,777,687	1,452,301.07	221,016	62,261	338,679
1917	6,258,390	2,111,633.00	230,290	61,474	491,230
1918	7,315,859	2,901,100.00	290,282	45,000	361,762
1919	12,718,509	6,644,541.00	280,851	50,550	443,410
1920	11,768,276	6,426,520.00	298,138	92,549	609,788
1921	13,029,358	5,459,278.00	315,115	107,245	671,906
1922	17,019,869	5,585,640.00	317,230	143,096	715,820
1923	19,817,026	7,468,623.89	.....	[2] 155,843	[2] 770,756

[1] Not complete.
[2] Estimated for year 1923 by assessors.

NOTE.—An average for 1923 of 37.6 cents per pound for butterfat was realized. The above does not include dairy products used on the farms.

While the showing is somewhat discouraging, the progress has been continuous, but the struggle has been a difficult one, and the great body of farmers can not meet the financial outlay necessary to enable them to recover from the low point to which they have been forced by their Government, State and National, even though other less essential industries have had Government aid and fostering care.

I can not believe this discrimination is intentional, but rather comes from the lack of knowledge and the appreciation of the real conditions that exist among the farmers as a class.

Mr. President, I have already several times referred to the fact that the law of supply and demand, especially in the marketing of certain agricultural products, was nonoperative in our great market centers and that organized buyers, under conditions now tolerated if not permitted by law, do largely influence prices received by the producers and determine the cost of the same articles to the consumers. Under our present, for the farmers, unfavorable marketing system, there is a wide spread between the price received by the producer and that paid by the consumer. In fact, it has been pretty satisfactorily determined by reliable agricultural economists that, for, at least, certain agricultural products, out of the consumer's dollar not less than 70 cents is used in getting the product from the hands of the producer into the hands of the consumer, thus leaving only 30 cents for the producer as his share of the consumer's dollar expended for such food.

In countries where truly cooperative marketing is most fully organized and developed I find, in studies made by myself, that a large share of the expense between the producer and the consumer had been eliminated. In fact, with an article like butter the cost of transportation and marketing had been reduced to as low as 20 cents in place of over 70 cents under so-called American competitive methods. This condition has been made possible by organization and control of the product from the time it is produced by the farmer until it reaches the retailer or, in some instances, the consumer himself.

Many years ago England was forced to decide whether she should continue as an agricultural country or as an industrial and commercial nation. She chose to become an industrial and commercial nation, thereby neglecting her agriculture, and sought to feed her people by importation of food products from foreign nations.

Denmark, more than 60 years ago, was called to make a like decision. The farmers being in majority fought for the rights of agriculture, and for 30 years they struggled cooperatively to reestablish agriculture on a profitable basis, but not until they had taken over the Government into the hands of the agrarian groups themselves which enacted laws favorable to the promotion of agriculture did they succeed, and to-day little Denmark, an agricultural country, is one of the most prosperous in Europe.

America may be both a great agricultural country and a great industrial and commercial Nation, but she can not be both, and, at the same time, as England did, strive in all her legislative activities to promote industry and commerce at the expense of agriculture. Both must be treated fairly. Each is entitled to a "square deal" and no more. In my humble opinion, this "square deal" can only come when the farmers are as fully and closely organized as are the other groups of industries of the country, and when they have their full share of responsibility in the conduct of the affairs of the Government, and I am confident industry and commerce will receive fairer treatment at the hands of the agrarians than have the farmers in the past at the hands of industry and commerce.

PUBLIC OPINION AND THE FARMER.

Mr. President, the daily press of the past few years have indicated that the chief trouble with agriculture is that the farmers do not know their business and that the fault is not with any but themselves. In other words, they want the public to believe that farmers are an incompetent lot of persons who have made a failure because of shiftlessness and lack of proper economies, but do any of those who say the farmers are incompetent, behind the times, wish to take up farming themselves? Most of the criticisms against the farmers' failure are usually by those who know little or nothing about farm life.

Let me say that, in so far as skill is concerned, I know of no great industry which requires for successful operation more practical and skilled men than for agriculture. I believe that the farmers of my State are mentally and physically the equal of those in any other business. In fact, to properly conduct an average North Dakota farm requires a bigger type of business man than is required to successfully conduct the average bank of the same section. Business men and bankers are beginning to realize this as they have been called upon to take over the bankrupt farmers' land and try to operate it and meet expenses and pay interest and taxes.

In commenting on those numerous exhortations to farmers "to be good and produce, produce; economize; don't buy so many automobiles, and spend less in moving pictures," one can but recall with due apologies the following lines:

> The quantity of lying is most strange;
> It droppeth, as the copious rains from heaven
> Upon the world around; it is twice cursed;
> It curseth him that lies, and him that hears.

Again, the farmer of the Northwest recalls that after he had been induced to plant in 1920 a big crop of spring wheat at great expense, before the crop could be harvested and marketed, the guaranty was withdrawn by the Government and the price of wheat was at once hammered down by the speculators who took advantage of the world conditions and gave the farmers of America an enormous loss. There was forced upon this country as a part of the greed and conspiracy of privilege against the mass of producers the drastic deflation policy secretly arranged by the financiers and bankers meeting here in Washington in the summer of 1920, whereby billions were lost to the American farmers, while enormous wealth was piled up by some of our great banking institutions as the result of the Federal reserve banking system put in operation through the secret influence of a small group of financiers who never seem to have heard of Goldsmith's words:

> Ill fares the land, to hastening ills a prey,
> Where wealth accumulates, and men decay;
> Princes and lords may flourish or may fade,
> A breath can make them as a breath has made;
> But a bold peasantry, a country's pride,
> When once destroyed, can never be supplied.

Or, possibly, as many would have us believe, their greed to control the finances of the world made their souls callous to consequences, which, if continued, will most certainly furnish a harvest which will in the end destroy them and their most treasured possessions.

The farmer, Mr. President, is patient, patriotic, and earnest in his undertakings, but he will long remember his treatment and experience during and since the war, for:

> Through the years of doubt and sorrow,
> Onward went the farmer band;
> Now they sing of broken pledges,
> Bankrupt in a fertile land.

To permit such a condition, brought on through governmental agencies, to continue is to destroy our one great basic industry. Those who have labored among the pioneers of our country can not but feel disheartened as they see the conditions now prevailing in many sections of this country, and especially in the spring-wheat section. When we meditate on the faithful service of the farmers whom—

> Oft have we seen him in the peep of dawn,
> Brushing with hasty steps the dew away,
> To meet the sun upon the upland lawn—

while we long and pray that the wheels of time may fly swiftly around and bring the welcome day when the fetters which now bind the farmer to economic slavery will be broken forever.

WHEN THE FARMER GOES, WHAT THEN?

When the farmers have been crushed, which seems to be the ultimate result of the present program of the wicked and heartless profiteers and money changers, they will recall Omar Khayyam's lines:

> Indeed, the idols I have loved so long
> Have done my credit in men's eyes much wrong;
> Have drowned my honor in a shallow cup
> And sold my reputation for a song.

Mr. President, so long as such crimes, for crimes they are, continue any real man can not fail to cry out:

> As long as there is motion in my body,
> And life to give me words, I'll cry for justice.

An English writer, commenting on the deplorable condition of agriculture in Great Britain, said:

> I am absolutely certain that the only real and lasting measure that could bring about the return of millions of acres to cultivation is a small subsidy per acre on wheat and oats or a bonus per bushel.

Again, the same English writer says on wheat growing during and since the war:

> I quite fail to see the huge profits made by the farmer since 1914 which have emanated only from the fertile imaginations of those who are in complete ignorance of the whole matter.

There are many of our best farmers who feel the same way. That it is not more credit that is needed but credit at a more reasonable rate, such as was furnished to the railroads when they faced their crisis, or as was proposed to help a merchant marine. It is a price for what they produce which will save the farmers, for selling continually below cost of production will bankrupt any business.

The farmers look to Congress for relief in their crisis, for they know it was Congress which is responsible for the farmers' present plight and that of those who have had faith in the farmers and endeavored to aid them until they, too, are on the verge of bankruptcy.

Mr. President, the farmers of the Northwest have known for a long time that they have not received a square deal in the marketing of their grain, and now they have the proof in the report of the Federal Trade Commission regarding the activities of the Minneapolis Chamber of Commerce toward the farmers' cooperative marketing undertakings.

HOW FEDERAL TAXES HAVE GROWN.

Farm taxes have been a heavy burden which has helped to crush our farmers. As our country has developed the Federal taxes have increased, and, recently, at a rapid pace. We can

never expect again that they will go back to where they were before the war. The per capita Federal expenditure has grown, as follows:

United States per capita expenditure of the National Government.

	Federal expenditure tax.
1850	$1.77
1860	2.01
1890	4.75
1900	6.39
1910	7.30
1919	144.77
1920	60.80
1921	51.60
1922	34.80
1923	33.40

The maximum was reached in the fiscal year of 1919, namely, $144.77, or for each family of five persons it averaged $723.85. This was a heavy burden, and is now reduced to $33.40 per capita for the fiscal year 1923 and will probably be somewhat lower for the coming year. Now, add to this your State, county, municipal, and school taxes and the interest on your indebtedness and you can readily see the reason for their bad financial condition and why the farmer has been, as it were, up against a stone wall. Now that there is hope for better conditions there are those who would add further to the producer's burden while they lessen those of the more fortunate group who have become the recipients of great wealth.

What the farmer needs and wants is not charity but a "square deal" to enable him to exist and prosper; that is, conditions which will insure him a fair price for what he produces so as to enable him to secure the cost of production and a small but reasonable profit.

The farmers of North Dakota under Government stimulus during the war period increased her wheat production about 89 per cent, and a study of more than 100 farms, scattered throughout the State and fairly representative, for the past three years revealed the following facts as to the farmer's income per farm:

	Per cent.
Losses per farm, 1921, $848	2.8
Profits per farm, 1922, $525	1.9
Losses per farm, 1923, $109	.4

Or an average loss of $432 per farm for each of the past three years.

Certainly if these farms have lost so heavily under the condition that has prevailed in the State, other farmers will probably not average less of loss per farm for the entire State. On these same farms the average cost of living was determined per farm to be $804 annually, of which 61 per cent was produced on the farm and 39 per cent purchased. For the items produced on the farm the costs were distributed as follows:

Item.	Amount.	Per cent.
Vegetables	$79	16
Beef	37	8
Dairy products	227	46
Pork, ham, etc	67	13
Eggs and poultry	85	17
Total	485	100

FORECLOSURES ON REAL ESTATE IN NORTH DAKOTA.

As indicating the bad condition of the farmers of the spring-wheat belt, I present the records of sheriffs' foreclosure sales on real estate by counties in North Dakota for 11 months from January 1 to November 30, 1923. This record does not show the additional large number of cases where settlements were made without actual foreclosure proceedings being recorded.

I may say that I do not believe that the conditions in my State are materially different from those of other sections of the spring-wheat regions of Montana, North and South Dakota, or northwestern Minnesota:

Number of sheriffs' foreclosure sales on real estate from January to November, 1923, inclusive.

County.	Total number farms.	Total sheriffs' sales.	Per cent farms foreclosed
Adams	780	68	8.71
Barnes	959	102	10.64
Benson	1,320	114	8.63
Billings	330	97	29.30
Bottineau	1,924	208	10.81
Bowman	614	148	24.12
Burke	1,500	114	7.60
Burleigh	1,096	171	15.60

Number of sheriffs' foreclosure sales on real estate, etc.—Continued.

County.	Total number farms.	Total sheriffs' sales.	Per cent farms foreclosed.
Cass	1,839	124	6.74
Cavalier	2,100	155	7.38
Dickey	1,239	62	5.08
Divide	1,600	143	8.93
Dunn	1,064	245	23.09
Eddy	651	63	9.67
Emmons	1,303	108	8.27
Foster	736	44	5.97
Golden Valley	642	105	16.33
Grand Forks	1,939	111	5.72
Grant	1,398	122	8.87
Griggs	918	84	9.15
Hettinger	968	185	19.39
Kidder	851	216	25.38
La Moure	1,440	76	5.27
Logan	999	54	5.40
McHenry	1,597	197	12.33
McIntosh	780	8	1.02
McKenzie	1,195	439	36.81
McLean	1,800	170	9.44
Mercer	643	62	9.64
Morton	2,054	121	5.89
Mountrail	1,678	264	15.73
Nelson	1,216	41	3.37
Oliver	750	70	9.33
Pembina	1,602	122	7.61
Pierce	1,200	116	9.66
Ramsey	1,408	58	4.11
Ransom	1,250	99	7.92
Renville	688	117	17.00
Richland	1,960	128	6.53
Rolette	1,040	143	13.75
Sargent	1,221	66	5.40
Sheridan	823	118	14.33
Sioux	244	33	13.52
Slope	628	186	29.61
Stark	1,024	114	11.13
Steele	582	54	6.12
Stutsman	2,397	204	8.51
Towner	1,109	60	5.45
Traill	1,500	47	3.13
Walsh	2,306	59	2.55
Ward	2,139	409	19.12
Wells	1,504	77	5.11
Williams	1,823	342	18.71
Total	66,429	6,842	9.75

BAD FAITH LEAVES LONG MEMORIES.

Mr. President, I dislike to say it, but since I have been in Congress there has not been many, if any, acts of legislation for the betterment of agriculture as they finally became a law that has measured up to the expectation of the farmers of the spring wheat section of the country; that is, it did not meet the needs of the farmers, as had been expected by those who originally sponsored the measure, sometimes because as finally enacted it was not practical, or it had a string tied to it, or it was enacted to benefit others under the guise of helping the farmer, or has been so hedged about by bureaucratic red tape as to be absurd. As, for example, in the loan features for intermediate credit, when rules were made—for my section, at least—they provided that no tenant farmer would be permitted to borrow, and other provisions equally unjust and impractical; or, under the Federal land bank, that if one member had failed to meet his obligations others of the community were barred from borrowing; or take, for example, the grain grading act, that because of grades unjust to the wheat grower which were established by the Department of Agriculture, and has cost the farmers of my State alone millions of dollars and given it into the hands of wheat speculators and the millers, who have prospered while the farmers have been made bankrupt.

Mr. FESS. I would like to ask the Senator a question, if it would not interrupt him.

Mr. LADD. I will be very glad to yield to the Senator.

Mr. FESS. My question is in reference to the bill. I notice that the bill is especially adapted to the spring wheat section and is designed to relieve the situation there. I notice that an amendment has been put in the bill, the first part of which limits the relief to the wheat section, and then the second part provides "for carrying on the purposes of this act in respect to other areas." What does that mean?

Mr. LADD. As amended it was intended to furnish the same kind of aid to the farmers in any other section of the country who might be under a like condition of depression.

Mr. FESS. Any other wheat section?

Mr. LADD. No; any other section of the country, with any other crop production.

Mr. FESS. Does the Senator know of sections suffering in the way in which the wheat section is suffering?

Mr. LADD. The southern section of the United States is suffering from the ravages of the boll weevil, and various other sections in different parts of the country were mentioned, where they had suffered from drought, as in New Mexico, and other parts of the country as well.

Mr. FESS. I wanted the opinion of the Senator, as this entirely changes the purpose of the bill as originally introduced.

Mr. LADD. As originally designed, yes. As the bill was originally designed it was intended to put the wheat farmer on a parity with the other farmers of the country, but this amendment was offered for the purpose of enabling other sections of the country to be benefited by the bill.

Mr. FESS. If the Senator will permit, I would like to state that this last year I made a more or less intensive study of the wheat section of the country, and while I am not in favor of this sort of legislation as a general principle, I was convinced that something must be done, and it seems to me that this was legitimate; but I am not aware that other sections of the country are suffering as the particular section to which the Senator refers is, and that the remedy should be applied as we are asked to apply it to this.

Mr. LADD. I think it is very true that no other section of the country, because of governmental interference, we might say, was forced into the condition in which we find the wheat belt, and particularly the spring wheat belt, which was the section to be caught with price removal before the farmers were able to sell their crop.

Mr. FESS. That situation is the thing which impressed me with the fact that the Government had something to do with the overstimulus of wheat, and the result of that overstimulus is very severe.

Mr. LADD. Certainly.

Mr. FESS. I thought that the purpose was to have diversified crops up there, through this particular legislation. Where are we going to diversify crops elsewhere?

Mr. LADD. That I am not familiar with. I think others are going to speak on that phase of it.

Mr. FLETCHER. Mr. President, I assume that when the Senator speaks of Government interference he alludes to the price of wheat as determined by the Government fixing the price of wheat. Does the Senator recall the price that was fixed at the time?

Mr. LADD. The price that was fixed, or assumed as a minimum price, was $2.20, at which time wheat was selling for $2.75 a bushel in the markets every day. But instead of being a minimum price as it was administered it came to be a guaranteed maximum price, and in the last year it was raised from $2.20 to $2.26 as a maximum price.

Mr. FLETCHER. About what is the price to-day?

Mr. LADD. It is less than $1 in my State for the average wheat.

Is it any wonder the voters who do not benefit by the present system should vigorously protest in their votes against the candidates whom they hold responsible for failure to, at least, offer a vigorous protest before the country? I predict that if the administrative and party policies of the past six years are continued, in place of having, as now, not less than 13 States with one or both feet off the political reservations, we shall have at least 20 States so recorded. This need not be if we would face the situation and help to solve the problem for the farmers as we have helped to solve it for certain other industries. We shall be forced to face the situation, whether we will or no, or be prepared to meet many new faces in this body as well as elsewhere in Washington. I do not pose as a prophet, but facts can not be ignored, and such a forced detrimental policy continued when State after State in one great section of our country have vigorously protested in no unmistakable terms and other States are ready to do likewise.

This chosen course, in my humble judgment, is nothing less than deliberate political suicide, because—rather than to face a bad situation, made so in no small degree by Congress and the administration, and which only Congress and party leaders can take the lead to remedy the evil—many politicians evidently think the farmers, like themselves, soon forget; but when the votes are counted in November they, too, will not unlikely be found in the "lame-duck" group without regard to political party or protestations, for small farmers of the Northwest have each lost from $1,000 to $10,000 trying to be patriotic; have lost their life's earnings, their homes, and can no longer either properly clothe their children or give them an education. These farmers, producers of wheat, were told that "bread would win the war"; that "bread bullets" were just as essential as lead bullets for the establishment of world democracy. These farmers are not in a trifling mood, nor will they forget in the heat of another political campaign how they came to their present plight, even though the great statesmen are—

Far from the maddening crowd's ignoble strife.

If we would avoid the just wrath of the angry masses of producers it might be well to recall the words of—I believe it was—the "Pied Piper," who said:

When the devil was sick, the devil a saint would be.

For when the grain grower remembers the profiteering grain speculators and their splendid income he recalls the next line and feels that it fits his complacent exploiters, organized and protected, and repeats:

The devil was well, but devil a saint was he—

and will take it out on those whom he holds responsible for his unfortunate plight.

Back of all this, Mr. President, the real trouble may be briefly indicated by quoting from an interview I furnished the press when I returned from abroad last summer, where I said:

We must not judge too harshly the disruption and political changes in Europe. They are but the culmination of the growth of an international disease that has reached its more advanced stages in the Old World, while here in America we are beginning to feel the sickening effects of that same disease, namely, the control and manipulation of credit for private gain.

Mr. President, I have received scores of petitions, letters, and telegrams indorsing the Norbeck-Burtness bill and urging its enactment into law. Before the Senate Agricultural Committee began hearings on this measure I sent the following telegram to all the North Dakota daily papers and to many others:

WASHINGTON, D. C., *January 5, 1924*.

Editor THE HERALD,
Grand Forks, N. Dak.:

Senate Agricultural Committee will, during the coming week, hear witnesses on the Norbeck bill, Coulter plan, the Gooding stabilization bill, the Sinclair-Norris bill, and other bills. All parties interested will be heard.

I have here a few of the telegrams presenting only the essential parts, and ask that without reading they may be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The telegrams are as follows:

From the Kiwanis Club, of Fargo:

"The Kiwanis Club, of Fargo, heartily indorses the Norbeck-Burtness bill appropriating $50,000,000 to be loaned to the farmers of the Northwest under the so-called Coulter plan and recommends that you urge its passage. We also recommend that the loans be made through governmental agencies direct to the farmers and not through private channels."

Another from the bankers of Jamestown:

"The Jamestown Clearing House, consisting of all banks in Jamestown, is very strongly in favor of the Coulter bill and urge our Representatives to favor the passage of the same, believing this measure will materially relieve the present situation."

From the Jamestown Chamber of Commerce:

"Jamestown, N. Dak., Chamber of Commerce approves and urges passage of Senate bill No. 1597, livestock loan bill."

From the Kiwanis Club, at Devils Lake:

"We to-day unanimously voted support House bill 4159, Senate bill 1597, Coulter livestock loan plan, as practicable and workable. Urgently needed assistance to our farmers. Prompt, favorable action by the Congress exceedingly important to entire Northwest."

From the Bottineau Commercial Club:

"We urge your support in securing the passage of Senate bill 1597."

From the Kiwanis Club, Casselton:

"The Kiwanis Club, of Casselton, urges you to support Senate bill 1597."

From citizens of Fordville:

"Farmers and business men in special meeting held yesterday urge your support of livestock loan bill, believing this bill offers cheap and permanent relief to agriculture."

From the Wahpeton Rotary Club:

"Wahpeton Rotary Club by unanimous vote went on record to-day favoring Coulter bill for aid of northwestern farmers. Believe this bill will greatly help bring back prosperity to our State and we urge you to use all honorable means to assist in its passage."

Mr. LADD. I quote, Mr. President, from a few of the many scores of letters that have been received indorsing the bill, and indicating the attitude of the citizens of North Dakota on

the measure as indicating not only the attitude of many farmers but of groups of business men:

From Elmlawn stock farm, Hazleton:

"I am much interested in the $50,000,000 livestock loan bill which has been introduced. I believe it is very necessary that something substantial be done at this time. I believe that if this bill becomes a law it will be instrumental in keeping many worthy families on their farms, who would be otherwise forced to give their farms up. I am personally acquainted with many in my district that are unable to secure the necessary funds to enable them to diversify as they would like to."

From the Saunders Drug Co., Minot, N. Dak.:

"Our attention has been called to the livestock loan that is now pending in Congress, and realizing the vital importance of this issue, we deemed it advisable to write you and endeavor to show you that to bring about the passage of this loan is the thought that is uppermost in the minds of the people in the Northwest to-day.

"Kindly give to this issue your undivided attention, if possible, and bring about that which will earn the backing of the entire Northwest district.

"This is an opportunity not to be passed up, and what has been a dream in the past now may become a reality. The advantages of this loan we need not state, but these advantages will aid every individual."

From the Merchants State Bank, Richardton, N. Dak.:

"We are much interested in Senate bill No. 1597, introduced by Mr. NORBECK, of South Dakota, providing for loans to be made to farmers wishing to change their methods and diversify.

"It should not be hard to convince legislators that if our farmers are to diversify, they must have some financial assistance to enable them to make this change. Banks in communities where this help is most needed are as a rule least able to take care of it, they being the sufferers with the people in this unfortunate situation. In other places some people have lost faith in the banks and do not deposit or withdraw deposits, thus limiting the loanable funds such bank might otherwise have. Banks being unable to give the needed assistance, there seems to be no other source left, excepting our own Government. Agriculture being the basic industry, it should not take much argument to convince everybody that it would be to the advantage of all to give such aid to enable this industry to get along and develop."

From the Towner County Bank, Perth, N. Dak.:

"At a gathering of farmers and business men here this afternoon, it was the consensus of opinion that the Coulter bill for the aid of the wheat farmer was a good thing, and that every effort possible should be made to pass the measure in Congress. Will you not use your best influence toward this end?"

From the Commercial Club, Fargo:

"We want you to know that the members of this organization are vitally interested in the success of this measure, believing that it will be of great assistance to the people of our State in making further headway along diversification lines, and we want to urge upon you to use your best offices to get this bill approved by Congress."

From the Farmers' Equity Exchange, Scranton:

"The Farmers' Equity Exchange, of Scranton, N. Dak., with a membership of 130, indorses unanimously the Coulter $50,000,000 livestock loan bill, being House bill 4159 and Senate bill 1597, now pending before Congress. This bill will advance diversified farming in the Northwest by from 5 to 10 years and offers permanent relief. We trust you will use your best efforts to the end that this bill may be passed."

From the La Moure Community Club, La Moure:

"At the regular monthly meeting of the La Moure Community Club, at which a full membership was present, a resolution was unanimously adopted favoring the Norbeck-Burtness agricultural relief measure as being by far the most practical measure yet proposed for restoration of agriculture here in the Northwest. We believe it will prove to be the solution of our farming troubles and, if wisely administered, will prove profitable to the Government as well as a dominant aid to real, practical farming."

From the First National Bank, Buffalo:

"We write you this letter to urge you to do everything you can for the proposed $50,000,000 livestock loan. We have canvassed our farmers here, and a good 50 per cent of them are anxious to take advantage of this loan and go into the livestock business on a larger scale."

From the Thompson Stock Farm, Page:

"I hope you will do whatever you can to get this bill through for the benefit of the State and the farmers in general. I feel that stock raising is what this State must come to, and the sooner they start the better. Hogs and dairy cattle at least."

From Oakes Commercial Club:

"At a recent meeting of the Oakes Commercial Club, held for the purpose of discussing the $50,000,000 livestock loan bill, I was instructed to write to you and inform you that passage of the bill is urged by the business men of Oakes, it being the opinion of such business men that passage of the bill will greatly benefit the farmers in this community, as well as to stimulate business in general. Farmers in this section of the country desire to change from wheat farming to cows, hogs, poultry, and a diversity of crops, but are greatly handicapped by lack of ability to finance the change. Some governmental assistance is surely due the farmers of the Northwest, and it is believed the Coulter plan will meet their immediate needs more satisfactorily than any method previously under consideration."

From Northern Pacific Associated Shop Crafts' Booster Club, Jamestown (160 members):

"*Resolved*, That the employees of the Northern Pacific Railway Co., as represented by the Associated Shop Crafts' Booster Club, of Jamestown, N. Dak., are fully in accord with the provisions of the bill now before Congress, known as the Coulter bill (H. R. 4159 and S. 1597), providing for the relief of the Northwest farmers in the shape of financial assistance through a Federal loan, believing that present conditions throughout the Northwest fully warrant and justify the passage of such remedial legislation."

From the First National Bank, Petersburg:

"We have studied the North Dakota situation a great deal during the last few years. We are fully convinced that the salvation of our State depends greatly upon the introduction of diversified farming. Of all the plans which have been put forward for governmental assistance, the only one that at all appeals to us is the Coulter plan, and we are inclined to believe that this plan is the only one that stands any chance of getting through, and after all we believe the best way for our people is to start in helping themselves along diversified-farming lines."

From Bottineau County Bank:

"It is our understanding that the $50,000,000 livestock loan bill is now pending in Congress. We, together with the majority of the people in this community, are in favor of the passage of this measure and respectfully urge your careful consideration."

From Langdon Commercial Club, Langdon:

"We, the Commercial Club of Langdon, do heartily indorse House bill 4159 and Senate bill 1597, and urge you, our Congressman, to give this bill your whole support."

From Bank of Scranton:

"The Coulter $50,000,000 livestock loan bill is now before Congress for consideration. The sentiment of this community, including farmers and business men, is 100 per cent in favor of the passage of this bill, as it will advance diversified farming in the Northwest for from 5 to 10 years, and it appears to offer permanent relief for farmers not now able to finance themselves in diversification. We trust that you will use your best efforts to the end that this bill may be passed."

From Community Club, Borduine:

"*Be it resolved*, That owing to the present difficulties of the farmer in the Northwest, we favor the so-called $50,000,000 loan bill as introduced by Senator NORBECK, of South Dakota, and Representative BURTNESS, of North Dakota, and ask you to help in making this a law, so that our farmers can work out of their present difficulties."

From N. W. Hawkinson, Rock Lake:

"Isn't it about time that some real farm legislation was passed at Washington? It seems to me the two bills that ought to be put over are the so-called Coulter bill and the McNary-Haugen bill, or the Norris-Sinclair bill amended. The Coulter bill is a fine bill for those that save and need to take advantage of it, but it can not turn the great Northwest into a dairy farm overnight. It will be slow but sure in its work. In the meantime a bill like the McNary-Haugen bill should be immediately passed, so that the farmers will have some assurance that the 1924 farming operations will at least not show a loss."

From Bank of Munich:

"We urge you to do all you possibly can in favor of the Doctor Coulter bill. Many of our good farmers have suggested that we write you. You are also urged to do this by the request of all interested in this bank."

From Munich National Farm Loan Association:

"It was suggested at our recent stockholders' meeting that I write and urge you to do all in your power for the passage of the Doctor Coulter livestock loan bill."

From First Security Bank, Raleigh:

"On behalf of the business men of Raleigh, N. Dak., I write you relative to the livestock loan bill which is now or will be up in Congress. It is the desire of the local business men that you use your best efforts on behalf of the passage of this bill and to the end that it will be passed in time so the farmers can make

feed preparations at seeding time. Personally, I believe this is the most important legislation which could possibly be brought up to benefit the Northwest permanently. Its effects will be lasting, and the relief afforded will be immeasurable."

From Turtle Lake Commercial Club:

"Whereas there has been introduced in the Senate, by Senator PETER NORBECK, of South Dakota, known as Senate bill 1597, and in the House of Representatives, by Representative O. B. BURTNESS, of North Dakota, known as House bill 4159, quoting a plan for agricultural relief and to speed up diversified farming in Minnesota, the Dakotas, and Montana, known as the $50,000,000 livestock loan bill; and

"Whereas this plan provides for a $50,000,000 revolving livestock loan fund to be advanced by the Government to farmers of the Northwest for the purchase of dairy and beef cattle, sheep, hogs, and poultry, making it possible for those who want and who are competent to diversify, but who are unable to finance the change; and

"Whereas the spring-wheat farmers of the Northwest have been losing an average of $5.63 per acre annually on wheat grown during the past five years, due to price deflation, increased cost of production, and poor yields, making it necessary for the farmer of the Northwest to diversify in order to be self-supporting; and

"Whereas this bill will meet the situation confronting the farmers of the Northwest: Now, therefore, be it

"*Resolved*, That a copy of this resolution be spread upon the minutes of this meeting, and the secretary be, and is hereby, instructed to mail a copy of this resolution to the above-named Senators and Representatives."

From Leal National Farm Loan Association:

"This bill, if passed, will, I believe, be of immense help to the Northwest, not only to the farmers but to everyone. I am writing this to let you know the sentiment here, not only of myself personally but also of the Leal National Farm Loan Association, and we earnestly urge you to do everything in your power to secure the passage of this worthy bill."

From Graves & Co., Carrington (farm lands and city property):

"May we urge the passing of the bill suggested by Doctor Coulter for loans to the farmers of this and adjoining States for the purpose of securing more and better livestock?"

From Merchants National Bank, Dickinson:

"The Dr. John Lee Coulter bill meets with general approval. Its aim, as we understand it, is to help the farmer help himself by working along the lines of diversification, which, generally speaking, is so much needed. With the purchase of cattle and sheep, any farmer should be able to build himself up and eventually become prosperous and happy. Livestock is looked upon as good security, and the Government would not be taking much chance in furnishing the money for its purchase, as proposed in the aforesaid bill.

"We look upon this as a construction measure which will mean much to the present and future of North Dakota, and we feel sure that the measure will receive the hearty support of our entire delegation in Congress."

From Farmers State Bank, Wo dworth:

"Our people are interested in the proposed bill No. 1597. Its benefits would be far-reaching and a consistent help to our agricultural people. We urge your constant efforts toward the passing of this measure with as little delay as possible."

From Kiwanis Club, Devils Lake:

"At the meeting of the Devils Lake Kiwanis Club, held at Devils Lake, N. Dak., January 22, 1924, the Coulter livestock loan bill was discussed, and it was unanimously voted that this club heartily approve it and respectfully suggests to the Congress of the United States the necessity of the relief proposed, and that this bill meets with the unanimous approval and support of the farmers, livestock growers, and the business and professional people of this part of the Northwest with whom our members are in touch."

From Farmers and Merchants National Bank, Jamestown:

"The Jamestown Clearing House, I think, has already wired or written you that we are in favor of the passage of the so-called Coulter plan. I think, in fact, anyone interested in giving the Northwest an opportunity is interested in this measure going through. It will certainly give a good many worthy fellows an opportunity to make good who at this time do not have the chances to avail themselves of greater factors."

From Cando Welfare Club:

"*Be it resolved*, That the Cando Welfare Club, consisting of 100 members made up of business men and farmers in and around Cando, at their regular meeting on the 4th day of February, 1924, did unanimously vote to petition Congress to speedily adopt without modification the $50,000,000 livestock revolving bill, for reasons that—

"1. Our people have been delayed in diversification past a point where they can help themselves or the banks can help them by having the livestock balance ruined through the plea of the United States Government to raise more wheat during the war;

"2. Only a loan, and not a gift, is asked;

"3. This bill will bring about a situation which will enable the farmers of our territory to at least make their own living on their own farms, which they are not doing now;

"4. It provides the start in breeding stock whereby the farmers can grow back their livestock balance to where it should be;

"5. More corn, alfalfa, sweet clover, and feed crops will be raised in place of wheat as the amount of livestock demands it."

Mr. President, I might quote hundreds of similar letters as indicating the demand for this legislation which is intended as an emergency measure for the aid of the farmers of the spring-wheat belt in an effort to restore these farmers to somewhat near the same parity as in other lines of agriculture, whose markets were not destroyed by a fixed maximum price for wheat while all others were permitted to profiteer off from the wheat farmer. It should be borne in mind, however, that permanent relief can only come through a stabilized market price that will insure the farmers the cost of production, plus a small profit, taken one year with another, the same as is assured to other lines of undertaking, and especially following a great crisis such as we have recently passed through in this country. It is fully realized by the promoters of this bill that it is only a temporary means to serve for two or three years to aid those farmers who are no longer in position to avail themselves of the regular source of credit now denied them, because they plunged patriotically into wheat growing on the appeal of their Government to help save world democracy, and are now forced to the wall because the Government fixed an unfair price for their crop—wheat—and then penalized the producers by withdrawing all forms of protection which they had a right to assume would be afforded them for their patriotic service.

To restore the wheat farmer of the West and of the Northwest spring-wheat belt to a parity with other branches of agriculture two things are essential:

1. To return something of the rightful profits of wheat of which the wheat farmer was deprived by governmental price fixing for his wheat, and which he was forced to produce at a heavy loss while all from whom he purchased his necessities were permitted to profiteer off the farmer during the same period. The so-called livestock loan bill, Senate bill 1597, will, if enacted into law and carefully administered directly with the farmers, in some measure accomplish this—that is, restore the wheat farmer to a parity with other parts of the country.

2. The farmer must receive a reasonable price, so as to enable him to have a small profit on what he produces, and through organization enable him to shorten the spread between the producer and the consumer by the elimination of some of the distribution expenses, to the benefit of both producer and consumer. Orderly marketing and the conversion of his bulky raw materials into finished products are essential for his success.

To my mind, the Norris-Sinclair bill or, better, a combination of this with the McNary-Haugen bill, is the best guaranty of permanently accomplishing this end of anything so far considered by Congress, and, above all, will stimulate cooperation on the part of the producers, will bring about cooperative marketing, and will meet with the least amount of opposition on the part of the opponents of the new order so essential for the reviyifying of a decadent agriculture in the United States. I hope, therefore, that the Norbeck bill may have early and favorable consideration by the Senate as a measure affording a considerable benefit to the farmers now in distress, and when taken together with a good marketing bill, which I trust may be passed at the present session of Congress, properly administered, will do much in the way of reestablishing a profitable agriculture. Since the Norbeck bill contains provisions for aid to other sections of the country where agriculture is badly depressed, the measure should have generous support, and when enacted into law prove highly beneficial in giving the farmers hope for better times.

Mr. FLETCHER. Mr. President, I regret very much that I can not give my support to the pending measure. I think there are numerous objections to the bill; some of them, certainly, insurmountable. It is a mistake, in my judgment, to undertake by special legislation to meet local or varying conditions throughout the country. The measure is unsound in principle. It is going to the extreme limit of any power which we may have, if indeed it does not transcend any authority that vests in the Congress, to make appropriations for the purposes named in

the bill. It is too much like a sort of patronizing generosity extended toward particular interests or an industry, a generosity in the use of other people's money. The Congress has no right to appropriate the money of the taxpayers of all the country in order to serve some particular local interest.

There are two views with reference to the proper method of remedying agricultural conditions. One is an economic view that the remedy lies along the lines of cooperation, wherein and whereby the farmers work out their own salvation. It would simply provide the machinery for them to serve themselves and accomplish good through their own efforts, unhampered and not discriminated against. The other view is that we must depend upon remedial legislation. Either of them, in my judgment, may be carried to the extreme. I have always had the view that there was legislation needed so as to put the great fundamental industry of the country—agriculture—upon a proper, sound, healthy basis. I have also held the view that cooperation was one of the prime means by which they could accomplish what was desired; in other words, a combination of both the economic view of cooperation and the view that remedial legislation was the remedy that should be resorted to, but extremes in either direction should be avoided. I think now we are launched upon an extreme effort to accomplish things by legislation which in my judgment can never be thus accomplished.

Perhaps in order to get a view of the situation we ought to reflect upon what has been done by Congress heretofore with respect to agriculture. I recall that as far back as 1912 I became fully impressed with the thought that this industry, which lies at the basis of all prosperity and strength and health in the Nation, was not treated fairly with respect, especially, to our financial institutions and system. At that time, as we know, we had a national bank law, establishing national banks, and our financial system was purely a commercial system. Under the law national banks were prohibited from making loans upon real estate, for instance. Real estate was the farmer's chief asset. National banks were required to keep assets liquid. It was not good banking to make long-time loans.

We had no system then that would accommodate agriculture. It amounted, in my judgment, to a clear discrimination against agriculture. The farmer could not get long-term accommodations through any institution we had established. He depended upon private capital for any accommodations that he required, and frequently could not get any loan at all on his real estate. When he went to negotiate short-term obligations, notes, bills, or acceptances, he had to pay whatever rate of interest the bank saw fit to charge him.

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER (Mr. FRAZIER in the chair). Does the Senator from Florida yield to the Senator from Iowa?

Mr. FLETCHER. I yield.

Mr. BROOKHART. Is it not true, I would like to inquire of the Senator from Florida, that the high rate of interest which was charged was largely upon money that had been deposited in the banking system by the farmers themselves?

Mr. FLETCHER. Unquestionably that was the case.

I became fully convinced that there was an obligation resting upon the Congress to establish a financial system that would meet the needs of agriculture, hence I became very much interested in that important subject. There was formed an American commission composed of two delegates appointed by the governors of the various States, respectively. There was also created the United States commission in pursuance of an act of Congress which provided for such a commission to be appointed by the President to cooperate with the American commission inaugurated under the auspices of the Southern Commercial Congress, for the purpose of studying the question of rural credits in the older countries of Europe where various systems had been in successful operation for from 50 to 100 years.

As chairman of both those commissions it became my duty, as it was my privilege—and to that I devoted my whole heart and soul—to ascertain in a practical way and just how we might fit in the system established under our laws with the methods and practices that had been pursued so successfully in the older countries of Europe. We made a study of all those systems, spending three months in direct contact with them. We made a report to Congress of something over a thousand pages. I introduced a bill and the commissions caused to be introduced a bill, and the matter was pursued vigorously, resulting finally, without going into the details, in the passage of the farm loan act. That was passed in 1916.

The farm-loan system was established to provide the capital needs of farmers, long-term credits, at a reasonable rate of interest, and upon terms which they could meet in the orderly process of their business. The result has been that a billion three hundred million dollars have been loaned to farmers in this country at 5½ per cent interest, with the right to pay off the principal at the rate of 1 per cent per annum, and with the further right to pay off any or all of the obligation in each case at any period after five years, and upon other terms practically of their own choice.

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Iowa?

Mr. FLETCHER. I yield.

Mr. BROOKHART. I have read the very thorough and admirable report of the Senator's committee, but the farm loan act as administered up to date does not seem to me to come up to expectations of its accomplishment. Something over a billion—about a billion and three-quarters dollars—have been loaned through the land banks and the joint-stock land banks; but is it not true that the farmers want seven or eight billion dollars and perhaps nine billion dollars of such loans in order to take care of their just needs?

Mr. FLETCHER. As the Senator suggests, I think undoubtedly this business will expand; that the applications will come in, perhaps, more rapidly than they have done in the past, and that the system will grow. I believe that the farm-loan system, especially since there has been added to it the intermediate credit banks, is destined to become the greatest financial system in the world. There is not any doubt but that the farmers already owe some six or seven billion dollars, most of it secured by mortgage. All that can be liquidated under the farm-loan system, and borrowers can become applicants under that system and obtain the accommodation upon the terms provided by that system. One of the purposes specified for which loans can be procured is to pay off existing liens. The Senator will recall it required some months to organize the system, establish the 12 Federal land banks, and begin operations. Furthermore, very shortly after loans commenced suit was instituted in the United States courts, instigated by private mortgage concerns, opponents of the system, because it assured a reduction in interest rates and afforded a competition they did not relish, attacking the constitutionality of the act. While that suit was pending for some 18 months, and until the Supreme Court handed down its opinion holding the act constitutional throughout, in February, 1921, no bonds were offered and no loans were made. I consider the act has been ably and wisely administered and, all things considered, with marked success. It has proved a blessing to agriculture and will grow in usefulness unlimited if allowed to function as it should.

Mr. BROOKHART. I should like to ask if the Senator from Florida thinks the removal of certain of the cooperative features of the system in the last Congress was an advantage to the system? Would it not be better to develop the cooperative idea rather than to have a central control?

Mr. FLETCHER. Beyond any question, I think so. I think, as the Senator has suggested, it was most unfortunate to add to the intermediate credit act what is known as "Title III—Amendments to the farm loan act," taking practically the control of the Federal land banks out of the hands of the stockholders and vesting it in the Farm Loan Board. I think that was a great mistake, and I certainly should have opposed it had I been present. As the Senator knows, that legislation came into the Senate as a part of the conference report on what were known as the Lenroot-Capper bills.

The conferees added Title III as an amendment to those bills in the conference report, so that the Senate either had to concur in the conference report or the Lenroot bill and the Capper bill, and the provisions for the intermediate credit banks and the national agricultural credit corporations would have been defeated. Hence the legislation was agreed to in that way, and Title III, without having been considered by the Senate, became a part of the law in that extraordinary fashion, to which I think, had I been here, I should have been obliged to object. Unfortunately I was detained on account of a case of grippe which attacked me during the last few days of the session and I was not present. I think I should have been obliged to object to that legislation on the ground that it changed the fundamental law with respect to the organization of the farm loan system and the control of the Federal land banks. It was time the temporary organization of these banks should be terminated and we should have gone back to the original act, which provided there should be nine directors for each of the banks, three named by the Farm Loan Board and six elected by the stockholders represented by the national farm-loan associations. That, however, is the law.

I have introduced a bill, which is now pending before the Banking and Currency Committee, to repeal Title III of that act, passed at the close of the session, March 4, 1923. The Banking and Currency Committee are now considering that and other proposed amendments to the law, and it is to be hoped that there will be a restoration of the cooperative features of that system effected by subsequent legislation.

Mr. BROOKHART. I hope the Senator from Florida may succeed in that effort.

I should like to ask one additional question. The loans under the Federal farm loan act are based on bonds that are tax exempt, are they not?

Mr. FLETCHER. They are; those bonds are exempt from all taxation.

Mr. BROOKHART. Does that, in the opinion of the Senator, reduce the interest rate to the farmers themselves?

Mr. FLETCHER. Unquestionably it does.

Mr. BROOKHART. In order that the farmers may have an equal proportion of tax-exempt bonds with cities and municipalities, is it not true that the amount of the farm loans should be increased to seven or eight billion dollars? Would not that be necessary before they would have their just proportion?

Mr. FLETCHER. I think the Senator's view about that is correct. There is not a shadow of doubt that if we destroy the tax-exempt feature of the farm-loan bonds we shall raise the rate of interest from 1 to 2 per cent to the borrower, and we shall not be able to make loans within the rate fixed by the law, namely, 6 per cent. The tax-exempt feature of those bonds, I will say to the Senator, inures to the advantage of the farmer, who is the borrower, because the law prohibits the banks from getting the benefit of the exemption, in that the banks can not charge the borrower exceeding 1 per cent above what the bonds sell for, so that necessarily the benefits go to the borrower and not to the Federal land banks, even though the borrowers are the stockholders of the Federal land banks.

Mr. BROOKHART. Under that situation if a constitutional amendment should be adopted prohibiting tax-exempt securities, it would not be fair unless it allowed the farm-loan banks to issue such an amount of bonds as would give the farmers their proportionate share of tax-exempt securities, would it?

Mr. FLETCHER. I think the Senator from Iowa is correct as to that. I expect later on to discuss the subject of the proposed constitutional amendment with reference to tax-exempt securities, if it comes up again. I am cordially opposed to it, because the very proposition originated with the land-mortgage banks that were assailing the tax-exempt feature of the farm-loan bonds, and if such a constitutional amendment should be adopted it would seriously cripple, if not destroy, the farm-loan system, because the Government of the United States would be obliged to tax farm-loan bonds in order to be able to tax State securities. The result would be the imposition of taxes upon farm-loan bonds, and, as I have said, would practically destroy the system. It is the tax-exempt feature that enables those bonds to sell at and above par, bringing from 4½ to 4¾ per cent interest.

Now we have established that system. We proceeded a little later on to extend the Federal reserve system so as to authorize securities maturing three to six months longer than before to be eligible for rediscount in the Federal reserve banks. We extended that time very largely to help in orderly marketing agricultural products. We have established the intermediate credit banks for the purpose of affording short-term credit for farmers. We have provided for national agricultural credit corporations for the same reason.

We have provided that corporations or organizations or associations of farmers for the purpose of promoting the marketing of their products shall not be limited by any provisions of the Sherman antitrust law. We have provided five different measures of relief.

Mr. BROOKHART. Mr. President——

Mr. FLETCHER. I yield to the Senator.

Mr. BROOKHART. The intermediate credit banks do not reach the individual farmers, except indirectly, do they?

Mr. FLETCHER. I think they have only issued some $40,000,000 of debentures up to this time, which have been largely utilized by cooperative associations and organizations.

Mr. BROOKHART. They have been used in rediscounting farm paper for the banks.

Mr. FLETCHER. I think they have been utilized by marketing and other similar cooperative agricultural associations or corporations.

Mr. BROOKHART. Would it not be a proper extension of that system to permit the establishment of direct cooperative banks to receive the deposits of farmers?

Mr. FLETCHER. I am not so sure about that; that is an interesting question. I know the Senator is very much concerned about the cooperative bank plan, and I think he is, in the main, on the right track; but whether they could be connected with the intermediate credit banks and have the Government go directly into the banking business—for that is what it would mean—is a question to be considered.

Mr. BROOKHART. If we should amend the law so that those banks would have cooperative control, that would ultimately let the Government out of them.

Mr. FLETCHER. Of course, if we could do that, it would be desirable; but if we provide for the Government running these institutions or even starting them, I question very much whether we will ever be able to get the grip of the Government off their throat. The idea, it seems to me, is that whenever the Government takes hold of a situation like that it reaches further and further, for more and more control, as in the case of the Federal land banks. The stockholders of those banks do not elect a majority of the directors, although we originally provided for that in the act. We have since provided that 3 of the directors shall be named by the Farm Loan Board, 3 shall be elected by the stockholders, and the stockholders shall nominate 3, from which number the Farm Loan Board selects 1, the board fixing the compensation of the directors, so that in effect it gives the Farm Loan Board control over the banks. Whether the Senator will ever be able to get a cooperative system so that the cooperators will control rather than those in command is a question.

Mr. BROOKHART. That will depend in part on whether we can secure the adoption of the Senator's amendment. If we can, I think probably we might develop the whole system by similar amendments. The Senator's amendment would furnish a start for a complete cooperative system.

Mr. FLETCHER. I will be glad to take that up when we get to it. However, I was outlining the history of what the Government has done in respect to agricultural credits. I believe we ought to proceed to lay down general principles and pass general legislation, and avoid so far as possible special legislation to meet particular or special conditions.

We have, as I said, established a farm-loan system. We have established the intermediate credit banks. We have provided for the organization of national credit corporations for marketing purposes. We have done other things in this direction. For instance, we have undertaken to influence prices through the use of Government authority. The regulation of important marketing agencies, such as the packers, the specific limitation of certain practices, such as the dealing in futures, the modification of freight rates in the interest of the producers, the limitation of certain middlemen's charges, and, last but not least, the enactment of a tariff—those are the things that we have done, with what result? In a general way I have mentioned the benefits that have arisen under the system known as the farm-loan system. Undoubtedly great benefits have resulted from this expansion of the Federal reserve system, and I believe benefits will result from this intermediate credit bank system and other things that we have done to place agriculture on an equal footing with other industries of the country and relieve it of adverse discrimination.

It seems to me we have gone about as far as we can go with safety in that direction. It is a dangerous thing for Congress to undertake to launch out and make appropriations to endeavor to bolster up or help out situations which arise in the course of events and which can not be cured by legislation, and yet these conditions exist. I accept the statement of the Senator from North Dakota [Mr. LADD] regarding conditions in the Dakotas and Minnesota and the Northwest. I have before me some letters written by Mr. B. F. Yoakum, who has been a student of this subject for some years and has written a good deal upon it, that are full of important information. His articles appeared in the New York Times. He says:

> When Col. C. H. March, of Litchfield, Minn., was summoned to Washington to report upon the agricultural situation to President Coolidge, he was reported as saying to the President, among other things:
>
> "A gloomy picture of the agricultural situation is the only one that I can present. The wheat farmer is not the only one in trouble. Virtually every farmer is in a bad predicament and facing ruin. The farmers find themselves unable not only to pay their taxes and debts, but can't pay their interest."

Further, he says:

> Summing up my observations with these farmers confirms the truth of what I have often asserted, absolutely beyond doubt, that the prices the consumers are paying are from 100 to 1,200 per cent

over the prices the farmers receive. Here I want to remark that the broader the scope and the closer investigations I make the more startling is the enormous difference between the farmers' and consumers' prices.

In another instance he says:

The difference between my position and Mr. Wallace's lies in the fact that for a $7,500,000,000 crop, farm value, the consumer pays $22,500,000,000, while I contend that there should be a readjustment under which the farmers will receive two-thirds of the $22,500,000,000, or $15,000,000,000 paid by the consumers instead of one-third, or $7,500,000,000.

To put it another way, Secretary Wallace's proposition is to save the farmers annually $184,000,000. Under my plan the farmers' present income would be increased from $7,500,000,000 to $15,000,000,000 a year.

I do not want to be understood as arguing against a reduction in freight rates. That is a matter for the Interstate Commerce Commission to determine. I am only drawing the comparison of two suggested methods of aiding the farmer—one a mere bagatelle, the other a broad, substantial, and permanent way to make the agricultural industry of the Nation profitable and place it upon a permanent and lasting basis.

The farmers can charge off all of the $730,000,000 freight bill, which, after all, is less than 10 per cent of the $7,500,000,000 now wrongfully taken by others from the products of their investment and labor. The idea that I am trying to convey is that the farmers now pay a freight bill of $730,000,000 a year. It is also costing them to pay the cost of distribution, through profits, commissions, etc., $7,500,000,000. Therefore if from an accounting standpoint they charge off their whole freight bill, they would still be ahead $6,750,000,000 under my plan.

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In my investigations and estimates I have used values at the farm, as reported by the Department of Agriculture, of food articles aggregating $7,500,000,000.

Evidently, therefore, the situation is not at all satisfactory. There is great depression in agriculture in many portions of the country. The remedy suggested by Mr. Yoakum is to reduce the spread between the farm and the breakfast table by establishing a better system of distribution.

Another proposed remedy is to broaden our markets by reaching the markets overseas and abroad. For instance, as stated by another authority:

Unparalleled distress has come to American farmers since the World War. Part of this national calamity is due to the long-continued economic and political disorders of Europe, which have impaired the power of valued customers to purchase farm products.

And that is confirmed in a way by action taken by farm organizations.

The American Farm Bureau Federation, in December, 1923, said:

We urge the immediate adoption by the American Government of a vigorous foreign policy designed to carry out America's obligations resulting from her war aims and the terms of the armistice which ended the war, and thus to restore peace and prosperity to Europe.

The American National Livestock Association, in January, 1924, said:

The principle of isolation is incompatible with world commerce; * * * the stabilization of European finances is of the first importance as a factor in the restoration of our own prosperity.

Then the Farmers' National Council in January, 1924, expressed similar sentiments, all suggesting what they regard as a possible remedy.

The actual condition as pictured is most appealing. In some of the States there are vast areas of lands which are now utilized in the growing of wheat which will produce nothing but wheat. It is impossible to provide for any system of diversification there, because these lands will not produce anything of consequence but wheat. They are not good for grazing; they are not suitable for the production of corn, or potatoes, or other products; and there is no way that I can see in which the Government should appropriate money to encourage diversification where only one crop is possible, and there is no sense in appropriating money to stimulate additional efforts to increase production of wheat on lands where the producers admit it can not be done profitably.

This condition in the Northwest, as related by Senators and by Mr. Yoakum, is rather inconsistent with that we hear a good deal about once in a while, and sometimes in the newspapers, to the effect that the country is very prosperous, that everything is going on splendidly, that everybody is happy, and conditions are all fine. Nevertheless, we must accept the statement of the Senator from North Dakota and of these authorities on this subject as to agriculture. I am informed that some 43 industrial plants between Philadelphia and Wilmington are practically closed; that the Baldwin Locomotive Works have reduced their force from 12,000 to 1,800, and are working only three days a week; so I am disposed to question this propaganda in regard to the prosperity of the country and the delightful conditions that exist everywhere.

There is, however, another view of this situation, even in the Northwest. I have here an article by Mr. Roger W. Babson, who writes now from Florida. Many of the country's leading and prosperous citizens find their way to Florida, some of them not forced to go there at all, but influenced by considerations of pleasure and health and general satisfaction, and are acquiring homes down there. Mr. Babson writes from Babson Park, Fla., as follows:

When in Minnesota recently I made a statistical analysis of each of the Western Central States, comparing sources of purchasing power and relative conditions. It is generally understood that crops provide the major portion of the income of this section and that manufacturing plays a relatively small part. In general, this is true, but the increase in manufacturing has been very rapid recently, and our old conceptions must be corrected if we are to think constructively regarding this section.

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Analyzing the situation a bit further, we uncover another mistaken impression. I find that business men in other parts of the country, at least, discuss this section as "the wheat country," and talk as though they assumed that wheat was the most important crop if not the greatest source of income. From an agricultural standpoint the figures on the relative importance of this crop are decidedly interesting. In North Dakota and Kansas only do we find it as the most important crop. In South Dakota, Nebraska, Iowa, and Missouri corn provides a greater income and is more important to the prosperity of a local community. Analyzing the situation in Minnesota, I find that wheat represents but 17 per cent of farm products, while 23 per cent is derived from hay, 22 per cent from corn, 13 per cent from oats, and 25 per cent from miscellaneous products.

* * * * * * *

Every year when traveling through these States I find more and more capital being invested in manufacturing, mining, and other than agricultural activities. The principal industrial plants as yet are confined to milling and slaughtering industries directly connected with agriculture. Canning factories are being erected at a rapid rate; dairies are increasing; and the lumber industry still plays an important part.

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It is true that fundamentally these Western States are better off to-day than ever before. Their crops are more diversified; they are continuing to manufacture a greater variety of goods, and they are accumulating more capital. The one weak point in the situation, if there is one, lies in the inability of this section to market its products on a satisfactory basis, although this same criticism may be applied to several other sections of the country as well. The present systems are not operating effectively and I thoroughly believe that the difficulty can be remedied by working along the line suggested by the four basic principles of merchandising, which may be outlined briefly as follows:

1. An excessive supply of any product, either manufactured or agricultural, tends to lower its price.

There is no question about that. It is largely a matter here, therefore, of overproduction. You must control the production before you can expect to control the price of these products. If there is an overproduction of a commodity, that necessarily will lower the price; or if there is a bad practice, improper plan of distribution of a commodity, even though the production is not in excess of the demand, that will tend to lower the price of the commodity.

First, then, we must consider this question of overproduction.

2. The customer must be given the product he wants, not the product we happen to want to make or raise for him.

3. The desired goods must be got to the consumer quickly and cheaply. This can best be accomplished by informing the distributing machinery afforded by modern advertising and merchandising developments.

He discusses each of this. I only mention the heads.

4. Borrow as little as possible instead of as much as possible. Interest charges constitute a fixed burden that must not be any larger than is absolutely necessary if the farmer or business man is to progress as he should.

I stop here to say that I think we have provided all the means for credit required to promote and establish a sound and healthy agriculture. I think it would be disastrous to the farmer to encourage borrowing to any greater extent than we have made easy for him and given him the facilities for

doing under the systems we have established. There may be some additions or changes which will make more efficacious the general plans already adopted. Several years ago, largely at the instance of the then Senator from North Dakota [Mr. Gronna], who was chairman of the Committee on Agriculture, the predecessor of the distinguished Senator who spoke to-day, we passed a bill providing for an appropriation of some $5,000,000 to purchase seed to supply the farmers in the Wheat Belt with grain to sow a new crop. That was a loan, in a way, but, so far as I am advised, only a small portion of it has ever come back to the Government.

Mr. McNARY. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Florida yield to the Senator from Oregon?

Mr. FLETCHER. I yield. I will be glad to be corrected if I am wrong.

Mr. McNARY. I think the Senator is in error as to the total of the loans to the farmers. Two million dollars was loaned to the farmers of North Dakota. Then, at a later time, through the agricultural appropriation bill, a million dollars was loaned to the farmers of Montana. In one instance 68 per cent has been returned to the Government, and in the other instance 62 per cent, so the total unpaid now of all these various sums is 33 per cent, 63 per cent having been paid.

Mr. FLETCHER. But that 33 per cent, I presume, is past due?

Mr. McNARY. Yes; it is past due.

Mr. FLETCHER. That is better than I supposed. I made some inquiry the other day, and I was unable to get the actual figures, but the report to me was that very little of it had come back to the Government. I scarcely expect much of this to come back to the Government if it is loaned to the farmers, because I think it really ought not to be expected that the Government would realize on a transaction of this sort. No business man would consider it as a business proposition. There is no adequate protection to the Government. The alleged security is a pretense.

Mr. Babson further says:

I am in favor of all legislation making it easy for the farmers and fruit growers to extend their present loans so as to avoid foreclosure, but I am very fearful of the result of making it easy for any people to borrow more money. I believe that the Federal farm loan banks and the other "cure-all" schemes are ultimately going to get the farmers into a lot of trouble if they are not administered with extreme caution. Too much money has been borrowed in the past to be put into nonproductive things. Farmers have speculated too much in land, and, in their case, if I may paraphrase the Bible, it is literally true that "borrowed money is the root of all evil."

In another statement, appearing in the New York Times of March 2, it is said:

READJUSTMENT IN THE FARMING NORTHWEST—TURNS TO DIVERSIFIED PRODUCTION AS WHEAT REACHES PRE-WAR PRICES.

The Federal Reserve Bank of Minneapolis states in its monthly bulletin as of the end of February that—

> "additional evidence comes to hand almost daily that substantial readjustment is now under way in the wheat-raising areas of this district. That the prices of agricultural products have practically reached pre-war levels is a generally recognized fact. However, a comparison with the price readjustment which followed the Civil War furnishes a very interesting commentary on the present trend of prices both for agricultural products and for the things which farmers must purchase.
>
> "These price changes are bringing about a revolution in the methods and plans of farmers in this section. Figures recently made available show that there has been an increase of more than 12 per cent in milk cows, 38 per cent in swine, and more than 10 per cent in sheep held in this district as compared with three years ago, and this is a much greater increase than has taken place for the United States as a whole.
>
> "There has also been a reawakening of interest in promoting diversification, crop rotation, better tillage, the study of markets, dairying, and animal breeding. The situation generally has not been so bad throughout this section during the past three years as to prevent an increased density of automobile ownership as compared with population."

That is perhaps a rather more rosy view than is quite justified, but it is another side of this picture.

John Reid, of Racine, Wis., head of the Reid Farm Implement Manufacturinig Co., recently stated that—

> The farm implement business lacks considerable of being a business at the present time, due to the inability of farmers to purchase new equipment.
>
> They find it possible, always, to buy an automobile, but not a plow.

The farmer, especially the farmer of the Northwest, has been facing a difficult situation, but I am inclined to blame the farmer. They place entirely too much dependence in one crop. The same condition is true in the South—or has been at least until recent years when a marked improvement is being shown. They depend, in Georgia and other Southern States, upon cotton. In the Northwest they base all their hope on wheat. When the prices are high they have no wheat and they have no cotton. When prices are low they have too much wheat and they have too much cotton, and as a result they never have any money.

> Diversified farming, dependence upon more than one crop, or type of crop, will establish the American farmer on a basis which he should never be thrown from, and that day is approaching.

I am not disposed to blame the farmer. I do think there is a great deal in this thought that the farmer needs to change from the one-crop idea and proceed to diversification, not only in the Northwest but everywhere else in this country.

The farmer has been devoting himself to his work very much as it grew upon him. He has followed in the footsteps of the past, very largely. He has been somewhat in a rut and, as some one has said, a rut is a grave with both ends knocked out. He is generally a conservative citizen. He has loads of common sense. He is acquainted with hardship. He is patriotic. He loves his country. He believes in law and order. He is an ideal citizen. He is the gentleman who produces the Nation's food. All food, for animal and for man, must come from the land, energized by the sun. The farmer lives nearest the fountain of life in the divine economy. I am not casting any aspersions upon him at all. I have been for years doing everything I could to advance his interests and to give him a fair deal, and that is all he has ever asked. He has not been coming to Congress hat in hand asking for these doles and these hand-outs which have been suggested in certain directions now. All he wants is to be treated fairly and squarely, just as other industries, just as other workers are treated.

It is proposed in this bill to do what? The bill is entitled—

> To promote a permanent system of self-supporting agriculture in regions adversely affected by the stimulation of wheat production during the war, and aggravated by many years of small yields and high production costs of wheat.

"Stimulation of wheat production during the war" is past. Some comment has been made about governmental interference, about what the farmer would have made if the Government had not gone in and fixed the price of his wheat.

Mr. President, we all remember that the farmers came here and asked to have that thing done. It was all done at the instance and request of the wheat growers. If it had not been done, there is no telling what price they would have gotten for their wheat. The Government guaranteed a minimum of $2.20 a bushel, and subsequently that was increased to $2.36 a bushel. Now wheat is selling for less than $1 a bushel.

The farmers wanted that step taken by the Government, appealed to the Government to take it, and it was taken at considerable risk. It so happened afterwards that we made gifts to Russia and gifts to countries in the Near East and other countries, and took this grain which the Federal Grain Corporation had accumulated to supply those needs. We created a market ourselves which ran up the price of wheat. That was the situation, and that step was taken, which fixes no blame upon the Government, but it was done then to save the wheat growers, so far as possible, and to serve them.

Now we say we are going to pass this bill so as to correct this condition "aggravated by many years of small yields." Will somebody tell me how Congress can pass a law that will increase the yield of wheat on the farms of the country? Will somebody suggest how Congress can legislate so as to give greater crops, more productive yields? Clearly that is a matter that can not be reached by legislation.

The next situation needing relief is "high production costs of wheat." Are you going to cure that by legislation? How can we pass a law that will reduce the cost of producing wheat? That is one trouble with this thing. Therein lies the danger in this kind of legislation, in my judgment. Congress undertakes by making an appropriation of $50,000,000 a year to correct the small yield of wheat in the one instance and to lower the cost of production in the other. That is the purpose set out in this bill, apparently, and if that is to be done, then the next thing we will have will be perhaps a proposal that Congress shall fix the wages which shall be paid on the farms, and that Congress shall fix the price the farmer shall pay for his cultivators and for his harvesters. Where are you going to end that sort of thing?

Mr. BURSUM. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Florida yield to the Senator from New Mexico?

Mr. FLETCHER. I yield.

Mr. BURSUM. As I understand, the purpose of this bill is not, as stated by the distinguished Senator, to increase the yield of wheat, but rather for the purpose of enabling the farmer to diversify, so that it will not be necessary to have only one crop; and also, perhaps, enable him to decrease the production of wheat in keeping with the market.

Mr. FLETCHER. I was reading from the title of the bill. I was using the exact language the bill gives us, "to promote a permanent system of self-supporting agriculture in regions adversely affected"—by what? By "the stimulation of wheat production during the war, aggravated by small yields and high production costs." Now, we propose to cure those.

Mr. BURSUM. The Senator, of course, appreciates that those statements are more or less recitals of things which occurred that caused the ills from which the farmer is now suffering.

Mr. FLETCHER. I understand that perfectly well. The Senator who just interrupted me has proposed an amendment to the bill since it was reported to the Senate providing for an appropriation of $20,000,000 more "in order to stabilize banks and trust companies within agricultural districts, States, or communities wherein public confidence in such financial concerns has become impaired on account of conditions," and so forth. So there we are, with $50,000,000 to be advanced to enable the Secretary of Agriculture to go out over the land and buy cows and pigs and sheep and goats and chickens, probably buying from these same people who now want the accommodations, and after he has them all corraled then he will sell them out at cost to the amount of a thousand dollars each to the farmers, respectively. The Secretary is then to take a lien on those chickens and hogs to secure the return of the money, and the farmer, of course, in the meantime having an abundant right and wanting to live, will be under the necessity of eating the chickens and the hogs.

I am talking now about the wild proposals here, as they seem to me. We have then proposed to be added to that another $25,000,000 to go somewhere else outside the wheat region to bring about diversification. Wherever the people are practicing the one-crop system throughout the land let us take $25,000,000 and go down there and tell them, "You have to diversify; you have to go out and instead of planting all cotton you must plant some corn and some wheat and some potatoes and some beans and some sugar corn, and that sort of thing, and we will loan you the money to do it." Then along comes the Senator from New Mexico and proposes to put in $20,000,000 to bolster up busted banks and trust companies.

Mr. BURSUM. Mr. President, will the Senator yield again?

Mr. FLETCHER. I yield.

Mr. BURSUM. I want the distinguished Senator from Florida to understand that that is the best part of the bill.

Mr. FLETCHER. I have not any doubt the Senator thinks that, and really there is some basis for argument in favor of the amendment that does not exist in favor of the original bill. I agree to that. But, Mr. President, here we have a proposition of $50,000,000 to the wheat growers, $25,000,000 to the one-crop farmers, which makes $75,000,000, and then $20,000,000 more for loans to banks that need bracing up, that have violated banking laws and lost the confidence of the depositors and are about to be closed up. The Comptroller of the Currency is to take that $20,000,000 down there and help those institutions out. A proposal to help the banks in connection with farmers. Where are we going to pour out the taxpayers' money next? That is $95,000,000 proposed already in the bill, and the senior Senator from New Mexico [Mr. JONES] the other day got a million dollars to help the farmers down in New Mexico. Where are we going to stop with this thing? Has the Congress the right to vote away the money of the taxpayers of the country in that fashion to be used, for instance, $75,000,000 by the Secretary of Agriculture to go out over the land and find where he can place the money? Of course if the idea is to provide a good campaign fund it can be made very effective in the next election. I would not venture to suggest that thought, but the possibilities are simply enormous. Twenty million dollars out in the West properly handled during the next campaign ought to bring big results. Seventy-five million dollars properly handled ought to carry the next election.

Mr. BURSUM. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Florida yield to the Senator from New Mexico?

Mr. FLETCHER. I yield.

Mr. BURSUM. The Senator does not seriously desire to have the Senate believe that any administration or any party would be so infamous as to undertake to capitalize the distress and the suffering of the country for political purposes?

Mr. FLETCHER. Oh, Mr. President, I merely suggest that by way of a possibility without indicating that that sinister purpose is what the gentlemen have in mind who have the bill under direction, but we do know perfectly well that the Secretary of Agriculture has all the work he can attend to right here in Washington. There come over his desk day after day all the problems and all the serious questions that he can solve and attend to without it being possible for him to devote himself to going over the country to administer the $75,000,000 fund. Of course, it means that he would have to employ a number of agents and representatives and send them out in every direction to handle the fund, to conserve it, if you please, to place it where it ought to go, and then to accept the liens in such form as he shall see proper to enable him to administer, through this extra force, the $75,000,000. Of course, he would have to do it pretty quickly, too. The Secretary of Agriculture can not do it. He would have to establish a regular bureau to handle the fund.

In the case of the amendment proposed by the junior Senator from New Mexico, the Comptroller of the Currency is to handle the fund. The Comptroller of the Currency has his hands full, too. But it is expressly provided in the proposed amendment that he shall have a $100,000 expense allowance to administer the $20,000,000 fund "to stabilize bank and trust companies within agricultural districts, States, or communities wherein public confidence in such financial concerns has become impaired." The Comptroller of the Currency is to take the $20,000,000 and restore confidence in those institutions. Why, Mr. President, we can not cure this situation by legislation, by making appropriation out of the Federal Treasury.

Mr President, here we have a proposition of $50,000,000 to the wheat growers, $25,000,000 to the one-crop farmers, which makes $75,000,000, and then $20,000,000 more for loans to banks that need bracing up, that have violated banking laws and lost the confidence of the depositors and are about to be closed up. The Comptroller of the Currency is to take that $20,000,000 down there and help those institutions out. A proposal to help the banks in connection with farmers. Where are we going to pour out the taxpayers' money next? That is $95,000,000 proposed already in the bill.

In a very interesting article in the proceedings of the Academy of Political Science for January, 1924, entitled "Agricultural credit problems," Mr. W. F. Gephart said quite truly:

> But the farmer will make a mistake if he pins too much faith to the acts of government and laws in the hope that they will solve his problems. The efficacy of law with respect to fundamental economic matters has always been overemphasized in popular thinking. It is difficult to believe that the intelligent farmer places much faith in many of the panaceas which are being advanced by his assumed official or unofficial spokesmen.

Affording a means for the farmer to get deeper into debt is not going to help the situation. Loaning him money to buy some hogs and cattle to put on land that never was grazing land and never will be grazing land is not going to help him. Loaning him money to diversify crops when the land he is cultivating will produce but one kind of a crop is not going to help him.

> Certainly much of what is being advocated for the benefit of the farmer will bring him no relief.
>
> Contrary to the popular belief and prevalent statements from many farmers and their friends, the essential difficulty in the agricultural situation is not one of credit. Few, if any, industrial classes have had more abundant credit than the farmer. In truth, he has at times had too much of it. But the late and present difficulty of the farmer is one of prices and not of credit—that is, as compared with the general price level, the price of farm products fell faster and still continues on a lower level than the prices of the goods which the farmer must buy.
>
> It is stated that one of the chief uses to which greater credit facilities would be put would be a reduction in the spread between what the farmer gets and what the consumer pays for farm products. However desirable it is to reduce the spread between what the consumer pays and what the farmer gets for his produce, it should not be forgotten that the present complicated organization of distribution, with its many classes of middlemen, is a process of natural economic development and not the result of wicked conspiracy of any class seeking to rob the farmer.
>
> If the farmer, through his associations or individually, expects to assume the rôle of a risk taker—that is, engages in the speculative

holding of his produce—he must understand that this is likely to be in the nature of a two-edged sword. He must realize that this has become the function of a speculator or risk taker, and that it is a highly specialized kind of work for which neither the training of the farmer nor his daily work as a producer fits him. Moreover, contrary to common belief, the rewards of such risk taking are not as great as is popularly supposed. Over a long period of years, if due allowance is made for interest upon the capital employed, wages, salaries, rents, and other ordinary costs of operation, there is left for any one of such operators no excessive amount of what can properly be called pure speculator's profit. * * *

Neither Government, nor laws, nor banks make credit. There is need not only for the farmer but for many other classes of business citizens to understand better the fundamental bases of credit and the relation of banks to it.

The cooperative idea is a most excellent one. I believe thoroughly in cooperation. I believe that idea of the cooperative associations of the Northwest resulting in the establishment of elevators was splendid. Some of them have failed. Some of the elevators did not serve as they were expected to serve—quite true; and why? It was because the elevators established in different localities through the cooperative organizations competed with each other just as the farmers compete individually with each other. What was needed was the establishment of a central agency which would have coordinated all the elevators in that region, and that agency should tie up with agencies in other parts of the country, and then that central agency could have fixed the price of the commodity. The basis of cooperation must be upon the commodity and not upon the organization in the different localities. What was needed was to tie up all those different elevators located in the different places by cooperative associations with one central agency and then the problem would have been solved. The wheat could have been held back until it was wanted. Then it could have been moved when and where the demand, at a fair price, existed.

Mr. JOHNSON of Minnesota. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Florida yield to the Senator from Minnesota?

Mr. FLETCHER. I yield.

Mr. JOHNSON of Minnesota. We tried to do that in the Northwest, but the chamber of commerce was too strong for us.

Mr. FLETCHER. The chamber of commerce too strong?

Mr. JOHNSON of Minnesota. Yes.

Mr. FLETCHER. Of course, I hope the farmers will get sufficiently strong that the chambers of commerce will not be able to overcome their plan. Chambers of commerce ought to realize that their prosperity and the prosperity of their members depends upon the prosperity at last of the farmer.

Mr. JOHNSON of Minnesota. If the Senator from Florida will read the decision of the Federal Trade Commission that was published here just about a month ago, he will find something with reference to the fight that the farmers have had in trying to establish their own agencies in the Northwest in the business of selling grain.

Mr. FLETCHER. I shall be very glad to read that at the first opportunity. I am much obliged to the Senator.

Mr. JOHNSON of Minnesota. I think it would be very interesting to the Senator from Florida.

Mr. FLETCHER. I repeat that I am much obliged to the Senator from Minnesota, and I shall undertake to read it.

What does the proposed legislation on this subject mean? Further paternalism, further centralization of power in the Federal Government. Do Senators suppose that the Secretary of Agriculture is going to handle $75,000,000 of the people's money without putting his hand on the industry that is thus being supported? Do Senators suppose the Comptroller of the Currency is going to use $20,000,000 without the necessity of additional agents and machinery and employees and further control? On that subject I should like to submit a thought which is found in Dr. Nicholas Murray Butler's very excellent book, entitled "Building the American Nation." At page 282 the author states:

The agents and officers of the National Government are in almost every community and in almost every place of business. In number they have multiplied manyfold, and, consequently, the cost of maintaining the National Government has advanced by leaps and bounds. Where 50 years ago the appearance of an official bearing credentials from Washington was a rare event and occurred only in connection with the Postal Service, the Customs Service, or the collection of internal revenue from tobacco and alcoholic liquors, that appearance is now an everyday occurrence. It may relate either to some large public interest or to the most intimate details in the administration of a national bank, a railway, an industrial corporation, or to the food and drink and medicine of the humblest household.

We are adding to these agencies; we are reaching out now to every farmer in the country, so that when the farmer gets up in the morning he is confronted with a Federal agent who accompanies him all through his daily tasks until he goes to bed at night. A farmer is a liberty-loving citizen, and he does not believe in being supervised all day long and even at night. However, that is the effect of this sort of legislation. I say I very much question whether under the Constitution we have the power or authority granted to us to do this sort of thing.

I refer, just for a moment, to another instructive work which has recently come under my observation entitled "Our changing Constitution," by Mr. Charles W. Pierson. Mr. Pierson says:

What, then, of the future? Is the Constitution hopelessly out of date? Are the States to be submerged and virtually obliterated in the drift toward centralization? No thoughtful patriot can view such a possibility without the gravest misgivings. The integrity of the States was a cardinal principle of our governmental scheme. Abandon that and we are adrift from the moorings which to the minds of statesmen of past generations constituted the safety of the Republic.

* * * * * * *

There is another aspect of the matter, however. The burden of Federal bureaucracy is beginning to be felt by the average man. He is being regulated more and more, in his meats and drinks, his morals and the activities of his daily life, from Washington. If he will only stop and think, he must realize that no one central authority can supervise the daily lives of a hundred million people, scattered over half a continent, without becoming top-heavy. He must realize, too, that even if such a centralization of power and responsibility were humanly possible, our National Government is unsuited for the task. The electorate is too numerous and heterogeneous; its interests and needs are too diverse. Shall the conduct of citizens of Mississippi be prescribed by vote of Congressmen from New York or supervised at the expense of New York taxpayers? Will an educational system suitable for Massachusetts necessarily fit the young of Georgia? Such suggestions carry their own answer. In the very nature of things there is bound to be a reaction against centralization sooner or later. The real question is whether it will come in time to save the present constitutional scheme.

The makers of the Constitution never intended that the people of one State should regulate or pay for supervising the conduct of citizens of another State. They made a division of governmental powers between Nation and State along broad and obvious lines. To the Federal Government were intrusted matters of a strictly national character—foreign relations, interstate commerce, fiscal and monetary system, post office, patents and copyrights. Everything else was reserved to the States or the people. Here was a scheme at once explicit and elastic.

* * * * * * *

The present tendency toward centralization can not go on indefinitely. A point must be reached sooner or later when an overcentralized government becomes intolerable and breaks down of its own weight. As an eminent authority has put it, "If we did not have States we should speedily have to create them." The States thus created, however, would not be the same. They would be mere governmental subdivisions without the independence, the historic background, the traditions, or the sentiment of the present States. These influences, hitherto so potent in our national life, would have been lost.

* * * * * * *

Will the people see these things in time? Americans with pride in their country's past and confidence in her future dare not say no. The awakening may be slow. Currents of popular will are not readily turned. It is hard to make the people think. But if leaders and teachers do their part American intelligence and prudence will assert themselves, and the slogan of an awakened public sentiment may yet be, "Back to the Constitution!"

I have attempted to present the thought that there is already established these permanent institutions, which are working in a satisfactory manner, by which the farmer can get the financial accommodation which he requires. We have at various times passed laws intending to put him upon an equal footing with all those engaged in other industries in the country. The remedy for his present ills can not be met by legislation of this kind. Some suggest that the means of relief lie along broadening foreign markets; some suggest that he must devise a better system of cooperation for distribution of his products.

There is one other thought, with which I propose to close these scattering observations, that ought to be urged in this connection. It is just as important to the farmer to have the cost of the things which he must buy reduced as it is to have

the price of the things he has to sell increased. Under what difficulty is he laboring? I have before me the North American Review of February, 1924, in which, at page 198, is an article by Mr. C. Reinold Noyes, under the title "Economic policies of the United States." In that article I find this statement:

The natural exports of this country are:

1. The exportable surplus of native raw materials, together with such partly manufactured products as are normally refined or prepared at or near the source for the sake of economy in transportation. Such refined products are meat, gasoline, lumber, etc. These exports may be natural even when the native supply of materials for refining is supplemented by imports of raws, as occurs with wheat, flour, refined copper, and leather.

2. The exportable surplus of the products of manufacture which are not native because of some exclusive character or advantage, or which can be sold below world competition because of the peculiar economies of our mass mechanical production.

The natural imports of the United States are:

1. Raw or partially refined materials, not indigenous to the United States, or supplemental supplies of native materials. To these must be added monopoly manufactures of foreign lands made from materials which can not be obtained at home, like burlap and flax fiber textiles.

2. Manufactures where manual labor represents a large portion of the cost, or where especial and traditional skill is required for the perfection of the product.

Mr. Reinold Noyes says further at page 200:

Another characteristic of our foreign trade which it is essential to recognize is that it is largely three-cornered. We export the bulk of our raw or refined products to industrial Europe. Europe exports manufactures to the agricultural world. The agricultural world exports its raw materials to us. Of our raw exports 75 per cent goes to Europe. Of our raw imports 90 per cent comes from the agricultural regions, including our neighbors. This current is to some extent short-circuited. Of the smaller part of our imports—manufactured goods—75 per cent comes from industrial Europe. And of the smaller part of our exports—manufactured goods—75 per cent goes to the agricultural world.

So long as the United States continues to have so large a proportion of its exportable surplus in the form of raw or refined materials it must find its principal foreign customers in Europe. For Europe is the only large consumer of imported food and raw materials. Europe will, in turn, pay us so far as she can in travelers' expenses and services and in such handmade and exclusive manufactures as we allow to enter through our tariff wall.

I quote next from page 203:

The farmer is suffering from the tariff because it has destroyed his market by eliminating a large part of the imports which the foreigner could pay for our exports; because it establishes an artificial level of prices on the goods the farmer buys, both directly on protected products and indirectly on all other products and services through the induced high labor costs; and finally because he must sell at world price levels his whole output of every product of which there is any exportable surplus. The market price of most agricultural produce is established by the price of the marginal increment.

The owners of natural resources suffer from the same limitation of exports. And their own opportunities in the export markets are curtailed as well by the high labor costs caused by competition for a limited supply of labor with industries which have been artificially created by protection. Among the manufacturers, those who are not protected are in exactly the same position as the farmers and the owners of natural resources. They gain nothing from protection and lose on all scores.

The tariff that limits the importation of foreign goods, and thereby allows the American manufacturer to add the tax and more to his goods, is not only undemocratic and unwise but it destroys the chances of selling the surplus of our goods and products to foreign countries. They can not buy from us unless we buy from them. The whole world needs a fair and reasonable means of exchange.

In the proceedings of the Academy of Political Science, to which I have referred, I wish to quote a little further from page 22 of the article by Mr. B. H. Hibbard, entitled "The relation of government to agricultural marketing." He says:

The last topic to be considered under indirect control of price is the tariff. No sooner had the war ended than the inevitable clamor for protection arose. We had been on a free-trade basis, respecting nearly all agricultural produce, but with the opening up of traffic with the ends of the earth it was at once evident that the prices of 1918 to 1919 were bound to tumble. The farmer had come to believe that a tariff was efficacious in raising the prices of steel products, of textiles, and of boots and shoes. Why, then, would it not perform a like service if applied to wheat, corn, butter, and pork? Of course, it is effective in relation to wool and sugar. Just how an import tariff on an exported article is to raise the price has not been revealed to any careful student of the subject, but to the candidate for the Senate from a northwestern State it is as visible as the traditional band wagon, or as a drum major in a parade. It does not occur to these gentlemen that it may well happen that wheat may, because of a tariff, be lower at some western Canadian village than across in North Dakota without contributing to the higher level in the latter market. In other words, it does not seem evident to many of our politicians that so long as we are on a world-market basis the exact amount exported is of minor moment.

The alacrity with which the Congressmen of the manufacturing districts took off their coats and came to the farmer-tariff logrolling furnished a scene to be remembered. Only one item of any importance was omitted. We have no tariff on upland cotton, yet it might have been had for the asking, and the present price of cotton has been cited to prove its value. The wool tariff is doing its duty in keeping the price of wool high. Sugar has shown its independence of the amount of protection proffered and risen superior to it. In the case of certain grades of our hard spring wheat there is normally a shortage, hence protection actually operates in keeping the differential between this and softer wheats wider than it otherwise would be. On such important products as the bulk of the wheat, corn, hogs, beef cattle, and dairy products the tariff schedules are about as important as were the incantations used in the manufacture of the Damascus blade. Similarly the farmer believes in the tariff as the smith who tempered the steel in the ancient shop had faith in incantations. The relation of the Government to marketing with respect to the tariff on agricultural products may be flimsy from the standpoint of economic reasoning, but viewed politically the relationship is a powerful one.

* * * * * * *

While it has never been the policy in this country to subsidize farmer marketing companies, it has been proposed, and in Canada it has been done. In Alberta and Saskatchewan government money was lent to local cooperatives with which to build elevators. In Manitoba the government built, and for some years owned, elevators. These have since, with few exceptions, been sold to a cooperative company. In the United States the raising of the funds for building the elevators has not been a determining factor in their success or failure.

On page 25 he says:

The real trouble with the farmer, beyond all others combined, is his inability to reduce his output with the fall in demand. No matter in what terms it is put, the sum and substance of the farmers' lack of prosperity during the past three or four years is overproduction. It may be that more food than ever before is needed in accordance with the number of people. The nightmare of Europe is people without food; with us it is inability to digest the food we have. There is too much of it.

The Government is concerned over the surplus of agricultural produce, especially wheat. To urge a lowering of production is hardly within its province, yet with good grace it can suggest turning from one product to another. Under strong political pressure the Government has recently advised a radical reduction in the acreage of wheat.

Further, on this subject of the tariff and the increased price to the farmer of everything he has to buy by reason of it, in this same volume there is an article by Mr. Benjamin M. Anderson, jr., entitled "The tariff in relation to agriculture and foreign trade." On page 78 he says:

The futility of protective tariffs on articles of which we produce a substantial export surplus in the United States ought to be apparent without argument. The only way in which a protective tariff can raise prices for producers is by limiting the supply inside the tariff wall. If, however, there is produced inside the tariff wall more than can be consumed there of a given product, as is the case with wheat, corn, cotton, hogs, and most other agricultural products in the United States, the only effect which a tariff can have is to make inconvenience. It can not benefit the general body of producers. On the other hand, by checking in some measure the inflow of manufactured gobds from Europe, it has made the prices of manufactured goods, which he has to buy, higher than they would otherwise have been. The present tariff legislation thus injures the farmer's selling markets and makes his buying markets less advantageous than they otherwise would be.

In addition, the absurd tariffs on wheat and cattle have brought about positive embarrassment to farmers and others in striking ways. At the Minnesota Bankers' Convention in 1921, grave concern was expressed over the losses to Minneapolis and other milling interests through their inability to import and grind up Canadian grain which formerly had come to them for milling, while dairy interests in Minnesota, Wisconsin, and other places were likewise injured by the loss of the cheap offals of wheat, bran, ship stuff, etc., which came as a by-product of the grinding of Canadian wheat. Mercantile and transportation interests in Chicago and Buffalo, which formerly had handled

Canadian grain, were inconvenienced, and the Canadian railways and the shipping of the St. Lawrence ports gained at the expense of American transportation interests.

The tariff on cattle likewise has created inconvenience not anticipated by the framers of the act. Canada raises little corn. Canadian cattle do not compete with American corn-fed cattle at the packing houses; rather, they constitute raw material for American cattle feeders. The American Farm Bureau Federation, through its Washington representative, Mr. Gray Silver, has recently filed an application with the United States Tariff Commission, asking it to make use of the sliding-scale provision of the tariff act to remove this tariff on cattle as far as possible. Cases have been reported from Montana of unused range on the American side of the line and unfed cattle on the Canadian side prevented from getting together, as the natural course of trade would dictate, by this arbitrary tariff wall.

We shall solve the world's problems only by taking a very comprehensive view of them. The solution is to be found in the restoration of sound money, sound finances, open markets, and a liberal international trade policy, and then in letting private enterprise alone to straighten things out. A radically different course, however, is natural when men take only a partial view of things. Disturbed by unsatisfactory markets due to derangements in world conditions, men in particular industries and in particular countries demand the erection of new barriers to international trade, which may help them temporarily but which still further demoralize the general situation. They ask for Government credits to support particular markets, which help the markets for a time but lead to worse reactions later and meanwhile weaken the Public Treasury. They ask for artificially low interest rates as a means of encouraging speculative buying. They ask for progressive currency depreciation as a means of raising nominal prices. Or they ask for artificial control of markets, which temporarily masks the underlying difficulties but leaves still more riddles to solve in the end. We must take a large view and trust the free play of private enterprise.

Mr. President, I come back to the specific provisions of the bill. It seems to me we would make a great mistake to establish such a precedent.

I scarcely need aver my friendship for the farmers of the country, my sincere desire to see them prosper, my deep concern about their welfare. I would avoid doing them injury while proposing to do them good.

There are difficulties with which they must contend which can not be reached by legislation. There are conditions which they must deal with which can not be remedied by the enactment of a statute. We can not prevent droughts by law. We can not bring rain or sunshine by resolution.

Proposals such as those now pending will tend to bring discredit on any effort of a really helpful nature we may offer hereafter. Supporters of this bill and other similar measures are overreaching, going beyond all reasonable bounds. There is such a thing as taking the pitcher to the well once too often. The result is a broken pitcher. The bucket which comes up full must go down empty. There is no law we can pass to prevent that. The farmer everywhere is a servant of the seasons. You can not change the laws of nature by a statute.

We passed a resolution proposed by the senior Senator from New Mexico last week appropriating $1,000,000 to be loaned drought-stricken farmers directly in New Mexico. The junior Senator from Montana has a resolution of similar purport for the benefit of farmers in Montana.

The bill as reported by the committee carries an appropriation of $75,000,000 to be placed in the hands of the Secretary of Agriculture to purchase livestock and poultry to furnish farmers at cost and on time at not to exceed 6 per cent interest, the obligation to be secured by a lien on the personal property delivered to them, respectively.

The junior Senator from New Mexico offers an amendment appropriating $20,000,000 to be placed in the hands of the Comptroller of the Currency to be used to restore confidence in failing banks and trust companies. Ninety-five million dollars of the money of all the taxpayers it is proposed we shall appropriate for these particular and special interests.

There will be other amendments offered, and the sky is the limit.

It seems to me we are going wild.

Yet everybody wants to reduce taxes.

It is impossible to reduce taxes and at the same time increase expenditures.

This measure will afford no real national remedy for unsatisfactory, even deplorable, conditions.

It is an attempt to practice philanthropy with other people's money.

This makes no advance toward a solution of the problems involved.

It is an effort to administer expensive stimulation which will be followed by the usual severe headache the morning after.

This is not the way of progress in dealing with the situation.

It will, on the contrary, put the death rattle in the throat of progress.

Mr. HARRIS. Mr. President, I offer an amendment to the pending bill which I ask to have read.

The PRESIDENT pro tempore. The amendment will be read.

The reading clerk read as follows:

Add at the end of the bill a new section, as follows:

"SEC. —. That the President is authorized and directed to procure, or aid in procuring, such stocks of nitrate of soda and calcium arsenate as he may determine to be necessary and find available for increasing agricultural production until June 30, 1926, and to dispose of the same at the total cost to the Government, payable in advance. For carrying out the purposes of this joint resolution there is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, available immediately and until expended, the sum of $10,000,000, or so much thereof as may be necessary, and the President is authorized to make such regulations and to use such means and agencies of the Government as in his discretion he may deem best. The proceeds arising from the disposition of the nitrate of soda and calcium arsenate shall go into the Treasury as miscellaneous receipts: *Provided*, That the sum herein appropriated and the proceeds arising from the disposition of the nitrate of soda and calcium arsenate may be used, at the discretion of the President, until June 30, 1926, as a revolving fund for the purposes herein named."

Mr. LADD. Mr. President, I ask unanimous consent that to-morrow at 3 o'clock we may begin to vote on this bill, together with all amendments thereto, and continue until the bill is disposed of.

The PRESIDENT pro tempore. There must be a quorum before the unanimous-consent proposal can be put to the Senate.

Mr. HEFLIN. I suggest to the Senator from North Dakota that he probably had better make that request in the morning, when we have a full attendance.

Mr. LADD. If we can get a quorum, I should like to make it to-night.

Mr. FLETCHER. Mr. President, I am not disposed myself to delay action on the bill, but I know that there are Senators absent who are opposed to the bill, and I should have to object to the request.

Mr. McNARY. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. There must be a quorum present before the Senate can act upon the request. The Secretary will call the roll.

Mr. HARRISON. Mr. President, I understood that objection was made to the request. In that case there is not much use in having a roll call.

Mr. McNARY. I entertain the thought that the Senator from Florida will withdraw his objection after the matter is submitted. It is necessary, in the meantime, to have a quorum. I suggest the absence of a quorum, and insist upon it.

The PRESIDENT pro tempore. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Ashurst	Dial	Jones, Wash.	Reed, Pa.
Ball	Dill	Kendrick	Robinson
Brandegee	Fess	Keyes	Sheppard
Brookhart	Fletcher	Ladd	Shields
Broussard	Frazier	Lenroot	Shipstead
Bruce	George	Lodge	Smith
Bursum	Gooding	McNary	Smoot
Cameron	Hale	Moses	Spencer
Capper	Harris	Norris	Stanfield
Caraway	Harrison	Oddie	Stephens
Couzens	Heflin	Overman	Swanson
Cummins	Howell	Pepper	Warren
Curtis	Johnson, Minn.	Phipps	Willis
Dale	Jones, N. Mex.	Pittman	

The PRESIDENT pro tempore. Fifty-five Senators have answered to their names. There is a quorum present.

Mr. LADD. Mr. President, I renew my request for unanimous consent that at 3 o'clock to-morrow all speeches on this bill be discontinued and that thereafter we begin to vote on the bill and the amendments until the bill is passed, debate being limited to five minutes on any amendment or change in the bill.

The PRESIDENT pro tempore. The Secretary will state the request for unanimous consent made by the Senator from North Dakota.

The READING CLERK. The Senator from North Dakota asks unanimous consent that at not later than 3 o'clock p. m. on the calendar day of March 4, 1924, the Senate shall proceed to

vote without further debate upon any amendment that may be pending, any amendment that may be offered, and upon the bill (S. 2250) to promote a permanent system of self-supporting agriculture in regions adversely affected by the stimulation of wheat production during the war, and aggravated by many years of small yields and high production costs of wheat.

Mr. LODGE. Mr. President, this is a very important bill, and we have had it before us for only a few hours. I, for one, wish to examine the bill, and there are others who desire further to discuss it. I hope the Senator will not at this time press a request for unanimous consent to vote to-morrow. If necessary, I shall object.

The PRESIDENT pro tempore. Objection is made.

Mr. WARREN. One moment, if the Senator please.

Mr. LODGE. I withhold the objection.

Mr. WARREN. I very much desire that some agreement may be made so that the Senator who is ably handling the bill now pending may have a time fixed when a vote may be taken on the bill without there being a temptation on my part, in charge of appropriation bills, to interrupt or interfere with the consideration of the Senator's bill, and that we may proceed in due course to transact some business.

A year ago, 10 or 12 days earlier than this time, we had passed all the appropriation bills for the forthcoming year, while this year we have passed not one. Last year we had a session lasting only three months it is true, but the entire month of November, 1922, was consumed in the consideration of appropriation bills in the committee, so that in four months of good, hard work we were able to encompass the passage of all the appropriation bills.

At that time, however, we had behind us the universal desire for a vacation, for which we had long been waiting. If we take the same time this year that we took at the last session, having March, April, May, and June, it would take us up to July. Some progress has been made on the House side and here in the subcommittees, but I submit that some arrangement must be made for the appropriation bills to be taken up and passed upon in the Senate. If not, we may look for a continuation of the session through the summer. If the Senator from North Dakota can fix a later date which would be satisfactory, or propose anything on which we can get an agreement, I should be glad to join.

Mr. LODGE. I say to the Senator from North Dakota, it seems very short notice, after having the bill up to-day and one or two speeches on it, to ask us to vote on it to-morrow. There are many Senators who hardly realize that the bill is pending. I shall be very glad, as far as I am concerned, to agree on some later date when the Senate can take a vote.

Mr. LADD. I am entirely willing to agree to a later date. I was only attempting to accommodate the Senator from Wyoming [Mr. WARREN] to hurry it along and get a vote on it as soon as possible.

Mr. LODGE. I agree with the Senator from Wyoming, of course, that it is of great importance to get the appropriation bills passed, and I want to take all the obstacles out of the way I can. I do not ask for any long delay in getting a vote on the pending bill.

Mr. HARRISON. May I ask the Senator if he will not couple with his unanimous consent request a provision that when the debate is closed a certain time be given, say five minutes, for the presentation of further amendments?

Mr. LADD. I intended to have that inserted in my request.

Mr. HARRISON. I understood the Senator to say that, but it was not read from the desk.

Mr. NORRIS. As I understood the Senator from North Dakota, he included in his request a five minutes provision. In order to expedite matters, I ask unanimous consent that after 3 o'clock to-morrow all speeches upon the bill or any amendment to the bill be limited to 10 minutes. That will bring us to a head in a reasonable length of time and give opportunity for intelligent debate. I am making no suggestion as to the time for a final vote, but to limit the speeches and let them run on for a little while, and then we can agree and wind up the debate.

Mr. LODGE. I will very readily agree to that.

Mr. JONES of Washington. To save time, Mr. President, permit me to say that the junior Senator from Utah [Mr. KING] spoke to me just a few moments ago, stating that he had to go to a hearing, and he asked me to object to any unanimous-consent agreement made with reference to this bill to-day, and, pursuant to that request, I shall have to object.

Mr. NORRIS. Then we might just as well not try to get an agreement to-day. Let it go over until to-morrow.

The PRESIDENT pro tempore. Objection is made.

Mr. ROBINSON. Mr. President, I desire to say that while it is true, as stated by the Senator from Wyoming [Mr. WARREN], that little progress has been made toward the passage of the appropriation bills, as far as I know, there is no appropriation bill in the Senate, except the Treasury Department bill, and that was brought in only a day or two ago.

Mr. WARREN. The Treasury bill referred to includes also the Post Office Department appropriations, and was reported to the Senate one full week ago.

Mr. ROBINSON. There is no disposition on the part of anyone, so far as I know, to delay action on appropriation bills, and I suggest to the Senator that as fast as he gets them ready he bring them forward, and give the Senate a chance to pass them.

Mr. LODGE. The Treasury Department bill covers also the Post Office Department appropriations.

Mr. ROBINSON. That is very true.

Mr. WARREN. I want to say to the Senator from Arkansas that what I have said is not in a fault-finding mood at all, because the House has had its delays, too; but it is purely in the line of getting some of this business up to date.

Mr. ROBINSON. I understand that; but I thought it well enough to review the fact that there has been no delinquency on the part of the Senate.

Mr. NORRIS. Mr. President, I would like to say just a word with regard to the bill in charge of the Senator from North Dakota. Although it is a minor bill, it is one of the bills coming from the Committee on Agriculture and Forestry, but it does not reach the general agricultural situation. It was reported, first, because the committee felt it met an acute situation in a certain part of the country. That bill, together with the bill reported by the Senator from Oregon [Mr. MCNARY], which is a general agricultural bill in its scope, ought to be considered and disposed of in some way without delay. In my judgment, they should not be laid aside for any appropriation bill. They are just as important as any of the appropriation bills. I myself do not want to delay the appropriation bills, but it will be all right if the appropriation bills are enacted into law by the 1st day of July. However, it will not be all right for this bill to go over until that time. If we are going to have these bills passed at all, we ought to have them passed at once.

Mr. LODGE. Mr. President, I think it will save us time to-morrow on both bills if we take a recess, and I ask that when the Senate concludes its business to-day it take a recess until 12 o'clock to-morrow.

The PRESIDENT pro tempore. The Senator from Massachusetts asks unanimous consent that when the Senate concludes its business to-day it take a recess until 12 o'clock to-morrow. Is there objection?

Mr. HEFLIN. Just a moment, pending that request. That would give us, then, in the morning three hours, from 12 o'clock until 3 for general discussion.

Mr. ROBINSON. No attempt is being made to limit debate or to fix a time to vote.

Mr. FLETCHER. What was the request?

Mr. LODGE. To take a recess.

The PRESIDENT pro tempore. No unanimous-consent agreement has been entered into.

Mr. HEFLIN. Mr. President, unless some arrangement is made by which we can have from 12 o'clock until 3—because the morning business will if taken up consume two hours, and it will be 2 o'clock before we can discuss anything except bills that may come up between 12 and 2 o'clock——

Mr. LODGE. The recess will cut off the morning hour. That is why I have asked for it.

Mr. HEFLIN. That is exactly why I inquired if we would then have from 12 o'clock until 3 for general discussion.

Mr. LODGE. It was for that reason that I asked for a recess.

Mr. ROBINSON. The hour of 3 o'clock has no relation to the pending proposal. The proposal is that when the Senate concludes its business to-day we shall recess until 12 o'clock to-morrow. There is no idea at present of limiting debate or fixing the time for a vote.

Mr. HEFLIN. I understood that the Senator from North Dakota [Mr. LADD] made such a request, that we begin voting on amendments at 3 o'clock, and I did not know that it had been objected to.

Mr. ROBINSON. That has been objected to.

Mr. LODGE. That was objected to, and it went over.

Mr. HEFLIN. I have no objection to taking a recess until 12 o'clock to-morrow.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Massachusetts? The Chair hears none, and it is ordered that when the Senate concludes its business for to-day it shall take a recess until 12 o'clock to-morrow.

INVESTIGATION OF DEPARTMENT OF JUSTICE BY SPECIAL COMMITTEE.

Mr. JONES of Washington (for Mr. BROOKHART) submitted the following resolution (S. Res. 183), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That Senate Resolution No. 157, agreed to February 29, 1924, be, and the same hereby is, amended to include authorization for the employment of such clerical and other personal services as may be necessary for the accomplishment of the purposes of said resolution.

HEARINGS BEFORE COMMITTEE ON TERRITORIES AND INSULAR POSSESSIONS.

Mr. WILLIS. I ask unanimous consent to call up Senate Resolution 162, authorizing the Committee on Territories and Insular Possessions to hold hearings and employ a stenographer. I have conferred with the Senator from Arkansas [Mr. ROBINSON] about the matter.

Mr. ROBINSON. I think the request ought to be granted for the reason that the committee for several days has been holding hearings, but it has no authority to employ a stenographer or to compensate him.

The resolution was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Committee on Territories and Insular Possessions, or any subcommittee thereof, be, and hereby is, authorized during the Sixty-eighth Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer at a cost not exceeding 25 cents per hundred words to report such hearings as may be had in connection with any subject which may be before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

EXECUTIVE SESSION.

Mr. LODGE. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 10 minutes spent in executive session the doors were reopened, and the Senate (at 5 o'clock and 10 minutes p. m.) took a recess until to-morrow, Tuesday, March 4, 1924, at 12 o'clock meridian.

RIGHTS IN THE CAMEROONS.

In executive session this day, the following treaty was ratified and, on motion of Mr. LODGE, the injunction of secrecy was removed therefrom:

To the Senate:

I transmit herewith, to the end that I may receive the advice and consent of the Senate to ratification, a treaty between the United States and France, signed at Paris on February 13, 1923, in regard to the rights of the two Governments and their respective nationals in that part of the former German colony of the Cameroons over which a mandate was conferred upon France.

CALVIN COOLIDGE.

Accompaniment: Treaty, as above.

THE WHITE HOUSE, *December 12, 1923.*

The PRESIDENT:

The undersigned, the Secretary of State, has the honor to lay before the President, with a view to its transmission to the Senate to receive the advice and consent of that body to ratification, if his judgment approve thereof, a treaty between the United States and France, signed at Paris on February 13, 1923, in regard to the rights of the two Governments and their respective nationals in that part of the former German colony of the Cameroons over which a mandate was conferred upon France.

Respectfully submitted. CHARLES E. HUGHES.

Accompaniment: Treaty, as above.

DEPARTMENT OF STATE,
Washington, December 11, 1923.

CONVENTION BETWEEN THE UNITED STATES OF AMERICA AND FRANCE RELATING TO THE PART OF THE CAMEROONS UNDER FRENCH MANDATE.

The President of the United States of America and the President of the French Republic.

Whereas by article 119 of the treaty of peace signed at Versailles the 28th of June, 1919, Germany renounced in favor of the principal allied and associated powers all her rights and titles over her oversea possessions; and

Whereas by article 22 of the same instrument it was provided that certain territories which, as a result of the war, had ceased to be under the sovereignty of the states which formerly governed them, should be placed under the mandate of another power, and that the terms of the mandate should be explicitly defined in each case by the Council of the League of Nations; and

Whereas the benefits accruing under the aforesaid article 119 of the treaty of Versailles were confirmed to the United States by the treaty between the United States and Germany, signed August 25, 1921, to restore friendly relations between the two nations; and

Whereas four of the principal allied and associated powers, to wit, the British Empire, France, Italy, and Japan, agreed that France should exercise the mandate for part of the former German colony of the Cameroons; and

Whereas the terms of the said mandate have been defined by the Council of the League of Nations as follows:

ARTICLE 1. The territory for which a mandate is conferred upon France comprises that part of the Cameroons which lies to the east of the line laid down in the declaration signed on July 10, 1919, of which copy is annexed hereto.

This line may, however, be slightly modified by mutual agreement between His Britannic Majesty's Government and the Government of the French Republic where an examination of the localities shows that it is undesirable, either in the interest of the inhabitants or by reason of any inaccuracies in the map Moisel 1/300,000, annexed to the declaration, to adhere strictly to the line laid down therein.

The delimitation on the spot of this line shall be carried out in accordance with the provisions of the said declaration.

The final report of the mixed commission shall give the exact description of the boundary line as traced on the spot; maps signed by the commissioners shall be annexed to the report. This report with its annexes shall be drawn up in triplicate; one of these shall be deposited in the archives of the League of Nations, one shall be kept by the Government of the Republic, and one by His Britannic Majesty's Government.

ART. 2. The mandatory shall be responsible for the peace, order, and good government of the territory and for the promotion to the utmost of the material and moral well-being and the social progress of its inhabitants.

ART. 3. The mandatory shall not establish in the territory any military or naval bases, nor erect any fortifications, nor organize any native military force except for local police purposes and for the defense of the territory.

It is understood, however, that the troops thus raised may, in the event of general war, be utilized to repel an attack or for defense of the territory outside that subject to the mandate.

ART. 4. The mandatory:

1° Shall provide for the eventual emancipation of all slaves and for as speedy an elimination of domestic and other slavery as social conditions will allow;

2° Shall suppress all forms of slave trade;

3° Shall prohibit all forms of forced or compulsory labor, except for essential public works and services, and then only in return for adequate remuneration;

4° Shall protect the natives from measures of fraud and force by the careful supervision of labor contracts and the recruiting of labor;

5° Shall exercise a strict control over the traffic in arms and ammunition and the sale of spirituous liquors.

ART. 5. In the framing of laws relating to the holding or transference of land the mandatory shall take into consideration native laws and customs and shall respect the rights and safeguard the interests of the native population.

No native land may be transferred, except between natives, without the previous consent of the public authorities, and no real rights over native land in favor of nonnatives may be created except with the same consent.

The mandatory shall promulgate strict regulations against usury.

ART. 6. The mandatory shall secure to all nationals of states members of the League of Nations the same rights as are enjoyed in the territory by his own nationals in respect of entry into and residence in the territory, the protection afforded to their person and property, movable and immovable, and the exercise of their profession or trade, subject only to the requirements of public order, and on condition of compliance with the local law.

Further, the mandatory shall insure to all nationals of states members of the League of Nations, on the same footing as his own nationals, freedom of transit and navigation, and complete economic, commercial, and industrial equality; provided that the mandatory shall be free to organize essential public works and services on such terms and conditions as he thinks just.

Concessions for the development of the natural resources of the territory shall be granted by the mandatory without distinction on grounds of nationality between the nationals of all states members of the League of Nations, but on such conditions as will maintain intact the authority of the local Government.

Concessions having the character of a general monopoly shall not be granted. This provision does not affect the right of the mandatory to create monopolies of a purely fiscal character in the interest of the territory under mandate and in order to provide the territory with fiscal resources which seem best suited to the local requirements; or, in certain cases, to carry out the development of natural resources, either directly by the state or by a conrolled agency, provided that there shall result therefrom no monopoly of the natural resources for the benefit of the mandatory or his nationals, directly or indirectly, nor any preferential advantage which shall be inconsistent with the economic, commercial, and industrial equality hereinbefore guaranteed.

The rights conferred by this article extend equally to companies and associations organized in accordance with the law of any of the members of the League of Nations, subject only to the requirements of public order, and on condition of compliance with the local law.

ART. 7. The mandatory shall insure in the territory complete freedom of conscience and the free exercise of all forms of worship which are consonant with public order and morality; missionaries who are nationals of states members of the League of Nations shall be free to enter the territory and to travel and reside therein, to acquire and possess property, to erect religious buildings, and to open schools throughout the territory; it being understood, however, that the mandatory shall have the right to exercise such control as may be necessary for the maintenance of public order and good government, and to take all measures required for such control.

ART. 8. The mandatory shall apply to the territory any general international conventions applicable to his contiguous territory.

ART. 9. The mandatory shall have full powers of administration and legislation in the area subject of the mandate. This area shall be administered in accordance with the laws of the mandatory as an integral part of his territory and subject to the above provisions.

The mandatory shall therefore be at liberty to apply his laws to the territory subject to the mandate with such modifications as may be required by local conditions, and to constitute the territory into a customs, fiscal, or administrative union or federation with the adjacent territories under his sovereignty or control; provided always that the measures adopted to that end do not infringe the provisions of this mandate.

ART. 10. The mandatory shall make to the Council of the League of Nations an annual report to the satisfaction of the council. This report shall contain full information concerning the measures taken to apply the provisions of this mandate.

ART. 11. The consent of the Council of the League of Nations is required for any modification of the terms of the present mandate.

ART. 12. The mandatory agrees that, if any dispute whatever should arise between the mandatory and another member of the League of Nations relating to the interpretation or the application of the provisions of the mandate, such dispute, if it can not be settled by negotiation, shall be submitted to the Permanent Court of International Justice provided for by article 14 of the covenant of the League of Nations.

Whereas the United States of America, by participating in the war against Germany, contributed to her defeat and to the renunciation of her rights and titles over her oversea possessions, but has not ratified the treaty of Versailles; and

Whereas the Government of the United States and the Government of the French Republic desire to reach a definite understanding with regard to the rights of the two Governments and their respective nationals in the aforesaid former German colony of the Cameroons:

Have decided to conclude a convention to this effect, and have nominated as their respective plenipotentiaries, that is to say:

The President of the United States of America:

His Excellency, Mr. Myron T. Herrick, ambassador extraordinary and plenipotentiary of the United States of America at Paris;

And the President of the French Republic:

M. Raymond Poincaré, senator, president of the council, Minister of Foreign Affairs;

Who, after communicating to each other their respective full powers, found in good and due form, have agreed upon the following provisions:

ARTICLE 1.

Subject to the provisions of the present convention, the United States consents to the administration by the Government of the French Republic, pursuant to the aforesaid mandate of the former German territory described in article 1 of the mandate.

ARTICLE 2.

The United States and its nationals shall have and enjoy all the rights and benefits secured under the terms of articles 2, 3, 4, 5, 6, 7, 8, and 9 of the mandate to members of the League of Nations and their nationals, notwithstanding the fact that the United States is not a member of the League of Nations.

ARTICLE 3.

Vested American property rights in the mandated territory shall be respected and in no way impaired.

ARTICLE 4.

A duplicate of the annual report to be made by the mandatory under Article 10 of the mandate shall be furnished to the United States.

ARTICLE 5.

Nothing contained in the present convention shall be affected by any modification which may be made in the terms of the mandate as recited above unless such modification shall have been assented to by the United States.

ARTICLE 6.

The extradition treaties and conventions in force between the United States and France shall apply to the mandated territory.

ARTICLE 7.

The present convention shall be ratified in accordance with the respective constitutional methods of the high contracting parties. The ratifications shall be exchanged in Paris as soon as practicable. It shall take effect on the date of the exchange of ratifications.

In witness whereof the respective plenipotentiaries have signed this convention and have affixed thereto their seals.

Done in duplicate at Paris, the 13th day of February, in the year 1923.

(Signed) MYRON T. HERRICK.
R. POINCARÉ.

APPENDIX.

REFERRED TO IN ARTICLE 1 OF THE FRENCH MANDATE FOR THE CAMEROONS.

FRANCO-BRITISH DECLARATION.

The undersigned:

The Viscount Milner, Secretary of State for the Colonies of the British Empire,

M. Henry Simon, Minister for the Colonies of the French Republic, have agreed to determine the frontier separating the territories of the Cameroons placed, respectively, under the authority of their Governments, as it is traced on the map Moisel 1/300,000, annexed to the present declaration (the original 1/300,000 map is attached to the signed declaration) and defined in the description in three articles also annexed hereto.

London, July 10th, 1919.

Signé: MILNER.
HENRY SIMON.

Description of the Franco-British Frontier.

MARKED ON THE MOISEL'S MAP OF THE CAMEROONS, SCALE 1/300,000.

ARTICLE I.

The frontier will start from the meeting point of the three old British, French, and German frontiers situated in Lake Chad in latitude 13° 05′ N. and in approximately longitude 14° 05′ E. of Greenwich.

Thence the frontier will be determined as follows:

1. A straight line to the mouth of the Ebeji;

2. Thence the course of the River Ebeji, which upstream is named the Lewejil, Labejed, Ngalarem, Lebeit, and Ngada, respectively, to the confluence of the Rivers Kalia and Lebalit;

3. Thence the course of the River Kalia, or Ame, to its confluence with the River Dorma, or Kutelaha;

4. Thence the course of the latter, which upstream is named the Amjumba, the village of Woma and its outskirts remaining to France;

5. From the point where the River Amjumba loses itself in a swamp, the boundary will follow the median line of this swamp so as to rejoin the watercourse which appears to be the continuation of the Amjumba and which upstream is named Serahadja, Goluwa, and Mudukwa, respectively, the village of Uagisa remaining to Great Britain;

6. Thence this watercourse to its confluence with the River Gatagule;

7. Thence a line southwestwards to the watershed between the basin of the Yedseram on the west and the basins of the Mudukwa and of the Benue on the east; thence this watershed to Mount Mulikia;

8. Thence a line to the source of the Tsikakiri, to be fixed on the ground so as to leave the village of Dumo to France;

9. Thence the course of the Tsikakiri to its confluence with the Mao Tiel near the group of villages of Luga;

10. Thence the course of the Mao Tiel to its confluence with the River Benue;

11. Thence the course of the Benue upstream to its confluence with the Faro;

12. Thence the course of the Faro to the mouth of its arm, the Mao Hesso, situated about 4 kilometers south of Chikito;

13. Thence the course of the Mao Hesso to boundary pillar No. 6 on the old British-German frontier;

14. Thence a straight line to the old boundary pillar No. 7; and thence a straight line to the old boundary pillar No. 8;

15. Thence a line southwestwards reaching the watershed between the Benue on the northwest and the Faro on the southeast, which it follows to a point on the Hossere Banglang, about 1 kilometer south of the source of the Mao Kordo;

16. Thence a line to the confluence of the Mao Ngonga and the Mao Deo, to be fixed on the ground so as to leave to France the village of Laro, as well as the road from Bare to Fort Lamy;

17. Thence the course of the Mao Deo to its confluence with the Tiba;

18. Thence the course of the Tiba, which is named upstream Tisbat and Tussa, respectively, to its confluence with a watercourse flowing from the west and situated about 12 kilom. southwest of Kontscha;

19. Thence a line running generally southwest to reach the summit of the Dutschi-Djombi;

20. Thence the watershed between the basins of the Taraba on the west and the Mao Deo on the east to a point on the Tchape Hills, about 2 kilom. northwest of the Tchape Pass (Point 1541);

21. Thence a line to the Gorulde Hills, so as to leave the road from Bare to Fort Lamy about 2 kilom. to the east;

22. Thence, successively, the watershed between the Gamgam and the Jim, the main watershed between the basins of the Benue and the Sanaga, and the watershed between the Kokumbahun and the Ardo (Ntull) to Hossere Jadji;

23. Thence a line to reach the source of the river Mafu;

24. Thence the river Mafu to its confluence with the river Mabe;

25. Thence the river Mabe, or Nsang, upstream to its junction with the tribal boundary between Bansso and Bamum;

26. Thence a line to the confluence of the rivers Mpand and Nun, to be fixed on the ground, so as to leave the country of Bansso to Great Britain and that of Bamum to France;

27. Thence the river Nun to its confluence with the river Tantam;

28. Thence the river Tantam and its affluent, which is fed by the river Sefu;

29. Thence the river Sefu to its source;

30. Thence a line southwestwards, crossing the Kupti, to reach near its source east of Point 1300 the unnamed watercourse which flows into the Northern Mifi below Bali-Bagam;

31. Thence this watercourse to its confluence with the Northern Mifi, leaving to France the village of Gascho, belonging to the small country of Bamenjam;

32. Thence the Northern Mifi upstream to its confluence with the River Mogo, or Doschi;

33. Thence the River Mogo to its source;

34. Thence a line southwestward to the crest of the Bambuto Mountains and thence following the watershed between the basins of the Cross River and Mungo on the west and the Sanaga and Wuri on the east to Mount Kupe;

35. Thence a line to the source of the River Bubu;

36. Thence the river Bubu, which appears from the German map to lose itself and reappear as the Edminjo, which the frontier will follow, to its confluence with the Mungo;

37. Thence the course of the Mungo to the point in its mouth where it meets the parallel of latitude 4° 2′ 30″ north;

38. Thence this parallel of latitude westward so as to reach the coast south of Tauben I.;

39. Thence a line following the coast, passing south of Reiher I., to Mokola Creek, thus leaving Mowe Lake to Great Britain;

40. Thence a line following the eastern banks of the Mokola, Mbakwele, Njubanan-Jau and Matumal Creeks, and cutting the mouths of the Mbossa-Bombe, Mikanje, Tende, Victoria, and other unnamed creeks to the junction of the Matumal and Victoria Creeks;

41. Thence a line running 35° west of true south to the Atlantic Ocean.

ARTICLE 2.

1° It is understood that at the time of the local delimitation of the frontier, where the natural features to be followed are not indicated in the above description, the commissioners of the two Governments will, as far as possible, but without changing the attribution of the villages named in article 1, lay down the frontier in accordance with natural features (rivers, hills, or watersheds).

The boundary commissioners shall be authorized to make such minor modifications of the frontier line as may appear to them necessary in order to avoid separating villages from their agricultural lands. Such deviations shall be clearly marked on special maps and submitted for the approval of the two Governments. Pending such approval, the deviations shall be provisionally recognized and respected.

2° As regards the roads mentioned in article 1, only those which are shown upon the annexed map (annexed only to the original declaration) shall be taken into consideration in the delimitation of the frontier.

3° Where the frontier follows a waterway, the median line of the waterway shall be the boundary.

4° It is understood that if the inhabitants living near the frontier should, within a period of six months from the completion of the local delimitation, express the intention to settle in the regions placed under French authority, or, inversely, in the regions placed under British authority, no obstacle will be placed in the way of their so doing, and they shall be granted the necessary time to gather in standing crops, and generally to remove all the property of which they are the legitimate owners.

ARTICLE 3.

1° The map to which reference is made in the description of the frontier is Moisel's map of the Cameroons on the scale 1/300,000.

The following sheets of this map have been used:
Sheet A4. Tschad: dated December 1st, 1912;
Sheet B4. Kusseri: dated August 1st, 1912;
Sheet B3. Dikoa: dated January 1st, 1913;
Sheet C3. Mubi: dated December 15th, 1912;
Sheet D3. Garua: dated May 15th, 1912;
Sheet E3. Ngaundere: dated October 15th, 1912;
Sheet E2. Banjo: dated January 1st, 1913;
Sheet F2. Fumban: dated May 1st, 1913;
Sheet F1. Ossidinge: dated January 1st, 1912;
Sheet G1. Buea: dated August 1st, 1911.

2° A map of the Cameroons, scale 1/2,000,000, is attached to illustrate the description of the above frontier.

RIGHTS IN TOGOLAND.

In executive session this day, the following treaty was ratified and, on motion of Mr. LODGE, the injunction of secrecy was removed therefrom:

To the Senate:

I transmit herewith, to the end that I may receive the advice and consent of the Senate to ratification, a treaty between the United States and France, signed at Paris on February 13, 1923, in regard to the rights of the two Governments and their respective nationals in that part of the former German colony of Togoland over which a mandate was conferred upon France.

CALVIN COOLIDGE.

Accompaniment: Treaty, as above.

THE WHITE HOUSE, *December 12, 1923.*

THE PRESIDENT:

The undersigned, the Secretary of State, has the honor to lay before the President, with a view to its transmission to the Senate to receive the advice and consent of that body to ratification, if his judgment approve thereof, a treaty between the United States and France, signed at Paris on February 13, 1923, in regard to the rights of the two Governments and their respective nationals in that part of the former German colony of Togoland over which a mandate was conferred upon France.

Respectfully submitted.

CHARLES E. HUGHES.

Accompaniment: Treaty, as above.

DEPARTMENT OF STATE,
Washington, December 11, 1923.

CONVENTION BETWEEN THE UNITED STATES OF AMERICA AND FRANCE RELATING TO THE PART OF TOGOLAND UNDER FRENCH MANDATE.

The President of the United States of America and the President of the French Republic.

Whereas by article 119 of the treaty of peace signed at Versailles the 28th of June, 1919, Germany renounced in favor

of the principal allied and associated powers all her rights and titles over her oversea possessions; and

Whereas by article 22 of the same instrument it was provided that certain territories which, as a result of the war, had ceased to be under the sovereignty of the States which formerly governed them, should be placed under the mandate of another power, and that the terms of the mandate should be explicitly defined in each case by the council of the League of Nations; and

Whereas the benefits accruing under the aforesaid article 119 of the treaty of Versailles were confirmed to the United States by the treaty between the United States and Germany, signed August 25, 1921, to restore friendly relations between the two nations; and

Whereas four of the principal allied and associated powers, to wit, the British Empire, France, Italy, and Japan, agreed that France should exercise the mandate for part of the former German colony of Togoland; and

Whereas the terms of the said mandate have been defined by the Council of the League of Nations as follows:

ARTICLE 1. The territory over which a mandate is conferred upon France comprises that part of Togoland which lies to the east of the line laid down in the declaration signed on July 10, 1919, of which a copy is annexed hereto.

This line may, however, be slightly modified by mutual agreement between His Britannic Majesty's Government and the Government of the French Republic where an examination of the localities shows that it is undesirable, either in the interests of the inhabitants or by reason of any inaccuracies in the map, Sprigade 1:200,000, annexed to the declaration, to adhere strictly to the line laid down therein.

The delimitation on the spot of this line shall be carried out in accordance with the provision of the said declaration.

The final report of the mixed commission shall give the exact description of the boundary line as traced on the spot; maps signed by the commissioners shall be annexed to the report. This report, with its annexes, shall be drawn up in triplicate; one of these shall be deposited in the archives of the League of Nations, one shall be kept by the Government of the Republic, and one by his His Britannic Majesty's Government.

ART. 2. The mandatory shall be responsible for the peace, order, and good government of the territory and for the promotion to the utmost of the material and moral well-being and the social progress of its inhabitants.

ART. 3. The mandatory shall not establish in the territory any military or naval bases, nor erect any fortifications, nor organize any native military force, except for local police purposes and for the defense of the territory.

It is understood, however, that the troops thus raised may in the event of a general war be utilized to repel an attack or for the defense of the territory outside that subject to the mandate.

ART. 4. The mandatory—

1. Shall provide for the eventual emancipation of all slaves and for as speedy an elimination of domestic and other slavery as social condition will allow.

2. Shall suppress all forms of slave trade.

3. Shall prohibit all forms of forced or compulsory labor, except for essential public works and services, and then only in return for adequate remuneration.

4. Shall protect the natives from measures of fraud and force by the careful supervision of labor contracts and the recruiting of labor.

5. Shall exercise a strict control over the traffic in arms and ammunition and the sale of spirituous liquors.

ART. 5. In the framing of laws relating to the holding or transfer of land the mandatory shall take into consideration native laws and customs and shall respect the rights and safeguard the interests of the native population.

No native land may be transferred, except between natives, without the previous consent of the public authorities, and no real rights over native land in favor of nonnatives may be created, except with the same consent.

The mandatory shall promulgate strict regulations against usury.

ART. 6. The mandatory shall secure to all nationals of states members of the League of Nations the same rights as are enjoyed in the territory by his own nationals in respect of entry into and residence in the territory, the protection afforded to their person and property and acquisition of property, movable and immovable, and the exercise of their profession or trade, subject only to the requirements of public order and on condition of compliance with the local law.

Further, the mandatory shall insure to all nationals of states members of the League of Nations, on the same footing as to his own nationals, freedom of transit and navigation and complete economic, commercial, and industrial equality, except that mandatory shall be free to organize essential public works and services on such terms and conditions as he thinks just.

Concessions for the development of the natural resources of the territory shall be granted by the mandatory without distinction on grounds of nationality between the nationals of all states members of the League of Nations, but on such conditions as will maintain intact the authority of the local government.

Concessions having the character of a general monopoly shall not be granted. This provision does not affect the right of the mandatory to create monopolies of a purely fiscal character in the interest of the territory under mandate and in order to provide the territory with fiscal resources which seem best suited to the local requirements; or, in certain cases, to carry out the development of natural resources, either directly by the state or by a controlled agency, provided that there shall result therefrom no monopoly of the natural resources for the benefit of the mandatory or his nationals, directly or indirectly, nor any preferential advantage which shall be inconsistent with the economic, commercial, and industrial equality hereinbefore guaranteed.

The rights conferred by this article extend equally to companies and associations organized in accordance with the law of any of the members of the League of Nations, subject only to the requirements of public order, and on condition of compliance with the local law.

ART. 7. The mandatory shall insure in the territory complete freedom of conscience and the free exercise of all forms of worship which are consonant with public order and morality; missionaries who are nationals of state members of the League of Nations shall be free to enter the territory and to travel and reside therein, to acquire and possess property, to erect religious buildings, and to open schools throughout the territory; it being understood, however, that the mandatory shall have the right to exercise such control as may be necessary for the maintenance of public order and good government, and to take all measures required for such control.

ART. 8. The mandatory shall apply to the territory any general international conventions applicable to his contiguous territory.

ART. 9. The mandatory shall have full powers of administration and legislation in the area subject to the mandate. This area shall be administered in accordance with the laws of the mandatory as an integral part of his territory and subject to the above provisions.

The mandatory shall therefore be at liberty to apply his laws to the territory subject to the mandate, with such modifications as may be required by local conditions, and to constitute the territory into a customs, fiscal, or administrative union or federation with the adjacent territories under his sovereignty or control, provided always that the measures adopted to that end do not infringe the provisions of this mandate.

ART. 10. The mandatory shall make to the Council of the League of Nations an annual report to the satisfaction of the council. This report shall contain full information concerning the measures taken to apply the provisions of this mandate.

ART. 11. The consent of the Council of the League of Nations is required for any modification of the terms of the present mandate.

ART. 12. The mandatory agrees that if any dispute whatever should arise between the mandatory and another member of the League of Nations relating to the interpretation or the application of the provisions of the mandate, such dispute, if it can not be settled by negotiation, shall be submitted to the Permanent Court of International Justice provided for by article 14 of the covenant of the League of Nations.

Whereas the United States of America by participating in the war against Germany contributed to her defeat and to the renunciation of her rights and titles over her oversea possessions, but has not ratified the treaty of Versailles; and

Whereas the Government of the United States and the Government of the French Republic desire to reach a definite understanding with regard to the rights of the two Governments and their respective nationals in the aforesaid former German colony of Togoland:

Have decided to conclude a convention to this effect, and have nominated as their respective plenipotentiaries; that is to say—

The President of the United States of America;

His Excellency Mr. Myron T. Herrick, ambassador extraordinary and plenipotentiary of the United States of America at Paris;

And the President of the French Republic;

M. Raymond Poincaré, senator, president of the council, Minister of Foreign Affairs;

Who, after communicating to each other their respective full powers, found in good and due form, have agreed upon the following provisions:

ARTICLE 1.

Subject to the provisions of the present convention, the United States consents to the administration by the Government of the French Republic, pursuant to the aforesaid mandate, of the former German territory, described in article 1 of the mandate.

ARTICLE 2.

The United States and its nationals shall have and enjoy all the rights and benefits secured under the terms of articles 2, 3, 4, 5, 6, 7, 8, and 9 of the mandate to members of the League

of Nations and their nationals, notwithstanding the fact that the United States is not a member of the League of Nations.

ARTICLE 3.

Vested American property rights in the mandated territory shall be respected and in no way impaired.

ARTICLE 4.

A duplicate of the annual report to be made by the mandatory under article 10 of the mandate shall be furnished to the United States.

ARTICLE 5.

Nothing contained in the present convention shall be affected by any modification which may be made in the terms of the mandate as recited above unless such modification shall have been assented to by the United States.

ARTICLE 6.

The extradition treaties and conventions in force between the United States and France shall apply to the mandated territory.

ARTICLE 7.

The present convention shall be ratified in accordance with the respective constitutional methods of the high contracting parties. The ratifications shall be exchanged in Paris as soon as practicable. It shall take effect on the date of the exchange of ratifications.

In witness whereof the respective plenipotentiaries have signed this convention and have affixed thereto their seals.

Done in duplicate at Paris, the 13th day of February, in the year 1923.

(Signed) MYRON T. HERRICK.
R. POINCARÉ.

APPENDIX.

REFERRED TO IN ARTICLE 1 OF THE FRENCH MANDATE FOR TOGOLAND.

FRANCO-BRITISH DECLARATION.

The undersigned:

Viscount Milner, Secretary of State for the colonies of the British Empire,

M. Henry Simon, minister for the colonies of the French Republic, have agreed to determine the frontier separating the territories of Togoland placed respectively under the authority of their Governments, as it is traced on the map, Sprigade 1/200,000, annexed to the present declaration (the original 1/200,000 map is attached to the signed declaration), and defined in the description in three articles also annexed hereto.

London, July 10, 1919.

(Signed) MILNER.
HENRY SIMON.

Description of the Franco-British Frontier.

MARKED ON SPRIGADE'S MAP OF TOGOLAND, SCALE 1/200,000.

ARTICLE 1.

The frontier will run eastward from the pillar erected at the point of junction of the three colonies of Haute Volta, Gold Coast and Togoland in about latitude 11° 8′ 33″ to the unnamed watercourse shown on the map to the east of this pillar.

The frontier will run thence as follows:

1. Along this unnamed watercourse to its confluence with the Kulapalogo;

2. Thence by the course of the Punokobo to its source;

3. Thence in a southwesterly direction to meet the river Blankuri, which downstream is named the Njimoant and the Mochole, which it follows to its confluence with the Kulugona;

4. From the confluence of the Mochole and the Kulugona the frontier will follow in a southerly direction a line to be fixed on the ground to point 390 near the junction of the streams Nabuleg and Gboroch;

5. Thence a line running in a southeasterly direction to the Manjo, so as to leave the village of Jambule to France and that of Bungpurk to Great Britain;

6. Thence downstream the course of the Manjo to its confluence with the Kunkumbu;

7. Thence the course of the Kunkumbu to its confluence with the Oti;

8. Thence the course of the Oti to its confluence with the Dakpe;

9. Thence the Dakpe upstream to the boundary between the two old German districts of Mangu-Yendi and Sokode-Bassari;

10. The frontier will follow this administrative boundary southwest to regain the Oti;

11. Thence the course of the Oti to its confluence with the Kakassi;

12. Thence the course of the Kakassi upstream to its confluence with the Kentau;

13. Thence the course of the Kentau to its junction with the tribal boundary between the Konkomba and the Bitjem;

14. Thence southwards a line following generally this tribal boundary so as to leave the villages of Natagu, Napari, and Bobotiwe to Great Britain and those of Kujunle and Bisukpabe to France;

15. Following this boundary to a point situated about 1½ kilometers north of the confluence of the Kula and the Mamale;

16. Thence the Mamale upstream to its junction with the road from Nabugem to Bpadjebe;

17. Thence a line southwards to meet the river Bonolo, so as to leave Bpadjebe to France;

18. Thence downstream the rivers Bonolo and Tankpa to the confluence of the latter with the Nabol;

19. Thence the river Nabol upstream to the junction of the tribal boundary between the Konkomba and the Bitjem;

20. Thence southwards a line following generally this tribal boundary to the summit of Kusangnaeli;

21. Thence a line to reach the confluence of the Tunkurna and the Mo, following generally the course of the Kuji and Tunkurma;

22. Thence the course of the Mo (Mola) downstream, following the southern boundary of the Dagbon country to its junction with an unnamed affluent on the left bank at a point shown on the map near longitude 0° 20′ east;

23. Thence a line from this confluence running generally southeast to the confluence of the Bassa and Kue, following as far as possible the course of the Mo (Moo);

24. Thence the course of the Kue upstream to the bend formed by this river at a distance of about 2 kilometers southwest of Kueda;

25. Thence a line running southwards following the watershed between the Bunatje, the Tschai, and the Dibom on the west and the Kue and the Asuokoko on the east to the hill situated about 1 kilometer west of the Maria Falls, leaving the village of Schiare to Great Britain and that of Kjirina to France and cutting the road from Dadiasse (which remains British) to Bismarckburg (which remains French) near point 760;

26. From the hill situated to the west of the Maria Falls a line to reach the Asuokoko, which it follows to is confluence with the river Balagbo;

27. Thence a line running generally southwards to Mount Bendjabe;

28. Thence a line following the crest which runs southwards, then, cutting the Wawa, reaches point 850 situated north of Kitschibo;

29. From point 850 a line running approximately southwards to the Tomito Mountain;

30. Thence a line running south-southwestwards and, cutting the River Onana, reaches the watershed between the Odjabi and the Sassa, then continuing south-southwestwards, cutting the River Daji between the Odjabi and the Sassa, reaches the summit of Awedjegbe;

31. From this point it follows the watershed between the Ebanda or Wadjakli on the west and the Seblawu and Nubui on the east, then cuts the latter river at a point situated about 1 kilometer east of Apegame;

32. Thence a line to the watershed of the Agumassato Hills, which it follows to the Akpata Hills;

33. Thence a line running southwest to the confluence of the Tsi and the Edjiri;

34. Thence a line following generally the southern tribal boundary of the Agome to a point situated on the watershed about 2 kilometers south of Moltke Peak;

35. Thence a line running generally southward, following the watershed to the Fiamekito Hills, which it leaves to reach the River Damitsi;

36. Thence the River Damitsi to its confluence with the Todschie (or Wuto);

37. Thence the River Todschie to the boundary of the lands of the village of Botoe, which it apposes on the east so as to leave it wholly to Great Britain;

38. Thence the road from Botoe to Batome to the western limit of the latter village;

39. Thence the line passes south of Batome so as to leave this village in its entirety to France;

40. From south of Batome the boundary runs to the point of junction of the present boundary of the Gold Coast Colony (parallel 6° 20′ north) and the River Magbawi;

41. Thence it follows to the sea the present frontier as laid down in the Anglo-German convention of July 1st, 1890. How-

ever, where the Lome-Akepe Road by way of Degbokovhe, crosses the present frontier south of latitude 6° 10′ north and west of longitude 1° 14′ east of Greenwich, the new frontier shall run 1 kilometer southwest of this road, so as to leave it entirely in French territory.

ARTICLE 2.

1° It is understood that at the time of the local delimitation of the frontier, where the natural features to be followed are not indicated in the above description, the commissioners of the two Governments will, as far as possible but without changing the attribution of the villages named in article 1, lay down the frontier in accordance with natural features (rivers, hills, or watersheds).

The boundary commissioners shall be authorized to make such minor modifications of the frontier line as may appear to them necessary in order to avoid separating villages from their agricultural lands. Such deviations shall be clearly marked on special maps and submitted for the approval of the two Governments. Pending such approval, the deviations shall be provisionally recognized and respected.

2° As regards the roads mentioned in article 1, only those which are shown upon annexed map (amended only to the original declaration) shall be taken into consideration in the delimitation of the frontier.

3° Where the frontier follows a waterway the median line of the waterway shall be the boundary.

4° It is understood that if the inhabitants living near the frontier should within a period of six months from the completion of the local delimitation express the intention to settle in the regions placed under French authority, or, inversely, in the regions placed under British authority, no obstacle will be placed in the way of their so doing, and they shall be granted the necessary time to gather in standing crops and generally to remove all the property of which they are the legitimate owners.

ARTICLE 3.

1° The map to which reference is made in the description of the frontier is Sprigade's map of Togoland on the scale 1/200,000, of which the following sheets have been used:

Sheet A 1. Sansane-Mangu: Date of completion, July 1st, 1907;

Sheet B 1. Jendi: Date of completion, October 1st, 1907;

Sheet C 1. Bismarckburg: Date of completion, December 1st, 1906;

Sheet D 1. Kete-Kratschi: Date of completion, December 1st, 1905;

Sheet E 1. Misahöhe: Date of completion, June 1st, 1905;

Sheet E 2. Lome: Date of completion, October 1st, 1902.

2° A map of Togoland, scale 1/500,000, is attached to illustrate the description of the above frontier.

RIGHTS IN EAST AFRICA.

In executive session this day, the following treaty was ratified, and on motion of Mr. LODGE the injunction or secrecy was removed therefrom:

To the Senate:

I transmit herewith, to the end that I may receive the advice and consent of the Senate to ratification, a treaty between the United States and Belgium, signed at Brussels on April 18, 1923, in regard to the rights of the two Governments and their respective nationals in that part of the former German colony of East Africa over which a mandate was conferred upon Belgium, and an amendatory proctocol signed at Brussels on January 21, 1924.

The attention of the Senate is invited to the statement in the accompanying report of the Secretary of State regarding the pagination of the treaty.

CALVIN COOLIDGE.

THE WHITE HOUSE, *February 18, 1924.*

THE PRESIDENT:

The undersigned, the Secretary of State, has the honor to lay before the President, with a view to their transmission to the Senate to receive the advice and consent of that body to ratification, if his judgment approve thereof, a treaty between the United States and Belgium, signed at Brussels on April 18, 1923, in regard to the rights of the two Governments and their respective nationals in that part of the former colony of German East Africa over which a mandate was conferred upon Belgium, and an amendatory protocol, signed between the two Governments at Brussels on January 21, 1924.

The Secretary of State regrets that the pages of the treaty as it was signed, sealed, and bound at Brussels are not in their regular order. The pages have, however, been numbered in the State Department to show their proper sequence.

Respectfully submitted.

CHARLES E. HUGHES.

DEPARTMENT OF STATE,
Washington, February 15, 1924.

TREATY WITH BELGIUM CONCERNING HER MANDATE OVER THE TERRITORY OF RUANDA-URUNDI.

Whereas by article 119 of the treaty of peace signed at Versailles the 28th of June, 1919, Germany renounced in favor of the principal allied and associated powers all her rights and titles over her oversea possessions; and

Whereas by article 22 of the same instrument it was provided that certain territories, which as a result of the war had ceased to be under the sovereignty of the States which formerly governed them, should be placed under the mandate of another power, and that the terms of the mandate should be explicitly defined in each case by the Council of the League of Nations; and

Whereas the benefits accruing to the United States under the aforesaid article 119 of the treaty of Versailles were confirmed by the treaty between the United States and Germany, signed on August 25, 1921, to restore friendly relations between the two nations; and

Whereas four of the principal allied and associated powers, to wit, the British Empire, France, Italy, and Japan, agreed that the King of the Belgians should exercise the mandate for part of the former colony of German East Africa; and

Whereas the terms of the said mandate have been defined by the Council of the League of Nations as follows:

ARTICLE 1.

The territory over which a mandate is conferred upon His Majesty the King of the Belgians (hereinafter called the mandatory) comprises that part of the territory of the former colony of German East Africa situated to the west of the following line:

From the point where the frontier between the Uganda protectorate and German East Africa cuts the river Mavumba, a straight line in a southeasterly direction to point 1840, about 15 kilometers south-southwest of Mount Gabiro;

Thence a straight line in a southerly direction to the north shore of Lake Mohazi where it terminates at the confluence of a river situated about 2½ kilometers west of the confluence of the River Mallala;

If the trace of the railway on the west of the River Kagera between Buguli and Uganda approaches with 16 kilometers of the line defined above, the boundary will be carried to the west, following a minimum distance of 16 kilometers from the trace, without, however, passing to the west of the straight line joining the terminal point on Lake Mohazi and the top of Mount Kivisa (point 2100), situated on the Uganda-German East Africa frontier about 5 kilometers southwest of the point where the River Mavumba cuts this frontier;

Thence a line southeastward to meet the southern shore of Lake Mohazi;

Thence the watershed between the Taruka and the Mkarange Rivers and continuing southward to the northeastern end of Lake Mugesera;

Thence the median line of this lake and continuing southward across Lake Ssake to meet the Kagera;

Thence the course of the Kagera downstream to meet the western boundary of Buguli;

Thence this boundary to its junction with the eastern boundary of Urundi;

Thence to eastern and southern boundary of Urundi to Lake Tanganyika.

The frontier described above is shown on the attached British 1:1,000,000 map G. S. G. S. 2932. The boundaries of Buguli and Urundi are drawn as shown in the Deutscher Kolonialatlas (Dietrich-Reimer) scale 1:1,000,000 dated 1906.

ARTICLE 2.

A boundary commission shall be appointed by His Majesty the King of the Belgians and His Britannic Majesty to trace on the spot the line described in article I above.

In case any dispute should arise in connection with the work of these commissioners, the question shall be referred to the Council of the League of Nations, whose decision shall be final.

The final report by the Boundary Commission shall give the precise description of this boundary as actually demarcated on the ground; the necessary maps shall be annexed thereto and signed by the commissioners. The report, with its annexes, shall be made in triplicate; one copy shall be deposited in the archives of the League of Nations,

one shall be kept by the Government of His Majesty the King of the Belgians, and one by the Government of His Britannic Majesty.

ARTICLE 3.

The mandatory shall be responsible for the peace, order, and good government of the territory, and shall undertake to promote to the utmost the material and moral well-being and the social progress of its inhabitants.

ARTICLE 4.

The mandatory shall not establish any military or naval bases, nor erect any fortifications, nor organize any native military force in the territory except for local police purposes and for the defense of the territory.

ARTICLE 5.

The mandatory—

(1) Shall provide for the eventual emancipation of all slaves and for as speedy an elimination of domestic and other slavery as social conditions will allow.

(2) Shall suppress all forms of slave trade.

(3) Shall prohibit all forms of forced or compulsory labor, except for public works and essential services, and then only in return for adequate remuneration.

(4) Shall protect the natives from measures of fraud and force by the careful supervision of labor contracts and the recruiting of labor.

(5) Shall exercise a strict control over the traffic in arms and ammunition and the sale of spirituous liquors.

ARTICLE 6.

In the framing of laws relating to the holding or transfer of land, the mandatory shall take into consideration native laws and customs, and shall respect the rights and safeguard the interests of the native population.

No native land may be transferred, except between natives, without the previous consent of the public authorities. No real rights over native land in favor of nonnatives may be created except with the same consent.

The mandatory will promulgate strict regulations against usury.

ARTICLE 7.

The mandatory shall secure to all nationals of states members of the League of Nations the same rights as are enjoyed by his own nationals in respect of entry into and residence in the territory, the protection afforded to their person and property, the acquisition of property, movable and immovable, and the exercise of their profession or trade, subject only to the requirements of public order, and on condition of compliance with the local law.

Further, the mandatory shall ensure to all nationals of states members of the League of Nations, on the same footing as to his own nationals, freedom of transit and navigation, and complete economic, commercial, and industrial equality; provided that the mandatory shall be free to organize public works and essential services on such terms and conditions as he thinks just.

Concessions for the development of the natural resources of the territory shall be granted by the mandatory without distinction on grounds of nationality between the nationals of all states members of the League of Nations, but on such conditions as will maintain intact the authority of the local government.

Concessions having the character of a general monopoly shall not be granted. This provision does not affect the right of the mandatory to create monopolies of a purely fiscal character in the interest of the territory under mandate, and in order to provide the territory with fiscal resources which seem best suited to the local requirements; or, in certain cases, to carry out the development of natural resources, either directly by the state, or by controlled agency, provided that there shall result therefrom no monopoly of the natural resources for the benefit of the mandatory or his nationals, directly or indirectly, nor any preferential advantage which shall be inconsistent with the economic, commercial, and industrial equality hereinbefore guaranteed.

The rights conferred by this article extend equally to companies and associations organized in accordance with the law of any of the members of the League of Nations, subject only to the requirements of public order, and on condition of compliance with the local law.

ARTICLE 8.

The mandatory shall insure in the territory complete freedom of conscience and the free exercise of all forms of worship which are consonant with public order and morality; missionaries who are nationals of states members of the League of Nations shall be free to enter the territory and to travel and reside therein, to acquire and possess property, to erect religious buildings, and to open schools throughout the territory; it being understood, however, that the mandatory shall have the right to exercise such control as may be necessary for the maintenance of public order and good government, and to take all measures required for such control.

ARTICLE 9.

The mandatory shall apply to the territory any general international conventions applicable to contiguous territories.

ARTICLE 10.

The mandatory shall have full powers of administration and legislation in the area subject to the mandate. This area shall be administered in accordance with the laws of the mandatory as an integral part of his territory and subject to the preceding provisions.

The mandatory shall therefore be at liberty to apply his laws to the territory under the mandate subject to the modifications required by local conditions, and to constitute the territory into a customs, fiscal, or administrative union or federation, with the adjacent possessions under his own sovereignty or control; provided always that the measures adopted to that end do not infringe the provisions of this mandate.

ARTICLE 11.

The mandatory shall make to the Council of the League of Nations an annual report to the satisfaction of the council. This report shall contain full information concerning the measure taken to apply the provisions of the present mandate.

ARTICLE 12.

The consent of the Council of the League of Nations is required for any modification of the terms of this mandate.

ARTICLE 13.

The mandatory agrees that if any dispute whatever should arise between the mandatory and another member of the League of Nations relating to the interpretation of the application of the provisions of the mandate, such dispute, if it can not be settled by negotiation, shall be submitted to the Permanent Court of International Justice provided for by article 14 of the covenant of the League of Nations.

Whereas the United States of America by participating in the war against Germany contributed to her defeat and to the renunciation of her rights and titles over her oversea possessions, but has not ratified the treaty of Versailles; and

Whereas the Government of the United States and the Government of the King of the Belgians desire to reach a definite understanding with regard to the rights of the two Governments and their respective nationals in the aforesaid former colony of German East Africa under the mandate of the King of the Belgians;

The President of the United States of America and His Majesty the King of the Belgians have decided to conclude a convention to this effect and have nominated as their plenipotentiaries:

His Excellency the President of the United States of America,

Mr. Benjamin Thaw, jr., chargé d'affaires ad interim of the United States of America at Brussels, and

His Majesty the King of the Belgians:

Monsieur Henri Jaspar, his Minister for Foreign Affairs,

Who after having communicated to each other their full powers, found in good and due form, have agreed on the following provisions:

ARTICLE 1.

Subject to the provisions of the present convention the United States consents to the administration by the Government of the King of the Belgians, pursuant to the aforesaid mandate, of the former German territory described in article 1 of the mandate.

ARTICLE 2.

The United States and its nationals shall have and enjoy all the rights and benefits secured under the terms of articles 3, 4, 5, 6, 7, 8, 9, and 10 of the mandate to members of the League of Nations and their nationals, notwithstanding the fact that the United States is not a member of the League of Nations.

ARTICLE 3.

Vested American property rights in the mandated territory shall be respected and in no way impaired.

ARTICLE 4.

A duplicate of the annual report to be made by the mandatory under article 11 of the mandate shall be furnished to the United States.

ARTICLE 5.

Nothing contained in the present convention shall be affected by any modification which may be made in the terms of the mandate as recited above unless such modification shall have been assented to by the United States.

ARTICLE 6.

The extradition treaties and conventions in force between the United States and Belgium shall apply to the mandated territory.

ARTICLE 7.

The present convention shall be ratified in accordance with the respective constitutional methods of the high contracting parties. The ratifications shall be exchanged in Brussels as

soon as practicable. It shall take effect on the date of the exchange of ratifications.

In witness whereof the respective plenipotentiaries have signed the present treaty and have affixed thereto the seal of their arms.

Done in duplicate at Brussels this 18th day of April, 1923.

BENJAMIN THAW, Jr.

(Seal of the American Embassy, Brussels, Belgium.)

HENRI JASPER.

[PERSONAL SEAL.]

PROTOCOL.

Whereas the boundary of the mandate conferred upon His Majesty the King of the Belgians over the territory of Ruanda-Urundi, and recited in the preamble of the treaty concerning the mandate, concluded between the United States of America and Belgium on April 18, 1923, has been modified by a common accord between the British and Belgian Governments, with the approval given by the Council of the League of Nations at its meeting of the 31st of August, 1923, in order better to safeguard the interests of the native populations; and

Whereas by Article V of the treaty referred to above nothing contained in the treaty shall be affected by any modification which may be made in the terms of the mandate as recited in the treaty unless such modification shall have been assented to by the United States of America; and

Whereas the Government of the United States of America perceives no objection to the modification in question,

The Governments of the United States of America and Belgium have resolved to amend the treaty signed on April 18, 1923, between the two countries and have named for this purpose their respective plenipotentiaries:

The President of the United States of America,

Mr. Henry P. Fletcher, Ambassador of the United States of America at Brussels,

His Majesty the King of the Belgians,

Mr. Henri Jasper, his Minister of Foreign Affairs;

who, after having communicated each to the other their full powers found in good and due form, have agreed to the following amendatory articles to be taken as part of the treaty signed April 18, 1923:

ARTICLE 1.

Article 1 of the mandate recited in the preamble of the treaty signed April 18, 1923, shall be replaced by the following:

The territory over which a mandate is conferred upon His Majesty the King of the Belgians (hereinafter called the mandatory) comprises that part of the territory of the former colony of German East Africa situated to the west of the following line:

The midstream of the Kagera River from the Uganda boundary to the point where the Kagera River meets the western boundary of Bugufi; thence this boundary to its junction with the eastern boundary of Urundi; thence the eastern and southern boundary of Urundi to Lake Tanganyka.

The frontier described above is shown on the attached British map GSGS No. 2932–A, on the scale of 1: 1,000,000.

ARTICLE 2.

The present protocol shall be ratified in accordance with the constitutional methods of the high contracting parties. The ratifications shall be exchanged in Brussels on the same day as those of the treaty of April 18, 1923. It shall take effect on the date of exchange of ratifications.

In witness whereof the respective plenipotentiaries have signed the present protocol and have affixed thereto the seal of their arms.

Done in duplicate at Brussels this 21st day of January, 1924.

[SEAL] HENRY P. FLETCHER.

[SEAL] HENRI JASPAR.

CONFIRMATIONS.

Executive nominations confirmed by the Senate March 3, 1924.

COAST AND GEODETIC SURVEY.

To be aids.

Edwin Jay Brown.	John Carlos Bose.
Glendon Edwin Boothe.	John Walter Smith.
Earle Andrew Deily.	Hubert Alexander Paton.
Leonard Sargent Hubbard.	Robert Crysler Wilson.
Walter Herbert Bainbridge.	Henry Ward Tyler.

To be junior hydrographic and geodetic engineers.

Charles Pierce.	Thomas Bernard Reed.
Charles Duncan Baker.	Robert Walker Knox.
Alfred Ogram.	Jacob Acil Kibler.
Frank Larner.	Hibbert Morse Hill.

POSTMASTERS.

ARIZONA.

Arthur H. Sellers, Chandler.

CALIFORNIA.

Peter Garrick, Camino.
Lew E. Wickes, Castella.
Nelson S. Dilworth, Hemet.
Olive McDonald, North Fork.
Florence E. Cornelius, Piru.

MICHIGAN.

Melvin A. Bates, Grayling.
Wilda P. Hartingh, Pinconning.
Jens H. Wester, Sawyer.

MINNESOTA.

Paul B. Sanderson, Baudette.
Carl H. Schuster, Biwabik.
Louis W. Galour, Iona.

OREGON.

William A. Morand, Boring.
Elmer F. Merritt, Merrill.

WASHINGTON.

Elbert Wagoner, Delrio.
George W. Adams, Lebam.

HOUSE OF REPRESENTATIVES.

MONDAY, *March 3, 1924.*

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

It is love and gratitude that lift us into greatness of soul, O Lord. We beseech Thee to endow us richly with these immortal graces. Give wisdom that we may know how to use authority and great discretion that the use of power may be restrained. Problems and difficulties yield to one solution and that is a high sense of right. Bless us with disinterested zeal for righteousness, with sound reasoning which gives release in channels of peace and happiness, and with a spiritual benediction which is the prime essential. All of these are the fruits of the Spirit of God. With sincerity of purpose, with quietness of temper, and with wise understanding help us to pass through the duties of this day—through Christ. Amen.

The Journal of the proceedings of Saturday, March 1, 1924, was read and approved.

THE POSTAL SERVICE.

Mr. MACGREGOR. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of the Postal Service.

The SPEAKER. The gentleman from New York asks unanimous consent to extend his remarks on the subject of the Postal Service. Is there objection?

There was no objection.

Mr. MACGREGOR. Mr. Speaker, most people take the Postal Service of the United States as a matter of course. They want to tell something to a friend at a distant point in the country. They find a piece of paper and envelope, write the letter, stick a little piece of paper known as a "postage stamp," costing 2 cents, upon it, drop it into a box provided at a convenient point, and do not give a thought as to the work entailed in getting that letter from the box they placed it in to the person to whom it is directed. If they think about it at all it seems to them a perfectly natural thing that what happens should happen. They do not appreciate that the postal system is the biggest business in the country; that it takes more to run it than any other department of the Government; they only know that some way, somehow, it is a big noiseless machine that gives the "service" to them at a minimum of cost. The success of the machine is more vital to the best interests of the people of the United States than almost any other activity of the Government. It makes the wheels of business run, it brings friends and relatives into almost instant touch, and contributes in an immeasurable degree to the prosperity of the country.

If the Postal Service were abandoned, the people of the country would be in a panic and willing to pay infinitely more than they do to have it restored. The people want "service"

and are willing to pay what the "service" costs. If the people of the country gave any thought to the subject at all, they would unanimously say that the faithful men and women who make possible the wonderful system are entitled to at least a fair living. The part of the system that most of the people come into contact with is the carrier who daily or several times daily hands to them their letters. They think he is a fine fellow and welcome him eagerly, but probably never give a thought as to whether he is well paid or poorly paid. They assume that he is getting well paid. If asked if he should be well paid, they would say that there was no question but that he should be paid as well as any other man who renders good service.

The arrival of the mail coach in the early days was an event in the settlement. The villagers gathered at the little post office and waited with eagerness for the mail. Letters were few and far between. It was an event to receive one. The cost was too great to the individual to write except upon the happening of important events. The facilities were meager. There was not that general acquaintance by people in one section of the country with those in another. The railroads, the telegraph, the telephone, and many other mediums of friendship and acquaintance and business relations had not been thought of. In 1800 the total expenditure for postage was $280,804. It has now grown to the immense sum of $533,827,925.

The old mail coach, with the villagers gathering at the post office, are memories of the past. It has given way to the rush of mail coaches, the mail trains, and the mail airplane, speeding across the country carrying messages to and fro with a speed incredible to our forefathers. The picturesque old post office has given way to the city and village carrier delivering letters, newspapers, packages, at our door, the rural carrier with his automobile speeding over concrete highways delivering mail to every nook and corner of our vast land. The economy in the length of the letter and the weight of the paper because of the great expense has given way to the sending of live chickens, eggs, all manner of farm produce, and the product of the manufacturing establishment by mail because of its cheapness.

In the early days of the Postal System of the country the people were very willing to pay almost any price to have their mail transmitted from one point to another. Our grandfathers paid 25 cents an ounce to have their letters sent to points 500 miles distant. Two cents now carries them thousands of miles. In 1837 the 16,000,000 people in the United States each spent 26 cents for postage. In 1923 the 111,000,000 people each spent $4.78. The total expenditure for Postal Service in 1837 was $3,288,319; in 1923 it had arisen to the great sum of $556,850,966.

In the growth of the Postal Service other features have been added as conveniences to the people that are not in fact an essential part of the system. One of these is the money-order service. This was first established in 1864 and has grown to immense proportions. In 1865 there were 419 money-order offices; 74,277 money orders were issued, of the value of $1,360,000. In 1923 there were 54,181 money-order offices, the total amount of money transmitted by domestic money orders was $1,388,000,080, and the number of separate orders was 173,083,817. In addition, in 1923 there were 1,201,312 orders issued to transmit $22,488,617 to foreign lands.

The Postal Savings System has imposed further duties upon the Postal Service. In a large measure the small-package parcel post has taken over the work formerly done by express companies. The extension of city and rural free delivery has added not only to the expense of the service but has contributed in an immeasurable degree to the comfort and convenience of the people.

A few figures with reference to the Rural Mail Service are interesting. This branch of the service was established in about 1897. The number of routes in that year was 82. They have increased until now there are 44,439 routes, covering 1,190,534 miles and costing $86,172,350. There are 3,066 counties in the United States and 2,730 of them have rural delivery service. The rural routes furnish service to approximately 29,845,232 individuals. The rural carriers covered during the fiscal year 1923 a total of 360,256,364 miles.

The railway mail service of the Post Office Department is but little known by the general public. There are 21,316 men engaged in this branch of the service. They handle and distribute the mail in the 4,726 railway post-office trains that cover 231,619 miles of railway. These cars covered 273,471,627 miles of travel in the last fiscal year. These clerks must know accurately all of the post offices of the whole country, and know by what route the mail they handle can most expeditiously reach the point of destination. During the last fiscal year they distributed in these cars 16,666,218,045 pieces of mail. They also handled 113,273,735 pieces of registered mail.

Since the establishment of the parcel post in 1913 it has grown to immense proportions. It now constitutes 70 per cent of the volume of mail. In 1917, 693,553,176 packages were carried. In 1923, 11,765,943,942. The aggregate weight of parcel post dispatched from the United States to foreign countries during the year was 38,888,000 pounds.

There are 51,613 post offices under the jurisdiction of the Post Office Department, 893 first class, 2,931 second class, 10,437 third class, the postmasters of which are appointed by the President, and 37,352 fourth class. Pennsylvania with 2,969 has the greatest number of post offices, Kentucky is next with 2,600. Included in the number are Guam 1, Hawaii 94, Samoa 1, Porto Rico 92, Virgin Islands 5.

There were issued to postmasters during the fiscal year 1923:

Postage stamps	15,478,905,130
Special delivery stamps	62,370,100
Postal cards	1,253,195,951
Stamped envelopes	2,671,254,385
Newspaper wrappers	50,120,718

There were 88,741,153 pieces of mail registered, insured or sent C. O. D. during the fiscal year. There were 1,326,947,557 pounds of second-class mail handled; 19,238,548 pieces of mail went to the dead-letter office. Of these 74,863 contained money amounting to $109,517.66, and 153,483 contained drafts, checks, money orders amounting to $4,775,149.78.

Some idea of the magnitude of the foreign mail handled by the department is indicated by the fact that 415,828,337 pieces, exclusive of parcel post, were dispatched from the United States and 362,267,335 pieces received.

Insurance of mail is becoming more popular. During the fiscal year 140,545,734 parcels were insured, an increase of 14,211,853 over the preceding year.

Another activity of the Post Office Department that is increasing rapidly in popularity is the collect-on-delivery service. During the fiscal year 40,426,825 parcels were sent, which is an increase of 30.66 per cent over 1922.

I have referred to the many and varied activities of the Post Office Department to bring to your mind the close relation that it bears to the life of almost every individual in the country. It works so smoothly that many, many people do not give a thought to what it means to them. It has become an absolute essential to living and business. If its activities should cease for an instant the whole country would be in a panic.

I believe, therefore, that everyone should be desirous that the efficiency should continue and that those faithful servants of the people who make possible this wonderful achievement should be properly rewarded. I think that it is only necessary to direct the attention of the citizens to the situation to have them all join in a united chorus of assent to any action that may be taken to the end that those who labor in this important field of action that contributes so much to the happiness, comfort, and prosperity of the people as a whole should be allowed a sufficient amount of money to maintain themselves and their family upon a truly American scale.

It takes many hands and minds to do the tremendous amount of work necessary. There is work, hard work, for all of them, and many more could be used. The number of employees has not increased corresponding with the increase of work. The postal employees have not complained about that. They have gone to it and done it. They have showed a wonderful spirit of loyalty.

In the Post Office Department there are—

Clerks	57,183
City letter carriers	40,134
Watchmen	3,302
Rural carriers	44,312
Railway postal employees	21,316

Of these employees 45,271 clerks receive $1,800 per year or less; 40,128 city letter carriers receive $1,800 or less.

Before the war this might have been sufficient to provide an ordinary living for a man and his family. The value of money has changed very much. The salaries now paid to them are entirely out of line with the compensation paid to employees. The dollar of 1913 is now worth about 70 cents. There has also been a tendency toward a higher wage scale generally than prior to the war. The scale of letter carriers is as follows:

Scale of letter carriers.

	Per annum.	Per 30-day month	Per day.	Per hour.
First grade	$1,400	$116.67	$3.89	$0.4862
Second grade	1,500	125.00	4.17	.5212
Third grade	1,600	133.33	4.44	.5555
Fourth grade	1,700	141.67	4.72	.59
Fifth grade	1,800	150.00	5.00	.625

In the Railway Mail Service there are 19,361 clerks outside of the supervisory class. They are divided as to grades, as follows:

Clerks, grade 6, at $2,300 per annum	4,887
Clerks, grade 5, at $2,150 per annum	7,608
Clerks, grade 4, at $2,000 per annum	3,963
Clerks, grade 3, at $1,850 per annum	1,868
Clerks, grade 2, at $1,700 per annum	427
Clerks, grade 1, at $1,600 per annum	608

The scale of wages of the clerical force at present is, as follows:

Clerks at $1,400	2,899
Clerks at $1,500	6,014
Clerks at $1,600	6,075
Clerks at $1,700	3,253
Clerks at $1,800	27,030
Clerks at $1,900	950
Clerks at $2,000	6,577

There are 44,500 rural carriers. Their compensation varies as to the length of the route. The average salary is $1,830 per year. They are required to pay for their equipment out of their salaries. The average cost of equipment maintenance is $638, leaving an average net salary of $1,192.

There are several bills now before Congress relative to the increase of salaries of postal employees. In general, they provide for the increase of salaries of city delivery carriers to a maximum of $2,400, of clerks to the same amount, of railway postal clerks to a maximum of $2,600, of village carriers to a maximum of $1,600, and general increases to other employees, such as messengers, watchmen, motor-vehicle operators, mechanics, and garage men. Provision is also made for allowance to rural carriers of 6 cents per mile per month for maintenance of equipment. These maximums can only be attained after several years of service.

Practically all of the experts upon the cost of living agree that a man with a wife and two or three children require an income of $2,500 to support them upon an American scale of living. The present maximums are not now sufficient. They should be revised to meet the change in the value of the dollar.

The Postal Service should be self-sustaining and it should be sustaining upon a basis that will permit the granting of a living wage to the employees. Much of the mail is now carried at less than cost. The parcel post is now nearly 70 per cent of the business. I do not believe that it carries its part of the burden. A slight increase in the rates upon that service would not be a burden at all to the people.

The efficiency of the Postal Service is in danger. The turnover is growing. Efficiency can not be long maintained when there is the constant need of training new men. A postal employee to be efficient must be long in the service. The service must be made attractive to capable men. It can not be done when the employees can not live upon the salaries paid.

The time to act is now, to preserve and improve the efficiency of this wonderful system that is so important to the prosperity and happiness of the country. There is only one way to do it, and that is to provide in some way adequate pay for good men. The postal employees have been loyal and faithful. They have not laid down on the job. It has got to be done. Let us do it before it is too late. Let us do it now.

ANNOUNCEMENT.

Mr. HOWARD of Nebraska. Mr. Speaker, desiring to play the part of courtesy, I now give notice that to-morrow morning following the reading of the Journal, I shall ask that a resolution of high privilege be requested to be immediately reported by the Committee on the Judiciary.

GRAND CANYON OF THE COLORADO.

The SPEAKER. By a special order of the House the gentleman from Michigan [Mr. CRAMTON] is allowed 30 minutes.

Mr. CRAMTON. Mr. Speaker, I ask unanimous consent that I may be allowed to revise and extend my remarks.

The SPEAKER. The gentleman from Michigan asks unanimous consent to revise and extend his remarks. Is there objection?

There was no objection.

Mr. CRAMTON. And further, Mr. Speaker, if I may encroach on the patience of the House, I ask unanimous consent that my time be extended to 50 minutes. I shall try to get through with less time, if possible.

The SPEAKER. The gentleman from Michigan asks unanimous consent to proceed for 50 minutes. Is there objection?

Mr. DYER. On what subject?

Mr. CRAMTON. The Grand Canyon Park and its improvement.

Mr. DYER. Of course, the gentleman knows that this is unanimous-consent day.

Mr. CRAMTON. I know; but I am asking unanimous consent. It is a matter that is pending in conference in the Interior Department appropriation bill.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CRAMTON. Mr. Speaker, writing straight from the heart to his young daughters, Thackeray, in a letter dated September 15, 1850, but only now published, speaks of a sunrise over the River Rhine, viewed from his hotel window at Cologne. Therein you find him saying, "Those magnificent spectacles of nature are like personal kindnesses from the Maker to us—and make me feel grateful." He who goes through life insensible of the beauties of inanimate nature all about him, who fails to look "through nature up to nature's God," is himself scarce animate.

Wordsworth still lives in his presentation of nature's charms and gifts. So in his lines—

> I have learned
> To look on nature, not as in the hour
> Of thoughtless youth, but hearing oftentimes
> The still, sad music of humanity,
> Nor harsh nor grating, though of ample power
> To chasten and subdue. And I have felt
> A presence that disturbs me with the joy
> Of elevated thoughts; a sense sublime
> Of something far more deeply interfused,
> Whose dwelling is the light of setting suns,
> And the ocean, and the living air,
> And the blue sky, and in the mind of man;
> A motion and a spirit, that impels
> All thinking things, all objects of all thought,
> And rolls through all things. Therefore am I still
> A lover of the meadows and the woods,
> And mountains; and of all that we behold
> From this green earth; of all the mighty world
> Of eye and ear, both what they half create,
> And what they perceive; well pleased to recognize
> In nature and the language of the sense,
> The anchor of my purest thoughts, the nurse,
> The guide, the guardian of my heart, and soul
> Of all my moral being.

To no land has nature been more kind than ours as it rolls, mile upon mile, forest and meadow, lake, river and waterfall, mountain and desert waste, from ocean to ocean. And in all history no people has been more appreciative of the beauties of nature or has more sought "communion with her visible forms," to hear her speak her "various language."

Playgrounds abound and the movement for their acquisition and maintenance is rapidly extending. Through a constantly widening program of park areas, local, State, and national, that which is most distinctive, most appealing in its opportunity "to look on nature," or most effective in its power to rouse in man the "sense sublime" or to "glide into his darker musings, with a mild and healing sympathy that steals away their sharpness ere he is aware"—these places are being secured to the free public use of all our people for all time to come. The park of other lands and other times was the monopolized exponent of human selfishness, with "keep out" signs facing the multitudes. The American public park idea is unique and its crowning glory is the national park system. Therein are being enshrined nature's masterpieces, their beauties and wonders to be preserved and protected for the common use of all for all time to come. Whether it be preeminent in the glory of its trees, of a lake of unrivaled blue, of glaciers, of majestic peaks massing one upon another with eternal snow upon them, or one rising in solitary grandeur above a principality, of wild plant and animal life, of waterfalls that thrill and arouse, while they subdue, or of eroded chasms and precipices colored by nature with beauty that defies the imagination, whatever it offers to delight the human eye, is offered freely and unselfishly to all alike. Paraphrasing Longfellow, whatever fortune is denied me, "you can not rob me of free nature's grace," and in the Nation's playgrounds and scenic reservations—

You can not bar my constant feet to trace
The woods and lawns, by living stream, at eve;
Let health my nerves and finer fibers brace,
And I their toys to the great children leave;
Of fancy, reason, virtue, naught can me bereave.

Communion with nature chastens and subdues the ego, it conduces to unselfishness and willingness to serve and sacrifice, it modifies the will to exploit, to monopolize, it clears the vision as to relative values of temporary gain against the eternal. And yet there are those who can go about amidst these things with unseeing eyes and feel none of this. There are those who can only see the people who come to see, but not that which they come to see, who see the chance to exploit and fail to see the chance to serve.

I have been permitted glimpses, all too brief, of nearly all our national parks, including the Grand Canyon of the Colorado, which is the theme of my remarks here to-day. The Supreme Court of the United States in the case of Cameron *v.* United States (252 U. S. p. 456) said of it:

It is the greatest eroded canyon in the United States, if not in the world, is over a mile in depth, has attracted wide attention among explorers and scientists, affords an unexampled field for geologic study, is regarded as one of the great natural wonders, and annually draws to its borders thousands of visitors.

Long you may have looked forward to seeing this great wonder of nature, but in the end it comes upon you with sudden surprise, this great gash 10 miles wide, the mighty Colorado, a seeming thread of water as it courses through, a mile below you and several miles away, the canyon stretching miles beyond the reach of eye and up and down the winding river. And then you ask with the poet:

Who can paint
Like nature? Can imagination boast,
Amid its gay creation, hues like hers,
Or can it mix them with that matchless skill * * *?

The Grand Canyon belongs to the world. Man may attend and preserve but must not monopolize nor exploit, and no private use can be permitted to mar the superior use of all.

When H. R. 5078, the Interior Department appropriation bill, carrying appropriations for the national parks, and in my charge as chairman of the subcommittee, was pending in the House the following amendment, offered by the gentleman from Arizona [Mr. HAYDEN], was accepted by me and was adopted:

For the purchase of the Bright Angel Toll Road and Trail within the Grand Canyon National Park, Ariz., as contemplated by the "Act to establish the Grand Canyon National Park in the State of Arizona," approved February 26, 1919, $100,000, to be available until expended for payment to the county of Coconino, State of Arizona, for the construction, under the supervision of the National Park Service, of a road from Maine, Ariz., to the south boundary of the Grand Canyon National Park: *Provided*, That no part of such sum shall be expended until after the delivery of a good and sufficient deed by the proper authorities of said county conveying to the United States full and complete title to the said Bright Angel Toll Road and Trail, and acceptance thereof by the Secretary of the Interior.

This paragraph has been stricken out of the bill in the Senate and is now in conference.

While it was under consideration in the Senate the following statement was made:

This trail is a great asset to Coconino County. A few months ago a little clique got together out at Flagstaff, without the knowledge of the people of Flagstaff, without the knowledge of the people of the county, and in crafty maneuvering made this deal and now want us to swallow it. Why has a Congressman a right to go out and make a private deal with a board of supervisors, even if they—the supervisors—had a right to make this deal? The board of supervisors of Coconino County have no more right to sell an asset of the county until it is voted on by the people of that county than I have to try to sell the United States Capitol. Here is a Congressman, who is chairman of the subcommittee of the Committee on Appropriations of the House [Mr. CRAMTON], and my friend from Arizona, Mr. CARL HAYDEN, who is now and for many years has been Representative from our State, making a deal of the assets of the county when they knew, or should have known, $100,000 would do but very little good on this road, and at the same time they knew the forestry department planned spending $750,000 on this same road. I do not know whether these gentlemen understand the situation or not, but before they go into a deal of that kind they should know that there should be some justification and merit to the proposition.

By reason of this statement, and by reason of my deep interest in protection of this great national park and all others against encroachment of private interests, and their proper development and accessibility for the great public use, I am taking this occasion to place before this House and before the country the facts as to the existing situation at the Grand Canyon and the truth as to what the gentleman from Arizona [Mr. HAYDEN], the gentleman from Oklahoma [Mr. CARTER], and myself are trying to do.

In making this statement I am not attacking individuals in Washington but conditions in Arizona and defending public use against private interest. I have some understanding of the parliamentary rules that govern the Congress, have a real respect for them, and seek always to obey them, even on occasions when it is most inconvenient to do so and when there appears very just cause for not doing so.

The Hayden amendment proposes to buy the Bright Angel Trail from the county of Coconino, paying $100,000 therefor, that money to be expended upon the approach road to the Grand Canyon from the Santa Fe Trail under direction of the National Park Service. By its enactment it is sought (1) to improve an approach road to the south rim or Arizona side of the Grand Canyon, (2) to eliminate private ownership of the Bright Angel Trail, (3) to conserve a cordial spirit of cooperation with Coconino County, and (4) to eliminate private interests that now by opposition, intrusion, hostility, and violence handicap and prevent proper development of the park for public use and safe enjoyment of the canyon by the public.

The four purposes are all highly desirable, and it is important to the public interest that they be accomplished. In what I have to say I am emphasizing the public interest in having these things accomplished. For parliamentary reasons, if for no other, I will not emphasize interests that do not desire such accomplishment.

1. THE APPROACH ROAD.

In my contact with the national park problem I have taken keen interest in the rapidly increasing public attendance, from 356,097 in 1916 to 1,403,712 the past season. The Grand Canyon was made a national park in 1919 when its attendance was 37,745, while for 1923 it was 102,166. Particularly the increase of auto travel to the parks has interested me because it is by that means of travel, with attendant camping possibilities, that enjoyment of the parks becomes possible for the numerous nature lovers of small means. Into the Grand Canyon came 1,575 private autos in 1919 and 11,731 in 1923. Our committee has been glad to cooperate with Director Mather in providing conveniences, camping-ground facilities, and roads in the parks for the motorists. It is also highly important that the approach roads to the parks be such as to make them accessible to motorists. Ordinarily the roads outside the parks are the responsibility of the locality, county or State, and in many cases the roads so provided are better than park funds have yet provided in the parks.

There are cases where it is apparent the approach roads must be built by Federal funds, if at all.

Such has long been recognized to be the case in connection with the Yellowstone Park, where $517,100 of Federal funds has been expended since 1897, as shown by the following:

DEPARTMENT OF THE INTERIOR,
NATIONAL PARK SERVICE,
Washington, February 28, 1924.

[Memorandum for the Hon. CARL HAYDEN, House of Representatives.]

The following is a statement showing the amounts appropriated for approach roads in the forest reserve leading out of Yellowstone National Park from the east and south boundaries:

Fiscal year.	East boundary.	South boundary.	East and south boundaries.
1897			[1] $5,000
1901	$20,000		
1902			[1] 25,000
1903	50,000	$25,000	
1906			[1] 30,000
1908			[1] 10,000
1911			[1] 20,000
1912			[1] 25,000
1913	4,500	1,500	
1914	15,000	5,000	
1915	37,500	2,500	
1916	27,500	2,500	
1917	21,000	10,000	
1918	5,000	7,500	
1919	32,500	7,500	
1920	25,500	7,500	
1921	8,400	7,500	
1922	19,400	7,500	
1923	8,400	27,500	
1924	8,400	7,500	
Total	283,100	119,000	115,000

[1] Appropriations for east and south boundaries not separated.

STEPHEN T. MATHER, *Director.*

Mr. BRIGGS. Mr. Chairman will the gentleman yield?

Mr. CRAMTON. I would prefer not to yield unless I fail to make myself clear. I hope to be able to answer questions when I have gotten through my remarks.

The south approach to the Grand Canyon may very properly be deemed another case.

In the recent hearing on H. R. 3682 before the House Committee on Public Lands Mr. Horace Albright, field assistant to the Director of the National Park Service, showed how little has been done in the way of Federal funds for roads even within this park. He said, in part:

This park is one that has had no assistance whatever from the Federal Government, except the appropriation last year of $40,000 to improve the surface of 8 miles running out from El Tovar Hotel along the rim, which was built by the Santa Fe Railroad. All the other roads in the park, total of 91 miles, were built by the county or by the State of Arizona and a little bit of road built on the north rim by the people who come down from Utah, sightseers and railroad men, investigating the possibilities of development there—

And so forth.

Of one road outside the park he says:

The Santa Fe Railroad has built with its own funds this year a road which makes a short cut to the Navajo Reservation and will further improve that road this summer so that hereafter one can go out during most of the year from El Tovar to the Navajo Reservation, get a view not only of the Navajos at work but of the Hopis, at Monencopi Village, and get back the same night. That piece of work is very commendable, and we owe a debt of gratitude to the foresight of the railroad in getting that road built.

As to approach roads from the south, little has been done and it seems little is to be expected for some years from any source except through Federal funds expended through the National Park Service.

The Santa Fe Trail, now an improved roadway, runs through Flagstaff and Williams. Its point nearest to the park entrance is Maine, halfway between Flagstaff and Williams. A road from Maine to the park now exists, a dirt road, in fair condition at its best, but impassable at times. It is about 60 miles from Maine to El Tovar. The county of Coconino is the second largest in area in the United States, with consequently large road problems. Its area is so largely, however, taken up with forest reserves, public lands, national park, and Indian reservations that only 11 per cent of its area is subject to taxation. So while the county is alive to the importance of improvement of this road it can do little for some time to come.

While much of this road is through Federal forest reserve and that service is expending very large amounts for road building and has been said to "be willing to assist us in building this road," nothing from the Forest Service can be expected for years to come. It has been said also concerning this road:

The Government has planned, which is its duty, the construction of a real road out of the forestry fund to the extent of $750,000 within the next two or three years.

Vain hope. The palsying effect of high influence seems to be upon the Forest Service when I have the past few days tried to get an explicit statement from them as to their plans for this road. They say:

The Forest Service is not in a position to undertake construction on this road at this time.

And again:

Just how soon the project will be definitely approved for construction can not be estimated—

And so forth.

When our conference was held at El Tovar there were present F. C. W. Pooler, district forester, and G. W. Kimball, forest supervisor, and allocation for this road by the Forest Service was strongly urged upon them by me. They were not overawed by any such official influence and outlined the situation frankly, making it clear that no help for this road from the Forest Service could be reasonably expected for many years.

The rapid increase in auto travel to the Grand Canyon makes imperative improvement of this road. There is no prospect for such improvement except through this appropriation; such action by the Federal Government is equitable, just, and proper.

2. THE TOLL TRAIL.

The Bright Angel Toll Trail, which "descends the south wall of the canyon to the floor, lying some 4,300 feet below the rim, starts within a few hundred yards of the terminus of the railroad and the end of the main public highway, which bring practically all the visitors to the south rim of the Grand Canyon."

It descends precipitately, and can only be traveled on foot or upon sure-footed animals, mules being customarily used.

Recently its history has been told most succinctly by Senator ASHURST, of Arizona, as follows:

Long prior to the time the Grand Canyon became a national park, indeed long prior to the time the Grand Canyon became a national monument or a reserve of any kind or character, the laws of the Territory of Arizona authorized citizens of the United States to build, establish, and maintain a toll road for the collection of tolls from persons who traveled upon and over such trail or road. I can best give a history of the Bright Angel Toll Trail by reading a copy of a letter I wrote to the county attorney of Coconino County, Ariz., some time ago upon this subject.

I read my reply to him, as follows:

JUNE 1, 1922.

Hon. F. M. GOLD,

County Attorney, Flagstaff, Ariz.

DEAR SIR AND FRIEND: Yours of the 26th ultimo just received advising that in your efforts to protect the interests of Coconino County in and to the Bright Angel Toll Trail in the Grand Canyon you require a complete statement of all the facts showing the county's title to the trail.

I am sending you by registered mail, under separate cover, a bound book entitled "Duffield *v.* Ashurst," which contains all the data or papers I possess respecting this subject. This book contains some of the pleadings, briefs, and other documents making up the record in the case involving the title of Coconino County to the Bright Angel Toll Trail. * * *

About January 31, 1891, Peter D. Berry, under the statutes of Arizona of 1887, filed in the office of the county recorder of Yavapai County (Coconino County was created later) a certificate and plat marking out a sort of map of definite location of the Bright Angel Toll Road and Trail and claimed a toll road franchise thereon.

Subsequently the said Berry, by deeds of conveyance, transferred, or attempted to transfer his interest in said toll trail to Mr. RALPH H. CAMERON; these deeds are recorded in book 9 of deeds and book 10 of deeds, records of Coconino County.

In January, 1901, the Board of Supervisors of Coconino County attempted to extend said toll-road franchise for a period of 10 years, but had no power to extend same for a longer period than 5 years.

In 1903 the district court of Coconino County, sitting at nisi prius, held the deeds to CAMERON to be void, and Berry and his partners thereupon resumed possession of the Bright Angel Toll Trail.

In February, 1906, the said toll-road franchise of Berry et al. expired, and the Board of Supervisors of Coconino County thereupon contracted with Mr. L. L. Ferrall to collect tolls thereon for Coconino County.

In 1907 the Territorial legislature, by act thereof, extended the franchise for an additional five years.

This act of the legislature of 1907 reinstating the said toll-trail franchise in the original locators or owners of the franchise was, by the supreme court of the Territory, declared to be a valid act. See Duffield *v.* Ashurst (100 Pacific Reporter, p. 821).

The franchise again expired in 1912 and the franchise thereupon reverted to Coconino County. By this time I had come to the Senate, hence I do not know what has happened in Arizona in the courts or in the office of the board of supervisors of Coconino County respecting this trail; but in 1918, when Mr. HAYDEN and I drew the bill creating the Grand Canyon National Park, we used extreme care to see to it that all the rights of Coconino County in or to the Bright Angel Trail should be and were protected and recognized, and the language of the park act is as follows:

"SEC. 4. That nothing herein contained shall affect any valid existing claim, location, or entry under the land laws of the United States, whether for homestead, mineral, right of way, or any other purpose whatsoever, or shall affect the rights of any such claimant, locator, or entryman to the full use and enjoyment of his land, and nothing herein contained shall affect, diminish, or impair the right and authority of the county of Coconino, in the State of Arizona, to levy and collect tolls for the passage of livestock over and upon the Bright Angel Toll Road and Trail, and the Secretary of the Interior is hereby authorized to negotiate with the said county of Coconino for the purchase of said Bright Angel Toll Road and Trail and all rights therein, and report to Congress at as early a date as possible the terms upon which the property can be procured."

You are to be commended for your efforts to protect the county's rights, and I hope this letter may give you the information you wish, or at least may inform you where the records may be obtained.

I regret my inability to supply complete data, but human memory is at best uncertain. A careful abstracter of titles could easily find copious information and records of the various muniments or papers showing the county's title, as they are all on record in the office of

the county recorder, the office of the clerk of the board of supervisors, and the office of the clerk of the court in Flagstaff. The filing of Berry is on record in Yavapai County.

The Federal Government recognizes Coconino County's title to this trail to be in full life and validity.

* * * * * * *

With best wishes,

Sincerely yours, HENRY F. ASHURST.

Not knowing precisely when the county of Coconino assumed custody of the Bright Angel Trail and began the collection of tolls on the trail in the Grand Canyon, I wired Mr. J. B. Rickel, the clerk of the Board of Supervisors of Coconino County, the county in which the trail is situated, and he replied on February 15 last, as follows:

"Regarding your wire, Coconino County assumed custody of Bright Angel Toll Trail on April 18, 1912."

The tolls that were paid to Coconino County amounted for the period October 1, 1919, to October 1, 1920, to $6,619. From October 1, 1920, to September 30, 1921, by a singular circumstance, the same number of dollars, to wit, $6,619. For the period October 1, 1921, to September 30, 1922, $6,759, and from October 1, 1922, to September 30, 1923, $7,130.

The formal efforts of the Federal Government, since the designation of the Grand Canyon as a national park, to secure the trail are set forth in the following report to Congress by the Secretary of the Interior:

DEPARTMENT OF THE INTERIOR,
Washington, December 11, 1923.

The honorable the SPEAKER OF THE HOUSE OF REPRESENTATIVES:

MY DEAR MR. SPEAKER: The act of Congress approved February 26, 1919, entitled "An act to establish the Grand Canyon National Park in the State of Arizona" provides, among other things:

"That nothing herein contained shall affect any valid existing claim, location, or entry under the land laws of the United States, whether for homestead, mineral, right of way, or any other purpose whatsoever, or shall affect the rights of any such claimant, locator, or entryman to the full use and enjoyment of his land, and *nothing herein contained shall affect, diminish, or impair the right and authority of the county of Coconino, in the State of Arizona, to levy and collect tolls for the passage of livestock over and upon the Bright Angel Toll Road and Trail, and the Secretary of the Interior is hereby authorized to negotiate with the said county of Coconino for the purchase of said Bright Angel Toll Road and Trail and all rights therein, and report to Congress at as early a date as possible the terms upon which the property can be procured.*"

In compliance with this provision of law I have the following report to make to you:

The Bright Angel Toll Road and Trail, which descends the south wall of the canyon to the floor, lying some 4,300 feet below the rim, starts within a few hundred yards of the terminus of the railroad and the end of the main public highway, which bring practically all the visitors to the south rim of the Grand Canyon. At this point there are also concentrated the hotels and camps available for the accommodation of the visitors and the administrative headquarters of the National Park Service that has charge, under the Interior Department, of the administration of the park. This trail is the only means of access into the canyon for 20 miles to the east, where the Grand View Trail is located, and 8 miles to the west, where the Hermit Trail is located. The trail has been privately owned, the present title, so far as can be ascertained, being duly vested in the county of Coconino, which adjoins the park on the south; and the above provision of law in the organic act creating the Grand Canyon National Park appears to recognize rights of the county of Coconino in said trail. The county has collected from the public operator a toll of $1 for every visitor carried on horse or mule back over the trail, it being understood that tolls for some 7,681 visitors were paid for such use of the trail the past year.

The great importance to the United States of having ownership of this trail for the unrestricted use of the public is apparent, and the importance of its acquisition was fully emphasized by the injunction of Congress in the organic act above cited.

In compliance with the provisions of this law, negotiations between representatives of the department and the Board of Supervisors of the county of Coconino, Ariz., as representatives of that county, were carried on for several years without definite results. During the past summer, however, and in the presence of visiting Members of Congress, the following proposition was informally agreed upon as appearing fair and reasonable under the circumstances to both parties involved, namely, that in the event Congress shall appropriate not less than the sum of $100,000 to be expended upon the reconstruction and improvement of a road between Maine, Ariz.—which is a small town lying midway between the towns of Williams and Flagstaff, Ariz., on the National Old Trails Road about 80 miles away—and the south boundary of the Grand Canyon National Park, which will constitute then the most important highway approach to the park, the Board of Supervisors of the county of Coconino will execute and deliver a good and sufficient deed conveying to the United States the full and complete title to the Bright Angel Toll Road and Trail.

It was ascertained that the provisions of existing Arizona law require the selling of any property, real or personal, belonging to the county, at public auction, after certain prescribed regulations have been complied with, to the highest bidder, and if Congress directs the acquisition of the trail under agreements informally arrived at and stated above, the county has agreed to offer the trail for sale at public auction in accordance with the statutes above mentioned, with the understanding that a bid is to be made by a representative of the United States of the sum of $100,000 for said trail under the conditions stated. If the bid is accepted, no part of this sum will be paid over to the county until a satisfactory deed has been executed and delivered, vesting full and complete title in the trail in the United States.

It is my purpose to submit through the proper channels draft of legislation which when enacted will authorize the appropriation of the sum of $100,000 to enable the Secretary of the Interior to effect these purposes and in the following words:

"That for the purchase of the Bright Angel Toll Road and Trail within the Grand Canyon National Park, Ariz., the sum of $100,000 is hereby authorized to be expended out of moneys in the Treasury not otherwise appropriated; this amount to be available for payment to the Board of Supervisors of the county of Coconino, State of Arizona, for the purpose of construction, under the supervision of the National Park Service, of the approach road to the south entrance to the Grand Canyon National Park, from Maine, Ariz., to the south boundary of the park, upon the delivery of good and sufficient deed of conveyance to the United States of full and complete title to the said Bright Angel Toll Road and Trail and acceptance thereof by the Secretary of the Interior."

Very truly yours,

HUBERT WORK, *Secretary.*

It is apparent that it is highly undesirable that a toll road or trail exist in a great national park. At the best it is not to be tolerated. At the worst there enter in such complications as make the Grand Canyon situation one that must not be allowed to continue.

The Federal Government has not been the only applicant for control of all or part of the Bright Angel Trail.

At the regular meeting of the board of supervisors in May, 1922, one RALPH H. CAMERON proposed a lease of the Bright Angel Trail, the form of lease proposed by him being as follows:

This agreement, made and entered into in duplicate this — day of ———, 1922, by and between the county of Coconino, State of Arizona, the party of the first part, and RALPH H. CAMERON, of the county of Coconino, State of Arizona, party of the second part, witnesseth that—

Whereas the party of the first part is the owner of that certain toll road running from the rim of Grand Canyon of the Colorado River, at a point near the terminus of the Grand Canyon Railroad, down into said Grand Canyon, said toll road having heretofore been, and now being, known as the Bright Angel Toll Road or Trail; and

Whereas it is deemed for the best interests of the county and of the public that said toll road shall not be declared a free highway, but that the county shall collect toll thereon; and

Whereas the character of said toll road is such that the same should be at all times kept in first-class repair and should be carefully looked after and cared for; and

Whereas it is deemed for the best interests of the county of Coconino that a competent person be engaged to look after the repair and maintaining of said road and the operation thereof, including the collection of tolls thereon; and

Whereas the party of the second part is thoroughly acquainted with said road and is deemed competent to take charge thereof for the purposes aforesaid and to perform the duties incident thereto in a capable and satisfactory manner.

Now, therefore, the said party of the first part hereby leases, lets, and demises unto the said party of the second part the said Bright Angel Toll Road or Trail aforesaid for the term of five years from the date hereof.

The party of the second part, in consideration of the premises and the covenants and agreements on the part of the party of the first part, hereby covenants and agrees that he will pay to the party of the first part as rent for said toll road the sum of $1,875.24 per annum, said rent to be paid in quarterly installments on the 1st day of ———, ———, ———, and ——— of each year during the term of said lease.

The said party of the second part does hereby undertake and agree for said term of five years from the — day of ———, 1922, to take charge of said Bright Angel Toll Road or Trail, and to maintain and care for the same and keep it in such good condition and repair as shall be practicable in order to make the same reasonably safe and easy to travel, and agrees to take charge of the collection of tolls upon said road in the amounts and manner hereafter authorized.

Said party of the second part also agrees that during the term of this contract he will furnish all labor and material that may be required in order to keep said road in good condition and repair as herein provided.

In consideration of the premises and the covenants and agreements of the party of the second part herein contained, the party of the first part agrees that said second party shall be entitled to receive and retain for his own use and benefit all of the tolls collected by him on said road.

The said party of the first part in consideration of the premises and to the end that the contract may be properly carried out and performed by all the parties hereto, does hereby authorize and empower the said second party to take charge of said toll road for the purpose of maintaining, repairing, and operating the same, and collecting tolls thereon, during the term of this contract, and does hereby authorize and empower the said second party to do and perform all things that shall be necessary or proper to properly maintain said toll road and keep the same in good repair and condition, and to collect tolls thereon.

And the party of the first part does hereby further authorize the said party of the second part to collect upon said toll road tolls at the rate of $1 per head for each animal led, driven, or ridden or passing over or upon the said toll road or any part thereof, or such other or different tolls as now are or may hereafter be authorized by law.

In witness whereof, the parties hereto have caused these presents to be executed the day and year first above mentioned.

COUNTY OF COCONINO,

By ——— ———,

Chairman of the Board of Supervisors of Said County.

Attest:

———— ————,

Clerk of the Board of Supervisors of Coconino County.

The validity of this lease was referred to Mr. F. M. Gold, as county attorney of Coconino County, who advised against entering into it on the ground it was neither legal nor for the best interests of the county. It being deemed possible that CAMERON might nevertheless secure the lease, a protest was filed with the board in the name of I. L. Hubbard, general manager of the Santa Fe Railroad Co. This protest later was withdrawn. Thereupon, in order to forestall the Cameron lease, a more favorable offer was presented by Mr. Ed. Hamilton, of Williams, Ariz., and nothing resulted.

On or about May 18, 1922, Mr. CAMERON came back with a proposed contract under which he was to have free use of this trail for transportation of his livestock, supplies, and equipment for use in operation of his mining claims in the canyon. This second Cameron lease was advised against by Gold, on account of a recital it contained with reference to ownership of part of the trail in Cameron. The county attorney was requested by the board to prepare a contract. Mr. Gold did so, it being as follows:

AGREEMENT.

This agreement, made and entered into this — day of May, A. D. 1922, by and between the county of Coconino, State of Arizona, through its board of supervisors, hereinafter called party of the first part, and ——— ———, of the State of Pennsylvania, hereinafter called the party of the second part, witnesseth:

That for and in consideration of the sum of $1 and other good and valuable considerations, in hand paid to the party of the first part, the receipt whereof is hereby acknowledged, the said party of the first part gives, grants, and extends to the said party of the second part the right and privilege of using what is commonly called and known as the Bright Angel Trail, located on the south rim of the Grand Canyon near the terminus of the Atchison, Topeka & Santa Fe Railway Co., and extending down into the canyon, in Coconino County, Ariz., for the use of pack animals in transporting and conveying materials for all kinds of construction work desired to be performed by the said party of the second part in the Grand Canyon.

It is mutually agreed that the pack animals mentioned above shall be used in such transportation only at such times as not to impede or interfere with the tourist traffic upon said trail.

The party of the second part further agrees that he will not permit the pack animals on the return trip to run promiscuously over and across the trail, but will so guide and conduct said pack animals that they will use the trail in both descending and ascending.

It is further mutually agreed that nothing in this agreement will authorize or permit the said party of the second part to use animals in the tourist business without compensating the said party of the first part for the use of said trail.

It is mutually agreed that this agreement shall extend for a period of five years from date hereof and shall be binding upon the successors and assigns of the party of the first part and the executors, administrators, and assigns of the party of the second part.

In witness whereof, the said party of the first part has caused this instrument to be executed by its chairman and attested by its clerk and its seal to be attached hereto and the party of the second part has hereunto set his hand the day and year first above written.

———— ————,

Chairman Board of Supervisors.

———— ————,

Party of the second part.

Attest:

———— ————.

This gave CAMERON all he had any right to ask but eliminated the jokers. This CAMERON refused to consider.

About July 18, 1922, Mr. CAMERON proposed another contract in the name of S. E. Queiroz, which was as follows:

AGREEMENT.

This agreement made and entered into, in duplicate, this — day of ———, 1922, by and between the county of Coconino, State of Arizona, the party of the first part, and S. E. Queiroz, of Elkins Park, Pa., party of the second part.

Witnesseth, that—

Whereas the party of the first part is the owner of a certain trail or toll road known as the Bright Angel Trail, within the county of Coconino, State of Arizona, running from a point on the south rim of the Grand Canyon of the Colorado River near the terminus of the Grand Canyon Railroad, running thence down into said Grand Canyon in a general northeasterly direction to a point in the vicinity of what is known as the Indian Garden; and

Whereas the party of the second part is the owner of certain mining claims and property extending between the northerly terminus of the said Bright Angel Trail and the Colorado River in said Grand Canyon, upon and over which there is a trail connecting with the northern terminus of the said Bright Angel Trail and extending to the said Colorado River known as the Cameron Trail, which said trail extends in a general northeasterly direction from the terminus of said Bright Angel Trail to a point on the Colorado River; and

Whereas there is situated on the said Bright Angel Trail certain buildings owned and controlled by the party of the second part; and

Whereas the party of the second part may desire to construct and maintain certain other buildings upon the said Bright Angel Trail, owned by the party of the first part, as aforesaid; and

Whereas the party of the first part desires to use the trail known as the Cameron Trail, heretofore designated as passing over and upon the property of the party of the second part, for the purpose of transporting tourists between the said rim of the said Grand Canyon and the Colorado River; and

Whereas the party of the second part desires to convey freight and supplies from the rim of said canyon over the said trails to the Colorado River for the purpose of conducting mining operations upon the mining claims and property of the party of the second part; and

Whereas the party of the first part desires to have the said Bright Angel Trail surveyed for the purpose of definitely fixing and determining the termini and courses of said trail:

Now, therefore, this agreement further witnesseth, that in consideration of the sum of $5, lawful money of the United States of America in hand paid by the party of the second part to the party of the first part, the receipt whereof is hereby acknowledged by the party of the first part, and in further consideration of all the terms, covenants, promises, and conditions herein embraced, it is hereby mutually understood and agreed as follows:

First. That the party of the second part hereby recognizes the ownership of the party of the first part in and to the Bright Angel Trail, extending from the said south rim of the Grand Canyon of the Colorado River to the point in the vicinity of the said Indian Garden, said point to be hereafter determined by said survey, to be made by the party of the second part, and said second party hereby grants to the party of the first part all interest, right, or title now or heretofore vested in him to the said Bright Angel Trail, excepting title to said buildings owned by second party situated upon said trail, and the party of the first part hereby recognizes the ownership and title of the party of the second part in and to the mining claims, property, and trail hereinbefore described as the Cameron Trail, and extending from the northern terminus of the said Bright Angel Trail (said terminus of the trail to be hereafter determined by said survey) to the Colorado River, and the party of the first part hereby grants and conveys to the party of the second part all of its right and title in and to the said Cameron Trail and the mining claims and property of the party of the second part over and upon which said Cameron Trail extends. And the party of the first part further grants and conveys to the party of the second part the right, privilege, and easement to convey over, along, and upon the said Bright Angel Trail all freight, machinery, supplies, equipment, laborers, and employees, etc., by the use of pack animals, or otherwise, to and upon the said Cameron Trail, together with the right of ingress and egress over said Bright Angel Trail to the property of said second party on the Colorado River, and

also the right to build, construct, and maintain such other buildings upon the said Bright Angel Trail as may be deemed necessary by the party of the second part in connection with the business that may be conducted by the party of the second part upon such mining claims, or any of them, provided, however, that none of said buildings shall interfere with the reasonable use and enjoyment of the said Bright Angel Trail by the party of the first part as a trail or toll road.

It is further agreed that the party of the first part shall have the right, for the period of five years from the date of this agreement, to transport passengers and tourists in, over, along, and upon the said Cameron Trail from the northern terminus of the said Bright Angel Trail to the Colorado River, and shall have the right to charge and collect toll from such tourists and passengers and to receive and retain said toll as the property of the party of the first part for the period of five years from and after the date of the execution of this agreement: *Provided, however,* That the said party of the first part shall pay to the party of the second part for the rights and privileges in this paragraph granted a yearly rental of one dollar ($1) during the said period of five years, said yearly rental to be payable in advance, the first of said payments to be made at the execution of this agreement.

The party of the second part hereby agrees that within the period of one year from the date of the execution of this agreement he shall survey, or cause to be surveyed, the said Bright Angel Trail from the south rim of said Grand Canyon throughout its courses to the northern terminus to be fixed and determined definitely, said survey to be made at the expense of the party of the second part, and said northern terminus of said trail when so fixed and determined by the party of the second part shall constitute and be the junction and starting point between the said trails, and shall be forever binding upon both parties hereto.

That all rights and controversies that may hereafter arise between the parties hereto concerning the right, title, interest, claim, or ownership in or to said trails, or either of them, in the future, shall be determined and controlled by the terms of this agreement and the rights, titles, and interest herein granted and not otherwise.

That all the terms, covenants, conditions, agreements, and rights herein specified shall inure to the successors, heirs, executors, administrators, or assigns of the respective parties hereto.

In witness whereof, the party of the second part has duly executed this agreement and the party of the first part has caused the same to be signed by the chairman of its board of supervisors, attested by the clerk of its board of supervisors thereunto duly authorized by resolution, with the seal of said board of supervisors thereunto affixed.

Executed, in duplicate, the day and year first above written.

BOARD OF SUPERVISORS OF THE COUNTY OF COCONINO,
STATE OF ARIZONA.

———— ————,
Chairman of said Board.

Attest:

———— ————,
Clerk of the Board of Supervisors,
Coconino County, State of Arizona.

S. E. DE QUEIROZ,
Party of the Second Part.

You will note this Queiroz lease sought express recognition by Coconino County of ownership by him of the so-called Cameron Trail, or the Bright Angel Trail, to the Colorado River, and ownership by him of certain buildings "situated on the said Bright Angel Trail," provided for a survey by Queiroz to determine the limits of the Bright Angel Trail, and also contained a grant from Coconino County to Queiroz of "the right to build, construct, and maintain such other buildings upon the said Bright Angel Trail as may be deemed necessary" by Queiroz.

In this altruistic contract the respective limits of the trails of the two parties were to be determined solely by Queiroz and to "be forever binding upon both parties." Patently, Queiroz stood for CAMERON.

I do not hesitate to say that so crafty, overreaching a contract as that sought by one individual at the expense of his own community, to say nothing of the rights of a Nation, that were sought to be imperiled thereby, marks its proponent as strangely lacking in civic pride and insensible of the common welfare. Due to opposition of Gold and others, this contract was not accepted.

Against private interests so insistent and resourceful the greatest vigilance is necessary to protect the public interest. The Federal Government should at the earliest possible date take over the title of Coconino County in the Bright Angel Trail.

3. CORDIAL COOPERATION WITH COCONINO COUNTY.

So far as use of the trail itself is concerned, the Federal Government could build elsewhere a new trail for $50,000 to $75,000 that would supersede all need of the use of the toll trail. It is to be remembered, however, that the Grand Canyon National Park and the county of Coconino must, in the nature of things, always be neighbors, and mutual friendship, confidence, and trust are highly desirable. The county has shown a fine spirit, a willingness to cooperate, and deserves to be met in the same spirit by the Federal Government.

For some time it has sought to dispose of its title in the Bright Angel Trail to the National Government and had recently proposed that if the Government would buy the trail, which is now netting the county from four to five thousand dollars a year in revenue, the county would spend the entire purchase price in improvement of this approach road from Maine.

Accompanied by my colleague, the gentleman from Oklahoma [Mr. CARTER], ranking minority member on the committee, I visited the Grand Canyon late in March, 1923. Saturday evening, March 31, we held an extended conference concerning this matter at the Hotel El Tovar. There were present the gentleman from Arizona [Mr. HAYDEN], Mr. W. C. Rittenhouse, and Mr. R. E. Taylor, members of the board of supervisors of Coconino County; Mr. J. B. Rickel, clerk of the board; and Mr. Frank Harrison, county attorney. There were also present Mr. F. R. Goodman, State engineer of Arizona; Mr. F. C. Pooler, district forester; Mr. G. W. Kimball, forest supervisor; Mr. Horace M. Albright, superintendent of the Yellowstone National Park and field assistant to the Director of the National Park Service. The whole situation was thoroughly canvassed and resulted in a complete agreement on the part of all present that the program set forth in the Hayden amendment should, if possible, be carried out, Congress appropriating $100,000 for improvement of the Maine approach road, to be available after proper deed of the Bright Angel Trail to the Government. Naturally Mr. CARTER and myself were careful to state plainly to these gentlemen that we could bind no one but ourselves and could not speak for Congress. We did, however, indorse the program and promised to do what we could to carry it out. That we have done and are doing. Subsequent events and further consideration have only confirmed my judgment as to the propriety, wisdom, and necessity of this program.

Sunday noon we met at lunch in Flagstaff 20 or 30 of the most influential citizens of Flagstaff and the proposal contained in the Hayden amendment was indorsed by all. Mr. RALPH CAMERON was not, however, at the El Tovar conference or at the luncheon at Flagstaff, not being in the State at the time.

4. THE ELIMINATION OF PRIVATE INTERESTS THAT NOW BY OPPOSITION, INTRUSION, HOSTILITY, AND VIOLENCE HANDICAP AND PREVENT PROPER DEVELOPMENT OF THE PARK FOR PUBLIC USE AND SAFE ENJOYMENT OF THE CANYON BY THE PUBLIC.

This is the crux of the whole matter. The other considerations are desirable, this is imperative.

Proper development of the park has been thwarted by private interests, enjoyment of the park by the public is actually made hazardous by private interests, trespassers on the public domain, whose claims have been overruled by the Supreme Court of the United States, but who presume upon circumstances and plank themselves in the path of progress, veritable dogs in the manger, snapping and snarling at the National Government and endangering every park visitor who goes over the Bright Angel Trail.

These obstacles in the way of progress are, briefly speaking, the Cameron claims.

I had heard something of the situation and in response to my request the Secretary of the Interior gave me the following statement nearly two years ago:

THE SECRETARY OF THE INTERIOR,
Washington, April 4, 1922.

Hon. LOUIS C. CRAMTON,
Chairman Subcommittee on Department of Interior
Appropriations, House of Representatives, United States.

DEAR MR. CRAMTON: I have before me your letter of March 27 addressed to Director Mather, of the National Park Service, in which you state that you understand that there has been in the past some controversy or disagreement between the Interior Department and Mr. CAMERON, of Arizona, involving some of the lands now included within the Grand Canyon National Park, and that you would like to have a statement of what the records of the department show as to the nature and outcome of such controversies. In reply I have to advise you relative to the so-called Cameron mining claims within the Grand Canyon National Park as follows:

The area which is now within the Grand Canyon National Park has been reserved to the Federal Government since February 20, 1893; first, as part of the Grand Canyon forest reserve, and later, since January 11, 1908, all but a minor part of it has been within the Grand

Canyon National Monument established by proclamation of the President under the act of June 8, 1906. The inclusion of the area in the forest reserve withdrew it from the operation of the public land laws other than the mineral land law, and its inclusion in the national monument withdrew it from application of the mineral land law. The presidential proclamation creating the national monument, however, provided that the withdrawal of the area for national monument purposes should be subject to all "valid" claims theretofore acquired.

The Grand Canyon National Park as now constituted, with an area of 958 square miles, was established by act of Congress of February 26, 1919. Section 4 of that act protected all valid existing claims and also recognized the right and authority of the county of Coconino over the Bright Angel Toll Road and Trail.

Records furnished by the United States Forest Service, which administered the area both as a national forest and a national monument, show that RALPH H. CAMERON and his associates asserted right to at least 81 so-called mining claims in that area, and from other records there appear to be even additional locations claimed by CAMERON. Whether he is still asserting the right to such additional claims can only be determined from county and State records, since it is only when application for patent is made that such cases come before the Interior Department. However, in regard to the claims of record, these appear to include lode, placer, and mill-site claims, claimed under the mining laws. The attached map will show the location of claims of record in this department with relation to existing structures on the south rim and also to the Bright Angel Trail, which is the principal trail leading into the depth of the canyon from the south rim and trails within the canyon. *It will be seen that these claims were strategically located with reference to proposed and probable development of the canyon as a tourist attraction.*

The Cameron mining claims were first brought to the attention of the department on May 17, 1905, when CAMERON et al. filed application for patent for the Golden Eagle and Cape Horn lode mining claims, which are located on the south rim directly west of the El Tovar Hotel. Adverse claims and protest, alleging, among other things, that the claims were not located upon mineral land, were filed with the Commissioner of the General Land Office. On May 24, 1905, CAMERON and his associates also applied for a patent for the Magician and Wizard lode claims and the Alder and Willow mill sites. Protest again was filed against issue of patent. After hearings and rehearings before the Department of the Interior granted the applicant, and after investigation of the claims by mineral inspectors of the General Land Office, the applications for patent were denied and the claims declared invalid and canceled by departmental decisions of February 11, 1909, and November 29, 1911.

After, and notwithstanding, these decisions, CAMERON and his associates asserted exclusive right to possession and enjoyment of the claims as if they were valid, and on September 18, 1915, the United States filed a suit, Equity No. 10, in the United States Court for the District of Arizona, to enjoin CAMERON and others from occupying, using for business purposes, asserting any right to, or interfering with the public use of the lands involved in the Cape Horn claim, and to require removal of buildings and refuse therefrom.

A decree in favor of the United States was affirmed in the circuit court of appeals; thereupon the case was taken to the United States Supreme Court and the decision of the circuit court of appeals was affirmed by that court on April 19, 1920, upholding the right of the Secretary of the Interior in the public interest to inquire into and determine the validity of mining locations, and if found invalid to declare them null and void.

On June 5, 1916, a like suit was instituted in the United States District Court for Arizona covering the Alder and Willow mill sites, located in the Grand Canyon. This suit, known as Equity No. 16, was continued pending the outcome of the first suit. By stipulation a like decree was rendered February 8, 1921, and CAMERON and others were enjoined from the use of said sites and required within 60 days to remove therefrom all buildings, structures, and improvements, and "that this court retain jurisdiction over this cause for such further orders as may appear proper."

These court orders have not been complied with. In spite of the decisions of the department and of the decisions of the courts, various structures are now being maintained by CAMERON and others on the Cape Horn claim and Alder and Willow mill sites, he alleging an agreement with Coconino County regarding the use of the buildings, which he claims to be on the trail right of way. Our records indicate the structures to be off the right of way.

On the attached map the Bright Angel Trail has been outlined in purple while the other trails in the park area covered by the map are shown in red. In this connection the following brief history of the Bright Angel Trail seems pertinent:

It appears from the records that one Peter D. Berry on February 3, 1891, caused to be filed and recorded in the records of Coconino County, Ariz., a certificate and plat showing the location of the trail and designating it as the Bright Angel Toll Road, pursuant to the Territorial statutes relating to the construction of toll roads. Berry (see Duffield *v.* Ashurst, 100 Pac. R. 820) constructed the trail and operated it as a toll trail. Subsequently he undertook to convey his franchise to RALPH H. CAMERON, who took possession of the trail under the conveyances and collected tolls thereunder. The original franchise ran for 10 years, but under the law was extended for a further period of 5 years, terminating on January 31, 1906.

On February 1, 1906, the board of supervisors of Coconino County, in accordance with the provisions of the Arizona code, entered into contract with one Ferrall for the maintenance of the trail and collection of the tolls thereon in the interest of the county. Ferrall retained possession thereof under contract until April 7, 1907. On March 18, 1907, chapter 55 of the laws enacted by the Twenty-fourth Legislative Assembly of Arizona in 1907 became a law, which provided in effect, among other things, that all rights and franchises theretofore granted under prior laws under which the trail was laid out should be transferable at all times, ratifying and confirming such transfers; furthermore, it gave the former owner of an unexpired franchise a preference right to contracts with the board of supervisors to take charge of toll roads and trails. CAMERON complied with the requirements imposed by statute to avail himself of this last provision. The board of supervisors contracted with him accordingly, and on April 17, 1907, he took possession. In subsequent litigation (Duffield *v.* Ashurst, supra) the authority of the board of supervisors to make such contracts was upheld. In 1912 CAMERON'S contract expired and Coconino County has since directly maintained the Bright Angel Trail and collected tolls for travel thereon.

In all, 22 Cameron claims have been declared invalid (as indicated on the attached map), while others are now being investigated as to their bona fides by the department.

Respectfully,

ALBERT B. FALL, *Secretary.*

The case in the United States Supreme Court is Cameron et al. against United States, Two hundred and fifty-second United States, 450. Essential portions of the opinion follow:

Ralph Cameron, Niles J. Cameron, B. A. Cameron, S. D. Pepin, L. L. Ferrall, Appellants, *v.* The United States of America.

This is a suit by the United States to enjoin RALPH H. CAMERON and others from occupying, using for business purposes, asserting any right to, or interfering with the public use of, a tract of land in Arizona, approximately 1,500 feet long and 600 feet wide, which Cameron is claiming as a lode mining claim, and to require the defendants to remove therefrom certain buildings, filth, and refuse placed thereon in the course of its use by them as a livery stable site and otherwise. In the district court there was a decree for the United States, and this was affirmed by the Circuit Court of Appeals. (250 Fed. Rep. 943.)

The tract is on the southern rim of the Grand Canyon of the Colorado, is immediately adjacent to the railroad terminal and hotel buildings used by visitors to the canyon, and embraces the head of the trail over which visitors descend to and ascend from the bottom of the canyon. Formerly it was public land and open to acquisition under the public land laws. But since February 20, 1893, it has been within a public forest reserve established and continued by proclamations of the President under the acts of March 3, 1891 (c. 561, secs. 24, 26 Stat. 1095, 1103, and June 4, 1897, c. 2, 30 Stat. 34, 36); and since January 11, 1908, all but a minor part of it has been within a monument reserve established by a proclamation of the President under the act of June 8, 1906 (c. 3060, 34 Stat. 225). The forest reserve remained effective after the creation of the monument reserve, but in so far as both embraced the same land the monument reserve became the dominant one. (35 Stat. 2175.) The inclusion of the tract in the forest reserve withdrew it from the operation of the public land laws other than the mineral land law; and the inclusion of the major part of it in the monument reserve withdrew that part from the operation of the mineral land law, but there was a saving clause in respect of any "valid" mining claim theretofore acquired. The United States still has the paramount legal title to the tract, and also has the full beneficial ownership if Cameron's asserted mining claim is not valid.

The defendants insist that the monument reserve should be disregarded on the ground that there was no authority for its creation. To this we can not assent. The act under which the President proceeded empowered him to establish reserves embracing "objects of historic or scientific interest." The Grand Canyon, as stated in his proclamation, "is an object of unusual scientific interest." It is the greatest eroded canyon in the United States, if not in the world, is over a mile in depth, has attracted wide attention among explorers and scientists, affords an unexampled field for geologic study, is regarded as one of the great natural wonders, and annually draws to its borders thousands of visitors.

The defendants also insist that in holding the United States entitled to the relief sought the courts below gave undue effect and weight

to decisions of the Secretary of the Interior dealing with CAMERON'S asserted claim and pronouncing it invalid. Rightly to appreciate and dispose of this contention required a further statement.

The claim in question is known as the Cape Horn Lode claim and was located by CAMERON in 1902, after the creation of the forest reserve and before the creation of the monument reserve. To make the claim valid, or to invest the locator with a right to the possession, it was essential that the land be mineral in character and that there be an adequate mineral discovery within the limits of the claim as located (Rev. Stats., Sec. 2320; Cole v. Ralph, ante, 286); and to bring the claim within the saving clause in the withdrawal for the monument reserve the discovery must have preceded the creation of that reserve.

CAMERON applied to the Land Department for the issue to him of a patent for the claim, and similarly sought patents for other claims embracing other portions of the trail into the canyon. A protest was interposed charging that the land was not mineral, that there had been no supporting mineral discoveries, and that the claims were located and used for purposes not contemplated by the mineral land law; and the Secretary of the Interior directed that a hearing be had in the local land office to enable the parties concerned—the protestant, CAMERON, and the Government—to produce evidence bearing on the questions thus presented. (35 L. D. 495; 36 L. D. 66.) After due notice the hearing was had, CAMERON fully participating in it. This was shortly after the creation of the monument reserve. In due course the evidence was laid before the Commissioner of the General Land Office and he concluded therefrom that the claims were not valuable for mining purposes and therefore were invalid. The matter was then taken before the Secretary of the Interior, and that officer rendered a decision in which, after reviewing the evidence, he said:

> "It is not pretended that the applicant has as yet actually disclosed any body of workable ore of commercial value; nor does the evidence reveal such indications and conditions as would warrant the belief or lead to the conclusion that valuable deposits are to be found, save, apparently, in the case of the Magician lode claim. With that possible exception, the probabilities of such deposits occurring are no stronger or more evident at the present time than upon the day the claims were located. The evidence wholly fails to show that there are veins or lodes carrying valuable and workable deposits of gold, silver, or copper, or any other minerals within the limits of the locations. Sufficient time has elapsed since these claims were located for a fair demonstration of their mineral possibilities."

And further:

> "It follows from the foregoing that each of CAMERON'S applications for patent * * * must be rejected and canceled, and it is so ordered.
>
> "It is the further result of the evidence, and the department holds, that the several mining locations, with the apparent exception of the Magician lode claim, do not stand upon such disclosures or indications of valuable mineral in rock in place therein prior to the establishment of the national monument and the withdrawal of the lands therein embraced as to bring them within the saving clause of the Executive order. The right of CAMERON to continue possession or exploration of those claims is hereby denied, and the land covered thereby is declared to be and remain part of the Grand Canyon National Monument as if such locations had not been attempted."

Directions were given for a further hearing respecting the Magician claim, but this is of no moment here.

That decision was adhered to on a motion for review, and in a later decision denying a renewed application by CAMERON for a patent for the claim here in question the Secretary said:

> "As the result of a hearing had after the creation of the national monument, the department expressly found that no discovery of mineral had been made within the limits of the Cape Horn location, and that there was no evidence before the department showing the existence of any valuable deposits or any minerals within the limits of the location. * * * So far as the portion of the claim included within the exterior limits of the national monument is concerned, no discovery which would defeat the said monument can have been made since the date of the previous hearing in this case, nor do I find that one is claimed to have been made since the former decision in any part of the alleged location."

After and notwithstanding these decisions, CAMERON asserted an exclusive right to the possession and enjoyment of the tract, as if the lode claim were valid, and he and his codefendants, who were acting for or under him, continued to occupy and use the ground for livery and other business purposes, and in that and other ways obstructed its use by the public as a part of the reserves. In this situation and to put an end to what the Government deemed a continuing trespass, purpresture, and public nuisance, the present suit was brought.

The courts below ruled that the decisions of the Secretary of the Interior should be taken as conclusively determining the nonmineral character of the land and the absence of an adequate mineral discovery, and also as showing that the matter before the Secretary was not merely the application for a patent but also the status of the claim—whether it was valid or was wanting in essential elements of validity, and whether it entitled CAMERON to the use of the land as against the public and the Government. As before stated, the defendants complain of that ruling. The objections urged against it are: First, that the Secretary's decisions show that he proceeded upon a misconception of what under law constitutes an adequate mineral discovery and, second, that although the Secretary had ample authority to determine whether CAMERON was entitled to a patent, he was without authority to determine the character of the land or the question of discovery or to pronounce the claim invalid.

As to the first objection little need be said. A reading of each decision in its entirety and not merely the excerpts to which the defendants invite attention makes it plain that the Secretary proceeded upon the theory that to support a mining location the discovery should be such as would justify a person of ordinary prudence in the further expenditure of his time and means in an effort to develop a paying mine. That is not a novel or mistaken test but is one which the Land Department long has applied and this court has approved. (Chrisman v. Miller, 197 U. S. 313, 322.)

The second objection rests on the naked proposition that the Secretary was without power to determine whether the asserted lode claim, under which Cameron was occupying and using a part of the reserves to the exclusion of the public and the reserve officers, was a valid claim. We say "naked proposition" because it is not objected that CAMERON did not have a full and fair hearing, or that any fraud was practiced against him, but only that the Secretary was without any power of decision in the matter. In our opinion the proposition is not tenable.

* * * * * * *

The argument is advanced that the department necessarily is without authority to pronounce a mining location invalid, because it has within itself no means of executing its decision, such as dispossessing the locator. But this is not a proper test of the existence of the authority, for the department is without the means of executing most of its decisions in the sense suggested. When it issues a patent it has no means of putting the grantee in possession, and yet its authority to issue patents is beyond question. When it awards a tract to one of two rival homestead claimants it has no means of putting the successful one in possession or the other one out, and yet its authority to determine which has the better claim is settled by repeated decisions of this court. And a similar situation exists in respect of most of the claims or controversies on which the department must pass in regular course. Its province is that of determining questions of fact and right under the public land laws, of recognizing or disapproving claims according to their merits, and of granting or refusing patents as the law may give sanction for the one or the other. When there is occasion to enforce its decisions in the sense suggested, this is done through suits instituted by the successful claimants or by the Government, as the one or the other may have the requisite interest.

Whether the tract covered by CAMERON'S location was mineral and whether there had been the requisite discovery were questions of fact, the decision of which by the Secretary of the Interior was conclusive in the absence of fraud or imposition, and none was claimed. (Catholic Bishop of Nesqually v. Gibbon, supra; Burfenning v. Chicago, St. Paul, etc., Railway Co., 163 U. S. 321, 323.) Accepting the Secretary's findings that the tract was not mineral and that there had been no discovery, it is plain that the location was invalid, as was declared by the Secretary and held by the courts below.

Of other complaints made by the defendants, it suffices to say that, in our opinion, the record shows that the Government was entitled to the relief sought and awarded.

I call your attention to the map which I have placed in front of the desk here. Here is a map of the Grand Canyon, and here, marked in red, are the original 21 claims that have been pronounced worthless by the Supreme Court of the United States. Originally they restricted all development here upon the south rim itself, and here they crossed the Bright Angel Trail. Here is Indian Gardens that I will speak of later on in my remarks, a lovely place, where springs arise and cottonwood trees grow. It is a delightful place. If you have not been accustomed to riding, or even if you have been, by the time you have made the descent from the rim to Indian Gardens you will want to get off the mule to rest a little while and get some cool water to drink and a chance to eat your lunch in comfort. But all these purposes are frustrated because, in the face of a decision of the United States Supreme Court, CAMERON still occupies a strategic point here on the Bright Angel Trail. These colored spaces on the map [indicating] represent 28 claims that I shall refer to which have been pronounced worthless, and there is no doubt as to their invalidity. Those areas in purple represent a general smattering of platinum claims located in 1919 after the law had

precisely provided that no claim could possibly be filed. The river is running through here, and wherever there could be a trail or a comfort station or a rest booth provided these invalid claims, these makeshift claims, were in the way of public development.

The following Cameron claims have been declared invalid:

By departmental decisions of February 11, 1909, and November 29, 1911: Golden Eagle, Cape Horn, Wizard, Alder mill site, and Willow mill site.

By General Land Office decision, November 17, 1915: Magician.

By General Land Office decision, May 12, 1919, and departmental decisions June 29 and September 15, 1920.

Closed by General Land Office, September 22, 1920: Banjo, Millionaire, Sentinel Treasure, Peg Leg, Hill Top, Sunflower, Limestone, Goldenola, Ida May, Buttinsky, Cheyenne, Dakotah, Bannock, Apache, Folly, Hermit, and Gorge.

In June, 1921, the service requested the General Land Office to have caused an investigation of the remaining mining claims of record possession of which was being asserted by CAMERON and associates to determine whether they were bona fide. This investigation was made in April, 1922, and report made to the General Land Office stated that the 28 claims investigated were the only Cameron claims in good standing in the records of Coconino County, Ariz. These 28 claims were reported to be nonmineral in character and that no valid discovery of placer mineral had been made. Under date of August 30, 1922, the Commissioner of the General Land Office instructed the register and receiver of Phoenix, Ariz., to enter adverse proceedings against the claimants. In March, 1923, the register and receiver advised the Commissioner of the General Land Office that notice of adverse proceedings had been mailed to the claimants, but the date of hearing has not been set.

Answer was filed and hearing was set for February 29, 1924, at Flagstaff, but on request of Mr. CAMERON for postponement a continuance was granted until after adjournment of the present session of Congress.

Mineral Inspector Mackel, who investigated and reported on the above-mentioned 28 claims, also reported that associates of CAMERON had located 55 placer claims of 160 acres each January 10, 11, 12, 1919, covering ground previously covered by claim canceled by the department, and also ground within the national monument and national park reservations. These claims are not valid, as the national monument withdrawal of January 11, 1908, withdrew the land from application of the mineral land law. Inspector Mackel concluding his report stated: "These alleged locators under the mining law could be treated as trespassers and evicted as such. This is a point of law to be construed by the proper authority. In any event, there is no question but what these alleged locations are not mineral in character and no valid discovery of placer mineral has been made."

Under date of February 2, 1924, I called the Cameron case to the attention of the Secretary of the Interior in the following letter:

FEBRUARY 2, 1924.

Hon. HUBERT WORK,
Secretary of the Interior, Washington, D. C.

MY DEAR MR. SECRETARY: With reference to the rights asserted by RALPH CAMERON in certain lands within the Grand Canyon National Park, I have noted the decision of the Supreme Court of the United States affirming the decree in favor of the Government dispossessing CAMERON of certain lands claimed by him that are highly essential to the proper development of the Grand Canyon National Park. Being under the impression that the matter of actual dispossession of CAMERON was pending in the Department of Justice, I addressed an inquiry under date of January 18 to the Attorney General asking what action had been taken by that department. In reply I have a letter under date of January 25 from the Attorney General in which he recites the status of the litigation and then states:

> "Since the entry of these decrees no further action has been taken by this department, nor has any further request been received from the Interior Department for action by us. I presume that if any additional proceedings by this department are desired request therefor will be made by the Secretary of the Interior, under whose supervision the Grand Canyon Park is administered."

I will be glad to be advised as to the attitude of your department with reference to the unlawful retention of these lands by Mr. CAMERON in the face of final action of the highest court, and is it to be expected that your office will call upon the Department of Justice to proceed in the matter? I am, yours sincerely,

LOUIS C. CRAMTON.

The Secretary of the Interior, Doctor Work, is taking a highly commendable interest in the case and, the matter being thus brought to his attention, asked Mr. CAMERON "and his associates to vacate the Cape Horn claim, Alder and Willow mill sites, and the 55 placer claims located in 1919, which have no standing, as they were located after the national monument withdrawal of 1908." This not proving effective, he has requested the Attorney General to instruct the United States district attorney "to take appropriate action to protect the interests of the United States and the public in the Grand Canyon National Park."

I have the following from Secretary Work:

THE SECRETARY OF THE INTERIOR,
Washington, March 1, 1924.

Hon. LOUIS C. CRAMTON,
House of Representatives.

MY DEAR MR. CRAMTON: Referring to your letter of February 12, 1924, relative to alleged mining claims in the Grand Canyon National Park, I inclose, for your information, copy of my letter of February 28, 1924, to the Attorney General of the United States with relation thereto.

Very truly yours,

HUBERT WORK.

(Inclosure.)

DEPARTMENT OF THE INTERIOR,
Washington, February 28, 1924.

The honorable the ATTORNEY GENERAL.

MY DEAR MR. ATTORNEY GENERAL: April 19, 1923, the Supreme Court of the United States rendered decision (252 U. S. 450) in favor of the United States in a suit to enjoin RALPH CAMERON and others from occupying, using for business purposes, asserting any right to, or interfering with the public use of a tract 1,500 feet by 600 feet, known as the Cape Horn mining claim, located on the rim of the Grand Canyon of the Colorado in Arizona, and to require the defendants to remove therefrom certain buildings and refuse. By stipulation like decree was rendered February 8, 1921, by the United States District Court for the District of Arizona, affecting the Alder mill site and the Willow mill site, located on the canyon floor, and CAMERON and others were enjoined from use of said tracts and were required within 60 days to remove therefrom all buildings, structures, and improvements, and "that this court retain jurisdiction over this cause for such further orders as may appear proper."

There are now located on the claims referred to the following structures: Cape Horn claim, a small house painted green, called green house in correspondence; a two-story building occupied by post office; garage; small cottage; and postmaster's residence. On the Alder and Willow mill sites, a long storehouse occupied by a caretaker of the Bright Angel Trail, ownership of which is now in Coconino County; the stone shell of a two-story structure; and 10 to 12 frames for small shelter cabins for campers.

According to an opinion of the solicitor of this department, it would appear that any and all claims or rights of CAMERON and the other defendants in the suits mentioned as to the tracts in controversy were adjudicated and denied, and they were required to vacate and remove the structures therefrom. With regard to the storehouse occupied by the caretaker the Department of the Interior is very glad to have the county of Coconino continue to use it under annual permit. The department is also willing to have remain under permit to the Post Office Department, as a matter of cooperation with that department the building housing the post office, as well as the postmaster's residence and garage. A copy of the solicitor's opinion is inclosed for your information.

From a report made by mineral examiners of the General Land Office of this department in 1922 it has been further ascertained, by reference to local county records, that in January, 1919, G. H. Stetson, W. N. Fowler, H. N. Williams, E. E. Hopkins, H. B. Stetson, A. C. McClure, T. T. Potter, and H. N. Niles, associates of CAMERON, located about 55 placer claims of 160 acres each on the floor of the Grand Canyon, close to and adjoining locations made by R. H. CAMERON prior to January 11, 1908, the date of the establishment by presidential proclamation of the Grand Canyon National Monument, and covering claims previously canceled by departmental decision and also other areas covered in national park and national monument withdrawals. As will be noted from the inclosed copy of the proclamation establishing the Grand Canyon National Monument, it "reserved from appropriation and use of all kinds under all of the public land laws, subject to all prior adverse claims," the area within the national monument boundaries. The Grand Canyon National Park was established February 26, 1919, and the act reads that "whenever consistent with the primary purposes of said park, the Secretary of the Interior is authorized, under general regulations to be prescribed by him, to permit the prospecting, development, and utilization of the mineral resources of said park upon such terms and for specific periods, or otherwise, as he may deem to be for the best interest of the United States." I attach copy of the act for your information. The regulations promulgated by the Secretary of the Interior for the administration of the Grand Canyon National Park covering prospecting and mining prescribe, and have consistently prescribed, that "the location of mining

claims on the Government land in the park is permitted only with the prior approval of the Secretary of the Interior." No application from these alleged locators has been received by the department.

As the Grand Canyon Monument withdrawal of January 11, 1908, withdrew the area from the operation of the mineral land law, any locations since that date are not valid. Therefore these claims have no standing and these alleged locators can not, it appears to me, be considered and treated otherwise than as trespassers, and evicted as such. As to these matters the Department of the Interior requests that the United States district attorney be instructed by you to take appropriate action to protect the interest of the United States and the public in the Grand Canyon National Park.

Very truly yours, HUBERT WORK.

The way these private encroachments on the national reserve interfere with the public use and enjoyment of the park was entertainingly set forth by Charles E. Van Loan in "John Jones—Goat" in the Saturday Evening Post of June 3, 1916. The Grand Canyon was then a national monument under the Forest Service, but there was no love for the "Cameron claims" on the part of the public. Let Van Loan tell you about it for you are each a John Jones, though I may only quote here a small portion:

Now Yavapai Point is distant something like a mile and a half from the hotel—a mile and a half of surpassing panorama, overlooking some of the most beautiful "temples" and peaks in the canyon; but John Jones does not enjoy his walk. There is no trail along the rim, and to reach Yavapai Point he must walk on razor-edged fragments of porous limestone, which hurt his feet and ruin his light shoes. His clothing suffers from contact with scrub pine and cat-claw acacia, and it does not take John Jones long to make up his mind that Yavapai Point, however beautiful, is not worth while. He returns, fuming, and encounters a young man in the uniform of a forest ranger.

"Say, why isn't there a trail along this rim?" asks Jones.

He then learns that the building of a cinder path to Yavapai Point would be a very simple matter but for the fact that every inch of the rim eastward is covered by five mining claims—the Buttinski, Goldenola, Sunflower, Limestone, and Hill Top—the last resting squarely on Yavapai Point itself.

"Well, what do you think of that?" says John Jones.

Being interested in mining claims, he looks up the Buttinski, for instance, and discovers that the same scientific gentlemen, Government experts, testified that the following was their best assay on the Buttinski:

Gold, trace; copper, trace; silver, none; platinum, none.

"Well," says John Jones, "it looks to a simple tourist as if the rim of the canyon were pretty well sewed up along here. I guess I'll have to try something else."

He returns to the hotel and from the iron railing he spies a tiny patch of vivid green, lying like an emerald, 3,000 feet below.

"What's that?" asks John Jones.

He is told that he is looking at Indian Gardens, possibly called so because there are no Indians there.

"It looks good to me!" says John Jones. "How do you get there?"

John Jones rents a sorrowful, taciturn mule and signs articles for a trip down the Bright Angel Trail—without a doubt the most traveled mountain thoroughfare of its kind in the world. The guides call it a boulevard; what John Jones calls it, as his mule swings out over precipices, is of no consequence; but, at any rate, he finally arrives at Indian Gardens, the resting place for every person ascending or descending the Bright Angel Tail.

Does John Jones find shelter and accommodations at Indian Gardens? He does not. He piles off his mule and hunts for shade, for it is usually quite warm at Indian Gardens, no matter what the weather conditions on the rim. Not the slightest provision is made for the weary, saddle-galled tourist, with the exception of two filthy, frame comfort stations. John Jones goes to the guide with fire in his eye.

"See here! Why is not this place cleaned up? It is an outrage to bring people into a nest of this kind!"

The guide admits it, and tells a story of mill sites and lode and placer claims, blanketing the entire locality.

"The company has got an application in to build a resthouse here to take care of the folks who make the trail trips," says the guide, "but it is all tied up by law some way or other. Can not put up any kind of a building; can not clean out the ones that is here. Why, lode claims have been filed right on top of mill-site claims; and down in one corner there is a placer claim that sort of overlaps the whole shebang!"

"But something ought to be done! This place in insanitary."

"Shore it is; but nobody can do anything about it till they git done goin' to law."

And so, though there is now on file with the forest service an application for a "special-use permit" to erect a clean, comfortable, and sanitary resthouse at Indian Gardens—a thing which is an absolute necessity—all the John Joneses to come must put up with the wretched and insanitary arrangements of the present, and wait for the claim question to settle itself somehow.

John Jones thinks that, as so many people are inconvenienced every year by this dog-in-the-manger attitude, there must be some mineral at Indian Gardens very well worth holding onto; so he looks up the court testimony on the Banjo claim, one of those numerous legal plasters thereabouts. This is what he learns: Gold, unweighable; copper, none; silver, unweighable; platinum, none.

Now the administration of the park is in the National Park Service, and the Cameron claims at Indian Gardens have been denied by the highest court in the land, but a representative of RALPH CAMERON still holds possession of disreputable-looking tents and shanties in this oasis where should be rest for the weary and travel sore.

Neat toilets are greatly needed, but a lawless squatter prevents. The water that comes babbling down from pure springs above is defiled from old "Cameron claim" privy tanks, near which the brook flows.

That the hostility to any improvement or progress is active and real you may judge from this recent telegram:

GRAND CANYON, ARIZ.,
February 12, 1924, 11.22.

The DIRECTOR NATIONAL PARK SERVICE,
Washington, D. C.:

On Saturday at a point approximately 100 yards below the red house formerly used by Kolb brothers on Indian Creek in the canyon, and below Indian Gardens, was installed by my permission a water weir and gauge for measuring the flow of Indian Creek by engineers Santa Fe Railroad on a water-procuring plan.

I may say that one of the difficulties in administering the Grand Canyon National Park is the absence of water, and it must be hauled in by railroad trains.

To-day we find that this weir and water gauge has been destroyed by an explosion placed and set off by persons unknown, but presumably the caretaker at Indian Gardens. This man had stated that he would destroy the weir and gauge. Wire instructions.

J. R. EAKIN.

The Harvey Co. a few years ago brought in 60 mule loads of material from the rim of the river at the end of the Bright Angel Trail to erect a comfort station. An injunction forced them to carry it all out again. Women in whom modesty has restrained obedience to demands of nature have suffered permanent and serious injury thereby.

The imminent importance of immediate action is emphasized by the following that comes to me to-day:

I see I have not brought with me certain documents, but I can give you their effect. There came in, under date of February 25, a letter from the authorities in charge of the Grand Canyon National Park, in which it was stated that a recent official examination had shown that the water that is available for the use of the tourists at the lunch place below Indian Gardens has typhoid bacilli to the extent of from 800 to 1,500 per cubic centimeter. Now, that is going to be news for my friend from Oklahoma [Mr. CARTER], because he and I, about a year ago, drank several centimeters of that water, and I do not know how many thousands of typhoid germs, and every tourist who has passed there in the last year has been drinking that impure, menacing water, and even after it has been called to the attention of the trespassers.

There is a spring a little above that, which is now dominated by RALPH CAMERON'S caretaker, and when this situation was discovered a request was made of that caretaker that use of the water from the spring by tourists be permitted. It was promised; but a telegram that came to the National Park Service last Saturday afternoon not only carried the news that the public was being prevented from using the pure water from the spring, and were forced to use the other water, but that the notice which had been put up to give the public warning of the dangerous character of the water at the lunch station had been torn down by Mr. CAMERON'S caretaker.

Mr. OLDFIELD. Will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. OLDFIELD. I would like to ask the gentleman this question: The gentleman stated a moment ago that the Supreme Court of the United States had held against Mr. CAMERON and his claims. Has not the Supreme Court any power to enforce its decree in that matter, and when may we expect the Supreme Court to enforce its decree?

Mr. CRAMTON. A defense was raised in the case, and I intend to put in my remarks some portions of the decision of the Supreme Court. Mr. CAMERON and his associates in that case raised the issue that because the Interior Department had

no way of enforcing its remedy its decisions did not cut any figure; the Supreme Court held that did not follow, but that the rights would be defined and then action could be maintained in court to make the decision effective.

Now, there have been—for obvious reasons which I can not emphasize because of parliamentary restrictions—from time to time delays in this matter, but the correspondence I am putting in the RECORD will show that very promptly after the situation was brought to the attention of the present Secretary of the Interior, Doctor Work, he went into it, and he has sent a request to the Attorney General that the rights of the Government there be protected and I am hoping they will be protected.

Mr. OLDFIELD. Does the gentleman think they will be protected?

Mr. CRAMTON. I believe they will be.

Mr. OLDFIELD. I hope so.

Mr. CRAMTON. I now have the papers to which I referred and insert them here:

THE SECRETARY OF THE INTERIOR,
Washington, March 1, 1924.

Hon. L. C. CRAMTON,
United States House of Representatives.

DEAR MR. CRAMTON: You have requested that there be sent to you papers bearing on any recent development in Grand Canyon National Park having relation to the necessity for acquiring the Bright Angel Trail, provision for which was made in the Interior Department appropriation bill while it was being considered on the floor of the House of Representatives.

In compliance with your request I am attaching hereto a letter from the Superintendent of Grand Canyon National Park, dated February 25, in reference to pollution of water required for drinking purposes by people using the Bright Angel Trail, and two telegrams from the superintendent to the Director of the National Park Service relating to the action taken by parties unknown in destroying a weir and gauging station and in tearing down signs warning people not to use polluted water.

Very truly yours,

HUBERT WORK.

DEPARTMENT OF THE INTERIOR,
NATIONAL PARK SERVICE,
GRAND CANYON NATIONAL PARK,
Grand Canyon, Ariz., February 25, 1924.

OFFICE OF THE SUPERINTENDENT,
DIRECTOR NATIONAL PARK SERVICE,
Washington, D. C.

DEAR SIR: On the morning of February 23, Mr. Shirley, of the Transportation Co., reported that samples of water taken at the lunching station on Indian Garden Creek had been analyzed by the Santa Fe Hospital at Los Angeles and were found to contain large numbers of typhoid germs, and that he had been notified the water was dangerous. Samples were also taken from two springs approximately one-fourth mile above the lunching station and were found to be pure. The caretaker of Indian Gardens was on the rim and, at my suggestion, Mr. Shirley asked for permission to lay a pipe line from the spring to the lunching station. The caretaker said he would have to wire Mr. CAMERON before granting permission, which he immediately did. To date he has not received a reply. In the meantime he has given permission for water to be taken from the spring and carried to the lunching station, but will not permit luncheon to be taken at the spring.

The analysis of samples follow: One thousand four hundred and ninety colonies of typhoid per 1 c. c. water incubated at 20° C., 810 colonies of typhoid per 1 c. c. water incubated at 37° C.

In order to make certain that above analyses are correct, we are sending samples to the State authorities with the request that they report their findings by wire, and we will in turn wire you.

Attached hereto you will find rough sketch of layout at Indian Gardens. In our opinion contamination of stream comes from old toilets built by Clarence Spaulding about 1909 for use of CAMERON'S tent colony. These toilets were also used by the public until about two years ago, when the caretaker destroyed them, but, we are informed, did not fill the pits.

Guides conducting parties will see that no impure water is used. Signs are being posted to warn others. The water will, however, be a constant menace, and always will be, as long as this property is privately controlled.

Very truly yours,

J. R. EAKIN, *Superintendent.*

GRAND CANYON, ARIZ., *March 1, 1924.*

The DIRECTOR NATIONAL PARK SERVICE,
Washington, D. C.:

Sign warning against danger of water at lunch station Indian Gardens torn down by caretaker. Refuses to permit use of water at spring. Situation impossible; something must be done. Have not received analysis from State.

J. R. EAKIN, *Superintendent.*

Mr. CRAMTON. The following memorandum from the department gives the latest status of this matter:

OFFICE OF THE SECRETARY OF THE INTERIOR,
March 1, 1924.

I phoned Mr. CAMERON at 4.30 to-day, reading him the attached telegram.

He advised that he wanted to do everything possible to cooperate and would wire the custodian of the property to allow them to go ahead and use the water in whatever way they saw fit.

E. K. BURLEW,
Administrative Assistant.

Fifteen hundred colonies of typhoid per cubic centimeter of water, and I drank several cubic centimeters of that water last March, and thousands of visitors to the parks have monthly since. And now that it is proven that this menace to public health exists, CAMERON'S "caretaker refuses to permit use of water at spring, and sign warning against danger of water at lunch station torn down by caretaker."

Truly, the situation is impossible and something must be done. While the Attorney General proceeds to oust CAMERON, let Congress provide for elimination of private ownership of the trail. Let the farce of 20 years be ended and public interests no longer be mocked by private interests acting above the law.

Mr. HASTINGS. Will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. HASTINGS. I am sorry I have not heard all of the gentleman's address. I came in late and then was called out. But I want to know this: What was the basis of the claims which the gentleman from Michigan has been denouncing?

Mr. CRAMTON. They were lode, mill-site, and placer claims.

Mr. HASTINGS. And all have been denied by the Supreme Court, at least all those which have been taken to the Supreme Court?

Mr. CRAMTON. Yes. And, as was pointed out clearly in the story of Mr. Van Loan in the Saturday Evening Post of seven years ago, the tests made showed that the working of these different claims showed no minerals. There was one claim called the Millionaire, right up on the rim of the canyon, and in that claim there was of gold an amount unweighable, of silver an amount unweighable, of platinum none, and of copper none. So it runs through all of these claims. They were worked not with the expectation of ever getting any minerals but through the use of the law as a subterfuge to permit private interests to come in and take the strategic points so that the park never could be developed except under the permission and regulation of private interests.

Mr. OLDFIELD. Will the gentleman yield for one more question?

Mr. CRAMTON. Yes.

Mr. OLDFIELD. I want to say to the gentleman that I am heartily in accord with his statement here; and if the Secretary of the Interior has not the power to enforce his rulings, we ought to give him that power immediately. But let me ask this question: Does the gentleman say that these gentlemen who have these claims are holding up the Government and preventing people from going through the park and want the Government to pay for the right of going over this property?

Mr. CRAMTON. I am frank to say—although it is not for me to figure out what are their motives—that I believe that the Cameron interests recognize that the issue has gone against them and that their hope of getting anything for themselves is in the past, but there is that dog-in-the-manger attitude that still exists; but I am confident that the proceedings set in motion by the Secretary of the Interior will eliminate CAMERON and his associates. The purpose of the amendment which Mr. CARTER, Mr. HAYDEN, and myself have been promoting is to eliminate the private ownership of the trail which comes down and which affords a basis for such complications.

I may say that I understand Mr. CAMERON makes some claim that some of the buildings he maintains are on the trail, and that he has some rights derived from that fact, although that claim is disputed by the Park Service.

Mr. WINTER. How many of these claims were actually involved and before the court in the Cameron case?

Mr. CRAMTON. That will be set forth clearly in my remarks. I think 21 of them were affected by that decision.

Mr. WINTER. Were they down in the canyon or up on the rim?

Mr. CRAMTON. The ones I indicate here—the Millionaire and some others—were upon the rim, but those called the Alder

and Willow claims were down at Indian Gardens as well, but that is specifically set out in the papers I insert.

Mr. WINTER. Did not the Supreme Court in the Cameron case direct the method by which the decision of the Secretary of the Interior could be enforced through the Department of Justice?

Mr. CRAMTON. The Supreme Court said the procedure to enforce the decision would be "done through suits instituted by the successful claimants or by the Government."

Mr. WINTER. And is not the action through the Department of Justice one of ejectment, based on the decision of the Secretary of the Interior?

Mr. CRAMTON. The action, I suppose, is one based upon the decision of the Secretary of the Interior as affirmed by the Supreme Court.

Mr. WINTER. Yes; and is it in the procedure of the court case of ejectment that these delays are now occurring?

Mr. CRAMTON. No. The trouble has been that the decision was in 1920 and a sister case in 1921 which was decided on the basis of the first one, and we are just now getting action in the Interior Department; but I may say that very promptly after the matter was called to the attention of the present Secretary of the Interior things commenced to move.

Mr. WINTER. And now a portion of these claims have still to go through the same procedure to remove them legally; is that true?

Mr. CRAMTON. No; these other claims are in a different situation. The first claims were entered when there was a right to enter a mining claim before the Territory was included in any kind of a monument or park. The others have been attempts to enter since the law has expressly forbidden any entry.

Mr. CARTER. Mr. Chairman, will the gentleman yield?

Mr. CRAMTON. Yes; I yield.

Mr. CARTER. The matter that is now before the Congress is that subsequent to, and in pursuance of, that meeting which the gentleman spoke of at the El Tovar Hotel there was placed in an appropriation bill $100,000 for the purchase of this trail now owned by Coconino County, the money to be used by the county for roads approaching the park.

Mr. CRAMTON. Yes.

Mr. CARTER. That was adopted by the House and has now been stricken out by the Senate, as I understand.

Mr. CRAMTON. Yes; that is the issue that is pending, and it is my hope that at the same time that the rights against CAMERON are being maintained in the courts by the Attorney General, Congress will make available the money that goes directly for the improvement of an approach road which I think we ought to improve ourselves, and, coincident with that, the county agrees to surrender its right in this private toll, and we eliminate all these private interests that endanger the administration of the park.

I thank you. [Applause.]

RICHARD W. O'NEIL, ONE HUNDRED AND SIXTY-FIFTH INFANTRY.

Mr. BULWINKLE. Mr. Speaker, it is my pleasure to introduce to the Members of the House Richard W. O'Neil, One hundred and sixty-fifth Infantry, one of the congressional medal of honor men, named by Governor Smith, of New York, as New York's outstanding hero in the World War, who is the national sergeant at arms of the Disabled American Veterans. [Applause.]

CONSENT CALENDAR.

The SPEAKER. The order of business to-day is the Consent Calendar. The Clerk will report the first bill on the calendar.

PAYMENT OF CLAIMS OF CHIPPEWA INDIANS OF MINNESOTA.

The first bill on the Consent Calendar was the bill (H. R. 2876) to provide for the payment of claims of Chippewa Indians of Minnesota for back annuities.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SANDERS of Indiana. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from New York what these claims are. The bill provides that the Secretary of the Interior is authorized to pay out of any moneys belonging to the Chippewa Indians of Minnesota such amounts as he may find due any persons of Chippewa blood whose names may have been erroneously omitted or stricken from the Chippewa annuity rolls.

Mr. SNYDER. In the past great many years there have been found about 400 Chippewa Indians who were left off the roll originally erroneously, and others that have come into existence that rightfully belong on the rolls and have been put on the rolls, but there have been certain annuity payments, known as per capita payments, paid to all the other Chippewas, but under existing law in no way could these per capita payments be paid to these 400, about, that have been enrolled since the original enrollment. So we are asking now for legislation to permit the Secretary of the Interior to authorize and pay the per capita payments to these men that have already been paid to the others.

Mr. SANDERS of Indiana. Mr. Speaker, I have no objection.

Mr. SEARS of Florida. Mr. Speaker, a parliamentary inquiry. When a bill is stricken from the Consent Calendar does it go to the foot of the calendar?

The SPEAKER. It goes to the foot of the calendar, unless there is a special agreement that it shall not; but generally—and the Chair thinks as to these bills—there was an agreement that they should be passed without prejudice, and in such cases, they keep their places on the calendar.

Mr. SEARS of Florida. Then, Mr. Speaker, I make the point of no quorum.

The SPEAKER. Does the gentleman object?

Mr. SEARS of Florida. No; I make the point of no quorum.

The SPEAKER. The gentleman makes the point of no quorum. It is apparent that a quorum is not present.

Mr. SNYDER. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, when the following Members failed to answer to their names:

Abernethy	Davey	McDuffie	Sinclair
Aldrich	Dempsey	McKenzie	Sproul, Kans.
Andrew	Denison	McNulty	Stalker
Ayres	Dickinson, Iowa	Magee, Pa.	Sullivan
Bacharach	Dickstein	Merritt	Swoope
Berger	Dominick	Michaelson	Tague
Bixler	Drewry	Miller, Ill.	Taylor, Colo.
Black, N. Y.	Evans, Mont.	Mills	Taylor, W. Va.
Black, Tex.	Fairchild	Mooney	Thomas, Ky.
Boies	Fish	Moore, Ill.	Tucker
Boylan	Fulmer	Morin	Underhill
Brand, Ohio	Funk	Nelson, Me.	Vare
Britten	Gifford	Nolan	Vinson, Ky.
Browne, N. J.	Goldsborough	O'Brien	Voigt
Buchanan	Graham, Pa.	O'Connell, N. Y.	Ward, N. C.
Buckley	Hammer	Oliver, N. Y.	Ward, N. Y.
Campbell	Jacobstein	Perkins	Watkins
Carew	Kahn	Perlman	Weller
Casey	Kent	Phillips	Welsh
Celler	Kiess	Prall	Wertz
Corning	Kopp	Quayle	White, Me.
Crisp	Kurtz	Ransley	Wilson, La.
Crowther	Kvale	Rayburn	Wood
Cullen	Larson, Minn.	Reed, W. Va.	Yates
Curry	Lindsay	Reid, Ill.	Young
Dallinger	Lyon	Romjue	
Darrow	McClintic	Rouse	

The SPEAKER. Three hundred and twenty-five Members have answered to their names. A quorum is present.

Mr. SANDERS of Indiana. Mr. Speaker, I move to suspend further proceedings under the call.

The motion was agreed to.

The doors were opened.

The SPEAKER. The Clerk will again report the first bill on the calendar.

The Clerk read as follows:

A bill (H. R. 2876) to provide for the payment of claim of Chippewa Indians of Minnesota for back annuities.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted etc., That the Secretary of the Interior be, and he is hereby, authorized to pay, out of any moneys belonging to the Chippewa Indians of Minnesota, such amounts as he may find due any persons of Chippewa blood whose names may have been erroneously omitted or stricken from the Chippewa annuity rolls, or who have been or may hereafter be found entitled to enrollment for annuity payments authorized by section 7 of the act of Congress approved January 14, 1889 (25 Stat. L. p. 642): *Provided*, That any moneys found due and paid to any Indian under the provisions of this act shall not be subject to any lien or claim of attorneys or other parties.

Mr. SNYDER. Mr. Chairman, I desire to offer a committee amendment. On page 1, line 6, after the word "persons," strike out "of Chippewa blood."

The Clerk reported the amendment, as follows:

Amendment offered by Mr. SNYDER as a committee amendment: Page 1, line 6, strike out the words "of Chippewa blood."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

LAC COURTE OREILLE INDIAN RESERVATION, WIS.

The next business on the Consent Calendar was the bill (H. R. 2883) to validate certain allotments of land made to Indians on the Lac Courte Oreille Indian Reservation in Wisconsin.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That any allotments of land to Indians on the Lac Courte Oreille Indian Reservation in Wisconsin, and the restricted fee patents issued therefor, under the provisions of article 3 of the treaty of September 30, 1854 (10 Stat. L. p. 1109), which are in conflict with the provisions of the treaty because of the fact that the allottee was under 21 years of age and not the head of a family when allotted, or because the allottee was a female and married but not the head of a family when allotted, be, and the same are hereby, validated.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

LAC DU FLAMBEAU BAND OF LAKE SUPERIOR CHIPPEWAS, WISCONSIN.

The next business on the Consent Calendar was the bill (H. R. 3684) for the enrollment and allotment of members of the Lac du Flambeau Band of Lake Superior Chippewas, in the State of Wisconsin, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SANDERS of Indiana. Reserving the right to object, I think the bill is sufficiently important for the chairman to make some explanation of it.

Mr. SNYDER. Mr. Speaker, in the last Congress this bill was before the House and would have been considered at that time, except that the question was raised as to whether or not it affected any existing treaties. I am now able to state that there are no treaties with the Indians in relation to this matter. It has to do with certain Indians who have been allotted within the last 25 or 30 years, and who, at that time, had no legal status for allotments. There has been no law up to this time which would permit the department to legally allot these Indians who have been in possession of the allotments for the last 20 or 30 years. They were not allotted, originally, because they were under 21 years of age and not heads of families. Perhaps there was a female Indian who was not 21 and could not be allotted but who has since become married. All this bill purports to do at this time is to give the Secretary of the Interior the right to legally allot these Indians who should have been allotted in the beginning. There are about 50 people involved in this matter.

Mr. SANDERS of Indiana. I have no objection.

The SPEAKER. Is there objection to the consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he hereby is, authorized and directed to add to the existing rolls of the Lac du Flambeau Band of Chippewa Indians the names of all persons legally entitled to enrollment born prior to the approval of this act, such roll to constitute the final roll of the Lac du Flambeau Band. In the preparation of this roll the said Secretary shall be assisted by a committee of two members of the said band duly appointed at a general council of the Lac du Flambeau Band called for that purpose. As soon as practicable after the approval of the roll the Secretary of the Interior shall cause allotments of land within the Lac du Flambeau Indian Reservation to be made to the members of the band whose names appear on said additional roll (exclusive of the merchantable timber on such land) in conformity with the provisions of the general allotment act of February 8, 1887 (24th Stats. L. p. 388), as amended, the trust patents to said allotments to contain the usual 25-year restriction clause as to alienation and taxation: *Provided*, That if there is not sufficient unappropriated land on the reservation to give each member the full acreage to which he or she is entitled, the Secretary of the Interior may prorate the lands as nearly as practicable among the members so enrolled. The patents for the allotments made hereunder shall issue to the allottees as early as practicable after the merchantable timber thereon has been removed, and the right is hereby reserved to the United States to cut and market the merchantable timber on the lands so allotted, the proceeds to be disposed of as herein provided. When the merchantable timber has been cut from the lands so allotted the title to such timber as remains on said lands shall thereupon pass to the respective allottees: *Provided further*, That the land allotted or reserved hereunder shall be subject to all the laws of the United States prohibiting the introduction of intoxicants into the Indian country until otherwise provided by Congress.

SEC. 2. That the Secretary of the Interior be, and he hereby is, authorized to sell the merchantable timber on the lands allotted under the provisions of this act, at the current market value at the time the sale is made, under such rules and regulations as he may prescribe, the net proceeds derived therefrom, together with any undistributed proceeds derived from the sale of timber heretofore cut and sold from such lands, shall be distributed per capita and paid to the members of the band enrolled under the provisions of this act where such members are or may hereafter be adjudged by the Secretary of the Interior to be competent to manage their own affairs and care for their own business; and in cases where members have not been adjudged competent by the Secretary of the Interior, their shares shall be deposited to their individual credit as individual Indian moneys are now deposited and paid to them or used for their benefit under the supervision of the Secretary of the Interior: *Provided*, That of the amount now on deposit and hereafter derived from the sale of tribal timber, at least $50,000 shall be distributed among the members enrolled under the provisions of this act as early as practicable after the approval of the roll as herein provided.

SEC. 3. That there be reserved from allotment or other disposition the following lands: For the village of Lac du Flambeau the southwest quarter of the southeast quarter and lots 3 and 4 of section 5 and lots 3 and 4 of section 8, township 40 north, range 5 east; for the Indian village lots 1, 2, 3, 4, 5, and 6 of section 1, lots 1 and 7 of section 2, and lots 1, 2, and 3 of section 12, township 40 north, range 4 east; and for the school and agency farm the unappropriated land in sections 6 and 7, township 40 north, range 5 east, that in the east half of section 31, and that in the west half of section 32, township 41 north, range 5 east.

SEC. 4. That the sum of $5,000, or as much thereof as may be needed, is hereby appropriated out of any money in the Treasury not otherwise appropriated for the purpose of preparing a tribal roll in accordance with the provisions of this act and also for the surveys and other expenses necessary in making the allotments herein authorized.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

SALE OF LANDS NO LONGER NEEDED FOR ADMINISTRATIVE PURPOSES.

The next business on the Consent Calendar was the bill (H. R. 4803) to authorize the sale of land and plants not longer needed for Indian administrative or allotment purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized in his discretion to sell and convey by deed or patent, under such terms and conditions as he may prescribe, at not less than their appraised value, nonreservation Government tracts or plants or tribal administrative plants or reserves, or parts thereof, not longer needed for Indian administrative or allotment purposes, and small unallotted tracts not exceeding 40 acres, where a sale will serve the tribal interests. All sales made under this act shall be at public auction, to the highest and best bidder.

And the Secretary of the Interior is further authorized where a tract to be disposed of under this or any other act authorizing the disposition of tribal lands requires survey as basis for a deed or patent, to accept from the grantee, in addition to the purchase price, an amount sufficient to cover the survey costs.

The net proceeds of sale of any tribal site, plant, or tract shall be deposited in the Treasury of the United States to the credit of the Indians owning the same, to be disposed of for their benefit in accordance with existing law; and the net proceeds of sales of Government-owned nontribal plants or lands shall be deposited in the Treasury of the United States.

The Clerk read the following committee amendment:

Page 1, line 8, after the word "thereof" insert the following: "not exceeding 40 acres in area and not exceeding $2,000 in value."

Mr. SANDERS of Indiana. Mr. Speaker, I move to strike out the last word. I would like to ask the chairman of the committee if this title goes to the grantees in fee?

Mr. SNYDER. I will say to the gentleman that in the management of Indian affairs, for a great many years, there has been created here and there a little tract of land, it may be an acre or two, or five or ten acres, in a corner, perhaps, of a schoolhouse lot which has become unnecessary for future use.

Mr. SANDERS of Indiana. I am asking whether the title goes in fee without any restriction?

Mr. SNYDER. My understanding of this is that it gives the Secretary of the Interior the right to sell or dispose of any plot of land not exceeding 40 acres, or in value not over $2,000,

or property to that extent. We might take an old schoolhouse, for example.

Mr. CARTER. This is a fee title, given, as I understand it, to property not longer needed for use.

Mr. SNYDER. That is it exactly.

Mr. SANDERS of Indiana. It gives it in fee to any person?

Mr. CARTER. Yes. This is sold to bring the funds into the Treasury or into the Indian fund.

Mr. SNYDER. Heretofore special legislation has had to be enacted for the sale of every one of those little pieces, and we decided, there being so many of them, that we would give them the right to sell these pieces with a limitation up to 40 acres in area and $2,000 in value, and let them sell them in the future.

Mr. SANDERS of Indiana. Does the gentleman not go a little too far in his committee amendment? It seems to me that that language is a little confusing.

Mr. SNYDER. "Not exceeding 40 acres in area and not exceeding $2,000 in price."

Mr. SANDERS of Indiana. I read from the bill:

not longer needed for Indian administrative or allotment purposes, and small unallotted tracts not exceeding 40 acres.

Why is that repeated?

Mr. SNYDER. I do not know that there is any necessity for it. The bill was carefully considered by the committee and reported unanimously.

Mr. CARTER. That would be a different class of land from that recited in the first part of the bill. The first part of the bill recites, if the gentleman from New York will permit me——

Mr. SNYDER. Certainly.

Mr. CARTER. As follows:

nonreservation Government tracts or plants or tribal administrative plants or reserves, or parts thereof, not exceeding 40 acres in area and not exceeding $2,000 in value, not longer needed for Indian administrative or allotment purposes.

That would not be embraced in the language carried before the amendment. The unallotted tract is the land that has not been used by the Government but remnants left after allotments have been made to the Indians, which have not been disposed of and which have not been used. There ought to be some provision for the sale of these, I think.

Mr. SANDERS of Indiana. What about the word "small"?

Mr. CARTER. Oh, if necessary, that could be stricken out. It does not mean anything particularly.

Mr. SANDERS of Indiana. Mr. Chairman, I ask unanimous consent to withdraw the pro forma amendment.

The SPEAKER. The gentleman from Indiana without objection withdraws the pro forma amendment. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

LAKE ANDES, S. DAK.

The next business on the Consent Calendar was the bill (H. R. 4161), authorizing the Commissioner of Indian Affairs to acquire necessary rights of way across private lands, by purchase or condemnation proceedings, needed in constructing a spillway and drainage ditch to lower and maintain the level of Lake Andes, in South Dakota.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Commissioner of Indian Affairs is hereby authorized, in order to carry out the provisions of an act approved September 21, 1922 (42 Stat. p. 990), entitled "An act providing for the construction of a spillway and drainage ditch to lower and maintain the level of Lake Andes, S. D.," to acquire necessary rights of way across private lands by purchase or condemnation under judicial process, and not to exceed $5,000 of the money heretofore appropriated for the construction of this project shall be available for such purpose.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

ADDITIONAL CIRCUIT JUDGES FOR THE EIGHTH CIRCUIT.

The next business on the Consent Calendar was the bill (H. R. 661), authorizing the President to appoint two additional circuit judges for the eighth circuit.

The SPEAKER. This is the first bill that has come up under the new rule which provides that where a bill is objected to by one person and is reached again on the calendar, three objections are then required to strike it from the calendar. This is a novel question and subject to the will of the House, but the Chair is disposed to think that the best way would be for the Chair to ask any individuals who object to rise. Is there objection to the consideration of the bill?

Mr. BLANTON. Mr. Speaker, I object.

Mr. SUMNERS of Texas. Mr. Speaker, I object.

Mr. STENGLE. Mr. Speaker, I object.

Mr. LUCE. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. LUCE. May I ask if under this situation there is to be opportunity to ask that the objections be withheld?

The SPEAKER. Certainly. The Chair thinks that could be done.

Mr. LUCE. So that an explanation of the bill could be made?

The SPEAKER. The Chair thinks that could be done.

Mr. LUCE. It would be necessary to get the consent of all those who object?

The SPEAKER. Does the gentleman wish to make that request now?

Mr. LUCE. No.

The SPEAKER. The Chair thinks that could be done, as it has always been done in the case of one objection.

Mr. DOWELL. Mr. Speaker, if one objects then the question must be submitted whether or not there are others, and if two others object that makes an objection?

The SPEAKER. Certainly.

Mr. DOWELL. There can be no reservation except by common consent if anybody desires to make an explanation?

The SPEAKER. The Chair is disposed to think that is correct.

Mr. LUCE. As we are establishing a policy, I wondered if it might not be better to ask unanimous consent to make a statement?

The SPEAKER. The gentleman means that in case somebody desires to explain the bill?

Mr. LUCE. Yes.

The SPEAKER. The Chair thinks that would be necessary. For the information of Members, the Chair thinks he should state that as far as the Chair is at present advised he does not expect to recognize anyone to move to suspend the rules to-day. Objection is made to this bill by three Members.

Mr. DENISON. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. DENISON. Is there any record kept of those who object?

The SPEAKER. The Chair thinks their names will be in the RECORD the same as when one objects. Each one in this case objected individually.

Mr. DENISON. The name of each one of the three should be given in the RECORD.

The SPEAKER. The Chair thinks so. Three Members having objected to the consideration of this bill, the Clerk will report the next bill.

MONUMENT TO THE WOMEN OF THE UNITED STATES IN THE WORLD WAR.

The next business on the Consent Calendar was the resolution (H. J. Res. 107) in relation to a monument to commemorate the services and sacrifices of the women of the United States of America, its insular possessions, and the District of Columbia in the World War.

The title of the resolution was read.

The SPEAKER. Is there objection to the present consideration of this resolution? This is of the same class as the other. Is there objection?

Mr. CRAMTON, Mr. BLANTON, and Mr. STEAGALL objected.

The SPEAKER. The bill being objected to by three gentlemen, it is stricken from the calendar.

Mr. BLANTON. If the other gentlemen who objected have no objection, I shall have no objection to the gentleman from Massachusetts [Mr. LUCE] making any explanation he desires.

Mr. SANDERS of Indiana. I have no objection as a matter of principle.

Mr. DYER. It seems to me there would be no good in that unless the gentleman from Texas would say he would withdraw his objection.

Mr. BLANTON. No; I would not withdraw. I would give the gentleman from Massachusetts an opportunity.

Mr. DYER. Then I object, Mr. Speaker.

The SPEAKER. Objection is made. The Clerk will report the next bill.

CLAIMS OF SEMINOLE INDIANS.

The next business on the Consent Calendar was the bill (H. R. 5799) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Seminole Indians may have against the United States and for other purposes.

The title of the bill was read.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. TILSON. Reserving the right to object, I would like to hear an explanation of the bill before passing that stage.

Mr. HASTINGS. Mr. Speaker, the Seminole Tribe of Indians is one of the Five Civilized Tribes of Oklahoma. This tribe is about to be emancipated; that is, it is about to come out from under the supervision of the Federal Government. Their lands have been allotted and their moneys divided among the members of the tribe. Since about the year 1898 the Government of the United States has had complete supervision over and disbursement of the funds of the tribe, and inasmuch as this tribe is about to be emancipated, the members want an opportunity to make an examination into the handling of their affairs, and if there are any objections they want an opportunity to go into court, exactly like a minor on becoming of age. The minor has the right to inspect a guardian's report, and this tribe wants to have the opportunity to except to any item or transaction of the Government. We should not object to permitting these Indians going into our own courts to present their claims.

Mr. TILSON. Does the gentleman contend that this bill contains all the necessary safeguards for the protection of these Indians and the United States?

Mr. HASTINGS. I am sure it does. It has been carefully examined by the committee, and it has been carefully examined and favorably reported by the Secretary of the Interior. It is in the identical language of a similar bill that the House passed some three weeks ago with reference to the Cherokee Tribe of Indians. This is a unanimous report of the Committee on Indian Affairs, after having a favorable report from the department.

Mr. SANDERS of Indiana. Would not these claims be barred by the statute of limitations?

Mr. HASTINGS. There are none of them that I know of that would be barred. They are never barred and should not be; the court so holds. The provisions of this bill are the usual language of jurisdictional bills for Indian tribes. I hope the gentleman will not object and permit this tribe to close its affairs.

Mr. SANDERS of Indiana. If the gentleman would agree to strike out line 4, referring to lapse of time and the statute of limitations, I would not object to its passage. If you are going to do that I shall not object.

Mr. HASTINGS. That language is in every one of these bills.

Mr. HAYDEN. That language, if the gentleman will permit me, is contained in every bill of this character, and the Supreme Court has held in many instances that lapse of time and the statute of limitations should not run against any Indians who are wards of the United States.

Mr. SANDERS of Indiana. It runs anyway.

Mr. CARTER. Sometimes it does, and sometimes it does not. Let me state this to the gentleman: I had no part in the preparation of this bill or in the preparation of the report; but the attitude taken by the Government is that the Indian is in the nature of a minor or ward and the statute of limitations should not run against him. It has often been found, even where an Indian has exercised all the diligence he could to get into court or get his claim settled, that he could not get into court on account of his wardship; and I expect that would be found here if there is any bar set up to this litigation.

Mr. SANDERS of Indiana. If all the Indian Committee thinks this ought to pass, I shall not object.

Mr. SNYDER. This is surrounded by all limitations and safeguards that are contained in every jurisdictional bill. It is the language of the department and of the court.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That jurisdiction be, and is hereby, conferred upon the Court of Claims, notwithstanding the lapse of time or statutes of limitation, to hear, examine, and adjudicate and render judgment in any and all legal and equitable claims arising under or growing out of any treaty or agreement between the United States and the Seminole Indian Nation or Tribe, or arising under or growing out of any act of Congress in relation to Indian affairs, which said Seminole Nation or Tribe may have against the United States, which claims have not heretofore been determined and adjudicated on their merits by the Court of Claims or the Supreme Court of the United States.

SEC. 2. Any and all claims against the United States within the purview of this act shall be forever barred unless suit be instituted or petition filed as herein provided in the Court of Claims within five years from the date of approval of this act, and such suit shall make the Seminole Nation party plaintiff and the United States party defendant. The petition shall be verified by the attorney or attorneys employed to prosecute such claim or claims under contract with the Seminoles approved by the Commissioner of Indian Affairs and the Secretary of the Interior, and said contract shall be executed in their behalf by a committee chosen by them under the direction and approval of the Commissioner of Indian Affairs and the Secretary of the Interior. Official letters, papers, documents, and records, or certified copies thereof, may be used in evidence, and the departments of the Government shall give access to the attorney or attorneys of said Indian nation to such treaties, papers, correspondence, or records as may be needed by the attorney or attorneys of said Indian nation.

SEC. 3. In said suit the court shall also hear, examine, consider, and adjudicate any claims which the United States may have against said Indian nation, but any payment which may have been made by the United States upon any claim against the United States shall not operate as an estoppel but may be pleaded as an offset in such suit.

SEC. 4. That from the decision of the Court of Claims in any suit prosecuted under the authority of this act an appeal may be taken by either party as in other cases to the Supreme Court of the United States.

SEC. 5. That upon the final determination of any suit instituted under this act the Court of Claims shall decree such amount or amounts as it may find reasonable to be paid the attorney or attorneys so employed by said Indian nation for the services and expenses of said attorneys rendered or incurred prior or subsequent to the date of approval of this act: *Provided*, That in no case shall the aggregate amounts decreed by said Court of Claims for fees be in excess of the amount or amounts stipulated in the contract of employment, or in excess of a sum equal to 10 per cent of the amount of recovery against the United States.

SEC. 6. The Court of Claims shall have full authority by proper orders and process to bring in and make parties to such suit any or all persons deemed by it necessary or proper to the final determination of the matters in controversy.

SEC. 7. A copy of the petition shall, in such case, be served upon the Attorney General of the United States, and he, or some attorney from the Department of Justice to be designated by him, is hereby directed to appear and defend the interests of the United States in such case.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER. The Clerk will report the next bill.

RESERVATION OF LANDS IN NEW MEXICO FOR ZIA PUEBLO INDIANS.

The next business on the Consent Calendar was the bill (H. R. 2877) providing for the reservation of certain lands in New Mexico for the Indians of the Zia Pueblo.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. TILSON. Mr. Speaker, reserving the right to object, this seems to be a bill setting apart some of the public domain for the Indians. Will the gentleman from New Mexico explain the purpose of it?

Mr. MORROW. The purpose of this bill is to give the Zia Indians, a small number of Pueblos, this land for reservation purposes. They have occupied and used this land for a great number of years. It is public land, and under the act of June, 1919, which restricted the President from further setting aside lands for Indian reservation purposes, an act of Congress is now required. This action is proposed because of the fact that the Indians have had this land, used it, and that one-fourth of their entire irrigated area is upon this land, the irrigated area consisting of 82 acres.

Mr. TILSON. Under what right have they been using this land—simply as squatters?

Mr. MORROW. Yes; I presume so up to the present time, but they have occupied the land and used it right along, and

they are now asking the right to get title to the land as a part of their reservation.

Mr. TILSON. In other words, they have used Government land for an indefinite time, and this proposition is to give it to them?

Mr. MORROW. Yes; and to make it a part of their reservation. There are 386 acres all told, 82 acres of which they have used under irrigation.

Mr. LITTLE. Will the gentleman yield?

Mr. MORROW. Yes.

Mr. LITTLE. They occupied that land long before our Government had it, did they not?

Mr. MORROW. They have had it for years and years, perhaps a century or more.

Mr. LITTLE. Before this Government came into existence?

Mr. MORROW. Yes.

Mr. TILSON. This tribe of Indians, then, has not been moved to this territory, but it is the original tribe of Indians, so far as the gentleman knows?

Mr. MORROW. Yes; and, as I say, they have used this particular land for years.

Mr. LITTLE. Where is the Zia Pueblo?

Mr. MORROW. It is in the northwestern part of Sandoval County, as I understand it.

Mr. LITTLE. These Indians are all farmers, are they not?

Mr. MORROW. They are using this particular land for farming purposes, 82 acres of it.

Mr. LITTLE. They were farmers there before the Americans came, were they not?

Mr. MORROW. Yes.

Mr. LITTLE. So, as a matter of fact, we are trying to take their land?

Mr. SNYDER. No.

Mr. LITTLE. Well, we were trying to take it

Mr. SNYDER. No. The gentleman has stated the matter correctly. This is a part of the public domain and the Indians have been using it for more than 100 years without any title to it. What we are attempting to do is to put it into their reservation.

Mr. TILSON. And the gentleman feels that as a matter of right we ought to do it?

Mr. SNYDER. Yes; it is a matter of right and justice, and it will be of very great assistance to them.

Mr. SANDERS of Indiana. In what way will it be of great assistance to them?

Mr. SNYDER. They will not have to be in fear about somebody taking it away from them.

The SPEAKER pro tempore (Mr. DOWELL). Is there objection?

Mr. BURTNESS. Mr. Speaker, reserving the right to object, I want to deny the statement which has been made to the effect that this land was never a part of the public domain in the United States. If I understand the situation correctly, this land is within New Mexico, and has involved in it the same questions involved in all Pueblo land matters, and the title to these Indians goes back to the time of the Spanish Government.

Mr. MORROW. I do not think I made the statement that it was never a part of the public domain. I said it was now a part of the public domain, and these Indians have occupied the land and used it for a century or more.

Mr. HOWARD of Nebraska. Mr. Speaker, for the information of those who desire information, I think a fair statement of the situation is about this: These Indians are not squatters; they have owned this land, and according to the best evidence we have, have farmed a portion of it for more than 100 years. Now, that eighty-odd acres of irrigated land, taken in conjunction with the 200 or 300 acres of nonirrigable land, would make a very valuable home for some white man, and if we do not get this confirmed in the Indians pretty soon some white man of New Mexico will be grabbing it. I am in favor of the bill.

Mr. KENT rose.

Mr. SNYDER. Mr. Speaker, I demand the regular order.

The SPEAKER pro tempore. The regular order is called for, and the question is: Is there objection?

Mr. KENT. Mr. Speaker, reserving the right to object, is there anyone who can advise the House whether there is any oil or mineral under this land?

Mr. SANDERS of Indiana. Mr. Speaker, the regular order has been demanded.

The SPEAKER pro tempore. The regular order is demanded, and the question is, Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That there is hereby reserved and withdrawn from settlement, occupancy, or disposal under the laws of the United States and set apart as a reservation for the benefit, use, and occupancy of the Indians of the Zia Pueblo the tract of land in the State of New Mexico particularly described as follows: Lots 4, 5, and 6 and east half southwest quarter section 7; lots 1, 2, 3, and 4 and east half northwest quarter and east half southwest quarter section 18, all in township 15 north, range 2 east, New Mexico principal meridian, New Mexico, containing approximately 386.85 acres.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

ALBANY INSTITUTE AND HISTORICAL AND ART SOCIETY, ALBANY, N. Y.

The next business on the Consent Calendar was the bill (H. R. 1018) authorizing the Secretary of the Navy in his discretion to deliver to the custody of the Albany Institute and Historical and Art Society of the city of Albany, N. Y., the silver service which was presented to the U. S. cruiser *Albany* by citizens of Albany, N. Y.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Navy is authorized, in his discretion, to deliver to the custody of the Albany Institute and Historical and Art Society, of the city of Albany, N. Y., for preservation and exhibition in such museum, the silver service which was presented to the U. S. cruiser *Albany* by citizens of Albany, N. Y.: *Provided*, That no expense shall be incurred by the United States for the delivery of such silver service.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

FUNDS OF NAVAJO TRIBE OF INDIANS.

The next business on the Consent Calendar was the bill (H. R. 472) to authorize the deposit of certain funds in the Treasury of the United States to the credit of Navajo Tribe of Indians and to make same available for expenditure for the benefit of said Indians.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SANDERS of Indiana. Mr. Speaker, reserving the right to object, is not this an appropriation?

Mr. HAYDEN. No; this bill authorizes funds now held by the Secretary of the Interior to be deposited in the Treasury to the credit of the Navajo Tribe, and when so deposited to be made available for appropriation.

Mr. SANDERS of Indiana. This amount of money, $995, goes into the General Treasury?

Mr. HAYDEN. It goes into the General Treasury.

Mr. SANDERS of Indiana. It is in the General Treasury now in the general fund, is it not?

Mr. SMITH. No; it is a special fund for the benefit of the Indians.

Mr. SANDERS of Indiana. No; that is what they are trying to do by this bill. It is in the general fund.

Mr. HAYDEN. I suppose this money has been disposed of as miscellaneous receipts.

Mr. SANDERS of Indiana. Yes; and you now want to put it in a special fund.

Mr. HAYDEN. And make it available for appropriation out of the General Treasury for the benefit of the Navajo Tribe.

Mr. SANDERS of Indiana. The language of the bill is "may be deposited in the Treasury of the United States to the credit of the Navajo Tribe of Indians."

Mr. HAYDEN. There is a fund in the Treasury now consisting of Navajo Indian money.

Mr. SANDERS of Indiana. And when you provide for the payment of money out of a tribal fund, it is not an appropriation.

Mr. HAYDEN. There is a general provision of law that no Indian tribal funds may be expended, except for education of Indians, except by specific authority of Congress.

Mr. SANDERS of Indiana. But it is not an appropriation when you take it out of the tribal funds.

Mr. HAYDEN. It must be appropriated by act of Congress from the tribal fund under the same procedure as an appropriation out of the general funds of the Treasury.

Mr. SANDERS of Indiana. We have been passing bills all along providing for the payment of money out of these different

tribal funds and they hold that that is not such an appropriation as must come from the Committee on Appropriations, do they not?

Mr. CARTER. No.

Mr. HAYDEN. The House the other day passed the Interior Department appropriation bill and there is a long list of items in the bill appropriating money out of the Indian tribal funds in the Treasury.

Mr. SANDERS of Indiana. Of course, the Committee on Appropriations has the power, and I have been wondering when we passed these other bills whether they amounted to appropriations. Of course, there was one that contained a straight-out appropriation of $5,000, which I did not notice at the time. These other bills which provide for the payment of money out of the tribal funds are not subject to a point of order.

Mr. CARTER. Yes; I will call the gentleman's attention to a very extended decision on that point by Mr. Barnhart, of Indiana, when he was here.

Mr. SANDERS of Indiana. Am I right about it that they are not subject to a point of order?

Mr. CARTER. No; they are subject to a point of order.

Mr. SANDERS of Indiana. Then we can make a point of order to any of them.

Mr. CARTER. Yes; the Chairman of the Committee of the Whole held that this rule about things being subject to a point of order was a beneficial rule, and so forth, to protect the Treasury, and that any position taken that the same procedure should not be taken and the same safeguards thrown around an Indian fund, which was a trust fund, as around the funds in the Treasury was to hold that a man might handle trust funds with less accountability than he could his own funds, and he said he could not maintain that position. It is a very splendid decision.

Mr. SANDERS of Indiana. I do not remember the Barnhart decision, but I am very sure it has been held by occupants of the chair a number of times since I have been here that taking money out of a tribal fund and applying it in accordance with the law was not an appropriation.

Mr. BLANTON. Will the gentleman yield?

Mr. CARTER. Let me call the gentleman's attention to this matter. We have a strict provision of law about that, which sets out that these funds shall not be used without a specific appropriation from Congress.

Mr. SANDERS of Indiana. I remember I argued that at one time and read the provision and said it used the word "appropriates," and what I now want to know is if it is true that the Committee on Indian Affairs has no appropriating power why the committee reports these appropriations.

Mr. BLANTON. Will the gentleman yield for a suggestion?

Mr. CARTER. I will tell the gentleman. Candidly, if I had been on the floor when this other bill passed, which the gentleman spoke of a moment ago, I would have called attention to it and probably objected on account of the matter of committee jurisdiction.

Mr. SNYDER. I would like to say that was done inadvertently. It was intended to amend it to read to authorize an appropriation.

Mr. CRAMTON. Will the gentleman yield?

Mr. SANDERS of Indiana. As soon as I get through talking with the gentleman from New York, then I will gladly yield. The gentleman from New York is talking now about the $5,000 appropriation.

Mr. SNYDER. Yes.

Mr. SANDERS of Indiana. I am not talking about that. That got by because I did not notice it. We have passed bills here and are doing it right along, coming from the Indian Affairs Committee, that dispose of tribal funds.

Mr. CARTER. That might be possible because, perhaps, the disposition of those funds is provided for by a treaty.

Mr. SNYDER. I think the gentleman from Indiana is wrong about that.

Mr. TILSON. May I ask who has this money now—the Treasury of the United States?

Mr. HAYDEN. I presume that this money is in the Treasury of the United States.

Mr. TILSON. Then by this act we take it out of the general fund of the United States Treasury and put it into a special fund; is that correct?

Mr. CRAMTON. If the gentleman from Indiana will yield——

Mr. SNYDER. I wish the gentleman from Indiana would let me make a statement in reference to the statement he has just made.

Mr. SANDERS of Indiana. Yes; in order to avoid confusion, I will yield to just one gentleman at a time at present.

Mr. SNYDER. It has been the usage of the Committee on Indian Affairs, since the new rule, not to bring any legislation on the floor which carried an appropriation. This is the first bill which has come down from the committee with that language, and it was an oversight that the word "authorize" was not used in the bill where it carries an appropriation of $5,000. There has been no other bill from this committee which carried any semblance of an appropriation.

It is a fact beyond question, and has been ruled here many times, that appropriations of tribal funds must be made in the same way as appropriations of Treasury funds by the Committee on Appropriations.

Mr. SANDERS of Indiana. Now I will yield to the gentleman from Michigan.

Mr. CRAMTON. This item came to Congress one or two years ago in an Interior Department appropriation bill. It was deemed by our subcommittee to be of a legislative character and hence out of our jurisdiction. Because of that belief, and feeling that it was a matter that ought to be cleared up and brought to the attention of the Committee on Indian Affairs, I introduced the bill which has been reported favorably by the legislative committee.

I want to call attention to the facts which appear in the report. First, the proceeds would have been paid to Pete Coberly if he could have been found, but they have not found him. The net proceeds are $995, as the Secretary of the Interior says, and are carried as a special fund in the account of the superintendent of the Navajo Indian school in Arizona. In order to clean up that situation, to dispose of $995 that belongs to this Indian who has disappeared for 20 or 25 years, legislation is necessary to transfer the ownership of that money from Pete Coberly to the tribe. That is what this bill does. It is a transfer of the money from one Indian to the Indian tribe. It is not an appropriation. It is a transfer of the fund to the tribe and made available for appropriation. Of course, it can be later appropriated in any proper bill for the benefit of that tribe.

Mr. TILSON. Will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. TILSON. The gentleman seems to make it clear that this is not a fund in the Treasury and that we are not making an appropriation but are, in fact, legislating this money into the tribal fund in the Treasury. So that hereafter it will be available for appropriation as a part of the tribal fund.

Mr. CRAMTON. The gentleman is correct.

Mr. SANDERS of Indiana. Mr. Speaker, I will not insist on the objection, neither will I make a point of order, but I would make a point of order to any direct appropriation by the committee.

Mr. BLANTON. Mr. Speaker, I reserve a point of order in order to get some information. Pete Coberly is an Indian who disappeared and has not been heard from, and if he had been here the money would have gone to him. It is a trust fund held in the Treasury of the United States for him. Suppose he turns up next week and demands his money, or suppose five or six years from now after the money goes to the specific fund and has been used Pete Coberly comes in and says, "Give me my money." What are we going to do about it?

Mr. SNYDER. Let me say to the gentleman that Pete Coberly has been declared legally dead.

Mr. BLANTON. He can come to life.

Mr. SNYDER. After a man is declared legally dead they settle up his estate.

Mr. BLANTON. I doubt if you can declare a man dead when he is alive, and especially an Indian. [Laughter.]

Mr. HAYDEN. Let me say to the gentleman that if Pete Coberly were to reappear next week I have no doubt but that the Appropriations Committee would report an item to give it back to him. I assure the gentleman that there will always be at least that much money in the tribal fund.

Mr. BLANTON. I am not going to object, but I want the facts before the House. How long has Pete Coberly been gone?

Mr. CRAMTON. Twenty-nine years.

Mr. BLANTON. Well, if he has been gone 29 years I will not object.

The SPEAKER pro tempore (Mr. DOWELL). Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the sum of $995, derived from the sale of land allotted to Pete Coberly, a Navajo Indian, who has been ad-

judged by the Secretary of the Interior to be legally dead and to have died without heirs, may be deposited in the Treasury of the United States to the credit of the Navajo Tribe of Indians and is hereby made available for expenditure for the benefit of said Indians.

The following committee amendment was read:

On page 1, line 8, strike out the word "expenditure" and insert in lieu thereof the words "appropriation by Congress."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended.

BRIDGE ACROSS PEARL RIVER, MISS.

The next business on the Consent Calendar was the bill (H. R. 5633) granting the consent of Congress to the Board of Supervisors of Hinds County, Miss., to construct a bridge across Pearl River, in the State of Mississippi.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Board of Supervisors of Hinds County, Miss., to construct, maintain, and operate a bridge and approaches thereto across the Pearl River, at a point suitable to the interests of navigation, at or near the city of Jackson, State of Mississippi, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

BRIDGE ACROSS KANKAKEE RIVER.

The next business on the Consent Calendar was the bill (H. R. 5737) granting the consent of Congress to the county of Kankakee, State of Illinois, and the counties of Lake and Newton, State of Indiana, to construct, maintain, and operate a bridge and approaches thereto across the Kankakee River on the State line between section 19, township 31 north, range 15 east of the third principal meridian, in the county of Kankakee, State of Illinois, and section 1, township 31 north, range 10 west of the second principal meridian, in the counties of Lake and Newton, State of Indiana.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the county of Kankakee, State of Illinois, and the counties of Lake and Newton, State of Indiana, to construct, maintain, and operate a bridge and approaches thereto across the Kankakee River on the State line between section 19, township 31 north, range 15 east of the third principal meridian, in the county of Kankakee, State of Illinois, and section 1, township 31 north, range 10 west of the second principal meridian, in the counties of Lake and Newton, State of Indiana, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Page 2, line 2, after the word "river," strike out the word "on" and insert the words "at a point suitable to the interests of navigation, at or near."

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended to read as follows: "A bill granting the consent of Congress to the county of Kankakee, State of Illinois, and the counties of Lake and Newton, State of Indiana, to construct, maintain, and operate a bridge and approaches thereto across the Kankakee River at or near the State line between section 19, township 31 north, range 15 east of the third principal meridian, in the county of Kankakee, State of Illinois, and section 1, township 31 north, range 10 west of the second principal meridian, in the counties of Lake and Newton, State of Indiana."

ALLOTMENT OF CERTAIN LANDS WITHIN FORT YUMA INDIAN RESERVATION, CALIF.

The next business on the Consent Calendar was the bill (H. R. 4804) to authorize the allotment of certain lands within the Fort Yuma Indian Reservation, Calif., and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. TILSON. Mr. Speaker, I think that this should be explained.

Mr. HAYDEN. Mr. Speaker, I shall be very glad to answer any questions the gentleman may want to ask.

Mr. TILSON. This seems to be a bill to vacate in whole or in part the withdrawal of lands for town-site purposes for a town known as Powell, and for the withdrawal for Indian school farm purposes all areas so vacated and to make such land available for allotment.

Mr. HAYDEN. Mr. Speaker, the town site of Powell was established by the United States Reclamation Service a number of years ago. At that time there was no bridge across the Colorado River and it was thought that the town might be created within the project. Since then by joint action of the States of California and Arizona and of the Federal Government a bridge has been built so that the reservation land was made accessible to the existing town of Yuma, and no town grew up at Powell. The land lies there, and there are Indians that might use it if it were allotted to them. In the judgment of the Secretary of the Interior the highest use the land could be put to would be to allot it to Indians for farming purposes. As to the change in the location of the school farm, the land heretofore set apart for a school farm is some distance from the Fort Yuma Indian school and is not suitable for the purpose. There is available nearer the school a tract of land and the superintendent has asked to have it set aside for that purpose. To clear the whole situation up in one piece of legislation the bill was prepared in the Indian Office. We have examined into this legislation and have concluded that it ought to pass in the interest of the Indians.

Mr. TILSON. So that the conditions that prevailed at the time the other legislation was enacted have changed?

Mr. HAYDEN. Materially.

Mr. TILSON. And this legislation is now necessary to take the place of it?

Mr. HAYDEN. That is exactly the situation.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he hereby is, authorized, in his discretion, to vacate in whole or in part the withdrawal of lands for town-site purposes known as the town site of Powell on the Fort Yuma Indian Reservation, Calif., made pursuant to the act of April 30, 1908 (35 Stat. L. p. 77), and the withdrawal for Indian school farm purposes made pursuant to the act of August 1, 1914 (38 Stat. L. pp. 582–587), all areas so vacated being hereby made available for allotment in severalty under existing laws to any Indians entitled to allotment on said reservation who have not heretofore received an allotment.

The Secretary of the Interior is hereby further authorized to set aside and reserve for Indian school farm purposes any other lands within said reservation which have not heretofore been otherwise disposed of.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

RECREATIONAL AREA WITHIN CROOK NATIONAL FOREST, ARIZ.

The next business on the Consent Calendar was the bill (H. R. 498) providing for a recreational area within the Crook National Forest, Ariz.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill.

Mr. CRAMTON. Mr. Speaker, reserving the right to object, which of course I hope will not be necessary, I suppose it would be entirely satisfactory to the gentleman from Arizona [Mr. HAYDEN] to have an amendment after the word "established," on page 2, line 2, inserting the words "and without expense to the Federal Government," so that the operation of this local recreational scheme would be a local expense?

Mr. HAYDEN. Mr. Speaker, my understanding is that some money has been expended or will be expended out of Forest Service funds, collected on the Crook National Forest, to aid in

building a road out to this recreational area, and perhaps within it. For that reason I feel that the amendment suggested by the gentleman from Michigan should not be adopted, since it would interfere with the use of forest road funds.

Mr. CRAMTON. My observation of the Forest Service is that if they can get a recreational space anywhere they can spend unlimited funds in providing a road to it and around it and every thing else. If the forest happens to be adjacent to a national park you can not tease a nickel out of them in a great many cases, but I guarantee if there is a 640-acre recreational space provided here the Forest Service may spend thousands on a road to it.

Mr. HAYDEN. I can guarantee that the receipts from the Crook National Forest available for road construction will not amount to any such sum.

Mr. CRAMTON. The terms of the bill authorize the Secretary of Agriculture to enter into such form of cooperation with "said board of supervisors as in his opinion will permit the fullest use of the lands for recreational purposes without interfering with the objects for which the national forest was established." I suggest that after that we add the words "without expense to the Federal Government."

Mr. HAYDEN. The sole and only purpose of the legislation is to prevent the very thing that the gentleman complained about this morning in his remarks on the Grand Canyon National Park, that some one will locate and maintain a mining claim within this recreational area after the proposed improvements are made. The land is now within the jurisdiction of the Forest Service. It is not subject to entry except under the forest homestead law, which the Secretary of Agriculture would not permit, but it is subject to mining locations. The only object in passing this bill is to prevent some one who finds a trace of copper or iron from locating a mining claim, and thereby interfering with the the use and enjoyment of this area by the public.

Mr. CRAMTON. Is there a town somewhere near this?

Mr. HAYDEN. The towns of Globe and Miami are near by, and the county of Gila expects to contribute money to open up the road, so that the people can drive up to this timbered area and enjoy the cool mountain air.

Mr. CRAMTON. To what extent does the county expect to contribute?

Mr. HAYDEN. My understanding is that the county will contribute substantially, but just what the arrangement is I do not know.

Mr. CRAMTON. If you can assure us that Federal money will not be expended for other purposes in that area I will withdraw my objection.

Mr. HAYDEN. That is my understanding.

The SPEAKER pro tempore. The gentleman from Michigan withdraws his objection. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of Agriculture is hereby authorized, in his discretion, upon application by the Board of Supervisors of Gila County, Ariz., to designate and segregate for recreational development any lands, not to exceed 640 acres, within the Crook National Forest, Ariz., which in his opinion, are available for such purpose, and he is hereby authorized to enter into such form of cooperation with said board of supervisors as in his opinion will permit the fullest use of the lands for recreational purposes without interfering with the objects for which the national forest was established. Lands so designated and segregated, under the provisions of this act, shall not be subject to the mining laws of the United States.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER pro tempore. The Clerk will report the next bill.

FOREST RESERVES IN NEW MEXICO AND ARIZONA.

The next business on the Consent Calendar was the bill (S. 377) limiting the creation or extension of forest reserves in New Mexico and Arizona.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection?

Mr. TILSON. Reserving the right to object, if there is anyone in charge of this bill, I would like to have a considerable explanation before this passes the objection stage. It seems there is a considerable disagreement between the doctors in this case.

Mr. CRAMTON. If the gentleman will yield, I have perhaps spoken just a little carelessly of the Department of Agriculture, and I want to demonstrate my confidence in them by saying that their report on this bill is such as would force me to object.

Mr. MORROW. This law exists at the present time in all the States except New Mexico and Arizona. The object of the bill is to limit the creation of forest reserves by proclamation. New Mexico at the present time has 10,000,000 acres in forest reserves, and we have a great deal of State land under lease. The purpose is not to set aside land for any stockmen who just make a demand for forest reserves or additional areas for forest purposes.

The statement of the Secretary of the Interior is to the effect that legislation of the same nature has been enacted with reference to the States of Colorado, Idaho, Montana, Oregon, Washington, Wyoming, and California, and then he adds:

In my opinion, the law should be the same as to all of the public-land States where conditions are similar, and I therefore recommend the enactment of S. 377.

Mr. TILSON. The gentleman ought also to quote from the report of the Secretary of Agriculture, which is directly to the opposite effect.

Mr. HAYDEN. I hope that the recital of some history will help the gentleman from Connecticut and the gentleman from Michigan [Mr. CRAMTON] in making up their minds about this matter. You will remember that Theodore Roosevelt was an ardent advocate of the creation of forest reserves, and that Congress objected. Congress then passed a law naming all the Western States existing at that time and prohibiting the creation of any further forest reserves without the consent of Congress.

Mr. Roosevelt conferred with Mr. Pinchot, and thereupon included everything in the West that Mr. Pinchot desired as a forest reserve, and then signed the bill. At that time New Mexico and Arizona were Territories, and not States, and they happened not to be named in the act of Congress. All that we seek to do is to put Arizona and New Mexico on a parity with California, Colorado, and all the other States of the West, so that the same law shall apply to the public domain in those two States as in the others.

Mr. TILSON. As the law now stands, if the President sees fit to withdraw any land from settlement in the two States referred to it may be done without any further legislation?

Mr. HAYDEN. Yes, without coming to Congress at all.

Mr. TILSON. But if there should arise a case where it appears to the President that the public interests demand the withdrawal to be made, he would have to await the assembling of Congress and the slow processes of Congress in passing a bill to give him the authority.

Mr. HAYDEN. If the Congress is required to do that in Colorado and California and the other States in the Union, why should it not have the same authority in Arizona and New Mexico? It has not worked to the detriment of the other States to have it so. There has been no difficulty, in my experience on the Committee on Public Lands, in procuring legislation adding to the forest areas wherever needed. All that is asked for here is to place Arizona and New Mexico on a parity with the other States.

Mr. CRAMTON. If the condition in the other States does not conserve the public interest there is no advantage to those two States in having them put on a parity with the other States. The Department of Agriculture, in making the report, says:

The department has frequently encountered embarrassment through the inability to add to national forests such lands which form parts of natural units for national forest administration—

And so forth. In connection with the bill which was passed just before this one was taken up, the gentleman from Arizona spoke of the action they desired to take in order to forestall somebody grabbing off recreation spots under the guise of a mining claim, and now in this bill it is proposed to throw these two States wide open, where somebody can grab off some forest land, when it ought to be added to the forest reserve. I note the two gentlemen, one representing Arizona and one New Mexico, and in view of the statement of the department that the public interest in those two States are handicapped by the present law, and feeling that the gentleman from Arizona [Mr. HAYDEN] wants to put all States on a parity, I will offer this amendment, and if the gentleman will accept it, then I will have no objection to the bill.

Mr. Speaker, I offer a substitute—

That hereafter a forest reservation may be created or any additions may be made to one heretofore created within the limits of any of the public-land States without act of Congress.

That would put all the States on a parity, and I hope the gentleman from Arizona will accept it.

Mr. HAYDEN. I beg to say that I believe it would be futile to do so.

Mr. CRAMTON. Then I feel, Mr. Speaker, that I must object.

The SPEAKER. Objection is made.

APPROPRIATION FOR CONSTRUCTION OF ROAD, FORT APACHE INDIAN RESERVATION, ARIZ.

The next business on the Consent Calendar was the bill (H. R. 4117) authorizing an appropriation for the construction of a road within the Fort Apache Indian Reservation, Ariz., and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CRAMTON. Mr. Speaker, reserving the right to object, this bill carries an authorization for an appropriation during the year 1924 of $50,000 and during the year 1925 of $50,000, and no part of these appropriations are to be expended until the Secretary gets certain guaranties from the State of Arizona. I am not entirely satisfied as to the merits of the bill, but in any event it would seem that the figures should be changed to 1925 and 1926. I presume this is a reprint of a bill that the gentleman has had under way for some time, and time has passed.

Mr. HAYDEN. No; I originally introduced the bill in that form.

Mr. CRAMTON. Well, during this fiscal year, 1924, nothing could be done.

Mr. HAYDEN. That is true. It was my error in so introducing the bill, and I shall be glad to change the dates if that will satisfy the gentleman.

Mr. CRAMTON. I would be glad if, in addition, the gentleman would make a statement as to the merits of the bill, the extent to which this road, if constructed, is to serve the purposes of the Indians, and to what extent it is to serve others.

Mr. HAYDEN. I will state to the gentleman from Michigan that this proposed road leads from the end of the present constructed highway to Whiteriver, and just beyond that point is the new Theodore Roosevelt Indian School at Fort Apache. The construction of this road will materially reduce the expense to the United States in carrying supplies to the school. The road going in there now has been called by everyone who has tried to go over it in bad weather one of the worst in the world. When the Army maintained troops at Fort Apache it cost more to maintain a soldier there than at any other fort.

Mr. CRAMTON. And this would be the only improved road reaching the Theodore Roosevelt School on the reservation?

Mr. HAYDEN. The only one. The money is payable out of the tribal funds of the Apache Indians, and their funds are ample.

Mr. CRAMTON. And one-half is to be at public expense?

Mr. HAYDEN. At the expense of the taxpayers of the State of Arizona.

Mr. CRAMTON. Mr. Speaker, I withdraw my objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That there is hereby authorized an appropriation of $50,000 from any tribal funds on deposit in the Treasury to the credit of the Indians of the Fort Apache Indian Reservation, Ariz., during the year 1924, and $50,000 from any like funds during the year 1925—in all, $100,000—to remain available until expended to pay one-half the cost of constructing a wagon road between Cooley and Whiteriver, within said reservation: *Provided*, That no part of the appropriations herein authorized shall be expended until the Secretary of the Interior shall have obtained from the proper authorities of the State of Arizona satisfactory guaranties of the payment of one-half of the cost of the construction of said road or of one-half of the cost of such part thereof as may be constructed in any year.

Mr. HAYDEN. If the bill is open to amendment, Mr. Speaker, I move to strike out, in line 6, the figures "1924" and insert the figures "1925," and in line 7 strike out the figures "1925" and insert the figures "1926."

The SPEAKER. The gentleman from Arizona offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HAYDEN: Page 1, line 6, after the word "year" strike out "1924" and insert "1925," and in line 7 strike out "1925" and insert "1926."

Mr. SNYDER. Mr. Speaker, I move to strike out the last word, simply to say that the only investigation the committee could make of this matter was to consider the information received from the gentleman from Arizona, who has made an explanation to the committee, and a favorable report from the department, and it seemed to the committee, from such information as it had, that it would be reasonably safe to authorize the appropriation, believing that later on, when the matter was before the Appropriations Committee, a more careful investigation could be made of the project itself and that such an investigation would be made.

Mr. CRAMTON. I am very glad the gentleman has made that statement for the guidance of the Appropriations Committee when the matter comes to them.

The SPEAKER. The question is on agreeing to the amendment.

The question was taken, and the amendment was agreed to.

The SPEAKER. The Clerk will read.

The Clerk read as follows:

SEC. 2. There is hereby authorized an appropriation of $10,000 from any tribal funds on deposit in the Treasury to the credit of the Indians of the Fort Apache Indian Reservation, Ariz., to be immediately available, for the construction of a suitable building, including fireproof vault, heating and ventilating apparatus, for the use and accommodation of the United States Indian Agency at Whiteriver, on said reservation.

Mr. CRAMTON. Mr. Speaker, I move an amendment in line 10 by striking out the words "to be immediately available."

The SPEAKER. The gentleman from Michigan offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. CRAMTON: Page 2, line 10, strike out the words "to be immediately available."

Mr. CRAMTON. Mr. Speaker, that is merely a matter of form. The Appropriations Committee and the House will have full authority to make the appropriation immediately available if it is desired to do so, and it is unnecessary to include that language. The bill would be in better form without that language.

The SPEAKER. The question is on the amendment offered by the gentleman from Michigan.

The question was taken, and the amendment was agreed to.

The SPEAKER. The question now is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

MONEY-ORDER ACCOUNTS BY DISTRICT POSTMASTERS AT THIRD AND FOURTH CLASS POST OFFICES.

The next business on the Consent Calendar was the bill (H. R. 4441) to provide for quarterly instead of monthly money-order accounts to be rendered by district postmasters at third and fourth class post offices.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CRAMTON. Mr. Speaker, reserving the right to object, from such study as I have made of the bill, I am not clear as to whether it carries out the purpose that is intended. The title of the bill says:

A bill to provide for quarterly instead of monthly money-order accounts—

And so forth. The text provides that the bill is to be amended so as to read as follows:

To render quarterly, monthly, semimonthly, weekly, semiweekly, or daily accounts.

The title intimates they are going to do away with the monthly report and provide a quarterly report, but the text of the bill provides for reports at any time that anybody could possibly want them, from daily to quarterly.

Mr. KENDALL. Will the gentleman yield?

Mr. CRAMTON. I will be glad to yield.

Mr. KENDALL. The Postmaster General recommended this amendment to the existing law by simply adding the word "quarterly." He says it will save a great deal of expense in accounting, and nothing is gained by going over these accounts monthly in third and fourth class offices.

Mr. CRAMTON. Does not the gentleman then think that either the bill should be amended to conform to the title or the title should be amended to conform to the bill? The title could be, to carry out the idea the gentleman has just expressed, "a bill to provide for quarterly money-order accounts." Then you

add the word "quarterly" to the present law and you have that authority.

Mr. TILSON. As a matter of fact, as the law now stands, they are required to make monthly reports because the word "quarterly" is not now in the law, but by adding the word "quarterly" then the Postmaster General might order quarterly, monthly, semimonthly, weekly, or semiweekly reports, and they would order the quarterly reports in the case of the smaller post offices.

Mr. CRAMTON. This does not leave it with the department. The law says it shall be the duty of the postmasters who issue money orders to render quarterly, monthly, and all these other reports.

Mr. KENDALL. Not quarterly.

Mr. MONTAGUE. If the gentleman will permit, I would like to make a suggestion for his consideration. Would not your purpose be accomplished by striking out in the title of the bill the word "quarterly" instead of "monthly," so as to read "a bill to provide for money-order accounts to be rendered," and so forth, just as in the title?

Mr. CRAMTON. Or if you just strike out the words "instead of monthly" and make it provide for quarterly money-order accounts.

Mr. MONTAGUE. Perhaps the Postmaster General wishes to have that flexibility of administration.

Mr. CRAMTON. I do not know that there is any flexibility because there is no discretion in the hands of the department. There is an express law that it is the duty of the postmasters to issue all these different reports.

Mr. TILSON. Evidently the title is misleading as it stands. The title is surely wrong, because it provides for quarterly instead of monthly money-order accounts, when, as a matter of fact, it provides for both as the bill now stands.

Mr. CRAMTON. I think the matter would be pretty fairly well served if we simply dropped the words "instead of monthly" out of the title. I have no objection to the bill.

Mr. BLANTON. Will the gentleman from Michigan yield? I reserve the right to object, inasmuch as the gentleman from Michigan has taken his seat.

Mr. CRAMTON. I did not have the floor, I thought.

Mr. BLANTON. The present law provides that they may render their accounts monthly or semimonthly or weekly or semiweekly or daily, and when you have a long range of privileges like that, they take the highest always, and the custom has been to render only monthly accounts. The Post Office Department now suggests that they be permitted to render quarterly accounts, and the word "quarterly" is just added at the beginning of the present law, and that is the way the matter came about. Is the gentleman in favor of permitting them to render quarterly accounts? Your bank, I do not care whether the account is a small one or a big one, renders you a monthly statement, and I take it these postmasters ought to render a monthly statement. We have bills here frequently showing discrepancies in their accounts, and there would be much more leeway granted them if they had three months instead of one month in which to render a statement.

Mr. CRAMTON. Will the gentleman from Texas yield?

Mr. BLANTON. Certainly.

Mr. CRAMTON. I want to modify my former observation. I note the language contains the word "or," so there does seem to be a discretion.

Mr. BLANTON. There is a discretion.

Mr. CRAMTON. And I suppose the department exercises it, so that my view would be entirely met if the words "instead of monthly" were taken out of the title.

Mr. BLANTON. I do not think it ought to be extended, Mr. Speaker, and I object.

ESTABLISHMENT OF RURAL ROUTES.

The next business on the Consent Calendar was the bill (H. R. 4448) authorizing establishment of rural routes of from 36 to 75 miles in length.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. MOORE of Ohio. Mr. Speaker, I ask unanimous consent that the bill may be passed over and keep its place on the calendar.

The SPEAKER. The gentleman from Ohio asks unanimous consent that the bill may be passed over without prejudice. Is there objection? [After a pause.] The Chair hears none.

BRIDGE ACROSS MISSISSIPPI RIVER.

The next business on the Consent Calendar was the bill (H. R. 6429) to extend the time for the construction of a bridge across the Mississippi River, in section 17, township 28 north, range 23 west, of the fourth principal meridian, in the State of Minnesota.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the Mississippi River at a point suitable to the interests of navigation in or near the northwest quarter of section 17, township 28 north, range 23 west, of the fourth principal meridian, between the cities of Minneapolis and St. Paul, in the State of Minnesota, as provided for in Public Law 451, approved February 27, 1923, are hereby extended, one and three years, respectively, from the date of approval hereof.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

EXEMPTION FROM TAXATION OF PROPERTY OF DAUGHTERS OF THE AMERICAN REVOLUTION.

The next business on the Consent Calendar was the bill (H. R. 837) to exempt from taxation certain property of the Daughters of the American Revolution in Washington, D. C.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SANDERS of Indiana. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. SANDERS of Indiana. This measure contains an appropriation. My inquiry is whether, if no one objects to the bill and it is read for consideration, a point of order may be made against the appropriation? It is my opinion that the point of order would lie against the appropriation and would not be waived by not objecting to the bill.

The SPEAKER. The point of order can be made at any time.

Mr. CRAMTON. Reserving the right to object, I am going to ask the gentleman who introduced the bill if he will not consent to strike out, beginning in line 11, after the word "thereof," the remainder of the paragraph.

Mr. BEGG. I will say yes; that is in there by oversight.

Mr. CRAMTON. And change the date of January 17, 1923, to 1924.

Mr. BEGG. The intent of the bill was to release them from future taxes.

Mr. CRAMTON. They will do pretty well if they get relief for all time to come.

Mr. BEGG. Yes. I move to strike out the semicolon after the word "thereof" and insert a period.

Mr. SANDERS of Indiana. Reserving the right to object, I would like to ask the gentleman from Ohio if we have not a general law on the subject?

Mr. BEGG. No; each piece of property has to go through the same procedure except schools and churches. This does not come under that direct classification.

Mr. SANDERS of Indiana. What precedents are there for excepting this property?

Mr. BEGG. All the rest of the property owned by the same memorial association is now exempt. The Red Cross property is exempt, and institutions of that kind organized for some other purpose than financial profit.

Mr. NEWTON of Minnesota. It is my understanding that this hall is turned over for public use.

Mr. BEGG. Yes; the Bureau of the Budget has used it and the disarmament conference met there. It is for everything except for financial profit.

Mr. TILSON. Will the gentleman yield?

Mr. BEGG. Yes.

Mr. TILSON. Are there any fees charged at any time?

Mr. BEGG. I think not, but I would not want to make that statement for a certainty.

The SPEAKER. Is there objection to the present consideration of the bill? [After a pause.] The Chair hears none.

The Clerk read the bill, as follows:

Be it enacted, etc., That the property situated in square No. 173 in the city of Washington, D. C., described as lots 8, 9, and 10, inclusive, occupied by the Daughters of the American Revolution, be, and the same is hereby, exempt from and after January 17, 1923, from all taxation, so long as the same is so occupied and used, subject to the provisions of section 8 of the act approved March 3, 1877, providing for exemptions of church and school property, and acts amendatory thereof; and there is hereby appropriated, out of any money in the Treasury of the United States not otherwise appropriated, the sum of

$289.72, the proportion of taxes on said lots since January 17, 1923, and the Secretary of the Treasury is hereby authorized to pay said sum of $289.72 to the treasurer of the National Society of the Daughters of the American Revolution.

Mr. BEGG. Mr. Speaker, I offer an amendment. On page 1, line 11, after the word "thereof," strike out the semicolon and all that follows and insert a period.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Page 1, line 11, strike out the semicolon, insert a period, and strike out the remainder of line 11 and all that follows on page 2.

The amendment was agreed to.

Mr. CRAMTON. Mr. Speaker, I offer a further amendment. In line 7 strike out the words "from and after January 17, 1923," and insert the word "hereafter," so that it will read "and the same is hereby exempt hereafter from all taxation."

The Clerk read as follows:

Amendment by Mr. CRAMTON: Page 1, line 7, strike out the words "from and after January 17, 1923," and insert the word "hereafter."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

BRIDGE ACROSS THE CALUMET RIVER, CHICAGO, ILL.

The next business on the Consent Calendar was the bill (H. R. 6925) granting the consent of Congress to the city of Chicago to construct a bridge across the Calumet River at or near One hundred and thirtieth Street in the city of Chicago, county of Cook, State of Illinois.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the city of Chicago, a corporation organized under the laws of the State of Illinois, and its successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the Calumet River at a point suitable to the interests of navigation, at or near One hundred and thirtieth Street, in the city of Chicago, county of Cook, and State of Illinois, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

SOUTHERN JUDICIAL DISTRICT OF TEXAS.

The next business on the Consent Calendar was the bill (H. R. 5549) to detach Jim Hogg County from the Corpus Christi division of the southern judicial district of the State of Texas and attach the same to the Laredo division of the southern judicial district of said State.

The SPEAKER. Is there objection?

Mr. SANDERS of Indiana. Reserving the right to object, I think this butchery ought to be explained.

Mr. GRAHAM of Pennsylvania. Mr. Speaker, this bill was introduced by the gentleman from Texas [Mr. GARNER]. The matter was fully considered in committee. It involves no additional expense; it is simply detaching one county from one district and attaching it to another. All the judges of the court having jurisdiction have made favorable comment upon it. The Department of Justice, to which it was submitted, approved of it, and there seemed to be no reason why the butchery should not take place.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That Jim Hogg County of the Corpus Christi division of the southern district of the State of Texas be, and the same is hereby, detached from the said Corpus Christi division and attached to and made a part of the Laredo division of the southern district of said State.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

BRIDGE ACROSS ST. MARYS RIVER NEAR WILDS LANDING, FLA.

The next business on the Consent Calendar was the bill (H. R. 6725) granting the consent of Congress to the States of Georgia and Florida, through their respective highway departments, to construct a bridge across the St. Marys River at or near Wilds Landing, Fla.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. LANKFORD. Mr. Speaker, reserving the right to object, this proposed bridge is at the same point where a bridge was authorized to be constructed by the Kingsland Bridge Co. at the last Congress. Is not that the fact, I ask the gentleman from Florida?

Mr. CLARK of Florida. I think it is.

Mr. LANKFORD. Does the gentleman know whether or not there are negotiations now pending for the adjustment of the claim of the Kingsland Bridge Co. for the money they expended in the beginning of the construction of this bridge?

Mr. CLARK of Florida. So far as I know, there are no negotiations now pending. They have been pending and there has been considerable talk, but I do not think there is anything of any definite nature that is now pending. I am not informed exactly as to that.

Mr. LANKFORD. Reserving the right further to object, at the last Congress a bill was passed authorizing the construction of a bridge at this point by the Kingsland Bridge Co. That bridge company has expended considerable money in the beginning of a bridge at this point. The present bill would authorize the construction of a bridge by the States of Georgia and Florida at practically the same point. I understand negotiations are pending whereby the States of Georgia and Florida, or people representing them, are to buy the right of the Kingsland Bridge Co. and protect them in the money that they have expended. I am anxious for the construction of a free bridge at this point, and I am anxious for the passage of this bill, provided the parties who have already spent their money under the other bill could be protected—if not in whole at least to a reasonable per cent—but at present, with these negotiations pending, until those people can be at least partially protected I am forced to object.

Mr. CLARK of Florida. Mr. Speaker, it is true that a bill was passed—I do not remember whether by the last Congress or some other Congress—authorizing private parties to construct a bridge, which it was understood was to be a toll bridge, at or near this place. This road is one of the main highways through the States of Georgia and Florida which receive Federal aid, and is the main highway from the north into the State of Florida. This bill, when introduced, was submitted by the committee to the Secretary of War and the Secretary of Agriculture, and it has the consent of both departments. I will read here the letter of the Secretary of Agriculture under date of February 2, 1924, which is as follows:

DEPARTMENT OF AGRICULTURE,
Washington, February 2, 1924.

Hon. SAMUEL E. WINSLOW,
Chairman Committee on Interstate and Foreign Commerce,
House of Representatives.

DEAR MR. WINSLOW: Careful consideration has been given to the bill H. R. 6060, transmitted with your letter of January 26, with request for a report thereon and such views relative thereto as the department might desire to communicate.

This bill would authorize the highway departments of the States of Florida and Georgia to construct and maintain a bridge and approaches thereto across the St. Marys River at or near Wilds Landing, Fla., connecting Camden County, Ga., and Nassau County, Fla. The site indicated for the location of this bridge is on one of the primary roads included in the system of Federal-aid highways approved for the States of Florida and Georgia. This crossing is on State road No. 3 of the system of State roads designated by the Florida Legislature, and by act of May 23, 1923 (ch. 9310, 1923 Session Laws of Florida), the Florida Legislature passed a law prohibiting the construction or operation of any toll road or bridge on this particular highway of the State road system. The reason for the passage of this act by the Florida Legislature was that a private corporation was preparing to construct a toll bridge across the St. Marys River at the point indicated. It is the understanding of this department now that the bridge to be constructed by the highway departments of the two States will be submitted as a Federal-aid project and, of course, will be a free bridge. This department, therefore, would recommend favorable consideration of the bill.

Sincerely, HENRY C. WALLACE, *Secretary.*

Mr. WINGO. Mr. Speaker, will the gentleman yield?

Mr. CLARK of Florida. Yes.

Mr. WINGO. Does the gentleman have the report which the Secretary of Agriculture made on the former bill which authorizes a toll bridge?

Mr. CLARK of Florida. I do not think he made any, though I am not sure. Mr. Speaker, the secretary of the Brunswick Board of Trade, in the city of Brunswick, Ga., wrote me a letter, under date of February 4 of this year, in which he inclosed a letter from the secretary-treasurer of the State Highway Board of the State of Georgia, and I ask unanimous con-

sent to insert those two letters in the RECORD as a part of my remarks.

The SPEAKER. Is there objection?

There was no objection.

The letters referred to are as follows:

BRUNSWICK BOARD OF TRADE,
Brunswick, Ga., February 4, 1924.

Hon. FRANK CLARK, M. C.,
House of Representatives, Washington, D. C.

DEAR MR. CLARK: At the request of the Hon. H. B. Phillips, chairman of the State highway board, Tallahassee, Fla., I am attaching hereto an original letter of the State Highway Department of Georgia, dated February 2, 1924; subject, St. Marys River Bridge.

This, I believe, is the information that you desired at the hands of our mutual friend, the Hon. H. D. Phillips.

Very truly yours,

BRUNSWICK BOARD OF TRADE,
By FRED G. WARD,
Managing Secretary.

STATE HIGHWAY DEPARTMENT OF GEORGIA,
GENERAL OFFICES,
East Point, Ga., February 2, 1924.

Subject: St. Marys River Bridge.

Hon. FRED G. WARD,
Managing Secretary Board of Trade, Brunswick, Ga.

DEAR SIR: At the meeting of the State highway board, held November 30, 1923, Judge Phillips, chairman of the State Highway Commission of Florida, appeared before the board.

He stated that the Florida Highway Commission was ready to bear their part of the expense for building a bridge across the St. Marys River south of Kingsland. He stated that his bridge engineer had made tentative plans for a bridge at that point, stating that it would be about 700 feet in length and cost about $164,000. Upon request of the chairman, Judge Phillips stated that he would attend to the necessary legislation to obtain permission from the War Department and Congress to construct this bridge.

On motion, the following resolution was adopted:

"*Resolved*, That the attorney for the board cooperate with Judge Phillips in drawing up a suitable resolution for submission to Congress to obtain the necessary act to permit Georgia and Florida to jointly build a bridge across the St. Marys River south of Kingsland."

I quote below for your information further excerpts from the minutes of the board on this same date with regard to the above-mentioned matter:

"Judge Phillips appeared before the board in executive session with regard to means and methods of financing and providing funds for the construction of the bridge over St. Marys River south of Kingsland.

"Upon motion, the following resolution drawn by the attorney for the board and Judge Phillips was adopted:

"Whereas the State Road Department of Florida has authorized the construction of a bridge across the St. Marys River and Wilds Landing, on the road between Jacksonville, Fla., and Savannah and Brunswick, Ga., and has already appropriated the sum of $100,000, or so much thereof as may be necessary to pay Florida part of the cost, and has authorized the chairman of the board to negotiate with the State Highway Department of Georgia to secure the construction of such bridge; and

"Whereas it is necessary to secure the passage of a bill through Congress to authorize Florida and Georgia to construct such a bridge: Therefore be it

"*Resolved*, That the chairman of the State Highway Board of Georgia be authorized to cooperate with the State Road Department of Florida in securing the passage through Congress of the necessary bill authorizing the construction of the proposed bridge: Also be it further

"*Resolved*, That the chairman of the State Highway Board of Georgia instruct the bridge engineer of Georgia to cooperate with the bridge engineer of Florida in making a survey and the drawing of the necessary plans for such bridge."

In addition to the above I wish to also quote the further resolution adopted by the board:

"*Resolved*, That on a basis of the estimated cost of $160,000 that $50,000 of Federal funds be allotted by Georgia for their share of construction cost of the bridge, or the proportionate amount of the cost that $50,000 is to the estimated cost of $160,000.

"*Provided further*, That provided it is impossible to place $50,000 of Georgia's Federal aid on this bridge that one-fourth of the cost be provided from Federal funds and the balance to meet the above proportions be allotted from State funds."

Trusting this will give you the information you desire, and assuring you of our desire to serve you at any time, I am,

Yours very truly,

H. G. SPAHR,
Secretary and Treasurer State Highway Board.

Mr. CLARK of Florida. I want to say this in conclusion: I hope that my good friend from Georgia [Mr. LANKFORD] will not object and retard the progress of this great work. It is the purpose of the States of Georgia and Florida to construct a concrete and steel bridge across this river, costing $160,000. As I stated before, it is a part of the great highway system already commenced. It is the main highway into the State of Florida from the North. These parties claim that they have spent certain moneys. I do not know what they have spent. The fact is that the highway commission of the two States contend that whatever they may have spent is of no particular value to them in the construction of this great public work. I hope my friend will not insist upon his objection and cause this matter to be longer delayed.

Mr. SEARS of Florida. Mr. Speaker, will the gentleman yield?

Mr. CLARK of Florida. Yes.

Mr. SEARS of Florida. I also trust my colleague from Georgia will not object to this bill. As stated by the gentleman from Florida [Mr. CLARK] and also in the report, unless this bill is passed, this highway can not be improved because the State of Florida will not construct a hard-surfaced highway up to a toll bridge. This means much to our northern friends and to our friends in Georgia coming down into Florida. This bridge should be constructed at the earliest possible moment. I trust my colleague from Georgia will not object. There is nothing more that I can add to the statement of my colleague from Florida.

Mr. CLARK of Florida. Mr. Speaker, I ask further to incorporate in the RECORD the letter of Secretary Weeks.

The SPEAKER. Is there objections?

There was no objection.

Mr. THATCHER. Mr. Speaker, referring to the letter of Secretary Weeks printed in the report, was the amendment to the plans made as suggested in the Secretary's letter?

Mr. CLARK of Florida. Yes.

The letter of Secretary Weeks is as follows:

WAR DEPARTMENT, *February 4, 1924.*

Respectfully returned to the chairman Committee on Interstate and Foreign Commerce, House of Representatives.

So far as the interests committed to this department are concerned, I know of no objection to the favorable consideration by Congress of the accompanying bill (H. R. 6060, 68th Cong., 1st sess.) to authorize the States of Georgia and Florida, through their respective highway departments, to construct and maintain a bridge across the St. Marys River at or near Wilds Landing, Fla., connecting Camden County, Ga., and Nassau County, Fla., if amended as indicated in red thereon.

As the navigable portions of the St. Marys River do not lie within the limits of a single State, the consent of Congress is required under section 9 of the river and harbor act of March 3, 1899 (30 Stat. 1151), for the construction of a bridge thereover.

JOHN W. WEEKS, *Secretary of War.*

Mr. LANKFORD. Mr. Speaker, reserving the right to object, the people who constitute the Kingsland Bridge Co., and who began the bridge, are anxious for the construction of this bridge. They have offered to accept approximately 33⅓ per cent of the money that they have expended for the work already done there. Part of this money was expended for right of way, and they have agreed to transfer their right to build the bridge upon payment to them of 33⅓ per cent of the money already expended. There is no reason for the passage of this bill. The bill authorized the Kingsland Co., "their successors and assigns," to build a bridge at this point. If the State of Florida and Georgia, or the people acting for them, will go to these people and pay them one-third of what they have expended, they will transfer to the States of Florida and Georgia the right to construct the bridge, and the bridge can be constructed without this bill being passed by Congress and Congress being placed in the attitude of first authorizing a bridge and then passing another bill authorizing another bridge at the same point, and in effect confiscating the property rights of the Kingsland Bridge Co., which were acquired in good faith and under authorization of this very body.

I trust I will not be misunderstood in connection with this matter. I am extremely anxious for the construction of a bridge as proposed in the bill now pending. There is prob-

ably no one thing so vitally important to the people of both Georgia and Florida near the proposed bridge site and generally as the construction of a bridge by the two States at Wilds Landing as is now contemplated. The people in my district in Camden and adjoining counties, as well as the people of the whole State of Georgia, will be greatly benefited by this bridge. We simply can not afford to let the project fall through and not materialize.

I happen to occupy a very embarrassing position in connection with the matter. The people in my district will be helped much more than the people of any other section of Georgia by this bridge, and yet I find myself at present feeling duty bound to object to the present consideration of the measure.

About two years ago I received many requests from people in Georgia and Florida urging me to secure the passage of a bill authorizing the construction of a toll bridge by the Kingsland Bridge Co. at Wilds Landing. I was informed that there was no bridge there, and that the only way to cross the river was by ferry, which was dangerous, expensive, and at times impossible. It was urged that the Kingsland Bridge Co. were willing to undertake the construction of the bridge if proper authorization could be secured. I introduced a bill seeking this authorization. A similar bill was introduced in the Senate, and after the usual parliamentary procedure a law was enacted granting the Kingsland Bridge Co. the authority to construct a bridge. The Kingsland Bridge Co. began to spend money securing right of way, and as I am informed actually began construction of the bridge. A little later I was informed that there was a probability of getting a free bridge along the line now proposed. I took the matter up with the Kingsland Bridge Co. and told their officers that I wanted them to not be in the way of the construction of a free bridge on a public highway at Wilds Landing. They informed me that they were anxious for a free bridge, and that they had only begun a toll bridge at the insistance of people in both States who were anxious for a bridge rather than a ferry at this point. These officials also agreed with me that it would be a good plan for them not to spend any more money on their project, as the work might not be of value to the States provided a bridge was built jointly. The bridge company did, however, insist that it should be reimbursed certainly in part for the money actually expended in the enterprise. I concurred in this idea, and it was agreed that no demand would be made for promotion fees or attorneys' fees, and that the Kingsland Bridge Co. would agree to lose a large per cent of money actually expended in order to get the bridge now suggested. I understand that the Kingsland Bridge Co. is now willing to accept about 33⅓ per cent of money actually spent for its rights and to transfer its authorization to the States of Georgia and Florida, thus authorizing the States to build the bridge without any further act of Congress.

It is my information that negotiations are going forward looking to the adjustment of the matter in this way. I hope these negotiations will result in an amicable settlement of the matter. The bridge is very much needed, and I feel forced to object to its present consideration simply in order that the matter may be adjusted without controversy.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. LANKFORD. Mr. Speaker, I object.

BRIDGE ACROSS UNITED STATES CANAL, FLA.

The next business on the Consent Calendar was the bill (S. 2014) to authorize the Park-Wood Lumber Co. to construct two bridges across the United States Canal which connects Apalachicola River and St. Andrews Bay, Fla.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read as follows:

Be it enacted, etc., That the Park-Wood Lumber Co., a corporation organizing and existing under the laws of the State of New Hampshire, its successors and assigns, be, and it is hereby, authorized to construct, maintain, and operate two bridges and approaches thereto across the United States Canal which connects Apalachicola River and St. Andrews Bay, at a point suitable to the interests of navigation, in the county of Calhoun, in the State of Florida, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906: *Provided*, That the Secretary of War is hereby authorized, upon the recommendation of the Chief of Engineers, United States Army, to grant permission to the said Park-Wood Lumber Co., under such terms and conditions as the said Secretary may deem equitable and fair to the public, to cross and occupy such public lands pertinent to the United States Canal as may be necessary for the bridge and approaches thereto

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The SPEAKER. The question is on the third reading of the Senate bill.

The bill was ordered to be read a third time, was read the third time, and passed.

The SPEAKER. The Clerk will report the next bill on the calendar.

STATUE OF "SERENITY."

The next business on the Consent Calendar was the resolution (S. J. Res. 57) authorizing the erection on public grounds in the District of Columbia of a statue by Jose Clara personifying "Serenity."

The title of the resolution was read.

The SPEAKER. Is there objection to the present consideration of this resolution?

Mr. WINGO. Mr. Speaker, reserving the right to object, I would like to have the gentleman from Massachusetts [Mr. LUCE] explain the reason for the enactment of this bill.

Mr. LUCE. The statue of "Serenity," by Jose Clara, a noted Spanish sculptor, is one of the finest modern productions of art now in Paris. It has so pleased one of our citizens, Mr. Charles Deering, of Chicago, that at his own expense—a very considerable expense it will be—he desires to present to the city of Washington a copy of this statue. It is highly extolled by the connoisseurs in these matters, and will in the judgment of the Committee on the Library be a welcome addition to the beauties of the Capital.

Mr. WINGO. As I understand, it is simply to be a copy of the original statue?

Mr. LUCE. I understand so; yes.

Mr. WINGO. Does the gentleman think it is a wise policy on the part of Congress to authorize the erection on public grounds in the city of Washington of a replica of every beautiful piece of statuary that some connoisseur wishes to bring here? If we should give the privilege to one, why should we not give it to the others?

Mr. LUCE. If it be a work of art and truly ornamental I should for my part unhesitatingly accept it.

Mr. WINGO. I have a deep appreciation not only of the artistic temperament of the gentleman from Massachusetts, but also of the beauties of art, and while I am not an artist myself, I have enough of the artistic temperament to at least have a feeling of disappointment at the judgment exercised by these connoisseurs of works of art that have been erected in Washington heretofore. They demonstrate either that these connoisseurs themselves do not have a proper appreciation of art or that I myself am lacking in adequate appreciation of what constitutes an artistic creation. I think it is pretty generally understood that of all the numerous equestrian statues in the city of Washington, only one closely approximates the actual thing it seeks to depict, and that is the only statue that an ordinary cowboy who comes here does not want to shoot at. Who is this gentleman whose artistic temperament has favorably influenced his judgment with respect to this statue? Is he an artist or a moneygrubber?

Mr. LUCE. The gentleman who proposes to give the statue?

Mr. WINGO. Yes.

Mr. LUCE. I know nothing of him.

Mr. WINGO. Do you know anything about the judgment of Jose Clara?

Mr. LUCE. I do not profess to be an expert in these matters.

Mr. WINGO. I will be frank. I recognize my own artistic limitations, and possibly my education has been sadly neglected along that line; but as I read the bill, the title naturally affected me, and I could not from memory call forth any impression of Jose Clara. Who is he? I am not sufficiently versed in the Spanish language to recognize even the sex of the sculptor.

Mr. HUDSPETH. It is a man.

Mr. WINGO. Does the gentleman from Massachusetts think that at this time the city of Washington is the proper place in which to erect a statue of "Serenity," however poor the attempt or however sublime the attempt may be to depict that condition?

Mr. LUCE. The gentleman will note that this statue is not to be erected on the Capitol Grounds. [Laughter.]

Mr. WINGO. Does not the gentleman think that is the only appropriate place in Washington where we could erect it?

Mr. CRAMTON. If the gentleman will yield, I might suggest the proper place would be adjacent to the Franklin School, near the school board. That might be the appropriate place for it.

Mr. WINGO. I may say to the gentleman that somebody is going to cause a great deal more disturbance in Congress than has been occasioned in the school board, and friends of the schools in Washington may withhold their support of the schools as long as those theorists and that group of theorists are in command of the situation.

Mr. CRAMTON. I am sorry if what I have said should do any harm to that organization.

Mr. BARKLEY. Does the gentleman think of any more appropriate place for the erection of a statue of that kind than at the other end of the Capitol?

Mr. WINGO. No; I think a statue depicting "Serenity" is wholly out of place at this time in the District of Columbia. There are numerous statues in the world that are great works of art, and if you start the fad of allowing some man who has more money for this purpose than for other purposes to leave his imprint, even though second-hand, on the record of the Nation by putting up money for the purpose of erecting a replica here, you will have all these gentlemen coming in and doing the same thing, and where will you stop? There are some great statues in the world and statues of the great heroes of America that ought to be adorning some of our public places instead of these riders on horseback. We have had examples of statues erected in this city of Washington with the promise that no expense should be entailed upon the public. I think we have had that experience during my service here, and I think the Committee on Appropriations will recall cases where we allowed some works of art to be erected on the promise that it would be done without expense to the Government. I recall the late Mr. Mann, of Illinois, directing attention to an instance of that kind, where it cost the District government $1,200 a year to maintain a certain work of art that was contributed to the city with the understanding that it was to be without expense to the city. Unless I can get some accurate information about this statue of "Serenity" I shall have to object.

Mr. LUCE. I will be pleased to show the gentleman a picture of the statue.

Mr. WINGO. I am afraid the picture might becloud my judgment. [Laughter.]

Mr. LUCE. In comment upon what the gentleman has said, I would heartily agree with him that in Washington, as in practically every city in the United States, there were erected in the last century many atrocious works that were disguised by the name "art." The standards of the people were not of a sort to encourage true artists.

I had the privilege once of making the dedicatory speech at the unveiling of a statue commemorating a commander in the Revolutionary Navy. Fortunately my remarks were conceived and delivered before I saw the statue, because when the sheet was removed it turned out to be an undersized figure of a boy in Civil War uniform, which evidently had been rejected by the first purchaser, because the feet were unfinished.

But within the last 20 years the temper of the people in these matters has very greatly changed, and in various cities—the city of Boston, for example—experts of recognized ability and public spirit have undertaken to dispose, if they can, of some of these atrocities by getting them out of sight, and to restrict hereafter the purchases and acceptances of works of art to those truly deserving.

Mr. WINGO. May I interrupt the gentleman there?

Mr. LUCE. May I just finish what I want to say. I think there is no Member of the House or Senate to-day who can go through the Chamber, between here and the other end of the Capitol, and be proud of the array of statues there shown to the public. I should hope the day will come when those statues may be taken out of there and put in some place at a distance from each other, so that the disparity in size and in artistic quality may not be so conspicuous. Temporarily we call it the "Chamber of Horrors," and, perhaps, that is an accurate designation of this ill-sorted aggregation. When Congress awoke and decided that the wise and prudent way hereafter was to put all these things in the control of a group of men, who had been selected for their knowledge of the subject, it created an Art Commission. We all know that immediately aroused criticism. Perhaps there is no body of people in the world so free with criticism as artists in their judgments on each other's work, and other folks follow their example in these matters. So the Art Commission has ever since been subjected to criticism from this floor and elsewhere, though, as far as I have observed, often quite unfairly. These men are men of high rank and they have been selected for their qualities as judges. Since they were invited to help us, we have made it our policy to refuse to accept anything which does not meet their artistic standards. This may be an imperfect method; possibly some other could be suggested, but none has been suggested.

Mr. WINGO. Do I understand that the Fine Arts Commission has approved "Serenity"?

Mr. LUCE. All of our bills are now drawn so that action shall be subject to their approval.

Mr. WINGO. If the gentleman has concluded, may I offer a suggestion?

Mr. LUCE. Certainly.

Mr. WINGO. Because I do not want to appear in an improper light even in the gentleman's mind, much less in the RECORD. All I have said has not been said in a spirit of levity or a lack of appreciation of artists, but I have felt the exasperation the gentleman has felt—although it does not disturb me as much as it does the gentleman—in regard to those incongruous statues and the poor place in which they are erected. I am one of those who really believes that art, fine statuary, beautifully proportioned buildings, pictures, music, literature, and all those things, tell upon the character of peoples as much as anything else. They are a great and potent influence and I would not decrease the influence they have upon our national life at all, and I am only prompted to hesitate in this case because I have seen—what nearly everyone agrees is so—that the city of Washington, the Capital City, has had the misfortune to have some of the freakiest things on earth put up here in the name of art, things which the city of Washington should not have permitted to be put up at all.

Mr. LUCE. We can match them in Boston.

Mr. WINGO. But you can not match them to the same incongruous extent, because in the city of Boston their incongruity is more marked by reason of the wonderful setting of other things that are worth while, but in the city of Washington the majority of the stuff they call art is not artistic; if it is, then the American people have sunk very low in their artistic taste. The point I have been trying to make is this: One of the reasons why this conglomerate mess is here in Washington is because I do not think we have been careful enough.

I have made up my mind; for one, I am not going to agree to the giving of permission to put on public grounds any more of these things unless there is clear evidence, beyond peradventure, not based upon the judgment of one or two men, but clear evidence that not only is it a worthy thing to depict in stone or marble but that it is a fine work of art, and that it has correctly depicted the character of the man or the thought that is sought to be conveyed. You have great men in America, great statesmen, great musicians, and great writers, who ought to have a proper representation in marble in this Capital City who have not got it. I want to see something of that kind done instead of picking up something simply because some one, even though their judgment may be good, is caught with the beauty of some thing or other and says, "I have plenty of money, and I will put a copy of this somewhere that the Federal Government will give me the right to put it." It may be that if I saw "Serenity" I would be charmed with it and maybe would be willing to put it over in front of the Senate Office Building; but there is another statue—I think it is entitled "The Chained Greek Slave," which is down in the Corcoran Art Gallery. If the gentleman will have a replica of that put in front of the Senate wing of this building, I will be willing to bear the expense of that myself, poor as I am. With that statement, Mr. Speaker, unless my friend wishes to explain further, I will be compelled to object.

Mr. LUCE. I agree with the gentleman so thoroughly I want to ask him a question, if the gentleman will permit. The gentleman suggests that this matter should be decided by somebody in whom he will have confidence, does he not?

Mr. WINGO. I did not catch the full import of the gentleman's question.

Mr. LUCE. It is the desire of the gentleman that these works of art shall be passed upon by somebody in whom the gentleman has confidence?

Mr. WINGO. Yes; and I admit that I have not the capacity to do it.

Mr. LUCE. The House has seen fit by its rules to impose that obligation on one of its committees, an obligation not particularly desired, because it has no direct reference to the name of the committee—the Committee on the Library. However, the House has imposed this obligation upon us, and we, in turn, consult the commission created for the purpose—the Commission on Fine Arts.

Mr. WINGO. Mr. Speaker, if you will permit, the gentleman always overpersuades me, and I am going to withdraw my objection. [Laughter.]

Mr. BLANTON. Mr. Speaker, reserving the right to object, I want to ask a question. The gentleman states that

the Fine Arts Commission is to approve this memorial. The bill as it is drawn directs the Chief of Engineers to select a site and give permission to erect this memorial, upon the approval of the Committee on the Library with the advice of the Fine Arts Commission. Why does not the Committee on the Library approve of the memorial first and then the matter is settled, and not wait until the Chief of Engineers is directed to select a site and grant permission to erect the memorial and then have the committee vote to pass on the suitability of the memorial?

Mr. LUCE. The committee already has seen a picture of the statue. It would be impracticable for us to see the statue itself. We have seen a picture of it and we have, by the stipulation of the bill, undertaken that not only in the matter of the site but in the design of the memorial——

Mr. BLANTON. And the committee approves of it?

Mr. LUCE. The committee, so far as it has knowledge of the matter, approves of it, but by the terms of this and all similar bills the whole thing is subject to our control until the final completion of the memorial.

Mr. BLANTON. I will call the gentleman's attention to the last memorial, which was erected down here on the courthouse lawn to the memory of some distinguished local lawyer. There were some ministers of the town who, after its being mounted there, condemned it as indecent and objected to it, and certain other citizens of Washington objected to it, and in consequence they had every schoolboy in Washington going down there at all times of the day and evening in order to see it. That was passed upon by the Fine Arts Commission, was it not?

Mr. LUCE. The gentleman speaks of some matter with which I am not familiar.

Mr. BLANTON. That happened during the vacation when the gentleman was up in Massachusetts.

There was no objection.

The Clerk read the bill, as follows:

Resolved, etc., That the Chief of Engineers, United States Army, be, and is hereby, authorized and directed to select a suitable site and to grant permission to Charles Deering for the erection, as a gift to the people of the United States, on public grounds of the United States in the city of Washington, D. C., other than those of the Capitol, the Library of Congress, the Mall, and White House, of a Carrara marble statue of "Serenity," by Jose Clara: *Provided*, That the site chosen and the design of the memorial shall be approved by the Joint Committee on the Library, with the advice of the Commission of Fine Arts, that it shall be erected under the supervision of the Chief of Engineers, and that the United States shall be put to no expense in or by the erection of the statue.

The bill was ordered to be read a third time, was read the third time, and passed.

MAIL-MESSENGER SERVICE.

The next business on the Consent Calendar was the bill (H. R. 6482) authorizing the Postmaster General to contract for mail-messenger service.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HULL of Iowa. Mr. Speaker, reserving the right to object, I would like to inquire if this is not directly contrary to the usual policy of third-class postmasters carrying the mail, and what is the object of it?

Mr. MOORE of Ohio. I will say in reply to the gentleman that, excepting the last proviso which is in the bill, I think the gentleman will find it is the identical language of the law under which we have been operating since 1916, and the necessity for this legislation grows out of the ruling by the Comptroller General in which he says that what we thought was permanent law is not, and that he will not permit this beyond the end of this fiscal year. There are some 19,000 mail messengers in the country, and therefore, unless there is some legislation of this character before the end of the fiscal year, we will find ourselves without the ability to carry on the mail-messenger service and special-delivery service like we have been doing since 1916.

Mr. HULL of Iowa. What the gentleman refers to, I think, is a rider on an appropriation bill. It is not permanent law. The permanent law prohibits it to-day.

Mr. MOORE of Ohio. We have been operating as though it were permanent law since 1916, and, evidently, the Congress thought it was, because there has been no legislation since then.

Mr. HULL of Iowa. There is a permanent law that prohibits this, is there not? The gentleman is on the Post Office Committee.

Mr. MOORE of Ohio. Yes.

Mr. HULL of Iowa. There is a permanent law, is there not, prohibiting this being done?

Mr. MOORE of Ohio. There may be, but I do not now recall the provisions if there is.

Mr. HULL of Iowa. Somewhere there is a law prohibiting postmasters making contracts for carrying the mail.

Mr. MOORE of Ohio. Then there is evidently a conflict, because this was put in the law of 1916.

Mr. HULL of Iowa. There is a conflict, because that is a rider on an appropriation bill.

Mr. MOORE of Ohio. And since that time the department has been carrying on this work under that provision of 1916.

Mr. HULL of Iowa. That is true, but that was simply a rider on an appropriation bill and is in conflict with the permanent law. I do not know that I have any objection to the fourth-class postmasters carrying the mail providing they can do the work, although I rather doubt the policy. My experience—and I have had some experience in the Post Office Department—is that no third-class postmasters have time for carrying the mail if they are rendering the service to the public they ought to render. This is what has happened and probably will happen now: These men take the contract and beat somebody out of a job and then turn around and give it to a man at starvation wages.

Mr. MOORE of Ohio. My observation is that sometimes the third-class postmasters are almost in the class of starvation wages. The object of this bill is to legislate and keep the postal affairs going. While I want the mail messengers to get sufficient compensation, it is of more importance to see that the postal matters go ahead and that the postmasters be authorized to do what they have been doing for six or seven years—make contracts and see that the mail will be carried.

Mr. HULL of Iowa. Oh, the mail will be carried; it is up to the Government to see that the mail is carried.

Mr. MOORE of Ohio. How?

Mr. HULL of Iowa. By contract.

Mr. MOORE of Ohio. With whom?

Mr. HULL of Iowa. Somebody will carry it. You have legislation by which the department can let a contract, and they are doing it in 20,000 cases.

Mr. MOORE of Ohio. They are doing it under this law of 1916.

Mr. HULL of Iowa. There are not many of these third-class postmasters. I doubt whether the gentleman can find a case in this country of a third-class postmaster that is carrying the mail. If he does carry the mail, he takes the contract, sublets it, and the men who are carrying the mail are doing it for $300 and are paying to the postmaster a part of the wages that they ought to get. What is the minimum wage of a third-class postmaster?

Mr. MOORE of Ohio. I do not now recall the minimum salary.

Mr. HULL of Iowa. I think it is $1,200. I do not think a third-class postmaster ought to be permitted to carry the mail, make the contract, turn around and shave it $50 or $100, and let it to somebody else.

Mr. MOORE of Ohio. The gentleman knows that this is subject to the approval of the Post Office Department.

Mr. HULL of Iowa. I know the Post Office Department very well, and in letting a contract they always beat the fellow down until he can not exist on the small wages that he gets.

Mr. SANDERS of Indiana. May I ask if the gentleman from Iowa is going to object to this?

Mr. HULL of Iowa. Well, I will object unless the third-class postmasters are taken out. Third-class postmasters have plenty to do. If any gentleman knows of a third-class postmaster that is attempting to carry the mail, I would like to know the town he is in.

Mr. MOORE of Ohio. I should hesitate to single out the third-class postmasters and prevent them from making a contract, for, in a way, that would indicate that the third-class postmasters were not capable of doing it. If I understand the position of the gentleman, he will object unless I consent to excepting third-class postmasters, and inasmuch as the gentleman from Illinois [Mr. SPROUL], who was to have charge of the bill, is in a committee hearing—in the Committee on Post Offices and Post Roads—I should much prefer to have the bill maintain its place on the calendar and be passed.

Mr. FITZGERALD. Reserving the right to object, Mr. Speaker, I would like to have the gentleman from Iowa withdraw his objection. I have in my district a case where the Post Office Department entered into an illegal contract with a man in a small place, accepted his services for a great many months, and then the Comptroller General of the United States refused to pay him. It arose in this way: The man died suddenly while on his route, performing both offices. You could not get a man to perform the work; you could not get a post-

master in the community. His uncashed checks, which he had no suspicion were wrong, were found among his effects. I had the matter up with the Post Office Department, trying to get them to pay the money to the widow, which the man had actually earned, and the Comptroller General will not pay it or allow it to be paid.

Mr. HULL of Iowa. That case would not be affected by this legislation, if it was an illegal contract. Was the man a third-class postmaster?

Mr. FITZGERALD. Either a third or a fourth; I do not know which.

Mr. MOORE of Ohio. The reason for urging this legislation is that there should be permanent legislation, and frequently there are changes in the mail messengers that carry the mail and it is hard to keep a contract in effect, and for that reason it should be left in the hands of the postmaster.

Mr. Speaker, I ask unanimous consent that the bill go over without prejudice.

Mr. SANDERS of Indiana. Mr. Speaker, I suggest, if the gentleman does not want to do that, he can restore it to the calendar and then the next day it will take three people to object.

The SPEAKER. Is there objection to the request of the gentleman from Ohio that the bill go over without prejudice?

There was no objection.

MEDALS TO TEXAS CAVALRY BRIGADES.

The next business on the Consent Calendar was the bill (H. R. 593) authorizing the issuance of service medals to officers and enlisted men of the two brigades of Texas Cavalry organized under authority from the War Department under date of December 8, 1917, and making an appropriation therefor; and further authorizing the wearing by such officers and enlisted men on occasions of ceremony of the uniform lawfully prescribed to be worn by them during their service.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to procure a bronze medal of appropriate design, with a bar and ribbon, together with a rosette or other device to be worn in lieu thereof, to be presented to each of the several officers and enlisted men of the two brigades of cavalry organized by the State of Texas, under authority from the War Department of date of December 8, 1917, who served therein prior to November 11, 1918: *Provided*, That such medals shall not be presented to men who have, subsequent to such service, been dishonorably discharged from the service or deserted: *Provided further*, That the sum of $5,000, or so much thereof as may be necessary, is hereby appropriated, out of any money in the Treasury not otherwise appropriated, for the purpose of carrying this last paragraph into effect: *Provided further*, That the several officers and enlisted men to whom such medals may be presented are hereby authorized to wear, on occasions of ceremony, the uniform lawfully prescribed to be worn by them at the time of their service.

With the following committee amendments:

Page 2, line 7, at the beginning of the line, insert the words "authorized to be," and page 2, line 13, after the word "service," insert a colon and the following: "*Provided*, This act shall not be considered as conferring upon the members of said organizations the benefits of the war risk insurance act or to confer a pensionable status to the members of said organizations, and that this act shall not be deemed to constitute a precedent for the future granting of such rights."

The SPEAKER. The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended to read as follows: "A bill authorizing the issuance of service medals to officers and enlisted men of the two brigades of Texas Cavalry organized under authority from the War Department under date of December 8, 1917, and authorizing an appropriation therefor; and further authorizing the wearing by such officers and enlisted men on occasions of ceremony of the uniform lawfully prescribed to be worn by them during their service."

PLACING PUBLIC DOCUMENTS TO CREDIT OF INCOMING MEMBERS.

The next business on the Consent Calendar was the bill (H. R. 7039) to amend section 72 of chapter 23, printing act, approved January 12, 1895.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BLANTON. I object.

Mr. McKEOWN. Mr. Speaker, will the gentleman reserve his objection for a moment?

Mr. BLANTON. Certainly.

Mr. McKEOWN. This bill is simply an amendment of the present statute which has been construed to prevent a new Congressman from having the documents that really belong to him assigned to him.

Mr. BLANTON. Oh, I understood that this was the Kiess bill which applied to salaries.

Mr. McKEOWN. No; this has nothing to do with salaries.

Mr. BLANTON. Mr. Speaker, I withdraw my objection.

The SPEAKER. Is there objection?

Mr. LUCE. Mr. Speaker, reserving the right to object, may I ask the gentleman whether the Committee on Printing has ever considered any way of informing Members when documents become accessible? In my experience here I have from time to time learned of documents which I would have been glad to get and distribute if I could have known of it at the time that they were ready for distribution, but in many of those cases only by accident did I personally ever hear of the fact that such documents were on hand.

Mr. McKEOWN. I will say that the method employed by the department is to send a card to each Member at the time that the documents are available for distribution, and they go to the gentleman's office regularly every time there is any document for distribution.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. BLANTON. That is correct. The folding room does that. It sends a card every time anything is placed to your credit, but the gentleman from Massachusetts could to-day send a request to the superintendent of the folding room and ask him to advise the gentleman of everything to his credit, and by return mail he would get a statement of every document that was to his credit.

Mr. LUCE. That I understood; but I had the impression that there were documents printed which had not been called to the attention of my office. Possibly I am in error.

Mr. CRAMTON. The gentleman perhaps has in mind those that go to the document room. Of them no notice is given, but notice is given of those that go to the folding room, where there is a stated allotment.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 72 of chapter 23, printing act approved January 12, 1895, be amended so as to read as follows:

"That the congressional allotment of public documents printed after the expiration of the term of office of any Senator, Representative, or Delegate shall be delivered to his or her successor in office.

"Any Senator, Representative, or Delegate having public documents to his credit at the expiration of his term of office shall take the same prior to the convening of the next succeeding Congress, and if he shall not do so within such period he shall forfeit them to his or her successor in office."

Mr. BLANTON. Mr. Speaker, I move to strike out the last word so that I may have the floor for just a moment. I think the point raised by the gentleman from Massachusetts [Mr. LUCE] is a good one, because only those documents which are distributed through the folding room are the ones of which a Member gets notice. For that reason all the documents printed ought to go through the folding room, in my judgment. Then each Member would get a pro rata share. A great many valuable documents are printed and go to the document room. Members have no notice whatever of them because there is no allotment of them to Members, and the only way that a Member can get them is to go to the document room and ask for them, and sometimes a Member will ask for more than should be distributed to one Member. If all Members asked for them and got as many as they wanted, there would probably not be sufficient to go around. Therefore, I wish the Printing Committee would take it up and see that all documents, outside of bills and committee reports, which are printed for distribution will go through the folding room so that every Member may get his proper number of them.

Mr. HILL of Maryland. Does not that also apply to maps issued by the Geological Survey?

Mr. BLANTON. No; they are distributed direct to us by that bureau. You get notice of them from the Geological Survey. Everything that goes through the folding room you get notice of, and you are told that there are so many copies to

your credit from time to time. I was speaking of documents that go to the document room which are not distributed through the folding room and notice of which is not sent to you, and you do not get them unless you happen to know about them and go there and ask for them, and then sometimes you ask for them too late.

Mr. TILSON. The gentleman, I am sure, does not wish to advocate a policy of waste such as that would be. It would mean that all documents that are printed would be allotted equally to every Member of Congress whether he has any use for them or not.

Mr. BLANTON. Why should they not be?

Mr. TILSON. Some Members need a large number of particular documents, because they are valuable to them and to their constituents, and they have no use for and do not care to have copies of other documents at all.

Mr. BLANTON. Suppose there are only enough for three copies to go to each Member, and the gentleman from Connecticut is the only one interested in that document. I know that by applying to his colleagues he can get practically the full quota of them transferred to him; but the membership of the House ought to have the right of disposition of these documents. I think the gentleman from Massachusetts [Mr. LUCE] is correct. We ought to have notice of the number that will go to the document room and of their availability.

Mr. TILSON. There should be a different rule in regard to different documents. Some documents are of such a character, of such general usefulness, that each Member ought to have his quota. Other documents, of a different kind, ought to be placed somewhere so that Members who need a large number can get that number, and those who do not care for them need not have any credited to them, because they lie there in the folding room and go to waste, just as so many thousands of other documents are doing to-day.

Mr. BLANTON. Does not the gentleman think that every document printed by the Government ought to be equitably distributed among the Members, who in turn distribute them to the people in their districts asking for them?

Mr. TILSON. I think they should be distributed, but distributed in an economical way.

Mr. BLANTON. The point that the gentleman from Massachusetts [Mr. LUCE] was making was that the documents that go to the document room are documents that he does not know about, sometimes, and finds out too late that some of them would have been valuable to him, but he has not made application for them, and then the supply is exhausted.

Mr. CRAMTON. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. CRAMTON. Otherwise, I would ask unanimous consent that we might go ahead with the calendar.

Mr. STEVENSON. Mr. Chairman, I want to say a word just there. I oppose the gentleman's pro forma amendment. Whenever documents are made House documents—and all these matters that are of any considerable consequence are put through the folding room and distributed through the folding room—then every Member gets a card stating that he has so many of those things there.

The gentleman from Texas [Mr. BLANTON] says we ought to have all of these documents that go into the document room distributed in some way. That is where every bill goes that comes here. Would you have notice given you of every bill that is introduced? In that case you would have to have an additional room in your office to take care of the bills that are printed. There is one very easy way to give everybody notice, and that is, whenever there is a document of sufficient importance to warrant its distribution, to have a resolution passed to distribute it through the folding room. Very few documents get buried out there in the document room. Most of the things that come from the document room are bills, resolutions, reports, and messages of the President, and other things of that kind, and the President's messages always, when considered of great importance, are made documents and pass through the folding room.

Mr. WINGO. I would like to get a little information. How can I protect my supply of Yearbooks without locking them up in my office?

Mr. STEVENSON. I know of no way except by invoking the law against larceny.

Mr. WINGO. They write me from the Government Printing Office about my share of allotments, and it would take a corps of Philadelphia lawyers to interpret what they mean.

I know of a case where one gentleman had three rooms full and I was short.

Mr. STEVENSON. Was that gentleman on the Printing Committee?

Mr. WINGO. No; and I am not saying a word about any member of the Committee on Agriculture.

Mr. LUCE. Will the gentleman tell me about the report of special or select committees?

Mr. STEVENSON. Well, a report from a special or select committee goes to the document room when it is printed. If it is deemed of such importance that somebody asks that it be made a House document and distributed through the folding room, then that can be done. All that is needed is a House resolution.

Mr. LUCE. Would it not be practicable to have printed a bulletin naming a list of documents that are printed from day to day?

Mr. STEVENSON. That could be done through the folding room without trouble. I did not contemplate anything of that kind, but if there were a bulletin issued to tell us what we might receive from time to time that would interest us; I am sure it would often be of convenience to us.

The SPEAKER pro tempore. Does the gentleman from Texas withdraw his pro forma amendment?

Mr. BLANTON. I withdraw it.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

DATE OF THE CONVENING OF CONGRESS.

Mr. JEFFERS. Mr. Speaker, I want to ask unanimous consent to file a minority report with reference to House Joint Resolution 93. Four Members sign the minority report, two Democrats and two Republicans.

The SPEAKER pro tempore. The minority views to be printed?

Mr. JEFFERS. Yes; the minority views to be printed.

The SPEAKER pro tempore. The gentleman from Alabama asks unanimous consent to file a minority report on House Joint Resolution 93.

Mr. JEFFERS. It is a resolution out of the Committee on the Election of President, Vice President, and Representatives in Congress in regard to the change in the date for the convening of Congress.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the next bill.

RAPID CITY INDIAN SCHOOL, SOUTH DAKOTA.

The next business on the Consent Calendar was the bill (H. R. 2812) to authorize the Secretary of the Interior to sell certain lands, and for other purposes.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection?

Mr. WINGO. Reserving the right to object, I would like to ask the gentleman from South Dakota, Is there any question of any oil or minerals in this land?

Mr. WILLIAMSON. No; I have never heard it suggested that either oil or mineral existed in the tracts you refer to. This bill was introduced at the last session and passed in the House, but did not get through the Senate.

Mr. WINGO. What is the necessity for selling this land?

Mr. WILLIAMSON. The fifty-five one-hundredths of an acre tract is cut off from the school reserve by the public highway, and the 3.59-acre tract is cut off by the railway and right of way, so that it is inaccessible for all practical purposes, so far as the school is concerned.

Mr. WINGO. What are these tracts of land used for now?

Mr. WILLIAMSON. They are not used for any purpose whatsoever; they are simply patches of weeds. The school desires to sell these two tracts and have the funds turned over for the benefit of the school.

Mr. WINGO. What is the necessity for the proposed amendment as to net proceeds? Do you contemplate the Secretary will have some expense in selling these tracts of land?

Mr. WILLIAMSON. None, except the expense of advertising the land for sale at public auction.

Mr. WINGO. Does anybody want these lands?

Mr. WILLIAMSON. I do not think there is anybody that the department has in mind who desires these lands especially.

Mr. WINGO. What is the character of the school to which these lands now belong?

Mr. WILLIAMSON. This is an Indian school. It has, perhaps, between 200 and 300 Indian pupils.

Mr. WINGO. If these two tracts are sold, how much land will the school have left?

Mr. WILLIAMSON. I do not know what the acreage is, but they have a considerable acreage.

Mr. WINGO. As much as 100 acres?

Mr. WILLIAMSON. About 100 acres, I understand. If the tracts described in the bill are sold, it would take only fifty-five one-hundredths of an acre in one corner and cut off another corner of 3.59 acres. It does not affect the tract of land in any way on which the school is located.

Mr. HILL of Maryland. Will the gentleman yield?

Mr. WILLIAMSON. Yes.

Mr. HILL of Maryland. Can the gentleman state what the estimated value of these two little tracts of land is?

Mr. WILLIAMSON. I do not know exactly the value of that land, but I should say that land there would be worth in the neighborhood of $100 an acre.

Mr. HILL of Maryland. Therefore, these two tracts of land would not be worth more than $100?

Mr. WILLIAMSON. Yes; they would be worth more than that; they would be worth between $400 and $800, I should say, depending on the amount of competition for them.

Mr. HILL of Maryland. And this money goes to the school?

Mr. WILLIAMSON. Yes, under this bill should it become law.

Mr. WINGO. Will the gentleman yield?

Mr. WILLIAMSON. Yes.

Mr. WINGO. Has the gentleman any idea of anybody who might buy these tracts of land?

Mr. WILLIAMSON. There is one gentleman that I know is interested in getting possession of one of the tracts.

Mr. WINGO. What does he want to use it for?

Mr. WILLIAMSON. I think the fifty-five one-hundredths of an acre adjoins some residence property or a small tract of land which he owns near the city. But of course he will have to bid against any other bidders there might be. As to the other tract, of 3.59 acres, I do not know of anybody who is interested in it.

Mr. WINGO. And the gentleman is sure there is no oil under this land?

Mr. WILLIAMSON. No oil that I know of.

Mr. SNYDER. If the gentleman will permit, I will say that we passed legislation this morning giving the Department of the Interior the right to sell this land, and the only reason we need this legislation is that they want to use the money obtained from the sale of this property for the benefit of the school and not have it go for the benefit of the tribe.

Mr. MORTON D. HULL. Who makes the appraisals provided for in the bill?

Mr. SNYDER. The regular appraisers of the department.

Mr. CRAMTON. Will the gentleman from South Dakota yield?

Mr. WILLIAMSON. Yes.

Mr. CRAMTON. I assume it will be entirely satisfactory to the gentleman to have the word "expenditure" in line 10, page 2, changed to "appropriated"? The language as it stands is, in effect, an appropriation.

Mr. WILLIAMSON. I know of no objection to that.

Mr. BLANTON. Mr. Speaker, reserving the right to object, could the gentleman tell us about how many miles this land is situated from the Teapot Dome?

Mr. WILLIAMSON. Well, it is a considerable distance away.

Mr. BLANTON. One hundred and fifty or two hundred miles?

Mr. WILLIAMSON. Yes; at least that.

Mr. BLANTON. Well, the 55 acres——

Mr. WILLIAMSON. No; the one tract comprises only fifty-five one-hundredths of an acre.

Mr. BLANTON. Well, even that could contain a very valuable well, if there was any oil there.

Mr. WILLIAMSON. That is true if there was any oil there, but we do not know of any oil there.

Mr. BLANTON. Some of those wells flow about 12,000 barrels of oil a day, do they not?

Mr. WILLIAMSON. Well, we are not disposing of this land through the Department of the Interior, but through the action of Congress.

Mr. BLANTON. When the country is in a turmoil, and we are appropriating—not with my consent, however—$100,000 out of the Treasury to employ special attorneys to get back valuable oil lands that have been sold, does the gentleman think it is a wise policy just now to dispose of any other Government land out in this direction?

Mr. WILLIAMSON. I think it is wise to dispose of these two little individual tracts; they are of no possible service to the school. I have seen the tracts myself, and they are simply weed patches, and the school wants to get rid of them.

Mr. BLANTON. The gentleman can assure us that they are not going into any Sinclair-Doheny syndicate?

Mr. WILLIAMSON. Yes; I think I can assure the gentleman of that.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized and directed to sell and convey, under rules and regulations to be prescribed by him, two parcels of land included within the Rapid City Indian School Reserve, S. Dak., the first containing fifty-five one-hundredths of an acre, being a portion of the northwest quarter of the southeast quarter, section 4, township 1 north, range 7 east, Black Hills meridian, south and east of the Pennington County Highway; the second, containing 3.59 acres, being a portion of the southeast quarter of the northeast quarter, section 8, township 1 north, range 7 east, Black Hills meridian, south and east of the Rapid City, Black Hills & Western Railroad right of way: *Provided*, That the proceeds derived from the sale of this land shall be available for expenditure for improvements at said Rapid City Indian School.

With the following committee amendments:

In line 3, page 1, strike out the word "and."

In line 4, page 1, strike out the word "directed" and, after the word "convey," insert "at not less than their appraised value."

In line 6, page 1, strike out the word "Reserve" and insert in lieu thereof the word "grounds."

In line 7, page 1, after the word "containing," insert the word "approximately."

In line 7, page 1, after the word "acre," insert the words "in the southeast corner."

In line 7, page 1, strike out the words "being a."

In line 8, page 1, strike out the pord "portion."

In line 10, page 1, after the word "meridian," insert the word "lying."

In line 11, page 1, after the word "containing," insert the word "approximately."

In line 12, page 1, strike out the words "being a portion" and insert in lieu thereof "in the southeast corner."

In line 1, page 2, after the word "meridian," insert the word "lying."

In line 3, page 2, insert the word "net" between the words "the" and "proceeds."

In line 4, page 2, strike out the words "this land" and insert in lieu thereof the words "these tracts."

The SPEAKER. The question is on the committee amendments.

The question was taken, and the committee amendments were agreed to.

Mr. SNYDER. Mr. Speaker, I move an amendment on page 2, line 10, by striking out the word "expenditure" and inserting the word "appropriation."

The SPEAKER. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. SNYDER: Page 2, line 10, strike out the word "expenditure" and insert in lieu thereof the word "appropriation."

The SPEAKER. The question is on the amendment offered by the gentleman from New York.

The question was taken, and the amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed.

The title was amended to read as follows: "A bill to authorize the Secretary of the Interior to sell certain lands not longer needed for the Rapid City Indian School."

TO LOAN TO THE COLLEGE OF WILLIAM AND MARY IN VIRGINIA TWO OF THE CANNON SURRENDERED BY THE BRITISH AT YORKTOWN ON OCTOBER 19, 1781.

The next business on the Consent Calendar was the bill (H. R. 1831) to loan to the College of William and Mary in Virginia two of the cannon surrendered by the British at Yorktown on October 19, 1781.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Whereas the College of William and Mary in Virginia was intimately associated with the American Revolution, having furnished from its alumni the President of the First Continental Congress, four signers of the Declaration of Independence, including its draftsman, and many officers and soldiers of the patriot army; and

Whereas Washington's first public service was under a surveyor's commission issued by said college, and his last was as its chancellor; and

Whereas its connection with the final Revolutionary campaign was especially close, its main building having been used as a hospital and its other buildings as headquarters of our French allies; and

Whereas it is the desire of patriotic citizens to utilize the great traditions and historic atmosphere of this college by establishing there a school of American government and citizenship in which our youth shall be trained to a proper understanding of our Government: Therefore

Be it enacted, etc., That the Secretary of War be, and he is hereby, directed to loan to the College of William and Mary in Virginia two of the cannon surrendered by the British at Yorktown on October 19, 1781, which are now at Old Point Comfort, Va., together with proper mounts, the same to be held by said college subject to the right of the Congress at any time to amend or repeal this act.

With the following committee amendments:

Strike out all of the "whereases."

Page 2, line 7, after the word "Virginia," strike out the words "together with proper mounts."

Page 2, line 9, change the period to a colon and insert "*Provided*, That the War Department shall not incur any expense because of the loan of the cannon authorized herein."

The SPEAKER pro tempore. The question is on agreeing to the committee amendments.

The question was taken, and the committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

DAM ACROSS BYRAM RIVER.

The next business on the Consent Calendar was the bill (H. R. 6943) granting the consent of Congress to the village of Port Chester, N. Y., and the town of Greenwich, Conn., or either of them, to construct, maintain, and operate a dam across the Byram River.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the village of Port Chester, N. Y., and the town of Greenwich, Conn., or either of them, to construct, maintain, and operate, at a point suitable to the interests of navigation, a dam across the Byram River at or near such village and town: *Provided*, That the work shall not be commenced until the plans therefor have been submitted to and approved by the Chief of Engineers, United States Army, and by the Secretary of War: *Provided further*, That this act shall not be construed to authorize the use of such dam to develop water power or generate hydroelectric energy.

SEC. 2. That the authority granted by this act shall cease and be null and void unless the actual construction of the dam hereby authorized is commenced within one year and completed within three years from the date of approval of this act: *Provided*, That from and after 30 days' notice from the Federal Power Commission, or other authorized agency of the United States, to said village and town, or either of them, that desirable water-power development will be interfered with by the existence of said dam, the authority hereby granted to construct, maintain, and operate said dam shall terminate and be at an end; and any grantee or licensee of the United States proposing to develop a power project at or near said dam shall have authority to remove, submerge, or utilize said dam under such conditions as said commission or other agency may determine, but such conditions shall not include compensation for the removal, submergence, or utilization of said dam.

SEC. 3. The right to alter, amend, or repeal this act is expressly reserved.

Mr. BURTON. Mr. Speaker, I would like to ask a few questions about the bill. Is it a bill granting permission to construct a dam in a navigable stream?

Mr. WAINWRIGHT. Mr. Speaker, the purpose of this bill is to authorize the restoration or reconstruction of an ancient dam over a tidewater creek, the Byram River, which forms the boundary line between the State of New York and the State of Connecticut. It was previously a dam for the purpose of a gristmill. It was removed some years ago for the purpose of the construction of a bridge over the stream and also for sanitary reasons, the village having had no sewerage facilities. This stream is only about 150 yards wide. The sewerage has been completed, or was completed years ago, and, really, for scenic purposes and for purposes of gratifying the æsthetic sense of the community, so as to avoid a considerable rise and fall of the tide, and to enable them to establish a parkway there, it is desired to reconstruct this dam.

Mr. BURTON. When was the original permit for its construction given?

Mr. WAINWRIGHT. There probably was no original permit. The dam was an ancient dam constructed way back in the good old colony days.

Mr. BURTON. Is it a navigable stream?

Mr. WAINWRIGHT. The stream may be navigable for row boats.

Mr. BURTON. This was referred to the War Department?

Mr. WAINWRIGHT. Yes.

Mr. BURTON. And they approved it?

Mr. WAINWRIGHT. Absolutely; there is no objection to it.

Mr. BURTON. Is there any special provision in the bill to the effect that it is in accordance with the national water power act of 1920?

Mr. WAINWRIGHT. Absolutely. If the gentleman had noted the reading of section 2 of the bill, the gentleman would see that it is made subject to all the provisions of the national water power act, and further the bill contains the provision that this act shall not be construed to authorize the use of such dam to develop water power or generate hydroelectric energy.

Mr. BURTON. I have no objection.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

GIRLS' DORMITORY AT LAPWAI INDIAN SANATORIUM.

The next business on the Consent Calendar was the bill (H. R. 192) to provide for a girls' dormitory at the Lapwai Indian Sanatorium, Lapwai, Idaho.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read as follows:

Be it enacted, etc., There is hereby authorized to be appropriated out of the Treasury of the United States the sum of $50,000 for the purpose of constructing and equipping a girls' dormitory for the housing of patients being treated for tuberculosis in the Lapwai Indian Sanatorium, said dormitory to be erected on the grounds now occupied by the Lapwai Sanatorium, at Lapwai, Idaho.

With the following committee amendment:

Line 3, after the word "hereby," insert "authorized to be."

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

The question was taken, and the amendment was agreed to.

Mr. FRENCH. Mr. Speaker, the name of the sanatorium is not "Lapwai Indian Sanatorium," but "Fort Lapwai Sanatorium," and I ask to have the bill amended to correct the language.

The SPEAKER pro tempore. The gentleman from Idaho offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. FRENCH: Line 7, page 1, strike out the words "Lapwai Indian Sanatorium" and insert "Fort Lapwai Sanatorium," and in line 8 strike out the words "Lapwai Sanatorium" and insert the word "sanatorium."

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Idaho.

The question was taken, and the amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER pro tempore. Without objection the title will be amended to conform with the amendments.

There was no objection.

On motion of Mr. FRENCH a motion to reconsider the vote by which the bill was passed was laid on the table.

REGISTERED MAIL MATTER.

The next business on the Consent Calendar was the bill (H. R. 6352) to authorize the Postmaster General to fix the fees chargeable for registration of mail matter, and for other purposes.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BLANTON. Mr. Speaker, reserving the right to object——

Mr. MOORE of Ohio. Mr. Speaker——

Mr. BLANTON. Is the gentleman in charge of the bill?

Mr. MOORE of Ohio. Mr. Speaker, by request, I ask that the bill go over without prejudice. Both the author and the gentleman making the report are absent in committee.

Mr. BLANTON. Has the gentleman any reason for not disposing of it now?

Mr. MOORE of Ohio. None, except that the gentleman from Pennsylvania [Mr. KELLY] asked me if I would make this request. I am not prepared to go into the bill.

Mr. BLANTON. Under the circumstances I will not object.

The SPEAKER pro tempore. The gentleman from Ohio asks unanimous consent that the bill may go over without prejudice. Is there objection? [After a pause.] The Chair hears none.

INTERNATIONAL CONFERENCE FOR CONTROL OF TRAFFIC IN HABIT-FORMING NARCOTIC DRUGS.

The next business on the Consent Calendar was the House joint resolution (H. J. Res. 195) authorizing an appropriation for the participation of the United States in two international conferences for the control of the traffic in habit-forming narcotic drugs.

The SPEAKER pro tempore (Mr. LEHLBACH). Is there objection to the present consideration of the joint resolution?

Mr. BLANTON. I reserve the right to object.

Mr. SEARS of Florida. I object.

Mr. MOORES of Indiana. Mr. Speaker, I ask unanimous consent that the joint resolution may retain its place on the calendar.

Mr. SEARS of Florida. I have no objection to that.

The SPEAKER pro tempore. The gentleman from Indiana asks unanimous consent that the House joint resolution may retain its place on the calendar. Is there objection.

There was no objection.

INCORPORATION OF THE GRAND ARMY OF THE REPUBLIC.

The next business on the Consent Calendar was the bill (H. R. 1869) for the incorporation of the Grand Army of the Republic.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The bill was read, as follows:

Be it enacted, etc., That the organization known as the Grand Army of the Republic, with a membership limited to persons who served as soldiers and sailors of the United States Army and Navy or Marine Corps and Revenue Cutter Service between April 12, 1861, and April 9, 1865, in the war for the suppression of the rebellion, and of such State regiments as were called into active service and subject to the orders of the United States general officers between the dates mentioned, and have been honorably discharged therefrom after such service, is hereby created a body corporate and politic of the District of Columbia, by the name of "The Grand Army of the Republic," by which name it shall be a person in law, capable of suing and being sued, and of having and exercising all incidental powers as a litigant or otherwise as if it were a natural person, with power to acquire by purchase, gift, devise, or bequest, and to hold, convey, or otherwise dispose of property, real or personal, as may be necessary or calculated to carry into effect the patriotic, fraternal, and charitable purposes of its organization, as such purposes are avowed and declared in its rules and regulations.

SEC. 2. That the supreme governing and controlling authority in said organization shall be the national encampment thereof, composed of representatives from the several department encampments as are now or may hereafter be organized: *Provided*, That there shall never be any change in the plan of organization of said national encampment that shall materially change its present representative form of government or render possible the concentration of the control thereof in the hands of a limited number, or in a self-perpetuating body not representative of the membership at large.

SEC. 3. That the qualifications for membership in said organization, except as they are limited by the provisions of section 1 of this act, and the rights and privileges of the members thereof, shall be such as are fixed by the ordinances, rules, and regulations adopted by said national encampment, and the meetings of said organization, whether for the transaction of business or otherwise, may be held at any place in the United States.

SEC. 4. That the activities of said corporation shall be exercised through and by the following agencies, in accordance with the laws, rules, and regulations now in force, or such as may be hereafter enacted by the national encampment thereof, namely:

First. Through the national encampment, its officers and committees.

Second. Through such department encampments as may have been heretofore or as may be hereafter organized, their officers and committees.

Third. Through such posts as may have been heretofore or may be hereafter organized, their officers and committees.

Such department encampments shall be subject and subordinate in authority to the national encampment, and such posts shall be also subject to such control, exercised through the department encampment and department officers of the particular department to which it belongs.

SEC. 5. That the corporate existence of the Grand Army of the Republic, and the exclusive rights of its surviving members to wear the insignia of membership therein, shall terminate only when the last of its members dies: *Provided, however*, That if at any national encampment hereafter held a memorial shall be adopted by the vote of three-fourths of the members present, reciting that because of the decrease in its membership, or because of the age and infirmity of its surviving members, it is no longer advisable and practicable to hold future national annual encampments, such action shall not operate to deprive said organization of any of its corporate powers, but the government thereof may be modified to provide for such contingency, subject to the restrictions contained in section 2 of this act: *Provided*, That nothing in this act shall in any manner affect the right or the power of such posts or departments to dispose of, or otherwise affect the ownership of, property held by any post or department in its own name, nor affect the right of such posts or departments to organize corporations under State laws for the purpose of caring for and disposing of such property.

SEC. 6. That the national encampment may, by resolution, provide for the disposition and future ownership of its property and archives, and may declare the event in which such disposition shall become effective and such ownership vested, and a duly authenticated copy of such resolution shall be filed in the office of the Supreme Court of the District of Columbia. Upon the happening of the event thus declared, and upon the filing of a petition in said supreme court reciting said facts, said court shall take jurisdiction thereof, and upon due proof being made the court shall enter a decree which shall be effectual to vest title and ownership in accordance with the provisions of such resolution.

The Clerk read the following committee amendments:

Page 1, lines 7 and 8, strike out the following: "in the war for the suppression of the rebellion."

Page 2, lines 7 and 8, substitute period for comma after the word "organization" in line 7, and strike out "as such purposes are avowed and declared in its rules and regulations," appearing in said lines 7 and 8.

Insert on page 2, at the end of section 1, and before section 2, a new section, as follows, to be known as section 2:

"SEC. 2. The object and purpose of this corporation shall be to perpetuate the name of 'the Grand Army of the Republic,' and to preserve in corporate form said organization as now and heretofore maintained and conducted, and to thus provide and continue an agency and instrumentality through and by which its members, for and during the remainder of their natural lives, may assemble and meet for the promotion of comradeship and social intercourse. The corporation shall not at any time engage in any business for pecuniary profit and gain.

"The principal office of this corporation shall be kept and maintained in the city of Washington, D. C., but annual or other meetings of its governing body and members may be held in any State or Territory of the Union, and the corporation shall have the power to possess and hold property needful or desirable for its objects and purposes anywhere in the United States of any of its Territories or dependencies, consistently with the provisions of local laws pertaining thereto."

Page 2, line 24, substitute a period for the comma, after the word "encampment" and strike out: "and the meetings of said organization, whether for the transaction of business or otherwise, may be held at any place in the United States"; said language appearing in line 25, page 2, and lines 1 and 2, page 3.

Page 4, line 9, strike out the figure "2" and substitute therefor the figure "3."

Renumber sections 2, 3, 4, 5, and 6 of the present bill, so that the same will be numbered 3, 4, 5, 6, and 7, respectively, to conform to inserted section 2, above mentioned.

The committee amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

CERTIFICATES OF CITIZENSHIP TO INDIANS.

The next business on the Consent Calendar was the bill (H. R. 6355) to authorize the Secretary of the Interior to issue certificates of citizenship to Indians.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. CRAMTON. I make the point of order that this bill and the next one following have not been on the calendar three legislative days.

The SPEAKER pro tempore. That point of order is sustained.

Mr. BLANTON. Mr. Speaker, I make the point of order that we have no quorum present.

Mr. CURRY. Will the gentleman withhold that?

Mr. BLANTON. I will withhold it.

ENROLLED BILLS SIGNED.

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. R. 4807. An act granting the consent of Congress to the State highway commission of Louisiana to construct, maintain, and operate a bridge across West Pearl River in the State of Louisiana;

H. R. 4808. An act granting the consent of Congress to the construction, maintenance, and operation of a bridge across the Pearl River between St. Tammany Parish in Louisiana and Hancock County in Mississippi;

S. 2583. An act granting a franking privilege to Edith Bolling Wilson;

H. R. 584. An act to authorize the county of Multnomah, Oreg., to construct, maintain, and operate a bridge and approaches thereto across the Willamette River in the city of Portland, Oreg., in the vicinity of present site of Sellwood Ferry;

H. R. 3265. An act to authorize the construction of a bridge between the Boroughs of Brooklyn and Queens in the city and State of New York; and

H. R. 3681. An act to authorize the building of a bridge across the Waccamaw River in South Carolina.

EXTENDING PROVISIONS OF CERTAIN LAWS TO THE TERRITORY OF HAWAII.

Mr. CURRY. Mr. Speaker, I move to take from the Speaker's table the bill (H. R. 4121) extending the provisions of certain laws to the Territory of Hawaii with Senate amendments, and agree to the Senate amendments. The bill passed the House unanimously, and last Thursday it passed the Senate with a few amendments, which do not change the provisions of the bill but simply clarify it. I have taken the matter up with the ranking minority member of the committee and it is agreeable to him.

The SPEAKER pro tempore. The Clerk will report the bill with the Senate amendments.

The Clerk read the title to the bill, as follows:

H. R. 4121. An act to extend the provisions of certain laws to the Territory of Hawaii.

The Senate amendments were read.

The Senate amendments were agreed to.

On motion of Mr. CURRY, a motion to reconsider the vote whereby the Senate amendments were agreed to was laid on the table.

LEAVE OF ABSENCE.

Mr. WATKINS, by unanimous consent, was given leave of absence for one week on account of illness.

Mr. KVALE, by unanimous consent (at the request of Mr. WEEALD), was given leave of absence indefinitely on account of illness.

ADJOURNMENT.

Mr. CURRY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 26 minutes p. m.) the House adjourned until to-morrow, Tuesday, March 4, 1924, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

389. Under clause 2 of Rule XXIV, a communication from the President of the United States, transmitting a supplemental estimate of appropriation for the legislative establishment of the United States providing $166,000 for the Capitol power plant and the Capitol Grounds (H. Doc. No. 212), was taken from the Speaker's table and referred to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. RANKIN: Committee on the Census. S. 2113. An act to amend the act entitled "An act authorizing the Director of the Census to collect and publish statistics of cotton," approved July 22, 1912; without amendment (Rept. No. 255). Referred to the Committee of the Whole House on the state of the Union.

Mr. FISH: Committee on Foreign Affairs. H. J. Res. 180. A joint resolution for the relief of the distressed and starving women and children of Germany; with amendments (Rept. No. 256). Referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. HAWES: A bill (H. R. 7489) to amend the national prohibition act as supplemented to conform with the eighteenth constitutional amendment by permitting the use of alcoholic liquors for medicinal purposes; to the Committee on the Judiciary.

Also, a bill (H. R. 7490) to amend the national prohibition act as supplemented to conform with the eighteenth constitutional amendment by limiting the prohibition to intoxicating liquors for beverage purposes; to the Committee on the Judiciary.

By Mr. JOHNSON of Washington: A bill (H. R. 7491) to amend the first subdivision of section 4 of the act entitled "An act to establish a Bureau of Immigration and Naturalization, and to provide for a uniform rule for the naturalization of aliens throughout the United States," approved June 29, 1906; to the Committee on Immigration and Naturalization.

By Mr. SABATH: A bill (H. R. 7492) to amend section 2 of the act relative to naturalization and citizenship of married women, approved September 22, 1922; to the Committee on Immigration and Naturalization.

By Mr. WOOD: A bill (H. R. 7493) to authorize the consolidation and coordination of Government purchases, to enlarge the functions of the General Supply Committee, and for other purposes; to the Committee on the Judiciary.

By Mr. WILLIAMSON: A bill (H. R. 7494) to amend an act creating the Custer State park game sanctuary, in the State of South Dakota; to the Committee on the Public Lands.

By Mr. KING: A bill (H. R. 7495) to provide for a refund to veterans of the World War of certain sums deducted from their pay for allotments and insurance and to compensate such veterans in an amount equal to the additional allowance paid civilian employees of the United States during such war, and to the losses sustained upon the disposition of Liberty bonds purchased or subscribed for by veterans during such war; to the Committee on Ways and Means.

By Mr. HAWES: A bill (H. R. 7496) to provide complete adjusted compensation for veterans of the World War who sustained loss from any cause during service in the World War, and to equalize allowances made to civilian employees, and for other purposes; to the Committee on Ways and Means.

By Mr. TILSON (by request): A bill (H. R. 7497) to provide adjusted compensation for veterans of the World War, and for other purposes; to the Committee on Ways and Means.

By Mr. LOWREY: A bill (H. R. 7498) to finance the exportation of American farm products and raw materials; to the Committee on Interstate and Foreign Commerce.

By Mr. ANDREW: A bill (H. R. 7499) to provide adjusted compensation for veterans of the World War, and for other purposes; to the Committee on Ways and Means.

By Mr. SMITH: A bill (H. R. 7500) to authorize the sale of certain lands at or near Adger, Ada County, Idaho, for railroad purposes; to the Committee on the Public Lands.

By Mr. VINSON of Kentucky: A bill (H. R. 7501) for the purchase of a post-office site at Carlisle, Ky.; to the Committee on Public Buildings and Grounds.

By Mr. MICHENER (by request): A bill (H. R. 7502) to make the 4th day of July a holiday throughout the United States, including the Territory of Hawaii and the Territory of Alaska; to the Committee on the Judiciary.

By Mr. YATES: A bill (H. R. 7503) amending the act of August 2, 1919, to increase the pay of employees in the Government Printing Office, and for other purposes; to the Committee on Printing.

By Mr. VINSON of Kentucky: A bill (H. R. 7504) for the purchase of a post-office site at Flemingsburg, Ky.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 7505) to authorize the acquisition of a site and the erection thereon of a Federal building at Louisa, Ky.; to the Committee on Public Buildings and Grounds.

By Mr. TEMPLE: Joint resolution (H. J. Res. 204) requesting the President to invite the Interparliamentary Union to meet in Washington City in 1925 and authorizing an appropriation to defray the expenses of the meeting; to the Committee on Foreign Affairs.

By Mr. FISH: Resolution (H. Res. 203) for the immediate consideration of H. J. Res. 180; to the Committee on Rules.

By Mr. BRITTEN: Resolution (H. Res. 204) requesting the Secretary of the Navy to furnish to the House of Representatives certain information regarding oil-land leasing, and for other purposes; to the Committee on Naval Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ACKERMAN: A bill (H. R. 7506) for the relief of the estate of the late William R. Bennett; to the Committee on Claims.

By Mr. DAVEY: A bill (H. R. 7507) granting a pension to Delilah Crankshaw; to the Committee on Invalid Pensions.

By Mr. EAGAN: A bill (H. R. 7508) for the relief of Ramon B. Harrison; to the Committee on Military Affairs.

By Mr. ELLIOTT: A bill (H. R. 7509) granting an increase of pension to Caroline E. Johnson; to the Committee on Invalid Pensions.

By Mr. GLATFELTER: A bill (H. R. 7510) granting an increase of pension to Annie E. Stauch; to the Committee on Invalid Pensions.

By Mr. LINEBERGER: A bill (H. R. 7511) for the relief of Margaret Speir; to the Committee on Claims.

By Mr. MAGEE of Pennsylvania: A bill (H. R. 7512) for the allowance of certain claims for indemnity for spoliations by the French prior to July 31, 1801, as reported by the Court of Claims; to the Committee on Claims.

By Mr. ROACH: A bill (H. R. 7513) granting an increase of pension to Louisa T. Goans; to the Committee on Invalid Pensions.

By Mr. SCHNEIDER: A bill (H. R. 7514) providing for a preliminary survey of the Wolf River in Wisconsin to ascertain some method to control floods; to the Committee on Flood Control.

By Mr. STRONG of Kansas: A bill (H. R. 7515) for the relief of Eli Rivers; to the Committee on Military Affairs.

By Mr. WASON: A bill (H. R. 7516) granting an increase of pension to Sophia Scarbo; to the Committee on Invalid Pensions.

By Mr. WATKINS: A bill (H. R. 7517) for the relief of the Ralph Ackley Land Co. (Inc.), and others; to the Committee on Claims.

Also, a bill (H. R. 7518) for the relief of Alpha Wilcox; to the Committee on Claims.

By Mr. WILSON of Indiana: A bill (H. R. 7519) granting an increase of pension to Elizabeth Schnarr; to the Committee on Invalid Pensions.

By Mr. JONES: Joint resolution (H. J. Res. 205) for the relief of Cyrus Eakman, former postmaster at Canyon, Randall County, Tex.; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1482. By the SPEAKER (by request): Petition of 1,600 women, representing 31 religious denominations, meeting in St. Petersburg, Fla., favoring a larger appropriation to increase the Coast Guards to prevent rum running, and urging that prohibition agents be placed under civil service; to the Committee on the Judiciary.

1483. By Mr. ANDREW: Petition of the Gold Star Association of America, favoring certain proposed legislation authorizing an appropriation to enable gold-star mothers, fathers, or wives to visit the graves of their sons and husbands who are buried in the American military cemeteries of France; to the Committee on Military Affairs.

1484. Also, petition of the Chamber of Commerce of Beverly, Mass., favoring the adoption of certain proposed legislation authorizing the appropriation of the necessary funds to enable the President to send representatives of the United States to the forthcoming international conference which has been called for the purpose of putting the American principle of restricting narcotics to the medical and scientific needs of the world into practical operation; to the Committee on Interstate and Foreign Commerce.

1485. Also, petition of the Amos Lodge, No. 27, Independent Order B'nai B'rith, of Boston, Mass., opposing the adoption of the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1486. By Mr. BURDICK: Petition of the board of aldermen of the city of Newport, R. I., giving their indorsement to the so-called Hull-Brookhart bill, providing that all Government work to be done in Government yards or stations wherever and whenever possible; to the Committee on Naval Affairs.

1487. By Mr. COOK: Petition of Betsy Ross Council, No. 8, Sons and Daughters of Liberty, State of Indiana, in favor of the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1488. Also, petition of citizens of Cass County, Ind., in support of the adjusted compensation bill; to the Committee on Ways and Means.

1489. By Mr. CRAMTON: Petition of the city commission of Mount Clemens, Mich., urging favorable action on the Edge-Kelly bill (H. R. 4123); to the Committee on the Post Office and Post Roads.

1490. Also, petition of Mrs. O. A. Munn, secretary, on behalf of the Literary Club of Snover, Mich., urging favorable action on the child labor amendment; to the Committee on the Judiciary.

1491. By Mr. CROWTHER: Resolution adopted by the Gold Star Association of America, urging the enactment of House bill 4100; to the Committee on Military Affairs.

1492. By Mr. FENN: Petition of the Gold Star Association of America, favoring the passage of House bill 4109, which authorizes an appropriation to enable Gold Star mothers, fathers, or wives to visit the graves of their sons and husbands in France; to the Committee on Military Affairs.

1493. By Mr. GARNER of Texas: Petition of Student's Council of the United States Veterans' Bureau Vocational School, San Antonio, Tex., praying for passage of the adjusted compensation bill; to the Committee on Ways and Means.

1494. By Mr. LEATHERWOOD: Petition of citizens of Salt Lake City, Utah, favoring legislation similar to or identical with the Brookhart-Hull bill (S. 742 and H. R. 2702), requiring that all strictly military supplies be manufactured in the Government-owned navy yards and arsenals; to the Committee on Naval Affairs.

1495. Also, petition of the Exchange Club, of Salt Lake City, Utah, favoring the sending of United States representatives to the International Conference on Narcotics; to the Committee on Foreign Affairs.

1496. By Mr. O'CONNELL of Rhode Island: Petition of the Board of Aldermen of Newport, R. I., indorsing House bill 2702 and Senate bill 704, providing that all Government work shall be done in Government yards or stations wherever and whenever possible; to the Committee on Naval Affairs.

1497. By Mr. PATTERSON: Petition of eight members of the South Presbyterian Church, Bergenfield, N. J., asking that the preamble of the Constitution of the United States be amended; to the Committee on the Judiciary.

1498. By Mr. RAKER: Petition of 100 letters from residents of California, in re adjusted compensation bill; to the Committee on Ways and Means.

1499. By Mr. SCHNEIDER: Petition of the Florence Study Club, of Florence, Wis., favoring a child labor amendment; to the Committee on the Judiciary.

1500. By Mr. STRONG of Kansas: Petition of Arthur Clarence Pilcher Post, No. 212, the American Legion, Glasco, Kans., favoring adjusted compensation; to the Committee on Ways and Means.

1501. Also, petition of the Lions Club, of Salina, Kans., praying that steps be taken to preserve the famous Calaveras Grove of big trees; to the Committee on Agriculture.

1502. By Mr. TINKHAM: Memorial of Lions Club, of Boston, Mass., supporting the Johnson immigration bill; to the Committee on Immigration and Naturalization.

SENATE.

TUESDAY, *March 4, 1924.*

(Legislative day of Monday, March 3, 1924.)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The principal legislative clerk called the roll, and the following Senators answered to their names:

Adams	Dale	Harrison	McNary
Ashurst	Dial	Heflin	Mayfield
Bayard	Dill	Howell	Moses
Borah	Edwards	Johnson, Minn.	Norris
Brandegee	Elkins	Jones, N. Mex.	Oddie
Brookhart	Ferris	Jones, Wash.	Overman
Broussard	Fess	Kendrick	Pepper
Bruce	Frazier	Keyes	Phipps
Bursum	George	King	Pittman
Camerón	Gerry	Ladd	Ralston
Capper	Glass	La Follette	Ransdell
Caraway	Gooding	Lenroot	Reed, Pa.
Couzens	Hale	Lodge	Robinson
Cummins	Harreld	McKellar	Sheppard
Curtis	Harris	McLean	Shields

Shipstead	Smoot	Trammell	Walsh, Mont.
Shortridge	Spencer	Underwood	Warren
Simmons	Stephens	Wadsworth	Weller
Smith	Swanson	Walsh, Mass.	Willis

The PRESIDENT pro tempore. Seventy-six Senators have answered to their names. There is a quorum present. The Senate resumes the consideration of Senate bill 2250, the unfinished business, and the pending question is on the amendment offered by the Senator from Georgia [Mr. HARRIS].

REFUNDS OF INCOME TAXES.

Mr. McKELLAR. Mr. President, in this morning's Washington Post there was published under the headline "Refunds of taxes" the names of a number of taxpayers to whom refunds had been made amounting to $123,992,820. The statement was given out by the Treasury Department and includes the refunds made during the year 1923. I ask unanimous consent that the list as it appears in the Washington Post may be printed in the RECORD.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it will be printed as requested.

The list is as follows:

REFUNDS OF TAXES IN 1923 TO 263,320 TOTAL $123,992,820—COVER ERRORS OF SEVERAL YEARS, SAY TREASURY OFFICIALS—EDWARD L. DOHENY RECEIVED $40,039—MORE THAN $1,000 TURNED BACK TO 10,152 PERSONS—MANY EXCEED $100,000.

[From the Washington Post, Tuesday, March 4, 1924.]

Refunds totaling $123,992,820.94 on tax payments were made by the Treasury in the fiscal year 1923, ending June 30, 1923, according to a report sent to the Ways and Means Committee by the department.

The refunds, which were made to 263,320 persons, covered payments for several years and were made on account of "illegal or erroneously collected taxes." The report showed 10,152 persons had received more than $1,000 in reimbursements.

Among those receiving refunds were Edward L. Doheny, Los Angeles, $40,039.04; Charles R. Crane, New York, $172,296.96; Cornelius Vanderbilt, 32 Nassau Street, New York, $57,971.69; Oliver Harriman, New York, $82,537.70; Joseph W. Harriman, New York, $30,358.06; Payne Whitney, Lewis Cass Ledyard, and Lewis Cass Ledyard, jr., executors of the estate of Oliver H. Payne, New York, $9,368,548.60; Nellie Miller Nickel, San Francisco, $3,039,965.75; and John Hays Hammond, Washington, $5,129.42.

OTHERS GETTING MORE THAN $100,000.

The list of others receiving refunds which were more than $100,000 follows:

John N. Willys, New York City, $1,391,947.04; John N. Willys, Toledo, $129,493.65; N. J. Zinc Co., New York City, $1,148,295.60; Amalgamated Leather Cos., New York City, $1,112,391.44; Singer Manufacturing Co., Elizabeth, N. J., $1,623,475.92; General Electric Co., Schenectady, N. Y., $887,537.16; Merchants Loan & Trust Co. et al., trustees estate of Marshall Field, Chicago, $767,173.26.

Newcastle Leather Co., New York, $571,071.63; E. J. Lavino & Co., Philadelphia, $521,825; K. G. Roebling, executor estate of F. W. Roebling, sr., Trenton, N. J., $305,184.75; K. G. Roebling, executor estate of Ferdinand W. Roebling, $151,345.86; Motor Products Corporation, Detroit, $233,435.02; C. Frederick C. Stout, Ardmore, Pa., $298,777.71; Earn Line Steamship Co., Philadelphia, $296,377.93.

Reuter & Co., Boston, $293,968.37; Consumers' Refining Co., Chicago, $256,924.26; Foster Milburn Co., Buffalo, $108,644.68; American Tool Works Co., care of Baker & Baker, Washington, $138,545.16; Lorain Coal & Dock Co., Columbus, Ohio, $113,384.07; McKinney Steel Co., Cleveland, $160,885.67; John S. C. Harvey, Radnor, Pa., $193,522.25.

Walter J. Wilson, Sewickley, Pa., $107,524.45; Columbia Steel & Shafting Co., Pittsburgh, $121,811.02; Gill Manufacturing Co., Chicago, $158,126.74; executors Eugene J. Barney, care of McMahan, Corrim & Landis, Dayton, Ohio, $163,710.25; General Electric Co., Washington, $255,597.11.

Tuthill Spring Co., Chicago, $112,364.89; Hayman, Michaels Co., Chicago, $125,714.38; Hendee Manufacturing Co., Springfield, Mass., $115,946.08; the Fletcher Savings & Trust Co., executors estate of Smith Delavan, Indianapolis, $166,352.13; Martin Dyeing & Finishing Co., Bridgeton, N. J., $101,691.21; Cable Co. of New Jersey, Jersey City, $100,000; Mundale Steamship Co., New York, $146,221.45; Mrs. Clover Boldt Miles, executrix estate George C. Boldt, care of Baldwin & Hutchins, New York, $101,786.83; L. Littlejohn & Co., New York, $135,303.25; Gaston, Williams & Wigmore, care of Benjamin B. Odell, receiver, New York, $109,747; Federal Export Corporation, New York, $698,992.84; H. P. McKenney & Co., New York, $101,031.27; William P. Clyde, New York, $109,293.83.

Eastern Tanners' Glue Co., Gowanda, N. Y., $249,386.94; Hayner Distilling Co., Dayton, Ohio, $128,871.95; Standard Parts Co., Cleveland, $187,795.17; Henry B. Plant, estate of Mortimer Plant, New York, $219,562; Coca-Cola Co., Atlanta, $208,629.61; John McCormack, New York, $201,872.08; First National Bank Building, Chicago, $238,439.63; American Steel Foundries, Chicago, $234,955.23; Andrews Steel Co., Newport, Ky., $656,954.51; Mining Co., Boston, $189,687.21; Scoten-Dillon Co., Detroit, $138,748.24; Ore Properties, St. Paul, $293,471.45; Ruby Kid Co., Camden, N. J., $310,565.22.

$596,719 TO LEBAUDY ESTATE.

Singer Manufacturing Co. and affiliated company, $350,000; Camden Forge Co., Camden, N. J., $432,307.52; Miss Mary M. H. Dodge, New York City, $193,978.71; American-Hawaiian Steamship Co., New York, $189,171.52; New York Life Insurance Co., New York, $109,994.63; Hubert T. Parsons, estate F. W. Woolworth, New York, $56,439.38; Centaur Co., New York, $216,583.16; Ernest S. Suffern and Charles B. Samuels, administrators estate of (Henry) Jacques Lebaudy, $596,719.88; Firemen's Fund Insurance Co., San Francisco, $336,936.86.

Whitney Blake Co., New Haven, Conn., $391,525; Sears, Roebuck Co., Chicago, $113,427.17; Eben P. Clapp, Washington, $173,169; Plymouth Cordage Co., North Plymouth, Mass., $1,124,442.06; Massachusetts Cotton Mills, Boston, $356,194.63; T. McKinney Steel Co., Cleveland, $791,159.49; General Refractories Co., Chester, Pa., $276,733.86; Insurance Co. of North America, Philadelphia, $348,644.12.

Joseph L. Murphy, Philadelphia, $145,234.71; Girard Trust Co., trustee estate Alfred F. Moore, Philadelphia, $112,864.53; William H. Donner, Washington, $472,300.12; McCahan Sugar Refining Co., Philadelphia, $455,949.15; Alan Wood Iron & Steel Co., Philadelphia, $480,051.61; American Vanadium Co., Pittsburgh, $455,217.92; Latrobe Electric Steel Co., Latrobe, Pa., $249,248.19; Erie Forge Co., Erie, Pa., $344,137.15; Amalgamated Leather, New York, $117,973.38; American Brass Co., Waterbury, Conn., $766,275.05; Bickett Coal & Coke Co., Washington, $137,129.23; Matthiessen & Hegler Zinc Co., La Salle, Ill., $133,972.19; Dr. Van Horne Norris, executor estate Mrs. Julian N. Beach, New York, $130,201.92.

DODGE GETS BACK $387,381.

Arlington Mills, Lawrence, Mass., $105,324.61; Marcellus Hartley Dodge, New York, $387,381.32; Federal Insurance Co., Jersey City, $183,365.48; Dr. Edwin R. Campbell, New York, $144,532.83; Pratt & Whitney Co., New York, $213,680.13; George Notman, executor estate James Douglas, New York, $114,718.23; American Shipbuilding & Dry Dock Co., Seattle, $175,318.32; William P. Worth, Philadelphia, $702,231.75; Solvay Process Co., Syracuse, N. Y., $183,689; C. F. Hugo Schoellkopf, Buffalo, N. Y., $164,475.14; American Steamship Co., Buffalo, $100,607.42.

Pollak Steel Co., Cincinnati, $125,086.37; National Acme Co., Cleveland, $198,862.71; Otis Steel Co., Youngstown, Ohio, $398,629.35; United Alloy Steel Corporation, Canton, Ohio, $106,337.24; Jobbers Overall Co., Lynchburg, Va., $232,618.54; Panhandle Products & Refining Co., Wichita Falls, Tex., $175,474.22; William R. Moore Dry Goods Co., Memphis, Tenn., $143,269.84.

Mr. McKELLAR. Mr. President, I wish in this connection to express the hope that the Secretary of the Treasury will in like manner give out a list of the refunds made by his department for the years 1922 and 1921. I think it is information that the Senate and the country should have.

Mr. KING. Mr. President, may I inquire of the Senator whether the refunds have been actually paid to the taxpayers?

Mr. McKELLAR. The article so states.

Mr. KING. Has an appropriation been made by Congress to compensate them?

Mr. McKELLAR. I do not know out of what appropriation they are paid, but I imagine out of deficiency appropriations. The Senator from Wyoming [Mr. WARREN] is not present in the Chamber at this moment. I am quite sure he would know. I have had some correspondence with the Secretary of the Treasury in the last few weeks in reference to refunds being made by his department, and I am delighted to know that he has published a list of refunds that are being made or have been made for the year 1923. As I said, I hope he will make public the refunds made for the years 1922 and 1921.

Mr. HARRIS. Mr. President, may I state to the Senator from Tennessee that the refunds are made through appropriations contained in the deficiency appropriation bill?

Mr. McKELLAR. Then the $123,000,000 will be paid through appropriations contained in the deficiency appropriation bill for this year, as the method of paying the refund is through a deficiency appropriation bill. How they appear in the receipts and disbursements of the Government as required under the constitutional provision I do not know. I have asked for that information and I hope the Secretary of the Treasury will soon give it to us. I shall then put it in the RECORD.

Mr. KING. I hope the Senator in his investigation will make inquiry to ascertain the extent to which the refunds have been made in the case of oil properties. My information is that many of the oil companies have obtained, under the head of depletion and exhaustion, enormous credits which

have materially reduced the taxes which they should have paid to the Government. I have asked in a resolution for information respecting this matter; but the Senator from Tennessee said he had some correspondence with the Secretary of the Treasury, and I sincerely hope he will elicit information in regard to this matter.

Mr. McKELLAR. I will say to the Senator from Utah that I have had that matter up also. There is no doubt about it that either large credits have been made in the matter of income-tax returns or refunds have been made by reason of depletion. I have not yet learned the facts, but I am quite sure they will come out whenever the refunds for 1921 and 1922 are published. I join with the Senator in hoping that we may get the information from the Secretary of the Treasury. It is information that the Senate ought to have, and I do not think it comes within the secrecy provision of the law as to income-tax returns. I am quite sure that it does not.

Mr. KING. I made some investigation in regard to the matter and learned that in some cases oil companies have claimed credits or deductions in the assessments which have been levied by the Government by reason of so-called depletion and by reason of the alleged loss in value of the property, as a result of which the Government has lost millions of dollars in taxes.

May I ask the Senator from Michigan [Mr. COUZENS] whether the resolution which he has pending before the Committee to Audit and Control the Contingent Expenses of the Senate, calling for an investigation of the Internal Revenue Office, will be reported in the near future?

Mr. COUZENS. The chairman of the committee advised me yesterday that a majority of the committee had approved the amended resolution and they are ready to report it out.

Mr. McKELLAR. I happen to be a member of the committee, and I can say that the committee have authorized a favorable report upon the resolution submitted by the Senator from Michigan.

Mr. KING. I submitted a resolution several months ago asking for an investigation of the tax situation in the Internal Revenue Bureau. We have a great deal of information, though perhaps some of it may be exaggerated, relative to the methods employed in allowing the large amounts to taxpayers referred to by the Senator from Tennessee.

There is also information to the effect that the evils to which I directed attention a moment ago in connection with oil companies are increasing. There is no court to pass upon the claims for refund of taxes. Claims involving millions of dollars are presented to officials of the Government, some of whom are mere clerks or subordinate employees, and legal questions of great importance are determined by these subordinate officials. It seems to me that the method of adjudicating upon these claims is archaic and unfair to the Government, and, perhaps, unfair to the claimants. We ought to provide some comprehensive judicial system for the determination of these questions whether of law or fact.

In order that we might have some accurate information as the basis for needed legislation, I offered a resolution some time ago, which is now pending before the Finance Committee, calling for an investigation of the Internal Revenue Bureau. The Senator from Michigan has recently offered a resolution, now before the Committee to Audit and Control the Contingent Expenses of the Senate, having, in the main, the same purposes covered by my resolution. I have conferred with the Senator from Michigan, and have suggested an amendment or two to his resolution. With such amendments, I hope the committee will report his resolution. I shall be entirely satisfied to have action taken upon his resolution if the Senate shall promptly act upon the same. Otherwise I shall press for the passage of my resolution.

Mr. McKELLAR. Mr. President, I will say to the Senator from Utah that I fully indorse the statements which he has made in reference to this matter. I merely wish to say to him and to other Senators who are interested in the subject that this whole matter may be corrected by simply inserting in the revenue bill, which is before the Finance Committee, a provision for publicity of tax returns under proper regulation. If such publicity is had, it will, in my judgment, cure all the ills concerning which the Senator from Utah has spoken, and in which statements I fully concur.

Mr. WALSH of Massachusetts. Mr. President——

Mr. McKELLAR. I yield to the Senator from Massachusetts.

Mr. WALSH of Massachusetts. I was about to ask the Senator from Tennessee upon what principle or theory is the list of refunds made to income-tax payers made public when the original payments are kept secret?

Mr. McKELLAR. I do not understand it. I was, however, very greatly gratified to see the list of refunds published in the morning newspapers. It is information which I have written a number of times to the Secretary of the Treasury to obtain, but he has not as yet sent it to me.

Mr. WALSH of Massachusetts. If a list of refunds may be made public, why should not the original returns be made public?

Mr. McKELLAR. Because though the Congress of the United States has passed a law which requires that such returns shall be public property only the President and the Secretary of the Treasury can make them public. It is a very unusual provision of law and it ought to be changed. When taxes are assessed locally there is the utmost publicity about the matter so that the taxpayers may see for themselves what taxes are paid. Why should income taxes be put upon any other basis? They ought to be published in like manner; the public ought to know whether income taxpayers are properly returning the incomes which they should return; and all the facts and circumstances about the subject should have the utmost and the widest publicity, both for the benefit of the Government and the people under the Government.

Mr. HEFLIN. Mr. President, the Senator from Tennessee has rendered a very great service to the country, for the resolution which he submitted the other day is, I think, responsible for bringing out this statement from the Secretary of the Treasury. I have in mind another resolution on this subject which will be submitted later, but I do not now care to indicate the nature of that resolution. However, it relates to the refund of taxes. I observe in this list of refunds that Mr. Doheny has had refunded to him $40,000 by the Secretary of the Treasury. That is a goodly sum.

Mr. ASHURST. Mr. President, will the Senator from Alabama yield to me at that point?

Mr. HEFLIN. I yield to my friend from Arizona.

Mr. ASHURST. The Senator should also state that very soon after the refund was made the clerk who passed on the refund entered Mr. Doheny's employment.

Mr. HEFLIN. I thank my friend for the suggestion which he has made, that the clerk formerly in the Government service who passed on the refund which resulted in returning to Mr. Doheny $40,000 is now employed by Mr. Doheny. Forty thousand dollars, Mr. President, is a goodly sum to some people. It will enable Mr. Doheny to spend his time in Washington employing lawyers to write articles for him to be published in the Washington Post, the administration newspaper of this city. That $40,000 will take care of a good deal of Mr. Doheny's expenses.

On yesterday in this administration newspaper appeared an article by Mr. Doheny's lawyer—I think his lawyer wrote the article, and he has a very fine lawyer, one of the ablest in the country—again lecturing Democratic Senators. Not long ago the Democrats of California read him out of the party. Mr. Doheny has been consorting with the Republican Party for quite a while. He is out of the Democratic Party entirely and for good, and we find him in the Capital of the Nation urging support of the Republican administration.

Mr. ODDIE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Alabama yield to the Senator from Nevada?

Mr. HEFLIN. I do.

Mr. ODDIE. I should like to ask the Senator if he is aware of the fact that Mr. Doheny has put his agent in his place?

Mr. HEFLIN. I can not hear what the Senator is saying.

The PRESIDENT pro tempore. The Senate will be in order.

Mr. ODDIE. I should like to ask the Senator if he is aware that Mr. Doheny has appointed his special counsel as his agent in his place in California?

Mr. HEFLIN. In his place where?

Mr. ODDIE. On the Democratic central committee of California.

Mr. KING. Mr. President, will the Senator from Alabama yield to me?

Mr. HEFLIN. I yield to the Senator from Utah.

Mr. KING. Mr. President, I can not permit the statement made by the Senator from Nevada to pass without notice. Undoubtedly he is referring to Hon. Gavin McNab, and in so doing the Senator from Nevada is doing a grave injustice to Mr. McNab, as the Senator must know. Mr. McNab is one of the ablest lawyers in the United States and one of the most honorable and public-spirited residents of California. He is a man of the highest integrity and of commanding ability. He is fearless and independent. He is not the political agent of Mr. Doheny or of any other person. He was, as I am told, employed by Mr. Doheny to accompany him to Washington, and appeared with Mr. Doheny before the Senate committee which was investigating the oil leases. Evidently his employment was

of service to the country, because Doheny then told of the payment to Mr. Fall and offered to return the leased oil lands. In that Mr. McNab as his counsel rendered a public service and discharged his duty as an honorable lawyer. When the Senator says or infers that Mr. McNab is the agent of Mr. Doheny or that Mr. Doheny could appoint him in his stead to attend a convention, the Senator must know that he is making a charge—a most serious and unfounded one—against an honorable and an upright man.

Mr. ODDIE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Alabama yield further to the Senator from Nevada?

Mr. HEFLIN. I yield to the Senator. I want to give him an opportunity to emerge from this embarrassing predicament if he can.

Mr. ODDIE. I will qualify my previous statement by saying that the Democratic convention in California appointed Mr. McNab in Mr. Doheny's place.

Mr. KING. Mr. President, I do not accept that statement as accurate. Mr. McNab has been for many years one of the leading, if not the leading, Democrat in the State of California. He was a Democrat before Mr. Doheny was known to be a member of that party, and in every convention and in all of the activities of the Democratic Party for years Gavin McNab has been an important figure. He is a fighting, militant Democrat, and neither Mr. Doheny nor anyone else could "appoint him as an agent" to represent them in the Democratic Party or elsewhere. Whatever position he has in the party he has earned by his fidelity to his party and by his devotion to Democratic principles.

Mr. HEFLIN. Mr. President, I thank the Senator from Utah for his very just and satisfactory statement. I am sure that the Senator from Nevada, clever Senator that he is, would like to have something to say by way of rejoinder against the party that is crowding the Republican Party to the wall; but unless he has something with a better foundation than what he suggested here a moment ago he had better stay off of Doheny.

It is quite a different proposition, Mr. President, for an able and clean attorney who is a Democrat to be a member of the Democratic committee and for Doheny, who has been found here to be guilty of high crimes against his country, to be a member of such committee.

This man Doheny has become the mouthpiece of the Republican Party. Every now and then he gives out a statement and it is published in the Washington Post, which is the administration newspaper. I observe, Mr. President, that his statement of yesterday appears in big headlines on the front page of the Washington Post and it also appeared on the front page of other big Republican dailies throughout the country. Does any Senator here think that an ordinary private citizen, an honest man, a man of small means, could have his article carried over the country in the big daily newspapers on the front page as this was carried?

No, Mr. President; you would find it away back over among the advertisements.

Here he is in the Capital of the Nation, and he is scolding the Democrats, and he is saying that if it were not for the election coming on there would not be any investigation of the oil scandal. That is the strange and disgusting position that he takes.

Here is what he said:

> The election in November, not the legality of the oil leases, nor the benefit they are to the Government, is the sole factor now controlling the politicians who are conducting the so-called oil investigation.

Now, Mr. President, let us consider this man's concept of what a Senator's duty is. He arraigns the Senate, and says that this thing would not be going on but for the fact that an election is coming on; that there are not enough Senators in this body who are honest and who love justice and right well enough to pursue a thing because it is right to pursue it, to punish wrong because it is right to punish wrong. This man, with the low concept that he has of public duty, is now in the Capital of the Nation having pieces written and published throughout the country, assailing the Senate and calling on people to support his friend, the Republican administration. We find out every day why he is doing that.

This morning the press discloses that $40,000 has been handed over to him by the Treasury Department. A member of the Cabinet is good to Doheny to the extent of $40,000. He says Senators are neglecting their duty. Mr. President, what higher service can a Senator render to his country than to require honest conduct in public office? What higher service can he perform than to be alert, diligent, and honest in all the things that pertain to his work as a public servant? But Doheny says we are neglecting our duty—to do what? To play politics just before an election comes off.

Mr. President, I think it is part of my duty and part of the duty of other Senators here to bring out the facts regarding the most colossal crime and scandal that has come to light in this country in a hundred years; but this man, Doheny, says, "Why, it is not that. They are not faithful in the discharge of duty. They do not care anything about punishing those guilty of wrongdoing. They are simply playing politics"; and then what does he say in conclusion? He says:

> But when I get into the courts I expect to win. This will be disposed of as all other recent political prosecutions have been disposed of.

That is the substance of what he said.

Political prosecutions under what administration? Under the Republican administration. I challenge all the members of the Republican Party, here or elsewhere, to cite me to one millionaire who is guilty of crime who has been convicted and put behind prison bars during this Republican administration. Name just one. I challenge them to name to me one man high in the financial circles of Republican favorites who has been earnestly prosecuted by Republican officials. They go free, Mr. President, and we find the agents of these mighty interests not simply standing outside and telling governmental officials what to do; we find them on the inside carrying on their crooked work by the aid of Republican officials. We find Ed McLean is made an agent in the Department of Justice, this millionaire who seems to be the go-between for these big oil fellows on the side. We find him with a private wire running from Washington to Florida. We find him with the White House telegraph operator employed also to operate his private wire to Florida. We find him receiving messages from the Department of Justice telling him what is going on in the oil investigation here in Washington. We find a telegram sent to him by Major saying:

> I have seen the party at Wardman Park.

Meaning Fall, of course.

> I advise you to put in this private wire so as to have quick and easy access to the White House. Secretary Slemp is leaving for Florida tonight.

All in the same telegram.

Are not these significant things, Mr. President, and ought we not to lay them bare to the public? Whose Government is this? Are Senators to be criticized because they dare to bring on the floor of the Senate the scandalous doings of conscienceless men who seem to control this administration by reason of their immense wealth?

But this man Doheny says that the Senate is neglecting its duty, and that we have a lot of people here who ought not to be here. He says we have turned to be gum-shoe detectives. Well, we have to do our own detective work. Where do we get any aid from the Department of Justice? If we could not do this work how would we discover these many things that are going wrong about the Capital?

Mr. Doheny complains that the Senate has lost its dignity and high standing. Mr. President, time was when this body was regarded by many people as the rendezvous of privilege. Time was when the people had difficulty in having certain matters of moment discussed in the Senate. If certain big interests outside did not want them discussed, they were not seriously discussed in this Chamber. Time was when a question like this would have been stifled, choked to death, and buried in the Senate; but, thank God, the people of America are wide-awake now. They are sending Senators to this body who feel it their duty to discuss things that affect the vital life of this Nation. They feel that the people ought to be apprised of the things that constitute betrayal of public trust, of corrupt conduct on the part of Government officials.

I want to bring to the attention of the Senate the fact that Macaulay said that this Republic would go down in the twentieth century. This is the twentieth century. Are we who are charged with the responsibility of safeguarding these institutions to remain silent, to fold our arms and permit this work of destruction to go on?

What is our duty? It is our duty to ask each day, "How fares the Republic?" It is our duty to say each day, "What am I doing to contribute to the strength and glory of the Republic?" It is our duty to do what we can to drive from public office every crook in the country and to support and uphold every honest man in office. That is our business.

Mr. President, if the time ever comes when Senators will come to this body or Members will go to the other branch of Congress and become the agents of certain crooked interests, just as a lawyer would represent his client, then the time is

not far distant when we will have to consider seriously Macaulay's saying regarding the downfall of the Republic. Have any of you ever known of such bold and brazen betrayal of pulic trust and such corruption in official position as the oil-lease scandal discloses? Why, there is a newspaper story to the effect that the Attorney General himself, with Mr. Sinclair, went to the race track and they bet money for certain Cabinet members on race horses, and that the one Daugherty bet on lost; that later he turned over some money to Sinclair to bet, and that Sinclair came back with a bunch of money and turned it over to him, and he divided it out among those whose money he had bet, and said, "These are our winnings"; and then you talk about remaining silent! Remaining silent? I know that some do not want the people to know about these things; but we are bringing them out for the purpose of publicly condemning misconduct in office and in the hope that it will prevent public men in the future from being guilty of doing such things.

I remember, too, in that connection that it was along at the time of the race-track incident that Mr. Daugherty was buying stock in the Sinclair Oil Co. Oh, Mr. President, the whole thing smells to high heaven, and yet the Washington Post carries the articles of Doheny or his lawyer abusing the Senate, sitting right in the Capital of the Nation, right under the eyes of the President, condemning, scolding, excoriating the Senate that has dared to employ lawyers to go and recover for the Government hundreds of millions of dollars' worth of property taken from it through the practice of fraud and corruption.

He is coming out in the Washington administration paper and urging the people to stand up for this oil-soaked administration.

Of course, Mr. Doheny does not want these things discussed. He probably would hate to have it said that a Senator stated on the floor of the Senate that he received a note in the committee room from one of the Republican Senators who is a member of this investigating committee, and that when it was called for he took from his pocket a hundred pieces of it, torn into tatters so that nobody could read it, and suggested to them to read that if they could. Of course, he does not want these things to come out. But, Mr. President, I say again I thank God that there are Senators in this body who do not take orders from crooked interests, who do not bow the knee to the Baal of the money power!

I know that Doheny is a big man in a financial way. He controls millions and millions of dollars. He has reached out in every direction to try to get under his control some of the strongest men in the Nation. I know all that. I know that he has the columns of this paper open to him, as well as many others in the country, to help hamper and hinder those who are fighting to have a genuine house cleaning at Washington. I know that; but, Mr. President, that does not relieve me of my duty, however unpleasant it is; and it is unpleasant to have to go into things that throw a cloud in the direction of Senators, some of them, who seem to be involved in this matter. These things are not pleasant; but, as I said the other day, a soldier does not shrink from his duty because it is unpleasant. There are many things we must do that are unpleasant. Nevertheless, it is our duty to do it.

Mr. President, Mr. Doheny intimates very strongly that he expects to win this suit. He is not satisfied with the findings of the Senate. We are the representatives of the people and fresh from the people. He would rather risk his case with some judge who has been on the bench for a long time. We have a great many learned judges—good judges, clean judges—they are men who would not stoop to do an unjust or a crooked thing; yet we have judges on the Federal bench in the country, before whom I would not be willing to have the Government's case tried. I think I know two who are going to be involved in an investigation that is going to come out soon. They are not all what they should be. They are not all free from the contaminating influence of predatory interests, and I want to say here now, in my place as one legislator, that whoever tries this case ought to try it fairly and honestly, as I hope and believe it will be tried. The eyes of the Senate will be on that court; the eyes of the country will be on that court, wherever it is.

Mr. Doheny expresses great confidence in the outcome of this controversy. I expect the Government to win the suit. Because of the fraud and corruption involved, I would expect that the court would set this lease aside. I would expect—because Doheny has been convicted of bribing Fall—that they would declare that the leases are null and void; and I would expect, on the ground of good public policy, that a court would preserve the oil domain of the Nation to the Nation for use in the future, maybe some time in the hour of the country's grave peril.

I do not know by what authority Doheny has these articles published in the administration paper. I think, as I said before, his lawyer is writing them. He is trying to lug into these columns many unsupported statements—ridiculous statements—regarding what the law is upon the subject of granting oil leases.

Mr. President, one other thing and I will close. Some time ago I said in the Senate that "G. O. P." had been interpreted to mean "going out of power," and that a gentleman in my State had written me a letter saying that it stood for "Great Oil Party." I now have a letter from a gentleman in Delaware suggesting to me that he had seen what I said regarding G. O. P. heretofore, and he said the most appropriate name he could find for it now is the "Grafters' Oil Party." Grafters' Oil Party—G. O. P.; and Doheny is the mouthpiece of the Grafters' Oil Party. Doheny is here in the Capital. The battle cry of the Republican Party has become, "If you want dough, go to Doheny." They say Fall is the man who put dough in Doheny; that he is the man who put sin in Sinclair; and he is the man who put a dent in Denby.

I want to read for the edification of all the disciples of Doheny, either here or elsewhere, a poem written in the State of New Mexico, the State of ex-Secretary Fall. It is entitled "The Golden Fleece," and reads:

THE GOLDEN FLEECE.

Abou Dough Heenie (may his tribe increase)!
Awoke one night from a deep dream of peace
And saw within the moonlight in his room,
Making it rich and like a lily in bloom,
A Senator writing in a book of gold.
Enormous wealth had made Dough Heenie bold;
And to the Senator in his room he said:
"What writest thou?" The statesman raised his head,
And with a look which made Abou boil
Answered, "The names of those who seek for oil!"
"And is mine one?" said Abou. "We will see!"
Replied the Senator; but Abou Dough cheerily
Responded in a still and softer tone,
"Write me as one who loves to make a loan."
The Senator wrote and vanished. The next day
He came again—it looked like CARAWAY—
And showed the names of those whom Fall liked best,
And lo! Dough Heenie's name led all the rest.

That poem, Mr. President, comes from the State of New Mexico, from whence Mr. Fall hails. Fall is the man who has the finger prints of slime and corruption all over him, placed there by Doheny. Doheny is the man who had $40,000 passed back to him by a Republican Secretary of the Treasury who is fathering a tax bill that lifts the taxes from the mighty rich and lays them upon the backs of the poor.

Mr. President, the truth must come out, even if Doheny and those like him are offended when the Senate dares to expose crookedness and crime. This Government belongs to the public, and we, some of us, are the servants of the public.

Mr. LODGE. Mr. President, I shall only take a moment. Hearing the Senator from Alabama [Mr. HEFLIN] quoting poetry, or verse, it occurred to me to read this, which was sent to me the other day. It is entitled "Mr. Vanderlip Says," and reads:

Absolute knowledge have I none,
But my aunt's washerwoman's sister's son
Heard a policeman on his beat
Say to a laborer on the street
That he had a letter just last week—
A letter which he did not seek—
From a Chinese merchant in Timbuctoo,
Who said that his brother in Cuba knew
Of an Indian chief in a Texas town,
Who got the dope from a circus clown,
That a man in Klondike had it straight
From a guy in a South American State,
That a wild man over in Borneo
Was told by a woman who claimed to know,
Of a well-known swell society rake,
Whose mother-in-law will undertake
To prove that her husband's sister's niece
Has stated plain in a printed piece
That she has a son who never comes home
Who knows all about the Teapot Dome.

Mr. HEFLIN. Mr. President, if the Senator will permit me, I would suggest that Mr. Vanderlip, who is a Republican, now says that the President has called on Daugherty to resign, and he challenges anybody to call on him to state how he knows that.

AGRICULTURAL DIVERSIFICATION.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 2250) to promote a permanent system of self-supporting agriculture in regions adversely affected by the stimulation of wheat production during the war, and aggravated by many years of small yields and high production costs of wheat.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Georgia [Mr. HARRIS].

Mr. KING. I would like to have the amendment stated.

Mr. MOSES. What is the amendment?

Mr. WADSWORTH. I ask that the amendment be stated.

The PRESIDENT pro tempore. The Secretary will read the amendment.

The READING CLERK. It is proposed to add at the end of the bill a new section, as follows:

SEC. —. That the President is authorized and directed to procure, or aid in procuring, such stocks of nitrate of soda and calcium arsenate as he may determine to be necessary and find available for increasing agricultural production until June 30, 1926, and to dispose of the same at the total cost to the Government, payable in advance. For carrying out the purposes of this act there is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, available immediately and until expended, the sum of $10,000,000, or so much thereof as may be necessary, and the President is authorized to make such regulations and to use such means and agencies of the Government as in his discretion he may deem best. The proceeds arising from the disposition of the nitrate of soda and calcium arsenate shall go into the Treasury as miscellaneous receipts: *Provided*, That the sum herein appropriated and the proceeds arising from the disposition of the nitrate of soda and calcium arsenate may be used, at the discretion of the President, until June 30, 1926, as a revolving fund for the purposes herein named.

Mr. WADSWORTH. Mr. President, I think perhaps the Senator from Georgia will explain the necessity for this appropriation.

Mr. HARRIS. Mr. President, several years ago Congress appropriated money for a revolving fund similar to this. The Government by doing this helped the farmers in the South and in the Middle West a great deal, saved them several million dollars, and did not lose anything. With the Norbeck bill, there is a danger of several million dollars being lost by the Government, but if my amendment is approved the Government will sell only for cash in advance and there is no risk whatever about it.

Calcium arsenate has gone up 300 per cent within two years. We can not make cotton in the South now without the use of fertilizers and calcium arsenate on account of the boll weevil. It is absolutely necessary that we have it. The crop will not be 10 per cent in some sections without its use.

The calcium arsenate monopoly has advanced the price about 300 per cent. If the President is given this authority, I doubt whether it will be necessary for the Government to use a dollar of the money. It may not be necessary. Certainly not very much of it will be used, but the effect of the appropriation will be to keep down the price of both calcium arsenate and sodium nitrate.

Mr. HARRISON. May I ask the Senator a question?

Mr. HARRIS. I will be very glad to answer it if I can.

Mr. HARRISON. This amendment is drawn with the same provisions that were incorporated in a law passed heretofore?

Mr. HARRIS. Exactly.

Mr. HARRISON. It will do nothing more than was done at that time?

Mr. HARRIS. Nothing more; and at that time the Government did not lose one dollar. It is one of the few things the Government has ever done for the farmers where the Government did not lose money.

Mr. SIMMONS. They are to charge cash?

Mr. HARRIS. The farmers will pay cash in advance.

Mr. HEFLIN. Mr. President, the Senate adopted a provision similar to this in March, 1923, did it not?

Mr. HARRIS. I think it was February.

Mr. HEFLIN. The Senate has passed on this very proposition before?

Mr. HARRIS. There was not a vote against it. Last year the bill was introduced by the Senator from South Carolina [Mr. SMITH]. It was drawn by him, and it was amended on my motion to include calcium arsenate. The Senator's bill provided only for the sodium nitrate. In my judgment, this will help the farmers of the South and save them ten or fifteen million dollars, and will not cost the Government one cent.

Mr. WADSWORTH. May I ask if the amendment as read provides for the purchase of nitrate of soda, as well as calcium arsenate?

Mr. HARRIS. It does; it provides for both nitrate of soda and calcium arsenate.

Mr. WADSWORTH. Has the Senator concluded?

Mr. HARRIS. I have.

Mr. WADSWORTH. Mr. President, I am aware that at a previous session the Senate passed a joint resolution or bill to the same effect practically as the one now before us, but I think it is important that the Senate should understand that the situation to-day bears no resemblance to that of a few months or a couple of years ago. My information is to the effect that there is plenty of nitrate of soda now on hand in the United States to meet the needs of the season of planting just about to open; furthermore, that the price of nitrate of soda laid down at American ports to-day is only 10 cents a hundred pounds higher than it was in 1914.

What is the object of the Government of the United States spending $10,000,000 to charter ships to go to Chile and load the nitrate there at a price fixed in Chile by the miners of nitrate, who are formed into an ironclad association, bring it to our own ports, and meet here an entire sufficiency of supply for this year? I understand there are about 350,000 tons here.

Mr. HARRIS. As I said, I doubt if the Government will spend one dollar of this appropriation. I think the Senator is correct in stating there is plenty of sodium nitrate now in this country, but if the bill passes the farmers will get it at a low price. There is objection to the bill. Importers who handle this product in New York came down to see me and opposed the bill. The fertilizer manufactories are opposed to the bill, but I do not think that is any reason why we should not help the farmers get fertilizer at a lower price. It is almost impossible for many of the farmers in my State to get a fertilizer at any price because of the financial condition they are in. The bill will, I am sure, hold down the price of fertilizers and calcium arsenate for every farmer in the South and in the West.

Mr. WADSWORTH. I can not understand how it is going to reduce the price to any considerable degree unless, of course, we establish the theory in America that the Government shall supply commercial articles at cost to meet the needs of a class of people which wants them. The fact of the matter is that the price of nitrate is lower in proportion than the price of any other thing used by the farmers to-day. It is only 10 cents a hundred pounds higher than it was in 1914. In other words, there has been scarcely any increase. The Senator from Georgia says it will hold down the price to the farmer in the matter of the fertilizer, but I call attention to the fact that the entire fertilizer industry is having an exceedingly difficult time getting along at all. In fact, one of the greatest fertilizer plants in this country and in the world went into the hands of a receiver only yesterday.

Mr. GEORGE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New York yield to the Senator from Georgia?

Mr. WADSWORTH. I yield.

Mr. GEORGE. I would like to say to the Senator from New York that nitrate of sodium finds its only competitor in America in sulphate of ammonia or ammonium sulphate. Ammonium sulphate carries a duty under the tariff act of $5 per ton. It is the only ingredient used in commercial fertilizer that is taxed under the present tariff act. Notwithstanding this bar of $5 per ton duty on ammonium sulphate, Chilean nitrate does come in and comes over the bar of the $5 tariff. It may not be any justification for the amendment or for the provision contained in the amendment of my colleague, but since the Government is taxing the chief element used in his fertilizer to the extent of $5 per ton, it might help make it up to the farmer by creating a revolving fund and providing the cash with which to buy it.

Mr. WADSWORTH. It would seem to me the fact that Chilean nitrate comes in here in the way it does shows that it is the cheaper product. If the farmer were suffering in any way in relation to the commercial fertilizer which he uses, he certainly is not suffering from the price on Chilean nitrate. The fact is the price is only 10 cents a hundred pounds higher than it was in 1914.

Mr. GEORGE. That is quite true.

Mr. WADSWORTH. Why is it necessary for the Government to come to the rescue of the farmers in relation to Chilean nitrate? There is no emergency. There is plenty of it here. There is plenty of it on its way. No one in the United States, importer or farmer, has the slightest control over the price of

Chilean nitrate. It is fixed in Chile by the association of the producers of nitrate, and the same price is quoted in Chile to every person who goes there to buy, so much per ton or per hundred pounds. The charges that are added are the freight from Chile to our ports and, as I am informed, an unusually low set of charges in the matter of storage and handling and distribution in this country.

Mr. GEORGE. The reason why I rose was that I think the Senator is somewhat wrong in saying the price is fixed entirely in Chile. The only competitor of Chilean nitrate is the ammonium sulphate to which I have called attention, and the duty on that particular ingredient, which is one of the very important elements in the manufacture of commercial fertilizer, enables the sale of Chilean nitrate in this country or makes it necessary for it to be sold in this country at a higher price than it otherwise probably would carry. I think really that the farmer would be more benefited if the $5 per ton duty upon sulphate of ammonia were removed, because I think that would result in a further reduction of the Chilean nitrate price.

Mr. WADSWORTH. Of course, that is an entirely different question. I assume the duty on ammonium sulphate was imposed in an effort to build up in this country an industry which would take the place of the Chilean nitrate industry in the event this country got into difficulties, as it did during the recent war. Senators will recollect very well that there was a very great emergency confronting agriculture in the United States as soon as the war interrupted, in part at least, the supply of Chilean nitrate, and the price of commercial fertilizer went bounding upward, and necessarily so. The supply having been so severely curtailed—that is, the supply of the most important ingredient—the price rose. The $5 tariff per ton on ammonium sulphate was put on in an endeavor to build up in this country an industry which, in part at least, would take the place of the Chilean supply.

But now we are in the piping times of peace. There is plenty of Chilean nitrate in the country. That is admitted. We have no control over the price of the raw material, because that is fixed in Chile. The price is only 10 cents a hundred pounds higher than it was in 1914. There is no emergency whatsoever facing the country. Yet the amendment proposes to take $10,000,000 out of the Federal Treasury and embark the Government of the United States into an undertaking to charter vessels to go to Chile at Government expense and purchase Chilean nitrate at the same price that private individuals would have to pay—for there is no distinction made between private and public purchasers—bring it back to the United States at Government expense, land it at our ports, put it in storage, distribute it to fertilizer manufacturers, figure out the cost of the entire operation, and say finally to the farmer that he will get his Chilean nitrate at cost. It seems to me there is nothing in the present situation that warrants such an undertaking.

Mr. HARRIS. Mr. President, the Senator may be right when he says there is more nitrate in this country than is needed. He is right in saying that the wholesale price is fixed in Chile. But the Government will not spend any of this money unless those who hold the supply of nitrates in this country try to put such a profit on it that it will make the fertilizer cost the farmer more than it ought to. If the people who hold all this nitrate are willing to take a fair price on it, of course the Government is not going to have to spend a dollar.

We enacted a tax law last year to help the manufacturers of the country. They are not in the financial distress in which the farmers find themselves. There are no manufacturers that we taxed the people to give help to last year who are in the condition which the farmers are to-day, and yet we did not fix the tariff for only the manufacturers who were in distress, we raised the tariff duty to help all of them. Our farmers are in great distress. In my section at least a third of the farmers lost money last year. There is a large number of those who really lost their farms because of their condition. If the Senator from New York understood conditions he would be the last man to oppose the measure, because there is not a fairer man in the Senate than is the Senator from New York. He would not oppose the measure if he understood the real condition of the farmers in my State.

Mr. WADSWORTH. Mr. President, I do not desire to delay the Senate unduly in the matter. I understand many farmers in the Southern States encountered very grave difficulties during the last cotton season, but the difficulties did not arise in the slightest degree as a result of shortage of nitrates, nor as the result of the low price of cotton per pound. Cotton has been selling for months at between 23 and 30 cents a pound. The trouble was the boll weevil that reduced the quantity of cotton produced. The trouble was not the fertilizer, because there was plenty of it.

If the amendment is adopted no fertilizer can be purchased by the United States Government after its passage and delivered to the farmers in time to be of any use whatsoever in the year 1924. It takes 60 days to send a vessel to Chile and load her and to bring her back and unload her, and when that 60-day period has elapsed we will simply have doubled the quantity of fertilizer in the country, and the Government will be compelled to sell it at cost. The market would be flooded as a result.

Mr. HARRIS. The Senator is right about this year, but he has not read the amendment carefully. The amendment contains exactly the same date that is contained in the Norbeck bill, to wit, June 30, 1926, and it will help us next year and the year after.

Mr. WADSWORTH. Is there any evidence to the effect that help will be needed next year with the nitrates?

Mr. HARRIS. The Senator from New York spoke of the boll weevil and the price of cotton in the South. If cotton were 30 cents or 50 cents or $1 a pound and the boll weevil took it all, it would not help the farmer. That is the condition of at least a third of my people to-day. The bill includes an appropriation for calcium arsenate to combat the boll weevil, and that is the only poison we have found in the South that would get rid of the boll weevil. Every section of the country is interested in this matter.

The other countries of the world are going to raise much of the cotton now produced in this country if the price remains so high. If our farmers can not raise cotton at a lower price in some way where it has been destroyed by the boll weevil, many of our people are going out of the cotton-producing business and other countries are going into it, and they will take from this country a large amount of the production of cotton. They are already increasing their yield. If the farmer could raise cotton at as low expense as he could formerly, he might sell it at a lower price and make a profit and there would not now be such a shortage of cotton.

Mr. SMITH. Mr. President, I would like to call the attention of the Senator from New York, as well as of the Senator from Georgia, to an error as to any benefit which might accrue to the farmer from the importation of soda within the next 60 or 90 days. Soda is rarely used as a primary or initial fertilizer in the planting of a crop. Its great value is in what is known as top dressing. It is perhaps the quickest and most powerful plant stimulant known to agriculture. Neither the sulphate of ammonia nor the ammonia derived from cottonseed meal or even from the cyanamid from the Niagara plant, where they have the nitrogen fixed from the air, has the peculiar effect of the nitrate of soda. It has revolutionized agriculture in the South.

We have a sandy soil and the danger of leaching or the actual leaching of the artificial fertilizers put in the soil is tremendous. So that even when we went to great expense in buying fertilizer to put under the different crops when growing, the friability of the soil and the excess rainfall in our section caused it to leach out, so that we lost perhaps the greater percentage of that which we had put in as fertilizer. If it were attempted to use the coarser forms of fertilizer as a top dressing, there would also be loss, for the reason that they are too slow in their action when applied later, during the growing period of the crop. However, one may plant an oat crop in the South on very poor soil, and if there is enough plant food in the soil to keep the "stand," as we call it, alive until spring, and then the crop is top dressed with nitrate of soda it has been known to double the yield of grain. That is its effect when applied to the small grains.

If applied to corn just before the ear begins to form, even though the stalk is very small, it will double and, in many instances, has been known to treble the yield of corn. I do not think I shall strain the faith of my colleagues in my veracity when I state that my State of South Carolina, which was perhaps one of the lowest in its average yield per acre of corn, yet holds the record yield of corn, having in a prize contest produced 235 bushels of corn as it came from the field on a single acre of upland. That phenomenal yield was produced largely because of the application of this wonderful plant stimulant or plant food.

With reference to the increase of the use of nitrate of soda since it was first tentatively tried some 30 or 35 years ago, the results of its application in the Atlantic coastal plain south of the Potomac River and east of the Alleghenies will indicate just what a revolution this particular ingredient has brought

about not only in the yield per acre but also in the stimulation of interest in the farm. I dare say there is not an article in all the category of fertilizer ingredients which means as much to the farming interests of the South as does this particular ingredient.

I have not been advised as to the cost this year at the ship side of nitrate of soda in Chile. Perhaps the Senator from New York [Mr. WADSWORTH] has investigated the matter and is possessed of that information. I do not think, however, the price is uniform in Chile. The export duty by the Chilean Government is uniform. The fact is that the Chilean Government practically derives its revenue from its export duty on this ingredient.

The conditions which now confront us are not similar to those which existed at the time I asked the Senate to pass a resolution identical with the amendment now proposed by the Senator from Georgia. That resolution was passed, and it involved the saving of millions of dollars to the farmers. As the Senator from Georgia suggests, the Government not only did not lose a dollar, but, according to advices from the Agricultural Department, which had the distribution of the fertilizer in hand, they overestimated their overhead charges—that is, what it would cost to employ certain agents of the Government to distribute the nitrate of soda—by about $60,000, which the Government received in excess of what it cost to bring the fertilizer in and to distribute it. Understanding the fertilizer business as I do, and as I have been compelled to do during all my life, I can not see why there should be any objection to this proposition. If the Government has the facilities—and I presume we have them in the shape of certain vessels which we own——

Mr. WADSWORTH. Mr. President, will the Senator yield to me a moment?

Mr. SMITH. I yield.

Mr. WADSWORTH. Does not the Senator realize the cost which would be imposed upon the Government if it took some of the Shipping Board vessels which have been moored in our rivers for 18 months or 2 years and put them in shape to go to Chile in order to get the nitrates? It would be prohibitive.

Mr. SMITH. I presume that the Senator from Georgia who proposed the amendment does not contemplate that the Government shall lose any money by the operation. Therefore, if the Government, under the amendment, should find that the cost of Government operation would be greater than through private individuals, of course the amendment would not compel the Government to do the work.

The point I am making is this: All of us who have had any experience at all with commercial fertilizer know that its cost is very high. Senators will understand there is a radical difference between what is known as the manipulated fertilizer—that is, where certain fertilizing ingredients are compounded and sold as a complete fertilizer—and fertilizer such as nitrate of soda. All fertilizer plants use fertilizer in its prepared form for the major part of their business.

Mr. HARRIS. Mr. President, will the Senator from South Carolina yield to me for a moment?

Mr. SMITH. I yield.

Mr. HARRIS. My amendment provides that the Government is—

> To dispose of the same at the total cost to the Government, payable in advance.

Every cost is to be included.

Mr. SMITH. I understand that the amendment proposed by the Senator from Georgia is identical with the resolution which I introduced during the World War.

Mr. HARRIS. The amendment is like the joint resolution submitted by the Senator from South Carolina, as I stated in the beginning, except that it includes calcium arsenate now.

Mr. SMITH. What I wish to state is that no manipulation whatever, save by the evaporating vats in Chile, is needed for the preparation of the nitrate of soda; or, I will put my statement in another form and say that no kind of a manipulation is needed after the soda is delivered by the Chilean mines at the ship's side in Chile. The form in which it is then received on shipboard is identically the form in which I use it on my farm.

The only question involved here is, What is the margin of the profit of the private importers, the parties who buy this stuff and bring it to the United States and sell it? Of course, they are going to have a profit. This commodity is used extensively in the manipulated fertilizers as a basis of their ammonia. They also use fish scrap; they use sulphate of ammonia; they use cottonseed meal, and they use a form of tankage, all of which have a greater or less per cent of ammonia. They use those substances with phosphoric acid and potash and make what is called a "balanced" fertilizer, but even in that form the soda content, or the ammonia content, is a costly one. Phosphate is abundant. Since the termination of the war potash has been coming in from Germany almost as freely as it came in before the war. So that the one element in the production of the crops of the South which is costly to the farmer is the element of ammonia. The others are negligible. Anything that will tend to lessen the cost of his fertilizer tends to increase the yield per acre of his crop and as a result tend to lower the cost of living, for the reason——

Mr. WADSWORTH rose.

Mr. SMITH. If the Senator will bear with me a moment—for the reason that the farmer has no way in the world of carrying on to another the cost of his production, and just as in proportion as that production becomes unprofitable is he going to lessen his crop, and just in proportion as the cost of production becomes expensive it will be reflected, as a matter of course, if under no other law under the law of supply and demand; in the higher cost of living. We ought by all means within our power to encourage the production of those ingredients which are essential with due regard to as great profit as the farmer may obtain.

I will go further, Mr. President, and say that in the present order of things when practically every other industry in this country is organized it is the logic of the circumstances in which modern life finds itself. I daresay that there is not an article of ordinary use in any of the stores of the city of Washington or in any other city in America that is not only controlled by a combination which produces it but also the territory in which it is distributed is controlled and the price of it is fixed by that organization. We speak of competition, but under capitalistic production competition is an impossibility as we knew competition before we had the forces for manufacturing that we now have. Anyone who will take the time to study that last remark or the basis upon which it is made will realize that under the forms of capitalistic production we can not have competition. We can not have competition between the railroads of this country; we can not have competition between the manufacturing industries of this country. The things which are necessary to equip the factories are standardized by virtue of the operation of the same law.

Mr. WADSWORTH. Mr. President, will the Senator yield at that point?

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). Does the Senator from South Carolina yield to the Senator from New York?

Mr. SMITH. I do.

Mr. WADSWORTH. The Senator says we can not have competition in the manufacturing business?

Mr. SMITH. Yes.

Mr. WADSWORTH. That is an extraordinary statement in view of the well-known fact that price cutting is a common thing as between manufacturers.

Mr. SMITH. Price cutting, Mr. President, as between manufacturers can only be possible where the difference between the cost of production and the selling price has reached such a degree that they can compete. The Senator knows that the equipment of all factories in a particular line costs practically the same; wages are practically the same; the capital invested per unit of output is the same, and, if competition gets down to the point where the cost of production has been reached, then the only way to meet expenses is to go into capital and the moment that is done the plant ceases to operate.

Mr. WADSWORTH. Mr. President, will the Senator yield again?

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from New York?

Mr. SMITH. I do.

Mr. WADSWORTH. Does the Senator from South Carolina deny that the southern cotton mills compete with the New England mills?

Mr. SMITH. The southern cotton mills compete with the New England mills by virtue of a natural law.

Mr. WADSWORTH. I am not asking the reason, but do they not compete? Do they pay the same labor wages as the New England mills?

Mr. SMITH. Practically the same.

Mr. WADSWORTH. Is the Senator sure of that?

Mr. SMITH. If the Senator from New York will look at the reports, he will see that they are practically the same.

Mr. WADSWORTH. Are the hours of labor the same?

Mr. SMITH. The hours of labor are practically the same.

Mr. WADSWORTH. That is news to me.

Mr. SMITH. If the Senator will investigate the matter, he will find that they are practically the same.

Mr. BRUCE. Mr. President, will the Senator yield to me for a moment?

Mr. WADSWORTH. I am not denouncing the industry at all, but am merely calling attention to the fact that the Senator is making a very broad statement here when he says that there is no competition in the manufacturing business.

Mr. SMITH. I think I can sustain it.

Mr. WADSWORTH. I have seen some competition in skillfulness of management which the Senator has not touched upon.

Mr. SMITH. Yes.

Mr. WADSWORTH. That is the keenest and most important competition of all.

Mr. SMITH. Yes; I admit that, and I will answer that suggestion.

Mr. BRUCE. Mr. President, there has been in recent years such a complete departure from all the old, time-honored principles of American government that I am just a little desirous of finding my bearings. I should like to ask the Senator a single question. Is he a state socialist?

Mr. SMITH. Mr. President, I have not the time to answer any question of that kind, nor should a conclusion of that sort be deduced from what I have said.

Mr. BRUCE. The Senator says there can be no competition in railroad operation, there can be no competition in commerce, there can be no competition in manufacturing enterprise. It seems to me it follows, as a necessary corollary from that, that there is nothing that can be done except to resort to state socialism.

Mr. SMITH. Mr. President, every man admits that in the management of our manufacturing industries in this country it will be found that those that are manufacturing have practically identically the same overhead charges. The cost of the goods as placed upon the market is the same, based upon the fact that capitalistic production can not compete as natural production is forced to compete. Mr. Morrison, one of the great economists of England, said in the very beginning of railroad operation that being monopolistic in its nature, having practically the same cost of construction and practically the same cost of upkeep, in its very nature competition there was impossible. I shall take occasion to show, and I think if time permitted I could show now, as the Senator from New York [Mr. WADSWORTH] suggests, that where skill and thrift and economy are practiced, all of those can be accounted for to a negligible per cent; but when we take the cost of wages, fixed now by the hour, fixed now by the ordinary, uniform price that labor obtains, the standardization of the material out of which the plant is built, the markets in which the products are sold, the uniformity of the price of all manufactured goods throughout the country establishes the fact that the statement I made is practically correct. There is no competition possible in capitalistic production as we know it in the ordinary production. Therefore, until this Government by the proper legislation has brought about, for those who produce the raw materials of this country, a condition where they can meet the fixed, almost inflexible prices of the things that they have to buy, agriculture will stay where it is now. Every overhead charge of all the things that the farmer has to buy is absorbed in the price he has to pay, while from all that he has to sell has to be subtracted the price of all that he has to buy in producing it. So that we shall have to revolutionize our system of financing the farmer, and recognize the radical difference between artificial production, namely, manufacturing, and natural production, namely, the products of the field; and it is not, as the Senator from Maryland [Mr. BRUCE] would indicate, State socialism for us to provide, by Federal enactment, means that will enable the farmer to better his condition, any more than for us to turn over to the national banks of this country the sole regulation of the circulating medium, and not allow the several States as well as the Federal Government to fix the amount of the very lifeblood of commerce.

Therefore, every help that can be extended should be extended, especially in view of the fact that in the case of this ingredient that the Senator from Georgia [Mr. HARRIS] is attempting to aid, I do not see why there should be any radical objection. I frankly admit that the need for it does not exist as acutely to-day as it did at the time of the former introduction of the bill during the war; but I do say that the condition of the farmers in the South is no different from that of the farmers in other parts of the country. There may be some little differences in degree, perhaps, but they are all practically insolvent by virtue of two radically different things—in the West, overproduction; in the South, underproduction.

Mr. BRUCE. Mr. President, will the Senator yield again?

Mr. SMITH. I yield.

Mr. BRUCE. The last statement of the Senator seems to me to be just a little inconsistent with a statement in the last report of the Department of Commerce. It says that the total value of the assessed property of the State of Virginia has exactly doubled in the last 10 years.

Mr. SMITH. Oh, yes; Mr. President.

Mr. BRUCE. That does not look like insolvency to me.

Mr. SMITH. If I were 20 feet down in a hole, and the hole were filled up with a deadly gas, and some one were to pull me up 10 feet, and I were not out of the gas, I would be in just about as bad a fix as if I were at the bottom. The value of their property may have increased, but they are still very far from solvent. That is the condition in my State. We were not as badly off in 1923 as we were in 1921, but we still are not out of debt, and there does not seem to be very much hope of our getting out of debt when the markets can be raided by those who do not know a wheat field from a broomstraw field, nor a cotton stalk from a jimson weed; and yet to-day they are absolutely controlling the price of the product produced by those upon whom we are dependent for our food and our clothing.

Mr. BRUCE. Mr. President, may I interrupt the Senator just once more?

Mr. SMITH. I yield.

Mr. BRUCE. I also saw a statement a few days ago to the effect that it was computed that within the next six years the State of North Carolina will have exhausted all of its potential water power for manufacturing, and that consequently some of the people of North Carolina were considerably concerned at the idea of the Muscle Shoals project diverting a portion of their manufacturing power. That too, does not look like insolvency to me.

Mr. SMITH. So far as the water power in North Carolina is concerned, I guess it is like it is in my State, controlled by private concerns who are manufacturing the raw material out of which the farmer is hoping to get something; but the difference between the price at which he sells his product and the price at which he buys the manufactured product is what is making possible the rapid development of water power in North Carolina. Of course it is in the hands of corporations. I have no quarrel with them. It is their duty to make all the money they can; but I do maintain that under the condition that exists in this country, by virtue of the great number of the farms and by virtue of the fact that it is impossible for the farmers to organize as other business organizes, the Government should recognize that fact and do all that legitimately may be done to bring about a condition where the farmer will be more or less assured of a fair return upon the things that he produces.

I have been a Member of this body 15 years, and I have seen the manufacturers of this country come and ask us to pass Federal legislation that not only would shut out the competition of foreign countries but would measure the difference between what the manufacturer would have to pay his laborers here and what the foreigner would have to pay his laborers, throwing the strong arm of the Government around him and shutting out competition in order to give him the American field for his exploitation. Everyone knew that the farmer could not enjoy the benefits of that, for the reason that unless the farmers were so organized as to handle their own output so that if they had a surplus they could dictate the price of the product they sold in America, and then have their surplus shipped out and meet world competition, the tariff was a dead letter to them for this reason: We put a tariff on wheat. It did the farmers practically no good. Why? Because the man that set the price of the wheat and bought the wheat was the man that exported the wheat and sold it to the domestic mill. The consequence was that the domestic price was the world's competitive price. Now, suppose the farmers had been organized sufficiently to control their output. They would have sold the domestic wheat at just the level of the tariff. They would have fixed the price, and they would have fixed it as high as the tariff, and what they exported would have been exported to meet the world's production.

We have here a bill, known as the McNary-Haugen bill, which says to the Government: "You assume the rôle of the unified buyer and seller, and you buy this wheat until you have bought up enough of it so that the purchasing power of the wheat dollar will measure up to the purchasing power of the dollar of the manufacturer who produces the things the farmer has to buy." In other words, it is tantamount to saying to the Government: "You stand in the place of an organized buying and selling movement until you get the domestic price up to the level of the tariff, and then distribute the export at the price of the world competition."

That bill, I understand, is indorsed by the present administration. If I am in error, perhaps some one who knows the situation will correct me; but the principle involved, that the surplus shall be bought up by the Government until the domestic price reaches the level of the tariff price and then the surplus shall be sold abroad, recognizes the fact that the farmer can not do it.

He has not the means to do it. He has not the organization to do it. Therefore the Government steps in and says, "We recognize the condition brought about by organized production and the tariff, and in decency we will meet it by assuming the rôle of an organized buyer and seller, and enable you to enjoy the benefits of the tariff."

I surmise that if the Government had assumed that rôle in reference to all the products of this country produced by the farmers, we would not have had such wonderful adherence to the principle of the protective tariff as we now have; but that goes to illustrate the point I am making, that the farmer is compelled to buy in a market where the price of the thing he buys is fixed by the seller, and then has to sell his product in a market where the price of the thing he sells is fixed by the buyer. That is the condition that confronts the country; hence, I presume, it was the reason why the Senator from Georgia [Mr. HARRIS] introduced this measure.

I will state frankly that I do not think the necessity for the passage of the bill is anywhere near as great now as it was when it was first introduced; but in view of the fact that not a pound of this material is produced in America, not a pound—that which is available for us is a natural product found alone in Chile—if the Government, by virtue of its activity, can find a means of saving something to the farmer in order to enable him to meet the terrible conditions that now confront him, I do not see why it may not be done.

Mr. WADSWORTH. Mr. President, I indicated a few moments ago that I did not intend to keep the Senate longer in this discussion, but some of the observations made by the Senator from South Carolina [Mr. SMITH] are so extraordinary, to my view, that perhaps I will be forgiven if I make some comment in reply.

The Senator from South Carolina proceeds on the assumption, apparently, in the discussion of this entire agricultural problem, that the price of everything produced by the farmer is controlled arbitrarily by somebody else, some association or group of powerful individuals or corporations, generally never described or identified, remote and mysterious, but nevertheless all powerful. If that were true, cotton would not be selling at 30 cents a pound, because the organized buyer would not pay that much for it. He would insist upon a lower price. The very condition of the cotton market illustrates the utter fallacy of the statement that the buyer controls in every case the price of a great staple.

Mr. BRUCE. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Maryland?

Mr. WADSWORTH. I yield.

Mr. BRUCE. May I call the attention of the Senator from New York to the fact that the recent advance in the price of tobacco is quite marked in southern Virginia and North Carolina, and I believe that there is a considerable amount of tobacco raised in South Carolina, too.

Mr. WADSWORTH. If the statements made by the Senator from South Carolina are correct, the price of no farm product would ever go up. I have been in the business as a serious undertaking long enough to know that the prices of agricultural products vary every day in the year, and that no one has complete control over them.

Mr. SMITH. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from South Carolina?

Mr. WADSWORTH. I yield.

Mr. SMITH. The Senator from New York is setting up conditions of argument which I myself did not state. I did not say that any one man or any one corporation or any number of men control the price of the things the farmer sold, but what I did say was this: That the farmer had no say in the price of the thing he sold. The Senator will not deny that.

Mr. WADSWORTH. Yes, Mr. President; I deny it in part.

Mr. SMITH. To what extent?

Mr. BRUCE. Mr. President, I do not want to be too much of an interloper, but I would like to ask just one other question of the Senator from South Carolina. Does he or does he not attribute the rise in the price of tobacco grown in southern Virginia and North Carolina and South Carolina to the farmers' cooperative marketing association? It seems to me that this enhancement in the price of tobacco was a distinct and unmistakable result brought about by the action of the farmers themselves.

Mr. SMITH. If the Senator from New York will allow me, may I ask the Senator from Maryland if he thinks the price was affected by cooperative marketing?

Mr. BRUCE. I think so, unquestionably. I grow a considerable amount of tobacco on my own plantation, and I think that the rise in the price of tobacco in the last year has been due to the marketing association formed by the southern farmer. That is the impression of my neighbors, as well as of myself.

Mr. SMITH. I heartily agree with the Senator. I think that has increased the price, and that is exactly in keeping with the argument I made, that organizations control the price. The Senator from New York will not deny that.

Mr. WADSWORTH. The Senator most certainly gave the impression that the farmer had no control whatsoever.

Mr. SMITH. He has not.

Mr. WADSWORTH. That is a situation which I can not admit as existing.

Mr. SMITH. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield further to the Senator from South Carolina?

Mr. WADSWORTH. I would like to be permitted to explain why I can not admit it. Perhaps it would be more logical if I should explain why I do not admit the assertion of the Senator from South Carolina.

Mr. SMITH. Very well.

Mr. WADSWORTH. I am quite sure the Senator from South Carolina has heard of the dairymen's league of the State of New York and neighboring States, entered into voluntarily by thousands of dairy farmers for the purpose of controlling the price and other conditions in relation to the dairy industry; and they have been measurably successful in that. The Senator from South Carolina will not assert that the wheat farmer has no control over the price of wheat. He may not have control as of a given day, but, directly or indirectly, through a whole season he has a control in proportion as he increases or decreases his acreage in wheat.

Mr. COUZENS. May I interrupt the Senator?

Mr. WADSWORTH. I yield.

Mr. COUZENS. Does the individual farmer have any control over that?

Mr. WADSWORTH. In many, many instances individual farmers decrease their acreage in one crop because they see that the price is too low, and increase it in another, where they think the price is profitable. I have seen that happen time and time again. They do not always do it with absolute accuracy; but to say that the farmers of the country have no control whatsoever over the price of their principal products, as has been said here, is against my own experience.

Mr. COUZENS. The Senator may have had some unusual experience.

Mr. WADSWORTH. Not at all.

Mr. COUZENS. The Senator might have had a better training, perhaps.

Mr. WADSWORTH. Oh, no.

Mr. COUZENS. After all, if one farmer decreases his crop because he visualizes that there is going to be an overproduction, and another farmer increases his production, not visualizing the same thing, is not the farmer who reduces his production affected by the action of the farmer who increases his production because he does not guess the same?

Mr. WADSWORTH. I do not say that all farmers are affected exactly alike by an increase or a decrease of acreage of a certain staple, but these things run by cycles. The acreage to winter wheat for this coming season is considerably below the acreage of last year, and just as surely as the Senator and I are standing on this floor the price of wheat next autumn will be higher than it was last.

If I recollect aright, for example, I read in some report that the acreage in Oklahoma planted to winter wheat this last autumn is 40 per cent lower than it was the year before. It is bound to have an effect. It does have an effect. I am merely attempting to reply to the broad assertions of the Senator from South Carolina. He cited broomcorn, cotton, and two or three other staples or articles which occurred to him as he discussed this question, and he certainly gave the impression that somebody other than the farmer fixed the price in every instance. If that were true, as I said a moment ago, the buyers would not be paying 30 cents a pound for cotton to-day. They would insist upon a lower price if they controlled it. It is because cotton is scarce, due largely to the boll weevil, that the price has gone up. It is not due to any scarcity of fertilizer. There is plenty of fertilizer on hand now.

Mr. COUZENS. I agree with the Senator; but the farmer did not control the price of cotton, did he?

Mr. SMITH. No. The Senator from New York has the price controlled. Even the boll weevil has come in now, according to the Senator's argument, and is controlling the price, rather than the farmer.

Mr. COUZENS. No matter what the conditions were, he did not control the price?

Mr. WADSWORTH. Not for this year, but his planting for next season will have a profound effect on the prices of next year.

Mr. COUZENS. If he guesses correctly, of course.

Mr. WADSWORTH. Everything in business is a guess, more or less.

Mr. COUZENS. Not necessarily so.

Mr. KING. May I inquire of the Senator from Michigan, for information, if he believes that the Government should fix the price of the products of the farm, or the products of manufacture, if it is a legitimate function of the Federal Government to fix prices of commodities, of labor, or of anything else?

Mr. COUZENS. I do say that the individual farmer has less control over the price he is going to get for his product than the manufacturer has, if, indeed, he has any control. In other words, the farmer has one crop in a season. The manufacturer may change his course of production from day to day, in accordance with market conditions, and is not bound by the same conditions by which the farmer is bound.

Mr. SMITH. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from South Carolina?

Mr. WADSWORTH. Does the Senator desire to ask a question?

Mr. SMITH. No; I will let the Senator finish his statement.

Mr. WADSWORTH. The Senator from Maryland [Mr. BRUCE] asked the Senator from South Carolina if he is a State socialist. I feel pretty certain that the Senator from South Carolina is no such thing.

Mr. SMITH. I am obliged to the Senator.

Mr. WADSWORTH. But I do invite attention to this amendment, and in that respect, in part at least, the question asked by the Senator from Maryland has a bearing. There is no scarcity of fertilizer whatsoever. That is conceded. The price is lower, in proportion, than upon any other article purchased by farmers necessary to the conduct of their business.

Mr. HARRIS. Mr. President, there is a scarcity of calcium arsenate.

Mr. WADSWORTH. A decreasing scarcity. It was scarce last year. It is much less scarce now.

Mr. HARRIS. It has gone up 300 per cent within two years.

Mr. WADSWORTH. Yes; owing to the immense demand incident to the discovery that that chemical is useful in handicapping the boll weevil; but the trade is responding to the demand. The production this year is infinitely greater than it was last year, and the price has been going down as compared to last year's price. There are many things, may I say, in which farmers are interested which are difficult to get, and expensive to get. Why confine Government operation to nitrates? Where I live, and where large numbers of livestock are on the farms, a fence post is getting to be a pretty expensive article to obtain.

I can remember very well when we could get the very best white cedar fence posts for 15 cents apiece. Now they cost nearly 50 cents apiece. They have to be brought from Canada. Why does not somebody rise and offer a resolution to appropriate a million or two or three million dollars to have the Government go to Canada and get fence posts for my neighbors and myself at cost? There are any number of things one could bring up, which may seem ridiculous at first, but the purchase of which I think would be consistent with the effort reflected in this bill. There is far more of an emergency in respect to fence posts than there is in fertilizer, the price of which has not gone up, and of which there is no scarcity.

I have every sympathy with people on the farms who have difficult times. I have seen people have very, very difficult times, and have had some myself, but never yet have I found a paternal government able to lift agricultural industry, or any other industry, out of the difficulties which have come to it as the result of natural economic law. It has never been done in the history of the world. None of us is perfect in the conduct of his business. Most of us make mistakes year after year, and learn by experience.

I think I can appreciate the condition, for example, in which the wheat farmer finds himself to-day. It is due, in my judgment, to two major reasons; one, immense overproduction as the result of the demand for wheat and bread during the war, when the wheat acreage immensely increased, and the farmer, left with his increased acreage on his hands, kept on planting it after the war was over, and there was too much wheat. Then in certain sections of the country the per acre production of wheat over a 10-year period does not average much more than 8 or 10 bushels per acre, and no section of country on the face of this globe can prosper at raising wheat, and nothing but wheat, when only 8 or 10 bushels per acre is produced.

Mr. KING. Or even 14 bushels.

Mr. WADSWORTH. Farmers can not live on it. The soil has been cultivated for 30 years out there, and not one thing put back on it to refertilize it. It is going back toward exhaustion. The farmer has impaired his capital.

Mr. COUZENS. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Michigan?

Mr. WADSWORTH. I yield.

Mr. COUZENS. I recognize that what the Senator says is correct, and I am in entire accord with him, and do not agree with this amendment; but in view of the fact of this great increase in acreage and the poor yield per acre, a condition has arisen which leaves many farmers on the farms without a source of income or any means of protecting themselves.

Mr. WADSWORTH. It is a very, very difficult situation.

Mr. COUZENS. Has the Senator any suggestion as to how that might be remedied by any act in Government, private or otherwise?

Mr. WADSWORTH. I remember that was very thoroughly discussed last year in connection with the so-called agricultural credits bill, which bill I supported as did a great majority of Senators. The Government in that legislation provided additional facilities for the extension of credit, under proper safeguards of course, to people especially in farming regions who found themselves greatly in need of extended credits, but could not get them from local banks because the local banks were overextended. I think legislation of that kind is justified, is warranted, and in many instances it would be helpful; but I do not think it will be helpful for the Government itself to go out and purchase supplies for the farms to be delivered to the farmer at cost, or to purchase products from the farm to be sold by the Government somewhere else at a supposed profit.

I do not think we will ever get anywhere with either of those proposals because they are uneconomic. They are in violation of the law of supply and demand, and that law can never be violated with impunity over any considerable length of time. That is the reason why I am opposing the amendment of the Senator from Georgia. It thrusts the Government into the business of buying and distributing fertilizer. There is no emergency. That is admitted. The Senator from South Carolina [Mr. SMITH] says there is not any emergency.

Mr. COUZENS. Does the Senator believe one of the remedies for aiding the farmer is diversification so he is not confined to a one-crop plan?

Mr. WADSWORTH. I think diversification in the long run is the answer to the whole thing.

Mr. COUZENS. Does the Senator believe in the Government helping to that conclusion?

Mr. WADSWORTH. If such a thing is possible, I do; but I can not see any help in the pending bill. I am wondering whether it is possible for the Government to really aid them effectively, because diversification can only be achieved on the farm after the expiration of a considerable number of years. No farmer who, we will say, has nearly all his farm in wheat or in corn or in any one crop can in one year's time become engaged in diversified farming. Take the bill that is now before us. It authorizes a loan of $1,000 to any farmer of reputable character who is not so heavily in debt as to make it impossible or impracticable for him to carry any more debt. It says, "Here is a thousand dollars which you can have at 6 per cent. You are going to buy cows or chickens or pigs or sheep." The idea seems to be that the thousand-dollar loan is going to make a diversified farmer of him. Why, Mr. President, it will not start him on it; it will not even give him a start.

If he is going into the dairy business, he will have to build a silo; and if he builds a 150-ton silo, it will cost about $1,100. He has to build a cow barn; and if it is to come within the sanitary requirements of the cities to which he sells milk, it has to be a pretty good barn. He can not build a barn that will hold 20 cows for less than $3,000. He has to fence his land to

hold the livestock when it is turned out. He has to get various articles of equipment in addition to buying the cows. A thousand dollars will not last him two months in an endeavor to make a diversified farmer of him.

No man can completely change his method of doing business out in the open on a farm in one year's time. It is a slow process, involving gradual changes one after another, working from one kind of business and slowly going into other kinds, until finally the man is raising several different kinds of crops and is selling some milk and some butter and some eggs and some pork. I think the thousand dollars may as well be put in the middle of the street. It will not get him anywhere.

I notice that the loan is to be a lien on the livestock which the Government is to purchase for the farmer and on the natural increase of the livestock. Suppose the farmer bought a flock of hens, and the hens hatched out some little chickens, not one of those little chickens can be sold until it is released from the lien, no matter if they are only half as big as a man's fist.

Mr. DILL. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Washington?

Mr. WADSWORTH. I yield.

Mr. DILL. The Senator assumes that because we propose to help the farmers to enter upon diversified farming they would change their entire business and prepare to do nothing but the dairying business. He speaks of a silo and 20 cows and new barns. The Senator must know that just because it is proposed to have diversified farming is no reason why a man must give up all his other work.

Mr. WADSWORTH. I did not say that.

Mr. DILL. His argument against that was based on that theory.

Mr. WADSWORTH. I think not. I may have misstated my argument, but I certainly did not intend to have it based on that theory.

Mr. DILL. Does not the Senator think that a thousand dollars to a man who has no money with which to buy pigs and cattle would help give him a start, would help him start his process of changing, which the Senator says will take a few years?

Mr. WADSWORTH. I honestly believe, and I understand the bill is confined largely to the wheat-growing areas where the acreage is very large, that if the Government wants to stake a farmer in that country in such a way that he may become a diversified farmer or engage in diversified farming within any reasonably short period, it had better loan him $10,000 than $1,000.

Mr. DILL. Of course, the Senator said it would take several years to do this.

Mr. WADSWORTH. Yes; even with the $10,000 loan.

Mr. DILL. Of course, $10,000 would start him on another kind of business than farming. I thought the purpose of the bill was simply to assist him gradually to change from being a purely wheat farmer to doing some other things that would bring more income and would tend to diversify his farming activities.

Mr. WADSWORTH. If the bill were just a starter for annual bills of this sort at $1,000 per year, perhaps I might agree with the Senator.

Mr. DILL. I speak of this because the Senator knows that in the Eastern States the farmers have a few pigs, a few sheep, a few cows, and they raise some wheat and some oats, and in no case scarcely through the Middle West do they have a dairy farm and dairy barns.

Mr. WADSWORTH. I am speaking of the bigger ones.

Mr. DILL. But in the far West they raise nothing but wheat, and they are to-day in a condition that they can not even begin the operation of having a little stock and gradually working into diversified farming. I ask the Senator from that viewpoint whether he does not think there is some merit in the bill.

Mr. WADSWORTH. I think the object of the bill is meritorious, but I think the bill will accomplish nothing.

Mr. KENDRICK. Mr. President——

Mr. WADSWORTH. I will yield to the Senator in just a moment. The Senator from Washington spoke of the farmers of the East, and I assume he includes in that everything east of the Mississippi and quite a little west of the Mississippi that are diversified farms. The process of becoming diversified farmers must come through the slow process of the years. The country in which I live raised nothing but wheat 100 years ago. Through the slow process of the years it now raises or produces 15 or 20 or 30 articles. The farmers have done it, as experience has taught them, a little bit now and a little bit next year and a little bit the year after. But to think that this $1,000 loan will transform anything over any great extent of territory is to confine one's faith to a very slender reed. I promised to yield to the Senator from Wyoming, and I now do so.

Mr. KENDRICK. I want to ask the Senator, who is not only a practical but a successful farmer, if he were to recommend a change from the one-crop system to diversified farming, whether he would not in the natural order of things recommend a gradual change?

Mr. WADSWORTH. Yes; a very gradual one.

Mr. KENDRICK. Such as he has apparently been inclined to ridicule.

Mr. WADSWORTH. No; I did not ridicule a gradual change. I ridiculed any attempt at an abrupt change and say that it is impossible.

Mr. KENDRICK. On the other hand, the Senator pointed out that the amount of $1,000 would be entirely ineffective in making the gradual change.

Mr. WADSWORTH. I think so.

Mr. KENDRICK. I believe the Senator will agree with me that a thousand dollars on the average size farm will fairly well stock that farm with both cattle and hogs, will he not?

Mr. WADSWORTH. What does the Senator mean by an average size farm—160 acres?

Mr. KENDRICK. Yes.

Mr. WADSWORTH. No; I do not. A thousand dollars will come nowhere near it. The farmer would not only have to stock his farm but would have to house the stock.

Mr. KENDRICK. It appears from the Senator's talk that we can not avoid the conclusion that he is viewing the question from the standpoint of the extensive farmer, rather than for the one of limited means, for whom benefits of this act are primarily intended. The information that comes to us is in effect that in many of the farm units there was diversified farming before the Government offered encouragement to go solely and entirely into wheat production.

Mr. WADSWORTH. That was a very unfortunate event.

Mr. KENDRICK. If that be true, there would be found already on the majority of the farms in the wheat-growing district outbuildings to meet the needs of the situation. Then the Senator must not overlook the fact that has been pointed out here that there should be a very great economic need for livestock on the farms in the producing of food and subsistence for the farmer and his family. That in itself would prove highly economical, because while they could live easily without the livestock, they can not live comfortably without it. My opinion right along has been that instead of making this amount $1,000 it should be limited to $500, and therefore make the change even more gradual from the one-crop system to diversified farming than will be done under the total of $1,000.

Mr. WADSWORTH. The Senator and I generally have pretty similar ideas about these problems, as I happen to know from conversation with him on many occasions.

Mr. BRUCE. Mr. President——

Mr. WADSWORTH. I will yield to the Senator from Maryland when I have answered the Senator from Wyoming. If this were to be an annual extension of credit thoroughly systematized and supervised with a degree of paternalism which the Senator from Wyoming never would permit on his ranch, nor I on mine, it might work out practically, but my contention is that merely the loan of $1,000 is not going to give these great farming regions any distinct advantage. Furthermore, as the Senator himself has suggested, more calamity than anything else would result from a state-wide or semination-wide attempt on the part of farmers to suddenly change the entire character of their business and endeavor to raise crops and produce articles with which they are not familiar.

As the Senator said, it is infinitely healthier, though it may be a little more painful in the beginning, but in the long run it is infinitely more healthy in its results if the change from one-crop farming into diversified farming is made gradually over a considerable term of years. The Government may some day think that it is worth while to take up and encourage that kind of transformation, and a transformation achieved after that fashion would be perhaps all right, but the bill pending before us apparently goes upon the assumption that by loaning $1,000 we are going to change the method of farming on thousands and thousands of farms in our great Northwest, and the Senator, I think, knows that it will not happen.

Mr. KENDRICK. I wanted to say to the Senator, and I call attention again to the fact in spite of his joke about the little chickens that it is presumable under the bill, and I believe it will prove practical in experience and results, that the money will be employed in the purchase of cattle, sheep, and swine on the farm. The Senator knows very well that even if the amount here appropriated and limited to $1,000 should be

small to begin with, the natural increase from this livestock would stock the farm in a very short time.

He is not overlooking the fact, I am sure, that the fund proposed to be provided here is not presupposed to increase the quantity of livestock in the country so tremendously in one or two years, but it is to be distributed over a period of three years, so that the whole process will be a gradual one. It is no doubt considered that all of this livestock can not very well be purchased and supplied in any one year. So I am sure that the plan of the proposed legislation is very much more sane and rational from the standpoint of the farmer and diversified farming than the Senator is allowing himself to believe.

Mr. BRUCE. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Maryland?

Mr. WADSWORTH. I yield.

Mr. BRUCE. Mr. President, I would like to ask the Senator from New York whether his attention has been particularly called to the extremely precarious nature of the security that is proposed to be given to the Government for the loans which are to be made under this bill. Among the other purposes for which money is to be loaned is that of purchasing chickens for the farmer. Of course, we all know that chickens are of a rather perambulatory nature and are likely to wander off from the premises to be destroyed by hawks or crows and sometimes merely to be hopelessly lost. Then, of course, chickens are likewise exposed to theft. There would always be a likelihood, too, that even if the chickens on which the Government reserved a lien escaped those dangers, they might be eaten by the borrower before it got back its loan on them or perhaps die of the pip. Personally, I could not conceive of any object on which it would be more difficult to obtain anything in the nature of such a substantial lien as this bill contemplates than a chicken.

I would like to ask the Senator from New York another question. Has he stopped to think how far assistance of this kind, if rendered to the farmer, is likely to work demoralization in his industrial character? We all know that our old southern slave conditions had their strong as well as their weak side. They created a pure and delightful society, they produced many noble men and women, and they contributed many great men to the political and military history of this country; but, of course, the fatal infirmity, economically speaking, of the old southern society was that slavery sapped the principle of self-help, which is another way of saying that it aimed a destructive blow at industrial thrift. Under the institution of slavery it was entirely too easy for the master to have some squalid negro man or slatternly negro woman to do something for him that it would have been well for him to do for himself with the consequent disciplinary effect. Happily, the present economic structure of the South is being built up with splendid success on entirely different foundations.

Now, will not the inevitable tendency of such loans as are proposed under this bill be to produce just such economic results as were produced at the South by slavery? Will not the habit of relying on the Government for things for which men should rely upon themselves only become more and more a settled habit, until we shall find very much the same ruin to character worked in this country that was worked in England by the indiscriminate practice of government poor relief?

I ask the Senator from New York whether these two points have occurred to him?

Mr. WADSWORTH. Mr. President, I shall first touch very briefly on the second question which has been asked by the Senator from Maryland. There is no doubt about what paternalism in government leads to. Everyone knows that it leads a people to a state of dependency. Of course, emergencies do arise and overtake industrious human beings from time to time which only the Government can meet. I think there are occasions when the Government is justified in taking paternal action, but, generally speaking, it is a dangerous experiment. It is very popular sometimes at the outset, but the imposition of a paternal government operated by a large bureaucracy inevitably becomes very burdensome on the people. I have thought on a good many occasions in recent years that we are slowly transforming the Federal Government at Washington into a huge, top-heavy bureaucracy, manned by thousands and thousands of persons about whom no one knows anything, who are remote and mysterious and irresponsible, who are armed with some little power through which by the stroke of a pen they may regulate the acts of some family living 1,000 miles or 2,000 miles from Washington. I wish we could halt that tendency. I have cried out against it on a good many occasions, but with very little success. I have been accused upon some occasions of being an "old-fashioned Democrat" in that regard. I find myself very lonely even in that category.

The question raised by the Senator from Maryland is well worthy of our consideration, not so much, perhaps, in connection with this especial bill, but in connection with the general tendency of legislation to-day. Now as to his first question——

Mr. KING. Mr. President, before the Senator leaves that subject may I interrupt him?

Mr. WADSWORTH. I should like to answer the question of the Senator from Maryland.

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Utah?

Mr. WADSWORTH. Very well, I yield.

Mr. KING. The Senator stated that he believed perhaps some conditions might arise which would justify paternalism.

Mr. WADSWORTH. Temporary in character.

Mr. KING. Of course, the Senator means that the paternalistic undertaking must not be unconstitutional?

Mr. WADSWORTH. Oh, no; I am assuming that we will obey the Constitution.

Mr. KING. And the Senator, of course, with his splendid mind and his fine ability, appreciates the fact that we have a dual form of Government; that the States may do things which are forbidden to the Federal Government; that a thing paternalistic in character might be done by a State and there would be no State inhibition against it, but the same act would not be within the power and the authority of the Federal Government. I am sure the Senator will assent to that.

Mr. WADSWORTH. The Senator from Utah is correct.

Mr. KING. Now the Senator, of course, must agree with me, because he is an "old-fashioned Democrat" and believes in our form of Government, that it is not within the power of the Federal Government to lay its heavy hand of taxation upon the Senator from New York because he is thrifty and prosperous and has ability, in order to recoup my losses because of my lack of ability or my lack of thrift or even because of my misfortune. It is more than paternalism, it seems to me—and I ask the Senator if he does not assent to that view?—to invoke the taxing power of the Government to take from those who have in order to put money into the pockets of those who have not.

Mr. WADSWORTH. Mr. President, I do not know that I can answer that observation in a sentence, and I shall not attempt to do so at this time. Of course, I live under the impression that dollars must be earned, and that even though we start out by lending a dollar to the people who need the loan sooner or later that dollar must be earned and repaid. That is the only honest mode of life, and the only sane system of finance in the conduct of a government.

Mr. President, the remarks of the Senator from Maryland in regard to chickens has to do with this very question of paternalism and bureaucracy. If really the Government is to take a lien not only on livestock which it purchases for the farmer but upon their natural increase, it will inevitably compel the employment of thousands of inspectors to go all over these vast regions to count the calves and the little pigs and the little chickens; otherwise this language is not worth the paper on which it is written as providing any kind of security to the Government.

Mr. COUZENS. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Michigan?

Mr. WADSWORTH. I yield.

Mr. COUZENS. Is not the Senator drawing the picture rather large? Is it not a fact that that provision being in the act itself might be taken as an indication of the belief that the farmer who borrows the money is honest and that the Government is relying upon his honesty in recognizing that there is a lien on the property? In other words, I do not think we need to draw an act that presupposes that we can not rely upon the integrity of the farmers of the country.

Mr. WADSWORTH. I only know that the Government does not trust people so implicitly in other walks of life. It does not trust the taxpayer.

Mr. COUZENS. Oh, yes.

Mr. WADSWORTH. Oh, no; the Government does not trust the income-tax payer. It examines his return with the greatest of care to determine if he has been guilty of any omission, and it sends agents to his home or office to examine his books.

Mr. COUZENS. Is that true in the case of every one of the taxpayers?

Mr. WADSWORTH. It is true in the case of everyone where there is the slightest evidence or suspicion that something has been left out.

Mr. COUZENS. They will do that in the case of the farmer where there is prima facie evidence that the farmer has not lived up to the intent of his borrowing.

Mr. WADSWORTH. Yes; that is true, but it will take a great many thousand employees to do it. Mind you, this is going to apply to millions of people. This act is intended to apply not only to the wheat area, as I understand, but to the rest of the country. Another $25,000,000 was put in the bill in the committee just for good measure, to cover all the parts of the country not covered by the first $50,000,000. I think I am right in that.

Mr. COUZENS. That is true; but the man takes the risk of going to jail for violating the act, and I do not believe that any man is going to take all the chances that he would take if there was no lien upon his property.

Mr. WADSWORTH. That is true in the case of every statute practically—the citizen takes the chance of going to jail—but I notice that the Government always employs a sufficient number of inspectors to see that the statutes are enforced; in other words, it does not leave it, in the first instance, to the people who are to live under the law, but it proceeds to find out whether the law is being obeyed. I have in mind certain existing laws which seem to be violated somewhat wholesale, and the Government still goes on trying to stop it. But, Mr. President, I honestly believe that the overhead charge necessary to carry out a measure of this sort in the way provided by this bill will be so heavy that it will tend to defeat the very purposes of the measure; in addition to which I think a loan of a thousand dollars, as provided in this act, will not accomplish what the sponsors of the bill hope to accomplish by the legislation.

I had not expected to discuss the body of the bill itself, but to confine myself to the amendment suggested by the Senator from Georgia, which, to my mind, if adopted as an amendment to the bill, will make it so much the worse.

Mr. NORRIS. Mr. President, I did not expect to take the time of the Senate on this bill until I saw what course it was taking and listened to some of the objections that were being made. Then I had hastily prepared a chart which is hanging on the wall here, and which I am going to use in the argument I shall make.

I am the chairman of the committee that reported this bill. I started in on the hearings, which extended over a considerable length of time, opposed to the bill. I did not believe that we ought to enact the kind of legislation that is provided in this bill. I feel, therefore, that having started in opposed to the bill, and having come out of the hearings in favor of the bill, perhaps the same feeling applies to most other Senators.

This is one occasion when I wish every Senator could be here and hear what I have to say, not because of any ability that I possess, not because of any wisdom of mine, not because of any superior judgment of my own, but because I am probably the only Senator in the Chamber who has heard all the testimony that has been offered in favor of this bill; and I can not conceive how other Senators can reach a different conclusion than I reached or fail to be influenced in the same way that I was influenced. Therefore I am deeply interested and exceedingly anxious that Senators should look not upon the proposition now before us in an attitude of ridicule or derision.

Let me say in addition to what I have said that if this bill is enacted into law not one dollar of the money will go into the State that I have the honor in part to represent in this Chamber, so that I can not be moved by any selfish interest. In fact, those of us coming from other agricultural localities than the one that will be somewhat benefited by the enactment of this legislation have been subject to censure from our own constituents, because there is a depression in agriculture everywhere. My State and your State and every State where there is any agriculture to speak of are in a very depressed condition, and all agriculturists and farmers are asking for various kinds of legislation and measures that in their judgment will bring about relief.

This bill is not intended to affect the general agricultural situation of the country. If it is enacted into law, it will apply only to Montana, North Dakota, South Dakota, and Minnesota. There may be some other sections and some other localities that will be affected by it; but after listening for many days to the evidence in this matter I reached the conclusion that there were no other localities in the country where there were farmers who could qualify under the provisions of this bill.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Utah?

Mr. NORRIS. I yield.

Mr. KING. I am advised that an amendment was offered calling for an additional $25,000,000, the language of that amendment being so broad and comprehensive as to be interpreted, as I understand, to apply to any part of the United States where the agriculturist may suffer.

Mr. NORRIS. The Senator is right. I was speaking of the bill without the amendments of the committee, and without any of the pending amendments. I am opposed to every one of these amendments. I am opposed to the committee amendments, not because those in favor of those amendments are not moved by the very highest of motives, but because when we start in on a proposition of this kind if we subject it to amendment from every agricultural locality where they are in a depressed financial condition we shall have, before we get through, an omnibus bill that will overwhelm us and the country, too.

We decided in the Agricultural Committee that the wheat farmers in these particular localities—not all of them in those localities, but the wheat farmers in the particular localities that I have mentioned—had made a case, showing that there was something very materially different in their localities and that that difference had come about through the action of the Government itself during the war. That is what won me over to the farmers up in that locality.

Now let me call the attention of Senators to this chart. The chart represents North Dakota. The same argument will apply to Montana, to the north half of South Dakota, and to the west half of Minnesota.

Mr. McLEAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Connecticut?

Mr. NORRIS. I yield to the Senator.

Mr. McLEAN. Before the Senator directs the attention of the Senate to his chart, I should like to call his attention to a statement which he made in his opening remarks to the effect that this appropriation of $50,000,000 would not apply to more than two or three or four States in the Union. My understanding is that the purpose of the bill is to encourage a diversity of farm products.

Mr. NORRIS. Yes.

Mr. McLEAN. And the industry that I have heard mentioned most prominently is the dairy industry. I call the attention of the Senator to the fact that thousands of dairy farms in New England have been abandoned within the last 10 years because dairying there has proved to be unprofitable; and I am wondering if there is any provision in the bill whereby the New England farmers who have experimented with dairying until they have found it unprofitable can be encouraged to diversify their products?

Mr. NORRIS. No; there is not any such provision in the bill.

Mr. McLEAN. Does not the Senator think that farmers in the East who have experimented with dairying, and have found out that there is great overproduction——

Mr. NORRIS. They have not found that out, Mr. President. There is where the Senator is making a statement that will not be borne out by the statistics. That has not been found out. There is not an overproduction in this country.

Mr. McLEAN. I think I am familiar with the figures. There has been some importation of dairy products within the last year, I think amounting to 500,000,000 pounds, or something of that sort; but I think the Senator will find, when he inquires into the character of those importations, that it still follows that milk and butter can not be produced in many sections of New England at a profit at the present time.

Mr. NORRIS. No; and I can tell the Senator a place in Washington where they can not be produced at a profit. I presume if you paid $30,000 for a few feet at one corner of the Capitol here you could not produce milk and butter there at a price that would enable you to make a return on the investment; but, laying it down as a general proposition, there is no overproduction. There has been, rather, an underconsumption in the world of dairy products, and we can not do any better work than to increase it if we can.

We had before us, on this very proposition that the Senator has mentioned, the dairy farmer. He is hard up, too. He has not been making much more than a living, but he has been making a living.

Mr. McLEAN. Mr. President——

Mr. NORRIS. Let me answer the first question that the Senator took 15 minutes to ask. Let me have five minutes to answer it, and then he can ask another one. We had that dairy farmer before us, and without exception every one of those dairy farmers said: "We are not afraid of overproduction in the dairy business. Get your fellows up in the Northwest into the dairy business and into the hog business. It will not hurt us. There is room for all of us."

Mr. McLEAN. That is necessarily so, because your market would be far west of ours.

Mr. NORRIS. Well, if in 10 or 15 years from now the dairy business, for instance, is very much increased in North Dakota, part of their market will be Europe. There is not any

doubt about that, and there will be a very great market over there when the people of Europe get on their feet and commence to eat.

Mr. WALSH of Montana. Mr. President——

Mr. McLEAN. The Senator's reply to my statement that a good many dairy farmers in the East have gone out of business I think was hardly a proper one. He stated that if a man paid $30,000 for a little piece of land the chances are that his dairy would fail. I want to call his attention to the fact that the farmers who have gone out of business in the East have been the small farmers, and it is only the larger producers who have been able to continue in business.

Mr. NORRIS. There are places in the East where there ought to be no dairying. There are such places in the West; and there is not any doubt that the man who starts a dairy farm where conditions are such that cattle can not be raised or kept under reasonable conditions and circumstances will make a failure at it, or, at best, will not get rich at it.

Mr. McLEAN. Mr. President, does the Senator think that North Dakota is more favorably situated than New England?

Mr. NORRIS. Some parts of it. There are some places in New England that are not as favorable as some parts of North Dakota.

Mr. McLEAN. Take the States of Massachusetts and Connecticut, for instance. Does the Senator think that the chemical composition of the soil in North Dakota and the uncertain rainfall there give it an advantage over Connecticut and Massachusetts?

Mr. NORRIS. Not as a whole, no; I would not say that. But the Senator would not claim, either, that the amount of money invested by the farmer in his farm around Boston or Springfield, or anywhere between them, would compare with the amount that is invested in the farms in North Dakota.

Mr. McLEAN. The Senator means that there is a smaller investment in New England than in North Dakota?

Mr. NORRIS. The Senator can take it that way if he wants to.

Mr. McLEAN. That is the fact.

Mr. NORRIS. There are also a good many of the dairy farms in Connecticut and in Massachusetts and in Vermont that are owned and operated by men who are millionaires, living in their offices in town, or who are Members of the Senate, and they do not give their individual attention to the work. They hire all of it done. They employ men for everything that is done. If the man in North Dakota worked on that basis and had to hire everything that was done and did not do any work himself, and no member of his family did any work, he would be in the poorhouse in 24 hours. He could not live at all.

Mr. McLEAN. But those are not the farms that are being abandoned. The few wealthy men who own farms manage to stand the loss. It is the small farmers who are going out of business.

Mr. NORRIS. The wealthy fellow, in one way or another, has gotten the farm away from the poor fellow.

Mr. McLEAN. Because he can afford to stand the loss if necessary.

Mr. NORRIS. Yes; and, of course, the poor man can not compete with him, because he can not stand the loss.

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Montana?

Mr. NORRIS. I should like to proceed if I can, but, of course, I will yield.

Mr. McLEAN. If the Senator will permit me——

Mr. NORRIS. I do not have to yield, because nobody asks me to yield; they just go ahead.

Mr. McLEAN. This proposal is, Mr. President, to give to the Secretary of Agriculture $50,000,000——

Mr. NORRIS. Mr. President, I want to stop the Senator right there. In the midst of my explanation, when I am about to explain this chart, he starts out to make an argument as to what this bill is. I was only half through trying to tell what it is; I had hardly commenced to state what the bill is, and the Senator takes me off my feet now in order that he may tell what the bill is. When I get through he will have all night and all of to-morrow and next week to tell what the bill is. I do not want somebody else to put into my mouth what my idea of this bill is; and, with due respect to my friend from Connecticut, I think I know more about this bill than he does.

Mr. McLEAN. I think that is so.

Mr. NORRIS. Will not the Senator let me proceed and explain this chart?

Mr. McLEAN. No; I am going to apologize to the Senator, and then I am going to ask him to permit me to answer his last proposal, because he has not begun on his chart yet, and he knows it.

Mr. NORRIS. No; but I was just about to begin.

Mr. McLEAN. The Senator will have plenty of time.

Mr. NORRIS. I do not think Senators ought to take half an hour of time when I am starting on a proposition, when they can just as well do it in their own time.

Mr. McLEAN. I am sorry the Senator is so sensitive.

The PRESIDING OFFICER. The Senator from Montana [Mr. WALSH] has been trying for some time, in a respectful way, to get permission to interrupt the Senator from Nebraska.

Mr. NORRIS. I yield to the Senator from Montana.

Mr. WALSH of Montana. With the kindness of the Senator from Nebraska, the Senator from Connecticut seems to be apprehensive about overproduction of dairy products. I would like to say for his information that last year there were produced at Miles City, Mont., about a million pounds of butter, a very considerable portion of which was sold in the Orient, in China, Japan, and the Philippine Islands; so that is a field in which the opportunities for expansion are indefinite.

Mr. McLEAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield for an interruption of the Senator from Montana by the Senator from Connecticut?

Mr. NORRIS. I yield.

Mr. McLEAN. I would assume, from the statement of the Senator from Montana, that they are producing more butter and milk in Montana than they consume in that State, and that they have a large export.

Mr. WALSH of Montana. That is quite right.

Mr. McLEAN. Does the Senator think it advisable, then, to give $50,000,000 to the Secretary of Agriculture to be used by him for the express purpose of repairing the capital of farmers in North Dakota, so that they can compete with Montana?

Mr. WALSH of Montana. I think the Senator from Nebraska will be able to answer that question better than I can.

Mr. McLEAN. He will not answer my question; I did not know but that the Senator from Montana would.

Mr. WALSH of Montana. I rose only because the Senator from Connecticut seemed to be opposing this bill upon the ground that there is already an overproduction of dairy products, and that therefore this legislation is inadvisable.

Mr. McLEAN. The Senator admits that there is a large exportation and, of course, the export price will control the domestic price, and consequently the farmers will have to do business at a loss.

Mr. WALSH of Montana. What is the difference whether it is sold abroad or at home?

Mr. McLEAN. Because if they sell it abroad they have to get the price that will be given abroad.

Mr. WALSH of Montana. Exactly; and if they did not get a better price abroad they would sell at home. So that we are able to produce butter in Montana and sell it at a low price. The Senator is objecting to this bill on the ground that there is already an overproduction of dairy products.

Mr. NORRIS. Mr. President, as a matter of fact, there is an underproduction of dairy products and a wonderfully increasing consumption of dairy products. The figures as to the consumption per capita are fully given in the report on the bill. As I remember them the per capita consumption in this country is very low compared with the per capita consumption in other countries of the world, and is capable of being wonderfully increased, and ought to be increased.

Mr. FESS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Ohio?

Mr. NORRIS. Yes; I yield to the Senator from Ohio.

Mr. FESS. I have the report to which the Senator refers. In 1918 the per capita consumption was 37.4 pounds. In 1923 it was 50.5 pounds. So it increased from 37.4 to 50.5 in five years.

Mr. BRUCE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Maryland?

Mr. NORRIS. I yield.

Mr. BRUCE. I merely want to ask one question, and then I shall not interrupt the Senator any more. He was about to speak of North Dakota. I thought I would give him an opportunity to reconcile some statements that have been brought to my attention with what he seems to think of the present plight of North Dakota. I quote the Minneapolis Sentinel of December 20, 1923. In that paper it is stated that the per capita savings deposits in North Dakota in 1922 were

$150 and in 1923, $159, an increase of $9 per capita. It is also stated, as to the total ordinary savings deposits, that on June 30, 1922, the total savings deposits of North Dakota were $9,481,000, and on June 30, 1923, $11,708,000. It also states that in 1923—and perhaps the Senator from Nebraska will deem this an indication of adversity rather than prosperity—there was an increase in the number of automobiles in North Dakota of 10,000 cars. If there is any truth in these statements, coming from what I assume to be a responsible journal, I would be glad to have the Senator reconcile these statements as he goes along with the view he takes of the present unhappy condition of the farmers of North Dakota.

Mr. NORRIS. It is not necessary to reconcile them. I do not know whether those statements are true or not. As far as I know, they may be true. I hope the savings deposits are increasing. But I do not know just what that has to do with the particular proposition before us. It may be true that a good many people in North Dakota have made money. Perhaps some of them made it as profiteers in the war or subsequent to the war. Perhaps some of them made money out of the very farmer who would be relieved by this kind of legislation; I do not know. I shall not argue the proposition. But, as I look at it, it is no argument against this legislation to say that a lot of fellows in North Dakota have automobiles. I do not doubt but that a good many fellows up there have automobiles who should not have them; and I run an awful chance when I say that, because I am likely to incur the hostility of Mr. Ford. But I do not think that ought to be urged as a reason why this kind of legislation should not be passed.

If we have the truth in the hearings, from professors of colleges, from representative farmers, from farm agents in the various counties, from the State farm officials in the States which will get this money if we pass the legislation; yes, and the local bankers, the large bankers, the business men, the manufacturers, where there are manufacturers, then undoubtedly this legislation should be passed. In the State of Montana there is a State-wide organization composed of bankers, manufacturers, business men, dry-goods men, grocers, with all kinds of business represented, as well as farmers. They know that the prosperity of their State, of the businesses in which they are engaged, depends upon the prosperity of the farmer after all. They realize that these things I am going to describe from this map have been taking place all over the great Northwest, and that it is because of that condition that these farmers are at the doors of Congress asking for this relief.

Now I shall discuss North Dakota; and this chart I have is official. It is drawn correctly according to scale. I have had it enlarged for our benefit. It was known in North Dakota before the war that the farmers of North Dakota had to diversify. The yield of wheat was getting less and less. Farms were growing up to weeds. When your produce one crop like wheat, which is not cultivated, year after year, and produce nothing else, you will get the soil filled with seeds of various kinds of noxious weeds, which will interfere with your wheat crop The wise men of North Dakota knew that they had to quit raising wheat alone, that they had to diversify, and the professors in the colleges, the bankers, the representative farmers in their organizations, all commenced to discuss it, and in 1911 they commenced to practice diversification. They went into it earnestly. They were in fair shape financially then. The farmer could diversify then without asking anybody to help him. So, in 1911, they started out to produce less wheat and more stock.

This perpendicular line at the left of the chart represents the year 1911, when they commenced the diversification program. This line represents the production of wheat in North Dakota. It was up here at this point near the top of the map in 1911. Systematically they started this program of education over the State of North Dakota, with the result that in 1917 it had been reduced down to this point. They had reduced it one-tenth from 1911 to 1917.

Let me pause here to say that you can not do this kind of a job over night. You can not diversify in one year or two years or three years. You can not go into the wheat business, and produce nothing but wheat, and stop all at once and raise hogs. That is a physical impossibility; it can not be done.

The farmers out there had done wonderful work in starting to diversify. Let us see what they had done with corn. When they want to produce hogs they raise corn, if the climate will permit it. Here was corn in 1911, clear down at the bottom of the map. It took an upward stride until 1917, when it reached up to this point in the center of the map, making a rapid advance in the production of hogs. In the hearings we had the number stated. It is all worked out there. That related to corn.

The production of hogs was down at this point on the map in 1911. In furtherance of the program of diversification, they commenced to increase the number of hogs raised, until in 1917, at the beginning of the war period, which I have marked here, it had reached this point in the central part of the map, making wonderful progress in the increased hog production in the State of North Dakota.

This line represents milch cows. They start down here in 1911, and while the number did not increase as rapidly as did the number of other cattle, or of hogs or corn, they did increase quite rapidly and reached this point on the map in 1917.

This line represents other cattle, consisting of all kinds of cattle outside of milch cows, starting at this point and running up rapidly.

So during these years, from 1911 until 1917, we have wheat going down, hogs going up, corn going up, milch cows going up, and other cattle going up. In other words, the plan of diversification was working almost perfectly, and we find that in 1917, when we went into the war, North Dakota was in a fairly good condition as far as diversification was concerned. She had learned her lesson before that time. That was true to a great extent of the other States, but I am using this only as an example. They had learned their lesson. They knew they had to go out of the wheat business to a great extent. They knew that before we went into the war.

What happened in 1917? We went into the war, and Senators know then what happened. Out from Washington into every locality in the United States went the propaganda, paid for by taxation, "Raise more wheat. Raise wheat. Raise wheat." That was the slogan, "Feed the soldiers. You can win the war by raising food. Raise wheat. Produce more bread, more wheat." These fellows answered that slogan. These men answered that proposition.

What did it mean to them? Just think of it for a moment. They had to some extent quit raising wheat. They had erected sheds for cattle and for hogs. They had put their money into cattle and hogs and cows and corn. They had the implements necessary for use on a farm in producing crops in the diversified way I have outlined. They had given up their binders and their other machinery to a large extent, necessary where men are doing nothing but producing wheat. They had been diversifying. They had put themselves in a fairly prosperous condition when we went into the war, and in answer to our cry, in answer to our Government, from a patriotic motive, these men just reversed the whole system.

Mr. DIAL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from South Carolina?

Mr. NORRIS. I yield.

Mr. DIAL. Of course they expected a better price for their wheat, did they not?

Mr. NORRIS. They did not get it, if they expected it. We told them that they would get a good price for it, but what we really did was to reduce their price. When we fixed the price of wheat at $2.20 a bushel in Chicago, it was selling for over $3. The North Dakota man's wheat was on the market that very day, selling for $3, I understand.

But, Mr. President, the farmer up there is not complaining about that and I do not want to put that in the argument.

Mr. DIAL. But he did not have to sell if he did not want to.

Mr. NORRIS. Oh, no. Of course the farmer does not have to plant wheat. He does not have to raise hogs or cows or anything. He can just go out on the prairie and sit down and starve to death if he wants to. He did not have to do anything. He is now surrounded by a condition where there is only one thing he can do. He did not have to answer the patriotic cry of his country, either. He did not have to go into the wheat business, either, but he did. We asked him to do it. We sent men all through the country making speeches everywhere. We devised all kinds of schemes to increase the production of wheat. We said it was a patriotic duty. We would have called him pro-German if he had not done it, and every one of those men in answer to that cry went into the wheat business again when they were trying to get out.

Mr. ROBINSON. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Arkansas?

Mr. NORRIS. I yield.

Mr. ROBINSON. The Senator has stated that the farmers in the section of the country of which he is speaking realized before the war the necessity for diversification and that they had adopted a plan or policy which had resulted in greatly reducing the quantity of wheat which they produced and in correspondingly increasing the quantity of livestock and other products than wheat, but that as a result of the appeal issued by the Government when we entered the war to farmers to

produce all the wheat possible to feed the soldiers, they reversed the policy which they had adopted of diversification and went back to producing wheat in increased quantities again. Can the Senator say, as to the end of the war period and at present, what relation the quantity of wheat grown bore to the quantity grown when the appeal was made to stop diversifying and grow wheat? How far did the reaction proceed?

Mr. NORRIS. I have tried to illustrate it, I will say to the Senator from Arkansas, by the map which I am about to explain. That, I think, will give to the Senate at a glance an idea of just what did happen. I have traced it to the line which represents 1917. That is when the cry "Raise more wheat" went forth. This is the way they answered the cry. Here we find wheat down to this point. [Indicating.]

Mr. WALSH of Montana. Will the Senator tell us the highest point from which it descended?

Mr. NORRIS. Something over 9,000,000 acres.

Mr. WALSH of Montana. In what year?

Mr. NORRIS. In 1911, and going down to a little less than 7,000,000 acres in 1917.

Mr. WALSH of Montana. That is, the farmer had been gradually going down?

Mr. NORRIS. Yes; gradually going down all that time.

Mr. WALSH of Montana. And going out of the wheat business.

Mr. NORRIS. Then he went up again and in answer to the demand of the Government. The farmers of North Dakota and the other States where they raised only wheat must have known that this demand was absolutely contrary to the policy which, after deliberation and study and advice, they decided to follow. They took a course just opposite to the one they had deliberately decided to follow when they were looking for diversification and increased prosperity.

Mr. FESS. Mr. President——

Mr. NORRIS. I yield to the Senator from Ohio.

Mr. FESS. On the matter of increase, Doctor Coulter made the statement that in North Dakota alone the increase was nearly 3,000,000 acres.

Mr. NORRIS. During what period of time?

Mr. FESS. During the period of the war.

Mr. NORRIS. That is the period I think I have reached on the map. Here were the farmers down to this point in production [indicating] when the cry went forth. Immediately they started to raising wheat. During the two years from 1917 to 1919 they went back again in wheat production clear up practically to the same point from which they started downward in 1911. What happened to corn while they were answering that cry of patriotic devotion to the country? Here was corn starting right down again. It traveled downward with about the same rapidity that it had traveled upward when they were following out their own inclinations based on business principles. What happened to milch cows? They did not decrease, but they did not increase. They held their own during that period. What happened to hogs? Hogs went down a little more rapidly than corn decreased during that period of intensified wheat production. Other cattle went down, not so rapidly, but still to a very perceptible degree.

What did that mean, Senators, to those men? What did that means to the farmers? Picture yourselves in that condition. From patriotic motives they reversed the entire agricultural program in those States, and now we find them in 1919 with the war over, and what is the condition? They thought when they started in that they would follow the demand of their country, that they would produce more wheat, as was demanded of them, and that when the war was over they could start down again on wheat and up again on the diversification program without any difficulty; but what did they find? First they lost money. Taking one year with another, it cost them more to produce their wheat than they got for it.

The Government itself held the price down. There is no question that if it had not been for the Government machinery wheat would have gone to $4 or $5 a bushel in Minneapolis and all over the country in the same proportion. But we know what happened. We know it was held down. It was kept down and the crop was increasing in regard to its production, and the result was that the farmer lost money.

Now, in 1919 not only had the farmers lost but the business men of North Dakota and to quite an extent the other States that I have mentioned—the western part of Minnesota, parts of South Dakota, and almost all of Montana—were in a very bad financial condition. How were the banks? I say this in no sense as a criticism of the banks, but the farmers could not borrow a dollar to buy another cow or hog or, as jokingly has been remarked here, even to buy an old hen or a young chicken or a dozen eggs. The banks with very few exceptions were absolutely closed to borrowers. It was good business to do it. Their deposits had gone down. Hence the farmers, mortgaged to the teeth when the war was over—and it had been won partially by their efforts and their sacrifices and their losses—found themselves paupers practically, with every bank door closed in their faces, unable to borrow a dollar in order to diversify.

They started again. One thing they could do, as will be seen from the map, was to raise corn. It would not cost much money to diversify for corn. Everybody knows that for a few dollars one can buy enough seed corn to plant, so see how rapidly corn went up. Cattle went up quite rapidly afterwards. Hogs were almost on a level since that time. The milch cows were a little bit better than hogs, but there was not very much of an increase. The increase in the diversified products came from men who will not get a dollar under the provisions of the bill. It is not the men who are able to perform their own diversification that the bill will help.

Does it not appeal to you now, Senators, when you put that picture in your minds, that we owe something to those fellows that we do not owe to the ordinary individuals? Do you not realize that those men, starting out to make their country and their homes prosperous and happy in 1911, embarked upon a diversification program and were carrying it out almost to perfection? Then the war came on. We voted the war. Senators sitting within the sound of my voice voted for the war.

What did it mean to the North Dakota farmer whom we induced to go into the production of wheat, or to the Montana farmer, or any of those others who happened to put in that one crop? We did not think at the close of the war that he was going to be confronted with the condition that did confront him. He did not think so himself, but the facts are that he was thus confronted, and he was at the end of his string and absolutely helpless, made so because he patriotically responded to the call of his country. I do not see how we can get away from it.

Senators laugh at the idea of diversifying by giving a man a thousand dollars to do it. I am sorry the Senator from New York [Mr. WADSWORTH] is not in the Chamber just at this moment, but I will say for his benefit that all the testimony produced before the committee indicated that there would not be any such thing as a thousand dollars loaned to the ordinary farmer. That is the extreme limit. The Senator thinks a thousand dollars will not be a drop in the bucket, but in my judgment when the provisions of the bill are put into effect the average loan will not be more than $600. There will be very few farmers who will get a thousand dollars under the bill. We know that diversification can not be brought about in 24 hours. We know that even if we pass the bill to provide for the $50,000,000, it will not repay those men for many of the losses and sacrifices that they made out there at our call and at the call of their country. We know it is not going to make them whole. It will not be a drop in the bucket for them. There are years ahead of them before they can diversify and put themselves on a prosperous basis up in that country.

Mr. ROBINSON. Mr. President, may I ask the Senator a question?

Mr. NORRIS. Certainly.

Mr. ROBINSON. Is it expected that this legislation and the loans contemplated by the bill shall be followed by other appropriations and loans through legislation by Congress in subsequent years?

Mr. NORRIS. No; I do not think so; at least there has been nothing of that kind developed in all the hearings.

Mr. ROBINSON. I will state to the Senator frankly why I asked the question. It was prompted by the statement which he had just concluded when I interrupted him, and that is that the sponsors for the legislation realize that it will not prove adequate to carry forward the work of diversification to any very great extent, and that when the remedies afforded by this bill have been applied and exhausted the diversification process will still be very far from complete.

Mr. NORRIS. Oh, yes, I think that is true; but we realize, in the first place, that it takes a great many years to diversify. The Senator from New York said that the first thing we ought to do is to give the farmer $10,000 to buy a herd of cattle; that he would have to put up a barn, and while he did not say so I presume it would follow that he would have to paint it red; that he would have to put up a lot of silos; that he would have to fence a lot of fields. Picture the enormous expense that it would be to carry it out. That would all be true; but the men who start to carry it out will never get that far. Their children may be able to do so, but it is going to take years. We have now a man, say, in North Dakota—and there are thou-

sands of them—living on a farm without a chicken, without a hog, without a cow. Why should we not let such men have money enough to pay for one cow, one hog, and even a dozen chickens?

Mr. GEORGE. Mr. President, may I ask the Senator a question?

Mr. NORRIS. I yield to the Senator from Georgia.

Mr. GEORGE. They may not be produced by the same causes, but the conditions which the Senator from Nebraska describes in North Dakota and other States in the wheat belt obtain in my section; indeed, in my own State and in other Southern States. The causes may not be the same—as a matter of fact, they are not—but the same conditions exist.

Mr. NORRIS. I think so.

Mr. GEORGE. But may I ask this question: It is contemplated, is it not, that the advances or loans which are proposed to be made by the Government are to be good, ordinary, safe business investments?

Mr. NORRIS. No; I do not think they are, I will say frankly to the Senator. I was coming to that after a while. As a matter of business, we would not be justified in passing this bill. As a banker or as a money loaner, if I were loaning this money out and expected to get it back, I would not consider this security ample.

Mr. GEORGE. That is what I desired to ask the Senator.

Mr. NORRIS. I am glad the Senator asked my opinion, for I might have forgotten that point, and I do not wish to deceive the Senate. I might as well touch on that subject right now.

Mr. KENDRICK. Mr. President——

Mr. NORRIS. Will the Senator allow me to proceed for just a moment?

Mr. KENDRICK. Certainly.

Mr. NORRIS. When I was interrupted I was speaking of farmers who did not have cows, who did not have pigs. Some of them have one, some of them have two; and if they have two or three, they will not get any of this money. However, we will say here is a farmer who went into the wheat business, who sold his hogs, who sold his cattle, who sold everything and bought machinery with which to produce wheat. That machinery is now no use to him. In a great many cases the farmer has pastures and some even have silos; but, as a rule, the men who will get this money do not have silos; they have not gotten that far; they have merely been raising wheat in order to help out Uncle Sam. Now, here is a man without a cow, let us say, living on 160 acres of land in North Dakota. Everybody knows that that is not the way to farm; that he ought to have a cow in order to supply milk and butter for his own family; but there are thousands of them who do not have a cow and who are raising nothing but wheat. That man wishes to get a cow. How is he going to get it? Where is he going to get it? He has lost money for three or four years on his wheat, and he has been unable to pay the taxes on his farm. The bank would not lend him enough money with which to buy cattle if he were able to give a thousand-dollar United States bond as security. It is not the question of security that governs the bank, but it is because the bank can not afford to loan a dollar to anybody; in many places the banks have closed. How is such a man going to get a cow? How is he going to get some chickens? And everyone ought to have some. How is he going to get a pig? There is not any place on earth for him to get a dollar with which to buy these things. The avenues for that purpose have all been closed. He did not anticipate such a condition when he responded to the call of his country and went to raising wheat to the exclusion of everything else, but that is his predicament now. We put him there to a great extent; not always it is true; I admit that; of course, what I have said can not apply to everyone, for some farmers in every community would make a failure under any kind of conditions.

Now, responding to the question which the Senator from Georgia asked me about the security, I desire to say that the bill provides that the security shall be a lien upon the stock which is purchased, and that is the only security which is required. Of course, every money lender knows that as a business proposition to take such security would not be good business; but we think it would not be unwise. We think that from the evidence, too, Senators, because there have appeared before us bankers, college men, and farm agents who have stated that they have made a survey from house to house in many counties, have interviewed every man who under any conditions could come under the bill, and they have brought the report that they will help the Government in every way possible, and will do it without a cent of pay. There will be committees in every community who will report to the Government; they will help in making the loans and seeing that the money is not placed in the hands of disreputable and dishonorable men. They are going to try to place the money with the farmers who have honestly gotten into this rut, for the reasons which I have briefly outlined to the Senate here to-day. If they do that, will the Government lose?

Mr. President some of the cattle and some of the hogs will die, and then the owner of the cattle perhaps will not have anything else, and the security will be gone. That will happen once in a while, but we run that risk.

Mr. KING. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Utah?

Mr. NORRIS. I will yield in just a moment. There will, however, be thousands, in fact, a larger percentage of these cattle, which will not die. The farmers will buy cows, from which they will raise calves and obtain milk and butter for their families in order to consume and to sell it. Eventually, out of the money which they get from the very things which they buy, they will pay the Government back every dollar which they receive. If they are honest, they will do so; and the majority of men are honest. There will be some who are honest, however, who will fail because, as I said, in some instances the livestock will die, and it will be impossible for us to get our money. Now I yield to the Senator from Utah.

Mr. KING. I ask for information, how much money was loaned by the Government, either directly through the Department of Agriculture or through the War Finance Corporation, to the farmers of North and South Dakota?

I desire to ask another question. How much of that money has been repaid to the Government, and what part of it will never be repaid?

My understanding is that the Government loaned a considerable sum for the purchase of seed in order that they might grow more wheat. I am advised at least 30 per cent of the sum loaned has not been paid and never will be paid. It is also true, as I am informed, that many loans made by the War Finance Corporation have not been paid and probably never will be paid.

Does not the Senator think that agriculturists, as well as many of the people of the United States engaged in other industries, are suffering from too much credit rather than from too little? The Senator from Minnesota [Mr. SHIPSTEAD] made an able speech some days ago in which he showed that the United States and the States and political subdivisions thereof, including the people, were owing between $120,000,000,000 and $130,000,000,000, a sum so great as to equal, perhaps, one-half of the value of all the property in the United States. Is it not a fact that we have been borrowing and loaning too much; that all classes, including farmers, have borrowed so heavily that the industrial life of the Nation has been affected and the people burdened by debts which are obstacles to prosperity?

Mr. NORRIS. Mr. President, the Senator's question is pretty long and I have forgotten the first part of it; but I think he answered the various questions as he went along.

Mr. KING. I hope I did to the satisfaction of the Senator from Nebraska.

Mr. NORRIS. In the main, the Senator did, I will say.

Mr. LADD. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from North Dakota?

Mr. NORRIS. Will the Senator let me answer the question of the Senator from Utah, unless the Senator from North Dakota has some statistics which were produced before our committee? I yield to him to present those figures, if he has them.

Mr. LADD. I wish to say, if the Senator will permit me, that I have here an official statement by States furnished to me this morning, showing the amount of seed loans, the percentage of the amount that has been recovered, and the amount which has been recovered since it became overdue. I should like to have the figures included in the RECORD, if there is no objection.

Mr. NORRIS. I will ask that they be read; I should like to have them read. They will answer the question which I was about to answer from memory. I have seen the figures but, of course, I do not have them before me at the present time. I ask that the Secretary may read the statement presented by the Senator from North Dakota.

The PRESIDING OFFICER. In the absence of objection, the Secretary will read as requested.

The principal legislative clerk read as follows:

Statement showing the amount of seed loans by States in 1921 and 1922, with the total collections and the percentage collected to November 24, 1923.

(Original amount loaned by States, amount of principal collected to November 24, 1923, and percentage of total collected to November 24, 1923.)

	1921 loan.			1922 loan.		
	Loans.	Collections.	Per cent.	Loans.	Collections.	Per cent.
Idaho	$95,331.00	$77,376.97	81.17	$24,684.50	$20,698.39	83.85
Montana	1,044,578.00	578,184.51	55.35	755,492.29	468,503.71	62.01
North Dakota	808,079.20	551,163.26	68.20	660,588.05	500,520.24	75.76
South Dakota				37,611.85	32,527.29	86.48
Washington	9,419.00	5,248.74	55.72	1,780.00	555.85	32.13
Total	1,957,407.20	1,211,973.48	61.92	1,480,106.69	1,022,805.48	69.10

Of the $1,211,973 of 1921 loans collected, $660,403 were paid in by June 15, 1922; $500,576 between June 16, 1922, and June 30, 1923; and $50,994 between June 1, 1923, and November 24, 1923.

In other words, more than $550,000 have been paid on the 1921 loans since June 16, 1922, most of this, of course, having been collected out of crops subsequent to the one on which the loan was made. Of the payments on the 1922 loan, $56,863 have been collected since July 1, 1923, most of which being paid out of proceeds of the 1923 crops.

Mr. KING. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from Utah?

Mr. NORRIS. Yes.

Mr. KING. May I inquire of the Senator from North Dakota whether this includes the loans made by the War Finance Corporation?

Mr. LADD. I have not those figures. These figures relate only to the seed loans.

Mr. NORRIS. I think we ought to bear in mind the fact that a loan made by the Government to buy seed wheat in a country where they are subject to drought, or where, for other reasons, the crop is uncertain, is not nearly so good a business proposition as a loan made on cows, for instance. If a loan is made to a farmer who lives in the semiarid country to buy seed wheat, and he purchases seed wheat and puts in a crop of wheat, dry weather or hail or some other thing may destroy the crop entirely, and he may not even get the seed back. In that case it would be difficult to get back the loan. In fact, it seems to me that if the farmer, when we wanted him to produce wheat, was willing to risk all his time and everything in an uncertain venture like that, and we had nothing in it but the seed wheat, he has lost more than we have. Yet, notwithstanding that, these percentages of payment on the seed loans run all the way from 55 to 87 per cent, and undoubtedly a great deal will still come in. There is money coming in all the time on them.

I think that kind of a loan is a much more dangerous proposition than loaning on livestock, because even the failure of a crop does not destroy the livestock. There will always be roughage enough on which they can get through.

Mr. KENDRICK. Mr. President——

Mr. NORRIS. I yield to the Senator from Wyoming.

Mr. KENDRICK. I wanted to remind the Senator that out in the West it has not been at all unusual for our banks to make loans on livestock that would cover the entire cost of a bunch of livestock, provided the purchaser was well supplied with feed to take care of them. This was done, among other times, when prices were high and uncertain. Surely, therefore, now that prices are down and more stabilized, we can well afford to give the plan our serious consideration; so that it does represent a fairly good form of security, and a fairly reasonable amount of security. But, Mr. President, I wanted to ask the Senator if he was a member of the Agricultural Committee that reported favorably a bill fixing the price of wheat during the war for the purpose of stimulating the production of wheat?

Mr. NORRIS. I was a member of the Agricultural Committee at the time that was done.

Mr. KENDRICK. The Senator recalls that the price was fixed according to the belief of every member of the committee at that time that the price would be the minimum price?

Mr. NORRIS. Yes; Mr. President.

Mr. KENDRICK. And the Senator understands that instead of the minimum price it proved to be the maximum price?

Mr. NORRIS. I think that amendment was put on the bill on the floor of the Senate. I have forgotten now, and I am speaking only from memory, and, as Senators know, it was several years ago; but, as I remember, I made a speech on the floor of the Senate in opposition to it, and I based my opposition on the ground that if we adopted the amendment we would find that in carrying it out the officials would make what we intended to be the minimum price, the fixed and only price, and that wheat would not go above it. I know I felt that way, and I think I expressed those sentiments on the floor of the Senate.

I have no disposition at this late day to say "I told you so;" but, as a matter of fact, the theory of the law was, when we passed it—and there is not any question about it; no one who was here then will deny it for a moment—that we were going to fix a minmum price for wheat in order to encourage the farmer to produce more wheat, and that when wheat got above that price we would let the law of supply and demand take its course. What actually did happen, as we all know, was that we organized this Grain Corporation and absolutely controlled the market for wheat and fixed the price. The price we fixed became the definite, fixed price, and wheat was selling here at the Government-fixed price when over in Italy and other parts of Europe it was selling for from $4 to over $5 a bushel. Wheat was selling for over $3 a bushel, as I remember, on the day when we fixed the minimum price, and all the farmers who had wheat lost the difference between the market price of their wheat and the fixed price that we established by law. In addition to that, the Grain Corporation went out into the world and not only controlled the price of wheat but sold it at a profit; and after paying large salaries and all other necessary paraphernalia connected with the Grain Corporation, all paid out of the wheat farmers' money, they made a net profit of something over $60,000,000, not a dollar of which ever went to a farmer who produced wheat. Mr. President, that profit alone, made by the operation of the wheat act that fixed the price of wheat to the farmer, was more money than is being asked in this bill to assist the wheat farmers to diversify their farming industries.

Mr. BROOKHART and Mr. KENDRICK addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Nebraska yield; and if so, to whom?

Mr. NORRIS. I yield first to the Senator from Wyoming, who has been on his feet for some time.

Mr. KENDRICK. I just wanted to ask the Senator if he did not consider this one act, and its effect upon the farming community, ample justification for this relief measure?

Mr. NORRIS. Yes; certainly it was justification for it.

I now yield to the Senator from Iowa.

Mr. BROOKHART. Mr. President, the Federal reserve system, according to the statement of about three months ago, has accumulated a surplus of $218,000,000, and it has put up $63,000,000 worth of buildings. I should like to ask the Senator if a large portion of those profits was not collected, at least indirectly, from the farmers of the United States?

Mr. NORRIS. Every farmer who paid any interest to a bank has made a contribution toward them. All the expense and all the profits of the Federal reserve banking system, of course, comes out of people who pay interest, whether they are farmers or business men.

Mr. BROOKHART. The steel trust is continuing with its great profits, and practically all the big combinations of capital are continuing to collect their great profits from the people of the United States. Is it not true that a large part of those profits are being paid by the farmers of the United States, at a time when they are on the verge of bankruptcy?

Mr. NORRIS. Yes, of course that is part of the farmers' expense. I do not think there is any doubt about that.

Mr. BROOKHART. Then, since the farmer is paying about 65 per cent more for everything he buys and is selling at about pre-war prices, and since this condition has been brought about by the tariff action of the Government, and the Government's Federal reserve system, and the Government Grain Corporation, and all that, would it not be fair to establish this relief for the farmer, and then to restore the excess-profits' tax to pay the expense if there is loss?

Mr. NORRIS. Mr. President, that would be fair if we could do it. I do not know any way in which it can be done, however; and I want to say for the farmer that the farmer is not here asking that he be paid what he lost. It would be fair to pay it if any way could be devised by which it could be done. I do not think there can be any doubt about that.

Mr. KING. Mr. President——

Mr. NORRIS. I yield to the Senator from Utah.

Mr. KING. I thank the Senator for his courtesy.

With reference to the statement made by the Senator concerning the fixing of the price of wheat during the war, my recollection is slightly different from the Senator's. The first suggestion made for the fixing of a price, as I now recall, emanated from the then junior Senator from North Dakota, Mr. Gronna; and the Senator, I am sure, will corroborate my recollection that Mr. Gronna suggested at that time, and others also urged the same policy that a price of $1.25 to $1.45 per bushel, be fixed by the Government in order that the farmer might obtain a higher price for his wheat than he was then obtaining. Strong opposition developed to that suggestion, which came from those who were supposedly representatives of the farmers; and my recollection now is that later the same Senator whose name I mentioned a moment ago asked that the price of wheat be fixed at $2.50, and finally it was fixed at $2.25 per bushel. I am speaking without having the matter brought to my attention since the legislation and may be guilty of inaccuracies. However, my recollection is that that legislation was initiated by representatives of the farmer, and was passed at the instance of farmers. Later, when prices increased, and when our allies overseas were greatly in need of grain, and when it was feared that they were about to collapse economically, the food-control organization as well as other organizations of the Government attempted to fix the price not only of grain but of copper and of other commodities produced in the United States and used by us and by our allies. I was one of those—and I think the Senator from Nebraska was, too—who did not approve of that legislation. I thought that it violated economic laws, and though it might be justified in war time, I felt that it would fail to accomplish the purpose for which it was designed.

Mr. SHIPSTEAD and Mr. DIAL addressed the Chair.

Mr. NORRIS. I will ask Senators not to interrupt me for a moment. I want to say just a word about the statement of the Senator from Utah.

I think what the Senator from Utah has said does not in effect contradict what I have myself said before. I have not claimed that this act or that act was justified or unjustified. I have only been giving what I believed to be the facts. Congress enacted with the very best of motives the law fixing the price of wheat. There is not any question about that. They did it to a great extent upon the demand of at least a portion of the farmers of America, and the argument was that we wanted to guarantee a certain price to the farmer who would plant wheat in order that if he produced it and the end of the war came before he could put it on the market he should not lose everything that he had invested in it. So we said, by the law: "We will guarantee that you will get a certain price if you will plant wheat. When it is harvested we will see that you are paid that much for it."

No one in Congress, as far as I know, wanted that price to be the maximum price, but we all know that that is the way in which the law was carried out by those who had charge of the administrative features of the law, and the price fixed became the maximum as well as the minimum price. Therefore, that being true, when the law of supply and demand would have put the price of wheat up to $3 the farmer who had the wheat could not get more than the price fixed by law because the price was absolutely controlled by the Grain Corporation, and even at the price at which they handled it they made enormous sums of money, not a dollar of which ever went into the pocket of a producer of a bushel of wheat.

Mr. SHIPSTEAD. Mr. President, will the Senator yield to me?

Mr. NORRIS. Yes.

Mr. SHIPSTEAD. Does the Senator know that at the time Congress fixed the price of wheat, in the spring of 1917, the price of wheat was $3.20 a bushel?

Mr. NORRIS. That is, at Minneapolis?

Mr. SHIPSTEAD. At Minneapolis.

Mr. NORRIS. Yes; I knew it was somewhere in that neighborhood. I have stated that, in effect.

Mr. SHIPSTEAD. If the Senator will give me a minute, I should like also to call to his attention the fact that one of the main arguments for fixing the price of wheat below the market price was in order to be able to supply our allies with food at a price they could afford to pay. It was also said that this was the maximum price. I do not know what Congress said, but I know the Grain Corporation said it was a maximum price.

Mr. NORRIS. It was, as far as the Grain Corporation was concerned. They made it so.

Mr. SHIPSTEAD. If the Senator will permit me, I happen to have very intimate knowledge of what took place, because I was raising wheat at the time.

Mr. NORRIS. Would the Senator just be willing to let me finish and then take the floor in his own right?

Mr. SHIPSTEAD. Certainly.

Mr. NORRIS. I am satisfied the Senate would be glad to hear the Senator, because I know he has knowledge of that subject, and I would like to conclude, if I can.

Mr. DIAL. Mr. President, there seems to be so much divergence of opinion as to the price of wheat that I would like to know what it was a short time previous to that.

Mr. NORRIS. I can not give that without looking it up.

Mr. GOODING. Will the Senator yield?

Mr. NORRIS. Yes; I yield.

Mr. GOODING. I would like to ask the Senator from Nebraska if the McNary bill, the bill we call the export bill, if passed, will not relieve the conditions of the wheat growers very generally all over the country?

Mr. NORRIS. I think it will, Mr. President; but I do not want to discuss that bill now. I am discussing the Norbeck bill.

Mr. GOODING. The point I want to make is, if that bill is passed, we will not need this bill at all, because all the wheat growers will be relieved, and not only a few in the Northwest.

Mr. NORRIS. The Senator perhaps is not aware that the bill that is pending is the Norbeck bill, the purpose of which is to have the Government loan money to certain classes of farmers to buy cattle and hogs.

Mr. GOODING. I am very familiar with the bill. I listened to the hearings on it for some days before the committee, and I regret that I can not support it. I would support the bill, however, if I found that the McNary bill could not pass. But I am satisfied that if the McNary bill is passed it will relieve the conditions of agriculture and the farmers will be able to buy chickens and cows with their own money. I am sure they would have a credit established to-morrow if the bill were passed to-day.

Mr. NORRIS. I hope Senators will not interrupt me now to make speeches on other bills. I am trying to conclude as quickly as possible. The McNary bill is not now before the Senate. I will discuss it when it gets before the Senate. It has nothing to do with this bill, as I look at it.

Mr. FESS. Will the Senator yield for a question that will take but a moment?

Mr. NORRIS. I yield.

Mr. FESS. Is it not a fact that when the Government undertakes the guarantee of a minimum price in practice that minimum price becomes the maximum price?

Mr. NORRIS. That happened.

Mr. FESS. Is it not economically true that it will happen?

Mr. NORRIS. No; I do not think that it is necessarily true. It was not in the mind of Congress when they passed the law fixing the price, in my judgment. I never heard a Senator, except myself, make that kind of claim. I was afraid that we had given so much power to the Grain Corporation that they would be able to do that very thing.

Mr. FESS. Will the Senator yield further?

Mr. NORRIS. I yield.

Mr. FESS. When the matter was being discussed at the other end of the Capitol, that was the contention that was made by certain Members, including myself, that if we fixed a minimum price, giving the authority to the Government to fix the minimum price, the Government would really become a purchaser, and therefore a monopolistic purchaser, and the minimum price in practice would become the maximum price.

Mr. NORRIS. That depends entirely on what this Government corporation would do. As the Senator from Ohio truly said, we devised a corporation and gave it power to buy all the wheat in the United States, and if they paid the minimum price that is all the producer could get for it; but they were not directed to do anything of the kind. I have not the act before me and do not know just how it was worded, but the idea—at least in this Chamber—was that they would hold wheat up to the price fixed in the law and let the law of supply and demand carry it as much higher as might be. Of course, we know it did not operate that way.

Mr. JONES of New Mexico. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska yield to the Senator from New Mexico?

Mr. NORRIS. I yield.

Mr. JONES of New Mexico. I think perhaps if the Senator from Ohio will just recur to what actually happened during the war, he will find the reason why, in the general law of economics, the practice which he has just announced did not apply.

Mr. NORRIS. Might I interrupt the Senator? I hope the Senator will not discuss that in my time. It will be very

interesting, I know, but at the same time, I do not want to detain the Senate myself in discussing propositions that are not directly affected by this bill. I know we are anxious to get along, and I do not want to go over the field and discuss it all day. I would like to finish.

Mr. JONES of New Mexico and Mr. GOODING addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Nebraska yield; and if so, to whom?

Mr. NORRIS. I yield the floor. That will end it. I was not through, but I will just stop.

Mr. JONES of New Mexico. Mr. President, while I am on my feet I would just like to answer the Senator from Ohio by making this observation, that the food-control organization had entire charge of the exports of wheat during the war, and inasmuch as this country produced a surplus, the control of the exports controlled absolutely the price, and that food-control organization declined to aid in granting a minimum price for wheat. Therefore the price was arbitrarily fixed by operation of law at the minimum price during the war, if I have been able to understand the proposition.

Mr. DILL. Mr. President, I want to say just a word in regard to some statement made by the Senator from New York [Mr. WADSWORTH] to the effect that if this bill proposed to loan $10,000 to farmers it might be more effective. If the bill proposed to loan $10,000 to farmers I should be opposed to it. In other words, if the bill proposed to set men up in business I should be very much opposed to any such legislation. But since it proposes simply to help farmers already in the farming business—to tide them over, as it were, to give them some little assistance when they need it, to begin the diversification of farming—it seems to me it is a very desirable piece of legislation.

Mr. FRAZIER. Mr. President, I would like to make just a few remarks to correct a slight error made by the Senator from Nebraska [Mr. NORRIS] in his figures on this map on the wall. The figures on the left-hand side represent acres, but a cipher has been left off each figure. Where it is given as 900,000 it should be 9,000,000, and so on down the column.

While I am on my feet I wish to say just a word in regard to this livestock loan measure. It is generally conceded that diversification for farmers is a good thing, and I believe the figures will bear out the statement which has been made a great many times by farm papers and experts from the agricultural colleges, that up to a percentage of diversification the raising of livestock and livestock products benefits farmers a great deal. As I remember the figures, if about one-third of the total gross receipts from the farms come from livestock and livestock products, the farmer is, generally speaking, more prosperous than he is if it goes under that amount or over that amount.

The reason is this: That the average farmer who has, say, a half section of land, can milk a few cows, can feed a few hogs, and keep a certain amount of poultry, and perhaps keep a few beef cattle with the same help that he would require in just simply farming his land or in raising grain. In other words, his overhead expense is no more when he has a few cows and a few hogs and a few chickens and a few beef cattle than it would be if he did not have them. In other words, if he works an hour longer before breakfast milking cows and works an hour longer after supper milking cows, he has that much more profit, which goes to help pay his grocery bill.

This measure is not intended to solve the situation the farmers of the Northwest are confronting. It will not do it, and no one who knows anything about the situation ever thought it would or expected it would; but it will help a lot of farmers to get on their feet if some of these other measures, like the McNary bill or the Norris bill, are passed, and farming is put on a paying basis.

There are a lot of farmers in North Dakota and in the other agricultural States who at the present time have very little or no livestock upon their farms and can not under the present conditions buy or borrow money to buy. This measure is intended to give those very farmers a chance to borrow a little money to buy milch cows, not to build farm buildings and silos, as suggested here by one Senator, but to buy a few cows which he can take care of on his own farm with his own help and without any increase in the cost of labor or anything of that kind. That would help him pay his grocery bill and help the farmer make a living for himself and his family.

The only object of this bill, as I see it, is to help in a small way toward starting diversification, which will help the average farmer to pay his expenses on the farm by raising and selling livestock and livestock products.

Mr. CAPPER. Mr. President, rarely have we a bill before us the purpose of which is so clearly set forth in its title as the one we are now considering. This purpose is to promote a permanent system of self-supporting agriculture in regions adversely affected by the stimulation of wheat production during the war and aggravated by many years of small yields and high production costs of wheat. While this legislation is in a sense of an emergency character and is being urged at this time because of the acute distress in the regions particularly affected, yet it is based on a sound principle and is designed to work a permanent and entirely beneficial effect. Its chief purpose is to help the farmer help himself.

Anyone who has given close study to agricultural conditions during and since the war readily understands why the farmer generally, and the farmer of the wheat section in particular, finds his industry in a state of depression. The wheat farmer was the outstanding victim of war-time price fixing. The Government, on the one hand, urged him to grow wheat—always more and more wheat—to help win the war, and then by arbitrary action the Government fixed a selling price for that wheat 50 cents below the market price on the day the price was fixed and easily a dollar a bushel below what the price would have been immediately had the market been unrestricted. Then, following the close of the war, when readjustment was at its height, this Government-fixed price was suddenly removed, just as the greatest wheat crop in recent years was coming into market. Thus was the farmer victimized because of his patriotic response to the plea of his Government to intensify and extend production to help win the war. He was the one producer in the country penalized for his patriotism.

During the same time prices of all other products—clothing, cotton and woolen goods, farm machinery, everything that the farmer required in his farming operations—were soaring. The farmer was compelled to sell his product, wheat, at a price fixed by the Government far below what he would have received in a free market and to buy manufactured goods in a free market at prices grossly stimulated by war conditions. As a result the wheat grower finds himself in a condition of acute distress, and for this condition it can not be said the Government is wholly blameless.

So much for the situation it is hoped to remedy. Now as to the remedy proposed. Its aim is to assist the farmer in getting out of the dilemma into which he was urged and persuaded by his own Government—a dilemma accentuated by a series of wheat crop failures or near-failures. Students of farm conditions agree that one road to the desired goal is diversified farming. The wheat-belt farmer should produce less wheat and more poultry, hogs, and cattle. But with his credit gone, in part because of his patriotic response to his Government's call for excessive wheat production, many of these farmers—indeed, most of those in the Northwest—find themselves without capital with which to make the desired changes in farming operations. Ordinarily, the farmer would go to his local banker or loan agent to obtain the credit necessary, but all the testimony taken by the Senate Committee on Agriculture in the exhaustive hearings on the bill, as well as letters and resolutions from bankers and business men, commercial clubs and similar organizations, indicate that these credit sources are already strained to the limit and are wholly inadequate to meet the present emergency. Hence, the system of direct loans, with a maximum set at the relatively small sum of $1,000, to the individual borrower, and to be made through the agency of the Department of Agriculture, as provided in this bill now before us.

Opponents of this measure are overfond of referring to it as paternalistic and as making a gift to the farmer. It is no gift, Mr. President. It is a loan, and experiments heretofore made in loaning money for the purchase of seed and similar purposes indicate that this money will come back to the Federal Treasury.

But while this talk of gift is being indulged in, it is well again to reflect that the price of wheat arbitrarily fixed during the war took out of the farmer's pockets untold sums of money. The loss the first year after wheat price-fixing to the farmers of my State alone was $50,000,000. The farmer has something coming to him from his Government, but what is offered in this bill is in no sense a gift or bounty—it is a loan which will be repaid to the Government in due time when the activities it is designed to set in motion have had time to bear fruit. It is the hope, and the confident belief of students of the situation, that the system of diversified farming these loans will enable the farmers of the Wheat Belt to engage in, combined with a better system of marketing, which it is designed to encourage through the McNary-Haugen marketing bill, soon

to be considered by the Congress, will materially assist the restoration of a condition of permanent prosperity in this great agricultural section.

Mr. President, I desire to add only this to what I have already said. I am opposed to any attempt by the Government to guarantee prices of the products of the farm, even in an emergency like the one confronting the farmers of the Nation at this time. I think it is economically unsound, and I think our experiment during the war demonstrated that the farmer was the victim and not the beneficiary of that experiment. I do not lay all the troubles of the farmer to the encouragement to overproduction of wheat by the Government during the war, to which he responded so patriotically. I do believe, however that much of his trouble is due to that policy and to the deflation policy pursued subsequent to the war, which suddenly and without warning cut off the farmer's normal sources of credit. I think the Government's responsibilities in these respects are sufficient to warrant this departure, which I admit would not be thought of in normal times, and to justify these direct loans to farmers. The farmer has suffered further from the fact that he is the one producer who has not been able to pass his costs along to the ultimate consumer, but must take whatever is offered for his products, resulting in the last few years in prices for farm products far below the cost of production.

The present bill and the legislation proposed looking to an improved marketing system will be two aids toward a restoration of prosperity on the farm which, in my judgment, should receive the enthusiastic approval of the Congress, and which will, I believe, meet with the approval of the country generally.

Mr. President, I fear our people do not fully realize that the Nation has passed into a new economic era in which the balance between agriculture and other industries must be more carefully safeguarded. We are passing through a period of acute agricultural depression. The bill before us is unusual, it is true, but the emergency demands unusual measures. It requires united and aggressive action by those having a common interest in the welfare of the producer.

Prices received by the farmer for his products are still all out of balance with the price of nearly everything he must buy. When the farmer takes his dollar to town to buy the few things his restricted income permits, he finds it worth but 75 cents in terms of other commodities, according to the statistics of the Department of Agriculture.

Secretary Wallace says that 25 per cent of the farmers in 15 wheat-producing States are either bankrupt or have been saved from actual bankruptcy only through the leniency of their creditors.

The wheat that went into a barrel of flour in 1913 cost virtually the same, at the farm, as the wheat that went into a barrel of flour in 1923. Yet the consumer last year paid $7.50 more for the bread made from the barrel of 1923 flour than he paid for the bread made from the barrel of 1913 flour. The farmer lost money on every bushel of that wheat, but a New York baking company had a profit of 117 per cent on last year's business.

Mr. President, our present purpose must be to find means to restore the whole unbalanced situation to a balance, to make the farmer's dollar worth as much as the dollar of anybody else.

The business of the farmer is basic. If it is healthy, it stimulates all other business, because it pours out a full, strong stream of the lifeblood of commerce. If it is sick, the poison of its illness courses through the veins of commerce.

Relief measures such as that proposed in the pending bill are in reality more necessary for national welfare and the good of all the people than for the farmer and stockman they are designed to benefit, directly, in order that all others may be benefited.

Congress can not end the troubles of the farmer by legislative enactment to be sure. But I do say it is up to this Congress to give its first attention and its best attention to the problems of agriculture. It is up to this Congress to take an economic spirit level and go about the job of reducing some of these economic inequalities. To the extent that it is possible for this Government to accomplish it, we must bring about a fairer relationship between the fruits of the labor of the farmer and the labor of others.

Mr. SHIPSTEAD. Mr. President, I had not intended to say anything about the bill before the Senate. I intend to vote for it, not because I believe that it will provide any permanent relief for the condition of agriculture, but because a good many Senators think it will do some good, and because I know there are a few men and women on the farms who also hope that it will bring to them some relief. I am not going to take the time of the Senate in discussing the bill this afternoon, because there are other agricultural bills coming before the Senate later, on which I expect to speak at length.

However, there were some charges made this afternoon on the floor of the Senate that the proposition of the Government in loaning money to farmers was a paternalistic idea, and I believe one Senator made the remark that it would demoralize the character of the farmer. I want to call to the attention of the Senate that it is no innovation on the part of the Government to loan public funds to various private enterprises. It is not establishing a precedent so far as paternalistic enterprises by the Government are concerned. I call attention to the fact that the bill provides for the loaning of $50,000,000 of Government funds to the farmers.

I want also to call attention to the fact that according to the Secretary of the Treasury in his report of August 1, 1923, the sum of $337,629,667 of the public funds had been loaned to the railroads for terms of 15 years at 6 per cent under section 210 of the transportation act, of which $191,741,808.97 was outstanding. According to the Director General of Railroads, James C. Davis, loans of the public funds to railroads outstanding October 1, 1923, at 6 per cent for varying terms up to 1937, amounted to $205,723,000. According to the War Finance Corporation loans of public funds to railroads as of October 10, 1922, amounted to $10,000,000.

Assuming, in view of the fact that such report is more than a year old, that this loan if not others is still outstanding, the approximate sum of the loans outstanding to railroads as of this date is as follows: Loaned through the Interstate Commerce Commission, $191,741,808.97; through the Director General of Railroads, $205,723,000; through the War Finance Corporation, $10,000,000, making a total of $407,464,808.97.

I have heard no Senator make the charge that loaning almost half a billion dollars to the railroads out of Government funds constitutes paternalism. I also wish to call the attention of the Senate to the fact that the Federal Government donated to the various western railroad companies 200,000,000 acres of public lands in order to help out railroad enterprises. During the 20 years following 1850 the Congress of the United States alone, not including the State governments, appropriated to the railroad companies a total of nearly 312,000 square miles, or approximately 200,000,000 acres of land. It is true that 54,687 square miles, or 35,000,000 acres of those lands were subsequently forfeited for various reasons, but the amount forfeited is more than equaled by State donations of land; that of Texas alone amounting to 50,625 square miles, or 32,400,000 acres.

From the records of the United States General Land Office it appears that the following proportions of the areas of the several States were granted to the railroads: Minnesota and Washington, one-fourth; Wisconsin, Iowa, Kansas, North Dakota, and Montana, one-fifth; Nebraska, one-seventh; California, one-eighth; and Louisiana, one-ninth.

It also appears that the Northern Pacific Railroad was credited with an acreage of over 44,000,000; the Southern Pacific system, with an acreage of 24,000,000; the Union Pacific system with an acreage of 20,000,000; the Santa Fe system with an acreage of 17,000,000; the Illinois Central grant amounted to over 2,500,000 acres; and that of the Mobile & Ohio to over 1,000,000 acres; many lines now included in the "granger" system—the Northwestern, the Burlington, the Rock Island, and the St. Paul, each received land grants; so that the aggregate acreage donated to each of these systems is several million acres. The total acreage includes more than 137,000 square miles—more than the total entire area of Turkey. It is greater by 50,000 square miles than the territory not merely of Japan proper, but of the Empire of Japan. The land grants to railroads constitute more than 187,000 square miles more than the area of Norway, and 139,000 square miles more than the area of Sweden. The Kingdom of Spain lacks 116,000 square miles and that of Italy 192,000 square miles of being as large as these land grants. The Republic of France and the German Empire contained about the same land area before the outbreak of the European war.

The free land gifts of the American people to the railroads have been, roughly, in round numbers, 100,000 square miles in excess of the area of either France or Germany before the great World War.

I wish to call to the attention of the Senate also the report from the Secretary of Agriculture that the American agriculturist has been deflated to the amount of $13,000,000,000 since 1920. When we talk of agricultural relief and helping certain people and certain interests, I desire to say that the Federal Government delegated the power that it possessed under the Constitution to control the money supply, to manufacture the money, to put it in circulation, and to determine its value to a

private corporation, the Federal reserve banking system, and that system used this power in the year 1920 to bring on the deflation period that has deflated the American farmer of $13,000,000,000; but no one has charged that as being paternalism to the banking system of the United States. However, when we come to give back a crumb to Lazarus, who is the farmer, to loan back to him $50,000,000, then we are charged with fostering paternalism.

I wish to call to the attention of the Senate the condition of the banking institutions in the Northwest, which have been extending credit or loaning money directly to the farmers. Many of those banks are going bankrupt because the farmers went bankrupt first. As a direct result of the bankruptcy of the farmers 16 State banks have failed in Wyoming since 1921; 52 State banks have failed in Minnesota, 60 State banks have failed in Iowa, 60 State banks have failed in South Dakota, 96 State banks have failed in North Dakota, and 119 State banks have failed in Montana. The Comptroller of the Currency gives the following figures on the failure of national banks in western States since January 1, 1924: Montana, 16; North Dakota, 14; South Dakota, 8; Iowa, 1; Minnesota, 3; Kansas, 1; and Nebraska, 2.

I stated in the beginning that I did not consider that this bill, if passed, would afford relief for agriculture. The farmers must have better prices. We are going to ask for the passage of an entirely different proposition as a permanent relief for the farmer. We have been charged with fostering paternalism. Mr. Doheny, the oil man, who ought to be an expert on paternalism, the other day was quoted as saying that Senators from the wheat-growing States had backbones of chocolate éclair. I think there is some truth in that charge, because if we had not had backbones of chocolate éclair we would not have tolerated these conditions which we have tolerated so patiently. However, I think our backbone is improving, and the Dohenys may not like it.

I wish to say, in conclusion, that this bill appears to me to be like giving half of a cookie to a man who has not had anything to eat for eight weeks. It may help a very few, it may do some good; that is the reason I am going to vote for the bill.

Mr. GOODING. Mr. President, let me ask the Senator from Minnesota a question. I wish to ask him the same question that I asked the Senator from Nebraska. Will not the McNary bill relieve the wheat growers very generally all over the country? Will it not reach all agriculture practically, so far as that is concerned?

Mr. SHIPSTEAD. I will say to the Senator that I am not a prophet and I can not tell in what shape the so-called McNary bill will be passed by the Senate. I hope that some real, permanent relief for agriculture will be incorporated in the bill before it shall be finally passed. I can not say what action the Senate will take; I can not say what the contents of the bill finally will be when it comes to a vote in the Senate. I hope that the measure will be made the unfinished business very soon.

Mr. GOODING. If it could be brought before the Senate at the present time and passed—and I believe it will pass—it will very generally relieve the condition of agriculture and relieve the condition not only in the Northwest but everywhere, including the wheat grower in all parts of the country, for it covers all lines of agriculture that is depressed at the present time.

The pending bill, if it shall be passed, will relieve only a few people in the Northwest. It will not reach the general condition which exists; it will not be helpful as a whole. Agriculture is suffering in every State of the Union; there is no question about that. I have felt that if we could exert our efforts toward something that would give general relief to agriculture, where it is depressed, that we would be doing a wise thing.

I do not believe that this bill will help to any great extent, and if it does help to any great extent it can only help by increasing the number of cattle upon the farms in the Northwest, when there is already an overproduction of cattle in this country. I do not know of any industry that is suffering any more than the cattle industry is at the present time.

Mr. SHIPSTEAD. I wish to call the Senator's attention to the fact that we consumed all our beef in this country last year, and we also imported an immense quantity of dairy products.

Mr. GOODING. Yes; but if we put dairy cows out in the Northwest, in that dry, arid section, they must be what we call "dual purpose" cows, animals which will produce beef and butter. In that case we are going to increase the production of beef, and I know of no industry in this country, not even including wheat growing, which is in such a deplorable condition as is the cattle industry to-day. In my State the beef growers have been simply wiped out of business. They have shipped whole herds to the slaughterhouse. That is also true of Oklahoma; at least such a statement was made by witnesses coming before the committee from Oklahoma. They are going out of the livestock industry generally because they have not been able to get a sufficient price to keep the industry alive.

Mr. OVERMAN. Mr. President, will the Senator yield to me to ask him a question?

Mr. GOODING. I yield.

Mr. OVERMAN. Do I understand the Senator to say that there is a bill now before the Senate providing for permanent relief for all the farmers of this country and not the farmers of any particular section, and that the Senator regards the pending bill as merely a temporary measure? Is that what I understand the Senator to say?

Mr. GOODING. There is not any doubt about that. I do not think the pending bill will help to any appreciable extent at all; but if it should help, it would only be by stimulating an industry that is already overdeveloped.

I wish to say to the Senator that I have sat upon the Agricultural Committee now for almost two years and I have listened to the recital of the deplorable conditions before that committee from all the States west of the Mississippi River.

There is no question that the conditions are deplorable, but this bill does not go far enough. If the McNary bill can be passed, it will bring about a changed condition almost overnight, because it will hearten the farmers of the country. They have all gone on record for it, I think, in every State that is growing wheat, so far as that is concerned, all the grain growers favor it; it meets the situation, in my judgment, very thoroughly; at least, that is my opinion after listening to conditions as portrayed before the Committee on Agriculture. I believe the McNary bill will solve the problem.

A year ago I introduced a bill for the stabilization of the price of wheat, and I introduced one at this session of Congress, but I am not going to urge that measure, because I know that the McNary bill will go further than my bill will in bringing about an increase in prices for agricultural products.

Mr. WILLIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Ohio?

Mr. GOODING. I yield.

Mr. WILLIS. I am very much interested in the Senator's statement. If I had heard all of it, perhaps, I would not have needed to ask the question I am about to ask. Is the Senator opposed to the passage of the pending bill?

Mr. GOODING. I am opposed to passing the pending bill, yes, because I do not think if passed it will relieve the condition of agriculture at all. I make the statement again that if it should relieve the condition of agriculture it could only relieve it by putting what are called "dual-purpose" cows in the arid and semiarid sections, where wheat is grown, and increase the beef production, which is already overdeveloped to a very dangerous extent.

Mr. WILLIS. Was not this bill reported by the Committee on Agriculture and Forestry, of which the Senator is a member?

Mr. GOODING. It was; but I did not vote to report it favorably.

Mr. WILLIS. Let me ask the Senator another question. He is very kind to yield to me. So far as I am familiar with its provisions, I, too, am in favor of the McNary bill; but how is the enactment of the pending bill going to interfere in any respect with the favorable consideration of the McNary bill, so-called?

Mr. GOODING. The point I make is that agriculture will be perfectly satisfied with one measure, which will relieve the whole condition, and that the McNary bill will increase the price of wheat and will give the wheat grower a credit almost overnight. There is not any question of doubt about that. I think it will meet the whole situation; and why should we pass a measure of this kind if the emergency can be reached in some other and better and more proper way without impairing another great industry?

Mr. WILLIS. While the Senator is yielding, I should like to have his opinion specifically of the amendment that has been offered, I think, by the Senator from New Mexico, touching the banking situation. What does the Senator think of that amendment?

Mr. GOODING. I realize that there is a very dangerous condition existing among the banks of this country. My figures show that 164 national banks have failed since June 30, 1921, and 1,319 State banks. Then there are several States that have not reported their failures since the 1st of July, 1923. It is

likely that in the last seven months over 500 State banks have failed in the country, in the different States of the Union. I would vote for the relief of the banks, because that is a different proposition. If something can be done to relieve the condition of the banks, I might vote for that amendment; but I know that the McNary bill will cure the situation. It will do all that this bill proposes to do, and a great deal more.

Mr. WILLIS. I regret to separate from my friend, though we generally agree about questions relating to the farm. As I see it, the amendment relating to banks ought not to be adopted; but I feel strongly inclined to support the bill if that amendment is not adopted.

Mr. GOODING. That is the Senator's privilege, of course. I think if he would study the banking conditions over the West, and if he were as familiar with them as I am, and lived in a State where there have been a great many bank failures, he might feel differently about that; but something must be done if we are going to save not only agriculture but the industries of the country. The country can not go on with the unbalanced conditions that exist; and I know that agriculture is in such a serious condition that I would vote for this measure, hoping that it might do a little good, if I did not believe that the McNary bill was going to pass; but I believe that when the McNary bill is properly presented to the Senate, as it will be, it will be passed almost unanimously. I think when the Senate thoroughly understands the conditions that exist in agriculture in this country there will not be any division on the McNary bill, even if it does provide for a high tariff on wheat. I think the Democrats will come right across the line and help support it. I do not think there is any doubt about that, because I think they are just as keen and just as anxious to help agriculture as the Senators are on this side of the aisle.

Mr. WILLIS. I fear that is a vain hope.

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Iowa?

Mr. GOODING. Yes; I yield.

Mr. BROOKHART. I should like to inquire of the Senator if there are any provisions of the McNary bill that provide for financing this particular proposition?

Mr. GOODING. Yes; I think it carries an appropriation of $100,000,000. I do not care to discuss the McNary bill, however, because it is not up for consideration, and I want the Senator from Oregon, who introduced the bill, to discuss it first.

Mr. BROOKHART. Yes; but is it not true that the purposes of this particular bill are different from any of the provisions of the McNary bill?

Mr. GOODING. Oh, yes; entirely different. This bill makes a flat appropriation with which the Government goes out and buys cattle and other livestock, chickens, hogs, and those things and puts them on the farm. I would go that far if I did not think the farmer could do that for himself through the McNary bill.

Mr. BROOKHART. The McNary bill would give every farmer a better market, we will say, for what he has to sell; but this is to provide farmers with something to start upon, something they do not have.

Mr. GOODING. The McNary bill will do this: There may be some parts of the country in which the farmer is suffering from a lack of credit, but that is not generally true. I know of no State, unless it is North Dakota, where the farmers can not go and borrow money at any time to buy a dairy cow, because the bankers realize, first of all, that the farmers with dairy cows are generally the ones that are succeeding; but the point I am making, as far as that is concerned, is that the Northwest, that part of the country in which the farmers have suffered so much, is a semiarid country where the rainfall is light, and I might say uncertain, and is not a dairy country, and can not be made a dairy country, and there they must have what is called the dual-purpose cow, which only means increasing the cattle industry, an industry that is suffering even more than the wheat industry.

Mr. BROOKHART. I agree with the Senator largely upon that proposition; but they do not have even the dual-purpose cows in a great deal of that country.

Mr. GOODING. That is true; but I can not understand a farmer being so poor that he can not at least have chickens on the farm. I can not understand that kind of farming, and I have been a farmer all my life.

Mr. BROOKHART. They are getting mighty poor when they pay about 65 per cent more for what they buy and receive the same old price for what they sell.

Mr. GOODING. I agree thoroughly with the Senator that the farmer is in a most deplorable condition, and I know that this Government is responsible for it. No one else is responsible. And I am going to make a fight for a measure that will give him relief, and that will be permanent relief, or relief for some time, at least.

I want to say to the Senator that in my judgment what the farmer needs is increased prices, not increased debts, which he will have if this bill passes.

Mr. BROOKHART. There is no question about that proposition; but would this in any way interfere with or retard the McNary bill?

Mr. GOODING. No; I do not think it would, but I say again that if we can get the McNary bill we will give him relief all the way through, and permit him to do these things for himself. I think the last thing the Government should do is to go into the business of loaning money in a measure of this kind. I voted for all these relief measures as far as furnishing seed was concerned, and I shall be glad to do that again when an emergency comes along; but I am not in favor of the Government going into business and developing an industry that is already overdeveloped.

Mr. BROOKHART. Has not the Government developed a loaning industry in the Federal land banks?

Mr. GOODING. Yes; the Government has done that. That is entirely different, however.

Mr. BROOKHART. That is another system, is it not?

Mr. GOODING. That is entirely different. In that case the Government takes some security. In this case the Government does not take any security—only the livestock it purchases. The Senator would not loan money on such security as that. I am saying to the Senator that I would vote for this measure if we could not pass the McNary bill; but, believing that the McNary bill, as I have said so often, will cure all the troubles of agriculture—a great many of them, at least—I am for the McNary bill.

Mr. JOHNSON of Minnesota. Mr. President, I should like to say a few words about this Norbeck bill, as it is called.

I do not agree with the Senator from Idaho [Mr. GOODING]. He does not think that the dairy farmers are any better off than the wheat-growing farmers. Of course they are.

Mr. GOODING. Oh, no, Mr. President; of course they are better off. The Senator misunderstood me. I said the men in the cattle business—that is, the beef end of it.

Mr. JOHNSON of Minnesota. The Senator said that the farmers in every State are pretty hard up.

Mr. GOODING. Yes; I said that.

Mr. JOHNSON of Minnesota. Yes; but let us take, for instance, the State of Wisconsin. They have been in the dairy business for many years back, and they are not so hard up that they are coming down here to ask for any special relief, are they? And the farmers in the southern and the central part of the State of Minnesota are not here asking for relief either in that respect.

I am not so struck on this bill. It is just a crumb thrown out for us if we get it through. I realize that. When I went out and made campaign speeches to the people in my State, I promised them that I was not going down here to vote for more credit for them, because they have too much credit now. I said that I was going down here to see if we could in a way stabilize the prices of farm products. For instance, the bill of the Senator from Idaho [Mr. GOODING] was a step in the right direction; but I understand that the Senator from Idaho, because he ran up against great odds, began to get cold feet on his own bill, and probably that is why the McNary bill got in in its place.

Let us analyze this bill. I live in a dairy section of the State of Minnesota. This bill perhaps will hurt me, but I am absolutely willing to lose a little bit if it will benefit the extreme northwestern part of my State, where they have raised grain for years and years, and they are down and out and the banks are broke.

On top of that, Mr. President, we were told to go in and raise potatoes alongside of the wheat. In 1922 we had 20,000,000 bushels of potatoes in the ground that were not dug in the Red River Valley alone, on the Minnesota side. In that same spring I made a speech over in St. Paul, and I was backed up by documents from two different departments, showing that 7,000,000 bushels of potatoes were in the storehouses in the Twin Cities and on the farms and in the small towns in that section, and they were sold in 1923 from the 1922 crop for from 10 to 18 cents a bushel.

Those farmers need a little bit of help. Of course, they are not the same farmers that farmed last year and probably will farm this year. Some of them are gone, some of them are broke, and still, if they are there, some of them, they are not going to put their noses in the vise the second time, I want to tell you that. They are going to try to buy one or two cows, and it might be a good thing for them to get a little exercise,

as the Senator from North Dakota said, to get up a little bit earlier in the morning and work a little bit later at night. They want us to slave anyway, and we may as well milk cows when we can not do anything else.

Now, here is the situation: A farmer gets $500 or $200 or $300, let us say, and buys cows. That money will be returned every two weeks—or every day, if that kind of an agreement is made—and that will bring in a little bit of money to the farmer. So far as the wheat production is concerned, they are going to put in wheat; there is no question at all about that; and the McNary bill perhaps will help the grain-producing farmer in that respect. There is no question at all about that.

I would not vote for this bill to-day or to-morrow if the banks of the Northwest, especially in the northwestern part of my State and in North Dakota, part of South Dakota, Montana, and a few other States in the West, were in a position to loan money; but they can not loan money at all, as the Senator from Nebraska [Mr. NORRIS] so ably stated a little while ago. Therefore, suppose in my section of Minnesota I can sell a few cows. There is no question about that; and probably the Senator will think that I will vote for the bill because I can sell off a few cows from my herd. I am willing to sell a few of them for the people up there, and it is not going to be a county agent that will scrutinize them before they are sold, either, I want to tell you.

So there you are. We are willing to help all the members of this great American family. That is what we are here for, and the Government is to blame for the deplorable condition that American agriculture is in to-day. It is up to us to quit talking about the Republican Party and the Democratic Party. So far as I am concerned, each of them is just about equally bad.

I intend to support the McNary bill. I am not going to jump from this bill to the McNary bill. I think if we amend the McNary bill it probably will be a pretty good measure to put through, but as a matter of emergency we ought to help the farmers in the States that need help now.

So far as I am concerned, I should be willing to vote for the bill of the Senator from Idaho [Mr. GOODING]. His bill was unanimously indorsed at the convention we had up there, not because the bankers and farmers and business men of the Northwest believed in any subsidy to help the farmer, though you have given it to the railways, as the distinguished senior Senator from Minnesota [Mr. SHIPSTEAD] has stated; but in a case of emergency, for a couple of years' time, the Senator's bill should have gone through, and not any other bill, and I want him to remember that. We looked over the Senator's bill, and I am really sorry that he got cold feet and did not push it a little further. It probably would have gone through if he had.

Mr. GOODING. Mr. President, I want to assure the Senator from Minnesota that my feet never grow cold—not on occasions of this kind, and when I think I am fighting in the interest of agriculture. I am for the McNary bill because I know that it is a better bill than mine, and I do not think I would be true to agriculture or to myself if I did not take the best bill that I could get and help pass it. That is the reason why I am against the Norbeck bill, and that is the reason why I am against my own bill and shall not ask for its consideration unless I find that the McNary bill can not pass. Then I may ask for some consideration of it.

Mr. JOHNSON of Minnesota. Mr. President, may I ask the Senator one question?

Mr. GOODING. Yes.

Mr. JOHNSON of Minnesota. Somebody seems to be a little afraid that we are going to overdo butter production. That is the same thing we thought when we began to have more poultry on the farms of the State of Minnesota. Why, lately we have organized egg-selling associations and poultry associations, and I know I had the honor to assist in appropriating more of the money of the taxpayers of the State of Minnesota for fairs and associations, and so forth, to encourage the poultry industry.

We made money. One of my neighbors in Minnesota is getting more from the sale of eggs laid by his hens than he gets from his fine dairy herd of Guernsey cows.

Mr. GOODING. Mr. President——

Mr. JOHNSON of Minnesota. Just one more thing. The Senator has not cold feet yet, has he?

Mr. GOODING. No; I have not.

Mr. JOHNSON of Minnesota. Does the Senator realize full well that the farmer can also go into the hog business? The farmers can raise more swine on the farms, if you will help them, and perhaps if you will extend some aid to them to buy stock, they will not need to buy any fertilizers, which Senators have been discussing here to-day.

MERCHANT MARINE—TRADE WITH RUSSIA.

Mr. DIAL. Mr. President, the whole country is interested in our merchant marine. In 1920 Congress passed a very comprehensive act in an effort to encourage our shipping. I noticed the other day with great pleasure a ruling which the Shipping Board had made, wherein it notified the Interstate Commerce Commission that we had sufficient ships now ready to transport all of our produce, except grain, to all the countries of the world. I ask that this clipping from the Washington Star be inserted in the RECORD.

Mr. President, I also notice that we are opening up considerable trade with Russia, and I was delighted to see that our ships carried 75 per cent of the cotton of the South to other countries of the world. They are now carrying considerable cotton to Russia, and I hope it will be transported in American ships. I have here another clipping from the Washington Star relating to this subject which I would like to have inserted in the RECORD.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The clippings referred to are as follows:

SEEKS PREFERENCE ON EXPORT RATES—SHIPPING BOARD ASKS FOR NEW RAIL SCHEDULES ON GOODS CONSIGNED TO AMERICAN VESSELS—SUFFICIENT TONNAGE EXISTS—PROVISION IN THE MARINE ACT OF 1920 WOULD BE APPLIED TO ALL PRODUCTS EXCEPT GRAIN.

[From the Washington (D. C.) Evening Star.]

WASHINGTON, February 27.—The Shipping Board took action to-day designed to obtain for American shipping the preferential treatment in handling American exports which was provided in the merchant marine act of 1920.

By resolution it certified to the Interstate Commerce Commission that sufficient American ships are now available to handle all export commodities except grain, and that in consequence American railroads should be required to make through export rates in conjunction with American vessel lines, and to refuse to make such rates with foreign vessel lines.

The effect of the order is to bring into operation section 28 of the marine act, which gives the Interstate Commerce Commission power to enforce the making of such through rates on the railroads, and likewise power to prevent the granting of the same rates to foreign vessel lines. The section has never previously been put into effect, however, because the Shipping Board until now has deemed it unwise to certify that American vessels existed in sufficient numbers and conditions to justify the step.

The Commerce Commission's action in the matter will not be taken immediately, but it is expected that inquiry will be instituted without delay as to the through-rate schedules in existence.

Normally, it is understood, the through export rate schedules made by ships and railroads in combination are lower than the tariffs imposed when exporters pay a domestic rail rate to the seaboard and an additional separate ship rate from the American port to the destination abroad for which the commodities are consigned.

The commission was informed by the Shipping Board resolution that operation of section 28 should not be further suspended "so far as relates to all commodities except grain transported between ports of the United States and Great Britain and northern Ireland and the Irish Free State; the ports of continental Europe north of and including Bordeaux and the east coast of Asia; the islands of the Pacific Ocean, Australia, and the East India Island; and the ports of Central and South America."

Commissioner Thompson, of the Shipping Board, who proposed the resolution of certification, declared in a statement that the effect of the certification, when action had been taken by the Interstate Commerce Commission, "would be to grant shippers benefit of the through export rate only when foreign commerce moved in American flag vessels in the zones prescribed in the resolution, commerce moving in vessels other than American registry taking the domestic rail rate to seaboard outlet and the ocean rate from such seaboard destination."

The lower rates, said the commissioner, would establish a distinct advantage for the shippers to use American flag ships, "in that, with certain exceptions, the through export rate is less than the domestic rate to seaboard destination with the ocean rate added."

"It should greatly increase," he said, "the movement of American commerce in American flag ships and prompt wider utilization of American flag vessels for foreign exports."

Section 28, Commissioner Thompson declared, was "a wise provision of the merchant marine act, and now that there is an adequacy in tonnage in operation under the American flag, the time is opportune to utilize this provision of the American Congress. It is but a statutory aid that previously was utilized by foreign shipping lines under contractual agreements with American railroads."

DESPITE NONRECOGNITION, RUSSIA IS BUYING HEAVILY HERE ON A CREDIT BASIS—BRITISH ACTION A STIMULANT—GREATER PART OF GOODS CARRIED IN SHIPPING BOARD VESSELS—SOME RESHIPPED FROM ENGLAND.

[From the Washington (D. C.) Evening Star.]

Regardless of the fact that the United States has not recognized Soviet Russia, a long list of American manufacturing concerns are engaged in supplying that country's post-revolutionary needs on a credit basis with the backing of American banks. And, for the most part, the goods sold to Russia are being carried to her in United States Shipping Board vessels.

The big increase in Russo-American trade which was looked for with the signing of an agreement between the Russian Foreign Trade Monopoly Bureau and the Allied American Corporation in Moscow on July 14 of last year is materializing to a degree beyond expectations.

It was learned yesterday that the stipulated turnover of not less than $2,400,000, fixed in that agreement with the Russian Government as the aggregate amount of business to be carried on through the Allied American Corporation each year probably will exceed $10,000,000 by July 14 of this year when the first or "trial year" expires. As a matter of fact the $2,400,000 was reached and passed by January 14, six months after the signing of the agreement.

Among the products which Russia is buying in increasing amounts from American manufacturers are cotton, of which the aggregate American shipments through the arrangement already have exceeded in value $1,000,000; motor trucks, agricultural machinery, farm implements and accessories, tools, tractors, belting, milling machinery, typewriters, automobiles, and automobile parts. A partial list of the American concerns, most of whom are selling to Russia on credits of from six months to two years or on a basis of both cash and credit, follows:

* * * * * * *

The corporation, American owned and American directed, has, since the concession was obtained from Russia, recently opened branches in London, Paris, and Riga. At these points, as at New York, the corporation acts as agent for the sale of goods to Russia and the purchase of Russian products, such as hides, furs, caviar, butter, and eggs. The concession stipulated that the imports into Russia must not exceed the exports. That the corporation has met this requirement also was borne out in the statement of one of the officers yesterday. The contracts entered into thus far have been without loss, and there has been no defaulting, according to Dr. Armand Hammer, secretary of the corporation.

"With but very few exceptions, and excluding the Ford Motor Co., the goods bought from American concerns have been purchased on credit ranging from six months to two years," Doctor Hammer said.

Because of the greater liberality of the British banks in extending credit to the Russians, even before Britain recognized Soviet Russia, Doctor Hammer said a considerable amount of the business handled by the corporation had been originating in the British markets. He cited cotton as an example. American cotton to the amount of $1,000,000 had been bought in England by the corporation and shipped to Russia, he said.

RADIO IN OTHER COUNTRIES.

Mr. DILL. Mr. President, I want to digress from the discussion of the Norbeck bill for just a moment to speak on another subject. I am somewhat of a radio fan, and on last Saturday evening there was delivered over the local broadcasting station an address by Mr. Laurens E. Whittemore, who is the secretary of the interdepartment radio advisory committee of the Department of Commerce, in which he gave the facts as to radio development in foreign countries. That address was so full of information regarding the development of the radio and the treatment of radio broadcasting stations and radio receivers that I asked him to send me a copy, which I ask to have inserted in the RECORD as a part of my remarks.

Before sending the address to the desk I want to call attention to one thing in it which seems to me extremely important in connection with the development of radio. In every other great civilized country where radio is developing there has been built up a system of licensing of the man who listens to radio. It is called a license; it is in reality a tax. Mr. Whittemore says that in Germany a citizen can not even buy a radio receiving set; he can only rent it, and a part of the rental is a license fee, used in running the broadcasting station.

The result is that in this country radio is developing more rapidly and is becoming more and more useful to our people than in all other countries combined. We have 40 Class B broadcasting stations, and some 500 others in the United States. In England they have only 9, and they are under the control of one broadcasting company. In Canada they have 35, in Holland they have 6, in France 4, in Germany 3, and in Belgium 3.

I simply call attention to this to show that the system of free radio growing up in America is developing the art in such a way that no man can have any real conception of what may happen. I do not want to be considered a prophet, but I venture to say that it is not beyond the realm of probability that within the next five years the proceedings of the Senate and of the House of Representatives will be broadcast over the country by means of microphones which will be placed upon the desks of Representatives and Senators.

I do not want to take more time, but I ask that these four pages comprising a speech delivered by Mr. Whittemore, who is an authority on the subject, may be inserted in the RECORD as a part of my remarks.

There being no objection, the matter referred to was ordered to be printed in the RECORD as a part of Mr. DILL's remarks, as follows:

[Address broadcast by Mr. Laurens E. Whittemore, secretary interdepartment radio advisory committee of the Department of Commerce, from broadcasting station WRC in Washington, D. C., Saturday night, March 1, 1924.]

RADIO IN OTHER COUNTRIES.

We sometimes get so interested in listening to our favorite broadcasting station or in hearing snatches of other programs that we are not aware of the many ways in which radio is being used both in this country and abroad.

Probably the most important use of radio is for communication with ships. The safety of many human lives may at any time depend on the successful transmission and reception of a single radio message. More than 12,000 of the 33,000 registered ships of the world are supplied with radio apparatus. About 8,000 of these radio-equipped ships fly the American flag. If all of these ships are to communicate with one another and with shore stations in any part of the world, there must be some sort of agreement as to the frequencies or wave lengths which they shall use. The present international agreement on this subject was worked out at a meeting in London in 1912, and does not provide adequately for the needs of present-day shipping. Plans are under way, however, for a meeting of delegates from the countries of North and South America to modernize the international radio agreement or "convention," as it is called.

The 500 kilocycle or 600 meter wave is used by ships throughout the world for calling and for transmitting S O S signals and distress messages. The 666 kilocycle or 450 meter wave and the 1,000 kilocycle or 300 meter wave, which are also authorized by this international agreement for use on ships, are within the range to which most broadcast receiving sets can be tuned, and the calling and distress wave is just above those used by the broadcasting stations. It is no wonder that sometimes our sensitive receiving sets pick up signals which are being transmitted by ship and shore stations. This sort of interference would be much more troublesome but for the fact that the marine radio services have agreed quite generally, out of consideration to the broadcast listeners, to discontinue the transmission of messages on these waves during the evening hours. There are, however, also several other waves of lower frequency or longer wave length which are used by ships for message traffic during these hours as well as at other times.

Other countries as well as our own have established radio fog-signal stations and radio direction-finding stations along the seacoast for the use of ships. Through the use of these special radio services a ship is enabled even during fog to determine its position at sea and to approach a shore or enter a harbor in safety.

An entirely different class of radio service is that of transoceanic or intercontinental communication. This service is a radio equivalent or supplement to the service rendered by the cables. For example, a message may be filed at the office of the Radio Corporation of America in Washington or in New York for transmittal from one of their high-power radio stations in New Jersey or on Long Island direct to a similar station operated by a company in England or Italy or Sweden or Argentina, etc. This service is going on steadily day and night, using very low frequencies or long wave lengths which do not interfere with broadcasting.

The distances over which these low-frequency high-power stations communicate are ordinarily 3,000 to 5,000 miles. In some cases they have been heard halfway around the world, which is as far away from the transmitting station as any receiving station can be. Since radio waves travel at the rate of 186,000 miles per second, it takes only one-fifteenth of a second for the waves to travel this distance, halfway around the world.

The messages normally sent by these high-power stations are radiotelegraph messages in code. Radio telephony from high-power stations is being conducted in an experimental way, and it may be possible some day to talk from our homes direct to a telephone subscriber in Europe.

These high-power transmitting stations have large antennas supported on towers, which in many cases resemble the towers of the United States Naval Radio Station at Arlington. The highest power-

transmitting stations of the world are not those at Arlington nor at the Eiffel Tower in Paris, as many people think. There are several stations in the world of about equally high power, each using apparatus employing 500 kilowatts. Among them are the United States naval stations at Annapolis, Md., and Pearl Harbor, Hawaii, and the radio stations at Bordeaux, France; St. Assise, France; Leafield, England; and Berlin, Germany. There are also about 50 other stations at various points over the world having power of 100 or 200 kilowatts each and 2,500 lower-power land stations for short-distance commercial communication.

In the principal nations of the world aircraft are beginning to employ radio for communication with each other and with their landing fields. Many of you heard the radio messages between the dirigible *Shenandoah* and the radio stations on the ground on the night of her recent forced flight. In Europe commercial aircraft travel regularly between London and Paris, and they are in constant communication with the landing fields by radio, telephone, and telegraph. The international list of radio stations includes 52 radio stations on aircraft.

Radio is used in this country for point-to-point communication over land to a greater extent than in other countries. This use is particularly valuable in mountainous regions, where wire lines are hard to maintain.

Little do we who listen to broadcasting night after night realise how fortunate we are to have so great a number and variety of excellent programs within our grasp and to be able to listen to them at will, unhampered by license fees and Government restrictions, which are imposed on receiving sets in many other countries.

As compared with our 40 Class B stations and some 500 other broadcasting stations, the British Isles have 9. It must be kept in mind, of course, that the area of the British Isles is about the same as that of our New England States. The broadcasting in England began in November, 1922, and is all done by a single company, the British Broadcasting Co., whose membership is made up of English manufacturers of radio receiving apparatus.

The British Government requires that the listener secure a permit or license for the operation of his receiving set, the annual fee being about $2.50. A part of this fee goes to the Government, while a part is turned over to the British Broadcasting Co. It is reported that about 600,000 licenses have been issued for the operation of receiving sets in England. A regulation requires that regenerative receiving sets be operated, so as to avoid producing radiation from the receiving antenna.

In Germany the use of radio receiving sets is still further restricted. Receiving sets are rented by the month or year for the reception of certain limited kinds of broadcasting, such as market and financial reports and, to a limited extent, concerts.

The regulations in France have recently been revised and are much more liberal than before. A permit for a receiving set is still required, however, and a small fee is collected.

In Australia the regulations provide that a receiving set shall be sealed up in such a way as to insure that the listener can tune only to the broadcasting station to which he is a subscriber. If he desires to receive programs from a second station, he must pay an additional fee for the privilege of using a set which will also receive programs from that station. One of the Australian broadcasting services is called "Farmers' Service," not, however, because of the listeners, but because that is the name of the concern which operates the station.

Other countries have somewhat similar regulations. As a whole, more freedom is gradually being given to the broadcast listeners.

It is interesting to notice the frequencies or wave lengths used by the broadcasting stations in other countries. I will state the wave lengths in meters, since most of us are more familiar with that designation than with the frequency in kilocycles, though I believe that the adoption of the kilocycle (meaning 1,000 cycles) is a proper forward step. Notice how they compare with the range from 222 to 545 meters covered by American stations.

England's eight stations are between 350 and 500 meters, with an additional relay station on 303 meters. Canada has about 35 broadcasting stations; Holland has 5, France 4, Belgium and Germany each 3. One or two stations each are operating in Spain, Algeria, Denmark, Hungary, Italy, Morocco, Switzerland, Czechoslovakia, Australia, Argentina, Brazil, and Uruguay. These stations use wave lengths which vary from 200 to 4,000 meters.

While the number of stations in each of the European countries may seem rather small, it must be remembered that distances there are not great. In Holland and Belgium, for example, the listeners who have tube sets, or "valve sets," as the English call them, can hear British and French broadcasting stations as well as their own. International radio broadcasting is, therefore, common in Europe.

Last December, during the special tests which many of you doubtless recall, British broadcasting stations were heard in America, and now almost every night one or more of our American stations are heard in England and France. Broadcasting from "the States" is heard regularly in Alaska, and once in a while a report of reception comes from a far-away point in South America.

For the benefit of listeners in England who have only crystal sets, the British Broadcasting Co. has on several occasions during the past two months staged a demonstration in which an American program has been relayed. On February 5 of this year the entire evening's program from station KDKA, at East Pittsburgh, Pa., was received at one of the British broadcasting stations and was automatically rebroadcast for the benefit of the listeners in England.

The British have the advantage over us when it comes to listening to radio programs across the Atlantic Ocean. Since the radio waves do not travel as far through daylight as through darkness we can not hear the programs from England unless they are transmitted after nightfall here, which puts it about midnight in London. At this time we are, however, subject to interference from our American stations. When it is 8 o'clock in the evening at Washington it is 1 o'clock in the morning in London, and there is darkness over the intervening ocean. So by staying up until after the English stations sign off for the night, the British listener has a chance of getting an American program.

This business of listening to broadcasting in other countries is resulting in the quick spread of musical hits. The "banana song" has been heard on the air many times in England and, in a corrupted form, even in Germany, since its popularity here.

Music, of course, makes its universal appeal no matter what the language spoken by the listener. However, for speeches and addresses, and especially for announcements, radio is adding its stimulus to the demand for an international language of some sort, and it is interesting to learn that from certain stations announcements are sometimes made both in English and in the language of the country where the station is located.

The programs given by the broadcasting stations in other countries are very similar to our own, but more attention is given to the transmission of complete plays, operas, and similar productions. Simultaneous broadcasting of the same program from several stations is common in England.

The radio amateurs of England are organizing a British radio relay league, which is similar to the American Radio Relay League. The transmitting of a radio message from country to country by the low-power sets used by these "transmitting" or "relay" amateurs has already been accomplished to an extent which has called for the proposal that an international radio relay league be organized. American amateurs have been heard in France, England, Hawaii, and Australia.

A story is told of a Scotchman who had a dozen guests at his house one evening and wanted them all to hear the radio concert. Not being the possessor of a loud speaker, he succeeded in borrowing several pairs of phones and at last had one earpiece for each listener. After the concert he was heard to complain that he himself had been unable to get an ear in edgewise. We have all had trouble at times getting a word in edgewise but we now have the entrance of the "edgewise ear."

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 4121) to extend the provisions of certain laws to the Territory of Hawaii.

The message also announced that the House had passed without amendment a bill and joint resolution of the following titles:

S. 2014. An act to authorize the Park-Wood Lumber Co. to construct two bridges across the United States Canal which connects Apalachicola River and St. Andrews Bay, Florida; and

S. J. Res. 57. Joint resolution authorizing the erection on public grounds in the District of Columbia of a statue by José Clara personifying "Serenity."

The message further announced that the House had passed bills of the following titles, in which it requested the concurrence of the Senate:

H. R. 192. An act to provide for a girls' dormitory at the Fort Lapwai Sanatorium, Lapwai, Idaho;

H. R. 472. An act to authorize the deposit of certain funds in the Treasury of the United States to the credit of Navajo Tribe of Indians and to make same available for expenditure for the benefit of said Indians;

H. R. 498. An act providing for a recreational area within the Crook National Forest, Ariz.;

H. R. 593. An act authorizing the issuance of service medals to officers and enlisted men of the two brigades of Texas Cavalry organized under authority from the War Department under date of December 8, 1917, and authorizing an appropriation therefor; and further authorizing the wearing by such officers and enlisted men on occasions of ceremony of the uniform lawfully prescribed to be worn by them during their service;

H. R. 837. An act to exempt from taxation certain property of the Daughters of the American Revolution in Washington, D. C.;

H. R. 1018. An act authorizing the Secretary of the Navy, in his discretion, to deliver to the custody of the Albany Institute and Historical and Art Society of the city of Albany, N. Y., the silver service which was presented to the U. S. cruiser *Albany* by citizens of Albany, N. Y.;

H. R. 1831. An act to loan to the College of William and Mary in Virginia two of the cannon surrendered by the British at Yorktown on October 19, 1781;

H. R. 1869. An act for the incorporation of the Grand Army of the Republic;

H. R. 2812. An act to authorize the Secretary of the Interior to sell certain lands not longer needed for the Rapid City Indian School;

H. R. 2876. An act to provide for the payment of claims of Chippewa Indians of Minnesota for back annuities;

H. R. 2877. An act providing for the reservation of certain lands in New Mexico for the Indians of the Zia Pueblo;

H. R. 2883. An act to validate certain allotments of land made to Indians on the Lac Courte Oreille Indian Reservation in Wisconsin;

H. R. 3684. An act for the enrollment and allotment of members of the Lac du Flambeau Band of Lake Superior Chippewas, in the State of Wisconsin, and for other purposes;

H. R. 4117. An act authorizing an appropriation for the construction of a road within the Fort Apache Indian Reservation, Ariz., and for other purposes;

H. R. 4161. An act authorizing the Commissioner of Indian Affairs to acquire necessary rights of way across private lands, by purchase or condemnation proceedings, needed in constructing a spillway and drainage ditch to lower and maintain the level of Lake Andes, in South Dakota;

H. R. 4803. An act to authorize the sale of lands and plants not longer needed for Indian administrative or allotment purposes;

H. R. 4804. An act to authorize the allotment of certain lands within the Fort Yuma Indian Reservation, Calif., and for other purposes;

H. R. 5549. An act to detach Jim Hogg County from the Corpus Christi division of the southern judicial district of the State of Texas and attach the same to the Laredo division of the southern judicial district of said State;

H. R. 5633. An act granting the consent of Congress to the Board of Supervisors of Hinds County, Miss., to construct a bridge across the Pearl River in the State of Mississippi;

H. R. 5737. An act granting the consent of Congress to the county of Kankakee, State of Illinois, and the counties of Lake and Newton, State of Indiana, to construct, maintain, and operate a bridge and approaches thereto across the Kankakee River at or near the State line between section 19, township 31 north, range 15 east of the third principal meridian, in the county of Kankakee, State of Illinois, and section 1, township 31 north, range 10 west of the second principal meridian, in the counties of Lake and Newton, State of Indiana;

H. R. 5799. An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Seminole Indians may have against the United States, and for other purposes;

H. R. 6420. An act to extend the time for the construction of a bridge across the Mississippi River in section 17, township 28 north, range 23 west of the fourth principal meridian, in the State of Minnesota;

H. R. 6925. An act granting the consent of Congress to the city of Chicago to construct a bridge across the Calumet River at or near One hundred and thirtieth Street in the city of Chicago, county of Cook, State of Illinois;

H. R. 6943. An act granting the consent of Congress to the village of Port Chester, N. Y., and the town of Greenwich, Conn., or either of them, to construct, maintain, and operate a dam across the Byram River; and

H. R. 7039. An act to amend section 72 of chapter 23, printing act approved January 12, 1895.

ENROLLED BILLS SIGNED.

The message also announced that the Speaker of the House had signed the following enrolled bills, and they were subsequently signed by the President pro tempore:

H. R. 584. An act to authorize the county of Multnomah, Oreg., to construct, maintain, and operate a bridge and approaches thereto across the Willamette River in the city of Portland, Oreg., in the vicinity of present site of Sellwood Ferry;

H. R. 3265. An act to authorize the construction of a bridge between the Boroughs of Brooklyn and Queens in the city and State of New York; and

H. R. 3681. An act to authorize the building of a bridge across the Waccamaw River in South Carolina.

PETITIONS AND MEMORIALS.

Mr. WARREN presented a resolution of the Chamber of Commerce of Casper, Wyo., protesting against any immediate amendment to the transportation act of 1920, which was referred to the Committee on Interstate Commerce.

Mr. WILLIS presented a resolution from Neff Post, No. 77, the American Legion, of Neff, Ohio, favoring the passage of legislation granting adjusted compensation to veterans of the World War, which was referred to the Committee on Finance.

Mr. CAPPER presented a resolution of the Horton Shop Federation and the Ladies' Auxiliary Shop Federation, of Horton, Kans., protesting against a resolution adopted by the Horton (Kans.) Chamber of Commerce, which opposed the passage of legislation making any substantial change in the transportation act of 1920, etc., which was referred to the Committee on Interstate Commerce.

Mr. HARRISON presented a resolution unanimously adopted by the Mississippi Division, Farm Labor Union of America, at Tupelo, Miss., favoring the passage of the so-called Norris-Sinclair bill, providing aid to agriculture, which was referred to the Committee on Agriculture and Forestry.

He also presented a petition of sundry citizens in the State of Mississippi praying for the passage of legislation to reduce the so-called war tax on alcohol used in the manufacture of flavoring extracts, which was referred to the Committee on Finance.

Mr. HARRIS presented a telegram in the nature of a memorial from Dr. J. R. McCain, of Atlanta, Ga., remonstrating against the inclusion in the revenue bill of a tax on gifts as affecting adversely the interest of colleges, which was referred to the Committee on Finance.

He also presented a resolution adopted at the midwinter meeting of the Georgia Press Association at Cairo, Ga., favoring an appropriation to erect in the city of Washington a monument to commemorate the memory of Henry Woodfin Grady, which was referred to the Committee on Appropriations.

INVESTIGATION OF DEPARTMENT OF JUSTICE BY SPECIAL COMMITTEE.

Mr. KEYES. Mr. President, several days ago the Senate passed a resolution providing for an investigation of the Attorney General. It now appears that adequate provision was not made for necessary clerical assistants. An amendatory or supplemental resolution was prepared and referred to the Committee to Audit and Control the Contingent Expenses of the Senate and that committee is now ready to report. I ask unanimous consent that I may present the report at this time.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from New Hampshire? The Chair hears none, and the report will be received.

Mr. KEYES. From the Committee to Audit and Control the Contingent Expenses of the Senate I report back favorably Senate Resolution 183.

Mr. ROBINSON. I ask unanimous consent for the present consideration of the resolution.

The resolution (S. Res. 183) submitted by Mr. JONES of Washington on the 3d instant, was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That Senate Resolution No. 157, agreed to February 29, 1924, be, and the same hereby is, amended to include authorization for the employment of such clerical and other personal services as may be necessary for the accomplishment of the purposes of said resolution.

REPORTS OF COMMITTEES.

Mr. JONES of Washington, from the Committee on Commerce, to which was referred the bill (S. 2122) to create a Pribilof Islands fund and to provide for the disposition of surplus revenue from the Pribilof Islands, Alaska, and for other purposes, reported it without amendment and submitted a report (No. 200) thereon.

Mr. SIMMONS, from the Committee on Finance, to which was referred the bill (S. 2510) for the relief of William Henry Boyce, sr., reported it without amendment and submitted a report (No. 201) thereon.

Mr. WALSH of Montana, from the Committee on the Judiciary, to which were referred the following bills and joint resolution, reported them severally with an amendment, and submitted a report thereon where indicated:

A bill (S. 314) concerning actions on account of death or personal injury within places under the exclusive jurisdiction of the United States;

A bill (S. 2691) to amend the Penal Code;

A bill (S. 2693) in reference to writs of error; and

A joint resolution (S. J. Res. 4) proposing an amendment to the Constitution of the United States relative to the adoption of amendments thereto (Rept. No. 202).

Mr. BRUCE, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon where indicated:

A bill (S. 78) for the relief of the owners of the barge *Anode* (Rept. No. 203);

A bill (S. 82) for the relief of the owners of the steamship *Comanche* (Rept. No. 204);

A bill (S. 84) for the relief of the owners of the steamship *Ceylon Maru* (Rept. No. 205); and

A bill (S. 788) to extend the benefits of the employers' liability act of September 7, 1916, to Daniel S. Glover (Rept. No. 206).

CHANGES OF REFERENCE.

On motion of Mr. WALSH of Montana the following changes of reference were ordered:

A bill (S. 303) authorizing the conveyance of certain land to the city of Miles City, State of Montana, for park purposes; from the Committee on Public Buildings and Grounds to the Committee on Public Lands and Surveys.

A bill (S. 2086) for the relief of W. W. Payne; from the Committee on Public Lands and Surveys to the Committee on Claims.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SWANSON:

A bill (S. 2727) to extend the benefits of the employers' liability act of September 7, 1916, to Otis Dodson; to the Committee on Claims.

By Mr. WALSH of Montana:

A bill (S. 2728) granting an increase of pension to Clarence J. Cure (with accompanying papers); to the Committee on Pensions.

By Mr. BURSUM:

A bill (S. 2729) granting a pension to Jose Rafel Apodaca; to the Committee on Pensions.

By Mr. WADSWORTH:

A bill (S. 2730) to allow and credit the accounts of First Lieut. W. W. Jenna, Infantry, assistant United States military attaché, acting quartermaster at Athens, Greece, and Belgrade, Yugoslavia, with $11,296.13 disbursed as refundment of expenses incurred, through loss of exchange, in the payment of salaries and bills of officers and employees of the United States; to the Committee on Military Affairs.

By Mr. LODGE:

A bill (S. 2731) for the relief of the Chamber of Commerce of the city of Northampton, Mass.; to the Committee on Claims.

By Mr. KENDRICK:

A bill (S. 2732) granting a pension to Emily A. Duffield; to the Committee on Pensions.

By Mr. BRUCE:

A bill (S. 2733) to provide for the establishment in the State of Maryland of a fisheries station, to be under the direction of the Bureau of Fisheries of the Department of Commerce; to the Committee on Commerce.

By Mr. CARAWAY:

A joint resolution (S. J. Res. 89) authorizing and permitting the State of Arkansas to construct, maintain, and use permanent buildings, rifle ranges, and utilities at Camp Pike, Ark., as are necessary for the use and benefit of the National Guard of the State of Arkansas; to the Committee on Military Affairs.

CREDITS ALLOWED INDIVIDUALS UNDER NORMAL TAX.

Mr. TRAMMELL submitted an amendment intended to be proposed by him to House bill 6715, the revenue bill, which was referred to the Committee on Finance and ordered to be printed.

PRESIDENTIAL APPROVALS.

A message from the President of the United States, by Mr. Latta, one of his secretaries, announced that on February 29, 1924, the President had approved and signed an act and a joint resolution of the following titles:

S. 2189. An act granting the consent of Congress to the State highway department of North Carolina to construct a bridge across the Peedee River in North Carolina between Anson and Richmond Counties; and

S. J. Res. 83. Joint resolution for the appointment of one member of the Board of Managers of the National Home for Disabled Volunteer Soldiers.

HOUSE BILLS REFERRED.

The following bills were severally read twice by their titles and referred as indicated below:

H. R. 7039. An act to amend section 72 of chapter 23, printing act approved January 12, 1895; to the Committee on Printing.

H. R. 498. An act providing for a recreational area within the Crook National Forest, Ariz.; to the Committee on Public Lands and Surveys.

H. R. 837. An act to exempt from taxation certain property of the Daughters of the American Revolution in Washington, D. C.; to the Committee on the District of Columbia.

H. R. 1018. An act authorizing the Secretary of the Navy, in his discretion, to deliver to the custody of the Albany Institute and Historical and Art Society of the city of Albany, N. Y., the silver service which was presented to the U. S. cruiser *Albany* by citizens of Albany, N. Y.; to the Committee on Naval Affairs.

H. R. 593. An act authorizing the issuance of service medals to officers and enlisted men of the two brigades of Texas Cavalry organized under authority from the War Department under date of December 8, 1917, and authorizing an appropriation therefor; and further authorizing the wearing by such officers and enlisted men on occasions of ceremony of the uniform lawfully prescribed to be worn by them during their service; and

H. R. 1831. An act to loan to the College of William and Mary in Virginia two of the cannon surrendered by the British at Yorktown on October 19, 1781; to the Committee on Military Affairs.

H. R. 1869. An act for the incorporation of the Grand Army of the Republic; and

H. R. 5549. An act to detach Jim Hogg County from the Corpus Christi division of the southern judicial district of the State of Texas, and attach the same to the Laredo division of the southern judicial district of said State; to the Committee on the Judiciary.

H. R. 5633. An act granting the consent of Congress to the Board of Supervisors of Hinds County, Miss., to construct a bridge across the Pearl River in the State of Mississippi;

H. R. 5737. An act granting the consent of Congress to the county of Kankakee, State of Illinois, and the counties of Lake and Newton, State of Indiana, to construct, maintain, and operate a bridge and approaches thereto across the Kankakee River at or near the State line between section 19, township 31 north, range 15 east of the third principal meridian, in the county of Kankakee, State of Illinois, and section 1, township 31 north, range 10 west of the second principal meridian, in the counties of Lake and Newton, State of Indiana;

H. R. 6420. An act to extend the time for the construction of a bridge across the Mississippi River in section 17, township 28 north, range 23 west of the fourth principal meridian in the State of Minnesota;

H. R. 6925. An act granting the consent of Congress to the city of Chicago to construct a bridge across the Calumet River at or near One hundred and thirtieth Street in the city of Chicago, county of Cook, State of Illinois; and

H. R. 6943. An act granting the consent of Congress to the village of Port Chester, N. Y., and the town of Greenwich, Conn., or either of them, to construct, maintain, and operate a dam across the Byram River; to the Committee on Commerce.

H. R. 192. An act to provide for a girls' dormitory at the Fort Lapwai Sanatorium, Lapwai, Idaho;

H. R. 472. An act to authorize the deposit of certain funds in the Treasury of the United States to the credit of Navajo Tribe of Indians and to make same available for expenditure for the benefit of said Indians;

H. R. 2812. An act to authorize the Secretary of the Interior to sell certain lands not longer needed for the Rapid City Indian School;

H. R. 2876. An act to provide for the payment of claims of Chippewa Indians of Minnesota for back annuities;

H. R. 2877. An act providing for the reservation of certain lands in New Mexico for the Indians of the Zia Pueblo;

H. R. 2883. An act to validate certain allotments of land made to Indians on the Lac Courte Oreille Indian Reservation in Wisconsin;

H. R. 3684. An act for the enrollment and allotment of members of the Lac du Flambeau Band of Lake Superior Chippewas, in the State of Wisconsin, and for other purposes;

H. R. 4117. An act authorizing an appropriation for the construction of a road within the Fort Apache Indian Reservation, Ariz., and for other purposes;

H. R. 4161. An act authorizing the Commissioner of Indian Affairs to acquire necessary rights of way across private lands,

by purchase or condemnation proceedings, needed in constructing a spillway and drainage ditch to lower and maintain the level of Lake Andes, in South Dakota;

H. R. 4803. An act to authorize the sale of lands and plants not longer needed for Indian administrative or allotment purposes;

H. R. 4804. An act to authorize the allotment of certain lands within the Fort Yuma Indian Reservation, Calif., and for other purposes; and

H. R. 5799. An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Seminole Indians may have against the United States, and for other purposes; to the Committee on Indian Affairs.

TRIBUTE TO THE LATE PRESIDENT WILSON.

Mr. HARRIS. Mr. President, I ask unanimous consent to have printed in the RECORD a short article which appeared in the Laurens (S. C.) Advertiser of a recent date.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From The Advertiser, Laurens, S. C., February 6, 1924.]

IN THE LINE OF DUTY.

With his characteristic moderation, Senator N. B. DIAL thus refers to the event which has caused to flow the tears of a Nation's grief:

"In the death of Woodrow Wilson the country has lost one of the greatest men, if not the greatest, of modern times. He was a martyr to duty. If his policies had been carried out, recurrence of war would be unlikely and stability would prevail everywhere; the people of all nations would now be following their usual avocations and peace and prosperity would reign. His passing will be mourned by all law-abiding and peace-loving people throughout the world."

He was the friend of the friendless, the champion of the weak, the deliverer of the downtrodden and oppressed.

No soldier at the battle front ever fell more completely or more willingly in the line of duty; and, in his last hours when the shadows lengthened and he knew the end was near, he was absolutely ready.

Other times than these will accord him his rightful place among the world's immortals.

Meanwhile his grateful friends throughout the earth (and the envious enemies in Washington whose loathly hands have struck him down) may well ponder over the following lines which this sad day suggests:

"Speak, History, who are life's victors?
Unroll thy broad annals and say.
Are they those whom the world calls the victors,
Who won the success of a day?
The Persians and Xerxes,
Or the heroes who fell at Thermopylae's tryst?
His judges or Socrates?
Pilate or Christ?"

RECESS.

Mr. CURTIS. I move that the Senate take a recess until 12 o'clock to-morrow.

The motion was agreed to; and the Senate (at 4 o'clock and 50 minutes p. m.) took a recess until to-morrow, Wednesday, March 5, 1924, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

TUESDAY, *March 4, 1924.*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father in heaven, Thou givest us all good things. We thank Thee for the promise of the days with their glad, cheerful lessons. Graciously awaken in us the joy and the hope of renewal, which oftentimes the unpromising days have caused to die out. May we never allow our labors to become irritating; let cheerfulness abound with industry. Give us the faith that will conquer worry and the steadfast confidence that Thou art not done with the old world yet. O may the soul of the Republic aspire more and more until it shall be said the world over "Blessed is the Nation whose God is the Lord." Amen.

The Journal of the proceedings of yesterday was read and approved.

ELECTION TO A COMMITTEE.

Mr. GARNER of Texas. Mr. Speaker, I offer the following resolution, which I send to the desk.

The Clerk read as follows:

House Resolution 207.

Resolved, That JAMES O'CONNOR of Louisiana be, and he is hereby, elected a member of the standing Committee of the House on Rivers and Harbors.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

AMENDING THE REVENUE ACT OF 1921.

Mr. GREEN of Iowa. Mr. Speaker, I present a privileged report from the Committee on Ways and Means on the bill H. R. 6901, to amend the revenue act of 1921.

The SPEAKER. The gentleman from Iowa presents a privileged report from the Committee on Ways and Means, which is referred to the Committee of the Whole House on the state of the Union.

MAINE IN THE CONGRESS OF THE UNITED STATES.

Mr. WHITE of Maine. Mr. Speaker, under leave granted to extend remarks, I insert an address of Hon. IRA G. HERSEY before the Maine Society of New York.

The address is as follows:

ADDRESS OF HON. IRA G. HERSEY, MEMBER OF CONGRESS FROM MAINE, BEFORE THE MAINE SOCIETY OF NEW YORK AT THE ANNUAL DINNER OF THE SOCIETY HELD AT THE HOTEL PLAZA THURSDAY EVENING, FEBRUARY 28, 1924.

Mr. President, men and women of the Maine Society of New York. I am greatly pleased and honored to be your guest to-night and to meet and greet those who like myself have been born and reared in the old Pine Tree State of Maine, but who at the present time have a temporary home and "Wayside Inn" in other States, and who all, doubtless, have an ambition when vacation days come to spend a few pleasant weeks each year along the delightful shores of Maine's great Atlantic or on the banks and bosom of her many silver lakes, there to lay our tired heads close up to the breast of Mother Nature and dream the old, sweet dreams again. And then, finally, when life's sunset comes, to make a final visit to the dear old home and find sweet sleep beneath her pines and "sink in the faith of the fathers to rest."

I am to speak to you to-night of Maine in the Congress of the United States, a wonderful part of the history of this Nation. I can not in the brief time allotted me give you the many interesting details of the lives and work of the men from Maine who have made up the State delegations since 1820, when we cut the apron strings that bound us to our kind old mother, Massachusetts.

From 1820 to 1843, a period of 23 years, Maine was represented in both Houses of Congress by average men, who never attained the temple of fame but who did honorable work for the people of their State, such men as Whitman, Shepley, Parris, and others, some of whom were governors of their State before they went to Congress and others left Congress to take a seat upon the supreme bench of Maine.

This period antedated the Civil War, and during that time the debates and work in Congress largely centered around questions of slavery and the general business of the Nation in establishing industries and a system of revenue and finance.

I have only time to call your attention to a few of the great men who served Maine in Congress who made up in a large part the history of their times.

Hannibal Hamlin stands out as the first great statesman from Maine. He had received a fine education, learned the trade of a printer, adopted the profession of law, was in his State legislature three terms, and was speaker of the House of Representatives of Maine. He was at that time a Democrat, as there were only two parties in Maine—Whigs and Democrats—and he remained a Democrat until the formation of the Republican Party in 1860. His was a fine character, a gentleman of the old school, clean in life and thought, a man beloved by all who knew him, a true statesman, and a fearless American.

It is told of him that when engaged in the practice of law a rich neighbor called upon him to draw a deed, which Hamlin did, for which he charged 75 cents. The wealthy client demurred. Finally Hamlin said, "I will call it 25 cents and treat you," which so pleased the neighbor that he paid the 25 cents, and then Hamlin took him over to the corner grocery, which in those old days sold rum, and gave him drinks to the amount of 25 cents, which the client eagerly swallowed, and then, looking up at Hamlin, he said, "Squire, you air the most generiosiest man I ever knew. I am going to give you all my business. I will be damned if I won't."

Hamlin's work in the Congress of the United States was such that when the Republican Party was organized in 1860 he became Vice President with Lincoln, and history shows us that he was a most valuable adviser and assistant to the President during the great Civil War.

He went from the House to the Senate and served in all 14 years in the Congress of the United States. We might spend an interesting evening over the life and work of this great statesman.

He was a great debater. In his fight at home for Congress he was opposed by one Elisha H. Allen, a Whig, and they agreed upon a joint debate over their district. During the close of these series of debates before a great audience Hamlin was to speak first. Allen was a good story teller, which took then with the crowd, and he had many good stories. Hamlin, to the consternation of his opponent, told all of Allen's stories and left him high and dry to follow him in the debate.

Another story is told that Hamlin, when he was Senator at Washington, had a call from a well-to-do business man who wanted some advice and assistance, and when the business had been completed he produced two letters which he had written, and he said to Hamlin, "Write your name upon these letters and they will go under your frank and I won't have to pay any postage." Hamlin fished into his pocket and obtained a couple of stamps and said to him, "Put these on the letters. I can never allow myself to cheat the Government out of even two stamps." This shows the character of the great statesman whose memory we to-day honor.

Israel Washburn, jr., was one of Maine's great men in Congress. He entered the House in 1851 where he remained for 10 years, and in 1861 was chosen Governor of Maine. His work was noted for its practical benefit to the State, his sound defense of the great principles of the Union, and his stern Americanism. He was a splendid speaker and a great orator. He had a brother, Elihu B. Washburn, who went from Maine to Illinois and ably represented that State in Congress during the Civil War. And yet a third brother of this famous family in Maine who rose to honor and distinction, William D. Washburn, served six years in the House and one term in the Senate, coming from the State of Minnesota.

During the period of the Civil War Maine was represented with great ability in Congress by Lot M. Morrill, who was president of the Maine Senate in 1855, governor of Maine in 1857, 1858, and 1859, and was sent to the United States Senate in 1861, serving there until 1876, when he was chosen Secretary of the Treasury.

Another Morrill, Anson P., served in the Maine legislature, was chosen governor of his State and sent to Congress in 1861 serving one term in the House. He was a fine type of statesman and was known in our State and still remembered as the defender of the "Maine law."

During the period of the Civil War our State was powerfully represented in Congress by William Pitt Fessenden, an able lawyer. He also had been a member of the Maine House and Senate. He served one term in Congress in 1841, declined reelection, but came back later in 1853 and served until 1864, when he was appointed by President Lincoln as Secretary of the Treasury, returning to the Senate a second time at the close of Lincoln's term for a period of four years where he served with distinction until his death. He left a great record for fidelity to service and financiering the war. In the most troublesome period of the war he was loyal to the Union, faithful to the flag, strong and mighty in the councils of the Nation, and his work and influence had much to do in making a loyal North supreme in the dark days of the rebellion.

The great test of our Democratic institutions came in the period of 1861 to 1866, and there the sons of Maine in Congress made themselves immortal. I have mentioned Hannibal Hamlin as "The noblest Roman of them all," together with the Fessendens, Washburns, and Morrills. Maine, indeed, in that great struggle to save the Union was mighty in the House and Senate of the United States.

After the Civil War great commercial and industrial questions presented themselves for settlement—how to reconstruct the Nation, how to pay the war debt, redeem the greenbacks, establish the national credit, provide a sound currency, pay reasonable pensions, resurrect destroyed industries, and start the Nation again toward prosperity.

These were, indeed, mighty problems, and in their settlement James G. Blaine, of Maine, was the man of the hour. He was well educated and served a number of terms in the Maine Legislature and was speaker of the Maine House. He served for 20 years in the National House and Senate. He came to the House in 1863 and was chosen its Speaker in 1869; served through three Congresses as Speaker, and was then sent to the Senate, where he remained until 1881, when he resigned to become Secretary of State. In 1884 he was nominated for the Presidency and came within 1,500 votes, in the State of New York, from being elected President. He was again called to the chair of the Secretary of State, and after three years resigned and retired to private life to write his wonderful book, Twenty Years of Congress. His statesmanship was of a high order, and his diplomacy ranks with that of Hay and Root.

Other notable statesmen from our State were prominent factors in the building up of this Nation. I wish to mention William P. Frye. A member of our State legislature, attorney general of his State, he was sent by our people to the House of Representatives, where he served 10 years, and then to the Senate, where his service ended only with his death in 1911. A great service of over 40 years in public life, a record rarely equaled in the annals of public men. He was finely educated in Bowdoin College, a great lawyer, and a presiding officer whose ability kept him for 15 years President pro tempore of the Senate. He had much to do with the shipping interests of the Nation and was always a strong and powerful advocate for all the great industries that have made our Nation famous and prosperous.

Senator Frye came near having presidential greatness thrust upon him not once but twice. In the national convention of 1880 pressure was brought to bear upon him to accept the nomination for Vice President. It was proposed to him before it was to Mr. Arthur. Had he accepted, the tragic death of Garfield would have left him with the highest office in the land upon his shoulders. He refused to allow his name to be used and Mr. Arthur was chosen. Again, in 1900, President McKinley desired him to accept the nomination for Vice President, but Frye refused and said, "Why, what if anything should happen to you?" "Why, then," said McKinley, "you would become President, and no man would be better fitted to fill the place than yourself." Frye said, "I will not take the chance, for I would not be President if it were handed to me on a plate of gold; in fact, I would rather be Senator from Maine than to occupy any other office in the gift of the people." Had Frye accepted, he would have become President in the place of Roosevelt. Maine men and women are always proud of the life and public service of William P. Frye.

In 1881 there came to the House of Representatives from Maine Eugene Hale, a fine lawyer and an able advocate. He served in the Maine House in 1879 during the memorable period of the "count out" in Maine, where the National Greenback Party, so called, formed a fusion with the Democrats to beat the Republicans. After the Maine election of 1879 it was admitted that the Republicans had won the legislature by a large majority, but when the governor and council examined the returns and made their report it was shown that the fusion legislature had won by a large majority. Then came a crisis in the history of Maine.

In the January following the election two legislatures met at the Capitol at Augusta, both claiming to be the real legislature of Maine, one Republican and the other fusion. The Supreme Court of Maine held that the Republican legislature was the legal one. The other disbanded. As soon as the Republican legislature was organized a special committee was appointed by both houses to investigate, examine, and report on the election and the returns made to the governor and council of that legislature. Eugene Hale was made chairman of that committee. His work was wonderful. His cross-examination of witnesses and his investigation of the facts as chairman in these sensational hearings showed him to be a man of no ordinary caliber and placed him at once in the front rank as a great lawyer and a statesman. He exposed the frauds in that election in such a manner as to make him a successful candidate for the National House, to which he was elected in 1881. He served 10 years in the House and then was sent to the Senate, where he served in House and Senate for the period of 30 years. In 1911 ill health prevented further service and he was obliged to retire. His record stands high in the councils of the Nation and the affections of the people of his State as one of the greatest statesmen of his time. He was the leader in the Senate during his last 10 years in that body. No man had a greater control of the Congress of the United States than Eugene Hale, a wonderful leader of men, and a man of few words, but of great political wisdom.

It is told in the cloakrooms of the Capitol that some years ago a new Member from the great West came to Congress with a message from his people to secure a certain piece of legislation valuable to his people. As he did not know the proccdure very well, he approached an old Member as to what he should do. He said to him, "Put in your bill, have it referred to the Ways and Means Committee, and be sure to see Nelson Dingley, jr., of Maine, who is chairman of that committee. If he favors your bill, you can get it out of the committee all right, because he has more power and influence than anybody else on that committee. If the bill is reported to the House, then you want to see Speaker Reed, from Maine, who will recognize you to call it up. With these two men for you in the House you will have no trouble in getting your bill through." The new Member then said, "What shall I do when it goes to the Senate?" "Well, you want to see Eugene Hale, of Maine, who is the leader of the Senate. If he favors your bill, it will be favorably reported, and if it is reported you want to see the President of the Senate, William P. Frye, of Maine, so that he will recognize the Senator who calls up your bill. With these two men for your bill in the Senate you will have no trouble in getting the legislation through." The new Member in astonishment said, "It seems to me that Maine is the whole Congress. I do not know why I should be sent here at all." And this was the actual situation for many years. Maine was the great influence that enacted some of our most valuable laws and needed reforms in Congress.

A well-known leader in Congress has recently said that long service in the Congress by Maine men has made the comparatively small State of Maine a power in the national councils.

While Hale and Frye were outstanding figures in the forefront of the Senate of the United States, Thomas B. Reed and Nelson Dingley, jr., were leaders in the House of Representatives.

Thomas B. Reed was a lawyer of Portland. He served in the Maine House and Senate and was Speaker of the Maine House. He

was later attorney general of Maine and was sent to Congress in 1877, serving there, in all, 22 years. He was Speaker of the National House in the fifty-first, fifty-fourth, and fifty-fifth Congresses. He made himself immortal by causing the adoption of what are known as the Reed Rules. He revised the ancient rules of the House that did not meet the times. He presided over the House during the most stormy period of its existence and won out. Many interesting stories are told of him in the House. He was a great debater, of wonderful wit and humor. Before he was Speaker he had made some remarks one day that angered his political opponents, and a new Member on the Democratic side made a speech in which he attempted to ridicule Reed and used personalities of a low and vulgar sort. Reed listened in silence until the fellow exhausted himself and sat down, thinking no doubt that he had annihilated Reed. Reed arose and answered him. Such wit, such humor, such eloquence, the Member abusing Reed seemed to grow smaller and smaller until he was completely obliterated. When Reed had about closed, amid great cheers and applause from both sides of the House, he turned to this Member and, looking him in the eye, said, "And now, Mr. Speaker, having embalmed this fly in the amber of my eloquence, I will proceed to discuss the question before the House."

During the period of the revision of the rules, when the party spirit ran high, a zealous and enthusiastic Member exclaimed, "Mr. Speaker, as for me, I would rather be right than be President." Reed turned to the Member and in his most sarcastic tone said, "Well, the gentleman will never be either."

Reed was the first to count a quorum. It had been a habit of the opposition in the House to sit silent when the roll was called and not answer to their names, thereby believing that they would deprive the House of a quorum and of course deny the House the opportunity to work. Reed added to the roll call the names of those who refused to answer, thereby making a quorum. When an angered Member of the opposition rushed down to the Speaker's desk and said, "I deny your right, Mr. Speaker, to count me present and I desire to read from parliamentary law on that subject." Reed said, "The Chair is making a statement of fact that the gentleman from Kentucky is present. Does he deny it?" And this settled that question.

Reed, after his 22 years of service, feeling that he ought not longer to remain in Congress with his meager salary, but must take care of those dependent upon him, resigned and went to New York, where in a large law firm he made quite a fortune which he left to those dependent upon him. He is remembered by those who knew him in Congress as one of the most able men, and the work of "Reed of Maine" is to-day in Congress recognized as a part of the history of the United States.

Reed was ably seconded and assisted in his great work by Nelson Dingley, jr., a good lawyer, a great editor, trained as speaker of the Maine House of Representatives and as Governor of Maine. He served in the National Congress 18 years. It was said of him by a Member of Congress with whom he served that Dingley knew something of everything, and more of some things than any other person in history.

His mind was filled with accurate and trustworthy information upon all variety of subjects that came up in Congress. He was a walking encyclopedia of industrial, financial, and political facts. He was the author of the Dingley tariff bill and made for himself a great name in the successful enactment of that wonderful piece of legislation, a bill that has been memorable as a model for all subsequent legislation upon the subject.

It was not only in the matter of tariffs that he became immortal but he took part successfully in the able discussions of the merchant marine, the civil service, appropriations, all questions on the currency and national credit, all matters growing out of the public faith, of revenue and protection. He wore himself out in his great work for his State and Nation, and after his model tariff bill had been passed he found himself unable to continue his work in Congress and died on the battle field, as it were. Dingley, the statesman, is written high in the hall of fame in our State and Nation.

With Frye, Blaine, Dingley, and Hale came Charles A. Boutelle, a man who served 14 years in the House of Representatives. He was well educated, the able editor of a daily newspaper which was conducted under his supervision all of the time he was in Congress. In a study of the questions of reconstruction growing out of the war and in combating the spirit of the rebellion that lingered in the South he was a leader and not a follower, a fighter every minute, respected by his friends and feared by his foes. He added much to the glorious history of the State of Maine.

Edwin C. Burleigh was Governor of Maine, 1890–1892, and was elected to Congress in 1897, and served in the House and Senate 18 years. He was a great, big-hearted, friendly man whom everybody loved, who had no enemies in the world, a man who made no speeches, but whose diplomacy was of the highest order. Legislation that he wished enacted was very sure to be successful by his persistency and friendly efforts. In other words, he could get what he wanted for Maine, and he got it. So much did the people of his State love, honor, and respect him that when the senatorial primary law was passed he entered the lists against two of the ablest lawyers in our State, one of them a judge who left the supreme bench and contested with him for the Senate. He won easily over them both and served in the Senate until he died in 1916.

Thomas B. Reed, when Speaker, had as his able assistant and parliamentary clerk Asher C. Hinds, who was sent to Congress in 1911 and who remained there until ill health compelled him to retire in 1915. He left behind him his monumental work, which is the guide to-day of all Members in parliamentary proceedings—the large eight-volume work called "Hinds' Precedents," collected in a masterly order the decisions of all the Speakers down to his time and all the parliamentary rulings and usages, and it is to-day the last word in parliamentary law. It will remain a monument to Congressman Hinds long after other illustrious men have been forgotten.

I have mentioned thus to you some of the great men in Congress from Maine. It is well known that these men I have mentioned were Republicans. We have had a few great Democrats represent us in Congress. In 1911 after the split came in the Republican ranks the Democrats sent from our State Hon. Daniel J. McGillicuddy to the House, an able lawyer who was at once placed in charge of the Underwood tariff bill, so called, in the House, showing that the Democratic Party appreciated the valuable help of a man from Maine.

In the Senate Hon. Charles F. Johnson, Democrat, was sent to represent us, and he was at once placed on important committees by his party and had charge of the Underwood tariff bill when it came to the Senate. He was an able lawyer and soon became a very popular Member of the Senate. I mention these things to show you that Maine has made a place for herself in the Congress of the United States. It is expected that no man from Maine will come to either House or Senate except those well qualified for the duties of the office. It is true that back in 1880 and 1881 we had in Congress two Democrats from Maine, which was in the days of the Greenback Party. They were able to be elected by the combination of the Greenbackers and Democrats, but they were one termers and did not add anything to the history of Maine or the Nation.

I can not speak to you about the men who now represent you in the Congress of the United States. We are living too near to them to give them justice. They are learning the ways that all other men in Congress have to learn before they can make history. There will be Hamlins, and Blaines, and Fryes, and Dingleys, and Reeds from Maine in all future Congresses; but at present the lesson that Maine has learned is this: To keep in the Congress of the United States men that will grow up in the service, for it is only those who remain for 20, 30, and 40 years that make names for themselves in the annals of the country. The first 10 years is learning how to do the work for the people in that great parliament of the world, and you may rest assured that even the present delegation in Congress will bear in mind always those who have gone before, that they will stand loyally by the President of the United States. They will be loyal and true in the settlement of all great questions of the day and the hour, and you may rely that in the future Maine in the Congress of the United States, as in the past, will continue to shine as one of the brightest jewels in the diadem of this Republic.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had passed bills and joint resolutions of the following titles, in which the concurrence of the House of Representatives was requested:

S. 1724. An act to amend section 4414 of the Revised Statutes of the United States, as amended by the act approved July 2, 1918, to abolish the inspection districts of Apalachicola, Fla., and Burlington, Vt., Steamboat Inspection Service;

S. 1972. An act to provide for the erection of a fireproof addition to the courthouse of the District of Columbia in Judiciary Square for the use of the office of recorder of deeds, and for other purposes;

S. 1213. An act for the relief of Harold Kernan;

S. J. Res. 63. Joint resolution authorizing the Secretary of War to receive for instruction at the United States Military Academy at West Point two Siamese subjects, to be designated hereafter by the Government of Siam;

S. 611. An act for the relief of Paul B. Belding;

S. J. Res. 3. Joint resolution authorizing the Federal Reserve Bank of Kansas City to invest its funds in the construction of a building for its branch office at Denver, Colo.;

S. J. Res. 51. Joint resolution authorizing the Federal Reserve Bank of Kansas City to invest its funds in the construction of a building for its branch office at Omaha, Nebr.;

S. 1614. An act providing for the construction of bridges across the Great Kanawha River below the falls in West Virginia, under certain conditions;

S. 431. An act to extend the time for the construction of a bridge across the Cumberland River, in Montgomery County, Tenn.;

S. 1763. An act to validate certain payments made to George M. Apple and to authorize the General Accounting Office to allow credit to certain disbursing officers for payments of salaries made on properly certified and approved vouchers;

S. 321. An act for the relief of certain nations or tribes of Indians in Montana, Idaho, and Washington;

S. 1021. An act for the relief of the Alaska Commercial Co.;

S. 2209. An act to amend section 5147 of the Revised Statutes; and

S. 1971. An act to authorize the Commissioners of the District of Columbia to accept certain land in the District of Columbia dedicated by Charles C. Glover for park purposes.

SENATE BILLS AND RESOLUTIONS REFERRED.

Under clause 2, Rule XXIV, Senate bills and joint resolutions of the following titles were taken from the Speaker's table and referred to their appropriate committees as indicated below:

S. 1724. An act to amend section 4114 of the Revised Statutes of the United States as amended by the act approved July 2, 1918, to abolish the inspection districts of Apalachicola, Fla., and Burlington, Vt., Steamboat Inspection Service; to the Committee on the Merchant Marine and Fisheries.

S. 611. An act for the relief of Paul B. Belding; to the Committee on Claims.

S. J. Res. 3. Joint resolution authorizing the Federal Reserve Bank of Kansas City to invest its funds in the construction of a building for its branch office at Denver, Colo.; to the Committee on Banking and Currency.

S. J. Res. 51. Joint resolution authorizing the Federal Reserve Bank of Kansas City to invest its funds in the construction of a building for its branch office at Omaha, Nebr.; to the Committee on Banking and Currency.

S. 1614. An act providing for the construction of bridges across the Great Kanawha River below the falls in West Virginia under certain conditions; to the Committee on Interstate and Foreign Commerce.

S. 431. An act to extent the time for the construction of a bridge across the Cumberland River in Montgomery County, Tenn.; to the Committee on Interstate and Foreign Commerce.

S. 1763. An act to validate certain payments made to George M. Apple and to authorize the General Accounting Office to allow credit to certain disbursing officers for payments of salaries made on property certified and approved vouchers; to the Committee on Claims.

S. 321. An act for the relief of certain nations or tribes of Indians in Montana, Idaho, and Washington; to the Committee on Indian Affairs.

S. 1021. An act for the relief of the Alaska Commercial Co.; to the Committee on Claims.

S. 1213. An act for the relief of Harold Kernan; to the Committee on War Claims.

S. 1971. An act to authorize the commissioners of the District of Columbia to accept certain land in the District of Columbia dedicated by Charles C. Glover for park purposes; to the Committee of Public Buildings and Grounds.

S. 1972. An act to provide for the erection of a fireproof addition to the courthouse of the District of Columbia in Judiciary Square for the use of the office of recorder of deeds and for other purposes; to the Committee on Public Buildings and Grounds.

S. 2209. An act to amend section 5147 of the Revised Statutes; to the Committee on Banking and Currency.

INVESTIGATION OF SHIPPING BOARD.

Mr. SNELL. Mr. Speaker, I call up a privileged resolution, House Resolution 186, from the Committee on Rules, which I send to the desk and ask to have read.

The Clerk read as follows:

House Resolution 186.

Resolved, That the Speaker of the House of Representatives be, and he is hereby, directed to appoint from the membership of the House a select committee of seven Members, for the Sixty-eighth Congress, and which said committee is hereby authorized and directed to inquire into the operations, policies, and affairs of the United States Shipping Board and the United States Shipping Board Emergency Fleet Corporation, or any agency, branch, or subsidiary of either; said inquiry shall include an investigation of contracts, leases, sales, settlements, accounts, expenditures, receipts, assets, liabilities, properties, and any and all transactions, affairs, policies, and plans of the United States Shipping Board and the United States Shipping Board Emergency Fleet Corporation and any other corporations, firms, individuals, or agencies in any way associated with or controlled or regulated by the said Shipping Board or Emergency Fleet Corporation from the date of the passage of the several acts creating the same, together with an inquiry into such other pertinent matters as may aid the committee in determining and recommending future policies with respect to the Shipping Board and Emergency Fleet Corporation and the properties and agencies under their control.

Resolved further, That said committee is also hereby authorized and empowered to appoint such subcommittees as it may deem advisable, and the said committee or any subcommittee thereof is hereby authorized to sit during the sessions of the House or during any recess of the House, and to hold its sessions in such places as the committee may determine; to require by subpœna or otherwise the attendance of witnesses, the production of books, papers, and documents, to administer oaths and affirmations, and to take testimony.

Resolved further, That the Speaker is hereby authorized to issue subpœnas to witnesses upon the request of the committee or any subcommittee thereof at any time, including any recess of the Congress; and the Sergeant at Arms is hereby empowered and directed to serve all subpœnas and other processes put into his hands by said committee or any subcommittee thereof.

Resolved further, That said select committee shall have the right at any time to report to the House in one or more reports the results of its inquiries with such recommendations as it may deem advisable.

Mr. SNELL. Mr. Speaker, I think the resolution fully explains itself. It is a simple resolution of inquiry by a special select committee, to be appointed by the Speaker. As far as I know, there is no opposition to the resolution on the part of the Members of the House or on the part of the Shipping Board. Of course, we all appreciate the fact that the Shipping Board is in a little different position from other important branches of the Government. As I understand it, it is not responsible to any Cabinet officer but is primarily responsible to the President or the Members of Congress, and it is intended and thought that perhaps this investigation may result in some good in the way of decreased expenditures by that board. It is more an investigation of the policies and what they intend to do in the future in the way of spending this vast amount of money that is appropriated for them each year. It is with the hope that this investigation may be of some real benefit to the board and to the people that it is offered at this time. I do not know whether there is anything to be said on the other side or not. Does the gentleman from Tennessee desire any time on the resolution?

Mr. GARRETT of Tennessee. I think not.

Mr. McKEOWN. Mr. Speaker, will the gentleman yield for a question?

Mr. SNELL. Yes.

Mr. McKEOWN. Will this committee have jurisdiction to determine the controversy between the American Bar Association and the Shipping Board?

Mr. SNELL. I can not answer that question; but it will have power to investigate all of the acts of the Shipping Board under this resolution.

I yield now to the gentleman from Wisconsin [Mr. NELSON].

Mr. NELSON of Wisconsin. Mr. Speaker, I do not believe it is necessary to take up the time of the House, and I ask unanimous consent to extend my remarks in the RECORD upon this subject.

The SPEAKER. Is there objection?

There was no objection.

Mr. NELSON of Wisconsin. Mr. Speaker, the United States Shipping Board was created on September 7, 1916. The board began to function in January, 1917.

The board has in the seven years of its existence had seven chairmen, or an average of one new chairman a year: William Denman, E. N. Hurley, John Barton Payne, Admiral W. S. Benson, A. D. Lasker, E. P. Farley, and T. V. O'Connor.

In that seven years of checkered existence the Shipping Board has had 24 commissioners to serve on the board, either as recess or confirmed appointees: William Denman, California; Bernard N. Baker, Maryland; John A. Donald, New York; John B. White, Missouri; Theodore Brent, Louisiana; E. N. Hurley, Illinois; Raymond B. Stevens, New Hampshire; Bainbridge Colby, New York; Charles R. Page, California; Henry M. Robinson, California; John Barton Payne, Illinois; T. A. Scott, New York; W. S. Benson, Washington, D. C.; Frederick I. Thompson, Alabama; J. N. Teal, ———; Chester A. Rowell, California; Guy D. Goff, West Virginia; Charles Sutter, ———; A. D. Lasker, Illinois; T. V. O'Connor, New York; George E. Chamberlain, Oregon; E. C. Plummer, Maine; Meyer. Lissner, California; Albert Haney, Oregon.

In that seven years the Shipping Board has had five separate and distinct changes in the policy of operating the fleet of ships: Operation by the Emergency Fleet Corporation as a whole; managing and operating contracts Nos. 1, 2, 3, 4; to say nothing of modifications of those operating policies and new proposed changes.

The Emergency Fleet Corporation was the agency through which the Shipping Board requisitioned, built, bought, and operated ships, as well as purchased and sold materials, ships, shipyard plants, and securities involving $3,000,000,000 and an expenditure now amounting to nearly $5,000,000,000.

The changes in that corporation are astounding and dismaying. In the less than seven years of its existence and operation, operating under a board of seven directors or trustees, it has had seven presidents: E. N. Hurley, C. M. Schwab, W. S. Benson, A. D. Lasker, J. W. Powell, J. B. Smull, and Leigh C. Palmer.

This corporation, handling, selling, spending money and property belonging to the people amounting to about $5,000,000,000, has had in that seven years more than 12 vice presidents: J. A. Donald, Charles Piez, Bainbridge Colby, Howard Coonley, J. L. Ackerson, T. V. O'Connor, J. B. Smull, A. J. Frey, W. J. Love, Elmer Schlesinger, H. S. Kimball, E. P. Farley, and others.

This poor, much-shifted corporation in its seven troublesome years has had eight general managers: Charles Piez, Howard Coonley, J. L. Ackerson, R. L. Hague, R. D. Gatewood, J. W. Powell, J. B. Smull, L. C. Palmer.

The procession of assistant general managers has been similar to that of the general managers.

Six or seven treasurers have passed along, each one making different changes in the arrangement of personnel and procedure, as each other official from president down to general managers and assistant general managers have done, so the turnover of personnel has been a procession, with the new ones coming in and the old ones going out, just as the old ones had gotten through making terribly expensive errors and had begun to know their jobs.

But when we come to the board of trustees we are amazed. In its short seven years of existence the corporation has had 33 men to serve on its board of directors: E. N. Hurley, J. A. Donald, Raymond B. Stevens, Bainbridge Colby, Charles E. Page, Charles Piez, Admiral W. L. Capps, E. F. Carry, Charles Day, J. H. Rosseter, Admiral W. S. Benson, John Barton Payne, Martin J. Gillen, Albert D. Lasker, T. V. O'Connor, George E. Chamberlain, Edward C. Plummer, Frederick I. Thompson, Meyer Lissner, J. W. Powell, A. J. Frey, W. J. Love, Elmer Schlesinger, H. S. Kimball, E. P. Farley, Sydney Henry, J. W. McIntosh, Ralph V. Sollitt, W. B. Keene, J. E. Sheedy, J. T. Clear, J. Harry Philbin, Leigh C. Palmer.

Along with the five or more changes of operating policy involving changes in Europe and the United States, to say nothing of South and Central Americas, the Orient, of thousands of officials and employees, this poor Fleet Corporation has had 13 operating directors: P. A. S. Franklin, H. H. Raymond, Sir Connop Guthrie, E. F. Carry, J. H. Rosseter, J. T. Cushing, Capt. Paul Foley, W. J. Love, J. B. Smull, A. J. Frey, W. B. Keene, L. C. Palmer.

Boards settling claims have had a procession of members comparable to the unending line of corporation trustees. Literally dozens of men as members of the board, to say nothing of a veritable army of changing attorneys, clerks, examiners, and statisticians have for short periods wrestled with the claims aggregating hundreds of millions—a couple of billions, in fact—and have passed on. But the claimants and their attorneys stayed on the job, thus having all the advantage of the Government in knowing what went on before—and many of the attorneys were formerly with the board and went over to the contractors to pile up claims against the Government.

While all this was going on chief counsels were scarcely getting their desks open and their chairs warm before they passed on. It is safe to say that not a member of the Shipping Board could offhand name all the chief counselors who have for a brief moment held sway in the Shipping Board and the Emergency Fleet Corporation and then passed on after undoing most of the work of their predecessors, and, in turn, having their work undone.

Six comptrollers have graced the organization in seven years, and when the general personnel is considered thousands would be required to express the numbers which have come and gone.

Hundreds of millions of dollars worth of supplies and materials have been sold under various supply and sales directors who have succeeded one another in a manner similar to the other officials.

And yet to-day the Shipping Board has no policy. It has no settled operating program. It has no settled personnel. It has no object in the future except the one solitary purpose which has always actuated the officials of the Shipping Board and the Emergency Fleet Corporation—to get the ships into the hands of privateers as cheaply and as quickly as possible, to get as much money for the private interests as possible, to make Government ownership and operation as unprofitable and as much of a failure as possible, and to allow the private shipping interests to make as much at the expense of the Government as possible.

What business—steel, coal, railroad, any private business—could exist under such misrule, such a changing of policies, directors, officers, and personnel? None but the Government's business, where the taxpayers can be called upon to dig deep and provide the golden flood poured by the Shipping Board and the Fleet Corporation into the insatiable maw of waste, graft, and profiteering of private interests.

And all this while the ships, tied up, are rusting and falling to the bottom of the oceans at their anchorages.

Still in a stage of experimenting, still calling upon Congress for appropriations mounting to millions annually, still concealing from Congress and the country every detail of this wasteful business and disgraceful fiasco which grows greater year by year, the Shipping Board and the Fleet Corporation have no more idea to-day what policy they will finally determine upon or what will be done to give this country a merchant marine than the first Shipping Board had—hardly as much, in fact, for conditions are worse now than then, the ships are more nearly gone—and in a few more years naught will remain of the proud fleet but rusting hulks; naught will remain of the mountain of materials; naught will remain of the funds; and if another war should come another colossal, disgraceful, dishonest, plundering program of shipbuilding will have to be undertaken, to be run in the same way by the same men as the last one was, "because they have had experience."

From the ruinous mistakes of the first board to the present day we have heard the same cry as board succeeded board, official succeeded official, as policy succeeded policy, and that cry was, "Now give us a chance to show what we can do." And we did give them the chance, and they showed us all right. And to-day we will hear that same cry: "Give the new board and the new head of the Fleet Corporation a chance to show what they can do." Congress must not investigate. Oh, no! Congress must just appropriate the people's millions and ask no questions and give each succeeding set of officials a chance to show what they can do; and God knows so far each set has done worse than its predecessors. What can we expect of the present set?

Waste? Certainly there has been waste; far more than enough to have paid the soldier boys an adjusted compensation comparable to the wages paid in the shipyards and cantonments during the palmiest days of the cost-plus contractor while war waged.

Graft? Yes; there has been enough money grafted to make a tax reduction of ample proportions easy if we but had it back this year.

How could the Shipping Board and the Fleet Corporation escape waste and graft; how could any business escape waste and graft with such an ever-changing, never-determined purpose, shifting policies, and procession of directors, officials, executives, and personnel?

Graft and waste are inevitable under such conditions. They have been, they will be, and this Congress can make up its mind to continue to pour millions into this sink of waste and graft, of mistake and mismanagement, unless it has the courage to face the issue, investigate, determine a merchant-marine policy, declare a purpose, and then require the Shipping Board and the Fleet Corporation to follow that policy, or else wipe them both out.

The officials and executives have been drawn by the board from where? From the private shipping concerns who did not want to see Government operation succeed and who wanted to ruin the effort of the Government to get anything out of its ships.

Where did those officials go after they strutted their brief hour on the quarterdeck of the American merchant marine and did the bidding of their masters? Why, where but back to the private shipping interests?

Who determined the operating policies?

Who but the private steamship operators' associations?

And for whose profit would those associations and private operators lay down policies to be followed by the Shipping Board? Who, indeed, but for the profit of themselves?

Can you imagine the independent oil companies turning their business over to the officials of the Oil Trust to run for them? Can you imagine the independent oil companies asking their rivals, the Oil Trust, to lay down the policy of operation?

What business could succeed under such absurd and criminal conditions? Yet, that is what the Shipping Board has done—the while telling Congress that it must not know what is going on because it might embarrass some of the operators.

It is high time we investigated this whole situation, else we will later rue it.

And all this time we have not been within gunshot of a merchant marine. These billions have not gotten us more than one-sixth of a merchant marine—a fleet of ships—and that fleet is being squandered, given away, or is rusting and sinking, flake by flake, to the oceans' bottoms, tied up at the docks.

What is a merchant marine? Is it a fleet of ships only? Why a fleet of ships is to a merchant marine just what a string of boxcars is to a railroad; no more.

Then, what does constitute a merchant marine?

1. Something to haul.
2. Some place to haul it to.
3. Something to haul it in. (Ships.)
4. Somebody to buy it.
5. Some way for the buyer to pay for it.
6. Something to bring back.

When we haul something somewhere to sell it to somebody the buyer has to pay not only for the actual cost of production and the producer's profit, the haul from farm or factory to railroad, the rail cost of transportation, the water-transportation cost, the labor of handling, the depreciation in transit, but the speculative profits loaded on by the gamblers in between the point of production and the point of consumption.

So that brings in a question of production costs, elimination of speculative profits, proper rail rates, proper handling charges, proper care of products in transit, and a market which can absorb the shipments.

The buyer must be able to pay for the goods or we can not have a merchant marine, because we can not afford to haul goods for nothing and then give them away.

And you can not operate a merchant marine or a fleet of ships full one way and empty the other. The Shipping Boards for seven years have tried to do that, and apparently they have not found out yet that it can not be profitably done.

So we must figure on something to bring back.

The ability of the buyer to pay brings us up to the whole situation of the rest of the world—rehabilitation of foreign credits, stabilization of foreign currency, prosperity of foreign countries, and all that.

The question of return cargo involves the entire tariff question.

Yet unless you have all six of these elements—the goods, the market, the ships to haul the goods, the ability of purchasers to pay, and return cargoes—you have not a merchant marine.

And we have squandered nearly five billions on a fleet of ships, paid out millions in $35,000-a-year salaries fooling with a fleet of ships and calling it a merchant marine, a group of foolish men playing with a string of box cars standing on a siding, pushing them to and fro, and believing they had a railroad!

What are the values and purposes of a merchant marine—if we ever get one or are ever to have one?

1. Peace-time value—hauling of products to foreign markets, coastwise transportation and so on.

2. War-time value—a convertible fleet for transport service, for serving naval bases, for an armed merchant service, etc.

Does any Member of this House suppose the Shipping Board knows anything about any of these questions? Does it know the peace-time value or the war-time value of the merchant marine in dollars and cents?

Does any Member of this House believe the Shipping Board can give us constructive information and advice on the question of production cost, rail cost, speculative profits, labor costs, foreign credits, the tariff—all these things which are intimately related to a merchant marine—questions which must be solved before we have even begun to achieve a chance to have a merchant marine?

We should investigate. Put a stop to this child's play, to the waste, the grafting, the preying upon the Treasury by the private interests. Determine the actual worth, peace-time and war-time, of a merchant marine. Determine the cost of having one. Figure out how much the people must pay to have a merchant marine—then let the people who have to foot the bill know. Determine a policy—and make the Shipping Board follow it long enough to know whether it will be successful.

Put a stop to this farce of spending millions and hundreds of millions on one-sixth of a merchant marine and calling it the whole marine.

Mr. BLANTON. Mr. Speaker, will the gentleman yield me five minutes on this resolution?

Mr. SNELL. I yield five minutes to the gentleman from Texas.

Mr. BLANTON. Mr. Speaker, this could be a very expensive resolution. If the committee is going into an exhaustive, earnest, and sincere investigation of this Shipping Board, the money spent will be worth while, but if it is not to be an effective, earnest effort upon the part of the committee to get the facts and clean up the Shipping Board where it needs cleaning, it is going to be money wasted.

I am not in favor of as broad authority to spend money in any resolution as this gives this committee. Under this language the committee could sit anywhere it desires, all over the United States, and force our contingent fund to pay all of its expenses.

Under the language of the resolution this committee if it saw fit could divide itself up into subdivisions and they could not only sit anywhere in the United States that they saw fit, but they could sit anywhere in the world, with no limitation whatever on expenses. They could sit in every foreign country in existence and force our contingent fund to pay the expenses. They could sit anywhere, even after we adjourn Congress, if they so desired. It permits unrestricted junketing trips all over the world. Personally, I am not in favor of any such resolution. With the purpose of the resolution I am in sympathy, for this Shipping Board should be exhaustively investigated, but there ought to be some kind of limitation in the resolution to protect the Treasury.

Of course this is going to pass. I am just wasting the time of the House in making this feeble protest, but I can not sit here and merely vote against a resolution or permit it to pass without raising some kind of a protest. I am against this broad provision. I am against this unlimited authority to spend public money. I am against this unrestricted right of the committee to sit anywhere and at any time at the expense of the people of the United States. And I shall vote against the resolution unless the committee now having it in charge amends it with proper limitations. The chairman has the power to keep any member from offering an amendment.

Mr. SNELL. Mr. Speaker, I yield two minutes to the gentleman from Tennessee [Mr. GARRETT].

Mr. GARRETT of Tennessee. Mr. Speaker, in view of the remarks of the gentleman from Texas, I think this should be said. This resolution follows substantially the form of resolutions that have been passed in regard to various investigations heretofore. Broad powers were given the committee because it is essential that broad powers be given in order to attain the end that must be attained if the investigation is to be of service. It is quite true that the committee has authority to sit at other places than the city of Washington. That is frequently given committees. Personally, I have never known it to be abused in any way. As a matter of fact it very frequently happens where there are a large number of witnesses to be examined as, for instance, in the city of New York, as may happen in this case, or at any other seaport towns or cities, it is real economy for the committee to go there rather than to summon a large number of witnesses here. It saves money.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. GARRETT of Tennessee. Yes.

Mr. BLANTON. I just want to remind the minority leader of what occurred when the Walsh subcommittee of the Graham committee went in a special train to the Pacific coast and lived up and down that Pacific coast for about two months. Whatever, if any, good came out of that investigation and of the $700,000 of the people's money that was spent?

Mr. GARRETT of Tennessee. I think the gentleman states a larger amount than was really expended.

Mr. BLANTON. It was between six and seven hundred thousand dollars.

Mr. GARRETT of Tennessee. I think good did come out of that investigation and I think good will come out of this investigation.

Mr. DYER. Will the gentleman yield for a question?

Mr. SNELL. I will yield to the gentleman.

Mr. DYER. Would the gentleman have any objection to stating upon whose initiative this proposed action is taken?

Mr. SNELL. The original motion was introduced by the gentleman from Tennessee [Mr. DAVIS]. I simply want to say, Mr. Speaker, in addition to what the gentleman from Tennessee [Mr. GARRETT] said, that if we have no limitation upon this investigation it could not be said that the investigation was in any wise to be hampered and it could not be said that we did not want a full and free investigation. We followed the usual language used in giving power to such a committee. Mr. Speaker, I move the previous question upon the resolution.

The previous question was ordered.

The question was taken, and the resolution was agreed to.

MUSCLE SHOALS.

Mr. BURTON. Mr. Speaker, I desire to present a privileged resolution.

The SPEAKER. The gentleman from Ohio presents a privileged resolution, which the Clerk will report

The Clerk read as follows:

House Resolution 169.

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 518. That after general debate, which shall be confined to the bill and shall continue not to exceed 10 hours, to be equally divided and controlled by the acting chairman and some member of the Military Affairs Committee opposed to this bill, the bill shall be read for amendment under the five-minute rule. At the conclusion of the reading of the bill for amendment the committee shall arise and report the bill to the House, with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and the amendments thereto to final passage without intervening motion, except one motion to recommit.

Mr. BURTON. Mr. Speaker, this resolution has the unanimous support of the Committee on Rules. Speaking for myself, I frankly say that I am opposed to the bill; opposed to it because it involves a very radical departure from the established policy of the United States relating to water power, particularly as embodied in the water power act of 1920. Again, I regard the offer which it is proposed to accept as grossly, I may say ridiculously, inadequate. The committee, however, thought that this proposition, which has been pending before the Congress for some years, should be taken up and disposed of, and hence we reported it.

Mr. Speaker, I reserve the remainder of my time.

Mr. WARD of North Carolina. Mr. Speaker, while the gentleman is on his feet, could he briefly outline what he means by the policy of the Government in respect to water power merely in a word?

Mr. BURTON. Retaining control, providing for the utilization of water power for the general welfare, for the general interest, limiting the franchises to 50 years, and there are a number of other provisions which I will set forth more fully in the course of the discussion.

I understand the gentleman from Alabama [Mr. BANKHEAD] desires recognition, and I reserve the remainder of my time.

Mr. BANKHEAD. Mr. Speaker, I ask permission to revise and extend my remarks.

The SPEAKER. The gentleman from Alabama asks unanimous consent to revise and extend his remarks. Is there objection? [After a pause.] The Chair hears none.

Mr. BANKHEAD. Mr. Speaker and gentlemen of the House, I congratulate the House of Representatives, and I feel I am also justified in congratulating the country that after practically two years of delay for an opportunity for the consideration of this very important matter we have at last arrived at a time when the House of Representatives will be given an opportunity to pass judgment upon it. I am glad to know that, according to the statement of the distinguished Representative from Ohio [Mr. BURTON], that there is probably no opposition to the adoption of this rule—the motion to report—which I had the pleasure of making in the Committee on Rules, and therefore I shall not discuss that phase of the situation.

I want to say in the beginning, gentlemen, that I am heartily and unreservedly in favor of the unconditional acceptance of the offer made to the Government by Henry Ford. I have taken that position from the beginning and will maintain it until we win this fight. Within the limited time that I have for opening this discussion it will not be possible for me to attempt to go into a discussion of the details of that offer. That will be very elaborately discussed in the debates that are to follow by those who are in favor and those who are opposed to the proposition. There is, however, one phase of this whole problem to which I desire to call the earnest attention of the Members of the House, and I particularly desire, if I am so fortunate as to receive it, the attention of those Representatives who do not reside in and who do not represent southern constituencies, because there has somehow or other crept into the general atmosphere of the consideration of this vital problem a feeling in some quarters that this is a sectional proposition. Gentlemen, there is involved in the ultimate consideration of this question and in the proper solution of the problem involved the greatest and most vital economic matter that to-day confronts the representatives of the American people, and that problem is the reclamation of the fertility of the soil of the United States of America. That phase of the matter I desire to discuss.

Where is the public man who at some time in his career has not described in glowing terms the marvelous agricultural resources of these United States? How often have we pointed with pride to the undeniable fact that America leads the world in the amount and in the value of the agricultural products which she produces annually. To predict a food shortage in a country that produces 3,000,000,000 bushels of corn and 700,000,000 bushels of wheat every year would sound ridiculous to the average man, but, gentlemen, there was a time when such a prediction would have appeared equally ridiculous in India or in China. To-day the world knows all too well that millions of people in these countries need but one crop failure to bring them face to face with actual starvation.

I am not an alarmist; I do not believe that the American people are in any immediate danger of starvation, but I want to say to this House that agriculture in the United States for the past 300 years has been following the identical road which has brought the great countries beyond the seas to their present precarious situation. True, we have produced and still produce enormous crops, but we have produced them and still produce them at the price of our soil fertility. Theodore Roosevelt, the great conservationist, called attention to this situation, and said:

> I have always been deeply impressed with Liebig's statement that it was the decrease of soil fertility, and not either peace or war, which was fundamental in bringing about the decadence of nations. While unquestionably nations have been destroyed by other causes, I have become convinced that it was the destruction of the soil itself which was, perhaps, the most fatal of all causes.

The population of the United States increases at an average rate of about one and one-half million people annually—this means a population of 140,000,000 in 1940—but the number of acres of land which can be placed in cultivation in the United States is definitely limited. In the past we have met the needs of our increasing population by increasing the acreage in cultivation, but recent studies clearly show that we have nearly reached the limit of increase in lands cultivated, and that in the future we must depend upon a larger yield per acre from lands already in cultivation.

There are two ways in which a given amount of land can be made to produce more crops. One way is by more intensive cultivation, which means putting more people to work on the farm. The tendency in the United States, however, is exactly the opposite of this, for instead of having more labor on our farms we find that every year more and more people desert the farms for the cities. High costs of production on the farm has made it necessary for the farmer to get high prices for his products in order to break even, and it is well known the farmer has not been able to get these high prices, and as a result last year no less than 2,000,000 people gave up their effort of trying to get a living out of the soil, and moved to town. There were also some 900,000 who left the town for the country, leaving a net loss of 1,120,000, or nearly 4 per cent of the entire farm population. The largest decrease was in the South Atlantic States, from Maryland to Florida, where 324,000 people, or more than 5 per cent of the farm population, gave up and quit.

The other method of increased production is through greater yields per acre with the same labor, and this can be accomplished only by good farming methods combined with a liberal supply of fertilizers.

Fertilizer is the farmer's labor-saving device. Results at experiment stations show that with corn and oats the use of fertilizer enables two men to do the work of three men without it.

With wheat the effect of using fertilizer properly is to give one man the food-producing power of two men. With cotton the efforts of one man aided by fertilizer will produce food and clothing equal to that of three men without the fertilizer.

Now that the best of our lands are already in cultivation and no more virgin soil awaits the settler, we will do well to encourage a type of agriculture that will maintain the producing capacity of our cultivated lands. That this has not been done up to the present time is evidenced by the fact that in the East and the North and the South there are large acreages where farming has been abandoned because under present methods it is no longer profitable, for the soil has been so nearly exhausted that it no longer repays its cultivation.

To those who still incline to the belief that the question of maintaining soil fertility is of special interest only to the South, the results disclosed by the last census and by a number of State surveys will be illuminating.

In the New England States, together with New York, New Jersey, and Pennsylvania, census statistics show that during the 40 years between 1880 and 1920 the population has some-

what more than doubled, but the lands in cultivation have decreased by nearly 14,000,000 acres, or about 30 per cent of the whole. This means, Mr. Chairman, that every year for the past 40 years an average of 340,000 acres has been abandoned in those nine States alone.

It was the farming population from these New England States which settled the fertile plains of the Middle West, and year after year they are repeating there the same process of draining the fertility from the soil and returning little or none of the millions of tons of plant foods that are shipped away in every crop. Improved means for plowing, harrowing, sowing, cultivating, and harvesting in such a plan of operations merely hasten the time when these soils also will become so exhausted that they too can not produce a crop without the aid of fertilizer.

This yield per acre is not only falling off in the East and Middle West. Consider for a moment what has happened in the beet-sugar industry in the far Western States of Colorado, Utah, Wyoming, Idaho, and California. The census returns for 1909–1919 show that there has been a decrease in yield per acre from 12 per cent in Colorado to practically 40 per cent in Idaho. What is the cause of this? Let us quote from the Department of Agriculture's bulletin on the production of sugar beets. The department says:

> If the soil is lacking in fertility, the roots may be too small to produce sufficient tonnage to make the crop profitable to the grower. * * * In those sugar-beet sections where this crop has been grown for a number of years without proper attention to the maintenance of soil fertility and an adequate supply of humus this yield of sugar beets has been reduced. There are few sugar-beet areas in which the soil fertility has been maintained or improved to the limit of possibilities. It is apparent, therefore, that by proper attention to soil conditions from the standpoint of fertility the average yield of beets per acre may be greatly increased. (Bull. 721, U. S. Department of Agriculture.)

Here is an industry in which labor constitutes from 69 to 75 per cent of all costs, exclusive of land rent, and since it costs as much to plant and cultivate a small crop as it does a large one, the economic advantage of a large yield per acre is immediately evident. All of these advantages depend upon a low price for the fertilizer, and cheap fertilizer, whether nitrogen or phosphoric acid, calls for cheap electric power. If, therefore, we turn this power over to the exploitation of private power companies to be loaded up with securities on which a good return is expected, companies which are in the market to make all they can out of the business and who propose to charge for the power the highest rates which the public-service commissions will permit, we may expect to find the farmer deprived of his cheap fertilizer by the prohibitive costs of the power. In contrast with this we have the offer of Henry Ford providing for production to the full capacity of nitrate plant No. 2 under the most improved methods and with but a single profit, and that limited to 8 per cent on the fair actual annual cost of production.

Of all the sections of the country, these western sugar-beet areas should not suffer for lack of modern high-grade fertilizer. No section of the country is so abundantly provided with water power for taking nitrogen from the air. In these Western States are to be found phosphate deposits that are the largest in the world, awaiting only cheap power applied in the electric furnace to concentrate them and make them available for economical use.

There in the West are the potash lakes, this country's only source of the third element of plant food, which is so necessary to sugar beets. Whatever cheap combination of these fertilizers is worked out at Muscle Shoals by Henry Ford can be made available to these sugar-beet farmers from the raw fertilizer materials of the far West, and the increased production which is so necessary to success in sugar-beet raising can be brought about by the liberal application of these high-grade fertilizers at low cost.

Instances are on record—

Says the Department of Agriculture—

> where the yield of sugar beets has been raised from 9 or 10 tons per acre up to 16 or 18 tons per acre, apparently entirely through the application of manure. (Bull. 726, U. S. Department of Agriculture.)

The value to the sugar-beet industry of the development of cheap and efficient chemical manures is beyond question, and I say without hesitation that the working out of this problem at Muscle Shoals under the Ford offer will mean more to the prosperity of the sugar-beet districts of the Middle and far West than any other improvement in their industry.

To the west of the central plains of the Mississippi Valley there are large tracts of waste lands, some of which can be made to yield bountiful crops when supplied with sufficient water. In the South and Southeast there are thousands of acres of swamp lands which require drainage and clearing to make them available to the crops, while in the mountain sections and in our fast-disappearing regions of heavy timber there are large acreages of cut-over lands which could be made available by clearing and grubbing.

There are, then, in general four ways in which we can increase our acreage of producing farm lands in this country. First, by supplying water to arid soil; second, by draining the limited areas of swamp lands along the coast and in the river bottoms; third, by clearing and grubbing the cut-over lands of the forested regions; and fourth, by providing fertilizers at low cost to reclaim an ever-increasing acreage of well-located farm lands by making their cultivation once more profitable.

While this Government has never recognized a national policy of soil maintenance, our farmers have been forced to recognize it, and in 1920 the fertilizer bill of this country was $326,400,000. This is no mere sectional problem, for Michigan farmers spend more for fertilizers than Mississippi. Missouri, not generally regarded as a fertilizer-using State, spends more for fertilizers than Louisiana with its heavily fertilized fields of sugar cane. Pennsylvania, whose Representatives have seemed to feel that this subject had no especial interest for them, is a State which spends many millions more for fertilizer than does Alabama with all her cotton fields. New York Members have also opposed every proposition that has heretofore been offered for the operation of a great fertilizer industry at Muscle Shoals, and yet in 1919 the farmers of New York State paid a million dollars more for fertilizer than the farmers of Alabama did, for the New York farmers' bill amounted to some $15,000,000. New Jersey is not a large State, but her farmers spent more for fertilizer than all the fruit growers and winter truck and vegetable raisers of the State of Florida. There are counties in Texas larger than the whole State of Connecticut, but Connecticut farmers spent nearly three times as much for fertilizer as all the farmers combined in the great Lone Star State. There have been gentlemen from Ohio who have not taken kindly to the establishment of a fertilizer industry at Muscle Shoals, and yet Ohio farmers spent more for fertilizer than all the farmers of Kentucky, Tennessee, Mississippi, and Texas combined.

The most rapid increase in the use of fertilizers, Mr. Chairman, is not in the South nor in the East, but in the Middle West, particularly in the so-called nonfertilizer-using States west of the Mississippi River. Oklahoma leads all the States with an increase between 1909 and 1919 of 1,455 per cent in the expenditures of her farmers for fertilizer. Kansas is not far behind with 1,193 per cent increase. Her farmers in 1909 spent practically nothing for fertilizers, but 10 years later their combined expenditures amounted to nearly $1,000,000 for this single item.

The increase in North Dakota was over 1,000 per cent and was almost equaled by the increase in Montana. Oregon, Arizona, Wisconsin, and Washington were all above 500 per cent increase, and then we come to Missouri; her farmers increased their purchases from $671,000 to nearly $4,000,000 per annum. Minnesota, with 479 per cent increase, can no longer say that her farmers are not concerned with the subject of fertilizers, and the gentleman from Iowa, who is opposing all plans so far proposed for establishing a great fertilizer industry at Muscle Shoals, comes from a State whose farmers paid $600,000 in 1919 for fertilizers while they paid only $100,000 in 1909, and their increase was 444 per cent.

I wonder if this House really appreciates what 444 per cent increase means! Suppose that our friend from Iowa was in the habit of paying $100 for clothing and suddenly was notified that hereafter he would have to pay an increase of 444 per cent. That would mean, gentleman, that his expense for this item would be increased by $444 and his tailor's bill, instead of being $100, would be $544!

Is it surprising then that the farmers throughout the country have insisted that their rights shall be protected in the disposition of the Muscle Shoals project? Remember that it was the farmers who first advocated the establishment of the nitrogen industry at Muscle Shoals and that it was to serve agriculture in time of peace that the Muscle Shoals project was undertaken. Shall we now leave their interests in the hands of the power companies and trust these power companies to work out the farmers' fertilizer problem, when the aim and end of these power monopolists is to sell all the power they can in the public utility market at the highest price they can get?

I could carry these comparisons much further, but I think I have said enough to leave no doubt in your minds that the question of the preservation of soil fertility and the reclamation of our abandoned farm lands is not a sectional question but

a national one that we can not afford to ignore. If it is a sound national policy to invest $141,000,000 to reclaim a million acres of arid lands in the far West by utilizing the flow of our streams to make these arid lands productive, then, gentlemen, I maintain that it is a sound national policy to reclaim and return to cultivation the 14,000,000 acres of abandoned farm lands in the North Atlantic States and many more millions of acres in the South Atlantic and Gulf States by utilizing the waters of our navigable streams like the Tennessee River to "fix" the nitrogen of the air cheaply and conveniently so that the cultivation of these lands can once more become profitable.

If it were necessary to make the investment for this purpose without the return of any interest at all, we would be amply justified in doing so by what we have already done in our reclamation work, for there is no pretense of returning any rate of interest whatever from our irrigation projects, but here comes an industrial genius offering us 4 per cent on the money required to complete a dam which we were about to abandon and further offering to take over a great nitrate plant which we were about to scrap, and to operate it in the manufacture of fertilizers for 100 years, seeking out and employing the most advanced and economical processes for the purpose.

Our national system of land reclamation, like our national superpower program, should begin in our navigable streams, with the development of hydroelectric power at a low rate of interest under a definite agreement whereby the power will be used in a large way for the production of cheaper and higher grade fertilizers, not only at Muscle Shoals but in many other places throughout the country. Such a national policy should be followed on the St. Lawrence for the benefit of the farmers of New England instead of turning over this great power to the General Electric Co., the Aluminum Co. of America, and the Du Pont Co. Such a policy should be followed at the proposed Boulder Dam on the Colorado River for the benefit of western farmers and at many other great power sites.

I do not maintain that all the great powers of the country should be used exclusively for producing fertilizers any more than I maintain that the Muscle Shoals power should be used exclusively for this purpose; we need other things besides fertilizer. The opportunity is here, however, to start a great nitrogen industry in this country which is certain to become the backbone of modern fertilizer production conducted on a scientific basis and using modern methods, not for the benefit of stockholders, but for the benefit of agriculture. If such a domestic nitrogen industry does no more than to eliminate the Chilean export duty, it will save our nitrate consumers no less than $550,000,000 in the next 50 years.

The passage of the McKenzie bill is the first step in such a national program of soil reclamation and preservation with a guaranteed output of nitrogen sufficient for 2,000,000 tons of 2-8-2 commercial fertilizer supplied in a mixture with other plant foods, according to demand.

The fundamental question with nations, as with individuals, is the question of daily bread. We may aspire to be great scientists, great merchants, or great manufacturers, but first of all we must have something to eat. America's supremacy has been founded from the beginning on her agricultural wealth, but our agriculture is already on the decline, and although we are the youngest of the great nations we already import large quantities of food supplies.

Gentlemen of the House, as long as the costs of production on the farms are so high that the price which the farmer receives will not yield him a fair return for his time and his investment, we may expect to see our agriculture continue to decline, and let no man delude himself with the mistaken notion that under such conditions our cities can continue to thrive and prosper.

We must continue the work of our reclamation service undismayed by the disappointments which are only to be expected in the early years of a great enterprise involving such a large agricultural risk. But we should bear in mind that the service to the farmer which will grow out of the development of a great domestic nitrogen industry, begun under the Ford offer at Muscle Shoals, will be a reclamation service that will apply to the 500,000,000 acres which constitute our cultivated area, and admittedly it will result in a saving to our farmers exceeding $150,000,000 every year, and will make our farmers forever independent of combinations of greedy foreign interests, in obtaining their supplies of the plant foods that are so necessary to the permanence of American agriculture.

I want to say a word now particularly to my friends from New England. I have here a statement issued a few days ago by the mayor of one of your great cotton-spinning centers, Fall River, Mass.

It reads:

SOUTHERN CAPITAL CAUSES EAST'S BIG MILLS TO CLOSE.—NEW ENGLAND'S GREAT INDUSTRY CRIPPLED WHEN TWELVE PLANTS QUIT.—FALL RIVER IS CENTER OF INDUSTRIAL DESPAIR.—GOVERNMENT BESEECHED WITH PLEAS FOR INVESTIGATION OF CONDITIONS.

FALL RIVER, MASS., February 26.—Over half a million New Englanders directly dependent upon the cotton mills affected by the drastic shutdowns await with keen interest the answer of Washington to Mayor Talbot's indignant demand for a Federal investigation.

The Fall River mayor, who has made his appeal to President Coolidge and the Federal Trade Commission, declares that this city is in dire distress from the general "plan" of curtailment in operation.

Twelve local mills have discharged their help, closed the gates and gone out of business, all because, Mayor Talbot declares, "Southern capital and competition amid New England's greatest industry" has put them out of business.

Operatives, living a hand-to-mouth existence in many cases; merchants, dependent upon the "help" for their own success, and landlords looking to both workers and merchants for their share, are beginning to despair, Fall River being a "one industry" city.

The situation is said to be the result of conditions in two markets. The price of raw cotton is unusually high and the manufacturers are holding off. On the other hand, jobbers and retailers will not buy the finished product at prices which allow the mills a profit at the existing cost of the raw material.

SOUTH MAKES GAINS.

They have turned to the southern markets, purchasing the finished product at prices less than the cost of manufacturing in the local mills.

In this situation the big mills appear to have adopted a course almost as old as their industry, that which is called "curtailment." As their critics phrase it, they "pass the buck" to thousands of operatives, who are already about the poorest paid people in any of the world's great industries.

Now that local trade begins to feel the pinch and bankers have taken note of it, members of the local governments in a dozen New England cities are to follow the example of Mayor Talbot.

"Something has got to be done and without delay," declared Mayor Talbot in his Washington communication. "The residents of this city are without food or money, in some cases without proper shelter. It is only right that a sweeping investigation of the textile situation in this country be made.

"We have long felt the sting of southern competition here, but the situation is now acute. Our people must live, and the continued curtailment of the mills of this city, which is the largest cotton manufacturing city in the world, is causing great hardship and untold suffering to the majority who are mill operatives."

Ten or twelve of the great cotton mills of that city, employing thousands and tens of thousands of laborers, are to-day closed down and their operatives thrown out of employment, and in a few weeks may be thrown on the charity of those communities. And what does the mayor of this New England city give as the reason for the closing down of these cotton mills up in New England? He attributed it, and attributed it properly, to the high cost of cotton. The price of cotton is so high and labor conditions are such that they can not compete successfully with the cotton factories of the South. How is that condition going to be remedied? By cheapening the production of cotton? How can that be done, gentlemen, except by cheapening the cost of commercial fertilizer?

That is the only way. On every country road down in my country to-day and in all that cotton-producing section of the country you meet farmer after farmer going from the town to his farm with a wagon load of fertilizer, on which he is paying exorbitant profit to the Chilean Nitrate Trust and to the Fertilizer Trust here in America.

It does not do the southern farmer or cotton producer any good, as my friends from the South well know, to sell for 35 cents cotton which costs them 40 cents to produce. But that is the situation, and the cost of the commercial fertilizer is the big overhead burden. We will soon see how anxious our New England friends are to help their idle cotton mills when they vote on this bill.

I want to say a word to my friends from the congested centers of population in this country, New York, Boston, Philadelphia, and I know something about those conditions, because I lived in the great city of New York two years in my earlier manhood, in the great district now represented by my friend O'CONNOR, the old Tammany Hall district. I know how crowded they are; I know that to-day, as then, the laborers, clothed in overalls, go out and earn a pittance of a wage, and

most of it goes to the purchase of clothing and food and shelter. Where do they get that food? From the truck producers of the adjacent territory. And what is the big item of cost in the production of truck articles? Commercial fertilizer. The only way to reduce the cost of food to your people is to lower the original cost of production.

Mr. BURTON. Will the gentleman yield for a question?

Mr. BANKHEAD. I will yield for a question.

Mr. BURTON. Or, rather, a suggestion.

Mr. BANKHEAD. Make it a question, because the gentleman will have time in which to make suggestions.

Mr. BURTON. The question is this: Does not the gentleman from Alabama realize that the opponents of this measure are just as anxious to provide fertilizer as the advocates, but they believe that your bill is not fair to the people and not the best way of securing that fertilizer?

Mr. BANKHEAD. I can not agree with the gentleman that he is as anxious to provide fertilizer as we are. If you were you would be supporting this bill this day, because your own minority report, which the distinguished gentleman from Ohio will so vigorously support upon this floor, does not even have the temerity to recommend the adoption of a single one of those other fertilizer propositions. [Applause.] And here is the only chance you have. But you want delay; that is all. That has been the program all the time and you are going to continue it to the last ditch. We are not being deceived by the attitude of certain gentlemen upon the floor of this House for further delay when it has already been delayed two years.

Mr. Ford has made a proposition to Congress and he says, "You can either accept or reject it." And a nonpartisan majority of the great Committee on Military Affairs has earnestly recommended the acceptance of Mr. Ford's offer unconditionally, and you will hear some very able arguments by the acting chairman of that committee, a Republican, and by the gentleman from Illinois [Mr. MADDEN], the chairman of your great Committee on Appropriations. He is a man who is attempting to serve the best interests of this country heartily and with great industry and intelligence. You will hear other arguments made by men on your side of the House as to why this proposition should be accepted.

And the basic principle is that it provides an adequate supply, as far as we can now get it, of cheap commercial fertilizer, and, gentlemen, do not forget this basic proposition:

When the Congress of the United States originally authorized the expenditure of money for the construction of this plant it had in mind only two things, as written in the law authorizing those appropriations. One was the national defense, the manufacture of explosives, and the other, as expressed in that bill, was for the manufacture of cheaper commercial fertilizer for the farmers of America. Nothing was in contemplation at that time, in the will and opinion of Congress, with reference to the utilization of the excess water power at Muscle Shoals. Congress has adopted a separate policy along lines of the development of water power as covered by the water power act, and we now have a great Federal tribunal administering that phase of our economic development.

But here was a proposition conceived originally and dedicated only to the two purposes which I have mentioned, and here is the only opportunity that the farmers of America, wherever they reside and in whatever business activity they may be engaged as far as the quality of their production is concerned—here, I say, is an opportunity, a businesslike opportunity, backed by adequate capital, backed by a man in whom I believe the American people as a whole have confidence—certainly as to his capacity and his willingness to carry out the terms of his contract, to carry out the original intention of Congress.

In conclusion, I do desire to appeal to you, not in any sectional way, because it is not a sectional question, and not in any partisan way, because it can not possibly be distorted into a partisan issue, but upon the fundamental basis of a real and reasonable opportunity to put these plants to work for the benefit of the farmers of America. This proposition, gentlemen, is too big in its fundamental aspects; it covers too wide a field of important possibilities for the future to be considered upon any other basis than a calm and judicial consideration of what is involved in it and the possibilities for American agriculture that lie wrapped up in it; and I say to you that my chief interest in this proposition is based upon giving to the farmers of America, wherever located, in Maine, California, Michigan, or Alabama, a fair and reasonable opportunity to have this absolutely essential element of their production furnished them at a reasonable and fair cost, and not be subjected in all the years to come, as they have in all the years that have passed, to the exorbitant demands and the exorbitant profits of the Chilian nitrate trust of $10 a ton, and also to the price that is fixed by this combination of American fertilizer producers. I say here is an opportunity to emancipate the American farmers from this thraldom they have so long endured, and surely, gentlemen, in view of their condition in the country, in view of your expressed anxiety, and that of your President, to do something to relieve their condition and to make profits possible, so they may continue to occupy the soil. I appeal to you gentlemen to give to this proposition, the only hope they have ever had for an amelioration of these hard conditions, your favorable support and action in the final vote upon this bill. [Applause.]

Mr. BURTON. Mr. Speaker, I yield the balance of my time, reserving two minutes, to the gentleman from Maryland [Mr. HILL].

The SPEAKER. The Chair would like to inquire whether the gentleman from Alabama was speaking in the time of the gentleman from Ohio?

Mr. BANKHEAD. No; in my own time.

The SPEAKER. The gentleman from Ohio then has 55 minutes remaining.

Mr. BANKHEAD. No, Mr. Speaker; the agreement was 30 minutes to the side.

The SPEAKER. No such agreement was made publicly.

Mr. HULL of Iowa. I tried to call the attention of the gentleman from Alabama to that fact.

The SPEAKER. Such an agreement could not be made.

Mr. BANKHEAD. That was the understanding between the gentleman from Ohio [Mr. BURTON] and myself.

Mr. BURTON. Mr. Speaker, I ask unanimous consent, then, that the time be limited to 30 minutes on a side.

The SPEAKER. The gentleman from Ohio asks unanimous consent that debate on this resolution be limited to 30 minutes on the side. Is there objection? [After a pause.] The Chair hears none.

The gentleman from Maryland [Mr. HILL] is recognized for 25 minutes.

Mr. BANKHEAD. Mr. Speaker, how much time have I remaining?

The SPEAKER. Ten minutes.

[By unanimous consent, Mr. HILL of Maryland was given permission to revise and extend his remarks.]

Mr. HILL of Maryland. Mr. Speaker and gentlemen of the House, I agree with almost everything that the gentleman from Alabama [Mr. BANKHEAD] has said except as to the Ford offer itself. This whole question of the disposition of Muscle Shoals is one of vital importance, not merely to the Southern States within a radius of several hundred miles of Muscle Shoals, but it is a question of great importance to the future of this country. It is not a sectional question. It is not a partisan question. It is a very great economic question. It is a very serious problem, and after two years of very earnest consideration of this problem by the Military Affairs Committee of the House and by the Committee on Agriculture of the Senate I personally am very glad to see this matter brought before the House for final disposition.

I wish to speak to the House from no sectional standpoint and from no partisan standpoint.

There are two propositions involved, as I see it, before this House, both propositions claiming to arrive at the same ultimate goal; two propositions aimed at a goal which no one in this House can fail to entirely agree with. The great Government project at Muscle Shoals was started on two great principles which are of vital importance to the whole Nation. Muscle Shoals, the Wilson Dam, the nitrate plants No. 1 and No. 2, all of that great project, should be regarded from the point of view of fertilizer in time of peace and nitrates in time of war. It is a dual proposition, and for that reason the House Military Affairs Committee was assigned the duty of holding the hearings and making the reports, and the Committee on Agriculture of the Senate had the same function.

Personally, when the Military Affairs Committee began its study of this project, I regarded it—and I say this to the House to show the point of view of a Member of the House without any particular original information on the subject—when we first began the study of this project I was entirely in favor of the Ford proposal. I felt that Muscle Shoals was one more of the Great War projects temporarily brought into existence for war purposes, and I felt that it should be disposed of at the best possible cash advantage. At that time there was no other offer. At that time no other proposition had been

elicited from any interest in this country, and I personally felt that the Ford offer should be promptly accepted.

Coming as I do from a city district, I was not then awake to the very serious problems underlying the production of nitrates for fertilizer, and I again say that I agree with everything on that subject of fertilizer which has been so well and clearly brought out by the gentleman from Alabama [Mr. BANKHEAD]. The Military Affairs Committee of the House and the Committee on Agriculture of the Senate made an inspection tour of Muscle Shoals, and I had not been there more than about three hours when I realized that the Muscle Shoals project was a national proposition and not one confined to a small portion of one of our States.

I desire in the time that I have merely to present certain general considerations. You gentlemen of the House have before you two propositions. One is embodied in the McKenzie bill and the other is embodied in the Hull bill. One, the McKenzie bill, is a proposition made by Mr. Ford; the other is a proposition made by a number of power companies who have agreed to form one $15,000,000 nitrate fertilizer and power company.

Mr. BYRNS of Tennessee. Will the gentleman yield?

Mr. HILL of Maryland. Yes.

Mr. BYRNS of Tennessee. Is the proposition in the Hull bill, made by the power companies, recommended by any members of your committee?

Mr. HILL of Maryland. Yes; I recommend it.

Mr. BYRNS of Tennessee. Does not the gentleman say that while he admits it is a better proposition than the Ford proposition, he does not specifically recommend its adoption?

Mr. HILL of Maryland. I signed the minority report of the Military Affairs Committee with a number of others agreeing with everything they said in the report, and I am also in favor of the passage of the Hull bill with certain amendments which is substantially the combined proposition of the southern power companies for one corporation which shall be a nitrate plant and also power company.

Mr. BYRNS of Tennessee. It is unfortunate that the gentleman, in submitting the report to Congress, did not say so. As I read the report it is not contained in it.

Mr. HILL of Maryland. The gentleman realizes that when a number of members of a committee sign a report it represents the consensus of opinion of those signing it and is not necessarily the fullest proposition of all individual views.

Mr. BLANTON. Will the gentleman yield?

Mr. HILL of Maryland. I can not at this moment. I decline to yield for a few minutes because I want to get this matter more or less succinctly before the House.

There are these two propositions before the House, the Ford proposition as contained in the McKenzie bill and the Power & Nitrate Co.'s proposition contained in the Hull bill.

Mr. TREADWAY. Will the gentleman answer one question?

Mr. HILL of Maryland. No; I can not yield at this moment. I personally favor the passage of the Hull bill, and I think the reasons in favor of the Hull bill are clearly set forth in the report of the minority. There has been very great interest in this question throughout the whole of the United States. There has rarely been any subject before this House in which there have been stronger views taken for or against a proposition. I admit, and as an American I am glad to admit, the ability and business sagacity and success of Mr. Henry Ford, but I do not think this proposition should be considered on any other basis than the basis of the actual facts.

Henry Ford is 61 years old. Under his proposition the Ford offer does not and can not become completely operative for six years, and under this proposition Henry Ford's personal responsibility ceases when the Government has turned over the Government's interests to the corporation to be formed. There is in the McKenzie bill no guaranty on behalf of Mr. Ford or anybody else individually for the functioning of the corporation that is to be created. The only guaranty on the part of Ford is that the $10,000,000 corporation shall be created.

As our colleague from Alabama, Mr. BANKHEAD, said, it is quite impossible in a brief time to go over all the details of this proposition. They will be taken up by those who favor the Hull bill in detail by subsequent speakers. I desire especially to call the attention of the House to a matter that was new to me until within the last two or three days, and that is the very great change in the Muscle Shoals situation within the last two years. There are two nitrate plants at Muscle Shoals. There is No. 1 nitrate plant and No. 2 nitrate plant. When we visited these plants two years ago we were told that the No. 1 nitrate plant, which was the German Haber process plant, had never produced one ounce of nitrate; that we had not during the war period been able successfully to apply in the Muscle Shoals plant the Haber process. We were told that the plant could only be scrapped, and we then went through the acre after acre of the nitrate plant No. 2.

Gentlemen of the House, this is a fabulously large project, upon which the Government has spent enormous sums of money. We were told two years ago that No. 1 plant was not a plant that could be used. For a long time the general theory has been that the No. 1 nitrate plant would be abandoned. I desire to call your attention to page 213 of the hearings on the first deficiency appropriation bill, to the testimony of Doctor Cottrell, the chief of the research laboratory, in which he says—and this is so important that I will take a moment to read it in full—he says:

Doctor COTTRELL. The whole point of our work, of course, is aimed at cheapening the production of the nitrogen portion of the fertilizer that the farmer uses.

The CHAIRMAN. That is the first understandable statement we have had. Now state the next phase of it.

Doctor COTTRELL. As to how we get at it?

The CHAIRMAN. You say your object is to make it cheaper. How do you make it cheaper?

Doctor COTTRELL. At the close of the war period the plants at Muscle Shoals were shut down. There were two plants, plant No. 1 and plant No. 2, plant No. 2 being the cyanamid plant and plant No. 1 being the so-called modified Haber process plant, or, more generally, the direct synthetic ammonia process. It was recognized from the beginning, or from the time those plants were put up, that there was no question but what we could make plant No. 2 operate and make cyanamid. That technique was pretty well known in this country, but it was also recognized that it was to be an obsolescent method as far as fertilizer was concerned.

Plant No. 2 did make cyanamid during the war, but plant No. 1 has never developed anything. Again I call attention to the fact that two years ago when your committee began these investigations the No. 1 plant process at Muscle Shoals was not successful. I continue from the testimony:

The CHAIRMAN. It was too expensive?

Doctor COTTRELL. Yes, sir; it had served its purpose in the development of the art. The Haber plant, or plant No. 1, was the one that we were taking the greatest gamble on being able to work, but the one that would go furthest toward the cutting of the costs if successful.

Here is the potent portion of this testimony, and this, I again remind you, was not before the Military Affairs Committee, but in the last few days before the Subcommittee on Appropriations in the hearings on the deficiency appropriation bill.

The CHAIRMAN. Neither of these processes is economical, is it?

Doctor COTTRELL. Yes, sir. At present we believe that we have the No. 1 process in such shape that it is economical.

The CHAIRMAN. That is the Haber process.

Doctor COTTRELL. Yes, sir; it appears to be economical. That process is the one that was employed on a large scale in Germany during the war, and it is the one by which Germany is now making a large supply of fertilizer, and by which she is cutting her costs down.

There is one more reason for realizing the enormous importance of the work of Muscle Shoals. We need it for the Haber process. I invite the attention of the membership of the House, especially to the first four pages of the minority report in reference to Muscle Shoals. There is in these four pages a comparative statement of what the minority members think will be accomplished under the Hull bill in comparison with what would be accomplished under the McKenzie bill. I hope the Members will carefully read the pages. They are as follows:

The Government has constructed works of tremendous value and importance at Muscle Shoals. They represent an investment of more than $135,000,000. This is the actual cost to the taxpayers of the United States.

Dam No. 2 and hydroelectric installation of 18 units will, when completed, be the largest dam in the world and represent an investment of more than $51,000,000.

Nitrate plant No. 1 represents an investment of more than $12,000,000. It includes 1,900 acres of land. In addition to nitrate plant No. 1 there are large permanent, substantial buildings for various smaller manufacturing purposes. Located on this tract are 125 permanent residences with all modern improvements; also 9 miles of macadam roads; also 8 miles of sewerage; also 4 miles of standard-gauge railroads, with necessary locomotives, cars, repair shops, etc. There are paved streets and water works.

Nitrate plant No. 2, including the Waco quarry, represents an investment of more than $67,000,000. It includes 2,300 acres of land.

On this tract are 186 permanent residences, many of them with two bathrooms, including expensive electric-lighting fixtures, water supply, sewers, etc. These great nitrate works include the largest buildings of their kind in the world. There are also a number of permanent buildings for various small manufacturing purposes, such as sawmills, blacksmith shops, etc.

On this tract comprising nitrate plant No. 2 there is a hotel which is completely furnished and equipped, containing more than 100 rooms. On this tract there are 24 miles of improved roads and cemented sidewalks and streets; there are on this tract about 40 miles of standard-gauge railroad tracks; there are 20 miles of sewers; there is also on this tract a complete waterworks and sewerage system; and there is attached to this nitrate plant No. 2 a steam plant for the generation of electricity, known as the Sheffield steam plant, which alone cost more than $12,000,000. This plant is in high-class running order to-day and is being used. There should be included in this picture the fact that there is $500,000 worth of platinum in storage at the United States subtreasury in New York belonging to the nitrate plants for use in a catalyst for extracting nitrogen from the air. There is also cash in the United States Treasury amounting to $3,472,487.25, recently received by the Government for the sale of the Gorgas steam plant, which it is proposed under the committee bill with the Madden amendment to immediately spend in behalf of Mr. Ford's offer for the construction of an auxiliary steam plant for his benefit.

In return for all the above, including the platinum valued at $500,000 and the $3,472,487.25 cash now in the United States Treasury, Mr. Ford proposes to pay to the United States Government $5,000,000, and that only in several annual installments.

In other words, Mr. Ford proposes to pay $5,000,000 for the following property:

Nitrate plant No. 2, costing	$66,252,392.21
Nitrate plant No. 1, costing	12,887,941.31
Waco quarry, costing	1,302,962.88
Cash from sale of Gorgas plant	3,472,487.25
Total	83,915,783.65

The Government, if it wants to part with the steam plant for the generation of electricity attached to nitrate plant No. 2, known as the Sheffield steam plant, is now offered by one of the bidders appearing before Congress in this matter the sum of $4,500,000 spot cash for this one unit alone.

Such are Mr. Ford's demands.

A group of power companies in the South has made to the War Department another offer. The contrast between Mr. Ford's offer and their offer is set forth in the following comparative statement:

COMPARISON OF PENDING BILLS.

HULL BILL (H. R. 6781), BASED ON NITRATE POWER COMPANIES' OFFER.	M'KENZIE BILL (H. R. 518), BASED ON FORD OFFER.
1. (a) $15,000,000 of capital (one company). Owned by Americans.	1. (b) $10,000,000 of capital (one company); personal liability of Ford limited to formation of corporation with above capital. Owned by Americans.
2. (a) United States deeds to company: Nothing.	2. (b) United States deeds to company property costing: Nitrate plant No. 1, $12,888,000; Nitrate plant No. 2, including 90,000 horsepower steam plant, 66,252,000; Waco quarry, 1,303,000; New 40,000 horsepower steam plant and transmission line to be erected by Government, 3,472,000; Total, 83,915,000
3. (a) United States leases for 50 years nitrate plant No. 1 and power plants under Federal water power act.	3. (b) In addition to deeding above properties, United States also leases for 100 years the water-power plants, disregarding Federal water power act.
4. (a) Agrees to make 50,000 tons annually of fixed nitrogen. To furnish 100,000 horsepower for fertilizer at cost and 40,000 additional as required. To maintain nitrate plant No. 2 at present nitrogen capacity of 40,000 tons. In case of war 90,000 tons of nitrogen available.	4. (b) Agrees to make 40,000 tons annually of fixed nitrogen. No promise as to amount or cost of power. To maintain nitrate plant No. 2 or its equivalent (estimated by Ordnance Department to cost not over $100,000 per annum, or $10,000,000 in 100 years). In case of war, 40,000 tons of nitrogen available.
5. (a) Forfeiture of lease on nitrate plant and water power plants if agreement violated. Government may take over in case of war; does not require Government to protect company against losses.	5. (b) No forfeiture of nitrate plants, steam plants, or quarry for violation of agreement; forfeiture under certain conditions of water-power lease. Government loses control and ownership of both nitrate plants, steam plants, and quarry, except may take over plant No. 2 in case of war on "protecting company from losses occasioned by such use, and shall return the said property in as good condition as when received and reasonably compensate company for the use thereof."
6. (a) Government has right to recapture all property leased at end of 50 years.	6. (b) No right of recapture as to nitrate plants, steam plants, and quarry. Ford has preferred right to renew water-power leases at end of 100 years.
7. (a) Federal water power act provides that no value shall be allowed for power leases in cases of recapture.	7. (b) In absence of express stipulation, courts would be required to value power leases in proceedings to take over power plants by Government if that should ever be desirable.
8. (a) Regulation by public authority as to rates, service, and security issues. Profits limited by public authority.	8. (b) No regulation of rates, service, or security issues. Profits not regulated, except as to fertilizer.
9. (a) Power in excess of that used in fertilizer available throughout Southeastern States.	9. (b) Power available only to Ford plants at Muscle Shoals.
10. (a) Offers cash payment of $4,500,000 for 90,000-horsepower steam plant at Muscle Shoals if Government desires to sell. Government retains title to balance of properties. Devotes at least $1,000,000 for research work.	10. (b) Offers $1,527,512.75 for both nitrate plants, steam plants, and quarry, costing Government over $80,000,000, and divests Government of title to same. No sum for research work.
11. (a) Agrees to pay toward headwater improvements as required by Federal water power act.	11. (b) Pays nothing for headwater improvements.
12. (a) Rental Dams Nos. 2 and 3 for 50 years, $138,084,400; total for 100 years, $295,624,400. Savings to Government for 50 years, $34,218,000. Savings to Government for 100 years, $75,660,000.	12. (b) Rental Dams Nos. 2 and 3 for 50 years, $103,866,654; total for 100 years, $219,964,954.

Some of our colleagues have favored acceptance of the Ford offer because they regarded this as the only feasible means for securing the development and utilization of Muscle Shoals. It will be remembered that a sharp controversy arose in the House of Representatives several years ago as to whether further money should be appropriated for the completion of the Wilson Dam. Upon this question the House sharply divided, and in the closing hours of the Sixty-sixth Congress an appropriation for that purpose was defeated by a vote in the House. To many persons the meaning of the vote seemed to be that the Government itself would go no further in making the development, and this was the situation when the Ford offer first appeared. It was apparently the only way to insure the completion of the dam and utilization of the works for the purpose for which they were originally intended. It seemed for the time being even that the great nitrate works at Muscle Shoals might otherwise be practically abandoned.

Support of the Ford offer under these circumstances bears no resemblance to the present problem before the House. Since that time Congress has voted many millions of dollars for the completion of the Wilson Dam and clearly indicated its purpose to complete the entire development there and retain the nitrate works and the vast power plants in such a manner as to be always available for national defense. It is now clear that to secure these great advantages and to carry out this enlightened policy no such sacrifice as would be involved in the acceptance of the Ford offer is necessary.

There are, therefore, before you for consideration two projects for the furtherance of an object with which you will all agree. One is the Ford offer as contained in the McKenzie bill, and the other is the united power and nitrate companies' offer as contained in the Hull bill.

Mr. BANKHEAD. Mr. Speaker, will the gentleman yield at this point?

Mr. HILL of Maryland. Yes.

Mr. BANKHEAD. The gentleman does not contend that that is going to be the legislative situation?

Mr. HILL of Maryland. In my opinion, that is the legislative situation.

Mr. BANKHEAD. Does not the gentleman think it rather significant that the minority of the committee did not even recommend the adoption of any of the substitutes proposed?

Mr. HILL of Maryland. I think that the gentleman will find that in their remarks on this subject every member who signed the minority report will and does advocate the passage of the Hull bill.

Mr. BANKHEAD. But the minority report specifically says that the minority does not make any recommendation of the acceptance of any proposal.

Mr. HILL of Maryland. I do not so understand the position of those making the minority report.

Mr. BANKHEAD. Let me read from the minority report itself:

We do not recommend the acceptance of any of the proposals referred to.

Mr. HILL of Maryland. I have already explained my position upon that to the gentleman, and the minority report speaks for itself.

Mr. TREADWAY. Mr. Speaker, will the gentleman yield?

Mr. HILL of Maryland. Yes.

Mr. TREADWAY. Is there a specific offer before Congress or the departments as covered by the Hull bill?

Mr. HILL of Maryland. There is.

Mr. TREADWAY. The gentleman goes into long details in opposition to the Ford offer and specifically speaks in reference to the Ford offer, but I find nothing in the report showing that there is a specific and definite offer such as is covered by the Hull bill.

Mr. HILL of Maryland. There is a specific and definite offer.

Mr. TREADWAY. And they are responsible parties?

Mr. HILL of Maryland. They are responsible parties, and that will be shown fully when Mr. HULL, the author of the bill, explains his bill.

Mr. BANKHEAD. What is the offer?

Mr. HILL of Maryland. It is covered by the Hull bill and that phase of the matter will be taken care of by Mr. HULL.

Mr. BANKHEAD. Does the gentleman hesitate to inform the House?

Mr. HILL of Maryland. Oh, no; the gentleman does not hesitate to inform the House and the gentleman from Alabama knows that he does not.

Mr. BANKHEAD. Then let us have it.

Mr. HILL of Maryland. I have not remaining time enough to explain the Hull bill, and under the order of discussion which we have arranged Mr. HULL himself will explain his bill. I have said to the gentlemen that I favor the Hull bill and I have said that there is a definite proposition which is to be ratified by the Hull bill if the House so desires.

Mr. McSWAIN. Mr. Speaker, will the gentleman yield?

Mr. HILL of Maryland. Yes.

Mr. McSWAIN. Will the gentleman tell us whether or not either one of the offers of these allied power companies from the Southeast, either of January 15, 1924, or January 24, 1924, contemplate the formation of one single corporation such as is mentioned in section 2 of the Hull bill?

Mr. HILL of Maryland. I would say to the gentleman that it does absolutely, and if I can get additional time I shall be very glad to show that.

Mr. McSWAIN. I suggest to my friend before he answers that question in that way that he should read those offers.

Mr. HILL of Maryland. And I say I happen to have been present when the testimony was taken and I have read the offers. I invite the attention of my colleagues on the committee and other gentlemen who are interested in this question to page 127 of the hearings in the testimony of Mr. Yates. Mr. Yates appeared for the united power and nitrate companies. At that time he said:

Mr. YATES. The power company that makes the proposal on Muscle Shoals is a combined power company, owned by the power companies of the Southeast. That company will form a fertilizer company and will guarantee the carrying out of the contract.

NOTE: Since my first statement to the committee I have discussed the matter with others interested and am authorized to say that at the option of the Government we would be willing to form one corporation with a capital of $15,000,000 in cash to take the lease of nitrate plant No. 1 and of the water-power projects under the terms of our proposals, to be owned and controlled by Americans.

Mr. GARRETT of Texas. Mr. Speaker, will the gentleman yield?

Mr. HILL of Maryland. Yes.

Mr. GARRETT of Texas. And as a matter of fact the Alabama Power Co.'s offer, while he stated that in the last hearing, really was that they would organize one company for $10,000,000 to operate the power under that, and that they would organize a $5,000,000 corporation to operate the fertilizer and the nitrate plant, and they proposed to guarantee the faithful performance of the $5,000,000 corporation.

Mr. HILL of Maryland. I say to my colleague that his interpretation is not mine.

I would like now to yield to the gentleman from Texas [Mr. BLANTON] if he is in the room, to whom I could not yield a few moments ago.

Mr. BLANTON. If I understand the gentleman's position, he is against the Henry Ford proposition.

Mr. HILL of Maryland. I am.

Mr. BLANTON. That is the Muscle Shoals water-power proposition; the gentleman is against water projects?

Mr. HILL of Maryland. I am against the Ford offer—I do not know that I understand the gentleman's question.

Mr. BLANTON. The gentleman is against water.

Mr. HILL of Maryland. Not for certain purposes. I am willing to let the gentleman from Texas have all he wants to. [Laughter.]

Mr. WAINWRIGHT. Will the gentleman yield for a brief question?

Mr. HILL of Maryland. I will.

Mr. WAINWRIGHT. Will not the gentleman state to the House there was at least one member of the committee who was not in favor of the acceptance of any of these offers?

Mr. HILL of Maryland. I will say to the House that the gentleman from New York [Mr. WAINWRIGHT] was not in favor of any of the offers, but desired the Government to continue the operation of Muscle Shoals.

Now, gentlemen, there are certain general observations I would like to make before closing in reference to this matter.

Mr. GARRETT of Texas. Before the gentleman leaves that——

Mr. HILL of Maryland. I have only a few minutes.

Mr. GARRETT of Texas. I understand the gentleman is to place in his speech the comparisons referred to——

Mr. HILL of Maryland. I have already done that.

Mr. GARRETT of Texas. That is a comparison of the Alabama Power Co.

Mr. HILL of Maryland. I originally made that comparison myself.

Mr. HILL of Alabama. Is not the comparison made by the gentleman identical with the comparison submitted to the Committee on Military Affairs by Mr. Yates, of the Alabama Power Co.?

Mr. HILL of Maryland. Not entirely. I suggested a comparison to the power company and I later amplified it for the minority report.

Mr. HILL of Alabama. Are they different figures?

Mr. HILL of Maryland. The one suggested I drafted in pencil, and the final one is more full and complete.

Mr. HILL of Alabama. I understand the gentleman suggested the comparison to the Alabama Power Co., and the power company had Mr. Yates——

Mr. HILL of Maryland. I drafted it myself in pencil and gave it to the power company.

Mr. HILL of Alabama. And submitted it to the power company; is that it?

Mr. HILL of Maryland. Yes; I submitted it to the power company for verification.

Mr. HILL of Alabama. And Mr. Yates, representative of the power company, submitted this comparison to the Committee on Military Affairs.

Mr. HILL of Maryland. He submitted the original. The comparison in the minority report is an amplification of the one I submitted for verification to the power company. I am in favor of the power companies' offer as authorized by the Hull bill, and I therefore made a comparison of the Ford offer and the power companies' offer. I was more familiar with the Ford offer than with the power companies' offer and therefore asked the latter to check my comparison and put it in the hearings.

I was against the Ford offer in the last Congress, even before the power companies came forward with a complete and workable offer for nitrates and fertilizer.

The Ford offer requires the Government to deed to Mr. Ford its nitrate plants and other properties, which cost the Government over $80,000,000, and to lease to Mr. Ford water-power plants having 850,000 horsepower. The water-power plants are to be constructed entirely at the expense of the

Government and will cost in excess of $80,000,000 when completed, making the total value of Government property to be deeded or leased for 100 years to Mr. Ford over $160,000,000.

Aside from all else, the principal reason given for violating the existing water power act and other national policies, the proponents of this offer seem to favor it because of its so-called guaranty to manufacture fertilizer over a period of 100 years. There is no such guaranty. None was intended by Mr. Ford and there is none in the McKenzie bill. Even if there were a guaranty, there is no adequate means of enforcing a violation of the contract should it be made with Mr. Ford under the terms of the present offer.

Members of the Military Affairs Committee will, of course, recall certain hearings in 1922 in executive session. In the course of the hearings the only representative of Mr. Ford who ever appeared expressed his view as to just what was intended.

Section 14 of the McKenzie bill states that one of the principal considerations of the Ford offer is the manufacture, sale, and distribution of commercial fertilizers, and the Ford corporation "agrees that, continuously throughout the lease period, except as it may be prevented by reconstruction of the plant itself, or by war, strikes, accidents, fires, or other causes beyond its control, it will manufacture nitrogen and other commercial fertilizers, mixed or unmixed, and with or without filler, according to demand, at nitrate plant No. 2 or its equivalent, or at such other plant or plants adjacent or near thereto as it may construct, using the most economical source of power available."

This language was drafted by Mr. Ford's attorneys and was not the language desired by the Military Affairs Committee. But when it was presented to the committee as Mr. Ford's last word, Mr. Ford's representative took the position that the words, "according to demand," which appeared in this section for the first time in the history of the proposal, relieved Mr. Ford of any obligation to manufacture fertilizer unless a demand existed and that involves a demand at the cost of manufacture plus 8 per cent. Aside from many other expressions, the following is sufficient; it comes from the committee hearings on questions from Representative, now Senator, GREENE:

Mr. GREENE. This is all I suggest, with a due appreciation of your intention, whether that phrase, "according to market demands" does not have a dual interpretation?

Mr. MAYO. It may have, or it may not.

Mr. GREENE. It has that peculiar significance. It may mean "according to market demand" as to quantity irrespective of kind, or it may mean as to kind, irrespective of quantity. They are two irreconcilable things.

Mr. MAYO. I think it means both. (Page 94.)

Furthermore, the hearings show that the Ford Corporation need not make fertilizer if the board provided by the McKenzie bill decides that there is not sufficient demand for the fertilizer. Note the following answers of Mr. Mayo, Mr. Ford's representative:

Mr. HULL. I do not know that I have the correct idea of the change, but it seems to me as the committee had it there was no provision for ceasing the manufacture of the fertilizer provided the market was overstocked. As you have it, that is provided for by the use of the expression "market demand." Is that correct?

Mr. MAYO. Yes, sir.

Mr. HULL. That is really the big change you have made. We intended, as I understood it, that you should have a right, as Mr. QUIN has said, to change the position of the fertilizers. I do not know whether we had it there correctly, but we intended to give that right.

Mr. MAYO. We did not think you did. It tied us up.

Mr. HULL. You fixed it in your language so that you would surely have it?

Mr. MAYO. Yes, sir.

Mr. HULL. There was not any provision, as I understand, as we had it, for the cessation of the manufacture if the market would not absorb it. I am not in opposition to the proposition, but I want to get it fixed in my mind. It seems to me that is the real big change.

Mr. MAYO. We had always thought that nobody would expect us to make it and pile it up if there was no demand for it.

Mr. PARKER. What is that?

Mr. MAYO. Nobody could expect us to make fertilizer if there was no demand for it. We can not see that any such occasion should arise.

Mr. MILLER. I invite your attention to the phraseology on page 14 and ask you if that phraseology carries out your contention? This is the way it reads: "Operate nitrate plant No. 2 in the production of nitrogen and other commercial fertilizers, mixed or unmixed, according to market demands." That means market demands for mixed or unmixed fertilizer, not as to the quantity, does it not?

Mr. HULL. I am just trying to get Mr. Mayo's idea about this proposition.

Mr. MILLER. I am asking whether the aforesaid language does it.

Mr. MAYO. I think it would refer to both, would it not?

* * * * * * *

Mr. HULL. Is it your understanding that this board decides, or would have the right to decide, as to when the market demanded the manufacture of this fertilizer?

Mr. MAYO. I would think so.

Mr. HULL. That is your understanding?

Mr. MAYO. That is, if we could not dispose of the fertilizer and commenced to pile it up, I think the board would be our first relief. We have never thought that it was necessary to say so.

Mr. HULL. You would not expect the Government to depend upon your company to decide upon the market?

Mr. MAYO. No; that is why the board is provided for.

Mr. HULL. There should be some one who is going to decide that from a neutral standpoint.

Mr. MAYO. Exactly; that is why the board is there.

The committee also examined the Ford representative, because he had changed the words in the clause relating to release of the Ford corporation from manufacture from causes beyond its control (p. 102); the language suggested by the committee simply relieving from acts of Providence members of the committee at that time brought out that "it gives him [Ford] exemption if the market fails"—meaning exemption from the obligation to further manufacture fertilizer.

The following statements are worth serious consideration:

Mr. PARKER. I want to ask one question: You have changed the language "acts of Providence" to "causes beyond its control."

Mr. MAYO. Yes, sir.

Mr. PARKER. The language "acts of Providence" would not cover "causes beyond its control." Would not the language "causes beyond its control" cover inability to sell the product?

Mr. MAYO. No, sir; I do not think so.

Mr. PARKER. You do not think it would cover it?

Mr. MAYO. I do not think so.

Mr. PARKER. Then, why not stick to the language "acts of Providence," because that is perfectly plain?

Mr. MAYO. I think the language "causes beyond its control" is a better way around it.

Mr. PARKER. The trouble is that it is so broad that it covers a great many things. In my judgment, it would cover falling prices or a situation where you would not have a profitable market.

Therefore, there is no excuse for Congress to practically give away public properties—and that, too, for private use. The record of the hearings throughout contains statements apparently authorized by Mr. Ford that the entire power project would be used in his private business, except that which might be used in manufacturing fertilizer. He has always avoided any suggestion of placing the power under public control or regulation. According to the Government reports, there are in excess of 4,000,000 horsepower in the Southern States surrounding Muscle Shoals, of which 1,500,000 horsepower are developed, leaving 2,500,000 undeveloped, including the Muscle Shoals plants. To give Mr. Ford 850,000 horsepower, leaving a balance of 1,700,000 for all future time to serve the needs of that great section, in addition to giving Mr. Ford nitrate properties which cost the people over $80,000,000, will result in a greater national scandal than the Teapot Dome.

Even the deed which the Government is required to make conveying its properties must warrant the title. There is an outstanding contract with a concern known as the American Cyanamid Co., made in 1918, by which that company has a prior right to purchase the plant. The Attorney General held that the company's option was invalid, but notice was served on the committee that the company would contend for its rights. Mr. Ford's representative stated, however, that he was unwilling to accept the property and bear the burden of the lawsuit. (Hearings, p. 9.) Therefore, in addition to merely paying the Government a nominal amount of $1,500,000 for its nitrate plants, the Government must in addition litigate its right to convey the property with the Cyanamid Co. and pay whatever damages are awarded in addition.

Note the following extracts from the hearings in executive session on page 9:

The CHAIRMAN. The Air Nitrates Corporation also claim some rights in nitrate plant No. 2. Do you make any proposition respecting them?

Mr. MAYO. No, sir.

Mr. PARKER. You do not assume litigation there?

Mr. MAYO. No, sir.

Mr. PARKER. Nor in connection with plant No. 1, either?

Mr. MAYO. No, sir; we concluded that there will be none.

Mr. PARKER. Do I understand you correctly, gentlemen, that you say that Mr. Ford's company will not assume the liabilities of the United States on the contracts for plants Nos. 1 and 2 for the ex-

penses and litigation thereunder, or guarantee the United States from loss by reason thereof?

Mr. MAYO. No, sir.

The Ford offer contains no right whatever in the Government to recover the nitrate properties in case there should be a violation of the contract by the Ford company. There is no adequate provision for recovering the water-power properties, and there is no liability whatever on Mr. Ford individually, and none beyond the $10,000,000 to be given the company when it is organized.

If anybody but Mr. Ford made this offer he would be jeered out of committee. I agree that Mr. Ford is an extraordinary man, but it is a Ford corporation and not Mr. Ford personally who will take over this great project if you pass the McKenzie bill.

Mr. Ford is 61 years old. He does not personally guarantee the performance of the proposed company, although many people think he does.

All Mr. Ford does is to get the company started. Here is the section of the McKenzie bill which covers that matter:

SEC. 23. All of the contracts, leases, deeds, transfers, and conveyances necessary to effectuate the acceptance of said offer shall be binding upon the United States, and jointly and severally upon Henry Ford, his heirs, representatives, and assigns, and the company to be incorporated by him, its successors and assigns.

I am looking to the Ford company 25 or 50 years hence, when Mr. Ford is gone. I can not agree to the Ford scheme.

Our recent colleague in this House, Senator GREENE, well summed up the truth as to the Ford offer in the hearings, as follows:

Mr. GREENE. Put it this way: You want us to capitalize Mr. Ford's good intentions and call that a Government asset in lieu of money?

Mr. MAYO. Yes, sir; you will have to do that to some extent.

Mr. GREENE. Do you believe that we were sent here and put under oath to do that sort of thing by citizens?

Mr. MAYO. I think you were sent here to do what, in your judgment, is best for the Government of the United States.

Mr. GREENE. But where would we end if we began capitalizing the good intentions of citizens and placing good property at their disposal, turning over to the Treasury account their good intentions as so much cash?

Mr. MAYO. If you put it on a strictly dollars and cents basis, you might scrap the whole thing for $7,000,000 or $8,000,000.

Mr. GREENE. We are confronted with similar propositions from time to time, and the theory and principle would remain the same if we once invoked such a principle. Some time ago we very carefully and deliberately eliminated from our official agencies and interests all that were sustained by private capital, as, for instance, the Rockefeller Foundation, because the Government could not afford as a matter of principle to be in partnership with private interests. If we once began, even with the most salutary proposition and with the utmost good intentions, the Lord only knows where cheap politics might sometimes land us.

Mr. MAYO. That is very true. All that I can say is that Mr. Ford has made the best bid that he can afford to make. That is all we have to offer, and that is where we stand.

As Mr. Mayo says, Mr. Ford "has made the best bid that he can afford to make." In my opinion he has not made an offer that we as agents and trustees for the American people can afford to accept.

I am against the Ford offer as set forth in the McKenzie bill, whether you accept the Hull bill substitute or not. If Mr. Ford will come up to the terms of the Hull bill, I should be glad to vote that he get Muscle Shoals on those terms, but I can not vote for the plan of absolute deed of certain Government property, leasing for 100 years of other property yet to be financed, and the other terms of the Ford offer. [Applause.]

Mr. BANKHEAD. I yield five minutes to the gentleman from Alabama [Mr. ALMON]. [Applause.]

Mr. ALMON. Mr. Speaker and gentlemen, while Muscle Shoals is located in north Alabama on the Tennessee River, in the district which I have the honor to represent, it is at the same time a great national development, and if Congress disposes of Muscle Shoals in the manner provided for in the McKenzie bill Muscle Shoals development will inure to the benefit of every class of people in every section of this country.

The passage of this bill providing for the acceptance of the offer of Henry Ford for Muscle Shoals carries out the provisions of Congress in authorizing the development at Muscle Shoals by the Government. That is, it provides that the nitrate plant be preserved in an up-to-date running condition, available to the Government for war purposes in the event of a military emergency, and for continuous operation of the plant in peace times for the manufacture of fertilizer at its maximum capacity. The passage of this bill also carries out to the letter the recommendations of President Coolidge on this subject in his recent message to the Congress when he said:

While the price for which it is sold is an important element, still there is another consideration even more compelling; that is, a cheaper and better fertilizer for the farmers, and if this object is accomplished the amount of money received for the property is not a primary or major consideration.

Much is being said these days about doing something for the farmers. You have an opportunity now to do something worth while for them. The farmers of the entire country, as shown by their indorsements through their organizations, are in favor of the Ford offer for Muscle Shoals. They are intelligent and know what it means. They know they have been paying two prices for a very inferior grade of fertilizer. Their representatives have gone to Muscle Shoals and made careful and thorough investigations and studies of this question, ascertained first-hand information what it would mean to agriculture, and have without a dissenting voice recommended and are now urging the acceptance of the Ford offer.

Much misinformation has been broadcasted about the obligation of Mr. Ford to make fertilizer. I call your attention to the offer as set out in this bill. In section 14 the Ford Co. will be required to manufacture nitrogen and other commercial fertilizers mixed or unmixed and with or without filler, according to demand, the annual production of which shall have a nitrogen content of at least 40,000 tons of fixed nitrogen, which is the present annual capacity of plant No. 2. This would be sufficient to furnish nitrogen for 2,000,000 tons of 2–8–2 commercial fertilizer annually, and is equivalent to 250,000 tons of Chilean nitrate. The Ford Co. will be bound to manufacture this much fertilizer whether it is profitable or unprofitable, and it can not be sold at a price greater than 8 per cent on the actual cost of production. A board of representatives of the farm organizations, approved by the President and confirmed by the Senate, will have access to the books of the Ford Co. with power to regulate the price and see that not more than 8 per cent on the actual cost of production is charged, and also to provide for an equitable distribution of the fertilizer in the various parts of the country.

The most important question is, Will the farmer get his fertilizer cheaper if this bill passes? Both those favoring and opposing the Ford offer agree that Mr. Ford can make fertilizer at Muscle Shoals at about one-half the present price. If this be true the passage of this bill means a saving of $175,000,000 annually to the farmers of this country, as they ordinarily spend $350,000,000 annually for fertilizer. With cheap water power at Muscle Shoals, taking the nitrogen from the atmosphere instead of Chilean mines, with phosphate rock and all other raw materials in close proximity and in inexhaustible quantities, it is not difficult to understand how Mr. Ford can succeed in making fertilizer at one-half the present price.

But some may say that it can not be done. So did some claim that he could not operate a railroad any more successfully than the ordinary railroad companies. However, to show how this great Detroit manufacturer turns failure into success, here is what took place with that supposed to be old, worn-out railroad he took over a few years ago; preliminary statistics made public indicate that the Detroit, Toledo, & Ironton Railroad had a net operating income for 1923 of $1,786,924, compared with a deficit of $2,121,524, justifying the prediction made by Henry Ford when he bought the road July 10, 1920, that though previously operated with a deficit, it could be made a net earner in 1923. The gross income increased from $4,481,036 in 1920 to $10,417,412 in 1923, which was $1,412,938 greater than in 1922. Operating cost was reduced $737,170 over the previous year and the cost of maintenance of equipment dropped $691,243 and at the same time he reduced the rates and increased the wages of the railroad employees. The railroad, which Mr. Ford purchased for about $5,000,000 has about 400 miles of main line and 166 miles of yards and sidings with trackage rights over an additional 50 miles.

In the face of all of Ford's achievements you will occasionally hear some one who has not made a howling success of anything proclaiming from the housetop that Mr. Ford can not do at Muscle Shoals what he obligates himself to do. Let us give him a chance; that is the only way to find out. The Government has a great big white elephant on its hands. It has been standing there for five years since the war ended, costing millions of dollars maintenance charges, and at the same time rusting out and deteriorating in value. No one after all these years of waiting has made an offer to compare with that of Henry Ford. No one else with the cash to take Muscle Shoals

and develop it has offered to take it and do in a way and manner fair to the Government and taxpayers what Ford has, and to utilize it for national-defense purposes and agriculture, as Congress intended when the development was authorized.

Henry Ford is one rich man who made his fortune by selling the products of his factories cheaper than any other manufacturer and at the same time paying his labor more wages than anyone else. Instead of putting his surplus millions of cash in tax-exempt securities, he asks Congress to give him an opportunity to invest in the production of the necessities of life for the American people at a fair price and give employment to a million people at good wages. [Applause.]

If this bill becomes a law, he will not only reduce the price of the farmer's fertilizer one-half but says he will be able to sell to the farmer a truck, a tractor, and an automobile all for $1,000 or less. [Applause.]

He is now selling the fertilizer which he produces as a by-product of his coke ovens at $19 per ton less than the market price.

I appeal to my colleagues from every section of our country to protect the South from the water-power monopoly. The Water Power Trust owns and controls practically all of the water-power sites in the South and the Southeastern States except Muscle Shoals, and they are here, and have been for a long time, with their paid lobby trying to get their greedy and monopolistic clutches on Muscle Shoals. [Applause.]

I appeal to you to keep this great nitrogen plant, a most important part of our national defense, in the hands of and under the control of Americans and American capital, as is expressly provided in this bill, and not allow it to get into the hands of nor under the control of the Alabama Power Co., whose securities to the extent of at least 35 to 45 per cent are owned and controlled by foreigners, and was so admitted by its president before the Military Committee of the House at the last session of Congress. Henry Ford is an American and the money which he proposes to use and spend in the development and operation at Muscle Shoals is also American. The terms of this bill forbid this development from ever getting into the possession or under the control of foreigners or foreign capital. [Applause.]

Mr. BURTON. Mr. Speaker, will the gentleman yield?

Mr. ALMON. Yes.

Mr. BURTON. Does not the gentleman recognize that only a comparatively trivial part of the power developed there, 800,000 or 900,000 horsepower, is to be devoted to the manufacture of fertilizer, and that the balance, 790,000 horsepower, can be used by Mr. Ford for any other purpose besides the manufacture of fertilizer?

Mr. Speaker, has the gentleman from Alabama [Mr. BANKHEAD] used all his time?

Mr. BANKHEAD. How much time have I, Mr. Speaker?

The SPEAKER. The gentleman has five minutes.

Mr. BANKHEAD. Then I yield five minutes to the gentleman from Alabama [Mr. ALMON].

Mr. ALMON. When these two dams are built 121,000 primary horsepower will be developed; that is, power for 12 months continuously. The Government has one steam plant at Muscle Shoals of 80,000 horsepower. This bill provides for another steam plant on the Warrior River of 40,000 horsepower to take the place of the Goras plant, which was included in the Ford offer and was afterwards sold to the Alabama Power Co., making a total of 241,000 horsepower, and this is all of the primary water power and steam power Ford gets when his offer is accepted, and all he will have until he builds storage dams at his own expense on the upper Tennessee and its tributaries. It will require 100,000 primary horsepower to make the 40,000 tons of fixed nitrogen with the process now in use at plant No. 2, and it requires 160,000 horsepower to produce the amount of phosphoric acid that would be required to make a complete fertilizer containing 40,000 tons of fixed nitrogen, the amount Mr. Ford is required to produce annually; so Mr. Ford will have to use 240,000 horsepower to make fertilizer according to his obligation, and that consumes all of the primary power that he will get from the Government, both water and steam power.

Mr. BURTON. Mr. Speaker, will the gentleman yield?

Mr. ALMON. Yes.

Mr. BURTON. Is the gentleman willing that an amendment shall be placed in this bill to the effect that all the power that is developed there shall be used for the manufacture of fertilizer?

Mr. ALMON. No, sir; I am not, and I wish I had time now to give my reasons why it should not be done. When I have the opportunity I will try to convince this House that an amendment of that kind ought not to be made, and I think when the House understands it it is not going to make it. [Applause.]

CHILEAN NITRATE AND FERTILIZER TRUSTS AND OTHER SELFISH INTERESTS OPPOSE THE FORD OFFER.

We now depend upon Chilean nitrate for nitrogen for fertilizer purposes. We have paid for Chilean nitrate since 1867 the enormous sum of $651,552,049 for 16,902,532 long tons of Chilean nitrate at the Chilean port, not including freight, commissions, or duty, upon which we have paid the Chilean Government $12.53 per long ton as an export duty, amounting to $209,107,989. This export tax or duty amounted to $10,809,337 in the year 1923.

Why should the farmers of the United States continue to pay tribute to a foreign country to secure nitrogen for fertilizer purposes when, by the acceptance of the Ford offer for Muscle Shoals, it can be purchased by them at one-half the price heretofore paid? Germany, by the construction and operation of air nitrogen plants, has freed herself from her dependency upon Chile for nitrates. We should cease to boast so much of our country and its greatness if we do not do the same. The acceptance of the Ford offer will not only make us independent of Chilean nitrate but will break the fertilizer combination and reduce the price one-half. This accounts for the opposition of the National Fertilizer Association, which has at times flooded the offices of the Members of Congress with literature in opposition to the Ford offer. The Chilean producers are reported to have made the claim that if compelled to do so by Muscle Shoals competition they will reduce their prices to one-half or even one-third of their present levels. If the establishment of the nitrogen industry at Muscle Shoals, under the Ford offer, merely results in eliminating the export duty collected by Chile for the privilege of purchasing nitrates in that country, it would have paid a dividend to American farmers and consumers of more than 5½ per cent on a valuation of $2,000,000,000.

INDORSEMENTS OF THE FORD OFFER.

The offer of Henry Ford is indorsed by the American Farm Bureau Federation, with 2,000,000 members; the National Grange; the Farmers' Educational and Cooperative Union of America, commonly called the Farmers' Union; the American Federation of Labor; the Mississippi Valley Association, an organization of business men with a membership covering 27 States; the American Legion; and many States and counties, not only in the South but in the North and the West.

ONE-HUNDRED-YEAR LEASE PERIOD.

The only argument for a 50-year lease period is that at the end of that time the United States might secure more rental for this water-power right than is now possible. There is nothing in the history of electric-power business to indicate that water-power rights will be more valuable 50 years hence than they are to-day. On the contrary, the proposed superpower plans, the recent improvements in steam power, and the wide field of improvement suggested by substituting other vapors than steam for power purposes, as seen in the new mercury boilers, all indicate that in the future, as always in the past, the tendency will be toward cheaper power, which means less and not greater value for undeveloped power rights. This being true, the longer the lease period of a contract as advantageous to the Government and to the consumer as the Ford offer, the better the public interest is served. It has been shown that by far the greatest item entering into the cost of hydroelectric power under present methods of financing is the interest on the investment. This can be greatly reduced through the operation of a long-time sinking fund to retire the capital invested. Such a retirement fund can be set up over a 100-year period for about one-seventh of the annuity required for a 50-year period.

The water-power development at Muscle Shoals is in a class by itself. It was authorized by section 124 of the national defense act for two fundamental purposes, national defense and agriculture, and was commenced February 25, 1918, by direction of the President of the United States. The Federal power act was passed June 10, 1920, more than two years afterwards. This act was drawn to cover water-power developments made to provide power for ordinary manufacturing and public-utility purposes. Such plants carry no obligation for the manufacture of nitrogen or fertilizer, or for the maintenance of Government war plants. So Muscle Shoals is in an entirely different class.

It can not be claimed that Mr. Ford is not regulated. The first regulation is that his principle and chief product is fertilizer, upon which the price is regulated at not more than

8 per cent of the actual annual cost of production. Second, he is regulated in his obligation to maintain the plant suited to make war material in an up-to-date condition. No one can estimate what that will cost, and it must be a very large amount; it will necessarily be a very great amount. Besides, the price of whatever power he sells to the public will be fixed and regulated by the Public Utilities Commission.

Even if the power act were free from objectionable features, such as severance damages, it would not be fair to Mr. Ford to require him to assume these obligations for national defense and fertilizer purposes and meet the limitation of ordinary water-power projects at the same time. General Beach, Chief of Engineers, War Department, testified before the committee reporting this bill that 100 years in this case was proper and reasonable. He testified that it required 20 years' time to secure a market for the 750,000 horsepower developed at Niagara Falls, with Buffalo, Rochester, and the cities along the Great Lakes, and that it would require a longer time at Muscle Shoals for it is not a thickly settled country and not yet given over to manufactures. At Niagara Falls there is only 20 per cent variation in the flow of the water, and that is caused by the wind on the lakes; while at Muscle Shoals there is such a very large amount of secondary power that it will necessarily require more time to provide a market for the power than at a place like Niagara.

There is no limit on the permit of the water-power company at Keokuk, Iowa. The permit of the Alabama Power Co. at Lock No. 12 on the Coosa River in Alabama is indefinite. On the Little Tennessee River the American Aluminum Co. has developed 7,500 horsepower and has a perpetual right. The same water runs into the Tennessee River, and at Hales Bar on this river, 27 miles below Chattanooga, it becomes 99-year water, and when it gets 100 miles farther down to Muscle Shoals it is suggested by those opposing the Ford offer that it is a 50-year water. If there was any water power farther down toward the Ohio River I suppose it would go to the vanishing point. [Applause.] Muscle Shoals has been developed primarily for two purposes, viz, national defense and agriculture; and the Congress of the United States should keep its hands on it, as is provided in this bill, and not allow it to get into the hands of or under the control of the Federal Power Commission or in any other bureau or department of the Government. It has no place with the Federal Power Commission. [Applause.]

NATIONAL DEFENSE.

We all now believe in preparedness. We have not forgotten our recent experience. No nation of any standing will ever again depend upon a foreign market for a supply of nitrogen for munition purposes. Without her nitrogen plants Germany could not have prosecuted the war after importations from Chile were stopped. If our importation of Chilean nitrates had been cut off by the Germans during the war, as was seriously threatened at one time, and the war had continued, we would have been helpless if it had not been for the Muscle Shoals plant, which was finished just as the war ended.

The fixation of atmospheric nitrogen is a comparatively new art and will be improved on from time to time, and if that plant is allowed to remain in a stand-by condition it will not only cost millions of dollars but will rust out and become obsolete and of no value in the event of a military emergency. The only way to preserve it for national-defense purposes is to operate it in the manufacture of fertilizer in peace times and keep it up to date and in running order, as will be done if Ford's offer is accepted.

FINANCIAL OBLIGATION OF MR. FORD.

In order for Mr. Ford to put the plant in operation will require an expenditure on his part of at least $59,000,000, as shown in the hearings before the committee. Now, let us see what additional financial obligation Mr. Ford assumes. He agrees to pay 4 per cent on the entire cost of water-power development, including flowage damage and installation of electric-power equipment and locks and canal for navigation purposes, except about $16,000,000, which was spent by the Government on Dam No. 2 during and just after the war and before Mr. Ford made his offer. It is claimed by some that he should pay interest on this amount. He is not willing to do it and should not be expected to do so. This work was done under war conditions and cost double what it would in normal times. As an evidence of this, it was estimated that nitrate plant No. 2, when it was commenced, would be built for $30,000,000, and it cost $67,000,000. The plans for the construction of nitrate plant No. 1 was estimated at a cost of $3,000,000 and cost $13,000,000. This was due to war conditions and the prices paid both for labor and materials. So it is reasonable to assume that $8,000,000 would be a fair value for the work done on the Wilson Dam before Mr. Ford made his offer. General Beach, Chief of Engineers, testified before the committee that $8,575,000 of the cost of construction of Dams Nos. 2 and 3 should be charged to navigation. So Mr. Ford is undertaking to pay full 4 per cent on the entire cost of the construction of the dams, less what should properly be charged to navigation. Mr. Ford and his company agree to provide for an amortization sinking fund, which, if invested at 4 per cent, will return to the Government $49,071,935 at the end of the lease period. This is about the cost of the water-power development. If invested at 4½ per cent, it will return to the Government $70,100,000. So the Ford company not only pays 4 per cent interest on the cost of the water-power development but liquidates the cost itself. He is to pay $5,000,000 for the nitrate plants and rock quarry. This is more by far than has been realized on any other war plant.

In the sale of other war plants the Government made outright sales. In this case the Government reserves very valuable interest for national defense purposes. Mr. Ford is also required to furnish free of cost power to operate the locks and is to pay $55,000 annually in installments, quarterly in advance, for repairs, maintenance, and operation of Dams Nos. 2 and 3, and their gates and locks, and also maintain at his own expense in efficient operating condition the powerhouses and all appurtenances.

THE AMOUNT AND USE OF THE MUSCLE SHOALS POWER.

Dams No. 2 and 3 at Muscle Shoals only develop 121,000 primary horsepower, the steam plant at No. 2 with 80,000 horsepower, and the steam plant to be built at Gorgas with 40,000 horsepower, making a total primary power of 241,000 horsepower.

One hundred thousand horsepower will be required to operate plant No. 2 with the present process to make 40,000 tons of fixed nitrogen, and 160,000 horsepower will be required to produce the amount of phosphoric acid as would be required in making a complete fertilizer containing the 40,000 tons of fixed nitrogen.

Whatever additional primary power developed by storage dams on the upper Tennessee River and its tributaries will be paid for by Mr. Ford.

It is claimed by some that Mr. Ford should have incorporated in his offer an agreement to sell and distribute to the public the surplus power. When Mr. Ford assumes obligations calling for many millions of dollars in connection with this development, including the building of storage dams at his own expense, it should be left to him to determine the disposition of the surplus power, and in doing so he would of course be controlled by the public service commission.

Mr. Ford said in a carefully prepared statement on October 11, 1923, thaf if he got Muscle Shoals he would distribute power 200 miles in every direction. With this understanding the people in the territory affected and all their Representatives in Congress are enthusiastically supporting the Ford offer as made and set out in this bill. Mr. Ford's statement that he would sell and distribute the surplus power constitutes a moral obligation that he and his company could not ignore without very serious injury to the standing and business interest of the Ford company which would operate Muscle Shoals, as well as the Ford Motor Co., of Detroit. [Applause.]

OTHER OFFERS.

No other offer made for Muscle Shoals in any way compares with the Ford offer in advantages to the Government and the people. The Ford offer has been reported by the Military Committee of the House both at this and the last session of Congress, and at the same time that committee failed and refused to recommend any other offer. The members who filed a minority report criticize the Ford offer, but do not favor any other offer. I have not the time nor do I deem it necessary to discuss the other offers, for they are not before the House, but will if necessary when this bill is being considered under the five-minute rule.

REPORT OF COMMITTEE SHOULD CARRY WEIGHT WITH THE HOUSE.

The Military Committee has been conducting hearings and has had various offers for Muscle Shoals under consideration for more than two years. They have been earnest and faithful in the discharge of this important duty. Hence the report and recommendations should have great weight with the House.

BILL SHOULD NOT BE AMENDED.

The ordinary practice of amending bills does not apply to this measure. This bill sets out an offer made by Henry Ford for Muscle Shoals and should be voted up or down. It will be taken for granted that all who favor the Ford offer will support the bill as reported by the committee. It is but natural that those who oppose it would like to see such material amendments made as would destroy it. So I appeal to all of

you who want to do something worth while at this time to help the farmers, and in doing this help all the people to carry out the wishes of the great majority of the American people, to vote for the Ford offer. [Applause.]

The SPEAKER. The time of the gentleman from Alabama has expired.

Mr. BURTON. Mr. Speaker, I yield one minute to my colleague from Ohio [Mr. KEARNS].

The SPEAKER. The gentleman from Ohio is recognized for one minute.

Mr. KEARNS. Mr. Speaker and gentlemen of the House, if the record in this case would bear out the statements of the gentleman from Alabama [Mr. ALMON], I would be for the Ford offer. But there is not one syllable of testimony in the record that substantiates one claim that the gentleman from Alabama has made.

Mr. WARD of North Carolina. Mr. Speaker, will the gentleman yield?

Mr. KEARNS. No; I regret I can not yield. He says that if Mr. Ford gets Muscle Shoals it is going to benefit in the way of power and light every section in the United States. Mr. Ford says if you give him Muscle Shoals he is going to use a part of the energy in making fertilizer and the rest of it he is going to use in a manufacturing plant for himself, to make, he says, automobiles and parts of automobiles and, he says, anything else that will bring him in a greater revenue. That is the case, and the gentleman from Alabama knows it.

Mr. BURTON. Mr. Speaker, I yield one minute to the gentleman from Minnesota [Mr. SCHALL], reserving time to move the previous question.

The SPEAKER. The gentleman from Minnesota is recognized for one minute.

Mr. SCHALL. Mr. Speaker, I want to state that I am for this resolution and for the Ford bill. [Applause.]

The power companies' proposition, supported by the minority report, is unreal, intangible, and has been thrown together only as a subterfuge with which to attempt the destruction of the Ford plan. After the majority report of the committee on this bill had been submitted it comes in at the last minute through a resolution of a Member of Congress and offers to organize a corporation of $15,000,000 to do the work which Ford has for the last three years been offering to do. The corporation is not yet an identity; it is simply a myth around which the opponents of the Ford offer hope to gather in an attempt to relay enough votes to defeat an honest-to-God proposal.

The allied water power companies of the country are the proponents of this measure, and are united in their fight against Ford in his attempt to produce a cheap commercial fertilizer. They realize that once this great water power comes into his hand under the bill provided here their control of the nitrate market is gone glimmering.

The power company pretends to do that which Ford has been offering to do, but the distinct difference between their offer and the Ford offer is that there is nothing but wind back of this proposition which is to create a corporation of $15,000,000, the $15,000,000 to be gathered from stockholders not herein named, which means, in its last analysis, only a something on which to hold until the real danger to them is destroyed; that is, only to delay and keep from maturing the Ford plan until the complexion of Congress is so changed that there will no longer be danger of its passage.

Had not this Ford plan been before Congress for the last three years, this plant would have been sold as other war plants have been sold, for a twentieth of their cost, aye, and for less; as our ships that averaged us $800,000 apiece are today being sold for $5,000. Estimates of its actual value have run from five to nine million dollars. Ford offers $5,000,000 in spot cash and a semiannual payment of enough money so that in 100 years amortization at 4 per cent interest, it will give back to the Government every cent invested, which is approximately $80,000,000. This, together with the maintenance of the plant and the dams and locks and a guaranty to produce fertilizer at not to exceed 8 per cent above actual cost, which will cut the fertilizer bill to the farmers in this country right in two.

The power plan, so called, is only a straw bill, and it should affect the vitality of the Ford proposition no more than a leaden bullet would affect the vitality of a ghost. [Applause.]

While Ford's corporation is going to take this over at not less than $10,000,000, he will immediately furnish the money, and it is something real with which we are dealing. The locks and the whole plant will be under the supervision of the Chief of Engineers of the United States Army.

It is very fitting that Ford should be the man through whose offer we should again revitalize the fast depleting soil of this country, since it was through his great business ability that there came about the universal use of gasoline power in field, on road, and in the city. To-day from one end of the country to the other scarcely a horse, a mule, or an ox can be seen, while a few years ago the roads and lanes were swarming and the fields and pastures were full of them. To-day the automobile, the truck, the tractor have taken their place and they are extinct. Not only no longer can the farmer rely upon the fertilizer returned through this power but, on the other hand, a great demand has ceased for the produce of the farm which went to feed them.

We have but to go back through the annals of history to find upon what rests the stability of the country. India, China, Persia, Italy, and Spain were once prosperous. To-day, because of the depletion of the soil, they exist in frugal parsimony.

Washington was anxious about the exhaustion of our soil, and Lincoln, even in the days when the virgin prairies teemed with fertility, looking ahead with concerned vision, emphasized the importance of renewing soil fertility.

Look at the vast number of abandoned New England farms, the ever-increasing acreage of abandoned farms all over the country, abandoned for lack of nothing but fertilizer. All they want is cheap fertilizer. We can not go very far in soil rehabilitation with 1,000 per cent profit on it as we have it under the Fertilizer Trust.

In many communities, up in the country, in my congressional district, I know where they are using good hay for fertilizer, hay that would bring money in the market. In California, I understand, in the Imperial Valley, they are using alfalfa that could be sold for $25 a ton for fertilizing their fruit trees. This sort of fertilizer is inferior to nitrate.

At Muscle Shoals is the inexhaustible power and the sulphurous rocks from which can be taken the necessary ingredients with which to make cheap fertilizer.

In time of war provision is made in the bill that it must immediately be turned over to the United States with such man power as we desire. It is of first importance for our national defense that we be self-sustaining in supply of nitrates for explosives.

The bill provides that no one can own any stock in this corporation except an American citizen.

The great problem that is staring us in the face to-day is legislation looking to the preservation of the farmer and the lightening of his crushing burden. Even before the war the average farm return on investment was not to exceed 3 per cent. To-day in my State, the most fertile land in the world, there is a constant stream cityward from the discouraged, disheartened, and bankrupt farmer. Profits of years of arduous toil wiped out, nothing facing them but deficits and mortgages, they give up the bootless struggle. It is to Congress that those sturdy farmers remaining are looking for a sign of some legislation that will tend to equalize and protect them, as are the other industries of the country under our laws.

The farmers of the country want this bill. They want it because they need cheap fertilizer. I am for the Ford proposition.

Upon the fertilization of the soil rests the profit of the farm; upon the condition of the farm rests the prosperity and well-being of the farmer; and upon the prosperity of the farm rests the safety, the stability, and prosperity of the Nation.

You can burn down your cities and your manufactories, destroy your banks and industries, but if the farms are fertile, if the farms are left intact, the cities will spring up again like magic, while if you destroy the fertility of the farm your cities will rot and grass grow in their street. [Applause.]

The SPEAKER. The gentleman from Minnesota asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. BURTON. Mr. Speaker, I move the previous question. Before that question is presented I presume the gentleman from the Committee on Military Affairs will wish to make some disposition of the time or some selection as to those who shall apportion the time.

The SPEAKER. That will come when the House goes into Committee of the Whole.

The gentleman from Ohio move the previous question on the rule.

The previous question was ordered.

The SPEAKER. The question is now on agreeing to the resolution.

The question was taken, and the resolution was agreed to.

Mr. McKENZIE. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 518) to authorize and direct the Secretary of War to sell to Henry Ford nitrate plant No. 1, at Sheffield, Ala.; nitrate plant No. 2, at Muscle Shoals, Ala.; Waco Quarry, near Russellville, Ala.; and to lease to the corportaion to be incorporated by him Dam No. 2 and Dam No. 3 (as designated in H. Doc. 1262, 64th Cong., 1st sess.), including power stations when constructed as provided herein, and for other purposes.

The SPEAKER. The gentleman from Illinois moves that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 518.

Mr. LONGWORTH. Pending that motion, will the gentleman from Illinois yield to me?

Mr. McKENZIE. Yes.

Mr. LONGWORTH. To suggest that to-morrow is Calendar Wednesday, and I am informed by the chairman of the committee which has the call that he has some important bills to bring up. I want to ask the gentleman whether he thinks it is quite essential that the debate on this bill should proceed and continue until the bill is disposed of or whether it could be passed over until Thursday?

Mr. McKENZIE. In reply to the gentleman from Ohio, I simply wish to say that I think we all consider this one of the most important propositions that will be before Congress at this session. The debate will be a debate which the Members of the House ought to listen to continuously in order that they may be able to make up their minds from the facts submitted; and that being true—while I have no desire to interfere with Calendar Wednesday—I feel that in justice to the committee and the country on this proposition it would be a wise thing to continue the consideration of this bill until it is completed and then take the next day for Calendar Wednesday business. [Applause.]

Mr. LONGWORTH. Let me ask the gentleman whether he thinks he would be safe in saying that this bill will be completed by Thursday evening?

Mr. McKENZIE. Mr. Speaker, I see no reason why it should take longer than Thursday evening to complete the consideration of this bill, in view of the fact that this is a proposal for a contract, and being such it ought not to be amended. There will be some discussion, of course, under the five-minute rule, but it is a proposition that should not be amended. Therefore, I can not see how we could use up very much time under the five-minute rule.

Mr. LONGWORTH. Let me make this suggestion by way of unanimous consent and subject to the consent of the gentleman from Massachusetts [Mr. WINSLOW]. I ask unanimous consent that business in order on Wednesday be made in order on Friday next, provided the Muscle Shoals bill shall have been finished by that time, otherwise that it shall be in order on Saturday.

The SPEAKER. The gentleman from Ohio asks unanimous consent that the business in order on Wednesday shall be in order on Friday next, provided the Muscle Shoals bill is completed by that time, and if not it shall be in order on Saturday.

Mr. WINSLOW. Mr. Speaker, I would like to ask the gentleman from Ohio whether he would be willing to change his suggestion so as to make the business of the committee now having the right to Calendar Wednesday in order on the first day following the conclusion of this bill, no matter what day it is.

Mr. LONGWORTH. Yes; I would be perfectly willing to do that.

Mr. WINSLOW. In that case, I think we would be disposed to yield, although I do not think the committees ought to be staved off indefinitely for their own sake and for the sake of the business of the country.

The SPEAKER. The gentleman from Ohio asks unanimous consent that the business in order on Calendar Wednesday be postponed until the day after the completion of the Muscle Shoals bill. Is there objection?

Mr. GRAHAM of Pennsylvania. Mr. Speaker, I feel that the interruption of Calendar Wednesday has an injurious effect on the transaction of business, and there is very much business accumulating from committees on the calendar, so that we ought not to be selecting certain bills and giving them right of way over this rule of the House, and I must enter my objection to dispensing with Calendar Wednesday.

The SPEAKER. The gentleman from Pennsylvania objects. The question is on the motion of the gentleman from Illinois [Mr. McKENZIE] that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 518.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. MAPES in the chair.

The CHAIRMAN. The House is in the Committee of the Whole House on the state of the Union for the consideration of H. R. 518, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 518) to authorize and direct the Secretary of War to sell to Henry Ford nitrate plant No. 1, at Sheffield, Ala.; nitrate plant No. 2, at Muscle Shoals, Ala.; Waco Quarry, near Russellville, Ala.; and to lease to the corporation to be incorporated by him Dam No. 2 and Dam No. 3 (as designated in House Document 1262, Sixty-fourth Congress, first session), including power stations when constructed as provided herein, and for other purposes.

Mr. McKENZIE. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Illinois [Mr. McKENZIE] asks unanimous consent that the first reading of the bill be dispensed with. Is there objection? [After a pause.] The Chair hears none.

Mr. McKENZIE. Mr. Chairman, I want to have it distinctly understood about the time. One-half of the time in favor of the bill will be under my control and one-half of that time under the control of the gentleman from Mississippi [Mr. QUIN], and the control of one-half of the time of those opposed to the bill, of course, will be in charge of the gentleman from Pennsylvania [Mr. MORIN].

Mr. BLANTON. Mr. Chairman, that can not be made in committee. That is an agreement that can be made only in the House. I make the point of order. That can be arranged, however.

The CHAIRMAN. The rule provides that one half of the time shall be controlled by the gentleman from Illinois [Mr. McKENZIE] and the other half by some member of the Committee on Military Affairs opposed to the bill.

Mr. HULL of Iowa. Mr. MORIN.

The CHAIRMAN. The committee, I think, would have the right to designate the member of the Military Affairs Committee opposed to the bill who should control the time in opposition.

Mr. HULL of Iowa. The gentleman from Pennsylvania [Mr. MORIN] will control the time of those in opposition.

The CHAIRMAN. Is that satisfactory to the other members of the Committee on Military Affairs? If there is no objection, the gentleman from Pennsylvania [Mr. MORIN] will control the five hours in opposition to the bill.

There was no objection.

The CHAIRMAN. The gentleman from Illinois [Mr. McKENZIE] is recognized.

[By unanimous consent, Mr. McKENZIE was given leave to revise and extend his remarks in the RECORD.]

Mr. McKENZIE. Mr. Chairman and gentlemen of the House. I am sure that I express the feelings of all the members of the Committee on Military Affairs when I state that we regret very much that we can not have with us in the active consideration of this important matter the distinguished chairman of the committee, Hon. JULIUS KAHN, whose absence is due to ill health.

Mr. Chairman and colleagues, in undertaking to present this very important subject to the House I realize my limitations, and since I appreciate that every Member is interested, I am convinced that it will be much better for me to make a connected explanation of this subject without interruption. Therefore I respectfully request my colleagues not to interrupt with questions until I have concluded my general statement, after which I will be glad to answer any question so far as I am able.

Inasmuch as there are many Members present who were not in the Sixty-seventh Congress, and perhaps many of whom have not had an opportunity to study this particular subject in all of its bearings, I am going to take a chance on being tedious to some of my older colleagues by reviewing briefly the history of the Federal Government's activities in connection with Muscle Shoals and the Tennessee River.

THE TENNESSEE RIVER.

Picture, if you please, the Tennessee River, formed by confluence of the French Broad River, which has its source in western North Carolina, and the Holston River, which has its source in Virginia. These two streams unite just above the city of Knoxville in east Tennessee, and from that point, following southwesterly along the valleys of the Southern Appalachian

Mountains, the Tennessee crosses the State of that name, then turning westerly it crosses northern Alabama, touching for a few miles the northeastern corner of Mississippi, and turning abruptly northward it recrosses Tennessee and traverses Kentucky to the Ohio, into which it flows at Paducah. The distance from the head of the river just above Knoxville to Paducah is 652 miles.

Through central Tennessee there is a limestone plateau which extends for a short distance into Alabama, and then suddenly terminates and the long flat area of the Gulf coastal plain begins. The edge of this central plateau can be traced from the city of Washington on down through Virginia and the Carolinas, around through the northern part of Georgia into Alabama, and where the streams cross the edge of this plateau and drop to the coastal plain is the well known "fall line" on which the chief water powers of the southern Appalachian territory are located.

THE MUSCLE SHOALS.

Where the Tennessee River crosses this prominent geological formation is a shallow stretch 37 miles long which has been known for more than 100 years as the Muscle Shoals. These rapids have been the greatest barrier to continuous navigation of this great inland stream, and their improvement has been the object of State and Federal effort for a century. On the 7th of next December it will be just 100 years since President James Monroe, in his annual message to Congress, presented the annual report of Secretary of War John C. Calhoun, who named the Muscle Shoals improvement as one of the three projects which were of greatest national importance at that time and recommended that an engineering study be made.

As a result of these recommendations a preliminary examination was ordered on March 12, 1827, and in the report, dated May 14, 1828 (H. Doc. No. 284, 20th Cong., 1st sess.), a canal having 16 locks was recommended.

The canal, however, was insufficient, and in 1838, after $644,000 had been expended, boats still had to wait for a rise in order to get through. Recommendations were therefore made in 1838 for $750,000 more to extend the canal (H. Doc. No. 985, 25th Cong., 2d sess., June 27, 1838), but Congress declined to make the appropriation, not even providing for the maintenance of the inadequate locks, and the canal fell into ruin. Like many another inland waterway, it was never useful because it was never finished. For 38 years the Federal Government took little or no notice of this and many other inland waterway projects, but there came a revival of interest in this subject in the early seventies and in 1872 the United States engineers submitted a plan (H. Doc. No. 360, 62d Cong., 2d sess., p. 15) for the enlargement and repair of the old canal, at a cost of something over $4,000,000. The plan was modified in 1877, and the work was completed in 1890, at a total cost of $3,191,726. There are two sections, one with 9 locks along the north bank of the river around what is known as the Big Muscle Shoals. The other, a short distance farther upstream, has 2 locks and is located along the south bank of the river around the Elk River Shoals. Between these two portions of the canal, however, is what is known as Nances Reef, where the minimum depth is less than 2 feet, and which has never been provided for at all.

In 1891 a board of engineers submitted a project (Annual Report Chief of Engineers, 1891, p. 2314) for completing this work in an adequate way at an estimated cost of about $3,000,000. This project was never acted upon favorably by Congress. (H. Doc. 360, 62d Cong., 2d sess., p. 16.) Therefore, gentlemen, those who have abused and ridiculed the merits of the Muscle Shoals navigation project as an aid to transportation should remember this: There has never been built around Muscle Shoals a canal which could be considered complete according to standards proposed in 1838.

WATER POWER CONSIDERED.

By 1907 interest in water-power development had increased and in that year Congress ordered a survey of the Muscle Shoals section for the combined purposes of navigation and water-power development. Two years later, in 1909, Congress ordered the entire Tennessee River surveyed with a view to deciding upon a definite policy for permanent navigation development. This survey was completed in 1910. In 1911 Congress directed a special survey of the Muscle Shoals section for both navigation and power.

In 1913 the Alabama Power Co., through its subsidiary, the Muscle Shoals Hydroelectric Power Co., having made careful engineering studies of its own, offered to develop the Muscle Shoals section for water-power purposes, in cooperation with the Government. In 1914 the Army engineers completed their survey of the Muscle Shoals for navigation and water-power purposes, as ordered by Congress in 1911, and also considered the offer of the Muscle Shoals Hydroelectric Power Co., upon which they made a favorable report. Action on this was held up, however, pending further surveys and engineering investigations, borings, etc., which were made by the Government and required $150,000 and a year's time. These studies were completed in 1916, and again the Army engineers approved the offer of the Muscle Shoals Hydroelectric Power Co. in March, 1916.

NITRATES DISCUSSED.

At that time the House Committee on Military Affairs had under consideration the bill afterwards known as the national defense act. During the hearings Mr. Frank S. Washburn, who at that time had just resigned as president of the Alabama Power Co., appeared before the committee and eloquently demonstrated the necessity for a domestic supply of fixed nitrogen in this country as an essential part of any plan for adequate national defense. He argued that our supply of Chilean nitrates was being transported by water for 4,000 miles, that it could be cut off by a hostile fleet, and since nitrates are necessary in the production of all forms of explosives, in such an event we would be helpless unless we could produce our own nitrates independently of any outside country.

Mr. Washburn gave us a very graphic description of the growing depletion of our soils and made clear the imperative necessity for higher grade fertilizers at a lower price. He made the point that since fixed nitrogen is one of the essential elements in mixed fertilizer it was fortunately true that the great nitrogen industry which should be established in the interests of national defense in time of war would be a great economic blessing to our farmers in times of peace. Mr. Washburn described Muscle Shoals as an ideal locality for such an enterprise, surrounded as it is with abundant supplies of high-grade limestone and coking coal suitable for the cyanamid process of nitrogen fixation, while within a short distance are the great phosphate fields of Tennessee providing economically the second element of plant food, phosphoric acid. While he argued that the proper way to develop this industry was to build two large dams in the Tennessee River which would have the combined effect of permanently improving the navigation by wiping out the shoals and at the same time developing a large amount of hydroelectric power, he contended that the establishment of this industry by private capital was too great for any private individual or corporation to undertake if they were obligated to build the dams at their own expense.

HALF-PRICE FERTILIZER PREDICTED IN 1916.

Mr. Washburn suggested, therefore, that the Government should construct the dams and lease the power to some private company, charging as a rental 3 per cent of the cost of the dam and hydroelectric plant. Mr. Washburn was the first one to testify with some definiteness as to the economic benefits to the farmer that might be reasonably expected to result from the establishment of a great fertilizer industry at Muscle Shoals. His statement to the committee on February 11, 1916, was:

> My expectation is that the development of the nitrogen industry in this country would cut the farmers' fertilizer bill in half. (House hearings before Military Committee on national defense act, February 11, 1916, p. 23.)

The significance of this statement was emphasized by Mr. Washburn in a paper on the nitrogen problem which he prepared for the Secretary of Agriculture that same year, in which he reviewed the statistics of fertilizer consumption for the year 1914, and found that there was expended for commercial fertilizers in the United States in that year not less than $177,000,000, of which $134,000,000 was for nitrogen and phosphoric acid, so that his statement of a saving of one-half meant a saving of $67,000,000. From that day to this experts have persistently declared that this can be done. A committee of scientific specialists, known as the nitrogen products committee of the British Empire, in May, 1919, after an exhaustive study of the subject reported:

> Combined nitrogen, as cyanamid or ammonium sulphate, can be obtained by synthetic processes at a cost at the factory which is less than one-half the market price of combined nitrogen from other sources, pre-war conditions being taken as a basis in each case. (Report of Nitrogen Products Committee of British Empire, May, 1919, p. 33.)

Even the opponents of air-fixed nitrogen admit that plants of this sort can cut the price of fertilizer in half, for the Koppers Co., of Pittsburgh, the leading concern in this country which produces nitrogen in the form of by-product ammonia resulting from the coking of coal, states in March, 1922:

> The cost of operating these (air-nitrogen fixation) plants is relatively low, so that even to-day sulphate of ammonia is being sold in Germany at half the price in the United States, based on the present rate of exchange. (Koppers Co. booklet, March, 1922, p. 8.)

Then, coming right down to the past few weeks, Dr. R. F. Bacon, formerly a director of the Mellon Institute of Industrial Research, testifying on behalf of the offer of the associated power companies for Muscle Shoals, said, regarding the production of fertilizer by improved methods at Muscle Shoals:

We can deliver it to him (the farmer) on the farm for half or less than half of what he is paying now for mixed (fertilizer). (House Hearings, 1924, p. 133.)

Mr. E. M. Allen, president of the National Alkali Works, of Niagara Falls, Saltville, Va., and New York, who also testified on behalf of the power companies' offer, said, regarding the production of fertilizer at Muscle Shoals:

I feel positive that with the fertilizer that can be manufactured through this and combined processes starting from this ammonia that you virtually cut the cost to the farmer for fertilizer about in half. There is no doubt about it. (House Hearings, 1924, p. 126.)

So it seems well established that half-price fertilizer is being produced by these modern processes in Germany and that it is entirely possible to accomplish this same result at Muscle Shoals.

SECTION 124 BECOMES A LAW.

Returning now to our hasty account of the events leading up to the present situation, we find that as a result of the testimony offered at the hearings in 1916 by Mr. Washburn and others there was incorporated into the national defense act section 124, on nitrate supply, which reads as follows:

An act for making further and more effectual provision for the national defense, and for other purposes.

SEC. 124. Nitrate supply: The President of the United States is hereby authorized and empowered to make, or cause to be made, such investigation as in his judgment is necessary to determine the best, cheapest, and most available means for the production of nitrates and other products for munitions of war and useful in the manufacture of fertilizers and other useful products by water power or any other power as in his judgment is the best and cheapest to use; and is also hereby authorized and empowered to designate for the exclusive use of the United States, if in his judgment such means is best and cheapest, such site or sites, upon any navigable or nonnavigable river or rivers or upon the public lands, as in his opinion will be necessary for carrying out the purpose of this act; and is further authorized to construct, maintain, and operate, at or on any site or sites so designated, dams, locks, improvements to navigation, power houses, and other plants and equipment or other means than water power as in his judgment is the best and cheapest, necessary, or convenient for the generation of electrical or other power and for the production of nitrates or other products needed for munitions of war and useful in the manufacture of fertilizers and other useful products.

* * * * * * *

The sum of $20,000,000 is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, available until expended, to enable the President of the United States to carry out the purposes herein provided for.

This law undertakes to provide for the national defense by having the facilities at hand with which to produce nitrates in time of war for use in the manufacture of explosives and to furnish aid to the farmers in peace times by utilizing the plant so established for the production of fertilizer.

Mr. LONGWORTH. Will the gentleman yield for just a question at that point? Out of what fund did the money come to build the plant?

Mr. McKENZIE. Out of the appropriations made to the Ordnance Department.

Mr. LONGWORTH. Yes; I wanted the distinction to be made that that was not a part of the amount carried in the $20,000,000 appropriation.

Mr. McKENZIE. It came out of the appropriations made for ordnance.

ALABAMA POWER CO. OFFER HELD UP.

In June, 1916, the Board of Engineers for Rivers and Harbors reported that since the national defense act providing for the establishment of a Government nitrate plant had become a law they therefore recommended that action on the proposed contract with the Muscle Shoals Hydro-Electric Co. be suspended till it could be determined whether this site would be chosen for the nitrate plant.

My colleagues, it must be clear to you that the water power developed for such a specific purpose can not be regarded as an ordinary water-power development, and to say that the proper way to solve the Muscle Shoals problem is to maintain the nitrate plant in idle stand-by condition and to distribute the power as an ordinary public utility for the operation of street cars, or electric lights, or what not, is clearly and undeniably contrary to the purpose which Congress had in mind when this great enterprise was authorized.

There are a few in this House who favor the Government ownership and operation of private industry. Let those who favor this course mark well the record of what followed the passage of the national defense act. It was well known that there was but one commercially successful method for the fixation of nitrogen in 1916, and that that method was the cyanamid process; but although we were on the very verge of entering the great World War and notwithstanding the fact that the Chief of Ordnance had warned us of the folly of depending upon Chile for our nitrates, no one would have surmised that such a necessity existed to judge by the Government's leisurely course following the passage of this act.

PRICELESS MONTHS LOST.

In the spring of 1916 President Wilson appointed a committee of chemical experts, including officers of the Army and Navy and civilians, known as the nitric acid committee, with instruction to report on the best method of manufacturing nitrates. This committee reported on January 27, 1917, recommending the immediate development of water power for the manufacture of nitrates. Nothing was done to carry out the committee's recommendations.

On March 16, 1917, hearings were begun before an interdepartmental board, composed of the Secretaries of War, Agriculture, and Interior, to determine the location of the Government nitrate plants. On April 6, 1917, the United States declared war, and on May 11 a second committee, known as the President's nitrate supply committee, reported in favor of using the Haber process for making nitrates, and recommended that the plants be located in southwestern Virginia and that $3,000,000 be spent in an experimental program.

NITRATE PLANTS FINALLY STARTED.

On September 24, 1917, President Wilson, upon the request of farm organizations, eliminated Pulaski, Va., where a site had been recommended by the nitrate supply committee, and located nitrate plant No. 1 at Muscle Shoals.

Meanwhile, the situation that had been predicted by the advocates of the air-fixation nitrate plant at Muscle Shoals had arisen. The need for high-explosive ammonium nitrate was urgent but no adequate supply of the necessary fixed nitrogen existed or could be created in a domestic industry except by the cyanamid process. These facts were well known when the national defense act was passed June 3, 1916, but it was December 4, 1917, before the contract was signed for the construction of a nitrate plant using the only known available process, and in order that the plant might be useful in time of peace it was located at Muscle Shoals

NEED FOR GORGAS PLANT.

There are a number of sound business and engineering reasons why a steam power plant is necessary in connection with the hydroelectric plant at Muscle Shoals. Such a plant is necessary to supplement the hydroelectric power in seasons of low water for the economical operation of the enterprise. It was necessary to have a source of power for construction purposes and from this angle it was imperative that the power should be had promptly. From the standpoint of both time and economy the best arrangement appeared to be the installation of a 40,000-horsepower plant to be located at the power house of the Alabama Power Co., which was then constructing a 27,000-horsepower generating plant of its own 88 miles from Muscle Shoals, in the heart of the Alabama coal fields, on the Warrior River, where both coal and water for steam purposes were economically available. Accordingly arrangements were made for the installation and the work was completed early in October, 1918, at a cost of $4,979,782.

It was brought out in the hearings, however, that there were certain peculiar features about this arrangement. The Government's property was located on the lands of the Alabama Power Co., and the committee determined to investigate the situation on the ground. Following the trip to Alabama members reported that it was beyond question that the Alabama Power Co. had lost no opportunity of combining the Government's property with their own in such an intimate way as to make a separation impracticable if not impossible. So that while in the contract it was recognized and provided that the entire amount of power from the Government's Gorgas unit should be made available to whoever might purchase either of the nitrate plants from the Government, the contract was so drawn that the power company would have the sole right to purchase the Government's property at Gorgas, and anyone who might purchase the nitrate plants might lose all of his rights to receive electric power merely by a delay of 45 days in the payment of any monthly bill for electric power. He was also obliged to guarantee a minimum

monthly payment to the Alabama Power Co. of $30,000 whether he took any power or not, and other severe terms were imposed. (House Hearings, 1922, pp. 160–162.) It was evident, therefore, that while the power company realized and admitted the necessity of the Gorgas plant as a source of power for the nitrate plants, even at some future time when hydroelectric power from the dams might be available, nevertheless the company sought to impose extremely severe terms upon anyone who might have the courage to try to operate the nitrate plants.

CONTRACT WITH ALABAMA POWER CO. CRITICIZED.

Members of the committee were justly indignant, my colleagues, when they realized the meaning of the cleverly-worded terms of one of the most intricate contracts that it has ever been my fortune to read. The power company undertook to compel the Government to sell its property to them as the sole purchaser on demand, while they, on their part, assumed no obligation to buy. In his opinion of May 23, 1922, the Attorney General declared:

No one can carefully analyze the long and rather complex contract made with this company without being impressed with the harsh and even drastic provisions which it imposes on the Government. When its intricate provisions are closely scrutinized and their full significance realized, it becomes at once apparent that the company lost no opportunity of turning to its own advantage every possible change of circumstances. (H. Rept. No. 1084, 67th Cong., 2d sess., p. 29.)

He goes on to say that the option of the Alabama Power Co. to purchase the Government's property at Gorgas was an effort to force the Government to sell without compelling the Alabama Power Co. to buy, and "in my opinion is invalid."

The Acting Judge Advocate General is quoted in the opinion that—

the Secretary of War or contract officer representing the United States was without authority to enter into a contract for the sale of said property or for granting an option for the purchase.

And that therefore—

this provision is nugatory and void and is not binding upon the United States. (House hearings, 1922, p. 24.)

In an opinion rendered August 4, 1923, in response to a request of the Secretary of War as to whether it was the duty of the United States to remove its property from the lands of the Alabama Power Co. if it should not determine to sell to them, the Acting Attorney General, Mr. A. T. Seymour, replied that—

The United States has the power to condemn for public purposes the lands of the company, including those upon which the Government structures have been placed. This is a sovereign attribute which no officer of the Government can waive or impair by contract or otherwise. * * * A finding by you that the acquisition of such lands is necessary in order to protect the Government's interests is all that is needed to the maintenance of a condemnation suit.

The Acting Attorney General, therefore, concluded that the Secretary of War was "free to initiate proceedings notwithstanding the contract."

It can not, therefore, be contended by the Secretary of War that he was under any legal obligation to sell the Gorgas plant to the Alabama Power Co. As for moral obligation, the Acting Attorney General, Mr. Seymour, stated that while—

The options to buy at cost or at an arbitrated value may have been among the considerations moving the company to enter into the contract, but when the time came it refrained from any attempt to proceed thereunder, and these options in fact have been eliminated by the omission of the parties to act under them, as well as by the fact that they have been found invalid.

THE PRICE OF OUR DELAY.

Returning again to the situation at Muscle Shoals we find that after the loss of a year and a half with the country engaged in war we were finally building a plant in desperate haste to produce the necessary nitrates so that this country could make its own explosives. The predictions of the advocates of the development of Muscle Shoals for the production of nitrogen for war purposes had again been strongly fulfilled. Just when it seemed that the outcome of the war was chiefly dependent upon our ability to secure sufficient ships to transport our Army, at a time when by taking over Dutch steamers and chartering Scandinavian and Japanese tonnage we had built up a transport fleet of 616 ships comprising some 3,562,000 tons (report of Chief of Transportation Service, War Dept. Ann. Rept., 1919, vol. 1, pt. 4, p. 4872), we were compelled to divert 128 of these vessels aggregating 700,000 tons, or 20 per cent of our entire transporting capacity, for the purpose of creating a nitrate fleet to bring this one essential material over the 4,000-mile route from Chile. (Report of Fixation and Utilization of Nitrogen, Nitrate Div., Ord. Office, War Dept., 1922, p. 23.) Ignoring all thought of the economic advantage of an adequate modern domestic nitrogen industry, suppose that we had had such an industry available during the war and those 128 vessels could have been used in the transportation of troops and supplies, who will deny the advantage from a military standpoint that would have been ours? We have had our lesson. What it has cost us no one knows, but to ignore it in our future plans would be inexcusable folly.

Although we were at war, the peace-time value of the nitrate plant was not lost sight of, and, realizing that nitrate for fertilizer purposes could not be economically produced by means of steam power, the President on February 25, 1918, authorized the construction of Dam No. 2, setting aside for this purpose some $12,000,000 of the $20,000,000 appropriated by section 124 of the national defense act. During 1918 nitrate plant No. 2 was completed and in November, 1918, came the armistice.

In January, 1919, Dr. A. G. Glasgow was appointed Nitrate Director by the President and directed to arrange for the operation of the Muscle Shoals nitrate plant for the manufacture of fertilizers.

PRIVATE CAPITAL DECLINES TO ASSIST AT MUSCLE SHOALS.

My colleagues, as we shall see, there was a significant and striking resemblance between the attitude of the power companies when asked to bid on the power at Muscle Shoals and that of the fertilizer companies when asked to make a proposal for the operation of the nitrate plant in the manufacture of fertilizer. With one accord the fertilizer companies declined to assist the Government in any way in working out the problems of fertilizer manufacture at Muscle Shoals. Even the American Cyanamid Co., whose president, Mr. Washburn, had so eloquently presented the possibilities of fertilizer at half price through the operation of this plant, stated that they were not interested.

Gentlemen of the House, particularly those who may entertain the view that the acceptance of Henry Ford's offer for Muscle Shoals is unfair to those engaged in the fertilizer business, listen to this account of the efforts of this Government to interest private capital in this enterprise in 1919: Testifying before our committee on April 19, 1920, Mr. George J. Roberts, assistant to Doctor Glasgow, made the following statement:

FRUITLESS EFFORTS TO INTEREST CAPITAL.

The question naturally arises, Why does not private industry undertake the operation of these plants? I shall not attempt to give what is in the minds of those who are most interested in the production of nitrates in this country. All I can state is that months of time were expended trying to get the fertilizer industry interested in taking over and operating the Government plants. The presidents of all the large fertilizer companies in the United States were seen and the matter fully discussed with them, and they were asked if they would undertake the operation of these plants if they were to pay no rental to the Government until they had received 9 per cent on their working capital and after that the profit should be divided between them and the Government. A part of the agreement was that the United States would complete the plants so as to provide storage and bagging facilities, a sulphate of ammonia plant, and all the work outlined in Mr. Glasgow's letter of October 22. But they could not be brought to the point of making a formal offer. An effort was also made to get certain financiers in New York to undertake to form a company to operate these plants. Scant consideration was given to the scheme and no investigation undertaken. An appeal was likewise made to the coke-oven interest, with the same result. There seems to be a decided antipathy of capital to engage in any partnership arrangement with the Government. (House hearings, 1920, p. 95.)

So, after many months consumed in these unsuccessful efforts to interest private concerns Doctor Glasgow, in October, 1919, submitted a plan for the operation of nitrate plant No. 2 by the Government. This was embodied in what was known as the Wadsworth-Kahn bill which passed the Senate in May, 1920, but was lost when adjournment came without its having been considered by the House.

GENERAL BEACH ASKS FOR BIDS.

In March, 1921, Secretary of War Weeks requested General Beach, Chief of Engineers, to ask for bids on Muscle Shoals, and announced that if he got an offer representing a fair return on the investment necessary to complete the Muscle Shoals project he would send it to Congress. Realizing that private capital was not interested in the nitrate plants, and appreciating the difficulties and dangers of Government operation of the nitrate plants, Congress refused to continue the appropriations for the construction of the dam, and on April 30, 1921, work was stopped for lack of funds.

The Muscle Shoals project appeared to be dead—unsparingly condemned by its enemies and apparently deserted by its friends; the whole project was apparently destined for the scrap pile, and seemed about to meet the fate that had already overtaken many another Government war-time enterprise.

A BOLT FROM THE BLUE.

Then the unexpected happened. The well-laid plans of the power interests who were stalking about on the outskirts waiting for the Muscle Shoals project to die, so that they could come in and strip the bones, suddenly saw the Muscle Shoals enterprise come to life, and discovered that their carefully laid plans were thoroughly upset in a way that, to say the least, was disconcerting. On July 8, 1921, there arrived in Washington the first real proposal for the property. It was sent to the Secretary of War and its terms immediately made public. It was the offer of Henry Ford. Seven months later, on February 1, 1922, Secretary Weeks transmitted the Ford offer to Congress, and on February 10 our committee began hearings on it. Five days later the Alabama Power Co. sent an offer to the Secretary of War, who transmitted it to Congress, and we received it February 21.

GENERAL BEACH'S LETTER.

The circumstances connected with asking for bids and replies which were received were reviewed before our committee by the Chief of Engineers. In order that Members may have the facts—for these facts have a significant bearing on later developments—let us discuss for a moment this testimony of General Beach. Describing the original request for proposals made April 2, 1921, General Beach stated:

In order to bring this matter to the attention of the water-power companies and other parties whom I thought might be interested I sent out the following letter:

"The Secretary of War has directed me to ascertain what arrangements can be made to derive a reasonable return upon the investment if the United States completes the dam and hydraulic power plant at Muscle Shoals, Tennessee River.

"If you are interested, I would be pleased to discuss the matter with you at this office at the earliest date that may be mutually determined.

"It is desired to develop the matter and come to a conclusion at as early a date as possible." (House hearings, 1922, p. 99.)

General Beach further stated in his testimony before the Committee on Military Affairs, as follows:

I gave as wide publicity to that letter as was possible. A good many papers printed it. I furnished it to the press.

Mr. Ford's proposition was the only one which was received up to the time it was presented, and I forwarded it to the Secretary of War as evidence of the fact that the completion of this dam was a practicable undertaking, and he has had charge of the negotiations with regard to Mr. Ford and other parties since that date. (House hearings, 1922, p. 98.)

THE REPLIES OF THE POWER COMPANIES.

General Beach further testified that among those to whom he sent his request for bids were the power companies of the Southeastern States. The results were interesting. The officers of the Alabama Power Co. replied, according to General Beach, that—

They did not see their way clear to make a proposition because I was not in a position to state when the power would be available and the terms on which they could obtain it. I requested them, as I did all others with whom I had conferences, to make their own proposition, * * * but Mr. Ford was the only one that came in with a definite response.

This is the same Alabama Power Co. mentioned above as trying to secure control in 1913.

Mr. James B. Duke, president of the Southern Power Co., who was another one to whom the letter was addressed, stated, among other things, in response:

The market for power from the Muscle Shoals Dam has, in my opinion, been overestimated. The demand for power in this district during the war has materially decreased. * * * The estimates of the price at which power can be sold from the Wilson Dam will prove disappointing.

With every desire to assist the Government in the solution of its problem at Muscle Shoals, I am forced by the facts to the conclusion that the Government should leave the permanent work as it is and salvage the construction plant. The Government should then wait until labor and materials render possible the completion of the project at reasonable cost and until there has developed some near-by use for power at the Wilson Dam at an 80 or 90 per cent load factor.

The loss of discontinuing and deferring the work will be small compared to the loss which will inevitably be sustained if the work is completed at this time. Meanwhile, the Government should maintain the nitrate plants and their steam-power station in stand-by condition ready for war.

In my opinion, the United States Government can not at the present time complete the Wilson Dam and hydroelectric plant and obtain a reasonable return on its investment. (Signed: J. B. Duke.) (House hearings, p. 117.)

Four other large southern power companies, the same interests which have since come forward with proposals or suggestions for proposals, signed a joint letter to General Beach, which he placed in the record. Their conclusions may be summed up in one of their statements which they made in that letter, as follows:

Under prevailing conditions and rates for which power is sold under regulation in the southeastern territory the usable primary continuous available power output of the "dam and hydraulic power plant at Muscle Shoals, Tennessee River," can not be sold, delivered to the public-service market at an average price that will pay operating expenses, taxes, reserve for renewals, and replacements and a fair rate of interest on the estimated cost of the proposed plant, as planned, and upon the necessary transmission system to reach the distant and only market. (House hearings, 1922, p. 120.)

Mr GRAHAM of Illinois. Will the gentleman yield for a question?

Mr. McKENZIE. If it is a very brief one.

Mr. GRAHAM of Illinois. Are you going into the question of how much it can be sold for?

Mr. McKENZIE. No; I am not.

Mr. GRAHAM of Illinois. Do you know how much the primary horsepower can be sold for?

Mr. McKENZIE. I have not that in my statement, but we will furnish that information to the House.

POWER COMPANIES AVOIDED FERTILIZER OBLIGATIONS AS LONG AS THEY COULD.

It is apparent from the replies received from these leading power companies of the South that they did not desire to submit an offer for Muscle Shoals which involved the essential elements of carrying out section 124 of the national defense act. It is clearly evident from their replies that at best they had in mind the construction of the dam for power purposes only, unlike Mr. Ford, who in evident good faith is attempting to comply with the policy established by law at Muscle Shoals. It is such a proposal, submitted in answer to General Beach's request, which is before the House for consideration.

THE SITUATION AT MUSCLE SHOALS WHEN FORD OFFER WAS MADE.

Before proceeding in the discussion of the merits of these proposals let us see if we can get a bird's-eye view of the situation at Muscle Shoals as it existed at that time in relation to the expenditures made by the Government.

First, there had been expended on the Tennessee River at this point $3,191,726 for building an inadequate canal and $1,730,716 for its maintenance, a total of about $5,000,000, in an effort to encourage navigation, which, according to the testimony of witnesses familiar with the situation, was money absolutely wasted.

We had a great dam partially built, the uncompleted work representing an investment of about $17,000,000. We had, and still have, situated there nitrate plant No. 1, with all the necessary equipment, structures, and facilities, on which there had been expended $12,887,000 and an additional $800,000 in an unsuccessful effort to make it work, all on account of the recommendation of the nitrate-supply committee, especially resulting from the studies of Dr. Charles L. Parsons, and who, by the way, appeared before our committee and opposed the acceptance of the Ford offer. Then, as now, we had the great nitrate plant No. 2, with all its facilities and structures, paved streets, sidewalks, etc., constructed by the Air Nitrates Corporation, a subsidiary of the American Cyanamid Co., of which Mr. Frank S. Washburn was then president and who recommended the construction and who had only a few months before resigned as president of the Alabama Power Co. This great nitrate plant, using the well-known and much-condemned cyanamid process, together with Waco Quarry, from which limestone is obtained for use in taking nitrogen from the air, had cost us in all $67,555,355.

It is not unfair to say that all of this construction work was performed under what is known as the cost-plus system of contracting, and the fee paid to the contractor was over $1,000,000.

Also let us keep in mind the Government's interest in the Gorgas power station, located on the Warrior River, on which, with its transmission line to Muscle Shoals, there had been expended by the Government $4,979,782. Let me remind the House that there on the Warrior River in the heart of the coal

fields the Alabama Power Co. had constructed a steam-power station of their own, and during the war, as I have stated, they more than doubled this plant at Government expense. Bear in mind that the Alabama Power Co. did this work on a cost-plus basis for the Government and constructed the Government's interest in this plant in such way that it was practically impossible to sever the Government's interest for the purpose of sale to any other purchaser than their own company. So they very wisely provided in their contract that they should have the exclusive right to purchase the Government's interest.

THE NEED FOR THE GORGAS PLANT.

I hope that this statement will clearly set forth to the Members of this House the interest of the Government involved in this proposition. I trust also that the Members of the House will get a clear conception of the far-seeing business judgment of the gentlemen who had this great work in charge. They knew better than anyone else that with the small amount of primary power at Muscle Shoals that it would be necessary and imperative to have an auxiliary steam-power plant with which to augment the continuous hydroelectric power at Muscle Shoals in order to operate the plant successfully.

As Maj. J. H. Burns, former Chief of the Nitrate Division of the Ordnance Office, testified regarding the reason for establishing the Government's Gorgas plant:

> We not only needed power for operation purposes at nitrate plant No. 2 when it was completed, but we also needed power to assist in the construction of it. (House hearings, 1922, p. 213.)

PECULIAR PATRIOTISM.

It was stated to the committee by the representatives of the Air Nitrates Corporation and the Alabama Power Co. that in their dealings with the Government in bringing about this great expenditure of money these concerns were animated by the loftiest patriotic motives. The fact that their contracts with the Government contained unconscionable provisions so far as the Government's interests were concerned does not necessarily bring into question the motives of the men who drew these contracts. That is a matter which I do not care to discuss, for it is not material to the present consideration of the matter before us.

FORD'S OFFER FIRST—OTHERS RELUCTANTLY FOLLOWED.

After Mr. Ford had submitted his offer and it had been made public a number of other offers were made. The Alabama Power Co. came in with a proposal to complete Dam No. 2 at its own expense and to set aside 100,000 horsepower out of the irregular or secondary power at Muscle Shoals for the manufacture of fertilizers, but they carefully avoided obligating themselves to engage in the fertilizer business.

Another proposal was that of Frederick E. Engstrum, who proposed to complete the dams for the Government on a cost-plus basis and to operate the dams and nitrate plants in the manufacture of fertilizer to the extent permitted by the proceeds from the sale of these fertilizers, together with a small portion of the receipts from the sale of power, the balance of the power receipts to be retained by him for his services.

This was also the offer of Dr. Charles L. Parsons, who had led this country into an expenditure of about $13,000,000 in nitrate plant No. 1, and who proposed to purchase this unsuccessful nitrate plant for the sum of $600,000. As a condition of that purchase he required an option to lease the great part of nitrate plant No. 2 for $50,000 per year and proposed to buy from the Government 100,000 horsepower of secondary power at the modest price of three-quarters of a mill per kilowatt hour.

NO FERTILIZER GUARANTY IN OPPONENTS' OFFER.

None of the offers contained a guaranty to produce any definite amount of fertilizers. With the opening of the new Congress, none of the bidders of two years ago renewed their bids except Mr. Ford, who notified this committee that his offer still stood.

The Alabama Power Co. came in with a new proposal which, although widely heralded in the press as a better offer than Mr. Ford's, turned out to be merely a proposal to utilize this water power for public-utility purposes. It is true that their offer contained a promise to operate a small plant of not less than one-eighth of the capacity of nitrate plant No. 2, but they did not agree to operate even this small plant at its full capacity, and their offer did not require the capital of their proposed company to be paid in in cash, and in general it failed to command the confidence of the committee.

The Union Carbide Co. also made an offer to operate nitrate plant No. 2 for the Government on a cost-plus basis; and an even less satisfactory proposal to the Government, whereln the Government took the risk and the proposers took part of the profits, if any, was that of A. H. Hooker and his associates, W. W. Atterbury and J. G. White.

These last two offers contemplated operation at the expense of the Government, and it is fair to say that there are a few Members of Congress and perhaps some citizens who favor the operation of these plants in the manufacture of fertilizer by the Government. However, it is apparent that but a small minority of the membership of Congress or of the people subscribe to this doctrine of Government ownership and operation of this great undertaking.

WHAT CAN BE DONE?

With the dam rapidly approaching completion and a large Government investment tied up in ineffective and idle nitrate plants necessarily costing the Government many thousands of dollars annually to guard and maintain, with the prospect of an ever-increasing expenditure for the maintenance of these plants, and faced with the undeniable fact that nitrate plant No. 1 was a failure and would require at least $4,000,000 for its reconstruction along successful lines, and further confronted with the fact that the great facilities at nitrate plant No. 2 were already practically obsolete, the question naturally arose in the minds of everyone charged with handling the people's money, What can be done? What solution of this problem can be had that will relieve the Government of this burden and at the same time provide, for national defense, that the great nitrate plant shall be maintained and kept up to date? And there was also to be considered the peace-time provision of our law looking to the manufacture of fertilizer for the benefit of the farmers of the country, and the interest of the Government in making the Tennessee River navigable at this point with the least possible expenditure was also to be kept in mind.

FORD'S THE ONLY SATISFACTORY OFFER.

When all of these things were considered it was the sense of a large majority of the present Committee on Military Affairs that of all the offers submitted the offer of Mr. Ford is the only one which is made in absolute good faith, and conserves not only the interest of the Government but gives great promise of bringing about what the people of this country have long hoped for—a reasonable price for fertilizer necessary on a great portion of the farms of our country. And, feeling as we do about the matter, we earnestly submit this proposal for your consideration.

WHAT MR. FORD AGREES TO DO.

Now let us see what Mr. Ford proposes to do:

First. That he is to form a corporation with capital stock of $10,000,000 or more, of which at least $10,000,000 shall be paid in in cash.

Please take notice of this first provision. It is a proposal to form a corporation, upon the acceptance of the offer, with a capital stock of $10,000,000 or more, of which at least $10,000,000 shall be paid in in cash. This is a straightforward, clean-cut business proposal. There is nothing in that paragraph which reads:

> That when a corporation having adequate powers for the purpose hereafter mentioned shall have been incorporated * * * that the corporation shall have a capital stock of not less than $15,000,000, subscribed by responsible parties.

You will note the difference. I am quoting from the last offer made by the allied power companies, which offer, by the way, was not prepared and introduced into the House until the 8th day of February, 1924, notwithstanding the fact that the gentlemen now submitting this so-called proposal in H. R. 6781 were advised two years ago and more that the Government had this property on its hands and was seeking a solution of this problem.

NOT A STOCK-JOBBING PROPOSAL.

I think all will agree that Henry Ford has sufficient capital to pay in this capital stock in cash, himself, if his proposal is accepted, and the business of making cheaper and better fertilizers for the farmers will not become the subject of a stock-watering and stock-jobbing campaign. Let us not forget that on this point the financing of this enterprise by the sale of $15,000,000 worth of stock for the purposes set forth in the proposal of the Alabama Power Co. and its associates, which I have mentioned, would probably result in the defeat of the whole effort to get rid of this great problem at this time. Of course, it would be a fine thing for the stock and bond salesmen of the country, for there is no obligation requiring that the stock be sold at par, and the opportunity is there to put the demands of a host of stockholders ahead of the interests of the farmers.

COMPLETES DAMS AT COST.

Second. The company shall complete for the United States, subject to the approval of the Chief of Engineers of the United States Army, Dam No. 2, its locks, power house, and all necessary equipment, all in accordance with the plans and specifications prepared or to be prepared or approved by the Chief of Engineers of the United States Army, and progressively install hdyroelectric equipment in said power house adequate for generating approximately 600,000 horsepower, all work aforesaid to be performed as speedily as possible at actual cost, without profit to the company.

He further proposes that as soon as the release of suitable construction equipment and labor forces at Dam No. 2 will permit, or at an earlier date, if desired by the company, the company shall construct and complete, subject to the approval of the Chief of Engineers of the United States Army, for the United States, Dam No. 3, its lock, power house, and all necessary equipment, all in accordance with the plans and specifications prepared and to be prepared by the Chief of Engineers of the United States Army, or by the company, at its option, and approved by the Chief of Engineers of the United States Army, and progressively install the hydroelectric equipment in said power house adequate for generating approximately 250,000 horsepower, all the work aforesaid to be performed as speedily as possible at actual cost and without profit to the company.

You will notice that he is to do this work for the Government without profit to the company. This, of course, runs to the benefit of the purchasers of fertilizers by reducing the overhead cost of the capital invested. It is strange, indeed, that out of all the offers submitted not one of them carried any such provision, until the offer represented in House bill 6781, introduced into Congress on the 8th day of February, 1924, in which they have copied practically the very language of Mr. Ford's offer and have decided to be as generous to the public as Mr. Ford proposed two years ago. In truth, they seem to be trying to get on the band wagon, but the band wagon is crowded.

It is pertinent to state that the same provision in connection with profit to the company applies to the construction of Dam No. 3 that governs Dam No. 2, and it might be well at this point to say, in justice to some inquiries that have been made, why is it necessary to construct Dam No. 3? In the first place, it is necessary to construct Dam No. 3 in order to furnish additional primary or useful power to carry out the real intent and purposes of the Ford proposal in the manufacture of fertilizers. In the second place, the navigation of the Tennessee River must be considered, and it is important to understand that the construction of the locks at Dam No. 2 without the construction of Dam No. 3 would be an idle waste of public money.

LEASES DAMS FOR 100 YEARS.

Third. He further proposes that the company will lease from the United States Dam No. 2, its power house, and all the hydroelectric and operating appurtenances, except the locks, together with all lands and buildings owned or to be acquired by the United States, connected with or adjacent to either end of said dam, for a period of 100 years from the date when structures and equipment of a capacity of 100,000 horsepower are constructed and installed and ready for service, and will pay to the United States as annual rental therefor 4 per cent of the actual cost of acquiring lands and flowage rights and of building the locks, dams, and power-house facilities, payable annually at the end of each lease year, except that during and for the first six years of the lease period the rental shall be in the following amounts and payable at the following times: $200,000 one year from the date when 100,000 horsepower is installed ready for service, and thereafter $200,000 at the end of each year for five years.

Also, the company will lease from the United States Dam No. 3, its power house, and all of the hydroelectric and operating appurtenances, except the lock, together with all lands and buildings owned or to be acquired by the United States, connected with or adjacent to the end of the said dam, for a period equal to the lease term of Dam No. 2 and its hydroelectric power equipment thereat, in order that the said lease terms of the two dams and the hydroelectric equipment thereat shall expire at the same time, the said period to begin at the date when said structures and equipment of a capacity of 80,000 horsepower are constructed and installed and ready for service, and will pay to the United States as annual rental therefor 4 per cent of the actual cost of acquiring the lands and flowage rights and of constructing the lock, dam, and power-house facilities, payable annually at the end of each lease year, except that during and for the first three years of the lease period the rentals shall be for the following amounts and payable at the following times, to wit: $160,000 one year from the date when 80,000 horsepower is installed and ready for service, and thereafter $160,000 annually at the end of each year for two years.

Perhaps one of the strongest drives being made against the Ford offer is on the length of the lease period, and it is passing strange that some of this opposition comes from beneficiaries of 100-year licenses, and in some cases where the license is perpetual. Outstanding among these critics we find Col. Hugh L. Cooper, consulting engineer at a large salary in connection with the construction of Dam No. 2, and who for a time was vice president of the Mississippi River Power Co., which operates the Keokuk dam under a perpetual lease.

Mr. HULL of Iowa. Will the gentleman yield?

Mr. McKENZIE. Just for a brief question.

Mr. HULL of Iowa. The gentleman will admit that all those leases were obtained before the passage of the water-power act; is not that true?

Mr. McKENZIE. Oh, of course.

Mr. ALMON. So was the Wilson Dam ordered to be built two and a half years before the water power act.

Mr. McKENZIE. It is idle to ask a man who has been on the Committee on Military Affairs as I have such a question as that.

When questioned as to why a perpetual lease was necessary at that time he claimed that it was because of the competition that water power had to meet in low-priced coal. In other words, his argument was to the effect that while the Mississippi River Power Co. was entitled to a perpetual lease to reduce the cost of its power to meet competition, it would be unfair to permit Mr. Ford to have a lease limited to 100 years at Muscle Shoals so that the farmers could have the benefit of its advantages in the production of fertilizer. Another critic of the 100-year period proposed by Mr. Ford is Mr. O. C. Merrill, executive secretary of the recently created Federal Power Commission, which commission has charge of licenses over water-power projects.

FALLACIES IN THE 50-YEAR ARGUMENT.

But, my colleagues, there is a widespread misunderstanding about the significance and value of this 50-year lease period. The value of our water powers to the American people depends upon the cost of the power and the rates at which it is sold. The length of the lease of a water power has no more to do with the rates at which that power is sold than the length of the lease of a railroad has to do with the price of a railroad ticket. The absurdity of these arbitrary lease periods was well brought out before our committee by Col. J. W. Worthington, chairman of the executive committee of the Tennessee River Improvement Association, who brought to our attention the fact that on the Little Tennessee River, because of the fact that this branch of the main Tennessee is a so-called "non-navigable" stream, the rights to the use of the water enjoyed by Mr. Mellon's Aluminum Co. of America are perpetual. A few miles farther down the stream the same waters of the Little Tennessee pass through the turbines of the Hales Bar development below Chattanooga, and here the rights to the use of the water is limited by act of Congress to 99 years, and the reason assigned for the distinction is the fact that boats can pass through the locks at the Hales Bar Dam. For this reason the power is limited to 99 years. Passing on farther downstream we come to Muscle Shoals and here, because it is a navigable stream, it is proposed to limit the lease period to 50 years.

Gentlemen, the only argument that can be advanced in favor of a short lease is that it gives the Federal Government an opportunity to step in and demand a greater rental for the water-power rights at the end of the lease period, but that is clearly not in the interest of the consumer, for it is merely an arbitrary charge which unnecessarily increases the cost of the power. It might be claimed that the man with the perpetual lease or a 100-year lease had an unfair advantage over his competitors whose leases are limited to 50 years. If that be true, then the remedy is to tax all such powers and whenever in the wisdom of Congress such a step appears advisable then this body has the power to do it.

While the United States leads the world in the development of water power, only about 16 per cent of our total powers have been developed and 84 per cent of these powers still run to waste. It behooves us then in the interest of the country at large not to obstruct and make difficult and costly the development of these powers but to expedite their early development at the least possible cost.

POWER CONSTANTLY BECOMES CHEAPER.

While I am on this subject of the lease period I would like to state to the House, what I have frequently stated to the committee, that I can find nothing in the history of power development in this country which, in my opinion, warrants the conclusion that the cost of power in the future will be greater than it has been in the past, for the indications all point in the other direction. Electric power generated from coal is one of the very few commodities which is cheaper to-day than it was 20 years ago, and yet experts tell us that in the best of our steam-power plants we still waste more than 80 per cent of the energy contained in the coal, so that there is a vast room for improvement, and yet with all our deficiencies the cost of steam power in a modern plant favorably located is almost as low as the cost of water power in an economical development.

MUSCLE SHOALS NOT AN ORDINARY WATER-POWER PROJECT.

The chief argument against the 100-year lease period is that this Federal Power Commission of ours has been issuing licenses for the construction of power dams all over the country which are limited to 50 years. Let no man confuse the operation of Muscle Shoals under the Ford offer with the ordinary water-power project. The responsibilities of Mr. Ford at Muscle Shoals have nothing in common with the undertakings of a little power company lighting some village or operating a street-car system with power from a hydroelectric dam. Those who complain of Mr. Ford's lack of regulation deliberately close their eyes to the fact that at Muscle Shoals he is required to assume obligations to the public which far outweigh any regulations of the ordinary water-power company operating under the Federal water power act. No man will undertake to dodge behind this lease period for the purpose of defeating this legislation because he believes that the best interest of the people of our country are conserved by defeating the Ford offer simply because it is not limited to 50 years. If he believes that the Ford offer is a good thing for 50 years certainly the same argument would hold good that it would be a good thing for 100 years for the people. The truth is that this drive is not made simply to have this period limited to 50 years, but all these specious arguments are simply brought forward for no other purpose than to defeat the Ford offer, and when it is once defeated then these great power companies that are laying in the offing, viewing this dam with an avaricious eye, will come to the little bureaucratic commission down here on the Avenue and probably get what they want. So, gentlemen, do not deceive yourselves—do not think for a moment that the people will be deceived. [Applause.]

PROVIDES FOR OPERATION AND MAINTENANCE OF LOCKS AND DAMS.

Fourth. He further agrees that the company will pay to the United States during the period of the lease of Dams Nos. 2 and 3, $20,000 annually in installments quarterly in advance for repairs, maintenance, and operation of Dam No. 3, its gates and lock, and $35,000 annually in installments quarterly in advance for repairs, maintenance, and operation of Dam No. 2, its gates and locks, it being understood that all necessary repairs, maintenance, and operation thereof shall be under the direction, care, and responsibility of the United States during the said 100-year lease period. The company, at its own expense, will make all necessary renewals and repairs incident to the efficient maintenance of the power houses, substructures, superstructures, machinery, and appliances appurtenant to said power houses, and will maintain the same in efficient operating condition.

This provision in the Ford offer has been strenuously criticized by the friends of the power companies and others opposed to the Ford offer. On this point I strongly rely on the statement of Major General Beach, Chief of Engineers of the United States Army, under whose supervision this dam was started and who has had wide experience in connection with such matters. He stated in his testimony before the committee "that the amount mentioned—$55,000—would be ample," and, further, in a letter under date of August 15, 1921, to Hon. A. W. Mellon, Secretary of the Treasury, said "the average annual costs of maintenance and repairs for both Dams Nos. 2 and 3 for dams, locks, and gates during the lease period is estimated at $50,000 per annum." But what do the critics of this provision have to say when they read H. R. 6781, the bill which represents the very acme of all the efforts of the power companies to write a proposal equal to or better than Mr. Ford's in connection with the subject of repairs? I would refer you to section 12 and section 17 of their proposal. They say in connection with this matter what they are willing to do, and then at the end of the section they state that "the necessary repairs, maintenance, and operation of Dam No. 3 and the locks shall be under the direction, care, and responsibility of the United States and at its expense during the said 50-year lease period."

FREE POWER TO OPERATE LOCKS.

Fifth. He further proposes that at all times during the period of the lease of Dam No. 2 the company will furnish to the United States free of charge, to be delivered at any point on the lock grounds indicated by the Chief of Engineers of the United States Army, electrical power to the amount necessary for the operation of the locks, but not in excess of 200 horsepower, and shall also furnish power for the same purpose at Dam No. 3, but not in excess of 100 horsepower.

This provision is simply a straightforward business proposition to hold the Government free from any expense in connection with the operation of the gates and locks which will be utilized to the benefit of navigation. It is one of the provisions of this proposal running solely for the benefit of the Government and is of no small consequence.

PROVIDES FOR SINKING FUND TO RETURN GOVERNMENT'S ORIGINAL INVESTMENT.

Sixth. He further proposes to provide a sinking fund covering the lease period, which at the end of the same will amortize to the Government the cost of completing Dam No. 2, the construction of Dam No. 3, and the cost of the flowage rights in connection therewith.

Personally I am not an accountant; I do not know how to calculate such matters, but I am willing to take the word of the Secretary of War, who says that it will do the job and sets up a table which shows that the Ford payments into the amortization fund will create during the lease period, at 4 per cent interest, a fund of $49,071,935; at 4½ per cent, $58,570,003; at 4½ per cent, $70,100,049; at 5 per cent—which could be secured by investing in Federal farm-loan bonds—$100,869,642; and at 6 per cent, $213,134,690. (House hearings, 1922, p. 7.)

Mr. HULL of Iowa. Will the gentleman yield? How much money does he pay into the sinking fund in the 100 years?

Mr. ALMON. An amount which, if the Government uses it at the rate of 4½ per cent, will amount to $70,000,000.

Mr. HULL of Iowa. I asked the gentleman from Illinois.

Mr. McKENZIE. Do not take up my time in that way. I want to say to the gentleman from Iowa that I am not an accountant. The gentleman is one. I will take the word of the Secretary of War, the Hon. John W. Weeks, who says that this proposition of Mr. Ford's will do the job, and if it does the job and puts the money back into the Treasury of the United States, why quibble about the per cent? [Applause.]

Mr. HULL of Iowa. Will the gentleman yield there?

Mr. McKENZIE. No; I can not yield further. I would be delighted to yield if I could.

Mr. McSWAIN. If the gentleman will permit, I asked that question in the committee, being a new member of the committee, and I submitted it to the Federal Reserve Board's expert and actuary, to the Federal Farm Loan Board's expert and actuary, and to the actuary of the Bureau of Economics of the Department of Agriculture, and I have the calculations of all three of them, and all three agree that it will be more than $49,000,000.

Mr. McKENZIE. Now, Mr. Chairman, if the gentleman will pardon me, I want to go on.

PAYS $5,000,000 CASH FOR NITRATE PLANTS.

Seventh. Mr. Ford further proposes to pay to the Government for the conditional conveyance to him or his company of all the property constituting nitrate plants Nos. 1 and 2, the Waco Quarry, and the Government's rights in the Gorgas steam power plant on the Warrior River, and its transmission lines, the sum of $5,000,000 in five annual installments, providing that the deeds to this property shall refer to or contain the provisions of his offer, and that these deeds shall be so drawn as to make these provisions covenants running with the land.

It is perhaps fair to say that this provision in the Ford proposal has been the occasion of more thoughtless comment than all the other provisions in the proposal. As a bald proposition, thinking only of dollars and cents, it is somewhat startling to say that we will convey to the man or a corporation for $5,000,000 property which has cost the Government nearly $84,000,000, and, unexplained, this would be sufficient to defeat any such proposal without debate. But what are the facts? The Ordnance Department estimates the sale value of this property at $16,272,000, and Gen. C. C. Williams, in commenting on this matter—page 19, House hearings—said the following:

The Ford offer from the standpoint of the Ordnance Department has the very important advantage of materially assisting in the devel-

opment of nitrogen preparedness and has the disadvantages of conflicting with the contractual obligations with the American Cyanamid Co. and the Alabama Power Co., and of making a net return to the Government of less than $5,000,000 for properties which has an estimated salvage value of some $16,000,000.

The difference, $11,000,000, appears, therefore, to be the price which the United States is paying for nitrogen preparedness. If the plant is diverted to any purposes which do not include nitrogen fixation, this asset is lost to the Government.

NATIONAL NITROGEN PREPAREDNESS FOR 100 YEARS FOR $2,000,000.

That is not all, my colleagues, for we must consider that Gen. Lansing H. Beach, the Chief of Engineers of the United States Army, has stated to the committee that to improve navigation alone at Muscle Shoals would cost about $8,000,000. If this amount is deducted from the $11,000,000, it will be seen that we are paying only $3,000,000 for national preparedness. So you see after all we should not be startled by the mere statement of war-time cost expressed in dollars and cents, which no longer is any indication of the actual value of the property. In order that you may not be deceived about this matter, let us see what actually happened in other great governmental enterprises started during the war—sometimes by patriots, sometimes by people perhaps controlled by selfish motives, but in every instance we can find much food for thought.

I wish to call your attention to the testimony of Gen. C. C. Williams, Chief of Ordnance, regarding the sale of the Old Hickory powder plant. Here was a war plant that cost $84,912,000. Some $5,708,000 worth of materials were transferred from the plant before it was sold, so its net cost was $79,204,000. Its salvage value was estimated by the ordnance office at $7,600,000, but when the Government undertook to get cash for it they received $3,505,000, and the plant was scrapped.

At the Nitro (W. Va.) powder plant we fare a little better, receiving, according to General Williams, some $8,551,000 for a plant that had cost us net about $58,000,000.

On the other hand, our wooden ships, which cost us $800,000 apiece, were sold for $5,000 each—a salvage of less than 1 per cent of their cost.

It is evident, my colleagues, that the $5,000,000 cash payment compares favorably with the amounts received for other Government war property, but in this case there are other considerations of such great importance that in comparison this $5,000,000 is a mere cash payment to bind the transaction.

OTHER CONSIDERATIONS BESIDES THE $5,000,000.

What else does he propose to do in addition to paying the $5,000,000?

First, he agrees to maintain nitrate plant No. 2 ready for immediate use by the Government for 100 years, but he does not limit his obligation to the maintenance of this plant in its present state of readiness, for he agrees to research improved processes and to adopt such processes as prove successful. He not only agrees to maintain the nitrate plant, therefore, but he agrees to maintain it in an up-to-date condition, and the offer therefor states that he will maintain nitrate plant No. 2 or its equivalent, which is only another way of saying that either this plant or a better plant of at least equal capacity shall be available for the immediate use of the Government for 100 years. How much will such an obligation cost Mr. Ford no one knows, beyond the undisputable fact that it will be a large sum of money, and it is undeniable that if the Government should undertake to maintain the plants the best we could hope for would be that the plant would be kept in approximately its present state of readiness.

The second thing which he proposes is an agreement to furnish the power and the funds to take care of the locks and dams. When it is realized that the cost of maintaining the navigation improvements at Muscle Shoals has amounted to nearly 50 per cent of their original cost since their completion in 1890, it is evident that this is a provision of constantly increasing value to the Federal Government.

As a third consideration he binds himself for a period of 100 years to manufacture fertilizers, either as unmixed nitrates or as nitrates mixed with the other commercial plant foods—phosphoric acid and potash—according to demand. As to the amount of the fertilizers to be produced, the annual tonnage must be sufficient to contain 40,000 tons of pure nitrogen, which is the present operating capacity of nitrate plant No. 2. This is sufficient nitrogen to make 250,000 tons of Chilean nitrate, or 2,000,000 tons of 2-8-2 mixed fertilizer, and he further agrees to submit his books for the purpose of auditing to a committee selected by the farm organizations of the country, whose duty it is to see to it that his profit in the manufacture and sale of these fertilizers shall not exceed 8 per cent of the fair actual annual cost of production thereof.

As a fourth consideration he agrees to pay 4 per cent on the cost of completing Dam No. 2 and completely building Dam No. 3, including the flowage rights at both dams for the entire lease period, with the exception of the first few years when the nitrate plant is in progress of development and reconstruction.

His fifth consideration is a provision of annual payments for the purpose of setting up a sinking fund, and by the simple expedient of investing these payments in Federal farm-loan bonds they will return to the Government during the lease period the entire cost of both dams with their locks and power houses.

As a sixth consideration he agrees that the dams shall become automatically the property of the Government at the end of his lease. He does not require that the Government shall buy his property, and there are no loopholes whereby "severance damages" or any other kind of damages may be claimed as a condition to the termination of his lease.

Seventh, it is provided that the sale is conditional, for the deeds to be executed and delivered to Mr. Ford are to be so drawn as to make the provisions of this proposal covenants running with the land. Therefore, in addition to the $10,000,000 paid-in capital, and in addition to the Government property which is already at Muscle Shoals, we have as security the large additional investment which Mr. Ford must make in plants to utilize the power, which adds to the security of the Government's interest in the contract.

Finally, in addition to all the usual legal remedies available to the Government for the enforcement of his contract, Mr. Ford removes legal obstacles and makes doubly sure the faithful performance of this contract by a specific agreement that in case of the violation of any of the terms of his proposal the Attorney General of the United States, upon request of the Secretary of War, may institute proceedings in equity for the purpose of canceling leases on both dams or remedying the violation by injunction, mandamus, or other process of law.

FORD OFFER NEVER ESSENTIALLY CHANGED.

In order that the interests of the parties should be preserved, the committee, without objection from Mr. Ford, rewrote much of the offer, but in no place has the committee changed any of the essential provisions of the proposal.

Mr. HULL of Iowa. Will the gentleman yield? I simply want to know if the gentleman contends that Henry Ford is bound by this contract beyond the formation of the company?

Mr. McKENZIE. Absolutely.

Mr. HULL of Iowa. Where?

Mr. McKENZIE. Read the bill. You have got time; sit down there at the desk and read it.

Furthermore, gentlemen, I wish to say that at the time of the preparation of this proposal the Judge Advocate General of the United States Army took part in the preparation of the offer and saw to it that the interests of the Government were safeguarded in all particulars. The very fact that Mr. Ford worked in cooperation with the representatives of the legal arm of the Military Establishment made it evident that he had no intention of taking any undue advantage of the Government in any way.

REASON FOR THE "MADDEN AMENDMENT."

These are the essential provisions of the Ford offer, which has stood for nearly three years as the only proposal for the Muscle Shoals project fully providing for carrying out the policy of the Government as expressed in the national defense act, but there was an obstacle in the way of our acceptance of this offer. Mr. Ford recognized, as did the representatives of the power companies, that it was absolutely essential to the successful operation of the Muscle Shoals plant to have an auxiliary steam-power plant of reasonable size located conveniently, with respect to coal and water, in order to furnish economically the additional electrical power to carry on the operations at Muscle Shoals during periods of low water on the Tennessee River.

Mr. Ford is a business man, as are also the representatives of the Alabama Power Co.; and they all recognize the fact that it would be far cheaper to build the plant in the coal fields and transmit the current over wires rather than to haul the coal by rail from the coal fields to Muscle Shoals, and for that reason he included in his proposal the taking over of the Government's interest in the Alabama Power Co.'s Gorgas steam plant on the Warrior River.

It is also true that there was some question in the minds of some Members of Congress as to whether or not the contract entered into between the Government and the Alabama Power

Co. covering the Government's interest in this particular plant was a legal contract, and in the report of the committee in the last Congress the proposal was reported to the House with that part eliminated with the understanding that it was a matter which we felt should be determined by the whole membership. However, the bill reported in the last Congress was not reached for consideration, and during the recess of Congress the interest of the Government in this plant, located in the coal fields, was sold by the Secretary of War to the Alabama Power Co.

As I have stated, Mr. Ford informed our committee during the present session of Congress that his offer still stood, but his offer included the Government's interest in the Gorgas plant which had been sold, and it was obvious that we were not in position to accept his proposal which he had made for acceptance as a whole and not in part. Finding that he was willing to stand by his offer after an equivalent steam plant equally well located was provided, Mr. MADDEN proposed the so-called Madden amendment to be found in section 19 of the bill which is before us. This provides for the acquiring of a site on the Warrior River in the coal fields, together with a right of way for a transmission line to Muscle Shoals, and applying on the cost of same no more than the amount received from the Alabama Power Co. for the Government's interest in the Gorgas plant which Mr. Ford had included in his original offer.

The committee, seeing the necessity for this auxiliary plant, and having especially in mind the need for such a plant to reduce at least to a reasonable extent the cost of power to be used in the manufacture of fertilizer, feels that this amendment should be agreed to, or otherwise the whole proposal falls.

OTHER AMENDMENTS.

It might be pertinent at this point to say that several other amendments were adopted by the committee, to all of which Mr. Ford has given his approval. Notice especially section 23 of the present bill, which binds Mr. Ford personally, together with his heirs, representatives, and assigns, and also the amendment providing for the payment of interest on all money expended on Dam No. 2 since the date of the presenting of his proposal, April 31, 1922.

FORD OFFER NOT A SUBSIDY.

I wish to call to your attention the oft-repeated charge that this is a proposition to give to Mr. Ford a large subsidy by the way of surplus power as a reward for his producing fertilizer for the farmers. In other words, it has been charged that we are subsidizing Mr. Ford in the interest of the farmers of the country and at the expense of all the rest of the people of the country. I do not wish to take much of your time in discussing a proposition which, to my mind, is perfectly absurd. When I remember that we have expended more than a billion of dollars on the inland waterways of our country, $90,000,000 having been spent on the Ohio River alone and much more ought to be expended if we wish to make it a real navigable stream, all without any return to the Government. In this proposal of Mr. Ford, on the other hand, he assumes all the liabilities and responsibilities that I have mentioned and pays 4 per cent on the cost of the dams which are to produce the power, in addition to providing for the return to the Government of the entire cost of the dams, locks, and power plants. To call such a proposal a subsidy, to my mind, is to ignore its terms and to refuse to see the plain facts in the case. I want to submit, however, the testimony of a few distinguished gentlemen who are now found on the outskirts—standing in the background as snipers, shooting at this proposition the most vicious charges of subsidy or largess—they have used largess in the views of the minority, and I suppose that is a meaner word than subsidy, but I am certain, however, that my friend from Iowa can probably explain just what it means.

Now, let us see what they have to say:

> In our opinion, it amounts to a gift of enormous property and industrial advantage to a private citizen from the resources of the United States. No government, and especially no democracy, can single out for special favor any individual or group of individuals without grave wrong, injustice, and scandal.
>
> We do not think it just or wise or proper for a government to bestow largess upon individuals, no matter how great or good or beneficent or efficient they may be.

MINORITY FURNISHED HOUSE NO COMPARATIVE FINANCIAL STATEMENT.

It is all very well to talk about an enormous gift and special favor and call the acceptance of the Ford offer subsidy or Government largess, but mark well that the minority wisely refrained from including in their report a comparative financial statement showing the returns to the Government under the Ford offer and under the offer of the Alabama Power Co. and its associates, which they state is better than Mr. Ford's.

FORD OFFER RETURNS $535,000 PER ANNUM MORE THAN NEAREST COMPETITOR.

It is not my intention to go into details with regard to Mr. Ford's payments. That will be considered by others who will follow me in this discussion, but I do want to state that on a most conservative basis the comparison given in the majority report no longer represents the situation since the power companies' friends have come forward with their latest bill of February 8, 1924 (H. R. 6781). In the light of this, their most recent effort, it is evident that in 50 years the returns to the Government under the power companies' offer will be about $146,000,000, or an average return per annum of $2,915,000, while under the Ford offer the total returns for 100 years are about $345,000,000, an average of $3,450,000 per year, so that there is an annual financial gain by accepting the Ford offer not of $235,000 per year, as stated in the majority report, but of $535,000 per year. Please notice, my colleagues, that we do not compare the totals in these two offers, but we compare the average annual return under the two offers, which we believe, under the circumstances, is the only fair way of making the comparison. Is it not, then, absurd to cry "subsidy" in accepting an offer which returns half a million dollars per year to the Government over its nearest competitor?

It is perhaps true that the representatives of the great Chilean nitrate trust are somewhat disturbed over this matter and charge "subsidy" and "largess," but, gentlemen, let that be as it may. For one, I feel that in attempting to have this proposal enacted into law we are not handing Mr. Ford a subsidy but we are making it possible for a man with the money and the organization to take hold of this great enterprise and really accomplish something in the interest of the people of our country who are engaged in agriculture. Surely we could not be charged with committing a crime; surely we could not be charged as participating in a scandal if it should develop that Mr. Ford should happen to reduce the price of fertilizer to the farmers of this country 25 to 50 per cent. I always doubted that to some extent, but I have already submitted for your consideration the testimony given before our committee by some of the gentlemen who are now standing in the background shouting "Defeat the Ford offer! It may be a scandal!" and things of that sort.

As we pointed out in the majority report of the committee, even if the acceptance of the Ford offer does not result in a reduction in the price of fertilizer to the farmers of the country by 25 per cent or 50 per cent, but merely has the effect of eliminating the import duty on Chilean nitrate, the saving to American consumers, based on last year's record, would amount to the tidy sum of $1,100,000,000 in 100 years.

SCORES OF LARGE WATER POWERS ON NONNAVIGABLE STREAMS FAR LESS REGULATED.

There are others who charge, perhaps, that this is a scheme to give Mr. Ford an undue advantage in the industrial world by permitting him to use the surplus power not employed in the manufacture of fertilizer to be used in the production of articles which might go into the homes of our country. They say he should be compelled to distribute this power under State regulation, but how many thousands of water-power owners, large and small, are located on our streams who, merely because these streams have been held to be nonnavigable, enjoy their perpetual rights, free from any regulation, and use the power in their own business? Such, for example, are the large developments of the Aluminum Co. of America, at Niagara Falls and on the Little Tennessee River and the Yadkin River in North Carolina.

WHY NOT HAVE CHEAPER ALUMINUM?

It has been said by some that Mr. Ford expects to engage in the manufacture of aluminum. If this should happen, I have no doubt that the Aluminum Trust of this country, which is organized from the ground roots up to the polished dish that goes on your kitchen table for your good wife to use, will say that we are giving Mr. Ford a subsidy, but will the great mass of the people of the country object seriously if Mr. Ford should engage in the production of aluminum and it should turn out that our wives would be enabled to buy an aluminum tea pot for a little less money than we have to pay to-day? God forbid any such thing as that might happen.

Now, what is another charge that is made. It is said, and vociferously reiterated, that Mr. Ford does not expect to manufacture fertilizer unless he can manufacture it at a profit of 8 per cent, and that if he can not manufacture it at a profit of 8 per cent then he will not manufacture it at all.

Mr. MADDEN. Of course, there is not any truth in the statement he does not propose, because he does propose, the manufacture of fertilizer, whether he makes anything or not, and never proposes to charge more than 8 per cent. [Applause.]

Mr. McKENZIE. I am coming to that point.

FORD DOES GUARANTEE TO MAKE FERTILIZER—HIS OFFER NOT CONDITIONAL ON HIS ABILITY TO MAKE 8 PER CENT OR ANY OTHER PER CENT.

Now, my colleagues, I am sure that you do not feel that those of us who have been on the committee listening to all of this discussion claim to be possessed of an unusual amount of human wisdom, but I sincerely trust that you do have some faith in our integrity when it comes to the consideration of a question of such general interest to the people of our country. One of the questions to which was given perhaps the most serious consideration of all the provisions of this proposal was the proposition contained in section 14 of the bill covering the manufacture of fertilizer. I am not a college graduate; perhaps I was unfortunate in not having had such an opportunity, but I do believe that in spite of that deficiency I can read intelligently the English language. I have read section 14 and I am absolutely convinced that there are no words in the English language that could be added which would strengthen this provision.

More than that, I have not relied entirely on my own knowledge in connection with these matters, nor have the other members of the committee. We have the testimony of the Judge Advocate General, Colonel Hull, who said before our committee in discussing Mr. Ford's obligation to make fertilizers under his offer:

He would have to do it unless relieved by Congress or a court of equity.

Mr. PARKER. But it says "other causes beyond his control," and the price of the goods on the market would be beyond his control?

Colonel HULL. As I said, in my judgment, the courts would not hold that price would be "other causes beyond his control."

In addition to that, I want to call another witness, Prof. Thorndike Saville.

Professor Saville, according to his testimony before our committee, is the associate professor of hydraulic and sanitary engineering at the University of North Carolina; he is also hydraulic engineer for the North Carolina Geological and Economic Survey. He was graduated from Harvard University with the degree of bachelor of arts; from Dartmouth College with the degree of civil engineer; from the Massachusetts Institute of Technology with the degree of master of science, and from Harvard University with the degree of master of science. No one can successfully claim that Professor Saville has lacked opportunity for obtaining higher education.

The CHAIRMAN. The gentleman from Illinois has consumed one hour.

Mr. McKENZIE. I will yield myself, Mr. Chairman, 10 minutes additional.

The CHAIRMAN. Without objection, the gentleman's time will be extended 10 minutes.

There was no objection.

Mr. McKENZIE. I asked Professor Saville the following questions:

Do you make it as a positive statement that Henry Ford will not manufacture fertilizer at Muscle Shoals unless he can make 8 per cent?

Mr. SAVILLE. I have that statement from the minority opinion on the testimony before the committee last year, if I remember, by Representative KEARNS.

Mr. McKENZIE. Have you read the bill?

Mr. SAVILLE. Yes, sir; I have read the bill.

Mr. McKENZIE. What do you say about that language in there? You are a graduate from Harvard University, the Institute of Technology, and so on, and what do you say about the language, as to whether he is required to make a profit at all?

Mr. SAVILLE. I say the language is indefinite; he does not commit himself.

Mr. McKENZIE. Please tell us. That is what we want to get at. If that is indefinite, we want to know. Just read section 14, if you please, to the committee and then point out to us, if you can, where that is indefinite.

Mr. BEGG. Will the gentleman yield there for a brief question?

Mr. McKENZIE. If it is a very brief one.

Mr. BEGG. It is. I have just got through reading section 14 and I agree with the gentleman. Suppose he does not do it. Suppose the man falls down because he can not do it at the price, then what does the Government get out of it?

Mr. McKENZIE. He forfeits his lease.

Mr. BEGG. Where is that?

Mr. McKENZIE. Read the section.

Mr. BEGG. I have read it.

Mr. McKENZIE. Do not take my time by telling what you have done; just read it.

Mr. Saville then read section 14.

Mr. McKENZIE. Now, in section 15 is the other provision about the 8 per cent.

Mr. McSWAIN. I think, in fairness, he ought to read that, too.

Mr. SAVILLE. In order that farmers and other users of fertilizers may be supplied with fertilizers at fair prices and without excessive profits, the company agrees that the maximum net profit which it shall make in the manufacture and sale of fertilizer products shall not exceed 8 per cent of the fair actual annual cost of production thereof.

Mr. McKENZIE. I think that is far enough. Now, what is your criticism of that language; wherein is it indefinite?

PROFESSOR SAVILLE BACKS UP.

Mr. SAVILLE. The language recounted in the bill is not indefinite; no, sir.

Mr. McKENZIE. Then why did you make the statement?

Mr. SAVILLE. I will retract the statement that the language is indefinite.

My colleagues, this argument against section 14 is a mere subterfuge. In fact every argument that has been brought forward to throw discredit on the Ford proposal has had behind it but one purpose and that was the purpose of delaying and eventually defeating the proposal of Mr. Ford.

INCONSISTENCY OF OPPONENTS.

Two years ago the Alabama Power Co. did not contend so much against the Ford offer as a whole, but they contended that we had no right to convey to Mr. Ford the Government's interest in the Gorgas Warrior River plant and on that ground they made their fight. How inconsistent the position of many of these parties! Two years ago they contended that Mr. Ford could not perform under his proposed contract—to-day they contend that what they said two years ago was a mistake, that it is possible now for him to make fertilizers and deliver them to the farmer at half or even less than half their present cost. But they argue that even though he agrees to do this it is against the interests of the Government to accept his offer because they say that he will not distribute any of the surplus power but will use it all himself. So they have endeavored to turn the people of the cities and towns of that region against the Ford offer by telling them that if Mr. Ford's proposal is accepted the Muscle Shoals power will not be distributed. Apparently they have forgotten the fact that the only statement that Mr. Ford himself has ever made regarding the distribution of power from Muscle Shoals was sent broadcast throughout the country by the newspapers on October 11, of last year, a statement which contained the following significant announcement:

My offer is still before Congress. I shall not withdraw it • • • but I want to say this: If I get Muscle Shoals, we shall run power lines 200 miles in every direction from Muscle Shoals. We have been working and have learned how to send power long distances without loss by leakage.

FEDERAL POWER COMMISSION'S AGENTS' INTOLERABLE ATTITUDE.

In all these efforts to bring about delay the representatives of the power companies have been assisted and supported by the representatives of the Federal Power Commission, and that opposition is understood on the ground that this little bureau, which is a creature of Congress, desires to have within its power all of the water-power developments of the country. What a strange situation this suggests; that this puny creature, created by Congress, now attempts to say to its creator, "You do not know how to handle this proposition; let us do it; we are bureaucrats; we know how to guard the people's interests, because that is something we are taught when we become bureaucrats."

Gentlemen of the House, has the time come in this great country of ours when the Congress of the United States must surrender its function of deciding great public questions of national policy to a few bureaucrats here in Washington? If we have arrived at that point when the autocratic dictates of bureaucracy are such that Congress can no longer, as the representatives of the people, undertake to legislate in the people's interest, then it is about time to abolish some of these bureaus and to get rid of some of those autocrats.

WHAT MAY BE EXPECTED IF FORD OFFER IS DEFEATED.

What will be the result, my colleagues, if we listen to the song of these gentlemen in the bureau and the more urgent demands of the power companies who have had their eagle eyes upon this particular spot for lo, these many years? I will

tell you what will happen. The great nitrate plant that was erected on the theory that it was to be for the defense of our country in time of war will deteriorate and fall into ruin. The Tennessee River will continue to be a nonnavigable stream. Dam No. 2 will be finally completed; the water will be flowing over the dam. Congress will be appropriating hundreds of thousands of dollars to take care of the project, and again the cry will rise, "What shall we do?" Then I can see in my mind's eye now the representatives of these power companies coming down to this little bureau on the Avenue, taking out a license under the Federal Water Power Commission, and a wire will be brought in and attached and the current will start out from that wire, and the profits will begin to flow into the coffers of the power companies in this country. Then the minority may perhaps be justified in their intimation that some special interests may be favored, and the results may lead to scandal. Gentlemen, scandal can not arise if we act openly here, above board, and let the people know exactly what is being done and for their interest; but if we fail to act and let this thing drift until it falls into the hands of some irresponsible representative of a bureau here, God knows what will happen! Such things as that are what bring about scandal.

A REVIEW OF THE OPPOSING FORCES.

My colleagues, just let us see if we can get a clear picture of the people favoring this proposition and those opposing it.

On the one hand we have the great agricultural and labor interests of the country, the people who toil from morning until night—the toilers of this country—then there is that great class of people who are interested in the development of the inland waterways of our country that are back of this proposition.

Opposed to it are the representatives of the power companies of the South. I am not criticizing them for being opposed to it, for in selling power they make a livelihood and pay dividends to their stockholders, that is their business. If they can defeat the Ford offer and get the power themselves they are not to be criticized, that is their business. Then who else is opposed to it? Why, the electric bonding corporation who handle the stocks and bonds of the power companies of the country, and sell them at a nice fat commission. Then the General Electric Co. is opposed to it. Why? They are interested in selling to all corporations developing water power all the electrical instruments, machinery, and so forth, that they use in their business. Probably they could not do business with Mr. Ford.

Then, the mayor of Mobile seems to be opposed to it. He is opposed to it because he wants the power taken down to Mobile.

Then, there is a gentleman from North Carolina, Mr. W. B. Cole, a very estimable gentleman, who believes this great national stream should be held tightly in the grasp of a few people.

Then, there is our good friend Mr. Frazier, from Selma, Ala., who stated before the committee the reason he was opposed to the Ford offer was because if a man came into Selma with a basket of tomatoes he would flood the market. Mr. Frazier earnestly advocated the transmission of the Muscle Shoals power to Selma so that they could develop a great town there and sell all the tomatoes that this gentleman might have to sell. But I want to say very frankly, and with due regard for the feelings of the gentlemen who live locally in that country, that the people of the United States as a whole are not particularly interested whether tomatoes are sold at Selma or at Muscle Shoals. Furthermore, they are not particularly interested in whether the factory in Birmingham, or in Chicago, or in Boston, or Muscle Shoals is giving employment to the workingmen of this country. What they are interested in is that the men shall have work. More than that they are interested in the success of agriculture; they are willing and anxious that the farmer shall have a fair living profit, and that can be done in many sections by only giving the farmer an opportunity to purchase cheaper fertilizer.

GOVERNMENT OPERATION THE ALTERNATIVE.

Permit me to repeat what I have said on former occasions: Two courses are open—one, Government ownership and operation, which in view of the character of the project would mean in the judgment of the majority of the committee not only the failure from the standpoint of income but disaster to the hopes of the farmers and other users of commercial fertilizer. To have the Government undertake to engage in the manufacture of fertilizer ingredients with political superintendents, foremen, and straw bosses is unthinkable, and to undertake such a scheme would be unspeakable folly.

The alternative course is to sell the tangible property to private individuals or to a corporation on conditions prescribed by Congress, lease the power at a fair rental, and permit individual American initiative and ingenuity to have an opportunity at this place, where a great water power can be developed, requiring the preservation of the element of national defense and at the same time giving an opportunity for relief, if such there can be, to not only the Southland but our entire country in the way of commercial fertilizer at reasonable prices.

ACCEPTANCE OF FORD OFFER RECOMMENDED.

Is this possible? Does the Ford proposal promise such a consummation? We feel that it does, or at least it is the only proposal yet made by anyone that even gives ground for hope. While some may believe that it is not entirely free from objections, his offer is of such great potential possibilities that the committee feels assured that action by Congress will be prompt and a final and satisfactory adjustment of the matter will be reached.

OPPOSITION OFFERS DEFECTIVE.

The question has been asked by many, Why did not the committee give more extended consideration to some of the other offers submitted? To this query I simply wish to say that the committee did give serious consideration to all proposals submitted. However, as I have said, none of the offers included all of the elements which the committee felt were necessary in order to conserve the Government's interest properly.

Even the last word on this matter, represented in H. R. 6781, introduced into the House by the gentleman from Iowa after the filing of the majority report on the Ford proposal, does not provide for the maintenance of nitrate plant No. 2 except at the expense of the Government and, as pointed out heretofore, is objectionable in many particulars. Personally, I have never been impressed with the sincerity of any of these proposals, with the exception of the offer of Mr. Levering, which I am willing to concede is in good faith, and the proposal of the Hooker-Atterbury-White combination, which is a frank admission that the Government should stand all expenditures and the bidders simply share in the profits.

PRESS CARRIED DECEPTIVE STORIES.

It is not strange, my colleagues, that you ask "Why not more consideration for other offers?" in view of the publicity given to the opposition. Studied interviews have been conceived in the minds of the opponents of the Ford offer and have been published under the guise of news, such as the one entitled "New Scandal Feared: Shoals Sale Opposed." In this article the public was informed that a warning to the effect that—

> The leasing or sale of the Government's nitrate and power properties at Muscle Shoals, Ala., to private interests might develop another great national scandal comparable to that of the Fall-Denby oil leases last night caused a decided change in the attitude of Congress toward the disposition of the Muscle Shoals project. (Washington Herald, February 10, 1924.)

Such a falsehood is an insult to every Member of this House, particularly to those who have studied this case and who know and have reported the facts. I repeat what I said before—there can be no scandal if we settle this matter here in the open with every man voting according to his convictions, but if we leave this great national policy to some little autocratic bureau to settle, then we may properly beware of scandal.

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

Mr. McKENZIE. I yield myself five minutes additional.

The CHAIRMAN. Without objection, the gentleman will proceed for five additional minutes.

There was no objection.

Mr. McKENZIE. You also perhaps noticed the headlines put on the interview given out at the time the views of the minority were filed, which interview was given out by the Associated Press, "McKenzie bill makes great gift to Ford," which appeared in the great metropolitan dailies, including the Chicago Tribune.

There was method behind all of this. In particular the interview headed, "Offer $100,000,000 for Muscle Shoals"—New York Times, January 10, 1924—was obviously intended to convey to the minds of the people of this country that Mr. Ford was to get this property for $5,000,000, while these generous and patriotic power companies stood willing and ready to pay $100,000,000 for it.

Such information given to the American people has only one purpose, and that is to deceive them. The purpose of the deception is to start a propaganda having the defeat of the Ford offer in mind, and this is the object which the power companies have been striving for from the beginning.

These latest proposals were not presented until the committee resumed consideration of the Ford offer, from which I assume

that the power companies had concluded that the Ford offer was forever dead, due to the sale of the Gorgas plant. Upon realizing that it was still alive they rushed in with ill-considered and fantastic propositions and proceeded to bolster them up with an evidently willing press, for no other purpose, in my judgment, than to delay and ultimately defeat the Ford offer. Having accomplished this their next move would clearly be to defeat the purposes of Congress in making the development—get their corporation fingers onto the power dam—use the power for their own purposes, thereby ignoring the farmer and his interests, interests which are conserved and provided for under the Ford offer.

Personally, I feel that it is to the credit of the intelligence of the members of the Committee on Military Affairs that they refused to give a willing ear to the representatives of these interests whose purpose is plain to any thinking man.

THE PROOF OF INSINCERITY.

To prove the insincerity of these gentlemen all you need to do is to read the concluding paragraphs in the views of the minority, where they virtually recommended to Congress that their own proposal be turned down.

OUR NATIONAL NECESSITY.

In conclusion, let us stop just for a moment and see if, in our imagination, we can get a clear perspective of the meaning of this whole matter. Muscle Shoals is located on the Tennessee River, one of the great rivers of our country, in the northern part of the State of Alabama. Stretching for hundreds of miles to the south and east, as far as there is land, are the great cotton fields which have clothed America for years, and from long-continued cultivation the soil has become impoverished in fertility. To the north and east for hundreds of miles stretch the lands which have been cultivated for three centuries. Here, too, the soil has become impoverished and abandoned and deserted farms are a familiar sight. Turning to the north and westward are the great fertile plains of Indiana, Illinois, Iowa, Minnesota, Missouri, Kansas, Nebraska, Wisconsin, and the Dakotas, which have not yet been so impoverished. In the cotton fields of the South and in the agricultural districts of the North and Northeast commercial fertilizer is a necessity. Gradually but surely the virgin elements of the fertile plains and prairies of the great West and North are becoming depleted and the soils of these States are now requiring more and more fertilizer as the years go by. [Applause.]

Having this in mind, forgetting that Muscle Shoals is in the South, forgetting all provincial interest, thinking only of our Nation as a great family, having in mind the welfare of all, shall we listen to the selfish interests which are fighting this proposal and reject the only plan which offers permanent and substantial relief to the farmers and dash their well-founded hopes to the ground?

NOT AN ORDINARY BILL.

Finally, my colleagues, this is not an ordinary bill, which can be amended by the House at will. True, we have the power, but you must remember that this is a proposal for a contract unique in its character and made possible only by one occupying the unique position of Mr. Ford.

When he submitted his proposal, which all must concede was made in good faith, he said:

> The above proposals are submitted for acceptance as a whole and not in part.

Now, my colleagues, it is up to you to accept this proposal or reject it as it stands, and an amendment to alter its terms is a motion to reject it as a whole. We are confronted today with one of the greatest problems before our country. Shall we listen to the objections of selfish and interested parties and cast this whole matter into the discard with the foolish thought that by so doing we shall have made an end of the matter? Or shall we, as representatives of the great people, rise to the occasion, give our approval to the proposal, relieve our Government from the ever-continuing and increasing expense in connection with this subject, provide for the national defense, encourage agriculture, and open up this great inland waterway as a highway for the commerce of our country?

CONCLUSION.

It is a serious moment, my colleagues, and in conclusion let me say that having in mind, not our personal welfare, but the welfare of the generations which are to succeed us, may God grant that on this proposition we may be guided by patriotism, wisdom, and prudence. [Prolonged applause.]

Mr. MORIN. Mr. Chairman, I yield five minutes to the gentleman from Ohio [Mr. KEARNS].

Mr. KEARNS. Mr. Chairman and gentlemen of the House, the gentleman from Illinois [Mr. MCKENZIE] who has just taken his seat has vigorously denounced the false propaganda that has been broadcasted throughout the country in regard to the Ford offer for Muscle Shoals. I want to join in this denunciation and call to the attention of the country the malicious falsehoods that have been told here and there and everywhere about this very remarkable proposal that Mr. Ford makes for the Government activities at Muscle Shoals. I want to denounce, too, as being false from beginning to end many of the statements that have been made on the floor of this House by members of this committee relative to what the Ford proposal really is. Even the gentleman who has just taken his seat made the very startling declaration that—

> Mr. Ford, if he gets Muscle Shoals, is going to make fertilizer for the farmers of the United States that will be sold cheaper to them than they have ever bought fertilizer before.

Surely the distinguished gentleman does not get this information from the proposal made by Mr. Ford or the evidence that was taken in these hearings. If there is such information as this anywhere at all, it is most emphatically found outside of the record made in this case, because the proposal does not make any such a recital, nor does the evidence substantiate such a statement.

Let us read the paragraph in the Ford offer that deals with the manufacture of nitrates. This paragraph is taken from the Ford proposal itself and is very illuminating, indeed, upon this subject. It is as follows:

> Since the manufacture, sale, and distribution of commercial fertilizers to farmers and other users thereof constitute one of the principal considerations of this offer, the company expressly agrees that continuously throughout the lease period, except as it may be prevented by reconstruction of the plant itself, or by war, strikes, accidents, fires, or other causes beyond its control, it will manufacture nitrogen and other commercial fertilizers, mixed or unmixed, and with or without filler, according to demand, at nitrate plant No. 2 or its equivalent, or at such other plant or plants adjacent or near thereto as it may construct, using the most economical source of power available.

The above paragraph is an exact recital of the fertilizer clause found in section 14 of the proposal. This section must be read in connection with section 15, because it is modified by the language employed in this latter section. Listen to the further provision for the manufacture of fertilizer at that plant:

> * * * the company agrees that the maximum net profits which it shall make in the manufacture and sale of fertilizer products shall not exceed 8 per cent of the fair actual annual cost of production thereof.

Suppose that a charge of 8 per cent profit on the investment makes the fertilizer cost the farmers more than the farmers could afford to pay; then in that case there would be no "demand," and therefore there would be no need of making fertilizer. In that event Mr. Ford would not be required to make fertilizer under his contract, because he only agrees to make it at a profit of 8 per cent to himself, "according to demand." If the process of manufacturing fertilizer at Muscle Shoals would prove too expensive, then there would be no demand, and Mr. Ford would be relieved of his contract, because he only agrees to manufacture in such amounts as the demand may require. This clause in the contract leaves a loophole which, it seems to me, the lawyers of this House should be astute enough to detect. If they were drawing this contract for a client in private life, not one of them would allow his client to part with such valuable property under such a loose arrangement as this. I want to tell you that this leaves a hole in the contract through which a blind man could drive a four-horse team and never have a collision. And yet the proponents of this bill proclaim to the country that they are looking after the interests of the farmers. [Applause.] Amend this offer so that fertilizer must be manufactured, or upon a failure to do so the lease of the dams shall be at once canceled and the title to the 4,000 acres of land revert to the United States.

I am not opposed to Mr. Ford getting Muscle Shoals; but when he gets it I want him to get it under a contract that will compel him to do the things that the farmers are being promised, or else, in the event that he fails, the contract shall have in it a recapture clause by which the people can get back this gigantic and valuable property that belongs to them.

Remember this lease of the water power is for 100 years, and Mr. Ford can only live a comparatively short period of that time, and, after he is gone, into what unconscionable hands it may fall I do not know and neither do you. Amend this bill by putting in a clause that will return this property to its

rightful owners, the people of the United States, in case the lessees some day may take advantage of this loophole and refuse to make fertilizer.

I want to tell the proponents of this proposal that if this contract is let to Mr. Ford unamended in any way the Teapot Dome scandal will pale into insignificance in comparison to this theft of Muscle Shoals from the people of the United States. If you will amend this bill so that it will be honest, I would be glad for Mr. Ford to get it and would gladly vote for it, but I am not going to barter away the rights of the people of this country. When it is too late the farmers will waken up to the fact that they have been handed a lemon.

It has been heralded to the country that Mr. Ford beyond the peradventure of a doubt will make cheap fertilizer for the farmer, and besides this he will sell at reasonable price the balance of that power down there to the consuming public, not a word of which is true, and those who send this out to the country must know of its falsity.

Because of this false propaganda sent throughout the United States to deceive the farmer and others interested there ought to be some committee appointed to investigate the source of all this information and to learn why such falsehoods are being broadcasted throughout the United States.

Mr. RANKIN. Will the gentleman yield?

Mr. KEARNS. No; I am sorry, but I can not.

Mr. RANKIN. I want to ask the gentleman a question right on that point.

Mr. KEARNS. I do not care to be discourteous, but I can not yield. Each one of you received on your desk yesterday a letter signed by one of the leading men of the Farm Bureau of this city, and this paragraph is contained in that letter. This letter goes out to the farmers in the United States, purporting to speak the truth, yet it is false in every detail. I do not know who actually wrote this letter, but the author must have known of its falsity. I do not know what compelling influence is actuating the writers throughout the country to spread propaganda of this character. I do know it can not be in the interest of the farmers of this country, because it is false, deceitful, and misleading. The following are parts of two paragraphs to which I refer found in this letter that I have mentioned and are copied therefrom verbatim:

The annual expenditures of the farmers for fertilizer are $350,000,000.

Opponents and advocates of his proposal both have testified that it will save the farmers at least half of this bill, or $175,000,000 annually.

That statement is not true. The opponents of this bill have never at any time conceded that there would be any savings in the fertilizer bill to the farmers of this country, because Mr. Ford says himself that he will make fertilizer if he can, and if he can not, he will not. So much for that.

I am reading now from the other paragraph in this letter of which I have made mention:

In addition to this saving in fertilizer, the plan of this proposal offers another great benefit to agriculture in the substitution of electric power for human labor, both in the home and on the farm.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. MORIN. I yield the gentleman additional time.

Mr. KEARNS. I do not know where the writer of this letter gets his authority for such a bold statement as this, but I do know he does not get it from either the proposal or the evidence in this case, and that is the only source of information we have.

Now, let me read what Mr. Ford's representative, Mr. Mayo, said on this same subject when he appeared before the Military Affairs Committee of the House when this bill was under consideration. This is what he said Mr. Ford is going to do with electricity, and Mr. Mayo is Mr. Ford's accredited representative. Mr. Ford has never spoken to the committee one way or the other, but sent Mr. Mayo to speak for him. Mr. Mayo speaks as follows, and his testimony will be found on this subject in volume 1 of these hearings, commencing on page 243:

The CHAIRMAN. He proposes to use all the power himself?

Mr. MAYO. He expects to.

Again, on page 262, Mr. Mayo testified as follows:

Mr. MAYO. Mr. Ford intends to use that power himself. It is not a question of selling the power.

On page 286 will be found the following testimony:

Q. Does Mr. Ford put very much stress on this clause relating to after the 100-year period?—A. I think so. He will have built up a plant to consume all the power, and if you took the power away from him the plant would have no value.

Mr. Chairman, the foregoing testimony is only a small part of similar statements that were made by Mr. Ford's representative on the subject of what he intends to do with Muscle Shoals provided this offer is accepted. This testimony is recited for two purposes—first, to disclose that Mr. Ford has no intention of selling power or electricity to any of the farmers or industries of the South.

That he does not intend to sell the farmer electricity to light his house, to grind his feed for his stock, or to run his tractors or to light cities or dwellings or to turn the wheels of the industries of that great section of our country is clearly proven by the evidence. If he gets it, however, the industries of this section of the United States will be idle because of lack of power, as he will use it all himself. [Applause.]

I recite this testimony to show you how false and malicious are the many misstatements that have been made on this subject. I am trying to give you the facts from an unprejudiced standpoint. It is recited to show that Mr. Ford is going to use all of this power in the manufacture of whatever suits his fancy at his own plant, and unrestrained and unhampered by any commission or other authority, either State or Federal. This power was placed in the Tennessee River at this point that it might be used by and for the benefit of all the people and not one favored man. This Congress has no right to set aside the great scheme of the Creator of the universe and thwart His plans by giving this great opportunity to one man, and that man the richest in all the world.

There is a plan by which he can get it, but this is not the plan. Why not be honest with the House and the country? [Applause.]

Mr. FROTHINGHAM. Will the gentleman yield?

Mr. KEARNS. Yes.

Mr. FROTHINGHAM. If Mr. Ford takes all of the power there, what States other than Alabama can get any benefit from it?

Mr. KEARNS. No other State can get any benefit from it, and no part of Alabama will be benefited except the plant at Muscle Shoals. Every other industry in Alabama and all the South will suffer from the want of power. There will be one great industry at Muscle Shoals, but the rest of the State and the South will be dead for want of hydroelectric energy. The gentleman from Massachusetts [Mr. FROTHINGHAM] is quite right in his observation.

So you see from the testimony that the farmer is not to have his machinery driven by power from Muscle Shoals or the housewife's work done by this same power or their buildings lighted. [Applause.]

Referring again to the part of the paragraph recited in this letter to which I have made mention, to wit:

The annual expenditures of the farmers for fertilizers are $350,000,000.

Opponents and advocates of his proposal both have testified that it will save the farmers at least half of this bill, or $175,000,000 annually.

As I said before, the author of that statement did not get his information from the record, because the record nowhere discloses such amazing testimony. Let us see what the testimony does show. Again Mr. Mayo testified on the subject of making fertilizer, and I quote some of the testimony on this subject. Commencing at page 245 will be found this testimony that so flatly contradicts the above-quoted statement. [Applause.]

Q. I will simply speak of it as nitrate, which can be produced at Muscle Shoals, and I understand you to say that as long as it is profitable or can be produced without a loss Mr. Ford would be glad to continue to produce that product?

Mr. MAYO. Yes, sir.

Q. And I think you stated it very correctly when you said that it is a fair assumption that if it was being produced at a loss it would only be a matter of time when even Mr. Ford, with all his wealth, would go out of business, and therefore the element of profit or the cost of manufacture has to be taken into consideration?

Mr. MAYO. Yes, sir.

Again, on page 254, is the following testimony:

Q. If found by Mr. Ford, after the starting of operations, that he can not produce ammonium nitrate in competition with the wholesale market price of the same materials from other sources, do you understand that his agreement binds him to continue the operation of the plant for nitrogen compounds at a loss?

Mr. MAYO. I do not think so.

Q. It would not bind him to continue?

Mr. MAYO. I hardly think so.

Again, on page 255, in response to a question, Mr. Mayo said:

Mr. MAYO. The only reason for him to discontinue (fertilizer) would be his actual inability to manufacture at a profit.

Again, at page 309, this testimony is found:

Q. What does that mean—that he does not have to do it (manufacture fertilizer)?

Mr. MAYO. In my opinion, he would not have to do it (manufacture fertilizer), as I have said before, if he exhausted every known effort and still could not make it except at a great loss.

Q. He could make it, whether he makes it at a profit or not, could he not?

Mr. MAYO. I do not think he could do it very long.

[Applause.]

I only recite this to show you that Mr. Ford does not know for a certainty that he can make fertilizer at Muscle Shoals and that he will not make it unless he can make it at a profit to himself, as stated in his proposal.

I am making this speech from the record in this case in order that the farmers of this country in after years may know that some of us did not deceive them but told them the truth. [Applause.] Mr. Mayo, Mr. Ford's accredited representative, as you will notice, has told you positively that if Mr. Ford can not make fertilizer at a profit that even he, with all his untold wealth, would some day have to quit. You will notice, too, that Mr. Mayo is not attempting to deceive the American people. He is only telling them the truth. It is only those who in their anxiety would have Mr. Ford given this plant regardless of the terms of his contract who are disseminating these false and malicious statements.

Mr. Mayo appears before Congress in an honest attitude and without any attempt to deceive, and tells you and the country what will be done at Muscle Shoals provided this proposal is accepted. He says very plainly and positively that if it should turn out that they can not make it they would quit. That is the testimony in the case and why be deceived by those who do not speak by the record? Mr. Ford has been fair and honest with you, and when you have voted to give away this great power plant down there at Muscle Shoals to this rich man you must not in after years condemn him for he has been honest enough to come before you and tell you through his representative that he will not do these things unless it is found profitable. And he has told you further that he intends to use the power developed at this plant that is not used in the manufacture of fertilizer, if he can make it at all, in running a manufacturing plant of his own, making whatever he may see fit to make for his own profit. He has told you that for one thing he intends to make automobiles and parts for automobiles, and that he will not sell one ounce of this energy to any person.

The Ford offer presents a very remarkable feature in regulation—a feature not found in any other Government activity in this country. I take it the idea is entirely new, not only to this country but to the world. Section 15 of the offer creates a board of nine voting members. Seven of these voting members are designated by the farm organizations and two voting members are selected by the Ford corporation. In addition, a representative of the Bureau of Markets, Department of Agriculture, or its legal successor, to be appointed by the President, shall also be a member of the board, but without any right to vote.

Here Congress is being asked to turn over more than $100,000,000 worth of property to a single individual and Congress would not reserve the right to have a single person on this board with any voting power to guard the interests of the Government.

If the railroads should present a plan to regulate their business through a commission on which they would have two of the nine voting members it would be received with derision. Yet this authority given to Mr. Ford for 100 years seems to strike the proponents of this offer as being entirely proper. They would shackle Uncle Sam hand and foot.

In conclusion let me call to your attention just what it is you are asked to do in this unparalleled proposition. First, you are asked to convey by warranty deed 4,000 acres of land near Muscle Shoals upon which two nitrate plants have been built, installed with the latest and most expensive machinery that money can buy. Upon this land many miles of railroad tracks have been built; a great number of the best railroad steam engines constitute part of the equipment; steam shovels, steel freight and dump cars, and many million dollars' worth of other kinds of property. Besides this there have been constructed on this 4,000 acres of land expensive dwelling houses; some of them cost as much as $20,000 to build, while there are several hundred cheaper dwelling houses.

The land and all that is on it cost the taxpayers of this country more than $100,000,000. We are being asked by the proponents of this offer to transfer this 4,000 acres of land with all these buildings and this great amount of personal property to Mr. Ford for the comparatively insignificant sum of $5,000,000. This is not all. We are asked to build him a steam power plant in that vicinity, at a cost of $3,500,000, and give it to him as an absolute gift without one dollar of consideration. We are asked to do this without modification or any chance of ever getting it back provided he fails to do the things that he agrees to do. It is an unconditional sale, or, I should say, gift, to him. If it were your own property, you would at least demand a recapture clause in the deed of conveyance by which you could compel this Ford company to reconvey the property to you provided there was a failure on its part to make fertilizer or do any of the other things that are stipulated.

This is not all. He demands that the Government complete the building of dams at Muscle Shoals that when finished will have cost the Government $67,000,000 of cash money without counting the interest on this money that will have accumulated during the course of the construction of these dams. When this is done he demands that the Government give him a lease on these dams for a period of 100 years, notwithstanding the Federal water power act that limits such leases to 50 years. He then only agrees to pay 4 per cent interest on $50,000,000 of the cost of construction, although they will have cost the Government $67,000,000 plus accumulated interest, which will amount to over $13,000,000 more. This, too, in the face of the fact that there will be no clause in either the deed or the lease that will reconvey the one or vacate the other in case there is a breach of contract. It is indefensible.

Personally I would like to see Mr. Ford get Muscle Shoals, and I would vote for such a lease to him provided you will limit the life of the lease to the 50-year period, and that you will make him pay a substantial rental for the leasehold. And provided, further, that you lease to him nitrate plants Nos. 1 and 2 and the land on which they are situated and not make him a warranty deed for them without consideration of any character. I will refuse, too, to vote to build him a steam plant at a cost of $3,500,000 and make him a present of it. This money belongs to the taxpayers of this country. We have no right, either moral or legal, to make the richest man in the world this costly present. Let him build his own steam plant as other companies do.

There are some five powerful farm organizations in the United States. Only the farm bureau has indorsed this Ford offer. This action on its part has been brought about by its Washington representative alone. The others have refused to indorse it.

However high handed may be the actions of this Congress in filching this great property from its owners, it has not the power to give to this man a perpetual life. All this talk about Mr. Ford and his superhuman powers is the prattle of the servile and not the wisdom of the statesman. It would give him a franchise in this water power for 100 years, while no other company can get a lease in any of the waters of the United States for more than 50 years. You place him beyond the control of the water-power act and give his company an unbridled authority to exploit the people for 100 years unrestrained by the hand of any Federal or State authority. Other companies are controlled.

You build these dams for him and pay the cost of $67,000,000, not counting the interest that is accumulating while the work is in progress, and then lease them to him at 4 per cent of only $50,000,000. This is about 2¾ per cent interest on the full cost and nothing on the other $17,000,000 and the accumulated interest. You give him these two nitrate plants and millions of dollars worth of other property there, all of which cost the taxpayers of this country about $100,000,000. You deed him this property by warranty deed for practically nothing and no clause in the conveyance by which it can be recaptured by the Government in case he fails to do what he ought to do. You build at the cost of the taxpayer a steam plant at a cost of $3,500,000 and give it to him without consideration. Do you not think this is somewhat generous with the taxpayers' money? That is your proposition, and you try to frighten us into assisting in this daylight robbery by proclaiming that Wall Street is against this steal and the people are against Wall Street. You may pull off this robbery, but the day of retribution will come.

Mr. Chairman, the farmers need fertilizer. No one recognizes this more than I do. They need cheap fertilizer, but this offer is a makeshift, and they are not guaranteed fer-

tilizer under it, and I propose, so far as I am concerned, to see that they get what they are expecting. [Applause.]

Mr. ALMON. Mr. Chairman, I ask unanimous consent that I may extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BANKHEAD. Mr. Chairman, there will be a good many speeches made on this proposition; and if I may do so in Committee of the Whole, I ask unanimous consent that all gentlemen who speak on this matter may have the right to revise and extend their remarks.

The CHAIRMAN. The Chair thinks that is not in order in Committee of the Whole.

Mr. MORIN. Mr. Chairman, I yield 25 minutes to the gentleman from South Dakota [Mr. WILLIAMSON].

Mr. WILLIAMSON. Mr. Chairman, I was greatly impressed with the eloquent, impassioned, and well-reasoned address delivered a few moments ago by the gentleman from Illinois [Mr. MCKENZIE]. It was a masterly presentation of his views upon the subject; and if anything could convince, that address ought to convince. But, gentlemen of the House, I am still unconvinced of the justice of turning over this plant to Henry Ford upon the offer which he has submitted to the American Congress.

WHAT SHALL BE DONE WITH MUSCLE SHOALS?

The question as to what shall be done with Muscle Shoals is one of very great importance to the American people. It is important not only because the development proposed will result in the greatest hydroelectric plant in the world but because there is in the proposed law a violation of our settled policy of conservation as embodied in the Federal water power act. This law was enacted after years of agitation and in response to the insistent pressure of public opinion. It was an effort to protect and to hold in perpetuity for the American people those invaluable resources of nature which will continue to be our greatest national asset when our oil fields shall have become depleted and cheap coal be a thing of the past. Water power is the last great resource of our people, and under no circumstances whatever should it be permitted to go into private hands, nor should it be tied up for such long periods of time as to deprive future generations of that normal development which new invention and discovery may suggest as the most advantageous. Neither should such restrictions be imposed upon the Government as will prevent it from developing along the lines of the most enlightened public policy. In the light of the development of the last century, it would be a presumption of extraordinary rashness for the American Congress to enter into a contract which, if followed in any considerable number of cases, would leave future generations bound hand and foot, utterly unable, without the violation of the most solemn contracts, to work out their destiny along the lines of the greatest good to the largest number.

PROPOSED SALE WILL BREAK DOWN CONSERVATION POLICY.

If we are to give to Henry Ford a contract for a hundred years, can there be any just reason for not giving the same advantage to any of his competitors? To say that Henry Ford's contract is more advantageous to the people is beside the mark. What may appear advantageous now may appear quite different a generation hence. There is a principle at stake of infinitely greater importance than any seeming temporary advantage.

Mr. Chairman, the proposed contract will serve as the entering wedge for a complete breakdown of our conservation policy. It is another effort to constitute a man of unlimited means a public guardian in the guise of a benefactor. If this may be done in one case, it may be done in others. Doheny and Sinclair undoubtedly flattered themselves that they were acting in the public interest when they secured the much-discussed leases for producing oil upon a royalty basis, but even though all parties to the transaction had acted in the utmost good faith it would have been condemned by the American people as inimicable to their highest national interest.

Muscle Shoals is a great national asset. No section has a right to claim it as its own. It follows that we should approach its development from a national viewpoint. With that in mind let us consider the Ford proposal which, with slight modifications, is embodied in the bill now before the House.

PROPERTY OWNED BY THE UNITED STATES AT MUSCLE SHOALS.

The property owned by the Government at Muscle Shoals consists of:

1. Dam No. 2, upon which the Government had spent over $17,000,000 prior to the Ford offer. When completed it will cost $45,500,000. This contemplates an equipment of 18 turbines of 30,000 horsepower each, or a total of 540,000 horsepower. This huge dam will be 4,500 feet long, have a lift of 97 feet, and back up the water some 14.7 miles, with a surface area of 14,037 acres. Fully equipped it would be capable of generating 1,000,000 horsepower during high water, while at the minimum flow it might range down as low as 100,000. Connected with this dam is a steam plant of 120,000 horsepower for use when the water is low, making 220,000 primary horsepower always available. This steam plant is in perfect condition.

2. Nitrate plant No. 1, consisting of 1,894 acres of land, 112 permanent and modern residences, water system, paved streets, steam plant of 6,000 horsepower, vast quantities of material, machinery, fixtures, equipment, apparatus, tools, and supplies. This plant has cost the Government $12,887,941.31.

3. Nitrate plant No. 2, consisting of 2,306 acres of land, 186 permanent and modern homes, 100-room hotel, water system, paved streets, steam plant of 120,000 horsepower, material, machinery, equipment, tools, and supplies. This plant cost the Government $66,252,392.21.

4. Waco limestone quarry, of 1,200 tons daily output, including 450 acres of land, rights of way, material, machinery, and full equipment for operation, railroad tracks, appurtenances, tools, and supplies. The cost of this quarry was $1,302,962.88.

5. The Gorgas steam plant of 40,000 horsepower, which cost the Government $4,979,782.33, which was owned by the Government at the time the Ford offer was made, has since been sold for $3,472,481.25.

The total cost of this property outside of the expenditures on Dam No. 2 was $85,423,078.73. Up to June 30, 1923, according to Congressman MADDEN, the total expenditures on Muscle Shoals amounted to $125,000,000.

ANALYSIS OF FORD PROPOSAL.

Having briefly summarized the Government's interest in Muscle Shoals, I shall endeavor to analyze Henry Ford's offer as finally submitted by him.

For the purpose of carrying out his offer, Mr. Ford proposes to organize a corporation with a paid-up capital of not less than $10,000,000, which shall "enter into and execute all necessary or appropriate contracts to effectuate this agreement" (offer). In his offer Henry Ford neither assumes nor pledges his personal responsibility, that being limited to a promise to organize the corporation, controlled by him, which he engages will execute the necessary contracts. By section 23, if the pending bill is amended as proposed by the suggested Madden amendment, an effort is made to bind Ford personally upon all contracts entered into by the corporation. The offer submitted by Henry Ford expressly provides, however, that his proposals must be accepted as a whole or not at all. This attitude of Ford is supported by the testimony of William B. Mayo, chief engineer of the Ford Motor Co., as it appears on page 279 of the House hearings, where he is reported as saying:

> The Government invited Mr. Ford to make this offer, and he has made the best offer he figures he cares to make. He has tried to make it as fair as he knows how, and you will have to take it or leave it, at its face value.

There is little likelihood, therefore, of Ford accepting a contract materially different from the one he submitted to the Secretary of War.

Through this corporation Ford offers to pay $5,000,000 in five annual installments for an absolute transfer of all of the property above enumerated, costing the Government over $85,000,000. Gorgas steam plant, which was a part of the property covered by his offer, has since been sold for $3,472,481.25, which would leave only a balance to be paid of $1,527,518.75 for property costing the American taxpayer $80,443,296.40. This offer is so small as to shock the moral sense, and if offered by any other man in the country would not receive the slightest consideration. Indeed, if such a sale to anyone else should be seriously considered it would create a public scandal of the first magnitude. [Applause.]

PRODUCTION OF FERTILIZERS AS ADDITIONAL CONSIDERATION.

But it is contended that there are other considerations in the Ford offer which justify the virtual donation of these vast plants, towns, railroads, and equipment to Henry Ford.

Among these is the agreement of the proposed corporation to manufacture nitrogen or other commercial fertilizers, mixed or unmixed, and with or without filler, according to demand, at nitrate plant No. 2. It is provided that the annual production of these fertilizers shall have a nitrogen content of at least 40,000 tons of fixed nitrogen, which is the present annual capacity of nitrate plant No. 2. It is also provided that the corporation is to maintain nitrate plant No. 2 in its present

state of readiness, or its equivalent, for immediate operation in the manufacture of materials necessary in time of war for the production of explosives.

If there is any consideration in the contract worth mentioning, this is it. But unfortunately for the farmer there is no agreement to reduce the price of fertilizer. On the contrary, Ford's profits are expressly provided for, the only stipulation for the protection of the American farmer being that Ford's net profit shall not exceed 8 per cent of the fair actual annual cost of production. In this cost of production will be included the cost of maintaining the plant in up-to-date condition, including any repair or replacement of structures, cost of power for operation, interest upon the investment, and every other element usually included by other commercial fertilizer manufacturers in computing cost of production. In addition to all this allowance, Ford is guaranteed a profit on the turnover, which for all practical purposes is fixed at 8 per cent. If fertilizer can be produced at a price at which it can find a ready sale, Ford's profits will run into large figures on this item alone.

Mr. McDUFFIE. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMSON. Yes; for a question.

Mr. McDUFFIE. Does not the gentleman believe that had it not been for Henry Ford this project would have long since passed into private hands, and into those hands for a song?

Mr. WILLIAMSON. I do not know what would have happened had it not been for the offer of Henry Ford. I say this to the gentleman: That the offer of Henry Ford has, in many of its aspects, more advantages than perhaps any other offer so far made, but I denounce acceptance of the offer because it is giving away to one individual what belongs to the American people. [Applause.]

COMPARISONS WITH OTHER OFFERS.

Comparisons have been made between Ford's offer and that offered by other concerns in an effort to show that even from the standpoint of a monetary return to the Government Ford's offer is the more advantageous.

The manifest unfairness of these comparisons is evident at a glance. In considering the return to be realized from other bids, all computations I have so far seen have been on a basis of 50 years, while on the Ford proposition it is invariably made for a hundred years.

Not only that, but in order to make the Ford offer look good in tabulated form he is credited with maintenance of nitrate plant No. 2 at the rate of $100,000 per annum and for replacements at the rate of $200,000 per annum, together with interest at the rate of 4 per cent for the 100-year period, when, as everybody ought to know, these items are figured into the cost of the fertilizer and are paid out of the annual earnings and passed on to the farmer in added cost per ton of fertilizer sold.

Not content with this amazing sort of computation, they credit Ford with another $20,000,000, arrived at by computing 4 per cent annual interest upon the $5,000,000 which he pays for an absolute fee title to property which cost the Government $85,000,000 and which if sold as junk would bring $9,000,000, according to the best available testimony, and if intended for use upon the premises not less than $16,000,000.

RENTAL TO BE PAID BY HENRY FORD.

As a further consideration Mr. Ford agrees to pay as rental for Dam No. 2, $200,000 per annum, commencing one year from the date when the first 100,000 horsepower is installed and ready for use, and $200,000 annually thereafter for the next five years. At the end of this period he agrees to pay 4 per cent annually upon the cost of the dam, exclusive of the $17,000,000 expended by the Government upon this dam prior to the Ford offer.

For Dam No. 3 Mr. Ford agrees to pay a rental of $160,000 per annum one year from the date when 80,000 horsepower is installed and ready for use and $160,000 annually thereafter for the next two years. At the end of this period he agrees to pay 4 per cent annually upon the cost of the dam and power houses.

If you will turn to page 21 of the majority report of the Senate Committee on Agriculture and Forestry of 1922, you will find the following statement:

> If we make a computation of the amount actually paid, in accordance with Mr. Ford's offer, as interest, and take into consideration the $17,000,000 already expended and the nonpayment of interest on the various amounts that must be appropriated from year to year to complete the dams, and the fact that 4 per cent interest does not commence to run until six years after the completion of Dam No. 2 and three years after the completion of Dam No. 3, we find that Mr. Ford is actually paying as rental not 4 per cent interest, as it appears from a first examination of his proposal, but 2.79 per cent interest. This means that under the Ford offer this corporation is getting money from the Government of the United States for 2.79 per cent interest on 100 years' time.

If we include the so-called sinking funds of $19,868, payable semiannually after the seventh year on Dam No. 2, and $3,505 payable semiannually on Dam No. 3 after the fourth year as a part of the annual interest payments, which is the only businesslike way to consider them, we find that the total annual interest payments upon the Government funds from the time of expenditure in construction work on the two dams only amount to 2.85 per cent per annum. The entire amount that would be paid into the sinking fund by the Ford corporation during the 100 years would only amount to $4,368,378.

Mr. McSWAIN. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMSON. Yes.

Mr. McSWAIN. Does the gentleman deny that that computation is mathematically correct?

Mr. WILLIAMSON. I deny nothing of the kind, but the gentleman knows, as I do, that neither he nor the Government would handle money in that sort of way. The only fair way is to add these payments to the interest annually and compute it in that way. This is manifestly the only practical and businesslike way. If this is done, it will yield, together with other interest payments, 2.85 per cent upon the Government investment. I can not yield further.

As an additional consideration Mr. Ford, through his proposed corporation, engages to furnish electric power, not exceeding 200 horsepower, for the operation of the lock of Dam No. 2, and not to exceed 100 horsepower for the operation of the lock of Dam No. 3, free of cost to the Government.

Some provision is made for the expense of maintaining the dams, but, as these are clearly so drawn as to be favorable to Mr. Ford rather than the United States, I shall not take time to consider them here.

MUSCLE SHOALS AS UNCONTROLLED MONOPOLY DANGEROUS.

Mr. Ford engages that his corporation will utilize not to exceed 100,000 horsepower for the manufacture of fertilizer. Dam No. 2 will have an installation of 600,000 horsepower and Dam No. 3 an installation of 250,000 horsepower. It is evident, therefore, that the Ford corporation will at all times have a vast amount of surplus electric power which it is contemplated shall be used eventually in its entirety to carry on great industrial enterprises to be developed in the vicinity by Mr. Henry Ford or his corporation. No distribution to the public is promised or contemplated. So far as the municipalities, the business men, and the farmers of the South are concerned, they will get no part of the current.

Owing to the low cost at which the Ford corporation would secure the vast Government properties, his capital investment would be comparatively small. The rentals which he would pay the Government in the form of interest would be very much lower than those enjoyed by any other manufacturer in the country, and, in fact, would amount to a large annual subsidy. No competitor would have a chance with him in his chosen field of operation. He would, in fact, enjoy a virtual monopoly. Already incomparably rich, with agencies extending into every part of the land and into many foreign countries, it may well be doubted as a matter of public policy whether we can afford to give him this additional and unparalleled advantage. Once in possession of that enormous hydroelectric plant, the greatest in the world, uncontrolled as to the price of his output, he might easily become a menace of the first magnitude. Not that I have any fear of Henry Ford becoming such in his lifetime, but his successors would remain in possession, protected by his contracts. Long before the 100 years were up the people would come to realize that their ancestors had made for them a sorry bargain.

The concentration of great wealth into a few hands is going on at an ever-accelerating momentum. That it is growing into an increasingly sinister national menace can not be doubted by a discerning observer. Shall we give it aid and encouragement by turning over this incomparable national asset to Henry Ford? If we do so, can we consistently deny the same privilege to another? [Applause.]

SHOULD BE PUBLICLY OWNED AND CONTROLLED.

Personally, I do not believe that Muscle Shoals should be turned over to any individual, however good or great. Neither should it go into the hands of any grasping power monopoly. These are not benevolent institutions. They want the plant for the money they can make out of it. Experience should have taught us we can expect nothing else.

Muscle Shoals should be completed and held in perpetuity by the United States. It is one of our greatest national assets. Our posterity has a right to expect that we shall preserve it. The workmen of the city, the toilers upon the farm, the housewives in their homes have a right to demand that at least a

part of the power generated at Muscle Shoals shall be distributed to them. It is time that we take measures to lighten their burdens and to add to their comforts. It is infinitely more important that 10,000 should be benefited than that one should be given an exclusive privilege and a monopoly that in its span of years would cover four generations.

For years I have made a careful study of municipal hydroelectric plants. They have been operated with almost uniform success. They have been the instruments of vast reductions in rates and have brought added comforts into uncounted thousands of homes that before their coming could not enjoy them because of high rates.

In my judgment Muscle Shoals can be economically and efficiently operated by the United States. We can manufacture fertilizer as cheaply as anybody. If this shall not seem immediately feasible, we can lease the nitrate plant for the purpose. The surplus current can readily be sold at a sufficient profit to retire the entire cost of the plant in 50 years and at the same time make a material reduction of the rates now paid by power users in the South.

I hope that on some future day I may be able to discuss this phase of the subject at length. [Applause.]

Mr. MORIN. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. WAINWRIGHT].

Mr. WAINWRIGHT. Mr. Chairman and gentlemen of the House, having had my time somewhat curtailed, I am obliged to omit some of the observations I intended to make. Possibly this will be your gain and not my loss.

There are other sections of the country besides those which may be characterized as purely agricultural which are interested in this question. Of course we are all dependent upon the prosperity of our agricultural regions and upon the fertility of the soil of our country but there are other considerations, possibly, which appeal to the section of the country from which I come which may not weigh as strongly in the minds of some of the gentlemen from the region immediately surrounding this vicinity.

Let me ask you gentlemen to keep in mind this, that this is a proposal to transfer to a private citizen a great property of the people of the United States and to lease a part of that property for a period of 100 years, which as far as we and our generation are concerned is practically a lease in perpetuity, because for us of this day 100 years hence is practically from now on.

This bill provides, in fact directs, the turning over to a private citizen of the United States, one Henry Ford, the properties, rights, and interests of the people of the United States covered by the term and colloquially known as Muscle Shoals. They embrace a great natural gift of God to the people or resource, resulting from the flow of the navigable waters of the Tennessee River; a great partially completed dam, erected by dollars taken out of the pockets of the American people to restrain the flow of waters for the purpose of generating the power contained in the flowing waters; and certain great manufactories or industrial facilities and establishments, also created by dollars taken out of the pockets of the people.

It is proposed to lease to Henry Ford that portion of the properties comprising the natural resources and the dam for a term of 100 years and to sell to him the remainder of these properties, namely, the nitrate plants, a certain quarry, and other vast properties at a price representing but a fraction of their cost to the people. It is so unique and startling a proposition as to require decided explanation and justification. Muscle Shoals, now referring to the water power, probably one of the greatest in this or any other country, comprises a priceless asset of the people.

The constantly developing and expanding use of water power in every field of industry and to otherwise supply the wants of the people puts it on an equal plane with all the other great natural resources with which this country is blessed, such as coal, iron, and oil, but a large part of which have unfortunately already passed out of the ownership or control of the people. Water power is eternal and inexhaustible—runs on forever. Other resources may be consumed and can not be replaced. So, if the disposal to private individuals or interests of our reserves of oil is subject to the just indignation and condemnation of our people, the project involved in this bill must be equally objectionable, unless it can be supported by a great compensating advantage to the people. If it is indefensible to turn over our oil reserves to a Sinclair or a Doheny, it may prove equally indefensible to turn over this great natural resource to Henry Ford.

I believe the time has come to peremptorily decline to part with the ownership and absolute control of any further natural resources to private interests. I further believe that this policy and principle must particularly apply to the power contained in the flowing waters of our great rivers and streams, especially where the structures erected to make that power available have been created by public funds.

To arrive at the alleged reason for this proposed departure from sound policy requires a brief review of the origin, purpose, and extent of the investments to date of the Government at Muscle Shoals.

In 1916, when the shadow of war was upon us, we adopted the national defense act. It was then realized as vitally essential for the national security that we should be made independent of any foreign supply of nitrates for the manufacture of explosives, and accordingly, and for the further purpose, that we should be similarly independent in regard to fertilizers, so necessary for our agricultural prosperity, it was provided by section 124 of the national defense act that the President should cause an investigation to be made to determine the best, cheapest, and most available means "for the production of nitrates and other products for munitions of war and useful in the manufacture of fertilizers and other useful products, by water power or any other power as in his judgment is the best and cheapest to use"; and he was empowered to designate such sites upon navigable or nonnavigable rivers as might be necessary for carrying out the purposes of the act; and was also authorized to "construct, maintain, and operate on such sites or site, dams, locks, power houses, plants, and other equipment, as in his judgment was best and cheapest for the generation of electrical or other power," and "for the production of nitrates or other products needed for munitions of war and useful in the manufacture of fertilizer and other useful products"; and the sum of $20,000,000 was appropriated to carry out the purpose of the act, it being provided that the products of such plants should be used so far as necessary for military or naval purposes, any surplus not so required to be sold and disposed of.

The act further contains the following significant language, indicative of the intent of Congress at that time:

> The plant or plants provided for under this act shall be constructed and operated solely by the Government and not in conjunction with any other industry or enterprise carried on by private capital.

Thereupon the great water power of the Muscle Shoals of the Tennessee River was selected as the site for this great national enterprise, and, starting at a period previous to our actual entry into the war and extending through the war period and down to the end of the fiscal year 1922, the Nation had actually expended in this project an aggregate of $107,337,710, namely, $16,281,960 on the principal dam, known as Dam No. 2 or Wilson Dam; $12,887,941 on nitrate plant No. 1; $67,555,355 on nitrate plant No. 2; $4,975,782 on what was known as the Gorgas-Warrior plant and transmission line; and for maintenance, experimental operations, and other purposes, $5,632,872.

At that time, namely, June 30, 1922, we had to show for these huge expenditures a partially completed dam across the Tennessee River; the two nitrate plants—No. 1, which had not been successful, designed to produce 9,000 tons of fixed nitrogen according to the so-called Haber process, and No. 2, with a designed capacity of 40,000 tons of fixed nitrogen in the form of ammonium nitrate by what is known as the cyanamid process. The latter appears to be a success, having been successfully operated for a few weeks.

At that time it was assumed that at least $25,000,000 more would be required to complete Dam No. 2, and further expenditures for the remodeling and improving these plants to manufacture fertilizers.

Notwithstanding the great importance of the venture from the standpoint of national security and prosperity, Congress was appalled and balked at the further huge investment required, involving so many uncertainties and the possibly undesirable feature of Government operation.

All these installations had been made under the jurisdiction of the War Department—the dam by the Corps of Engineers and the plants by the Ordnance Department. Realizing the attitude of Congress with regard to a continuance of the venture upon the original lines, the War Department asked for proposals from private interests, laying down as a condition to the negotiation that the fundamental purpose of the manufacture of nitrates for munitions and fertilizer should be carried out, and that the whole enterprise, including both the nitrate plants and the water power, should be treated as one and inseparable. In other words, the fundamental purpose of the enterprise having been "nitrates," that the properties would be disposed of only upon condition that the quantity of nitrates originally intended should be manufactured, the water power

to be treated as originally intended as incidental to the manufacture of nitrates and not as in any sense standing alone.

Thereupon, early in the present administration, Henry Ford made his now famous offer. It was practically the only offer received by the Government along the lines stipulated. It was a definite, fairly clear, and unambiguous offer to buy, through the medium of a corporation with a cash capital of $10,000,000, the nitrate plants and other accessories outright; to apply necessary funds, to be supplied to him by the Government, toward the completion of Dam No. 2; to manufacture at plant No. 2 fixed nitrogen to its full capacity, namely, 40,000 tons a year, applying the necessary water power from the dam; the Government further to agree to furnish him with the funds, $25,000,000, to complete another dam further up the stream to be known as Dam No. 3; Ford to pay the sum of $5,000,000 for the properties to be purchased, including both nitrate plants, which, as stated, have cost the Government about $84,000,000; and Ford to further pay as an annual rental for the properties to be leased—namely, the dam and water power—4 per cent upon all amounts to be furnished by the Government, after the acceptance of his offer, and to manufacture and furnish nitrates to the farmers at cost plus a profit limited to 8 per cent; to turn the plants over to the Government upon five days' notice in case of a war emergency; to furnish the Government with the trivial necessary amount of power for operation of the locks; to pay the small amounts required for the upkeep of the locks; and also a small payment, which, if amortized during the life of the lease, was calculated to produce a fund sufficient to retire the cost of Dam No. 2 and part of the cost of Dam No. 3.

Such were the essential features of the original offer which, with some modifications, are embodied in this bill. This offer met with enthusiastic response from the farmers and other agricultural interests of the Southeast, to whom the name and fame of Henry Ford for having already furnished them with automobiles, other motor traction, and tractors at reasonable cost was one to conjure with.

The War Department, having no authority under the law to accept this offer, transmitted the whole subject to Congress for its determination. There it became the subject of intense interest and acute consideration in both sessions of the Sixty-seventh Congress, and although the bill to dispose of these properties to Henry Ford upon substantially the terms stated, was favorably reported by the Military Affairs Committee, it failed of favorable action in the last House.

The question of the disposition of these properties has been one of growing interest, the strong feeling being at the outset of this session that some final disposition of the question was absolutely necessary. In the meanwhile an element in the property—the Gorgas-Warrior steam plant, an accessory which had cost $4,780,000—was sold during the past summer to the Alabama Power Co. for $3,472,487.25, owing to the fact that this company owned the land upon which the same has been erected and had the right either to buy it or have it removed from the property. Also, a grave question arose as to whether Henry Ford intended to guarantee personally the manufacture of nitrates at the plants by the company which he proposed to organize as his medium for the fulfillment of the terms of the agreement.

Among the bills introduced at the beginning of this session to turn the properties over to Mr. Ford was one by the gentleman from Illinois [Mr. MADDEN] containing a provision requiring the application of $3,472,487.25, or the amount for which the Gorgas-Warrior plant was sold, toward the construction of a new plant of the same nature, and further containing a provision apparently intended to bind Henry Ford, his heirs and assigns, to the fulfillment of all the terms of the contract. These provisions have been incorporated in the bill before the House, H. R. 518, introduced by the gentleman from Illinois [Mr. MCKENZIE], the Madden bill being identical except in the respects mentioned.

Since, as stated in the bill, the main consideration is the manufacture of fertilizer containing nitrogen, and the intention of Congress undoubtedly is to bind anyone to whom these properties are to be conveyed to supply that necessary commodity in any event, therefore the question whether it can be manufactured at a profit and whether Mr. Ford must continue to make fertilizer even at a loss is fundamental to the whole transaction.

This question has been one of conflicting opinion in the committee. The majority apparently deeming that the language employed will bind the company and Mr. Ford to the manufacture of nitrates even at a loss. As to this the minority entertain grave doubt.

By section 14 of the bill the company is bound—

except as it may be prevented by reconstruction of the plant itself, or by war, strikes, accidents, fires, or other causes beyond its control—

To—

manufacture nitrogen and other commercial fertilizers, mixed or unmixed, and with or without filler, according to demand.

It is evident that unless the nitrate can be manufactured and sold at a price less than that of the Chile nitrates, that there will be no demand, and if there is no demand there can be no necessity or obligation to continue to manufacture nitrates; therefore, unless the nitrates can be manufactured at a price sufficiently low to be attractive to the farmer, there will be no obligation to continue their manufacure.

Mr. MADDEN. Will the gentleman yield for a question?

Mr. WAINWRIGHT. I would prefer not to yield, but would be glad to yield at the conclusion of my remarks. However, I yield to the distinguished chairman of the Committee on Appropriations.

Mr. MADDEN. I just wanted to ask the gentleman what difference would it make if such nitrates as may be manufactured by Mr. Ford at Muscle Shoals brought down the price of other nitrates one-half; would it not accomplish the purpose?

Mr. WAINWRIGHT. It might.

Mr. JAMES. Will the gentleman yield?

Mr. WAINWRIGHT. I will yield.

Mr. JAMES. Does the gentleman from New York know that Mr. MORIN——

Mr. WAINWRIGHT. I can well see I have touched on the sensitive point of this whole discussion.

Mr. JAMES. Does the gentleman from New York know that Mr. MORIN, who controls the time against this bill, helped draw up this section?

Mr. WAINWRIGHT. I was not aware of that.

As I was saying, gentlemen, in the event that there is no demand on account of high cost, Mr. Ford can shut down the nitrate plants indefinitely without any effect upon his lease of the water power, the whole of which he will then have unincumbered by the necessity of diverting any part to nitrate production and free to apply the whole of it to his own uses without any obligation to furnish any part to the Government, third parties, or the public. Also if nitrates can not be manufactured at a profit, this may be a "cause beyond his control," which again would relieve him from the manufacture of fertilizer.

Again, the question arises as to whether section 20, providing for the guaranty by Henry Ford personally, binds him and his huge estate during the life of the contract to fulfill its stipulations, or whether it simply binds him to furnish the necessary instruments to carry the agreement into effect. But, in any event, I submit that, as far as those who come after him, he is entirely incompetent to bind his estate or his descendants, and therefore that this element must be disregarded and the clause treated merely as his personal guaranty during his lifetime.

Apart from the uncertainties in these regards and the fundamental objections to the measures already indicated, the fact is that since the beginning of this session several other proposals have been received which, from a dollars and cents standpoint, undoubtedly offer greater advantages to the Government, and each of which, in my humble judgment, offers an equal assurance for the manufacture of nitrates with that of Henry Ford, unless there be some superior magic or virtue in what he undertakes to what any other citizen or combination of citizens can perform, or unless, frankly, it be considered that the great fortune which he has amassed offers a greater guaranty or assurance of performance over stipulations of the substantial and entirely respectable and successful interests competing with him for this great prize.

No one disputes the proposition as stated by the President in his reference to this subject in his last message that "while the price is an important element, there is another consideration even more compelling. The agriculture of the Nation needs a greater supply and lower cost of fertilizer." Nevertheless, the price and the financial return can not be ignored, and certainly should be a determining factor where there is from other sources an equal assurance of as great a supply of fertilizer at as low a cost; and this equal assurance, I firmly believe and am confident, will also appear to others who will but take the time and pains to contrast these offers in this highly complicated field with Mr. Ford's. I am now referring to the offers of the combined Alabama and Tennessee companies embodied in the bill of the gentleman from Iowa [Mr. HULL] and to that of Mr. Elon Hooker and his associates in their proposed Muscle Shoals corporation, and even in that of the Union Carbide Co.

These are all important, serious interests, controlling great resources of capital; and unless corporate interests in general are so repugnant to those charged with the responsibility of

dealing with this matter that they must be ignored or excluded from consideration, and the swollen fortune of one individual, admirable and beneficial as may have been the processes of amassing that fortune, is considered to embody a superior virtue, entitling it to preferential treatment, they must be taken into account and treated on an equal footing.

Besides, is not Mr. Ford proposing to deal with us, not as an individual but, in sooth, through the medium of a corporation with a swollen capital of $10,000,000? I believe I violate no confidence of the committee in stating that these offers have received but scant consideration, and that Henry Ford and his offer alone seemed to interest the majority of the committee.

Why, gentlemen, I am amazed to find how many honorable Members appear to be hypnotized by this Henry Ford offer and determined to put it over just as made, practically without the dotting of an "i" or the crossing of a "t." Neither Mr. Ford nor any agent or representative appeared before the committee. It was not until comparatively late in our deliberations that we received any assurance, even, that he still stood upon his original offer; and when such was forthcoming his rather curt confirmation was practically to the effect that we might take his offer or leave it—a refusal or declination to discuss or negotiate in any manner. We could take his proposition just as it stood or reject it.

It was, indeed, humiliating to some of us to note the almost abject attitude of some of our colleagues toward this gentleman who assumed to deal with us, representing the sovereign people of the United States, in so arrogant a manner.

Now, as to these other offers: The power companies' offer is that of a combination of the power companies already operating in that field—people with great experience and familiarity not only with the subject of power development generally but particularly as applied to the southeastern field. As the result of their hearing before the committee they offer to form a corporation—one corporation—with a cash capital of $15,000,000, to lease the dam and nitrate plants for a period of 50 years, paying after the first year a fixed rental of about $2,000,000 per annum, estimated as a return of 4 per cent upon the entire Government investment in Dam No. 2, with a firm undertaking to manufacture and supply nitrates at a profit limited to 8 per cent, making a far more liberal provision for a sinking fund to reimburse the Government than Mr. Ford; agreeing to surrender the plants to the Government in the event of an emergency; with a recapture clause in the event of nonfulfillment, omitted in the Ford offer; and in the event of the failure of renewal of the lease at expiration to surrender the property to the Government without reimbursement. They propose, as is of course preferable, that the moneys to be advanced by the Government shall be applied by its agents toward the completion of the enterprise in the same way as other Government work. They propose that all of the power not required in the manufacture of nitrates shall be distributed throughout the zone of their operation to the general advantage of the region, and all subject to the regulations of the Federal and State power commissions.

Mr. McKENZIE. Will the gentleman yield?

Mr. WAINWRIGHT. I prefer not to yield, I have such a limited time. If I have any time at the conclusion of my remarks, I shall be very glad to yield.

Mr. McKENZIE. It is only for a correction. I am sure the gentleman would not want to make a misstatement. The $15,000,000 was to be subscribed capital stock and not cash.

Mr. WAINWRIGHT. Subscribed capital? What is the subscription to be except cash?

Mr. McKENZIE. Did the gentleman ever buy stock at 50 cents on the dollar?

Mr. WAINWRIGHT. No; I do not think I have.

Mr. McSWAIN. If the gentleman will permit, the $15,000,000 corporation is just talk, and nothing but talk, and never has been signed by representatives of any corporation; it is just talk.

Mr. WAINWRIGHT. That may be the gentleman's view, but these are people of experience and standing in the business world and I submit are entitled to be treated seriously, and that offer was submitted in open committee by serious people.

Mr. McSWAIN. Submitted by Mr. Yates.

Mr. WAINWRIGHT. The Hooker plan involves a license and agreement to manufacture nitrates and distribute power subject, to similar regulations, the operation of the plants and the quantity of nitrates to be produced to be subject to the discretion of the Secretary of War, and the entire profit to be shared between them and the Government at the rate of one-third to them and two-thirds to the Government for the first 10 years, one-fourth to them and three-fourths to the Government for the balance of the term of 50 years of the lease. This undoubtedly offers the prospect of the greatest return to the Government, from the money standpoint, of any of the proposals.

These are people with great experience in the manufacture of chemicals by hydroelectric processes, as, if not more, competent from such experience to deal with the problem of the production of nitrates for munitions and fertilizer at a lower cost than any other people in the country, unless it be the interests represented by the Union Carbide Co.

These last, the Union Carbide interests, have also had a vast experience in this field and claim to have control of the processes which in Europe are considered to offer the best prospect of practically supplying artificial fertilizers at low cost. Their offer deals exclusively with the nitrate feature of the problem. They offer to lease the plants and supply fertilizers to one-half the capacity of plant No. 2, paying a rental after the first few years of $750,000 for that plant and $15 per horsepower up to 100,000 horsepower per year. They will take and utilize of the water power 50,000 horsepower for the manufacture of nitrates, employ 50,000 horsepower in manufacturing their own products, leaving the balance for general distribution to the best advantage of the region. Their assurance and that of the Hooker combination, if not that of the power companies, for every proper, unprejudiced, and nonpolitical aspect, in my judgment, offers an equal if not a greater prospect of cheap fertilizers to the farmers than does that of Mr. Ford, who admittedly has had no experience in this field.

But the great objection to the Ford offer, and the one which can never be reconciled with our duty, or responsibility to those we represent, is his refusal to subject his use of this great Government-created property to the very regulations which the Government itself has imposed upon all others who secure the benefit of water power over which the Government has jurisdiction. Especially should such regulations apply to a water power made available entirely by Government funds.

How can it ever be reconciled with our duty, as representatives of the people, to transfer this great power to one individual to be applied exclusively to his own purposes, without any regulation or without any provision for others to share in its use?

The second great objection, as developed above, is that he may fail to be able to make fertilizers at a profit and cease their manufacture, but still maintain his hold upon the water power. In that event, having parted with the title, the nitrate plants may be permanently lost and therefore the original purpose of the act of 1916 will remain unfulfilled. No one of the other offers is subject to this objection.

The third great objection is that if Mr. Ford, as his supporters maintain, can make fertilizer at a profit, then he is obtaining a great water power at such a low cost as to be ruinous to any possible competitors in that section of the country. This is contrary to American principles.

In this connection, I believe and strongly urge that no disposition be made of the water power over and above that required for nitrates that does not compel and insure its delivery into all the surrounding States to the south as well as to the north and east, even to supply the city of New Orleans. Even now a great superpower system to link the whole United States is being advocated by some of our leading statesmen. This points the place that Muscle Shoals should occupy. Personally I can not bring myself to believe that this bill can be amended in any manner to justify turning over this entire great enterprise to any one individual or interest, and there I part company with my colleagues who signed the minority report. My inclination is strong for the Government itself to develop the power, reserve such as may be required for nitrate operations, and either wholesale the remainder under conditions determining the territory into which it will be delivered, or itself construct the transmission lines and effect the delivery. I see before us the determination of a great question of national policy relating to the major water powers still left to be developed, where the development is to be at Government expense. Our action on this bill can not fail in that respect to have a far and long-reaching effect.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WAINWRIGHT. May I have a few minutes more?

Mr. MORIN. How much more time?

Mr. WAINWRIGHT. I can get along with 10 minutes.

Mr. MORIN. I yield the gentleman 10 minutes.

Mr. WAINWRIGHT. The whole method of dealing with this matter, since it was forwarded to Congress by the War Department, has been preposterous from the standpoint of ordinary business dealings and prudence. I submit, without further enlargement on the subject, that to leave it to a committee of Congress during its session, with all the other preoccupations of Members to deal with an intricate and compli-

cated business problem such as this, involving negotiation, the measuring of one proposition against another for the purpose of extracting or evolving the best disposition possible in the interest of the people, and to fulfill the original purposes of the creation of the enterprise, is calculated to defeat the very purpose in view.

The result has simply been what might have been expected. We have by no means exhausted the possibility of consummating a far better arrangement. We are proposing to turn these great properties over to one individual, on his own terms, without negotiation and in the absence of the usual procedure employed by our business people under similar circumstances.

The President fully understood this when he suggested that a solution would involve complicated negotiations; that there was no authority for that purpose, and recommended "that the Congress appoint a small joint committee to consider offers, conduct negotiations, and report definite recommendations." That is so wise and sound that it should need no discussion. By failing to act upon that recommendation we have practically violated all the canons of wise business dealings. Fortunately this matter has not gone so far that we can not recede from the untenable position in which we now find ourselves, and adopt the wise course suggested by the President. In my judgment not one of these proposals offer sufficient advantage to the people to justify acceptance.

It is amazing, gentlemen, to see those of you who so recently showed antipathy to swollen fortunes and accumulated wealth in any form now so eagerly proposing to swell this already unduly swollen fortune by a grant of a great natural asset upon terms which will not only give it an advantage over all others in the field but upon terms so advantageous as to give it a practical monopoly of the water power of a great section of the country.

I believe I would be false to those I represent if I lent myself to any such procedure, and I believe such procedure to be not only contrary to the wishes of the vast majority of citizens in the northeasterly section of the country but there quite universally condemned. I further believe, gentlemen, that if you succeed in forcing through this deal with Mr. Henry Ford, even in your lifetime it will rise to plague you, and future unborn generation of Americans will condemn you for having in your generation parted with their patrimony for a mere mess of pottage. [Applause.]

Mr. McKENZIE. I am sure the gentleman from New York did not mean criticism when he spoke of the manner in which this bill has been handled in view of the fact that the gentleman only recently came on the Committee on Military Affairs and many of us sat for months listening to the testimony in connection with the case, so that we could not be charged with haste.

Mr. WAINWRIGHT. Mr. Chairman, I yield in every way to the superior knowledge and familiarity of my colleagues with this subject, and I have been perfectly amazed with their familiarity with it, and I must confess I can not claim for myself any such knowledge of the intricate details. I could only discuss it from the general standpoint which I have. [Applause.]

Mr. MORIN. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. WURZBACH].

Mr. WURZBACH. Mr. Chairman, the fact that time has been yielded to me by the gentleman from Pennsylvania [Mr. MORIN], who does not favor the pending bill, might indicate that I am opposed to the pending bill. Such, however, is not the fact. I have been a member of the Committee on Military Affairs ever since the Ford proposal has been before that committee. I think I have attended all the hearings for a period of two years or more, and I have come to the firm conviction that the Ford proposal is the only proposal that appeals to the country and especially the great farming class. It makes a strong appeal to me and, I believe, to a majority of this House. [Applause.] I do not think it is necessary to make a minute comparison of the Ford proposal with some of the other offers that have been made. The Ford proposal, in my judgment, is better from the people's standpoint than any of the others. The time has come when the American people are expecting us to act one way or another upon this proposition. I am sure that of many of the gentlemen here who will vote against this bill favoring the Ford proposal some will do so upon the ground that they are in favor of Government operation, and some few others will refuse to support any measure or any proposition that may mean interference with the fertilizer manufacturers of this country, who have monopolized that great industry to the detriment of the American farmers.

It would be impossible for me within the 10 minutes assigned to me to go into the details of this bill or to point out all of its merits. The gentleman from Illinois [Mr. McKENZIE] has covered that very fully, and I am in accord with him. I believe that 90 per cent of the farmers of the country who have made a study of this legislation are in favor of the Ford proposal. [Applause.]

Mr. SCHNEIDER. If the gentleman will permit a question, does the gentleman think that 90 per cent of the farmers have really made a study of the Ford plan?

Mr. WURZBACH. Well, I think they have made as much a study of the Ford plan as they have made of any other plan. I am of the opinion that if this proposal were rejected by Congress and some other proposal substituted for it, as, for instance, the Allied Power Co. proposal, that we would find gentlemen who are now using the latter proposal to defeat the Ford proposal later voting against the proposal of the Allied Power Co. after the Ford proposal had been put out of the way.

Mr. LAGUARDIA. Mr. Chairman, will the gentleman yield?

Mr. WURZBACH. Yes.

Mr. LAGUARDIA. The gentleman, having made a study of this proposition, could he tell us what would be the difference in the price of fertilizer produced at this plant, assuming that the contract is executed with Mr. Ford, and the present market price of fertilizer?

Mr. WURZBACH. I could not say as to that, except to refer the gentleman from New York to the record, from which it appears that fertilizers could be manufactured and sold for about one-half of what they are now being manufactured and sold for.

Mr. LAGUARDIA. Was not that simply an expression of a hope instead of an accurate figure?

Mr. WURZBACH. No; I think that was the deliberate judgment of men supposed to be qualified to pass upon that question.

Mr. LAGUARDIA. Is the Committee on Military Affairs assuming the responsibility for that?

Mr. WURZBACH. As much as any committee of Congress can assume responsibility for legislation affecting the future.

Mr. Chairman, there is, however, one matter that has occurred to me as a defect in this bill which I think ought to be mentioned. I do not propose to offer an amendment to the bill to remedy it, but I believe I ought to suggest the matter to the members of the committee. I have one objection to the Ford proposal and that is it does not provide for proper governmental control over that part of the water power that is developed at Muscle Shoals over and above the amount to be used for the manufacture of fertilizer. I have the greatest confidence in the honesty and in the altruism of Henry Ford. The fact that he is the richest man in the world does not create any prejudice on my part toward him. I think he is a great man and a good man, and I have great respect for his judgment in matters of business, and I want to say that since his recent declaration with reference to his choice for the Presidency of the United States I have also acquired great respect for his political judgment. [Applause.]

Mr. CROWTHER. Mr. Chairman, will the gentleman yield?

Mr. WURZBACH. I will yield to the gentleman for a question.

Mr. CROWTHER. Does the gentleman think it good policy to ignore the basic law of the country in the consideration of a proposition of this kind, reporting a bill that absolutely ignores the existing law, the water power act, in many of its parts?

Mr. WURZBACH. I have an amendment in mind, although I do not intend to introduce it. If submitted, I shall vote for it. If it is not adopted, I still intend to vote for the Ford proposal. The amendment I have in mind would read about as follows: "The Ford Co. shall, from and after the death of Henry Ford, in so far as the water power in excess of that used for manufacture of nitrates for fertilizer is concerned, be subject to the Federal water power act of June 10, 1920, except wherein the express provisions of this bill are inconsistent with said Federal water power act." Assuming the development of 90,000 horsepower, and deducting 10,000 horsepower devoted to fertilizer production, there would remain 80,000 horsepower. That remaining power ought to be under the control of the Federal water power commission act, in so far as that act is not in conflict with the express provisions of this bill and of the Ford offer.

Mr. CROWTHER. Mr. Chairman, will the gentleman yield further?

Mr. WURZBACH. No; I regret I can not yield.

Mr. CROWTHER. Is that the gentleman's answer to my question?

Mr. WURZBACH. I have only a few moments.

Mr. CROWTHER. There is no answer.

Mr. BLANTON. Mr. Chairman, will the gentleman yield to me for a question?

Mr. WURZBACH. No; I can not yield. If I had the time I would gladly yield, but I would like to go into this a little further.

Mr. BLANTON. You yielded to the gentleman from New York for one question.

Mr. WURZBACH. I, of course, recognize the great ability of the gentlemen representing the States of Alabama, Georgia, Tennessee, and the Carolinas in this House, and their devotion to the interests of their respective States, and I am not attempting to put my judgment against theirs. My good friend, Judge ALMON, representing the eighth Alabama district, in which Muscle Shoals is situated, occupies a different position than do the other Representatives above mentioned with reference to the suggested amendment. His district will be benefited in any and every event if the Ford offer is accepted regardless of whether or not limitations are imposed upon the use of such power. I am just a bit fearful as to what may happen to the established industrial enterprises of the remaining portion of Alabama and the other Southern States named.

God blessed this section of the South with a great water-power site, one of the greatest in the world. The whole Nation has a general interest therein, and that interest is fairly taken care of by a nation-wide distribution of the fertilizer product. After that interest is satisfied, the section surrounding Muscle Shoals is, I might say by divine right, next entitled to consideration. The people and the great industrial enterprises already established should be protected in those States. The amendment I have suggested has that in view.

Henry Ford, concededly a great benefactor and altruist, can not live always. In 15 years or so he will probably not be connected with the corporation he proposes to organize under the terms of this bill. This Government will then deal with just an ordinary corporation and for a period of 80 to 85 years. The question is, Are we willing to trust any corporation with unrestricted and unlimited use and control of 800,000 horsepower for a period of time extending far beyond the life of the youngest of us? It may be safely taken for granted that a power conferred to a corporation will be used and generally abused in its own interests and against the interests of the people. It is not impossible nor even improbable that this favored corporation will not destroy all competition and then fasten upon the very section of country entitled to greatest benefit a monopoly such as the world has never seen.

I do not say that this will result. I only point out a possible danger. I want to see the South prosper in every way, but especially in the line of manufacturing industry. Great progress has been and is still being made along that line. The whole section about Muscle Shoals for several hundred miles is dotted with great cotton mills. I do not want to put it in the power of any corporation, wholly or partially subsidized by the Federal Government, to endanger that industrial progress. I have a great interest in the whole country, but it is only natural that I have the deepest concern for the South, where I was born and where I have lived all my life.

As I stated in the beginning, I shall vote for the McKenzie bill, which provides for the acceptance of the Ford offer, whether the bill is amended or not. If the gentlemen representing the States contiguous to Muscle Shoals do not offer the amendment suggested, I shall not. They know the wishes of their constituents better than I do, and have a greater interest in protecting them than I have. They are all able men and devoted to the interests of their sections, and I am willing to accept their judgment on the suggested amendment. My purpose has been to put up the warning sign, "Stop, look, and listen." [Applause.]

Mr. LAGUARDIA. Mr. Chairman, this is a very important subject. We are giving away a hundred million dollars. I raise the point of no quorum.

The CHAIRMAN. The gentleman from New York makes the point that there is no quorum present. The Chair will count.

Mr. McKENZIE. Mr. Chairman, I move that the committee do now rise.

Mr. BANKHEAD. Mr. Chairman, I demand tellers on that motion.

Tellers were ordered; and the Chairman appointed as tellers Mr. McKENZIE and Mr. BANKHEAD.

The committee divided; and the tellers reported—ayes 8, noes 94.

The CHAIRMAN. A quorum is present, and the committee refuses to rise.

Mr. MORIN. Mr. Chairman, I yield 40 minutes to the gentleman from Iowa [Mr. HULL].

The CHAIRMAN. The gentleman from Iowa is recognized for 40 minutes. [Applause.]

Mr. HULL of Iowa. Mr. Chairman and gentlemen of the committee, there has been very much said this afternoon with which those of us who are in opposition to the bill agree, but there has been very little said in regard to the merits or demerits of the proposition before you by the gentlemen who have tried to sustain the idea of accepting the Henry Ford proposition as it is.

I want to just briefly call attention to one thing—a controversy in regard to the amount of money that Henry Ford proposes to pay as amortization. You will find it on page 7 of the bill, and any man can figure it. It does not take a mathematician to figure these two sums for 100 years. He proposes to make semiannual payments of $3,505 on Dam No. 3 and $19,868 on Dam No. 2. In 100 years this amounts to a little more than $4,000,000. The gentlemen in favor of this bill claim this amount will amortize $50,000,000 in 100 years. In other words, slightly more than $4,000,000 is paid in to amortize $50,000,000. I say, Why is it we do not amortize the national debt in the same way? Because you can not do it, and every man knows it.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. HULL of Iowa. Yes.

Mr. CHINDBLOM. Let me suggest that if you are going to credit him with interest upon deferred payments you ought to charge him interest also on the other side of the ledger on deferred payments.

Mr. HULL of Iowa. Yes. You would have to have more interest, and you would have to speculate to get the money.

I want to call the attention of the gentlemen on this side to the guaranty. The guaranty in this bill is not the original guaranty, but the gentlemen do not seem to understand that. Here is the guaranty which is written in the bill and which they ask you to accept. It is to be found on page 18 of the bill. That is all the personal guaranty is. It is section 23, and let us read it. Many of you are lawyers. I am not, but I know common sense when I see it:

> All of the contracts, leases, deeds, transfers, and conveyances necessary to effectuate the acceptance of said offer shall be binding upon the United States and jointly and severally upon Henry Ford, his heirs, representatives, and assigns, and the company to be incorporated by him, its successors, and assigns.

Now, gentleman, Henry Ford does not agree to a thing there except to take the $80,000,000 worth of property you are going to give him; that is all; he agrees to accept it.

Here is your original guaranty right here. I will read it:

> Upon acceptance, the promises, undertakings, and obligations shall be binding upon the United States and jointly and severally upon the undersigned, his heirs, representatives, and assigns, and the company, its successors, and assigns; and all the necessary contracts, leases, deeds, and other instruments necessary or appropriate to effectuate the purposes of this proposal shall be duly executed and delivered by the respective parties above mentioned.

Mr. BEGG. Will the gentleman yield?

Mr. HULL of Iowa. Certainly.

Mr. BEGG. Suppose this $10,000,000 corporation were to fail and go into bankruptcy, would the personal fortune of Henry Ford, outside of that, be in any way responsible for the bankruptcy?

Mr. HULL of Iowa. Certainly not, as everybody will admit who reads these contracts.

Mr. ALMON. Would not that apply to the power companies as well?

Mr. HULL of Iowa. I am not saying a word about the power companies, and if the power companies' contracts ever come on the floor of the House, I want to amend them if they are in any such shape as Henry Ford's proposition.

Mr. BEGG. Will the gentleman allow me to finish my proposition?

Mr. HULL of Iowa. Yes; but I wish the gentleman would hurry.

Mr. BEGG. I will be as brief as I can, but I would like to get a little information. Suppose this bankruptcy should come about; then the only recourse the United States would have in order to recover the property that is given to Henry Ford for $1,500,000 would be to go in at sheriff's sale and buy it back, would it not?

Mr. HULL of Iowa. Absolutely, that is all; and, as a matter of fact, they could dispose of the property to some one else and you would be left in a position where you could not regain your own property. Everybody knows that.

Mr. ALMON and Mr. McSWAIN rose.

Mr. HULL of Iowa. I can not yield to the whole Democratic Party at one time.

Mr. ALMON. I am not the whole Democratic Party.

Mr. HULL of Iowa. But a gentleman back of you has risen.

Mr. ALMON. Does not the gentleman admit that under the Ford offer neither he nor his company could convey that property and give title to it?

Mr. HULL of Iowa. I do not know.

Mr. ALMON. That is the condition of the sale.

Mr. HULL of Iowa. I understand that, but I do not know.

Mr. ALMON. The gentleman ought to know by this time.

Mr. HULL of Iowa. I do not know, and the gentleman did not know that that contract was changed.

Mr. McSWAIN. Will the gentleman yield?

Mr. HULL of Iowa. Yes.

Mr. McSWAIN. The gentleman said that if the bill proposing to authorize a lease to the Allied Power Co. should come before the House he would offer amendments to it, and I will ask him why, when he was drafting two bills to that effect, he did not put his ideas in his own bill?

Mr. HULL of Iowa. I will say to the gentleman—and he knows it very well—that that was introduced simply for your information and so the country might know we had some other offer. I am not standing on that, but I will say this: That you should make this contract in such a way that we could go back to Henry Ford and say, "Here is the kind of a contract that the Government desires to make. Take it if you want it!" If he should refuse, then we have other offers, and the gentleman knows it very well.

Mr. McSWAIN. Has not my friend acquired some information about this matter which he did not have when he drafted his own two bills?

Mr. HULL of Iowa. Certainly. I am acquiring information about it every day.

Mr. SALMON. Will the gentleman yield?

Mr. HULL of Iowa. Yes.

Mr. SALMON. I want to call the gentleman's attention to the word "severally," on page 18, line 17, in the section referred to, and ask him whether or not he considers that the estate of Henry Ford is bound to comply with this contract?

Mr. HULL of Iowa. Certainly not; and the best lawyers in the country have analyzed it, and some gentlemen who are lawyers will analyze that for the gentleman before we get through. It simply means that you bind yourself to convey, and Henry Ford forms a company; then when he has accepted, through that company, the property that you are going to give him Henry Ford ceases. You then have a corporation to deal with, and the gentleman knows it very well.

Mr. SALMON. If the gentleman will yield further, I want to assert that nobody can successfully explain away the word "severally" there and make the estate of Ford not liable.

Mr. HULL of Iowa. Well, they will explain it away if you ever get into court.

Mr. JAMES. Will the gentleman yield?

Mr. HULL of Iowa. Certainly.

Mr. JAMES. Do you believe the original guaranty was a positive guarantee of Mr. Ford's personal fortune?

Mr. HULL of Iowa. I think it was; yes, sir; and some gentlemen wonder why it was that I, who at one time was supposed to favor the Henry Ford offer, have changed. It is simply because of the changes in the contract and the additional information that I have received since we started in on this matter. The gentleman from South Carolina [Mr. McSWAIN] asked me in regard to information. It is only on this side of the House that you seem to be unable to inform yourselves. You are talking about an offer that was made two years ago, and the world has gone on two years and we have found out some things in those two years.

Mr. GARRETT of Texas and Mr. HILL of Maryland rose.

Mr. HULL of Iowa. I yield to the gentleman from Texas.

Mr. GARRETT of Texas. The gentleman, in reply to an inquiry made by the gentleman from Ohio [Mr. BEGG] a moment ago, stated that in the event the corporation that was to be organized under this contract should fail or go into bankruptcy the only recourse the Government of the United States would have would be to have the property sold and buy it back.

Mr. HULL of Iowa. Yes.

Mr. GARRETT of Texas. The gentleman certainly did not intend to answer that question in the affirmative in the light of section 19?

Mr. HULL of Iowa. Yes; I did. I refuse to yield further.

Mr. GARRETT of Texas. The gentleman wants to be fair. The gentleman wants the truth.

Mr. HULL of Iowa. Certainly we want the truth.

Mr. GARRETT of Texas. The truth is that section 19 of this contract gives the western division of Alabama Federal court the power to cancel this contract at any time there is a violation of the contract.

Mr. BEGG. If the gentleman will permit, that is only in case of a violation of the contract and not in case of bankruptcy.

Mr. GARRETT of Texas. The gentleman certainly does not propose to say there would be a different rule applied in the case of bankruptcy?

Mr. BEGG. I certainly do.

Mr. GARRETT of Texas. Is not that included among the acts of omission?

The CHAIRMAN. The gentleman from Iowa has the floor.

Mr. LAZARO. Will the gentleman yield?

Mr. HULL of Iowa. Certainly.

Mr. LAZARO. The gentleman just said that we on this side were discussing a thing that was two years old. Does the gentleman remember the speech of the gentleman from Illinois [Mr. MADDEN] near the close of the Sixty-seventh Congress and what he said about Muscle Shoals?

Mr. HULL of Iowa. Yes; I know that Mr. MADDEN has had some idea here recently that we ought to give Henry Ford, among other things, $3,472,487.25 cash received by the Government for the Gorgas steam plant. I will admit that is new. It is a new idea for the chairman of the great Appropriations Committee that is supposed to try to save the Government's money and the people's money to try in this bill to give it away, and that is just what he is trying to do.

Mr. LAZARO. The gentleman knows that the gentleman from Illinois [Mr. MADDEN] has studied this subject.

Mr. HULL of Iowa. I know this: I have been on this floor for nine years, and in the nine years I have fought with this side of the House for the development of Muscle Shoals, and the gentleman from Illinois [Mr. MADDEN], whom you mention, has always been opposed to me. I have been with you until now in the development of Muscle Shoals, and all I want you now to do is to preserve it for the people. [Applause.]

Mr. LAZARO. That is what we want to do.

Mr. HULL of Iowa. I hope I have not advocated here for nine long years this development, and now that we have got it you are going to give it away.

Mr. LAZARO. You have quit us. That is the only trouble.

Mr. HULL of Iowa. I quit you because you want to give it away and I want to preserve it for the people.

Mr. BLANTON. Will the gentlema. yield for a question?

Mr. HULL of Iowa. Certainly.

Mr. BLANTON. The gentleman seems to be uneasy about the solvency of a Ford contract. I want to ask the gentleman, since Mr. Henry Ford has underwritten the gentleman's party and administration, does not the gentleman think he ought to be fair and let his party underwrite Mr. Ford?

Mr. HULL of Iowa. I have nothing to do with Mr. Ford and you have nothing to do with Mr. Ford after you pass this contract. He will take your property and it will go to a corportation of $10,000,000, and that is all there is to it. Gentlemen, what is before you is simply a business proposition and there is nothing else to it.

Mr. HILL of Maryland. Will my colleague yield?

Mr. HULL of Iowa. Certainly.

Mr. HILL of Maryland. The clause which the gentleman refers to is section 23, which is very brief and is as follows:

> All of the contracts, leases, deeds, transfers, and conveyances necessary to effectuate the acceptance of said offer shall be binding upon the United States, and jointly and severally upon Henry Ford, his heirs, representatives, and assigns, and the company to be incorporated by him, its successors and assigns.

That does not bind Henry Ford or his heirs or successors or assigns to anything except those things which are necessary to effectuate the acceptance of the contract, and when the contract is once accepted, there is not an iota of personal responsibility on the part of Henry Ford or anybody connected with him.

Mr. HULL of Iowa. The gentleman is absolutely right.

Mr. QUIN. But the condition is in the deed itself.

Mr. HULL of Iowa. I now want to call your attention to something else.

Mr. WYANT. Will the gentleman yield? Is there any provision in this bill at any place that prevents this stock, if any should be issued, from coming into the hands of foreigners or people who are not American citizens?

Mr. HULL of Iowa. Yes; there is. That is all right and we have no controversy about that.

Mr. JONES. Will the gentleman yield?

Mr. HULL of Iowa. Yes.

Mr. JONES. The gentleman would not expect Mr. Ford to risk his whole personal fortune in a thing of this kind?

Mr. HULL of Iowa. I certainly would; and you gentlemen on this side contend he is doing that.

Mr. McDUFFIE. Section 23 does that.

Mr. JONES. Section 23 binds the $10,000,000 corporation, to say the least.

Mr. HULL of Iowa. You are right, and I suggest that the gentleman talk to the gentlemen on his own side and convince them he is right.

Mr. JONES. And, in addition to that, it binds his estate to any contracts necessary to complete the acceptance of it.

Mr. HULL of Iowa. That is all. You are right, and I thank the gentleman very much for his suggestion.

Mr. JONES. That is doing a good deal, is it not?

Mr. McSWAIN. The gentleman from Iowa agrees that it binds the corporation?

Mr. HULL of Iowa. Certainly.

Mr. McSWAIN. Does not the contract and the bill say that it binds Henry Ford, his heirs, representatives, assigns, and the corporation?

Mr. CHINDBLOM. To do what?

Mr. McSWAIN. If it binds the corporation, why does it not bind them all?

Mr. HULL of Iowa. The gentleman from Texas has it right. He has seen the law, and he knows the law.

Mr. McSWAIN. Yes; he has seen it for the first time.

Mr. BYRNS of Tennessee. Will the gentleman yield?

Mr. HULL of Iowa. Certainly.

Mr. BYRNS of Tennessee. The gentleman says the company or corporation is bound on account of the language used in section 23?

Mr. HULL of Iowa. Yes.

Mr. BYRNS of Tennessee. That is the theory upon which the gentleman says the company is bound. Now, how does the gentleman distinguish between the binding effect upon Henry Ford and the company when exactly the same language is used to bind the company that is used to bind Henry Ford, which he admits is binding upon the company?

Mr. HULL of Iowa. I am not a lawyer, but I believe the legal distinction is clear and that any court would so hold.

Mr. LaGUARDIA. Will the gentleman yield?

Mr. HULL of Iowa. No; I want to answer the gentleman from Tennessee.

Mr. LaGUARDIA. All right, answer him. [Laughter.]

Mr. HULL of Iowa. The gentleman says that this is binding on the company, a company with $10,000,000. But Henry Ford is not bound. In the bill you propose to deliver to the company $80,000,000 worth of property. The company is bound, but Henry Ford is not bound. It is very plain.

Mr. LaGUARDIA. Will the gentleman yield?

Mr. HULL of Iowa. Yes.

Mr. LaGUARDIA. On page 2, line 1, of the bill it says:

> for the purpose of carrying out the terms of this agreement, Henry Ford will form a corporation * * * which company will immediately enter into and execute all necessary or appropriate instruments of contract to effectuate this agreement.

There is the answer to the gentleman from Tennessee.

Mr. BYRNS of Tennessee. Henry Ford will form a corporation, and in section 23 he makes himself responsible as the guarantor for the corporation.

Mr. HULL of Iowa. Oh, not at all.

Mr. BYRNS of Tennessee. Then I can not read the English language.

Mr. HULL of Iowa. Well, ask the gentleman from Texas [Mr. JONES]. He has the right idea.

Mr. WILLIAMS of Michigan. Will the gentleman yield?

Mr. HULL of Iowa. Yes.

Mr. WILLIAMS of Michigan. I would like to ask the gentleman what contracts, leases, transfers, and conveyances there are, other than those contemplated by this arrangement, upon which Henry Ford could be subject or bound, except the contract entered into by the corporation?

Mr. HULL of Iowa. None.

Mr. WILLIAMS of Michigan. Then that settles the question whether Henry Ford would be responsible under this arrangement.

Mr. MANLOVE. Will the gentleman yield?

Mr. HULL of Iowa. Yes.

Mr. MANLOVE. This committee, with many eminent lawyers, seems divided as to the true intent and interpretation of section 23. In view of this fact, and that a court of lawyers called upon to interpretate that section might not be able to agree as to the meaning of that section as it now reads, might it not be wise to amend that section by using language so plain that anyone could understand the binding effect and terms thereof?

Mr. HULL of Iowa. I am not a lawyer, but I sat in the Military Committee for three months and heard the debate in regard to the binding effect of this language, and the more I heard of the debate the less I knew about it. [Laughter.] I came to the conclusion that as they have changed the original binding clause from the original offer Henry Ford tendered to Congress, that somewhere along the line someone knew how to get around having a binding clause in the contract.

Mr. NEWTON of Minnesota. Will the gentleman yield?

Mr. HULL of Iowa. Yes.

Mr. NEWTON of Minnesota. If this was changed so as to read 50 years, and was corrected so as to meet the objection the gentleman made as to section 23—and I think he is clearly right about that—would the gentleman then favor the passage of this bill?

Mr. HULL of Iowa. Oh, certainly; if you would change the bill as it ought to be changed I would be glad to vote for Henry Ford. I always wanted to favor Henry Ford, but I want to protect the people of this country and the people of the Southeast.

Mr. SPEAKS. Will the gentleman yield?

Mr. HULL of Iowa. I will yield to the gentleman from Ohio.

Mr. SPEAKS. Would it satisfy the gentleman's mind, with respect to section 23, if after the word "offer" there should be inserted "and faithfully execute the provisions," so that it would read: "All of the contract leases, deeds, transfers, and conveyances necessary to effectuate the acceptance of said offer and faithfully execute its provisions shall be binding upon the United States," and so forth?

Mr. HULL of Iowa. I will say to you, gentlemen, that if you can draw something that will bind Henry Ford I will be satisfied. I want to say this: If I can have my way about it I am going to offer the original binding clause that Henry Ford himself sent to Congress, and I think that will bind him. It is contained in the offer he made.

Mr. YATES. What was the guaranty that does not now appear in the bill?

Mr. HULL of Iowa. If the gentleman will listen I will read it. I have read it before:

> The above proposals are submitted for acceptance as a whole and not in part. Upon acceptance the promises, undertakings, and obligations shall be binding upon the United States, and jointly and severally upon the undersigned, his heirs, representatives, and assigns, and the company, its successors and assigns; and all the necessary contracts, leases, deeds, and other instruments necessary or appropriate to effectuate the purposes of this proposal shall be duly executed and delivered by the respective parties above mentioned.

I have understood from lawyers that that is binding on Henry Ford.

Mr. WYANT. Does the gentleman think that a business man as shrewd as Henry Ford would create a corporation of $10,000,000 with all this risk and bind his personal fortune?

Mr. McSWAIN. Henry Ford has done a lot of things that the public calls foolish. When he raised the pay of the laboring men in his factories he was called foolish.

Mr. ACKERMAN. Will the gentleman yield?

Mr. HULL of Iowa. Yes.

Mr. ACKERMAN. What was the reason that the original clause in the offer was changed?

Mr. HULL of Iowa. I can not explain that. It is something I could never understand.

Mr. WURZBACH. Let me ask the gentleman is there anything in the offer of the Allied Power Co. that shows any greater security for the performance of their contract than there is in Henry Ford's proposal?

Mr. HULL of Iowa. As I understand it, there is nothing that binds anybody excepting that they have $5,000,000 more capital. That is all the difference there is, and I want to say that I will have to analyze that.

Mr. BYRNS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. HULL of Iowa. Yes.

Mr. BYRNS of Tennessee. I understand the gentleman to say in response to a question of the gentleman from South Carolina [Mr. McSWAIN] that this bill was framed with the intent to carry out the express provisions of the proposal made by Henry Ford, and I understand the gentleman further to say that the proposal made by Henry Ford does bind him personally to carry out the contract and the agreement which will be made with the United States. Am I correct in that?

Mr. HULL of Iowa. I am so informed by good lawyers. I do not know. They might change their minds, as lawyers do sometimes.

Mr. BYRNS of Tennessee. If that be true, if the proposal made by Henry Ford would bind him personally for this act of Congress on its face, and it is intended by Congress to carry out that proposal, does the gentleman believe that there is a court in the country that would relieve Henry Ford from responsibility if he goes ahead and forms this company as he agrees to do under the terms of this act?

Mr. HULL of Iowa. I know this, and the gentleman knows it, that when you have this contract, you stand on the contract, and it will not be propaganda such as has been spread out over this country. It is the contract that you have to stand on in any court, and the gentleman knows it.

Mr. HILL of Maryland. Mr. Chairman, will the gentleman yield?

Mr. HULL of Iowa. Yes.

Mr. HILL of Maryland. In addition to the $5,000,000 extra capital, the water power act supervises and gives guaranty, does it not?

Mr. HULL of Iowa. Certainly. There would be $15,000,000 capital.

Mr. GARRETT of Texas. Mr. Chairman, will the gentleman yield?

Mr. HULL of Iowa. Yes.

Mr. GARRETT of Texas. Does not the gentleman recall the testimony of the president of the Alabama Power Co., or the representative of that company, in which he testified that his company had considerable outstanding bonds, and does he recall the testimony of Mr. Yates in regard to the $5,000,000 concern, when he testified that they did not intend to pay in more than 10 per cent, and perhaps would never have to pay in any more?

Mr. HULL of Iowa. The trouble with the gentleman from Texas is that he is trying the wrong case. Let us talk about Henry Ford's contract. When you have amended this offer of Henry Ford's, as I hope you will, and he either accepts or refuses, then you can discuss some of the other offers, if necessary. Henry Ford's contract is the one we are considering. Let us confine our remarks to it.

Mr. GARRETT of Texas. I have no disposition to get away from it, but will the gentleman yield for this question? Is it not the purpose of the gentleman to offer his bill as a substitute for this?

Mr. HULL of Iowa. No.

Mr. GARRETT of Texas. I wanted to get the record straight.

Mr. HULL of Iowa. If you had read the minority report, you would understand what we want to do.

Mr. McDUFFIE. But the gentleman from Maryland said——

Mr. HULL of Iowa. Oh, I am not responsible for anybody but myself.

Mr. SALMON. Mr. Chairman, will the gentleman yield?

Mr. HULL of Iowa. Yes.

Mr. SALMON. I want to call the attention of the gentleman to section 23 of the bill. This bill provides that in the conveyances to Mr. Ford of the property, that his proposition shall become a part of the covenant of the conveyances. If this proposition is a part of the covenant of the conveyances, let me read in that connection section 23:

SEC. 23. All of the contracts, leases, deeds, transfers, and conveyances necessary to effectuate the acceptance of said offer shall be binding upon the United States, and jointly and severally upon Henry Ford, his heirs, representatives, and assigns, and the company to be incorporated by him, its successors and assigns.

That language beyond any kind of question——

Mr. HULL of Iowa. Oh, is the gentleman asking a question or making a speech?

Mr. SALMON. I am making an observation and calling attention to this point.

Mr. HULL of Iowa. Get to the point.

Mr. SALMON. All right. The point is this, that this section 23 binds Henry Ford's estate to the carrying out of the contract contained in this proposition.

Mr. BEGG. Mr. Chairman, will the gentleman yield?

Mr. HULL of Iowa. Yes.

Mr. BEGG. I would ask the gentleman and also the gentleman who just was on the floor in respect to section 23, this question. I concede that section 23 does bind Henry Ford to all of the obligations looking to the acceptance of the contract, but I am wondering if the proponents of this bill would accept an amendment, to insert after the words "to effectuate the acceptance" the words "and execution" or "and performance" of said contract. So that it shall be binding on the United States and jointly and severally upon Henry Ford, his heirs, representatives, and so forth. If they do not accept the amendment making it binding for the performance of it, then Henry Ford is not any more bound than I am.

Mr. HULL of Iowa. The gentleman has exactly the same thought that I did when this bill was in the committee. I offered that amendment and they rejected it, because they said—and this is worthy of your notice—that Henry Ford would not permit them to change the contract. They were impotent to change that contract, and I say, since when has it come about that a wealthy man sends to Congress a contract and says you must not change it, you must take it without the dotting of an i or the crossing of a t. That sounds familiar, but it is the first time that we have heard those words from a wealthy citizen, who has no official connection with the Government. It is bad enough when it comes from the bureaus or from the Executive.

Mr. WINGO. Is the gentleman speaking about Andrew Mellon now?

Mr. HULL of Iowa. No; I am speaking of others. I have been here for nine years, and I have heard that same expression in our committee many, many times, and it did not come from Andrew Mellon.

Mr. WINGO. Did it come from the General Staff? [Laughter.]

Mr. HULL of Iowa. Sometimes; but I thank goodness for one thing, that I belong to the committee that refused to accept it in every case. We have changed their bill; we never stood for it; and the gentleman knows very well that during the hysteria of war I stood on the floor of this House and fought the General Staff on that very proposition, and I shall fight the General Staff or anyone else who sends a bill to Congress and says that we must take it just as it is and that we can not change it. That is one reason I am opposed to this bill.

But it is not Henry Ford who says you can not change this bill. It is a bunch of promoters right here within the shadow of this Capitol who are dictating how you shall word this bill.

Mr. QUIN. What are they promoting?

Mr. HULL of Iowa. They are promoting Henry Ford's proposition to Congress.

Mr. McSWAIN. Have they any selfish motives? Has the gentleman heard of any loaning of money with the notes being torn up?

Mr. HULL of Iowa. We have not got to that point yet. [Laughter.] That will come later.

Mr. McSWAIN. Does the gentleman think they will get to that point in time?

Mr. HULL of Iowa. I do, absolutely, and I hate to see the whole Democratic side indicted——

Mr. WINGO. Will the gentleman yield?

Mr. HULL of Iowa. I will.

Mr. WINGO. I am fearful the gentleman did not appreciate the effect of some of the statements he made. The gentleman does not intend to leave the impression that there is any corruption back of this proposition; does he?

Mr. HULL of Iowa. I do not know anything about it——

Mr. WINGO. Has the gentleman any knowledge of any facts which would justify the conclusion which is susceptible of being drawn from the gentleman's statement that there are certain influences back of this proposition that might lead to the indictment of some gentlemen?

Mr. HULL of Iowa. I do not know.

Mr. WINGO. Has the gentleman any facts that even constitute the basis of the statement the gentleman has made?

Mr. HULL of Iowa. I made the statement some gentlemen are promoting this thing through Congress.

Mr. WINGO. The gentleman made another statement that certain Democrats were apt to be indicted growing out of it. The gentleman, of course, did not mean that seriously?

Mr. HULL of Iowa. That the entire Democratic Party would be indicted? Oh, no; not at all.

Mr. WINGO. This is the point I am trying to make, and I am serious. I said I did not think the gentleman appreciated the effect of some of the statements he made. The gentleman made some statements that are susceptible of an interpretation. I am afraid——

Mr. MANLOVE. I would like to hear the gentleman make his own statement.

Mr. WINGO. The gentleman yielded to me.

Mr. HULL of Iowa. What is the question?

Mr. WINGO. The question is, Is there any fact within the gentleman's knowledge which justifies the intimation he has made that there was corruption and men might be indicted?

Mr. HULL of Iowa. The gentleman is putting something into my mouth I did not say.

Mr. WINGO. The gentleman has no knowledge of any such facts?

Mr. HULL of Iowa. I have no knowledge of any corruption, if that is what the gentleman wants.

Mr. WINGO. And the gentleman's statement that men might be indicted was truly based on nothing at all?

Mr. HULL of Iowa. That was just a little fun I was having. If you gentlemen will keep quiet I will try to make a speech. I am going to refuse to yield from now on, until I have completed my speech, when I will be glad to yield for pertinent questions.

Mr. HAMMER. Mr. Chairman, will the gentleman yield for just one question?

Mr. HULL of Iowa. No, I will not; I have just said I would not yield. [Laughter.]

Now, gentlemen, the bill before you is a contract proposing to sell and lease to a company to be formed by Henry Ford the tremendous and valuable properties owned by the Government at Muscle Shoals. As a Government enterprise, these properties are second in value to the Panama Canal. When completed, the undertaking will be one of the greatest achievements of the American people. I believe it is the first time that an actual contract has been laid before Congress for its consideration and decision. Heretofore we have authorized departments, bureaus, and other agencies of the Government to make contracts and then afterwards we have, quite often, criticized them for showing favoritism or lack of business judgment. In this instance, however, the sole responsibility rests with Congress.

The Members of this body are the ones who will have to defend the gift of enormous property and industrial advantage to a private citizen from the resources of our country if this contract is made. With a few changes the present Ford "offer" is the same as the one made in May, 1922. At that time Congress had decided it would not appropriate the money necessary to complete construction of Dam No. 2. It appeared that the undertaking was to be abandoned for the time being, if not entirely. The great merit attached to the Ford "offer" at that time was the opportunity afforded the Government to relinquish the proposition and turn it over to private enterprise. In other words, these Muscle Shoals properties were looked upon as a Government "war baby," and Mr. Ford's bid presented a possible method of unloading. Few, if any, of the Members of this House had a real appreciation of the magnitude and future immense value of these properties.

At this time the Senate Agricultural Committee and the House Military Affairs Committee were authorized to make a trip to Muscle Shoals, investigate the properties, and make recommendation to Congress. We were all amazed at the tremendous work already accomplished and the possible immensity of the undertaking if carried on to completion. Everyone agreed that the enterprise should not be abandoned. Those favoring the development of Muscle Shoals were inclined to favor the Ford "offer" rather than have such development suspended. Hearings were held by the Committee on Military Affairs of the House, and also by the Agricultural Committee of the Senate. It was at this point that dispute arose over the disposition of the Gorgas plant. Many of the Members, including myself, believed that this particular plant was not an integral part of the Muscle Shoals development, and that the Alabama Power Co. was justified in contending that the Government should sell this plant to them at a fair valuation. Mr. Ford demanded that this plant must be included in the properties covered by his "offer." He was urged to withdraw his demand for this one particular unit, but his answer was to the effect that when he had anything new to offer on Muscle Shoals the two committees of Congress would be notified.

This controversy led to a most remarkable report being made by the House Military Affairs Committee. The report that was voted out of the committee by 11 members was immediately assailed by 9 of the 11 who voted to report the bill. The facts are that 10 of the members on the committee were opposed to reporting the bill at all; nine were in favor of reporting the bill including the Gorgas steam plant and two in favor of reporting the bill without the Gorgas steam plant. These two consisted of the gentleman from Illinois [Mr. MCKENZIE], who sponsors the bill now before you, and myself. We refused to vote for reporting the bill if the Gorgas steam plant were included. While I voted for reporting the bill, I was not at all satisfied with many of its provisions, but felt that the Members of this House should be given an opportunity to express themselves on the proposition then presented by Mr. Ford. The right to amend the bill as reported was reserved.

Congress has, since the time Mr. Ford made his first offer, appropriated funds to carry on the work at Muscle Shoals, and expert opinion testifies to the fact that it is being done rapidly, efficiently, and economically. The passage of two years time has brought many new developments. Muscle Shoals need no longer be regarded as an investment to be placed on the auction block and bid in at salvage value. Time and invention have greatly appreciatel the value of these properties. There is no longer any necessity for "bargain prices" to the Ford Co. or anyone else. Two years ago, when Mr. Ford's offer was the only substantial bid made, and the real values of these properties were indefinite, there was sound reason to consider his proposition. But there is none to-day. Any impartial analysis of his proposition and demands will disclose the absurdity of the Government entering into any such contract as the one embodied in the bill before you. These properties represent an investment and actual cost to the taxpayers of the United States of more than $135,000,000. They include several thousand acres of land; steam plants; fine residences; hotel; waterworks; various shops; railroad tracks; cement sidewalks; improved roads; concrete streets; sewerage systems, and other modern equipment.

For properties costing the Government more than $80,000,000 Mr. Ford proposes to pay $5,000,000 in several annual installments. But from this amount you must deduct $500,000 worth of platinum and $3,472,487.24 cash from sale of the Gorgas plant. This leaves a payment to be made by Mr. Ford of a little more than $1,000,000 for property costing the Government more than $80,000,000, and the actual scrap value of which is more than $16,000,000. If this is not a gift, I do not know what is.

The primary object of the Government in undertaking the development at Muscle Shoals was to secure an adequate production of nitrates, absolutely necessary for the manufacture of high explosives in war time, and the production of such nitrates for use in the manufacture of cheap fertilizers in peace time. These two factors are still paramount. The third is the utmost possible distribution of the hydroelectric power to be developed throughout the Southern States. I firmly believe that until recently the question of fertilizer production has caused the scarcity of bids for these properties. The costs involved in such manufacture and in maintaining plants for immediate operation by the Government in the event of war were problematical. The water power was very valuable, but this value had to be discounted in face of these other costs. By reason of recent discoveries it now appears that fixed nitrogen and other fertilizer compounds will soon be possible of production at far less cost than now obtains. If this be true, the value of the Government's properties at Muscle Shoals will be greatly enhanced.

I am not committed to the bid of the allied power companies of the South or any other offer that has been submitted. I am opposed to the present Ford Co. "offer" solely because I fail to see how it begins to make adequate return to the Government for value received. With the exception of the Allied Power Co. proposal, I have not had time to analyze any of the other propositions submitted, such as the Hooker-Atterbury offer or that of the Union Carbide Co. In the minority report filed by myself and several other members of the Military Affairs Committee a comparison is made between the Ford Co. "offer" and that of the power companies. I believe this comparison is fair and unprejudiced. In financial return alone the power company offer shows savings to the Government amounting to more than $34,000,000 over a period of 50 years and more than $75,000,000 over a period of 100 years.

It is estimated that the amount of hydroelectric power capable of development at Muscle Shoals upon completion of Dams Nos. 2 and 3 is more than 850,000 horsepower. Under the Ford offer this power would be placed at his company's sole disposal for 100 years. If obtained on the basis of his present proposal, he would have the cheapest power in this country, if not in the world. Mr. Ford refuses to subject his company to the jurisdiction of the Federal water power act. He demands that Congress ignore its own policy, arrived at after mature deliberation. Many specious arguments have been advanced by Mr. Ford's proponents about advantages accruing to the Government and the serving of public interest by granting him this special privilege. They do not state, however, why if Mr. Ford desires to become a philanthropist he insists on the 100-year lease period. The majority report favoring the acceptance of the Ford Co. offer contains this statement:

There is nothing in the history of the electric-power business to indicate that water-power rights will be more valuable 50 years hence than they are to-day.

Again, I ask, why, then, the insistence on the 100-year period. True it is that some mention is made that Mr. Ford's so-called retirement fund can be set up over a 100-year period for about one-seventh of the annuity required for a 50-year period. And this brings to our attention another fallible benefit to be derived from Mr. Ford. He goes into the Ponzi realms of finance. It is suavely suggested that a retirement or amortization fund be created. Over a period of about 100 years Mr. Ford will pay into this fund slightly more than $4,000,000. The Government is to shrewdly invest the annual payments made in such manner that at the end of 100 years or thereabouts this same $4,000,000 will have multiplied itself into an amount ranging anywhere from $49,000,000 if compounded at 4 per cent to more than $100,000,000 if compounded at 5 per cent. It is pertinent to inquire, if such a weird scheme is practical, why the Government should not set up a similar fund to retire the entire national debt. Why limit its financial ability and shrewdness to benefit only Mr. Ford? If any such absurd scheme can be supported as favorable to the Ford Co. offer, it might be pointed out that the Government by taking the annual payment made by the power companies of 4 per cent on $17,000,000, which is not made under the Ford proposal, and establishing a similar fund, would secure a return of more than $700,000,000 over the same period.

However, to revert to the 100-year lease period demanded by Mr. Ford, we find that the value of merely these special water-power privileges over and above what the same might be worth to any individual or corporation, taking the same properties under the regular terms and procedure of the Federal water power act, is estimated by Mr. O. C. Merrill, secretary of the Federal Power Commission, as approximately $200,000,000.

As I have already pointed out, the primary object for the Government's venture at Muscle Shoals was to provide a sure supply of nitrates necessary for the manufacture of high explosives in the event of war. This requirement is absolute and must be met for the purpose of national defense. It is also desired and deemed essential to advance the conservation of our soils by providing cheap fertilizers for the farmers. The depletion of soil fertility has caused the economic downfall of nations in the past. The need and use of good and cheap fertilizers is recognized. A nation devoid of nitrogen supply would be defenseless in time of war. A nation devoid of fertilizer supply would ultimately lose its economic power. The maintenance and improvement of these nitrate plants is therefore absolutely necessary. It would be an outrage for the Government to permit Henry Ford to dismantle plant No. 1 and turn it into an automobile factory, as he intends to do. Notwithstanding the many allegations made by Mr. Ford's self-appointed agents as to his intention and ability to supply cheap fertilizer to the farmers, he has never evidenced the desire to enter into a binding guaranty to do this. As a matter of fact, his attitude concerning fertilizer manufacture has been negative instead of positive. The language of the bill before you is quite peculiar, and it has a peculiar history. It is certain that Mr. Ford's original offer contained no binding provision for the manufacture of fertilizer. I am not convinced that Mr. Ford could be compelled continuously to produce fertilizers under the terms of this present bill. Several members of the Military Affairs Committee sought to have Mr. Ford's fertilizer commitment made more definite and binding. Different legal interpretation can be made of the language used in section 14 of this bill.

As Mr. Ford has refused to clarify this particular provision, it is right to bring attention to certain records contained in the former hearings before the committee. These disclose that Mr. Ford stated to the Secretary of War that if he could not make fertilizer at a profit he intended to "quit." According to the testimony of experts, the cyanamide process used at plant No. 2 is excessively expensive and practically obsolete. This is the plant and process Mr. Ford proposes to use. At least no other plan is set forth in his "offer." I do not believe he could manufacture at a profit under this process. If he could not, would he proceed to "quit"? If he did quit, could he be compelled to resume operation under the terms of this fertilizer provision as now worded? If Mr. Ford is sincere in his intention to manufacture and provide cheap fertilizers for the farmers, as claimed for him, why should be object to a plain, definite statement binding him and his company? Why does he balk at the actual guaranty desired? Why is it that for two years he has always refused to come before our committee and explain his real intention? Recent developments have indicated that it will soon be possible to manufacture fixed nitrogen at greatly reduced costs. This being true, the production of cheap fertilizers can be accomplished by applying the new and more economical methods. It is no longer necessary for the Government to give special privileges to any individual or group in order to dispose of Muscle Shoals.

The refusal of Mr. Ford to place himself or his proposed company within the scope of the Federal water power act is not difficult to understand. The tremendous advantages and benefits he derives thereby are easily determined. But it is difficult to follow the reasoning of those urging the 100-year lease period. It is absurd to claim that the Government or anyone else will benefit from such a procedure except Mr. Ford and the company to be formed by him. Mr. Ford is an industrial genius, but he has competitors. If he secures the use of this power at the cost he proposes to pay for it and without any restrictions governing its distribution, he will have more industrial power than any one man ever had in the world's history.

The 850,000 horsepower to be developed will equal about one-third of all the remaining undeveloped water power resources in nine Southern States. Mr. Ford is not obliged to distribute this power throughout these States, and there is no reason to believe he would do so. There is reason to believe that he would absorb this power by building various manufacturing plants, such as cotton mills, automobile factories, etc. This cheap power, coupled with Mr. Ford's industrial capacity, would enable him to destroy all competition in the immediate vicinity. He would be supreme. These properties are adjacent to rich mineral deposits, including coal, iron, and aluminum. It is safe to say that the cry of "cheap fertilizers for the farmers" has been used as the campaign slogan by propagandists favoring Mr. Ford to divert attention from the great value of this water power. Give Mr. Ford the unrestricted use of this power at the cost proposed and he will become the greatest monopolist this country has ever had. He will not be subject to Federal or State regulation. On the other hand, the bid of the power companies subscribes to both Federal and State jurisdiction and assures the distribution of this vast power throughout the South where it belongs.

I have no personal antagonism toward Mr. Ford. I admire his commercial capacity and industrial genius. We must all understand that it is not Henry Ford we are dealing with; it is promoters here in Washington that we deal with now, and if we accept this offer it would be a corporation that would carry out the contract, not Henry Ford. I hold no brief for the power companies' "offer," or any other bid thus far submitted. What I do object and earnestly protest is the enormous gift of property proposed in this bill. Those favoring this measure have argued that Mr. Ford will not accept any changes made in its provisions. Claimants for special privileges and Government favors are usually more patient and diplomatic. Is it Mr. Ford or his supposed agents who say to the Government, "Here is my proposition; take it or leave it"? In the past, those seeking to have advantages bestowed by the Government have evidenced a readiness and more often an eagerness to bargain for such advantages and special privileges. Are we sure Mr. Ford would not do likewise if pressed?

But why this great rush to present Mr. Ford with Muscle Shoals? Is the desire to benefit the Government or to benefit Mr. Ford? Everyone must recognize the great appreciation in the value of these properties that has taken place during the past several months. It is now easier to visualize their probable future value. The Wilson Dam and installation of the first eight units will not be completed until about July 1 of next year. No great advantage will accrue to the Government in disposing of Muscle Shoals at the immediate moment. I firmly believe that far better offers than any of those thus far submitted will be forthcoming during the next several months. Even if this were not so, I can see no reason why Congress should single out Mr. Ford as the one best entitled to Government bounty. The Ford offer is not the best that can be secured. At least one better proposition has already been submitted. But if the Ford Co. offer is to be favorably considered and the best interests of the people of this Nation protected, it must be amended so as to carry the following provisions:

First, by placing the power projects under the control of the Federal water power act, to insure distribution of power; second, by leasing the projects for 50 years on terms which will insure a net annual return as great as other bids submitted; third, by leasing the nitrate plants for a nominal rental for the guaranteed annual manufacture of fertilizer or fertilizer compounds.

I do not believe that any of the offers yet submitted make adequate return, either in money payments or otherwise, for the value of the present and future assets available at Muscle Shoals. The water-power value alone will constantly appre-

ciate. Any disposition of the power available should specifically provide for its general distribution throughout the Southern States.

I earnestly hope that the Members of this House will defeat this bill, unless proper safeguards are inserted to protect and provide for the best interests and welfare of the people.

If the people's interests are to be served and protected, it is imperative that this bill be amended as suggested. Otherwise it would be the greatest gift of property ever made by this Government to anyone.

My wish in this entire matter has been to develop this great property and, now that we have it developed, to protect the interests of the people, especially of the Southern States, so they will receive full benefit. Selfish and corporate interests must not be permitted to exploit the people.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. HAMMER. Mr. Chairman, I ask that the gentleman be allowed, by unanimous consent, to proceed for one minute. I want to ask him a question.

Mr. McKENZIE. Mr. Chairman, I yield to the gentleman five minutes.

The CHAIRMAN. The gentleman from Iowa is recognized for five minutes more.

Mr. HULL of Iowa. I want to call your attention to this: It is not only the guaranty that Henry Ford offers that is lacking, but Henry Ford destroys the hope of the people of this country to receive cheap fertilizer. He proposes to take these great nitrate plants and destroy plant No. 1, the synthetic-ammonia process plant. There is no question about that. He is going to make it into an automobile factory. Read his testimony on page 258:

Mr. HULL. Under this contract you also take plant No. 1.
Mr. MAYO. Yes, sir.
Mr. HULL. What do you intend to do with that?
Mr. MAYO. Use it for manufacturing purposes.
Mr. HULL. For manufacturing fertilizer?
Mr. MAYO. No, sir.
Mr. HULL. For manufacturing nitrates?
Mr. MAYO. No, sir; manufacturing parts for our automobile business.
Mr. HULL. You intend to manufacture parts for the automobile over there?
Mr. MAYO. Yes, sir; raw materials.
Mr. HULL. That would, of course, contemplate changing that plant entirely from a nitrate plant?
Mr. MAYO. Yes, sir.

There is new testimony as to the value to the people of the United States of nitrate plants Nos. 1 and 2, which it is proposed that we shall here practically give away for nothing to Mr. Ford. The testimony I allude to was given by the Government's most expert witness on this subject—Dr. F. G. Cottrell, director of the fixed nitrogen research laboratory of the Department of Agriculture, at a hearing before a subcommittee of the House Appropriations Committee, Mr. MADDEN's own committee, on February 20—just a few days ago.

Testifying as to the scope of the work at the nitrogen laboratory—and if we are not going to accept as authoritative the testimony of the Government's own experts before Mr. MADDEN's committee, whose testimony are we going to accept—Doctor Cottrell said:

We have plans worked out now for plants that will operate where one of those that were built at Muscle Shoals during the war failed to operate. That was our first major problem in regard to what is known as plant No. 1 in the Muscle Shoals project, and we have that now in shape, so we feel certain we can actually build and put such a plant as that into commission and operate at a lower cost than anything that is now being done in this country.

The whole point of our work, of course, is aimed at cheapening the production of the nitrogen portion of the fertilizer that the farmer uses.

At the close of the war period the plants at Muscle Shoals were shut down. There were two plants, plant No. 1 and plant No. 2, plant No. 2 being the cyanamid plant, and plant No. 1 being the so-called modified Haber process plant, or, more generally, the direct synthetic ammonia process. It was recognized from the beginning, or from the time those plants were put up that there was no question but what we could make plant No. 2 operate and make cyanamid. That technique was pretty well known in this country, but it was also recognized that it was to be an obsolete method so far as fertilizer was concerned.

It had served its purpose in the development of the art. It was too expensive.

The Haber plant, or plant No. 1, was the one we were taking the greatest gamble on being able to work, but the one that would go furthest toward the cutting of the costs if successful.

At present we believe we have the No. 1 process in such shape that it is economical.

I, for one, have always felt that it was aimed more directly at the fertilizer question than No. 2.

Plant No. 2 might, when the Wilson Dam is completed, be able to produce at about the current fertilizer prices, but it gives no promise of appreciably bettering them.

I think we can already say with confidence that we see the opportunity of cutting the cost of the nitrogen side of fertilizer very nearly one-half. That must not be interpreted, however, to mean the cutting in half of the finished fertilizer for the farmer. That is a confusion that sometimes comes in there. The nitrogen is the largest part of the cost in fertilizer.

There is the testimony of the Government's principal expert witness as to the value of nitrate plant No. 1. And it is nitrate plant No. 1 that Mr. Mayo, Mr. Ford's personal representative, says Mr. Ford will tear to pieces after we give it to him, if we do, although it cost $13,000,000; and after he tears it to pieces he is going to turn it into an automobile factory for his private uses.

Mr. GARRETT of Texas. Mr. Chairman, will the gentleman yield?

Mr. HULL of Iowa. No; I refuse to yield.

Mr. WYANT. Mr. Chairman, I would like to ask a question pertinent to this matter.

Mr. HULL of Iowa. All right.

Mr. WYANT. It is stated that these plants are capable of producing 800,000 horsepower. Can the gentleman give us any idea of the value of this current at the point of production?

Mr. HULL of Iowa. I wish I had time, I would go into that feature of it. I will answer it briefly. When you come to find out what that great hydro power that you are going to give to Henry Ford for $1,200,000 involves, the figures are staggering. You, gentlemen, most of you, pay for electricity, from 5 to 10 cents per kilowatt hour. The maximum flow over the two dams and probable installation is more than 850,000 horsepower. And yet if we set up down there and sold that power at 1 cent per kilowatt hour, the entire amount per year would be more than $50,000,000. Think of it, my friends, and yet you are giving it to Henry Ford for $1,200,000.

Now, that is the maximum amount, remember. I am figuring 1 cent per kilowatt hour and that may be a little high. I do not know. I am trying to find out—honestly trying to find out—what that electricity is worth, and I say here you can not find out what it is worth. This Government is buying electricity. They are buying it out at Rock Island Arsenal, and they pay nine-tenths of a cent per kilowatt hour, and if you figure that on Muscle Shoals the maximum amount of power that would go over those falls, not for 50 years, not for 100 years, but forever, would be worth more than $48,000,000 a year.

Mr. McKENZIE. Mr. Chairman, will the gentleman give us the amount of profit that would go into the coffers of the Alabama Power Co. if their offer were accepted?

Mr. HULL of Iowa. I know that if you would take an agency that can produce that power you can make people pay for it. The Alabama company or the Tennessee company can be made to transmit that power at a reasonable figure to the people that use it. [Applause.]

The CHAIRMAN. The time of the gentleman from Iowa has again expired.

Mr. McKENZIE. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. MAPES, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (H. R. 518) to authorize and direct the Secretary of War to sell to Henry Ford nitrate plant No. 1, at Sheffield, Ala.; nitrate plant No. 2, at Muscle Shoals, Ala., Waco Quarry, near Russellville, Ala.; and to lease to the corporation to be incorporated by him Dam No. 2 and Dam No. 3 (as designated in H. Doc. No. 1262, 64th Cong., 1st sess.), including power stations when constructed as provided herein, and for other purposes, had come to no resolution thereon.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. GREEN of Massachusetts, for 10 days, on account of important business.

To Mr. McLAUGHLIN of Nebraska (at the request of Mr. SIMMONS), for one week, on account of death of his father;

To Mr. ANDERSON, indefinitely, on account of illness.

To Mr. LINTHICUM (at the request of Mr. HILL), for two days, on account of extremely important business.

To Mr. FULLER (at the request of Mr. MADDEN), for one week, on account of the death of his brother.

RESIGNATION FROM A COMMITTEE.

The SPEAKER. The Chair lays before the House the following communication, which the Clerk will report.

The Clerk read as follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., March 3, 1924.

To the Hon. F. H. GILLETT,
Speaker of the House of Representatives,
Congress of the United States, Washington, D. C.

DEAR SIR: I hereby tender my resignation as a member of the Committee on Naval Affairs.

Respectfully, JAMES O'CONNOR.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

Mr. MORIN. Mr. Speaker, I ask unanimous consent that all Members who speak on this bill have permission to revise and extend their remarks in the RECORD.

Mr. MADDEN. Mr. Speaker, I object to that. I think each Member can get the right to extend his remarks himself.

Mr. MORIN. I am making that request in order to save time.

[By unanimous consent, Mr. HULL of Iowa and Mr. WAINWRIGHT were given permission to revise and extend their remarks in the RECORD.]

ADJOURNMENT.

Mr. LONGWORTH. Mr. Speaker, before moving to adjourn I will say for the information of the House that it is my intention to-morrow morning to move to dispense with Calendar Wednesday in order that we may proceed with the consideration of this bill. I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 58 minutes p. m.) the House adjourned until to-morrow, Wednesday, March 5, 1924, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII.

Mr. GREEN of Iowa: Committee on Ways and Means. H. R. 6901. A bill to amend the revenue act of 1921; with amendments (Rept. No. 257). Referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 7487) granting an increase of pension to Mrs. Martin A. King; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 7488) granting a pension to Margaret E. Farmer; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. GRAHAM of Pennsylvania: A bill (H. R. 7520) to transfer the surety bonds section of the Treasury Department to the General Accounting Office; to the Committee on the Judiciary.

By Mr. BACON: A bill (H. R. 7521) to amend section 5138 of the Revised Statutes of the United States in relation to the amount of capital stock required by national banking corporations; to the Committee on Banking and Currency.

By Mr. LEAVITT: A bill (H. R. 7522) to authorize and direct issuance of patents to purchasers of lots in the town site of Bowdoin, Mont.; to the Committee on the Public Lands.

By Mr. MORROW: A bill (H. R. 7523) designating the State of New Mexico as a judicial district, fixing the time and place for holding terms of court therein, and for other purposes; to the Committee on the Judiciary.

By Mr. BLACK of New York: A bill (H. R. 7524) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. BLOOM: A bill (H. R. 7525) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. BOYLAN: A bill (H. R. 7526) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. CAREW: A bill (H. R. 7527) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. CELLER: A bill (H. R. 7528) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. CLEARY: A bill (H. R. 7529) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. CONNERY: A bill (H. R. 7530) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. CORNING: A bill (H. R. 7531) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. CULLEN: A bill (H. R. 7532) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. DICKSTEIN: A bill (H. R. 7533) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. GALLIVAN: A bill (H. R. 7534) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. GRIFFIN: A bill (H. R. 7535) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. LINDSAY: A bill (H. R. 7536) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. MEAD: A bill (H. R. 7537) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. MINAHAN: A bill (H. R. 7538) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. VESTAL (by request): A bill (H. H. 7539) providing for the registration of designs; to the Committee on Patents.

By Mr. O'BRIEN: A bill (H. R. 7540) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. O'CONNELL of New York: A bill (H. R. 7541) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. O'CONNOR of New York: A bill (H. R. 7542) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. OLIVER of New York: A bill (H. R. 7543) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. O'SULLIVAN: A bill (H. R. 7544) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. PRALL: A bill (H. R. 7545) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. QUAYLE: A bill (H. R. 7546) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. SHERWOOD: A bill (H. R. 7547) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. SULLIVAN: A bill (H. R. 7548) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. TAGUE: A bill (H. R. 7549) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. REED of West Virginia: A bill (H. R. 7550) to enable the trustees of Howard University to develop an athletic field and gymnasium project, and for other purposes; to the Committee on the District of Columbia.

By Mr. STENGLE: A bill (H. R. 7551) to amend an act entitled "An act for the retirement of employees in the classified civil service, and for other purposes," approved May 22, 1920, and acts in amendment thereof; to the Committee on the Civil Service.

By Mr. FITZGERALD: A bill (H. R. 7552) to provide adjusted compensation for veterans of the World War, and for other purposes; to the Committee on Ways and Means.

By Mr. PORTER: A bill (H. R. 7553) authorizing an appropriation for the payment of claims arising out of the occupation of Vera Cruz, Mexico, by American forces in 1914; to the Committee on Foreign Affairs.

Also, a bill (H. R. 7554) to authorize the payment of an indemnity to the Government of Nicaragua on account of damages alleged to have been done to the property of Salvador Buitrago Diaz by United States marines on February 6, 1921; to the Committee on Foreign Affairs.

Also, a bill (H. R. 7555) to authorize the payment of $1,000 to the Government of the Netherlands for compensation for personal injuries sustained by Arend Kamp and Francis Gort, subjects of the Netherlands, while the U. S. S. *Canibas* was loading at Rotterdam on May 1, 1919; to the Committee on Foreign Affairs.

Also, a bill (H. R. 7556) authorizing the payment of an indemnity to the British Government on account of the death of Samuel Richardson, a British subject, alleged to have been killed at Consuelo, Dominican Republic, by United States marines; to the Committee on Foreign Affairs.

Also, a bill (H. R. 7557) to authorize the payment of an indemnity to the Government of Nicaragua on account of the killing or wounding of Nicaraguans in encounters with United States marines; to the Committee on Foreign Affairs.

Also, a bill (H. R. 7558) to authorize the payment of an indemnity to the Government of Norway on account of losses sustained by the owners of the Norwegian steamship *Hassel* as the result of a collision between that steamship and the American steamship *Ausable;* to the Committee on Foreign Affairs.

Also, a bill (H. R. 7559) to authorize the payment of an indemnity to the British Government on account of losses sustained by the owners of the British steamship *Baron Berwick* as the result of a collision between that vessel and the U. S. S. *Iroquois* (now *Freedom*) and a further collision with the U. S. destroyer *Truxtun;* to the Committee on Foreign Affairs.

Also, a bill (H. R. 7560) to authorize the payment of an indemnity to the Government of France on account of the losses sustained by a French citizen in connection with the search for the body of Admiral John Paul Jones; to the Committee on Foreign Affairs.

Also, a bill (H. R. 7561) to authorize the payment of an indemnity to the Swedish Government for the losses sustained by its nationals in the sinking of the Swedish fishing boat *Lilly;* to the Committee on Foreign Affairs.

By Mr. EDMONDS: A bill (H. R. 7562) to provide for the manufacture, distribution, and sale of fertilizers, bases of war materials, explosives, and other products; for the construction and operation of Government-owned dams, hydroelectric and steam-electric power and nitrate plants; for water-power conservation; for stream control and navigation; and to authorize the Secretary of War to enter into a contract with a corporation, to be known as the United States Muscle Shoals Power and Nitrates Corporation or other suitable title, organized for the purpose of taking over, operating, and building the Muscle Shoals project at Muscle Shoals, Ala.; to the Committee on Military Affairs.

By Mr. BRITTEN: A bill (H. R. 7563) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. BROWNE of New Jersey: A bill (H. R. 7564) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. BERGER: A bill (H. R. 7565) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. BRUMM: A bill (H. R. 7566) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. BLACK of New York: A bill (H. R. 7567) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. BLOOM: A bill (H. R. 7568) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. BOYLAN: A bill (H. R. 7569) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. CAREW: A bill (H. R. 7570) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. CELLER: A bill (H. R. 7571) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. CLEARY: A bill (H. R. 7572) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. CULLEN: A bill (H. R. 7573) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. CLANCY: A bill (H. R. 7574) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. CONNERY: A bill (H. R. 7575) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. CONNOLLY of Pennsylvania: A bill (H. R. 7576) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. CORNING: A bill (H. R. 7577) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. DOYLE: A bill (H. R. 7578) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. DYER: A bill (H. R. 7579) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. EDMONDS: A bill (H. R. 7580) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. EAGAN: A bill (H. R. 7581) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. GALLIVAN: A bill (H. R. 7582) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. GRIFFIN: A bill (H. R. 7583) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. HILL of Maryland: A bill (H. R. 7584) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. KAHN: A bill (H. R. 7585) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. KINDRED: A bill (H. R. 7586) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. KUNZ: A bill (H. R. 7587) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. LaGUARDIA: A bill (H. R. 7588) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. LAMPERT: A bill (H. R. 7589) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. LEHLBACH: A bill (H. R. 7590) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. LINDSAY: A bill (H. R. 7591) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. LINTHICUM: A bill (H. R. 7592) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. MacGREGOR: A bill (H. R. 7593) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. McNULTY: A bill (H. R. 7594) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. MEAD: A bill (H. R. 7595) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. MINAHAN: A bill (H. R. 7596) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. MORIN: A bill (H. R. 7597) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. NEWTON of Missouri: A bill (H. R. 7598) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. O'BRIEN: A bill (H. R. 7599) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. O'CONNELL of New York: A bill (H. R. 7600) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. O'CONNOR of Louisiana: A bill (H. R. 7601) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. OLIVER of New York: A bill (H. R. 7602) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. O'SULLIVAN: A bill (H. R. 7603) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. PERLMAN: A bill (H. R. 7604) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. QUAYLE: A bill (H. R. 7605) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. RANSLEY: A bill (H. R. 7606) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. ROSENBLOOM: A bill (H. R. 7607) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. SABATH: A bill (H. R. 7608) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. SCHAFER: A bill (H. R. 7609) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. SHERWOOD: A bill (H. R. 7610) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. STEPHENS: A bill (H. R. 7611) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. SULLIVAN: A bill (H. R. 7612) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. TAGUE: A bill (H. R. 7613) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. TYDINGS: A bill (H. R. 7614) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. VOIGT: A bill (H. R. 7615) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. WOLFF: A bill (H. R. 7616) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. O'CONNOR of New York: A bill (H. R. 7617) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. SCHNEIDER: A bill (H. R. 7618) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. KELLER: A bill (H. R. 7619) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. MOONEY: A bill (H. R. 7620) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. HUDSPETH: Joint resolution (H. J. Res. 206) for the relief of the drought-stricken farm areas of Texas; to the Committee on Agriculture.

By Mr. PORTER: Joint resolution (H. J. Res. 207) authorizing the maintenance by the United States of membership in the International Statistical Bureau at The Hague; to the Committee on Foreign Affairs.

Also, joint resolution (H. J. Res. 208) authorizing the appointment of delegates to represent the United States at the Seventh Pan American Sanitary Conference to be held at

Habana, Cuba, in November, 1924; to the Committee on Foreign Affairs.

Also, joint resolution (H. J. Res. 209) to provide for the representation of the United States at the meeting of the Inter-American Committee on Electrical Communications to be held in Mexico City beginning March 27, 1924; to the Committee on Foreign Affairs.

By Mr. LEAVITT: Joint resolution (H. J. Res. 210) for the relief of delinquent homesteaders on the Fort Assinniboine abandoned military reservation; to the Committee on the Public Lands.

By Mr. MOREHEAD: Joint resolution (H. J. Res. 211) conferring authority upon the President of the United States to order and direct the United States Marine Band to visit and play at certain annual expositions or fairs to be held in Missouri, Oklahoma, Texas, Louisiana, and Arkansas; to the Committee on Naval Affairs.

By Mr. GARRETT of Tennessee: Resolution (H. Res. 205) providing for the appointment of a committee of five Members of the House to investigate the charges that two Members of Congress improperly accepted money in connection with securing paroles and pardons of persons convicted of crimes, and for other purposes; to the Committee on Rules.

By Mr. McLEOD: Resolution (H. Res. 206) authorizing the appointment of a civilian board or committee to investigate World War prisoners confined in Federal penitentiaries; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DALLINGER: A bill (H. R. 7621) to provide for the final settlement of questions of law in dispute between the Comptroller General and other executive officers of the Government; to the Committee on the Judiciary.

By Mr. ALDRICH: A bill (H. R. 7622) granting an increase of pension to Maria L. Johnson; to the Committee on Invalid Pensions.

By Mr. BLACK of New York: A bill (H. R. 7623) granting a pension to William J. Growney; to the Committee on Pensions.

By Mr. CABLE: A bill (H. R. 7624) granting a pension to George E. Jones; to the Committee on Pensions.

By Mr. COLE of Ohio: A bill (H. R. 7625) granting a pension to Theodore Cook; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7626) granting an increase of pension to William M. Love; to the Committee on Pensions.

By Mr. FITZGERALD: A bill (H. R. 7627) granting a pension to John C. Huff; to the Committee on Pensions.

Also, a bill (H. R. 7628) to authorize the award of a medal of honor to Cadet William Hoffman Miller, United States Army; to the Committee on Military Affairs.

By Mr. FULBRIGHT: A bill (H. R. 7629) granting a pension to Almira Davis; to the Committee on Pensions.

By Mr. GARBER: A bill (H. R. 7630) to make a preliminary survey of the Cimarron River in Oklahoma and Kansas with a view to the control of its floods and the utilization of its waters for irrigation purposes; to the Committee on Flood Control.

By Mr. GARRETT of Texas: A bill (H. R. 7631) for the relief of Charles T. Clayton, Fred Scofield, Mrs. Ira D. Raney, Mrs. W. P. Herms, née Mrs. E. A. Thompson, Mr. and Mrs. T. F. Thompson, Mrs. A. R. Carstens, Mrs. E. M. Jones, Mrs. D. R. Patton, Mrs. S. Satton, Mrs. Horace Moody, William J. Drucks, Mrs. E. J. Meinecke, Mrs. C. W. Wright, G. W. Butcher, T. Binford, Mary E. Winkler, Mrs. F. H. Shurbet, W. H. Burkett, W. A. Wise, Miss Alma Reichart, and James Edward Lyon; to the Committee on Claims.

By Mr. KOPP: A bill (H. R. 7632) granting a pension to Martin A. Hellwig; to the Committee on Pensions.

By Mr. LAMPERT: A bill (H. R. 7633) providing for a preliminary survey of the Wolf River in Wisconsin to ascertain some method to control floods; to the Committee on Flood Control.

By Mr. LOZIER: A bill (H. R. 7634) granting an increase of pension to Elizabeth Wood; to the Committee on Pensions.

By Mr. McDUFFIE: A bill (H. R. 7635) for the examination and survey of Mobile Harbor, Ala., with a view of securing increased depth and width in the channels in the bay and river and across the bar; to the Committee on Rivers and Harbors.

By Mr. MacGREGOR: A bill (H. R. 7636) for the relief of Edward Camp; to the Committee on Military Affairs.

By Mr. MANLOVE: A bill (H. R. 7637) granting a pension to Albert E. Bishop; to the Committee on Invalid Pensions.

By Mr. MANSFIELD: A bill (H. R. 7638) authorizing and directing the Secretary of War to cause survey to be made of the Guadalupe River in Texas, with a view to the removal of the raft and to controlling the flood waters of said stream, and for other purposes; to the Committee on Flood Control.

By Mr. MINAHAN: A bill (H. R. 7639) for the relief of heirs of Daniel O'Rourke; to the Committee on War Claims.

By Mr. MOREHEAD: A bill (H. R. 7640) granting an increase of pension to Mary J. Coppins; to the Committee on Invalid Pensions.

By Mr. REED of New York: A bill (H. R. 7641) granting an increase of pension to Chester R. Hooper; to the Committee on Invalid Pensions.

By Mr. STRONG of Pennsylvania: A bill (H. R. 7642) for the relief of Miles I. Kunselman; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1503. By the SPEAKER (by request): Petition of Denver Chapter of the American Association of Engineers, favoring the Lehlbach bill to abolish the Personnel Classification Board; to the Committee on the Civil Service.

1504. By Mr. ALDRICH: Petition of the board of aldermen of the city of Newport, R. I., indorsing House bill 2702 and Senate bill 704; to the Committee on Naval Affairs.

1505. By Mr. BLOOM: Petition of John J. Boylan, secretary New York Letter Carriers' Association, 110 East One hundred and twenty-fifth Street, New York, N. Y., indorsing Edge-Kelly bill; to the Committee on the Post Office and Post Roads.

1506. Also, petition of Central Republican Club, of 23 West One hundred and twenty-fourth Street, New York City, indorsing increase of pay for postal employees; to the Committee on the Post Office and Post Roads.

1507. By Mr. BULWINKLE: Petition of Charlotte (N. C.) District Reserve Officers' Association of the United States, favoring an appropriation to maintain a sufficiently large Army; to the Committee on Military Affairs.

1508. By Mr. COLE of Iowa: Petition of Frank J. Dvorak and 23 others, residents of Cedar Rapids, Iowa, favoring legislation similar to or identical with the Brookhart-Hull bill (S. 742 and H. R. 2702) requiring that all strictly military supplies be manufactured in the Government-owned navy yards and arsenals, and using such plants for the manufacture of articles required by other departments of the Government; to the Committee on Naval Affairs.

1509. Also, petition of Hope Council, No. 25, Sons and Daughters of Liberty, Marion, Ohio, favoring the passage of House bill 6540; to the Committee on Immigration and Naturalization.

1510. Also, petition of Ohio Federation of Post Office Clerks, indorsing House bill 4123 and Senate bill 1898, known as the Kelly-Edge bill; to the Committee on the Post Office and Post Roads.

1511. Also, petition of Marion Lodge, No. 864, Independent Order of B'nai B'rith, favoring the passage of the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1512. By Mr. GARBER: Petition of the board of governors of the International Farm Congress of America, Kansas City, Mo., urging the President and the Congress to assist in the betterment of agricultural conditions, the conservation of natural resources, and the preservation of wild life, etc.; to the Committee on Agriculture.

1513. Also, petition of ex-service men of Tonkawa, Okla., and vicinity requesting favorable action in connection with adjusted compensation measure, etc.; to the Committee on Ways and Means.

1514. By Mr. MORROW: Petition of San Miguel County Chamber of Commerce, East Las Vegas, N. Mex., opposing the changing or amending of the transportation act; to the Committee on Interstate and Foreign Commerce.

1515. Also, petition of Kiwanis Club, Roswell, N. Mex., favoring the adoption of the recommendations of the War Department for the fiscal year of 1924; to the Committee on Military Affairs.

1516. By Mr. O'CONNOR of New York (by request): Petition of the Jewish Veterans of the East Side, New York City, opposing any restrictions being placed in the immigration laws; to the Committee on Immigration and Naturalization.

1517. By Mr. O'SULLIVAN: Petition of ex-service men and citizens of Waterbury, Conn., at mass meeting held on February

17, 1924, in favor of adjusted compensation bill; to the Committee on Ways and Means.

1518. By Mr. PATTERSON: Memorial of the New Jersey State Bar Association, indorsing an increase of salaries of Federal judges; to the Committee on the Judiciary.

1519. Also, memorial of Pride of Bridgeport Council, No. 168, Sons and Daughters of Liberty, of Bridgeport, N. J., supporting the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1520. By Mr. ROBINSON of Iowa: Petition of citizens of Fairbank, Iowa, favoring strict enforcement of the eighteenth amendment; to the Committee on the Judiciary.

1521. By Mr. ROGERS of New Hampshire: Petition of the Congregational and Baptist Churches of New Ipswich, N. H., favoring a child labor amendment; to the Committee on the Judiciary.

1522. By Mr. SABATH: Petition of board of governors of the International Farm Congress of America, urging the Congress to acquire swamp and waste lands in order to preserve wild life; to the Committee on Agriculture.

1523. By Mr. TREADWAY: Petition of James B. Lay Camp, No. 44, Sons of Veterans, Massachusetts Division, of Westfield, Mass., by Ashley E. Bryant, chairman, H. A. Fuller, and Harry L. Houghton, in support of bill to provide increased pensions to veterans of the Civil War and their widows; to the Committee on Invalid Pensions.

SENATE.

WEDNESDAY, *March 5, 1924.*

(Legislative day of Monday, March 3, 1924.)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Adams	Ferris	King	Sheppard
Ashurst	Fess	Ladd	Shields
Bayard	Fletcher	La Follette	Shortridge
Borah	Frazier	Lodge	Simmons
Brandegee	George	McKellar	Smith
Brookhart	Gerry	McLean	Smoot
Bruce	Glass	McNary	Spencer
Bursum	Gooding	Mayfield	Stanfield
Cameron	Hale	Moses	Stanley
Capper	Harreld	Norris	Stephens
Caraway	Harris	Oddie	Trammell
Couzens	Harrison	Overman	Wadsworth
Cummins	Heflin	Pepper	Walsh, Mass.
Curtis	Howell	Phipps	Walsh, Mont.
Dale	Johnson, Minn.	Pittman	Warren
Dial	Jones, N. Mex.	Ralston	Watson
Dill	Jones, Wash.	Ransdell	Weller
Edge	Kendrick	Reed, Pa.	Wheeler
Edwards	Keyes	Robinson	Willis

The PRESIDENT pro tempore. Seventy-six Senators have answered to their names. There is a quorum present. The Senate resumes the consideration of the unfinished business, which is Senate bill 2250.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED.

A message from the House of Representatives, by Mr. Haltigan, one of its reading clerks, announced that the Speaker of the House had signed the following enrolled bills, and they were subsequently signed by the President pro tempore:

A bill (S. 2014) to authorize the Park-Wood Lumber Co. to construct two bridges across the United States Canal which connects Apalachicola River and Saint Andrews Bay, Fla.; and

A bill (H. R. 4121) to extend the provisions of certain laws to the Territory of Hawaii.

PETITIONS AND MEMORIALS.

Mr. LODGE presented resolutions of the Independent Brotherhood of Steam and Electrical Engineers and Assistants, of Boston, Mass., favoring the passage of legislation providing for the Federal incorporation of all international, national, State federations, central bodies, and unions of labor; applying the laws governing corporations with equal force to all labor organizations now in existence or that may be organized in the future, and declaring null and void all laws now in effect interfering therewith, which were referred to the Committee on the Judiciary.

Mr. WILLIS presented a resolution of the Retail Merchants' Board, of Toledo, Ohio, favoring the passage of legislation granting increased compensation to postal employees, which was referred to the Committee on Post Offices and Post Roads.

He also presented a resolution of the Hartwell Business Men's Club of Hartwell, of Cincinnati, Ohio, favoring the fostering of the American merchant marine and protesting against the ratification of any treaties not leaving the United States free to favor its merchant marine, which was referred to the Committee on Foreign Relations.

Mr. KEYES presented a petition of the congregation of the Congregational Church of West Lebanon, N. H., praying an amendment to the Constitution regulating child labor, which was referred to the Committee on the Judiciary.

He also presented the petition of Charles G. Fenton, of Rochester, and sundry other citizens in the State of New Hampshire, praying for the passage of legislation repealing or reducing the so-called nuisance and war taxes, especially the tax on industrial alcohol, which was referred to the Committee on Finance.

Mr. CAPPER presented a resolution of the Embroidery Club of Stafford Kans., favoring the passage of legislation regulating child labor, which was referred to the Committee on the Judiciary.

He also presented a petition of sundry Civil War veterans and widows, of Pomona, Kans., praying for the passage of the so-called Bursum bill granting pensions of $72 per month to Civil War veterans and $50 per month to their widows, which was referred to the Committee on Pensions.

He also presented a resolution of the directors of the Kansas City (Kans.) Chamber of Commerce, favoring the passage of legislation adjusting salaries of postal employees and making the Post Office Department self-sustaining by adjusting postal rates so as to correspond thereto, which was referred to the Committee on Post Offices and Post Roads.

He also presented a memorial, numerously signed, of members of shop associations of the Atchison, Topeka & Santa Fe Railway System, at Wellington, Kans., remonstrating against the passage of legislation making any substantial change in the transportation act of 1920, which was referred to the Committee on Interstate Commerce.

Mr. McLEAN presented the petition of William McKinley Camp, No. 9, United Spanish War Veterans, of Norwalk, Conn., praying for the passage of legislation granting increased pensions to Spanish War veterans and their widows, which was referred to the Committee on Pensions.

He also presented memorials of the Citizens' Club of New Britain; members of the Italian Congregational Church of Bridgeport; and Horeb Lodge, No. 25, Independent Order B'nai B'rith, of New Haven, all in the State of Connecticut, remonstrating against the passage of the so-called Johnson selective immigration bill, as being discriminatory, which were referred to the Committee on Immigration.

He also presented letters in the nature of petitions of the League of Women Voters of Sound Beach, the Woman's Christian Temperance Union of Moodus, the Woman's Christian Temperance Union of Clinton, and the Woman's Christian Temperance Union of Millidale, all in the State of Connecticut, praying an amendment to the Constitution regulating child labor, which were referred to the Committee on the Judiciary.

He also presented a resolution of the Fairfield County League of Women Voters, of Stamford, Conn., favoring the passage of legislation reducing taxes before March 15, 1924, which was referred to the Committee on Finance.

He also presented a telegram and a letter in the nature of petitions from the Seichpey Post, American Legion, of Bristol, and Torrington Post, No. 38, American Legion Auxiliary, of Torrington, both in the State of Connecticut, praying for the enactment of legislation granting adjusted compensation to veterans of the World War, which were referred to the Committee on Finance.

He also presented a resolution adopted at a mass meeting of citizens held at the Old State House, at Hartford, Conn., favoring the enactment of legislation granting adjusted compensation to veterans of the World War, which was referred to the Committee on Finance.

He also presented a petition of the Medical Women's National Association (Inc.), of Middletown, Conn., praying for the passage of Senate bill 1766, placing certain positions in the Postal Service in the competitive classified service, which was referred to the Committee on Post Offices and Post Roads.

He also presented a resolution adopted at the Annual Convention of the Connecticut Association of Postmasters, held at New Haven, Conn., favoring the passage of legislation adjusting salaries of postal employees and the placing of postmasters under the civil service, which was referred to the Committee on Post Offices and Post Roads.

He also presented a petition of the Connecticut Branch, National League of District Postmasters of the United States, of Sound View, Conn., praying for the passage of Senate bill 1832, granting allowances for rent, fuel, light, and equipment to postmasters of the fourth class, and for other purposes, which was referred to the Committee on Post Offices and Post Roads.

He also presented petitions of the Postal Employees' Salary Committee, National Association of Letter Carriers; of the Supervisory Post Office Employees' Association; of New Haven Lodge, No. 25, Benevolent and Protective Order of Elks; of Edgewood Lodge, No. 11, Knights of Pythias; of the Lillian M. Hollister Review, No. 7, W. B. A. Maccabees; and of Star of Hope Lodge, No. 12, Shepherds of Bethlehem, all of New Haven; of the Mattatuck Council, No. 713, Royal Arcanum, and of the Joint Committee of Postal Employees, of Waterbury; of Branch No. 59, United National Association of Post Office Clerks, of Bridgeport; of Silver City Branch, No. 227, National Association of Letter Carriers, of Meriden; and of Ansonia Aerie, No. 1996, Fraternal Order of Eagles, of Ansonia, all in the State of Connecticut, praying for the enactment of legislation granting increased compensation to postal employees, which were referred to the Committee on Post Offices and Post Roads.

Mr. DILL presented a petition of sundry citizens of Ralston, Wash., praying for the granting of relief to the destitute people of Germany, which was referred to the Committee on Foreign Relations.

SALARIES OF POSTAL EMPLOYEES.

Mr. CAPPER. I present a memorial of the city commissioners of Kansas City as to the salaries of postal employees, which I ask to have printed in the CONGRESSIONAL RECORD and referred to the Committee on Post Offices and Post Roads.

There being no objection, the memorial was referred to the Committee on Post Offices and Post Roads and ordered to be printed in the RECORD, as follows:

KANSAS CITY, KANS., *February 21, 1924.*

Senator ARTHUR CAPPER,
Washington, D. C.

MY DEAR SIR: The following resolution was passed by the city commissioners of Kansas City, Kans. This for your information:

Resolution 8191.

"*Be it resolved by the Board of Commissioners of the City of Kansas City, Kans.*, That the salaries paid the postal employees of the United States fixed by an act of Congress and approved June 5, 1920, are not sufficient to properly enable these employees to live in accordance with their proper needs. We therefore urge your committee to recommend the scale of wages presented by the post office clerks, letter carriers, and the Railway Mail clerks (H. R. 4123, S. 1898); be it further

"*Resolved*, That we recommend that a differential for night work be granted these employees, as it is quite evident that the night work is more arduous and exhausting than day work; be it further

"*Resolved*, That their retirement legislation be recommended as presented. (H. R. 705 and S. 1220.)"

Adopted by the board of commissioners, February 5, 1924.

HOWARD PAYNE, *City Clerk.*

THE MERCHANT MARINE.

Mr. WILLIS. Mr. President, at a recent meeting of the National Merchant Marine Association in this city its governing council adopted a rather interesting set of resolutions touching the merchant marine and its relation to the pending commercial treaty with Germany. I ask unanimous consent that those resolutions may be referred to the Committee on Commerce and inserted in the RECORD.

There being no objection, the resolutions were referred to the Committee on Commerce and ordered to be printed in the RECORD, as follows:

Resolutions adopted at annual meeting of the governing council of the National Merchant Marine Association, in Washington, D. C., March 4, 1924.

Resolved by the governing council of the National Merchant Marine Association, That we are unalterably opposed to any provisions of the contemplated commercial treaty with Germany, or of any future treaty with any other country, that would prevent the United States from granting aid and encouragement to its merchant marine in foreign trade through a system of preferential customs duties and tonnage dues, or through a system of preferential railroad rates, whenever such methods of assistance may seem desirable or necessary. We do not, however, object to the inclusion, in the pending or any other treaty, of the most-favored-nation principle.

Resolved, That we heartily uphold and urge the prompt enactment of the bill before Congress for the use of the construction loan fund provided in the merchant marine act, 1920, for the conversion of steamships into motor ships as the most immediate and direct means of promoting the efficiency and economy of American shipping in overseas commerce.

Resolved, That we also reaffirm the resolutions adopted by the governing council of the National Merchant Marine Association September 25, 1923, as follows:

"That the National Merchant Marine Association favors private operation of American shipping and is opposed to any form of Government operation.

"That there should be prompt enforcement of section 21 of the merchant marine act of 1920, applying the coastwise laws to insular possessions, including the Philippines; and also of section 34 of the same act, providing for notification of an intent to modify the commercial treaties that now stand in the way of a return to preferential duties and tonnage taxes.

"That enactment by Congress is favored of legislation applying the principle of preferential duties and tonnage taxes for the encouragement of American shipping as against vessels of other nations engaged in the indirect trade.

"That certificates should be issued to American exporters of goods of American production in American vessels, and to American importers of goods on the free list in American vessels; these certificates, which could be made negotiable and transferable, representing a percentage of the value of the goods, and ultimately to be used in the payment of customs duties.

"That governmental forces and supplies should be carried in privately owned American ships, and that ocean travel by Government officials and employees should be restricted to American ships, when these are available.

"That a national policy should be adopted, reserving the transportation of, as nearly as practicable, one-half of the total number of immigrants admitted to the United States in any fiscal year to vessels registered or enrolled and licensed under the laws of the United States.

"That an immediate and thorough revision is recommended of the navigation laws and rules of the United States, through the cooperation of the Department of Commerce, the Shipping Board, and the private ship owners and operators of the country, with prompt action by Congress.

"That there should be a closer coordination of rail and water transportation for facilitating the export commerce of the interior of the country, and that the association pledges its best efforts to bring about a practical working out of this policy.

"That the officers and men of the American merchant marine should be enrolled in the Naval Reserve of the United States under suitable regulations as to pay, qualifications, and duties.

"That the repeal is recommended of all laws that admit foreign-built ships, including yachts, to American registry."

Resolutions adopted at the annual meeting of the governing council of the National Merchant Marine Association, held at the Washington Hotel, Washington, D. C., March 4, 1924.

Whereas the Hon. JOSEPH E. RANSDELL, Senator from Louisiana, has served as president of the National Merchant Marine Association since its inception; and

Whereas Senator RANSDELL has unsparingly devoted his time and energy to the purpose of this organization, namely, the development of a merchant marine under the American flag adequate to the needs of the Nation in time of peace as well as in time of war; and

Whereas Senator RANSDELL has constantly, with admirable persistence, in public addresses and on the floor of the Senate, brought to the attention of the public a realization of the value and necessity of an adequate merchant marine; and

Whereas Senator RANSDELL has recently in his appearance before the Foreign Relations Committee opposed a treaty which in the opinion of the governing council of the National Merchant Marine Association would have so tied the hands of this Government that the upbuilding of the merchant marine would have been seriously impaired, if not destroyed: Now, therefore, be it

Resolved, That the governing council of the National Merchant Marine Association tender to its president, the Hon. JOSEPH E. RANSDELL, their hearty appreciation and sincere thanks for his services in thus promoting the development of a merchant marine, as before said, under the American flag adequate to the needs of the Nation in time of peace as well as in time of war.

AGRICULTURAL EXPORT COMMISSION.

Mr. NORRIS. Pursuant to permission that was given me by the Senate the other day, I submit the views of the minority of the Committee on Agriculture and Forestry upon the bill (S. 2012) declaring an emergency in respect of certain agricultural commodities, to promote equality between agricultural commodities and other commodities, and for other purposes, and ask that it be printed.

The PRESIDENT pro tempore. It will be printed as part 2 of Report No. 193.

REPORTS OF COMMITTEES.

Mr. BROOKHART, from the Committee on Claims, to which was referred the bill (S. 148) for the relief of William Mortesen, reported it with an amendment and submitted a report (No. 207) thereon.

Mr. KEYES, from the Committee to Audit and Control the Contingent Expenses of the Senate, to which was referred the resolution (S. Res. 168) authorizing the appointment of a special committee to investigate the Bureau of Internal Revenue, reported it with an amendment.

ENROLLED BILL PRESENTED.

Mr. WATSON, from the Committee on Enrolled Bills, reported that on yesterday they presented to the President of the United States the enrolled bill (S. 2583) granting the franking privilege to Edith Bolling Wilson.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JONES of Washington:

A bill (S. 2734) to amend section 2 of an act entitled "An act to prohibit the importation and the interstate transportation of films or other pictorial representations of prize fights, and for other purposes," by adding thereto an additional clause; to the Committee on the Judiciary.

By Mr. HALE:

A bill (S. 2735) granting a pension to Harriett S. Dyer (with accompanying papers); to the Committee on Pensions.

By Mr. SHEPPARD:

A bill (S. 2736) authorizing use of Government buildings at Fort Crockett, Tex., for occupancy during State convention of Texas Shriners; to the Committee on Military Affairs.

A bill (S. 2737) authorizing the President to appoint Charles McKee Krausse a captain in the United States Marine Corps; to the Committee on Naval Affairs.

A bill (S. 2738) for the relief of Carrol A. Dickson (with accompanying papers); to the Committee on Claims.

By Mr. HARRELD:

A bill (S. 2739) granting a pension to Osena E. Dexter; to the Committee on Pensions.

A bill (S. 2740) for the relief of A. T. Whitworth; and

A bill (S. 2741) for the relief of the heirs of Israel Folsom and of Peter Folsom, both deceased, and for other purposes; to the Committee on Claims.

By Mr. SHORTRIDGE:

A bill (S. 2742) granting an increase of pension to Frances M. Bryant; to the Committee on Pensions.

A bill (S. 2743) to amend section 975 of the Revised Statutes of the United States relative to the recovery of costs by defendants; to the Committee on the Judiciary.

A bill (S. 2744) to confer jurisdiction upon the Court of Claims to ascertain the cost to the Southern Pacific Co., a corporation, and the amounts expended by it from December 1, 1906, to November 30, 1907, in closing and controlling the break in the Colorado River, and to render judgment therefor as herein provided; to the Committee on Claims.

By Mr. WADSWORTH:

A bill (S. 2745) to authorize the Secretary of War to convey to the States in which located Government owned or controlled approach roads to national cemeteries and national military parks, and for other purposes; and

A bill (S. 2746) regulating the recovery of allotments and allowances heretofore paid to designated beneficiaries; to the Committee on Military Affairs.

A bill (S. 2747) to provide for the manufacture, distribution, and sale of fertilizers, bases of war materials, explosives, and other products; for the construction and operation of Government-owned dams; hydroelectric and steam electric power and nitrate plants; for water-power conservation; for stream control and navigation; and to authorize the Secretary of War to enter into a contract with a corporation to be known as The United States Muscle Shoals Power and Nitrates Corporation, or other suitable title, organized for the purpose of taking over, operating, and building the Muscle Shoals project at Muscle Shoals, Ala.; to the Committee on Agriculture and Forestry.

By Mr. SMOOT:

A bill (S. 2748) for the relief of David Thygerson; to the Committee on Claims.

By Mr. BURSUM:

A bill (S. 2749) granting a pension to Jose Esperidion Pineda; to the Committee on Pensions.

By Mr. McNARY:

A bill (S. 2750) granting a pension to Mary E. Brown; to the Committee on Pensions.

A bill (S. 2751) to authorize the addition to national forests of lands revested in United States by the act of June 9, 1916, or reconveyed to the United States under act of February 26, 1919; and

A bill (S. 2752) to authorize the addition to national forests of lands revested in United States by the act of June 9, 1916, or reconveyed to the United States under act of February 26, 1919; to the Committee on Public Lands and Surveys.

By Mr. SWANSON:

A bill (S. 2753) for the construction of a public building at Culpeper, Va.; to the Committee on Public Buildings and Grounds.

By Mr. ROBINSON:

A bill (S. 2754) for the establishment of migratory-bird refuges to furnish in perpetuity homes for migratory birds, the establishment of public shooting grounds to preserve the American system of free shooting, the provision of funds for establishing such areas, and the furnishing of adequate protection for migratory birds, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. McKELLAR:

A bill (S. 2755) to amend the classification act of 1923; to the Committee on the Civil Service.

A bill (S. 2756) for the relief of Walter L. Watkins, alias Harry Austin (with accompanying papers); to the Committee on Military Affairs.

A bill (S. 2757) granting an increase of pension to Murray Pierce (with accompanying papers); to the Committee on Pensions.

A bill (S. 2758) for the relief of Jacob D. Nelson (with accompanying papers); to the Committee on Claims.

By Mr. COUZENS:

A bill (S. 2759) granting privilege of the floor and right to participate in debate to heads of executive departments and other officers; to the Committee on the Judiciary.

By Mr. LADD:

A joint resolution (S. J. Res. 90) providing an extension of time for payment by entrymen of lands on the Fort Assiniboine abandoned military reservation in the State of Montana; to the Committee on Public Lands and Surveys.

ASSISTANT CLERK, COMMITTEE ON PRINTING.

Mr. MOSES submitted the following resolution (S. Res. 184), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Printing be, and it is hereby, authorized to employ an assistant clerk during the Sixty-eighth Congress at the rate of $2,000 per annum, to be paid out of the contingent fund of the Senate.

DISMISSALS IN THE BUREAU OF ENGRAVING AND PRINTING.

On motion of Mr. CARAWAY, the resolution (S. Res. 23) requesting the President to inform the Senate what facts warranted the dismissal from the public service of certain officials of the Bureau of Engraving and Printing, submitted by Mr. CARAWAY December 10, 1923, was indefinitely postponed.

AGRICULTURAL DIVERSIFICATION.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 2250) to promote a permanent system of self-supporting agriculture in regions adversely affected by the stimulation of wheat production during the war, and aggravated by many years of small yields and high production costs of wheat.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Georgia [Mr. HARRIS].

Mr. DIAL. Mr. President, the bill now before us provides—

That it is hereby declared in the public interest that conditions existing in those portions of the United States known particularly as the wheat areas resulting from the stimulation of wheat growing during the recent war and aggravated during subsequent years by low yields and high costs of production should be changed through the encouragement of a system of agriculture not dependent for its success upon wheat alone, but cultivation would include the raising of livestock, such as dairy and beef cattle, hogs, sheep, poultry, and the products thereof.

This bill proposes for the Secretary of Agriculture to lend money direct to farmers in the wheat-growing States on chattel mortgages, cattle, hogs, sheep, and so forth.

If such legislation is to pass, why not let it apply to all agriculture in the United States generally. This act is patern-

alism run mad. The object to be attained is exceedingly desirable, but the method is contrary to all the doctrines of good government. We have a reputation to sustain, a duty to perform, an oath to uphold. I am not surprised at the introduction of the bill after considering our action of last week in passing the joint resolution introduced by the Senator from New Mexico [Mr. JONES]. That was a joint resolution appropriating a million dollars for similar purposes in New Mexico. I am glad that I opposed that measure. But it shows the effect of precedents. Now, where are we to stop? We know that the next bill along this line will attempt to appropriate $150,000,000, instead of $50,000,000, as provided in the pending bill. It seems to me that we have lost all sense of proportion. It occurs to me that this is about the greatest charitable institution in the world. I must admit that I admire the kind-heartedness of my colleagues, but I question the soundness of their conclusions.

This particular bill undertakes to affect only a very small section of the United States, a few States in the northwestern section, and when we pass this bill, if we do, though I hope we will not, it will put up the price of wheat in that section of the country so that the people in the cities and the farmers of the South will have to pay an increased price for the bread they eat. I regret to raise my voice against any measure which undertakes to benefit any farmer in the United States. I feel kindly toward everyone who produces and thereby adds to the wealth of the world, but unless we are going to reverse all of our policies of the past and unless we are going to put the United States in the banking business, we ought not even to consider this kind of legislation.

Our friends come here and say that the people of those States principally grew wheat and increased their wheat production during the war for patriotic purposes. I do not question that; but they also increased the production of wheat because the price was attractive.

Furthermore, Mr. President, the people of this country were not only urged to produce wheat with which "to win the war" but they were urged to increase the production of livestock. The Government urged the people to produce all kinds of food, not only wheat, but everything else which could be consumed.

There is no difference between the condition which exists in the part of the United States which is now proposed to be relieved by the pending legislation from the other sections of the country. In my section, indeed in the whole South, during the World War we increased the production of cotton not only from patriotic purposes but because the price was attractive. We decreased the production of hogs, cows, sheep, and poultry in the southeastern section of the country; in fact, there is a greater scarcity of those products in that section of the United States to-day than there is in any other section of the country. It is not necessary to go to North Dakota in order to find farms on which there is no livestock. The same condition may be found in going over the South and other sections. I do not like to expose the improvidence of my State, but a year ago, I believe it was, we consumed 83,000,000 pounds of butter while we produced only 13,000,000 pounds; we consumed 21,000,000 fowls but we produced only 7,000,000; we consumed 24,000,000 dozen eggs while we produced only 11,000,000 dozen. I presume that about the same relation between production and consumption obtains all over the South as obtains in South Carolina.

The condition which now confronts us is not dissimilar from that which existed after the Civil War. At that time the people in my section of the country had been deprived of all of their property except land, including their horses, mules, and other livestock. They had nothing with which to work their farms; they owned the land but that was about all they had; yet those people, possessing the sterling qualities of manhood, went to work and soon restored themselves.

If Senators will excuse me for a personal reference, I desire to say that I was raised on a farm. Of course, I can not remember very much as to the condition which existed immediately after the Civil War, I being then so young, but during the latter part of the seventies and early eighties the farmers in my section of the country were prospering notwithstanding they were getting an exceedingly low price for their chief product, which was cotton. When one visited a farm he would be entertained most royally. The farmers who had the correct idea of farming raised on the farm what was necessary to support the farm; they had but little to buy.

I was almost a grown man before I ever heard of a mortgage on a farm. It would then have been considered a disgrace in my section of the country for the farmers to have mortgaged their property.

In those days there was not a single bank in my county, which was one of the most prosperous counties in South Carolina. I remember when the first bank was organized in 1886 in that county, and I helped to organize the second bank there in 1887.

So it is not altogether a question of providing money; the great fault is in ourselves, in being the slaves to the system of producing too much of one crop. The Government is not to blame for this. We ourselves should regulate these things. If we produce more of a particular kind of crop than can be profitably marketed, we ought to diversify and grow something else, particularly something which can be consumed on the farm, and thereby stop paying middlemen's charges, high freight rates, and a profit to others. Farmers should make their farms self-sustaining, and then they will be independent of all the interests which now live off the farmer.

Not only that, Mr. President, but the World War was fought to protect and save the very people who are now here asking us to make this enormous loan. They received the benefit of the war, and, therefore, they should not come here now and ask to be parceled out and favored in this unsound, this uneconomic, this unconstitutional manner.

I wish there were some way to test the constitutionality of the bills which we undertake to pass and which we do pass here with such ease. I wish it were possible for Congress to be hauled into court and enjoined from donating the money of the people; and I believe it will come to that by an amendment to the Constitution or in some other way, if we break our oaths and go on from time to time passing such unsound measures. There is no ground upon which to justify them. I venture to say that not a single self-sustaining legislature in the United States would advocate this kind of a bill. They would know it was unsound; that it was dangerous; but because Washington is remote from the sections which it is proposed particularly to benefit, their constituents come here and make pleas for legislation under the belief that we are ready to dump the Treasury into their laps and enter upon this kind of unsound legislation through motives of sympathy. We will never have a country worth calling a country until our people learn that they should be self-sustaining and that they should work out their own financial salvation, instead of coming to Congress and asking that some other taxpayer shall make them a living. The people do not ask it; politicians ask it.

We thought the farm-loan bank system was a good thing. The idea back of it, indeed, is commendable. We will all admit, of course, that it is beneficial for people to own their homes, and that is a condition which I should like to see—a property-owning population, every man owning his own home. We would thereby make stronger citizens, better citizens, more prosperous citizens, independent citizens, citizens who would defend their country in time of war, and would think more of themselves and more of their surroundings and more of their posterity. I happen to know, however, that even under the farm-loan system—certainly it is true of certain cases which I have investigated—very little of the money made available has been used to buy additional homes. I am not opposing the system in saying that; but I talked to a lawyer not long ago who said that he had passed on some 50 or 60 titles, and only one man had bought any additional land, and he bought only 17 acres. So it is a false preachment, it is a false doctrine, it is an erroneous notion, that the citizen can go to his Government and get rich. We should legislate according to the Constitution; we should legislate honestly and fairly and equitably as between all classes of our people, with no special privilege to any of them. I do not believe that even the farmers want any special privileges. If we would pass correct laws, including a just tariff law, honest banking laws, correct freight laws, and other legislation along those lines, and get back on a balanced legislative system, we would better promote the interests and the welfare of all the people of the United States. We need a balanced agriculture.

People do not like to be put under obligations to their Government any more than they do to their friends and their neighbors. We want an independent population, but we are going a long way now to raise up a dependent citizenry, unmolested by the National Government, as they should do.

The idea of the Government loaning money directly to the individual on his wheat crop or livestock is preposterous. The Agricultural Department is not prepared to administer such a law; and to come here and talk about the professors of agricultural colleges or demonstration agents or some State official offering to tender their services is nonsense. If a business does not justify paying people for carrying it on, that business ought not to be embarked upon. Not only that, but the first few offers

the Secretary of Agriculture would receive from private individuals in the State to handle the money would require him to proceed cautiously, lest some one might have a job to put upon the Government and might misuse the funds in some way or another.

The Government has no business to engage in banking. It is dangerous, unscientific, and unsatisfactory, and too expensive. The friends of this bill in their arguments say the banks out in the northwestern section of the country are broke. Why did they break? Simply by lending too much money to the very same kind of people, I presume, who now want the Government to come in and sink a large sum of the taxpayers' money, the money of people who have worked hard and who are already overburdened to the breaking point with unnecessary taxation.

Perhaps, Mr. President, they are trying to farm where the soil and the climate and the surroundings are not suitable to agriculture. The remedy would be, therefore, to engage in something that they can make profitable, and if they can not do that I would invite all of the native farmers out there—I emphasize the word "native"—to come down South where the Creator blessed us with a climate and a soil and a rainfall unsurpassed, and where they could not only make a living but they could get rich and be happy as soon as the Congress of the United States will repeal some of the nefarious, unjust, one-sided laws which discriminate against that section of the country.

Last year we established the intermediate credit banks. We thought at that time that that was about all the legislation that would be required to carry on the different kinds of business in the United States. Under that system the Government is relieved from the details of lending money, but if the paper is sound the money will be forthcoming from the local banks. It seems to me that that is a splendid piece of constructive legislation, and it ought to be availed of, and it should furnish relief to the people who need help in that direction. A year or two since we also restored the War Finance Corporation, which has done great work in aiding agriculture.

This bill can not help the man who is down and out and who has no security to put up. I do not know what they have done to the land out there if they can not get some money. Why do they not call their legislatures together? Why do they not call their bankers' State conventions together, or why do they not call a public meeting and see if they can not devise some scheme whereby whatever is necessary to the diversification of crops can be done? They should not come here and complain because they did not get as much for their wheat as they expected to get. They got more than they ever got before. I asked Senator NORRIS yesterday what was the average price of wheat in 1914. He said he would have to look it up. My recollection is that it was about $1 per bushel. The Government fixed the price at $2.20, which was looked on as a pretty good price. Perhaps they wanted more; but because the Government had to take over some wheat and because the Government may have made a little profit on it they say now that they want us to go back there and practically donate that money back to them.

This Government has already loaned a good deal of money to that section, which it has not collected. I ask unanimous consent that the statement which went into the RECORD yesterday, showing the amount due the Government and the losses, be made a part of my remarks.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The matter referred to is as follows:

Statement showing the amount of seed loans by States in 1921 and 1922, with the total collections and the percentage collected to November 24, 1923.

[Original amount loaned by States, amount of principal collected to November 24, 1923, and percentage of total collected to November 24, 1923.]

	1921 loan.			1922 loan.		
	Loans.	Collections.	Per cent.	Loans.	Collections.	Per cent.
Idaho	$295,331.00	$77,376.97	81.17	$24,684.50	$20,698.39	83.85
Montana	1,044,578.00	578,184.51	55.35	755,492.29	468,503.71	62.01
North Dakota	808,079.20	551,163.26	68.20	660,588.05	500,520.24	75.76
South Dakota				37,611.85	32,527.29	86.48
Washington	9,419.00	5,248.74	55.72	1,730.00	555.85	32.13
Total	1,957,407.20	1,211,973.48	61.92	1,480,106.69	1,022,805.48	69.10

Of the $1,211,973 of 1921 loans collected, $660,403 were paid in by June 15, 1922; $500,576 between June 16, 1922, and June 30, 1923; and $50,994 between June 1, 1923, and November 24, 1923.

In other words, more than $550,000 have been paid on the 1921 loans since June 16, 1922, most of this, of course, having been collected out of crops subsequent to the one on which the loan was made. Of the payments on the 1922 loan, $56,863 have been collected since July 1, 1923, most of which being paid out of proceeds of the 1923 crops.

The Treasury Department has appropriated $45,000 to collect the amounts past due.

Mr. DIAL. Mr. President, the way to diversify is by local help, local assistance. Just get ready and go ahead and diversify.

If Senators will excuse me for another personal reference, I will tell them of a little incident that occurred in my life, and it might be well for them to consider that process.

Along about 1914 the people in my county had almost stopped raising hogs. I called a demonstration agent into my office and told him to buy me a carload of stock hogs. He was astonished. He wanted to know what I wanted with them. I told him I wanted him to sell them to the people and help them raise hogs; that I had gotten tired of paying about 40 cents a pound for western bacon, and that we were going to raise some hogs in Laurens County, S. C. He bought a carload of 124 hogs and shipped them to my town. I told him to sell them for cash if he could get it, if they wanted to pay cash; and, if not, to sell them on credit. I told him to credit any white man or white boy; I did not care whether the boy was over 6 years old or not; to take his note for a hog and let him go into the hog-raising business.

The first day he sold 85. He came to the office and said: "What are we going to do? We have about 50 left. They are going a little slowly." I said: "Sell them." He said: "To whom?" I said: "If the white people do not want them, sell them to the colored population." He disposed of every one of those hogs, without any profit except the regular bank rate. Of course, nobody wanted to handle those little notes, they were for such small amounts that the interest was not appreciable; but I wanted to try the experiment.

It was not long until we began to increase the hog population of that county, and it multiplied most rapidly, and be it said to the credit of my people, we did not lose one cent upon that purchase. We did carry a few notes over until the next year, but every dollar was paid, with only the regular rate of banking interest, what I charged myself. That is the way to build up a country, if you will allow me to say so.

A few years after that the price of cotton got so high that our people did not want to raise hogs. They came to me and said: "Here, you made us overdo it." I said: "What do you mean?" They said: "We have so many hogs that we do not know what to do with them. We have all the meat necessary to live on this year, and we have great, big, fat hogs in the pasture, and the butchers can not take them. There is not enough local demand for them." "Oh, that is fine, thank you; I will take them." So I sent for the demonstration agent and had him write on to Kingan & Co., the packing men, who sent a man there, and he bought a carload of hogs and shipped them away from my county. I am delighted to say that those hogs were sold at about the peak price, over 20 cents a pound on the foot at the depot at home, and they paid cash for them.

Mr. President, I do not mention that in order to draw attention to myself, of course, but merely to show our friends that there is a way for individuals to help their neighbors and thereby better their own condition. Tell the bankers out in the Northwest to get busy. If they have not the money they have credit, and in less than 12 months they can be eating hogs raised in their own pasture.

When are you going to stop coming here? In my State a few years ago we raised 1,600,000 bales of cotton. The next year we raised about 800,000 bales of cotton, the next year a little over 500,000 bales. In my own county during that time we raised 65,000 bales one year, and next year the crop dropped down to about 37,000 bales, and next year down to about 18,000 bales on account of the boll weevil and some unfavorable climatic conditions, and so forth. I know men who raised as much as a thousand bales of cotton one year, and the next year they raised 125 bales. I know one man who raised 26 bales of cotton with two plows, and the next year he raised 4 bales. I know a man who did not raise 1 bale of cotton to the plow.

Where are you going to stop? God knows I sympathize with the worker; but suppose the South comes here and asks the Government for aid because we raised cotton with which to make tents and uniforms and horse collars and automobile

covers, and so forth, and then when this deflation came on, brought about a good deal by the stupidity of the Government officials, our commodity declined from 43 cents down to 11 cents a pound—a greater decline than any other commodity had ever made in that space of time in history.

Talk about being hard up and not able to buy a pig! Those people were sold out completely. Nine thousand farmers in about two years left their farms in South Carolina and went to the cotton mills, to the towns, and public works. One acre out of every six in my State that was cultivated a few years ago was not cultivated last year. In all probability, Senators, we are not going to make enough cotton to supply the mills this year, or certainly in the very near future, unless the Creator relieves us of the boll weevil, because I do not think the Government is going to be active enough to do it. I fear that we have not discovered an effective remedy to eradicate that pest. Therefore, it will not be long until the people of the South can not exist by raising cotton. We are not going to perish, however, because we will raise something else; but when the mills of the North are shut down for the want of material with which to feed their spindles, that labor can not go and seek employment on 24 hours' notice nor on 30 days' notice.

There will not be enough employment there for them; and when they consume their little savings, which they have been able to save out of their daily toil, they will become dissatisfied, and the North and the South will join in coming to Congress and saying: "Give us $100,000,000 to help support these people"; and we will bring people here not only to make you feel that we have suffered a great misfortune, but we will make you shed tears clear down to your toes.

Where are you going to stop? Had you not better stop now? I do not want to be a party to such unsound legislation. We indeed sympathize with the unfortunate, and we ought to do everything we can, legally and legitimately, to alleviate their misfortune; but we never will get anywhere when we turn the United States Treasury into a charitable institution. I shudder for future generations unless we are going to adhere more closely to the Constitution and sound governmental principles and attend to the things we were elected and sent here to attend to. The fact is that we stay here too much anyhow. We ought not to be here half the time we are. We ought to attend to our legitimate legislative business, investigate fraud wherever it comes up, expedite legislation, get through with it, and let business have a rest.

This bill will put up the price of bread, as I said, on my people, who suffered just as greatly as the wheat growers of the West, or more so. I have no intention of being unkind; but I have not the sympathy for a wheat grower that I have for a cotton grower, because wheat is cultivated and harvested by machinery, whereas cotton is cultivated to a very great extent by hand labor, and is harvested altogether by hand labor, as the Southern Senators know. It requires much more work, much harder work, than it does to raise wheat or to raise corn.

These are just some general ideas I have on the subject. This unrest is natural after all wars, until we can become restored to normalcy. The thing for our good friends out there to do is for every one of them to curtail their production of wheat. They should organize, as farmers all over the United States ought to organize, and if they can not get each one to reduce his acreage, then those who make less and who can not make ends meet will have to go into some other vocation. I looked up the statistics last night, and I find that the increase of wheat is no greater than the increase of the population of this country in the last 10 years. The great trouble with that section, as it is with our section in the South, is that we produce too much of one commodity. We have been slaves to this uneconomic way of farming; and on account of causes which I need not go into at this time the markets of the world have been closed or greatly curtailed, and we are not going to regain our prosperity as we should until those markets are again opened.

What the farmer needs, if I might be allowed to say so, is not so much regulatory laws as to be let alone and to have no unjust legislation pressing down upon the price of the commodity he grows. He should get more for what he raises; then he will be an independent citizen, as he is entitled to be. I need not go into the details of some of these unjust laws at this time, but I will do so in the future.

I feel that this bill and the one to follow it are the robust offspring of the baby bill that was hatched last week.

I have a bill coming along down the line, which I put in the hopper a day or two ago, which I think is sound and which I think would answer the purpose all these bills are intended to meet. It is a bill to employ the funds in the hands of the Alien Property Custodian to aid in the exportation of our raw material. I find nothing in the Constitution which it would violate. I think it is sound. It would not only help us get rid of the surplus agricultural products we have in this country, particularly cotton and wheat, but it would help the people of Germany and Austria and Hungary to get on their feet. It would give employment to their people. They would use the $100,000,000 funds that are impounded here temporarily as a revolving fund, and it would bring about a good feeling between those countries and our country. As soon as we settle those differences over these funds which arose during the war the matter can be finally adjusted. The Alien Property Custodian strongly recommends that bill. It is now before the Agricultural Committees of the Senate and of the House. I hope it will receive early consideration and a favorable report and that it will be enacted into law. I believe that if that were passed there would be no necessity for this bill and the one to follow it. It will quickly export surplus agricultural products and we will start a new season as we should.

I had thought of saying more about this matter, but Senators are business men and I know they would not loan their money in the manner in which the Government is asked to loan public money under this bill, and I do not believe we have any right to attend to the public business in any less safe manner than that in which we loan our own money.

As I said before, I deeply sympathize with all people who are in distress, or who imagine they are in distress, but if we hold up here the announcement that every time men do not succeed at home as they think they should, this is a place for them to come, where they will receive a ready ear and an open hand, we will constantly be making drains on the Treasury. While we want to be just to those people, yet there are other people who are toiling, who are laboring from January to January, who are paying taxes, who have obligations to meet, whose taxes are taken and loaned out in this unsafe, dangerous manner.

The way the money may be handled will depend altogether upon the honesty and the energy of the man receiving the fund. The Government will have no way to keep track of it, and if it had to keep track of it there would be an enormous expense put upon the Government, taken out of the taxpayer or somebody else. A farmer could not kill a pig without getting consent from Washington. When we stop to think that the United States Government has not a dollar except what it takes from the people by taxation or what it receives for our bonds, we should be exceedingly cautious how we vote on any of these matters.

Mr. President, I trust that we will not go further. I think the time to call a halt has come. There are other bills pending in Congress which will demand the expenditure of a great deal of money, which I have not favored; but if we are going to try to break the Treasury or to burden the people beyond their ability to exist, I do not know the end. All are going into debt too deep—individuals, National Government, and all subdivisions thereof. If business can not make ends meet, enterprise will stop and no one will be willing to create employment, hence all will suffer and after a while there will be none to pay taxes.

I am sorry this bill received a favorable report, and I trust Senators will seriously consider now where we are headed.

I will not speak of the political effect of this bill, but that might be considered. My people are in no position or humor for the price of flour or other commodities which they have to purchase to be raised. I have a small farm that is not being cultivated this year, because I feared it would not be profitable. This is sufficient funds to buy the electoral vote of many States.

The purpose which this bill seeks to remedy can be accomplished otherwise. I trust it will fail.

Mr. BURSUM. Mr. President, the distinguished Senator from South Carolina [Mr. DIAL] seems to feel fearful and apprehensive that if this bill is passed it may cause a revolution. If we do have a revolution or any other kind of serious trouble, the first element to be called upon by the Government and the first to respond will be the American farmer.

To my mind, we owe the American farmer something. During the war and preceding the war, we well remember, the agencies of the Government carried on propaganda in behalf of raising more wheat, more food, more beef, more mutton, more pork, and for having meatless days and wheatless days. We should not forget that during the war we controlled the price of the farmer's wheat. It was said on the floor that he was not obliged to sell it. I remind the Senate of the law in force at that time relating to the hoarding of foodstuffs. Had he not sold it, he would have been amenable to very severe penalties for hoarding food.

While the farmer was using every effort of which he was capable in support of this Government and in support of our allies overseas, while his sons were serving on the field of

battle, the farmer's wife and his children who were not in the service were working and toiling in the fields to produce in order to save the situation.

During those days wages were very high. The price of everything the farmer had to buy was inflated. The farmer gave his support unstintingly, in the spirit of loyalty, in the spirit of upholding this Government, without regard to costs or expenses; and he did so in many instances—in most instances—without profit. To-day the farmer finds himself in distress; and he is appealing to Congress not for alms, not for charity, but for some agency which will enable him to get by.

Some Senators have expressed doubts about the security upon which it is proposed to advance moneys under the pending bill. There is nothing unusual about the provisions of this bill with reference to the extension of credits. There is nothing in the extension of credit as proposed that has not heretofore been in vogue through the banks of the country. The only difference between the pending bill and other bills which have been passed by the Congress in the matter of credit extensions to meet emergencies is that under the pending bill loans may be made to individuals instead of to corporations, instead of to cooperative associations or banks or other classes of credit concerns. Under the pending bill loans will be made to the individual.

The rate of interest provided in the bill is 2 per cent less than that which has been paid under former bills, because under the others the farmers were compelled to deal with third parties or intermediate agencies. That 2 per cent reduction in itself, carried over a period of five years, would be the equivalent of 10 per cent, or the equivalent of the margin which our loan agencies have been in the habit of taking, and it absorbs the difference in the hazard, which would of necessity result in favor of the farmer.

The situation is this, that under the pending bill loans are to be made, to be secured by livestock—cattle, hogs, or poultry—to farmers or renters of farms. The bill in itself assumes—and, of course, we must assume—that if money is loaned for the purchase of livestock it will be loaned only to individuals who are capable of taking care of livestock and who have conveniences and who have feed and hay. It is nothing unusual for a banker to loan money to a feeder to purchase livestock for fattening, basing the margin upon the feed which is to be fed to the cattle for fattening purposes. That has always been considered good security. Take, for instance, a loan on a cow. We will say that the cow costs $50, if it is of a beef variety. That cow is fed and taken care of. It will produce a calf which, at the end of 12 months, under the present market, will probably bring $30. That is a return of 60 per cent on the purchase price of the cow.

Can anyone say that is not good security? There is no better security in the world than the security on livestock, provided those producing it have the means to feed and take care of it.

Mr. JOHNSON of Minnesota. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New Mexico yield to the Senator from Minnesota?

Mr. BURSUM. Certainly.

Mr. JOHNSON of Minnesota. I would like to advise the Senator to sell that calf when it is 6 or 7 weeks old instead of keeping it until it is 12 months old. He would get more for it.

Mr. BURSUM. That may be true. That would give him the money all the sooner. I was not proposing to restrict the time to a year in which the increase might be sold. What I am attempting to show is that security on livestock, and particularly on breeding stock, is the best security in the world if those taking over the livestock have the means of taking care of it.

This is not a gift. This is not charity. So far as the Government is concerned, it is good business. It would give the benefits of a reasonable rate of interest to the borrower. I can not see why we should be so concerned or apprehensive about Government loans. When we say Government loans, that does not mean that the Government fund is any more sacred than any other fund. The people do not belong to the Government. The Government belongs to the people. What we are doing is in behalf of the people, and certainly in this case what we are attempting to do is in behalf of a people not only deserving but a large proportion of people who occupy a very large area of the country.

Our experience so far as loaning money on livestock is concerned has been pretty satisfactory. For instance, according to the report of the War Finance Corporation, the advances to banks and other loan agencies, made up to November 30, 1923, amounted to $169,780,410.94. The balance outstanding on November 30, 1923, was $43,702,169.44. To livestock loan companies the advances up to November 30, 1923, amounted to $80,005,671.90, while the outstanding balance on livestock loans on November 30, 1923, was $29,494,480. This shows that out of the $80,000,000 advanced more than $51,000,000 had been repaid to the Government and covered back into the Treasury.

The War Finance Corporation advanced in Iowa, up to November 30, 1923, over $24,000,000, and outstanding at that time there was $5,617,566.59. Thus, out of $24,000,000 loaned nearly $20,000,000 has been repaid. In Kansas they borrowed less than $5,000,000, and there was outstanding a little over $1,000,000, 80 per cent having been repaid in Kansas. In Minnesota there were advances of $12,551,815.20; outstanding, $4,000,000; more than two-thirds having been repaid.

In Montana there was $12,500,000 advanced; outstanding less than $5,000,000, nearly two-thirds having been repaid. In Nebraska the advances were $12,000,000; outstanding less than $1,000,000, 90 per cent having been repaid. In North Dakota the advances were $20,621,000, outstanding $10,986,000; in South Dakota advances $14,000,000, outstanding $7,000,000. So that even in North and South Dakota 50 per cent of the moneys loaned have been repaid.

It has been said that the pressure for collection has been a little hasty; that it has in some cases left the country in a distressed condition, and that the loans should have been carried for a longer time. I think there may be some truth in that in view of the situation of the banks in the two Dakotas, Minnesota, Montana, and other Western States.

I desire to call the attention of the Senate and of the sponsors of the bill to this provision contained in it:

> No loan shall, however, be made to any farmer who has overdue principal and interest or general obligations likely to result in early foreclosure of mortgages or other liens upon his farm lands or necessary farm equipment unless extension shall be granted by his creditors in such form as will give him a reasonable opportunity to work out his future and to get the ultimate benefit from such loan.

Mr. DIAL. Mr. President——

The PRESIDENT pro tempore. Does the Senator from New Mexico yield to the Senator from South Carolina?

Mr. BURSUM. I yield.

Mr. DIAL. I have to leave the Chamber; otherwise I should not interrupt the Senator. The Senator referred to me as connected with farming. I desire to state that my individual means are very small, but I own some land and I have at least one farm that is not being cultivated because it is not profitable to do so.

Mr. BURSUM. Of course, the Senator may be so fortunate as to be in the position that it matters little, so far as getting along and making ends meet may be concerned, whether he farms or not, but all people are not in that situation.

Mr. DIAL. I was afraid I would lose more than I would make, and therefore I would not undertake it.

Mr. BURSUM. The Senator from South Carolina, I regret to see, is leaving the Chamber. He said cotton sold in the South at one time for 10 cents a pound. I remember that situation very well when cotton did sell at 10 cents a pound. The Government was appealed to for relief then, just as now. Congress renewed what was known as the War Finance Corporation act. Under that act one of the first loans which was made was upon cotton, $10,000,000 being advanced to incorporated associations in one of the Southern States; I think Tennessee. The immediate result of that credit was that within a very few days cotton went up to 20 cents a pound. That simply demonstrates the stimulation that adequate credit can accomplish in times of distress and when there are no other means of relief.

I had just called the attention of the friends of the bill to the provision contained in it with reference to the limitation of those who may be eligible to obtain loans under its provisions. It is my understanding that the banks in North Dakota are in a very distressed condition. In fact, if I recall correctly, the Senator from South Dakota [Mr. NORBECK], the author of the bill now pending, stated on the floor of the Senate that 95 per cent of the banks in North Dakota had failed, and said the same statement might be made with reference to South Dakota, Montana, and Idaho.

Mr. JOHNSON of Minnesota. Mr. President, will the Senator yield?

Mr. BURSUM. Certainly.

Mr. JOHNSON of Minnesota. May I correct the Senator? Did the Senator mean to say 95 per cent of the banks in North Dakota were closed?

Mr. BURSUM. That is what I understood the Senator from South Dakota to say.

Mr. JOHNSON of Minnesota. No; that is incorrect. The Senator from North Dakota is here and probably can inform us what was said. I do not know, but there is no condition like that there at all.

Mr. BURSUM. I am glad to know it is not that bad.

Mr. LADD. The official reports with reference to banks having failed up until early winter showed that 96 banks out of about 800 had closed their doors.

Mr. BURSUM. That is a very different situation.

Mr. KING. My understanding is that the 96 banks which failed were relatively small banks with small and impaired capital and improvident loans.

Mr. LADD. I do not think I can say that; but there were frozen loans, and many of the other banks have their loans frozen in the same way and are unable to liquidate and hence unable to tide over.

Mr. BURSUM. My attention has just been called to the statement of the Senator from South Dakota by the junior Senator from North Dakota [Mr. FRAZIER]. What the senior Senator from South Dakota did say was that probably 95 per cent of the banks were practically broke. What he meant to say was that they were in no condition to extend any credit whatsoever. Is not that the true situation?

Mr. LADD. That is the correct situation, I think.

Mr. BURSUM. So I assume that most of the persons who are intended to be beneficiaries under this bill are probably indebted to banking concerns or to mortgage companies or loan companies and that their obligations may in the larger number of instances be past due. Under such circumstances those persons would not be eligible to the benefits of the bill unless extensions could be granted upon guaranties that would secure the debt from being foreclosed or the probability of being foreclosed on account of loans either on their land, on their equipment, or on other appurtenances essential to the conduct of their farms.

Under such a condition of affairs, it seems to me that not only is it necessary to extend credit to individual farmers but that it is highly essential that we should also do something toward rehabilitating and stabilizing the banks of the country, not only in North Dakota and South Dakota but all over the West and in every State where such a condition exists. I may say that so far as my State is concerned that nearly 50 per cent of the banks have failed; that 40,000 depositors are worrying about the safety of their savings and a likelihood of obtaining a settlement at any time within the near future. The result of this situation is that public confidence has been alienated from our banking institutions. Everyone knows that the only foundation upon which banking institutions can function, the only foundation upon which credit can be based and upon which it is based, is public confidence and faith. Without it the banks can not function. Not even the Government could function without faith. With all of the surplus gold which we have at this time, more than 50 per cent of the gold of the world, that surplus would mean nothing in the face of the alienation of the public confidence throughout the Nation.

It seems to me that the situation which now exists demands the serious attention of the Congress. Some say it is not the proper function of the Government nor is it a proper procedure to intervene or interfere in rendering aid to bankers; that the banker takes his chances and that he must take care of himself. I have no great concern for the individual banker, and that is not the question; my concern is for the depositors. Who are the real owners, the real stockholders of our entire banking system if they be not the depositors? The depositor goes to the bank with the faith that his money will be properly taken care of; that it will be safely handled; that it will be forthcoming when needed. The wage earner saves his little mite and deposits his little surplus every month with the absolute confidence that his earnings are being taken care of and supervised by the Federal Government. He has a right to have faith in our banking institutions. Lack of confidence and faith is a serious matter. Fear on the part of the public is the hardest element to control. There is nothing so hard to control as a person's fear. One failure will bring on another failure. A lack of confidence spreads and spreads and spreads like a prairie fire, and unless checked it may spread all over the Nation.

I say that the integrity of the banking system itself is endangered by reason of the widespread alienation of the confidence of the public in our banking institutions. That condition is not local to my State, but also obtains in Arizona, Idaho, Montana, parts of Oklahoma, of Kansas, of Nebraska, of Iowa, and of Minnesota. Who can say that this is a local situation? How can a government function without a system of credit? How can people transact business in the absence of confidence and an agency of credit? Are we to go back to the olden times of exchanging commodity for commodity and have no basis of exchange? It may be that in some instances, perhaps, banks have failed on account of mismanagement; in isolated cases, perhaps, they have failed from other causes; but, Senators, I am confident that as to the overwhelming number of banks which have failed the failures have been on account of no fault of the bankers themselves but on account of causes beyond their control.

To my mind, it is absolutely essential that this condition be remedied. It has been said that private corporations have been organized for the purpose of granting aid and relief to the Northwest, and that this agency will be extended to grant relief to the Southwest. Up to the present time I have not heard of any transactions or of anything actually having been done in their behalf. Furthermore, the purpose of the organization, as I understand, is to purchase good paper with adequate security. While such an agency might grant some relief and greatly aid the distress existing in certain districts, it will not cure the situation; it will not cure the evil which exists.

The great trouble with most of the banks, including many that are still open and others that have been closed, is that their capital has become impaired. There is only one way to rectify such a condition, namely, to repair the capital of the banks that can be repaired and which can be made solvent and are needed for the public service in their respective communities, and the business of which is sufficient to justify the reopening of the banks for public service and placing them in a condition to recapture the confidence of the public.

This can be done, to my mind, only by an agency in possession of an intelligent appraisal of the condition of the securities and of the business possibilities of every bank in the country, and I know of no other agency in possession of those facts than the Comptroller of the Currency. The Comptroller of the Currency is in possession of intelligent information, of an absolute appraisal of every security contained in every national bank in the whole country, and I propose that we provide a reasonable appropriation, to be used under the supervision and control of the Comptroller of the Currency, for the purpose of stabilizing the banks of this country. I would take care of the State banks as well as the national banks, provided that the State banks submit to examination and audit and to regulations which the comptroller may prescribe.

There are many banks, perhaps, which can not be saved, which can not be reopened. That is a matter which must be left to those in authority, who are in a position to judge. We must trust those authorities to do that which is for the best welfare of the public and for all concerned. It is just as important that no bank which is worthy of being aided shall not fail to receive consideration and aid as it is that no unworthy institution shall be given any aid whatsoever. In cases where our financial institutions are not in such condition that it is practicable to place them upon a certified solvency list, so to speak, and give them a certificate of confidence, under such circumstances the best thing that can happen for all concerned is to liquidate; but if we are to stem the tide of alienation of the confidence of the public in our banking institutions, something must be done whereby public confidence will be restored.

For that purpose I have introduced an amendment, which is pending, to the present bill. I hope the amendment will be adopted. I hope this bill will pass. It is a fair bill. There is nothing unreasonable about it. I do not agree with the views of my distinguished friend the Senator from Idaho [Mr. GOODING] about its effect on livestock.

I am of the opinion that if this measure is enacted into law it will tend to stabilize livestock and will create a better market for livestock, something that surely everyone will admit is a much-desired condition in this country.

There is no surplus in livestock in this country. The only reason why values have become demoralized is the fact of the wholesale liquidation of breeding cattle, even calves, which have been sent to the slaughterhouse under foreclosure, under the pressure of demands for the liquidation of indebtedness. That is the only reason why livestock is so low in value. I do not know of a Western State that has within its borders 50 per cent of the livestock it had a few years ago. There is no doubt but that within a year or two the people of this country will find that unless something has been done to preserve the livestock industry they will pay the penalty and they will pay a high price for beef and mutton. The only reason for the depression has been the lack of orderly marketing and lack of ability of the raisers and owners to control the distribution and sale of their products.

In my opinion the passage of this bill will create a healthier condition and will stimulate the market price of all kinds of livestock.

Mr. HEFLIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. JONES of New Mexico in the chair). The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Adams	Fess	Keyes	Shields
Borah	Fletcher	Ladd	Shipstead
Brandegee	Frazier	Lodge	Simmons
Brookhart	George	McKellar	Smith
Broussard	Gerry	McLean	Smoot
Bruce	Glass	McNary	Spencer
Bursum	Gooding	Mayfield	Stanfield
Cameron	Hale	Moses	Stephens
Capper	Harreld	Norris	Swanson
Caraway	Harris	Oddie	Trammell
Couzens	Harrison	Overman	Wadsworth
Curtis	Heflin	Pepper	Walsh, Mont.
Dale	Howell	Phipps	Warren
Dial	Johnson, Minn.	Ralston	Watson
Dill	Jones, N. Mex.	Reed, Pa.	Weller
Edwards	Jones, Wash.	Robinson	Willis
Ferris	Kendrick	Sheppard	

The PRESIDING OFFICER. Sixty-seven Senators have answered to their names. A quorum is present. The question is on the amendment offered by the Senator from Georgia [Mr. HARRIS].

Mr. OVERMAN. Mr. President, before this measure is further discussed it occurs to me that the bill is not properly here. I therefore raise the point of order against it.

The PRESIDING OFFICER. The Senator will state his point of order.

Mr. OVERMAN. Rule XVI, paragraph 1, page 20, provides that all general appropriation bills shall be referred to the Appropriations Committee. We changed the rules of the Senate some years ago in order to harmonize them with the Budget. Therefore this provision was made, that all general appropriation bills shall be referred to the Appropriations Committee. This bill itself, as the Chair will see if he will examine it, originally provided for an authorization to make it in order; but that has been stricken out by the committee and it now provides for an appropriation directly from the Treasury, which, I maintain, makes it out of order, and it should go to the Appropriations Committee.

Mr. McNARY. Mr. President, the point raised by the Senator from North Carolina is not a new one. It has been frequently raised, and always overruled. This is not in any sense a general appropriation bill. We have many precedents where the point has been raised and interposed against a bill carrying a specific appropriation and not a general appropriation bill.

The rule invoked, or attempted to be invoked, by the Senator from North Carolina applies only to the annual supply bills, general appropriation bills carrying appropriations for the support and administration of certain departments of our Government. The Senator from Nebraska [Mr. NORRIS] has called my attention to the joint resolution which was passed just a few days ago, introduced by the present Presiding Officer [Mr. JONES of New Mexico in the chair], carrying an appropriation of $1,000,000 to relieve the drought-stricken region of New Mexico. The same point of order was made then and was properly overruled by the Chair. It does not matter whether the bill carries $100,000,000 or $50,000,000 or $1,000,000 or any other sum that is proposed by the various amendments; the principle is the same in either case. The question is whether it is a specific piece of legislation or a general appropriation bill.

I contend, Mr. President, that at no time has such a point of order as that made by the Senator from North Carolina been sustained.

Mr. OVERMAN. Mr. President, I do not think the Senator from Oregon can cite a single precedent where a point of order of this kind has been made. Points of order have been overruled in the case of special appropriation bills, but the joint resolution introduced by the present Presiding Officer and passed a few days ago was different from the bill now pending. That was a measure making an appropriation for use in one State. This provides for a general appropriation. I suppose the present Presiding Officer has read the pending bill, but I will say that it is very general in its nature, seeking to appropriate a large sum of money. It does not apply to any particular State. It does not describe any particular State or any particular person. Therefore it is general in its nature and subject to the point of order.

Mr. HARRISON. Mr. President, I submit that because Rule XVI uses the language, "All general appropriation bills," would not necessarily make it apply to a bill like this. The term "general appropriation bills" as used in the rule means general supply bills, and I submit that under the precedents established since the adoption of that rule the Committee on Agriculture and Forestry has the right to bring in an appropriation in a special bill. It has no right to report a general appropriation bill, because Rule XVI expressly provides that that can not be done, and the decision of the Chair the other day was with respect to the joint resolution in charge of the Senator who now presides over the Senate, which was on all fours with the pending bill.

While it is true that that applied to one section, the situation would not have been changed if it had applied to the whole United States. It was an appropriation; it was not an authorization. To that joint resolution the Senator from New York [Mr. WADSWORTH] first made a point of order and he relied upon Rule XVI. After the matter was discussed the Senator from New York, who is a good parliamentarian, recognized that the point was not well taken, and agreed to the decision of the Chair that his point of order was not sustainable.

I submit that this point of order is not well taken, and that in the case of bills like this the Committee on Agriculture and Forestry has the right to authorize the appropriation.

Mr. WARREN. Mr. President, I do not rise to discuss the point which has just been raised, but I notice that while the bill as first introduced authorized that appropriations might be made, in the amendment which has been reported by the committee, which was not in the bill when it was first called up, an attempt is made to directly appropriate. I do not raise any question as to the general point of order at this time, because it is a very much debated matter, but if we are to have a Committee on Appropriations, and if appropriations are to be made, and made promptly, the power should rest in the Committee on Appropriations to appropriate, and the appropriations should then come in regular order.

Since this subject has been brought up I think I ought to say that if this bill is to be passed, I shall, at the proper time, ask to have that matter changed by offering an amendment restoring the language "authorized to be," which will bring about the result desired whatever might be said of the other question.

Mr. OVERMAN. The Senator then supports the point of order?

Mr. WARREN. No; I am not discussing the point of order, but I am stating what would be good legislation, what legislation we must pass in the long run, without any doubt. If we follow the policy of attempting to provide in special bills permanent appropriations for years to come we will get nowhere; we can proceed in no regular way to do business, providing in the first instance for the revenue, and, second, for the proper disposition of it.

Mr. OVERMAN. That is the situation the rule was made to meet—to get bills before the proper committees and to act in harmony with the Budget.

The PRESIDING OFFICER (Mr. JONES of New Mexico in the chair). The language of the rule is, "All general appropriation bills shall be referred to the Committee on Appropriations," and so forth. The question is presented in two aspects. The Chair does not recall that the one now suggested by the Senator from North Carolina [Mr. OVERMAN] has ever been presented before. There is a distinction between what is commonly called a general appropriation bill and a bill providing for a special appropriation. The Senator from North Carolina raises the point whether the pending bill carrying a general appropriation comes within the meaning of this language stated in the rule.

The Chair is of the opinion that the rule itself was intended to include only the general appropriation bills, which are well defined, carrying general appropriations for the various departments; but the Chair will be glad to submit the question to the Senate, if the Senator from North Carolina would prefer to have that done.

Mr. OVERMAN. I will let the Chair decide it.

The PRESIDING OFFICER. The Chair overrules the point of order. The question is on agreeing to the amendment offered by the Senator from Georgia [Mr. HARRIS].

Mr. McLEAN. Mr. President, I think the junior Senator from Utah [Mr. KING] desires to discuss the amendment briefly before the vote is taken. Just now he is absent from the Chamber, but I have sent word to him, and while awaiting his return I will occupy the floor for a few minutes.

Mr. KING entered the Chamber.

Mr. McLEAN. The junior Senator from Utah is now present.

Mr. KING. Has the Senator from Connecticut the floor?

Mr. McLEAN. I will be glad to surrender the floor to the Senator.

Mr. KING. I do not want to take the floor at this time.

Mr. WARREN. Mr. President, at this time I would like to offer an amendment to the pending bill. In the amendment

of the committee, on page 5, line 13, after the word "hereby," I propose to insert the words "authorized to be," so that it will read "is hereby authorized to be appropriated." Also, in line 23, on the same page, after the word "hereby," I propose to insert the words "authorized to be," so as to read "hereby authorized to be appropriated."

Mr. HARRISON. The Senator merely wants to have the amendment printed, I take it. There is already an amendment pending.

Mr. WARREN. I simply give notice that I shall offer those amendments at the proper time.

Mr. HARRISON. I was in hopes the pending amendment could be gotten out of the way so that we could get down to the bill itself.

Mr. WARREN. I am not asking for the present consideration of my amendments. I am offering them so that they may be taken up when we reach that point in the bill.

The PRESIDING OFFICER. The amendments to the amendment of the committee will lie upon the table. The question is upon agreeing to the amendment offered by the Senator from Georgia.

Mr. McLEAN. Mr. President, I have no desire to occupy very much time in the discussion of this bill, because I realize that nothing I can say will change the view of any Member of this body; but for the sake of the RECORD I do wish to present, very briefly, my objections to the bill.

When the bill was being discussed on yesterday, I endeavored to secure from the chairman of the Committee on Agriculture and Forestry [Mr. NORRIS] his view of the broader scope of the bill, and the conditions which might warrant its support. I did not have very much success in that endeavor. The Senator from Nebraska [Mr. NORRIS] admitted he knew much more about the bill than I did, and with that proposition I agreed. I was in search of information, which I did not get from the Senator, which seems to me to be rather important, when we propose to take something like $90,000,000 out of the Treasury of the United States at a time like this, and pass it over to the Secretary of Agriculture to be disposed of as outlined in the bill. I am frank to say I find nothing in the bill which provides for any—I was going to say sane administration of the act.

I did suggest to the Senator from Nebraska that in other sections of the country there might be conditions not dissimilar to those which prevail in Nebraska. I happen to know, as we all know, that the agricultural interests of the country have been at a low ebb for some time. We know the reasons why. The dairy business in the East is unprofitable at the present time, and has been for many years, and I was wondering whether the originators of this scheme had taken into consideration the fact that there might be other sections of the country where the need was as great as the need in the sections mentioned by the Senator from Nebraska, if not greater.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Tennessee?

Mr. McLEAN. I yield.

Mr. McKELLAR. In that connection I suggest that in certain counties of my own State the farmers raised only about one-fifth of a crop of cotton this last year, and the situation of the cotton farmers in those counties is very serious indeed. Of course, the bill would not apply to them any more than it would apply to the farmers of the Senator's State.

Mr. McLEAN. I know something of the potato growers in the East, especially in Maine, and that a year ago the average price of potatoes in the country was much less than the production cost and there were very serious losses on that account.

I did not get very much information from the chairman of the Committee on Agriculture and Forestry, but happily, in the course of the discussion, the senior Senator from Montana [Mr. WALSH] offered a suggestion which it seems to me might well be considered by the Senate. I had stated that I thought that in most lines of agricultural products there was either overproduction or underconsumption, and that due to the high cost of machinery, the price of labor, and perhaps the spread, the agricultural interests of the country were generally at a low ebb. The Senator from Montana [Mr. WALSH], who represents one of the four States which the Senator from Nebraska informed the Senate would be benefited by this bill—and there were only four States, if I remember correctly—called the attention of the Senate to the conditions in the State of Montana. I want to quote to the Senate what he said.

Bear in mind, Mr. President, that this appropriation is for the purpose primarily and principally of reestablishing in these States a diversity of production, principally in the dairying industry. The Senator from Montana said:

> With the kindness of the Senator from Nebraska, the Senator from Connecticut seems to be apprehensive about overproduction of dairy products. I would like to say for his information that last year there were produced at Miles City, Mont., about a million pounds of butter, a very considerable portion of which was sold in the Orient, in China, Japan, and the Philippine Islands; so that is a field in which the opportunities for expansion are indefinite.

After listening to the very eloquent and earnest appeals of those Senators that Congress should go to the assistance of Montana and the Dakotas and one other State because the farmers were in such straits, it occurred to me that if the dairymen of Montana were at the present time producing butter in large quantities which they could sell in Japan and China and the Philippine Islands at a profit there could be no real reason why Congress should take $50,000,000 out of the Treasury for the purpose of providing the farmers of Montana with extra capital to carry on this profitable business.

A little later on the junior Senator from North Dakota [Mr. FRAZIER] made a very intelligent statement as to what he thought the bill should and would accomplish if properly administered, which did not altogether agree with the statement of the Senator from Nebraska. If I remember correctly—the Senator from North Dakota is present and will correct me if I am in error—his position was that the object of the bill was not to enable the farmers of North Dakota to establish commercial dairies in a general sense of the term, but to enable the farmers here and there who did not happen to have any cows or chickens or pigs to obtain a very small number—two or three cows, or something of that sort—in order that the farmers could have this source of food for the sustenance of their families, and that it was not intended in any way to establish large commercial dairies. That is a strong appeal to anyone. But, Mr. President, it does not seem to me that we ought to go into the Treasury of the United States and appropriate any such sum of money as is sought here for that purpose. If that is necessary, if there is real distress in North Dakota, I would be among the first to vote to relieve it.

I know the Senator from Nebraska [Mr. NORRIS] based his conclusion largely, and so stated, upon the distinguished professors and economists who reported to the committee. One of them mentioned was a Doctor Willard, whose statement was put into the RECORD by the Senator from South Dakota [Mr. NORBECK] when he discussed the bill. The statement is in fine print. I doubt if very many Senators have read it. It occupies two or three columns in the RECORD. I am satisfied that any Senator who would take the trouble to read this report would come to the conclusion that there is no real distress in North Dakota. There are farmers there who are heavily in debt, who can not pay their interest, and who do not pay their interest. The banks are worrying about that. The banker is the one who is concerned about that. These gentlemen, I take it, are still in possession of their farms and they have plenty to eat and comfortable clothes to wear and comfortable shelter. I gather that from the statement to which I have referred, and I am going to take the time of the Senate to read some portions of it because it is very interesting. It goes to the real condition upon which the request is made.

I desire to say that I shall be glad to yield the floor if the Senator from Utah so desires.

Mr. KING. No; I am very much interested in the Senator's discussion, and he is elaborating the subject much better than I could.

Mr. McLEAN. I shall have to disagree with the Senator from Utah in regard to that.

I want to call attention to what Doctor Willard said, and I shall have to read a considerable portion of his statement:

> I wish to turn now for just a few minutes to a short discussion of a survey that we made near the central part of the State for the very purpose of determining the necessity and the applicability of this $1,000-loan proposition as embodied in the proposed legislation. We took a corps of 12 men, who are trained men, who understand how to get this sort of information, to this region, and we completely covered three townships and half of a fourth, taking every farmer without regard to who he was, and got a set of detailed information from him as to his cropping system, his amount of stock, the various classes, his net worth; that is, his assets of all sorts and liabilities, consisting of first, second, and third mortgages, his chattels, personal notes, back taxes, interest past due, etc. We verified those liabilities with the financial representative of those farmers and found that they had given in general a very true report, and some of the information contained in that survey I will touch upon, and you may find in these

sheets the detailed information, which you can consider at your leisure. That region is representative of probably more than two-thirds of the State of North Dakota, and also is applicable to parts of Montana and South Dakota.

The average size of farms in this region was 575 acres.

Mr. KING. May I inquire whether that is North Dakota or South Dakota?

Mr. McLEAN. It is North Dakota, I assume.

The average size of farms in this region was 575 acres, and 217 acres were in wheat, and this comprised 47 per cent of the crop area of those farms.

Now, note this, Mr. President:

The average yield of wheat for five years was slightly over 8 bushels on these farms, and for this year 5.6 bushels.

It must be that many acres in that State have been developed and put down to wheat which should not have been. These men are intelligent men, there is no question about that. Most of them are economists by necessity and statesmen by training. They are close to the Canadian boundary. These gentlemen must know that just north of the border, a few miles distant, they produce 20 bushels or more to the acre. Now, I submit that that is a condition which Congress can not remedy. It is a serious natural disadvantage, but it is one that can not be remedied by any diversification of products in my opinion. If it is not suitable for wheat, can it be assumed that that section of the country can support commercial dairies which require silos, subjected as they are to an uncertain rainfall and a soil that produced last season but 5 bushels of wheat to the acre? This is an emergency, it is stated, and that is true, but in so far as that phase of the subject is concerned it is an emergency as permanent as the State of North Dakota. It is there to-day and it will continue to be there as long as the earth turns on its axis.

I continue my quotation:

Of all the crops produced, corn, which occupied about 11 per cent of the crop area, maintained its average five-year yield of approximately 24 bushels to the acre.

Now, I do not know whether that is a fair average yield for corn or not.

Mr. WADSWORTH. It is very low, extraordinarily low.

Mr. McLEAN. I know that in Connecticut we expect to get 60 bushels to the acre, but Connecticut, I think, holds the record for producing the largest quantity of corn to the acre of any State in the Union. Twenty-four bushels of corn to the acre at the price which the farmer gets is, of course, not remunerative.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. STANFIELD in the chair). Does the Senator from Connecticut yield to the Senator from Utah?

Mr. McLEAN. I yield.

Mr. KING. Before the Senator leaves the point of the average acreage per farm in the States under discussion, permit me to invite his attention to a table which I have here, which shows that on January 1, 1920, in North Dakota, where a number of counties were selected, in Grand Forks County the average acre per farm was 408.3; in Foster County, 509.6; in Morton County, 569.7; and Slope County, 627.2 acres. In South Dakota, in Potter County, the average was 777.9 and in Harding County 1,352.8 acres. In Montana the average in Sheridan County was 480 acres; Toole County, 611 acres; Garfield County, 571 acres; Carter County, 652 acres. So that the Senator will see that the average in North Dakota is approximately 500 acres, in South Dakota the average is about seven or eight hundred acres, and in Montana a hasty computation would show an average of perhaps 600 acres.

Mr. McLEAN. The farms are large. I am merely calling attention to the fact that no matter what the capital of the farmer may be, the land is such that it is very difficult for the farmers to produce anything that will return a profit.

Mr. WALSH of Montana. Mr. President, the Senator from Connecticut expresses a very indifferent opinion about the value of our country out there. I am reminded that Daniel Webster who once represented in the Senate the neighboring State of the Senator from Connecticut, expressed a similar indifferent opinion about the entire country west of the Mississippi River.

Mr. McLEAN. When I went to school a large portion of the State of Montana was marked on the map as a portion of the "great American desert," and perhaps I have not been fair to the Senator's State. I do not know whether or not the Senator was in the Chamber when I called attention to his statement yesterday in which he said that the farmers of Montana were producing a surplus of butter and marketing it in China, I assume at a profit.

Doctor Willard goes on to say that:

There were 21 farms out of the total 106 farms that had no brood sows whatever; there were 48 out of 106 that had 2 or less; out of 106 farms there were 13 who did raise some sheep and 88 per cent raised no sheep at all. There were 14 farms that had less than 50 head of poultry, and there were 54 farms, or more than 50 per cent, that had less than 100 poultry, which is about the lowest economic unit for our conditions.

There were 50 farms that had less than five milch cows.

He does not state how many they had, but if they had four they had about as many as the New England farmer had when he had to meet western competition.

Mr. President, I came into this world just as the homespun age was going out. I prize the recollection, but I would not again want to go through with the experience. When the great fertile fields of the West were opened up they drove the New England farmer out of the production of beef and hogs and sheep and grain, and his activities were limited to dairying. It was a pretty serious experience for a good many years. In my boyhood what we did not grow or make on the farm we went without. I question if we would be better off to-day if in those days Congress had come to our assistance and done what it could to deaden and destroy the spirit of self-reliance and individual responsibility which brought us out of our dilemma in very fair shape.

Doctor Willard further states:

Of 61 owners, 52 reported that they had barns and other buildings; and I might say that this section was visited by a terrific storm during the last year which almost completely demolished a few farmsteads, which accounts for the fact that not all owners of farms are now equipped with buildings, because it is rather the exception that they do not have barns for their work stock at least which are capable of housing some more additional livestock.

I have no doubt the Senator from New Hampshire [Mr. MOSES] used good judgment when he obtained the rule which requires the printing of quotations in invisible type, but it makes them rather difficult to read. However, I am able to read this:

Twenty-one out of 61 owner farms reported tractors and 47 reported automobiles.

The average sales from these farms, that is the 578-acre farms, amounted to only $968 a year. It is very important that we shall know how much of that was net profit. If the aggregate return from these farms was $968 a year and there was any profit, it seems to me that the farmers ought to be in a position to buy two or three cows, a few chickens, and a pig or two. I take it, their interest has been overdue a good while, and whether they are pressed for payment or not, I do not know. I am glad so many of them are able to own automobiles.

I am not dealing with this subject, I hope, in a spirit of captious criticism. Before I conclude I am going to call attention to the principle which is involved in this bill. It does not seem to me that, taking the statement of the learned gentleman who made the investigation upon which the committee largely based its findings, there is any such condition in that section as will warrant an appropriation of this character in order to meet an emergency that Congress can not control. An emergency that will continue as long as the natural disadvantages of climate and soil continue.

I will repeat, farming as a whole there and throughout this country is at a low ebb. The cotton men are having better days just now, but it is only a short time since the Senator from Alabama [Mr. HEFLIN] called our attention to conditions which were most distressing. Not only agricultural conditions but conditions in all other activities are subject to their ups and downs. Certain sections may be prosperous at times, and then whenever overproduction comes or for some other cause prices drop.

I wish to repeat that if the farmers of North Dakota were suffering for want of the necessities of life I would say, "Find out who they are and make the contribution direct to relieve the distress; but do not adopt a proposal that, in my judgment, will defeat its own purpose and in the long run be regretted by the very men who propose it to-day." I say that, Mr. President, because this legislation violates the fundamental and vital principle upon which the social and industrial life of this Nation is based. In the first place, it takes $50,000,000 out of the Treasury of the United States and gives it to the Secretary of Agriculture, and authorizes and empowers

him to use it in direct competition with the existing credit merchants of the country, to compete with the Federal reserve system, to compete with the Federal farm-loan system, to compete with the intermediate-credits system, to compete with the State banks, directly or indirectly; and the capital which is represented, the amount of money that is taken out of the Treasury, is more than the combined capital of the Federal reserve system and the land-bank system when they were formed.

But that is not the worst feature of this bill, Mr. President. It takes this large sum of money out of the Treasury for the express purpose of repairing the capital of farmers who have failed, to enable them to compete with their next-door neighbors whose methods have been measurably successful. I do not know what it would be called. It certainly is not individualism, and it would be difficult to find an advocate of socialism who will say that it is not extremely offensive to his view of what true paternalism should be. He thinks that the Government should take control of production and transportation, and he gives his reasons for it; but I have yet to hear of a Socialist who advocates taking large sums of money out of the Public Treasury for the express purpose of permitting individuals who have failed to compete with individuals whose methods have succeeded in private occupations.

Of course the trouble is one which we all recognize. It is a pretty hard one to remedy. I have heard it stated that with our improved agricultural implements one man can cultivate as many acres to-day as three men could cultivate before the introduction of the power machines. Consider for a minute what that means. It means that the farmers to-day can produce as large a quantity of food products as could have been produced in 1860 if the entire population of the country had been engaged in farming.

I take it there is not a State in this Union that could not produce enough foodstuffs to maintain its population and have a surplus. I have heard it stated that we could easily feed a billion people. I think the two States of Florida and California could produce enough citrous fruits to supply the normal wants of a billion people. This is not only so with agriculture, but it is so with almost every industry where the conditions permit reasonable economic manufacture.

Congress can not regulate production in this country. Marketing associations may, in a measure, stabilize the price of a product if the production is constant, but only under such conditions, and the instant any industry shows an attractive profit there will be overproduction. Our acreage is so enormous that marketing associations can not control the price where there is overproduction. If the parties who own and control the means of production are unable to control it, how can the Government assist in any material way unless it goes the full length, confiscates, owns, and manages all the farm lands of the country, and allots to every man the number of acres which he may cultivate?

I do not believe we are ready for that. My impression is that the average American citizen would rather go along under the old régime for a little while yet. Rising and falling prices are natural. A pretty wise man once said that they were the romance of trade. I sometimes think that with the love for variety which is inherent in any active, red-blooded man worthy of the name, he would rather take his chances under the system that has brought us so far on the road to comfortable prosperity, especially in view of the fact that every community and every nation that has tried the paternalistic method of controlling prices has gone to the dogs, never to return.

Mr. President, I do not want to criticize, and I am not going to criticize, the purposes or the motives of the gentlemen who are supporting this legislation. I know that environment has a great deal to do with the convictions of honest men; and if I lived in the Dakotas or in Montana or any one of these States that is situated far distant from markets, that has to contend with the natural disadvantages of that location, I should feel that it was my duty to do everything I could to ameliorate conditions; and it may be that the effect of environment would be so strong after a time that I could become convinced that a proposal such as that embodied in this bill would result in a permanent benefit.

If I know anything about the history of such remedies, however, if the law of supply and demand is to be left operative, it is my firm conviction that this little sop which each farmer can receive, but which in its total amounts to a colossal sum, will be a foundation for the creation of still greater necessities; and, the precedent once being established, we shall go where all our predecessors have gone, and the people who receive these benefits will regret it in the long run.

The distinguished junior Senator from Minnesota [Mr. JOHNSON] is in the Chamber. Some time ago I read a purported interview which he had with a reporter of the New York Herald, in which he said that in his opinion the trouble with the farmer was that he had had too much credit, and that what he wanted was a market; and I said to myself: "Newspaper reports to the contrary notwithstanding"—and the Senator had been criticized somewhat in the East—"a Daniel has come to judgment in the Senate of the United States." It is what I have been maintaining for 10 years in my humble and ineffective way.

Why, Mr. President, when we drafted the Federal reserve act and based our currency upon self-liquidating commercial paper I felt that it would be a mistake to make an exception in favor of the farmer and render six months' agricultural paper eligible for rediscount, but I was overruled by the committee. What happened? Take it in 1920, just before prices began to drop.

The bankers were anxious to make money. The farmers were anxious to sell their crops at the highest possible price; and when the price fabric began to tremble they got their paper renewed, held on to their products, and they went down, and the farmer went out. If the banks had not been tempted to make money, and in turn invited the farmers to renew their paper—in other words, if the farmers of the country in 1920 had been compelled to take in sail, reduce their obligations—they would have done so and they would have sold a very large portion of their products at a profit. The farmer should have reasonable and seasonable accommodations for the production of his crop, and I have advocated every measure looking to that end; but if a farmer wants money for one, two, or three years, he should borrow it from a man who has money to lend for one, two, or three years.

Credits have been made easy. I do not object to that; but the Senator from Minnesota is everlastingly right when he says that the farmer has had too much credit and that what he needs is a market. I am willing to go to any length to which Congress can go that will help him to obtain markets; but you can repeal the Sherman Act, you can give the farmers permission to combine and cooperate, you can go to any extent that you please legitimately, and with the enormous total of fertile acres in this country the farmer will find that the only way in which he can control his markets is to go to the foundation and control his production.

Mr. McNARY. Can he do that?

Mr. McLEAN. The Senator from Oregon intimates that he can not do it, and I reply, and repeat, that Congress can do it in only one way, and that is by taking possession of the farms, allotting to each farmer the number of acres he can cultivate. If there is any other way I would like to have some of the Senators who are interested in this bill suggest it, and the Senator from Oregon would oppose that method as strongly as I would.

Mr. JOHNSON of Minnesota. Mr. President, will the Senator yield for a question?

Mr. McLEAN. Certainly.

Mr. JOHNSON of Minnesota. The Senator is well aware of the fact that we farmers have been educated to produce more. We have paid taxes to support agricultural colleges for experimental purposes, and also to tell us to produce more; and we have done so. The Senator knows we have produced so much that we can not sell it. When it came to controlling, we have tried for years to organize, to have orderly marketing, have we not?

Mr. McLEAN. Yes.

Mr. JOHNSON of Minnesota. The Senator agrees to that. But have we had any assistance from the Government of the United States and the different State governments? No; we have had no assistance whatever, until within the last few years they have begun to wake up to the fact that we need a little help, too.

I want to put the Senator right about another thing. He referred to what I said to a newspaper man. I will ask the Senator not to take his seat; I am not going to make a speech.

Mr. McLEAN. I want the Senator to make a speech. I want to hear him.

Mr. JOHNSON of Minnesota. I was right when I stated to the newspaper man that we have had too much credit. I stand on that now. But consider the shape we farmers in the Northwest are in to-day, when a good many banks have failed, and those in business to-day are not in a position to loan, for instance, $200 or $300 to a farmer who wants to start diversification. Therefore, I made my talk yesterday along that line, and if the Senator was in the Chamber yesterday he noticed that I explained that we have so much money borrowed now that we can hardly pay the interest on what we have already borrowed. But there is some way to get out of it, if we go in and milk cows and raise hogs and poultry.

It might be, if we go into the market, that prices will fall. I understand the price of eggs is falling now; that you can get them for 36 and 40 cents a dozen in Washington to-day. But if there is a farmer who has three or four cows, and milks those cows and takes care of them, he can go into town and get a cream check in order to support him and his family for a week or two, can he not?

Mr. McLEAN. I agree to that.

Mr. JOHNSON of Minnesota. That will help. The Senator from South Dakota [Mr. NORBECK] and the Senator from North Dakota [Mr. LADD] stated that there are farms and farms in their States which have not on them a cow or a hen or a hog. That is why we are asking help. We are not asking for anything unreasonable at all. We want a little bit of help.

What is $50,000,000 for this great Government of ours? It is not a drop in the bucket to what we have been giving to many organizations. I want to say to the Senator from Connecticut that the farmers have not been sufficiently represented in this body, but the manufacturers and the bankers and the big interests have been represented in this body. The small banks are broke because we raised wheat in North Dakota and Montana and did not get anything for it so that we could pay our bills, and pay the bankers on top of that. We all know it, and it is about time to get a knife and cut away the cancerous sore on the American public up there in the Northwest to-day, and we want the help of the Senator in doing it.

Mr. McLEAN. I understand the Senator's views. I heard portions of his address. I think I am familiar with the sister bill to this, of which the Senator from Oregon [Mr. MCNARY] is the author, which is intended to stabilize the market for wheat and various other products. If I am wrong about that, the Senator will correct me.

What does it propose to do? I have been a protectionist all my life, upon the theory that if we protect our American producers against ruinous competition it will stimulate domestic competition, and, in the long run, the American consumer will be better off than he would be if we let foreign competition drive the American out of business, in which event the American people would be subjected to any price the foreigner wished to charge. The Senator will follow me, I think.

But here is a proposition which would eliminate domestic competition. It proposes, as I understand it, to take $100,000,000, or perhaps $200,000,000, out of the Treasury. I do not know whether the control is to be given to the Secretary of Agriculture or not, but probably it is. If I were the Secretary of Agriculture, with any such trust impending, I should resign as quickly as I could find a pen, because if he does not he will be investigated and fired before he has been in office six months. It is a colossal undertaking and responsibility which is beyond the capacity of any single individual; but the bill proposes to use machinery to purchase and hold the surplus product of wheat. If I am wrong about that, the Senator will correct me.

Mr. McNARY. Mr. President——

The PRESIDING OFFICER (Mr. FLETCHER in the chair). Does the Senator from Connecticut yield to the Senator from Oregon?

Mr. McLEAN. I yield.

Mr. McNARY. I doubt the desirability of diverting the legislative mind from the Norbeck bill to the bill I introduced, but inasmuch as I have been challenged by the Senator from Connecticut to explain the bill I will say that he is entirely wrong as to every provision of the bill which he has mentioned. It is not to be administered by the Secretary of Agriculture. There are to be two commissions. One commission is to have the active administrative things to handle. There is to be a larger body, of which the Secretary of Agriculture is to be one of eight members, which will define the policy of the corporation to be formed. Little, if any, responsibility is to be thrown upon the Secretary of Agriculture.

As to the other proposition, the bill does not purport to authorize the purchase of any wheat or any other basic agricultural commodity, defined as such in the bill, for the purpose of storing and holding. Anything purchased is to be purchased only for exportable surplus, and it can not be used in the domestic market. It is to be sold in an orderly way in the foreign market. The losses sustained thereby are to be absorbed by the higher prices which the article brings in the domestic market.

That is the difference between this and any other scheme, many of which have been proposed, to buy wheat in the open domestic market and store it and hold it, to increase the price of that which is given to the public for consumption. This would do that, not for the purpose of holding but to provide for the resale in foreign markets, where the wheat is now disposed of. If it were not that my attention has been called to those two propositions, I did not intend to confuse the minds of Senators with a discussion of the export bill.

I think many mistakes have been made in the discussion of this bill when reference is made to the other bills. Those who are opposing this measure have attempted to bring in a discussion regarding other bills than the one before the Senate now for its consideration. I am for the pending bill, if I may say just a word here.

I am not for all the amendments, but I am for the general purpose of the bill, and perhaps I may address myself briefly to that. In some way, at some time, I am for what is known as the Norris bill and for this other bill to which reference has been made, namely, Senate bill 2012, which happens to bear my name, because I introduced it and had something to do with its fashioning and general purposes. I believe that will bring the most immediate relief to agriculture and agriculturists, who produce the basic articles described and defined in the bill. But that is a large and comprehensive matter. Many complexities are found in its provisions. A great effort must be made properly to administer it. At some day, and on an appropriate occasion, when that bill is before the Senate for consideration, I intend to speak upon the subject at length; but as for that matter, we must bide the time, and on this particular occasion I want to remind the Senator from Connecticut that every reference he has made to the bill shows plainly that he is not conversant with its many provisions.

Mr. McLEAN. The Senator has touched upon the administrative features of the bill and I am not thoroughly informed as to those features, but the Senator from Minnesota [Mr. JOHNSON] introduced this subject, insisting that something should be done to stabilize the price of the farmers' product, if possible.

I will ask the Senator from Oregon if the purpose of his bill, and the only purpose, is not to stabilize the price of wheat?

Mr. McNARY. Mr. President, that word "stabilize" has been used in so many ways and has so many different meanings that I do not know whether the bill is intended to stabilize or not. But I do know its purpose is this, as expressed in the bill, to give the farmers' products mentioned in the bill a fair exchange value with other commodities in other industries and in other fields, so that the farmer will be restored in his purchasing power to the same position he occupied before the war, namely, to a parity with the manufacturing industries of the New England States. I think that answers the Senator's question.

Mr. McLEAN. I think the Senator has not answered my question. I assume that the purpose of the bill is to raise the price of wheat above what it would be if the law of supply and demand were left in free operation. That being so, I would like to ask the Senator what he is going to do if his bill enables the American farmer to produce wheat at a profit—and we can raise in this country wheat enough to feed a billion people? What kind of a burden does he think he will have on his hands in a few years, when the Government takes money out of the Treasury to fix the price of wheat for the farmer, so that he can raise it at a profit?

Mr. McNARY. Mr. President, again the Senator from Connecticut shows his want of knowledge of the purpose of the bill. It does not provide for taking any money out of the Treasury of the United States permanently to raise wheat, or to encourage the raising of wheat.

Mr. McLEAN. Permanently?

Mr. McNARY. The Government is to furnish the nucleus to start the processes provided in this bill. The money is all returnable to the Treasury of the United States. All the benefits are to come out of the producers' pockets alone. The Government is simply asked to supply the machinery, or the mechanics, by which the farmer can do that thing for himself which he is unable to do now, and which the manufacturer is able to do, under a high protective tariff system.

Mr. McLEAN. The Government starts the ball with the insignificant sum of $100,000,000, does it not?

Mr. McNARY. I would say the significant sum of $100,000,000; yes.

Mr. McLEAN. As a starter; and if it succeeds, it is going to protect or stabilize the price of wheat, so that the farmers can continue to raise it and sell it at a profit. If it does not do that, what is it good for; and if does do that, what sort of a burden will we have on our hands when the farmers of the country realize that the only thing in which they can make money is wheat? We raised wheat in Connecticut during the war, and as we have nothing now that is paying an attractive price in Connecticut in the agricultural line, when the gentleman fixes the price of wheat so we can make a good profit, I think we shall return to the growing of wheat extensively.

Mr. McNARY. It is difficult to pursue a question with a very charming colleague who knows nothing about the bill.

Mr. McLEAN. I am trying to ascertain. If the bill does not stabilize the price of wheat, what does it do and what is it good for?

Mr. McNARY. If the Senator would studiously devote about two hours to a study of the bill he would not be propounding to me these most puerile questions.

Mr. McLEAN. Since I have been chairman of the Committee on Banking and Currency I have annually studied proposals all of them twin sisters or twin brothers to the proposal now submitted by the Senator from Oregon.

Mr. McNARY. That again shows the Senator's lack of familiarity with the pending bill.

Mr. McLEAN. I am pretty familiar, I think, with the bill and its purposes. I am trying to ascertain from the Senator what he and the other friends of the farmers are going to do when the Government has started the machinery that will stabilize and fix the price of any product so that the producer of it can always sell it at a profit.

Mr. McNARY. I thank the Senator from Connecticut for properly classifying me as a friend of the farmer. There has been no bill similar to this one that has ever been brought to the attention of Congress, irrespective of the fact that the Senator from Connecticut has at one time been chairman of the Committee on Banking and Currency. If the Senator had read the bill, that statement would not have been made by him. The fact that this would increase the production of wheat to a point where it had passed the power of consumption is easily answered. There is a provision in the bill that provides that the price shall descend as rapidly as the production of wheat ascends until they reach an equitable level, which will operate as a stop to further production.

Mr. McLEAN. And a profitable level.

Mr. McNARY. Of course, the Senator from Connecticut is not familiar with that provision because he has not read the bill. That is self-evident.

Mr. McLEAN. Oh, yes; I have read the bill.

Mr. McNARY. As to the question of overproduction, if we are capable under a fair stimulus to increase the production of wheat sufficiently to meet the demands of the country in time of war, we certainly should be able to control the production at a time like this, with the proper stimulus. The Senator does not know, but I am going to tell him, that the largest production of wheat this country has ever produced was in 1915, when there were 1,172,000,000 bushels produced. Not since that time have we approached that figure, and that was two years before we entered the war. Under all the stimuli, patriotic and congressional, calculated to produce cheaper bread and more wheat this country never produced as much as 900,000,000 bushels, and our average annual production has been around 776,000,000 bushels, showing clearly that any little stimulus to wheat, whereby we put it on a parity with the manufactured products, does not cause the farmer to increase the production.

Beyond that, anyone familiar with the geography of our country and who knows the possibilities of climate and soil would never make the statement that this country is capable of producing very much more wheat than it has produced in 1915. If one would travel west of the Allegheny Mountains and go out to the Pacific country, through the great Prairie States and the Rocky Mountain States, he would observe that all the areas that can be made productive of wheat have been made productive, and those areas that are left suitable for cultivation only by means of irrigation are never utilized in the production of wheat but for crops that have a shorter duration in their growth and development and maturity. So I say to my good friend from Connecticut, let him travel more around the country and study more thoughtfully the purposes of the bill.

Mr. McLEAN. I think if the Senator would go to Pennsylvania and New York and ascertain the number of bushels of wheat that could be raised in those States, if it had to be done, he would find that they could feed the whole American people. But never mind that——

Mr. BURSUM. Mr. President, will the Senator yield?

Mr. McLEAN. I will gladly yield to the Senator in a moment. I was inspired to follow up this inquiry by a statement made by the Senator from Idaho [Mr. GOODING], I think it was, on yesterday that he was opposed to the pending bill but was in favor of the bill offered by the Senator from Oregon [Mr. McNARY]. The Senator from Idaho is not in the Chamber at the moment, and I do not like to make a statement in his absence.

Mr. McNARY. I shall be very glad to send for him.

Mr. McLEAN. I think he said if the two bills could be coupled together he might favor them both. There is a possibility that all the different and learned authors of these projects—I have several in my office—may, before we get through, put their heads together and endeavor to enact them all. I think then the appropriation would be something above $500,000,000. I am wondering whether the Senators who are so anxious to have taxes reduced will be able to vote for any reduction whatever if we meet these demands. But, Mr. President, I am not going to discuss the pending bill any longer at this time.

Mr. JOHNSON of Minnesota. Mr. President——

Mr. McLEAN. Just a moment, and then I shall finish and yield the floor to the Senator.

I have said, and I repeat, that I should be glad to do anything that would result in a permanent benefit to the interests involved, but if I know anything about the history of this sort of legislation, where it has been tried over and over and over again, it will defeat its own purposes, and the very men who are the most anxious to try the experiment will lament its result.

It is inevitable if we follow the principles upon which the industrial and economic liberties of American citizenship have been based from the foundation of this Republic. Whenever Congress undertakes to interfere with the law of supply and demand it makes a mistake which, if not fatal, will be sincerely regretted by the very men who advocate it.

So far as I am concerned if I should vote for the bill my conscience would tell me that I voted for it solely for the purpose of increasing the production of food that would sustain and stimulate the life of that most blessed of all animals, the dear old Republican elephant, and for no other purpose. But I am afraid that even in this hope I would fail because I fancy Senators on the other side of the Chamber who vote for the bill would take the platform and insist that the increased production in the particular kind of food which I have described was suitable only for that historic and patient animal, not as handsome as the elephant, but one which is at the present time much more in need of political sustenance.

Mr. BURSUM obtained the floor.

Mr. JOHNSON of Minnesota. Mr. President, will the Senator yield?

Mr. BURSUM. I rose for the purpose of propounding a question to the Senator from Connecticut. I desire to ask the Senator from Connecticut if he thinks that farm production, especially wheat growers, is an essential element necessary to the economic life of this country?

Mr. McLEAN. I do not think the Senator really feels that it is necessary for me to answer that question in the affirmative. I take it for granted that bread is the staff of life, and we must have it.

Mr. BURSUM. Then we ought to continue the farmer, and how can the farmer continue at a loss? The Senator well understands that the farmer, unlike many other elements of industry, is not in a position to obtain the benefits of a competitive basis for the sale of his products; that is, upon the basis on which similar products may be imported from European countries. The net result, so far as the farmer is concerned, is that his surplus going to foreign markets fixes the prices of his commodity here at home, while the market in which he must purchase is realizing the benefits from the competitive basis upon which the commodity may be brought in from foreign countries. Therefore one of two things must happen: Either the value of the commodities which the farmer must of necessity purchase must be reduced down to the level of his purchasing power or his commodity must be brought up to the level of the purchasing power of the things which he must purchase in order to operate his business.

The trouble with the farmer, and I think it is well recognized, is that he has no agency through which he can successfully control the marketing and distribution of his products, while the other industries, who do get the benefit of the tariff and of the competitive basis of similar products being imported from foreign countries, are in a position to finance themselves, to control overproduction and to control the sale and distribution. In other words, the purchasing power of the farmer is much less than that of the other elements of industry. It goes without saying that the farmer, without any capital, can not continue indefinitely losing money. So there has arisen an emergency and some form of relief is necessary which will afford the farmer an agency by which he may sell his products on the basis of the American standard and not on the foreign standard; some method whereby the surplus may be taken care of and separated from the supply which is intended for American consumption. If the Senator from Connecticut knows of

any other remedy which will bring about such a situation, well and good; but it seems to me that something is necessary in order to equalize conditions.

Mr. McLEAN. That is the very point I have been discussing. If the Government undertakes in this instance to stabilize the price of wheat, I do not know why it should not undertake to stabilize the price of all products where there may be a surplus. The farmers produce a surplus in this country. If they did not they would have the full advantage of the tariff.

Mr. BURSUM rose.

Mr. McLEAN. Pardon me. If they can reduce their production below the surplus margin, they will get the benefit of the tariff.

Mr. BURSUM. That is not necessarily essential.

Mr. McLEAN. I know, but that would be the result. There is only one way by which the farmers can control prices—organize and control production.

Mr. BURSUM. For instance, if sewing machines are manufactured in greater quantities than are required in this country, the surplus is sold abroad, sometimes for less than the price for which sewing machines are sold in this country. That is necessary in order to protect the industry. The proposition is, if we are to maintain our industries on the American standard, that standard must extend to all elements of industry; otherwise there will be great hardship and suffering and liquidation among certain elements of our industrial life. In some way all those elements must be entitled to the benefit of the same standard.

Mr. McLEAN. It is the same with the wheat grower as with the potato grower. As I have instanced here, nearly two years ago the potato growers lost millions; they did not receive much more than half the cost of production. The Senator would single out one industry, one product, and have the Government come to its aid alone. As soon as we shall do that we shall hear not only from Montana but we shall hear from Maine. There also may be an overproduction of oranges in Florida and California, and we shall hear from those States. So it will go, until finally we shall have the Government engaged in a proceeding which will not only exhaust the Treasury but which will result in a colossal surplus which the Government can not handle.

Mr. BURSUM. It ought not to exhaust the Treasury or take a dollar out of it. The cost of marketing the surplus should be absorbed in the cost of that portion of the production which is sold here at home, and which represents 90 per cent of the total.

Mr. McLEAN. That depends upon the amount of the surplus. When the Government guarantees a profit the surplus of wheat will be mountain high.

Mr. BURSUM. There is no guaranty of profits, as I understand.

Mr. McLEAN. It is proposed that the Government stabilize the price of wheat because the farmers will not continue to raise it unless they can raise it at a profit.

Mr. BURSUM. The proposition is simply to guarantee a market on a competitive basis, and not to guarantee a profit. I have heard nothing of guaranteeing a profit.

Mr. JOHNSON of Minnesota. Mr. President, I should like to put the Senator from Connecticut [Mr. McLEAN] on record. I should like to ask him if he would be in favor of the farmers of the United States organizing and ascertaining the cost of production and asking a price for their products which would cover that?

Mr. McLEAN. I think we have already amended the law for the benefit of the farmer in that regard.

Mr. JOHNSON of Minnesota. I want the Senator to answer my question.

Mr. McLEAN. I voted for that law.

Mr. JOHNSON of Minnesota. The Senator voted for what?

Mr. McLEAN. I voted to take the farmer out from the operation of the Sherman Act.

Mr. JOHNSON of Minnesota. That answer is not satisfactory to me. I understand the Senator from Connecticut represents a State where there are many great manufacturing industries. The people of his State set the price. The manufacturer, the wholesaler, the retailer—they all set the price; but the farmer does not do that. Is the Senator from Connecticut, then, in favor of organization so that farmers may ascertain the cost of production, for the farmer is the biggest manufacturer of all the manufacturers?

Mr. McLEAN. Mr. President——

Mr. JOHNSON of Minnesota. Just a moment. The farmer manufactures tobacco, wool, hogs, sheep, and everything, does he not? Yes; and yet he lets somebody else set the price for him. That is all there is to it.

Now, the manufacturer has got his hand in the pocket of the wholesaler; the wholesaler has got his hand in the pocket of the retailer; the retailer has got his hand in the pocket of Mr. Farmer; but where is the pocket into which Mr. Farmer can put his hand? There is none.

I ask the Senator from Connecticut if he is willing for the farmer to go to the manufacturer and say, "Here, I want to get the cost of production"?

Mr. McLEAN. We try to ascertain the cost of production when we fix the tariff rates; but sometimes we succeed and sometimes we do not.

Mr. JOHNSON of Minnesota. How did the Republicans fix the tariff rate in the last Congress?

Mr. McLEAN. We fixed a tariff of 30 cents a bushel on wheat.

Mr. JOHNSON of Minnesota. That is not enough, but that was all right in one way. But look where the farmer buys. While he sells abroad in a wholesale market, he buys in a retail market, which is protected by the people of the manufacturing States. That is all there is to it.

Mr. McLEAN. I will answer the Senator.

Mr. JOHNSON of Minnesota. I wish to have an answer to that question.

Mr. McLEAN. I wish to say to the Senator from Minnesota that if the farmers of Minnesota want to organize and control the market for wheat, go to it; there is no legal obstacle; I shall not interfere with them, because I will say to the Senator from Minnesota that I, too, am a farmer.

Mr. JOHNSON of Minnesota. I am willing——

Mr. McLEAN. Just a moment. I should like to find some way in which I can operate a farm at a sure profit.

Mr. JOHNSON of Minnesota. Well, has the Senator from Connecticut any suggestion to make? Has he introduced any bills to the effect he has suggested?

Mr. McLEAN. I have been trying to explain to the Senator from Minnesota why I have not introduced any bills for that purpose. It is because I do not believe that Congress, by law, can control natural disadvantages, or wisely interfere with the law of supply and demand.

Mr. JOHNSON of Minnesota. No; but I wish to ask another question. I am willing to throw away all of the pending bills if the Senate and the House of Representatives will get behind a proposition to help organize the farmers so that they can ascertain the cost of production and ask a reasonable and fair profit to enable them to keep their families as men in the cities keep their families, because in the city the prices are set. They always fix the prices in the city, do they not? Why, certainly.

Mr. McLEAN. I do not live in the city, in the first place.

Mr. JOHNSON of Minnesota. I do not care; the Senator is a lawyer; he is an attorney, and he sets his prices.

Mr. McLEAN. I have not practiced law for a great many years.

Mr. JOHNSON of Minnesota. Then the Senator does something else and sets the price for his services; there is no question about that.

Mr. McLEAN. No.

Mr. JOHNSON of Minnesota. Everybody else sets the price except the farmer. He produces, but lets somebody else set the price.

Mr. McLEAN. I will say to the Senator let the farmer go to it and set his own price.

Mr. JOHNSON of Minnesota. We would like to do it, not to starve out anybody else. But that is why when they sent me down here they said, "Maybe you can help us out; you can not make things any worse for us than the Republicans have." [Laughter.]

Mr. McLEAN. Mr. President, I don't know about that. The Senator from Minnesota has my sympathy. I was brought up on a farm and operated one; it is the only business I have when I am not here. The farmers now can organize—there is nothing to interfere with them in that regard—just as any other producers can organize, only the farmers are not restricted by legislation as other industries are restricted. In that respect he has every preference.

I do not like to take the time of the Senate to repeat the real cause for the situation in which the farmer finds himself, but he has a case either of overproduction or underconsumption, and he has a very high wage scale; he has to pay a high price for his machinery; and circumstances are such at present that it is very difficult for him to produce anything that he can sell at a profit. He has my full sympathy. I would be very glad to help him in any legitimate way, but my point is that if the Congress undertakes to use the Treasury of the

United States to assure him a profit he will immediately have a surplus which will crush him and the Treasury.

I yield the floor, Mr. President. I shall be glad to hear from the Senators from the Northwest.

Mr. FRAZIER. Mr. President, I am sorry the Senator from Connecticut misunderstood my statement yesterday when I said that this bill, so far as I could see, was intended to benefit farmers who are not able to make loans under present conditions by enabling them to go into the raising of livestock or livestock products, not for the particular reason of providing food products for the farm in the way of meat and milk, and so forth, but to give them something that they could sell, such as milk and eggs and beef and poultry and things of that kind that would help pay their store bills and in that way keep down overhead expenses and put them on a somewhat more successful basis.

The Senator from Connecticut has referred a number of times to the law of supply and demand. He spoke about the free operation of the law of supply and demand, and was afraid that this bill or some other measure which Congress might enact would interfere with the natural law of supply and demand. I should like to ask the Senator from Connecticut when has the natural law of supply and demand freely operated for the benefit of the farmer; that is, in fixing the price of the products of the farmer?

Mr. McLEAN. I take it it is operating not only freely but too freely at the present time, and that is the reason why wheat can not be raised in the Northwest at a profit.

Mr. FRAZIER. I am not so sure about that.

Mr. McLEAN. Canada produced a surplus of 300,000,000 bushels of wheat last year and we produced a surplus of about 150,000,000 bushels.

Mr. FRAZIER. And untold millions were starving in Europe.

Mr. McLEAN. That may be, but they had not any money with which to buy the wheat.

Mr. FRAZIER. But the demand is there just the same.

Mr. McLEAN. When Russia resumes raising wheat, I will inform the Senator, there will be little opportunity for the wheat growers of the Northwest to sell Dakota wheat in Europe unless they sell it for 50 cents a bushel.

Mr. FRAZIER. I want to say that there is not a surplus in this country of the kind of wheat we raise in North Dakota, and there never will be. We raise a kind of wheat that has got to be mixed with the kind of wheat produced in Connecticut in order to make a good grade of flour. It is No. 1 hard northern wheat, and there is no surplus of it in this country, and none of it is ever shipped abroad. We have to import it from Canada to get enough to mix with other wheat in order to obtain good flour for our own people.

Mr. McLEAN. Then, you get the benefit of the tariff to a certain extent?

Mr. FRAZIER. We would if it were protected, as it ought to be protected.

Mr. McLEAN. Do you not, as a matter of fact, get some benefit from the tariff?

Mr. FRAZIER. But very little under the present situation. I do not want to go into that question at the present time, because it is not part of the discussion of this bill, but the Senator from Connecticut made such rash statements along certain lines that I felt some correction should be made.

It would seem from the Senator's statements that he objects to the farmers selling their wheat or any other products at a profit.

Mr. McLEAN. Oh, no.

Mr. FRAZIER. He asked the Senator from Oregon if his bill was not designed to allow the farmer to sell his grain at a profit.

Mr. McLEAN. Yes; if the money for the profit is furnished out of the Treasury of the United States.

Mr. FRAZIER. It does not make any difference whether it comes out of the Treasury of the United States or not, the fact is that if the farmer is going to live he has got to get a profit for the commodities which he produces. The Senator will admit that the farmer produces those commodities which he and the people of Connecticut and the people of the rest of the United States have got to have in order to live, and the farmer must, if he is going to continue in business, put the farm on a paying basis, which it has not been on in the past.

The Senator also stated that there was no reason why the farmer should not organize. Perhaps there is not, and yet past experience of the farmers is that every organization that has ever been attempted for the benefit of the farmers themselves has been bucked and opposed by a concerted effort on the part of the financial interests of this Nation which have been thoroughly organized for many years.

You can take the bankers' associations, chambers of commerce, manufacturers' associations, and all of the rest of them right down the line, and the law of supply and demand does not fix the price of farm products—not by any possible stretch of the greatest imagination. It is the grain gamblers of the Chamber of Commerce of Minneapolis and the Board of Trade of Chicago and the rest of the places like that that fix the price of wheat; and the same thing is true of the rest of our products, beef products and the rest.

We pay 15 cents a quart for milk right here in the city of Washington to-day. Is it the law of supply and demand that makes that price? No; it is not, and the farmer out here is not getting any 15 cents a quart for his milk. The reason why we pay 15 cents a quart for milk is because of the organized sellers who sell that milk.

The reason why we are paying 9 cents a pound for bread to-day here in the city of Washington is not the law of supply and demand, and it is not based on the price of wheat that the farmer gets. It is because there is an organization of the bakers, who are organized so that they can control the price of bread.

Mr. McLEAN. They ought to be prosecuted.

Mr. FRAZIER. They should be prosecuted, yes; perhaps that is right, but they are not. What the farmer can not understand is why Congress and why men like the Senator from Connecticut here oppose any measure, apparently, for the benefit of the farmer, while—I do not know what the Senator's record is—but in the past bills have been passed by Congress to benefit other lines of business—the manufacturers, the bankers, the railroads, the coal operators, and the rest of the big interests. Then why can not the farmers have just a little bit of protection, just a little bit of consideration, at the hands of these same gentlemen who have protected big business interests in this Nation in the past?

The little bill that is up before us now is only a drop in the bucket. It makes but very little difference one way or the other in my estimation. It will help some farmers to get on their feet; but a bill like the McNary-Haugen bill or the Norris-Sinclair bill will be a real relief to the farmers. I was glad to hear the Senator from Connecticut say that he would support any measure that would honestly help the farmers. I shall take pleasure in calling that statement to his attention if he takes the same attitude when these other bills come up that he has taken here to-day.

Mr. HEFLIN. Mr. President, the Senator from North Dakota [Mr. FRAZIER] might have suggested to the Senator from Connecticut that the people have lost, in the lease of the oil reserves, many millions of dollars, in fact hundreds of millions of dollars, and there is a disposition on the part of some to defend the leases which occasioned these losses which amount to hundreds of millions, and I want to say here and now that before many weeks have elapsed I expect to see Senators on the other side openly defending the oil leases, and seeking to bolster up the cause of those who have taken over this vast property of the Government of the United States.

While I am on that subject I want to read a telegram, in order that the committee on investigation may have some suggestions on the subject to-day, because they probably will examine some one or two phases of this question on to-morrow.

When the Senate was discussing the necessity for the resignation of Mr. Denby, and suggestions were being made that Mr. Daugherty should resign, a telegram was sent from Washington to Mr. Ed McLean, at Palm Beach, Fla. It reads as follows:

WASHINGTON, D. C., *January 29, 1924—1.20 p. m.*

Saw principal. Delivered message. He says greatly appreciates, and sends regards to you and Mrs. McLean. There will be no rocking of boat and no resignations. He expects reaction from unwarranted political attacks.

(Signed) BENNETT.

That is Mr. Bennett, of the Washington Post. I think the "principal" referred to here is the President. I think the statement that there would be no resignations is in keeping with the statement the Times had, in an article by Mr. Clark, stating that the President had said that he would not permit Mr. Denby to resign.

I think these two things are intimately related and refer to the same subject matter, that they mean just what this telegram sets out, that the "principal"—or the President—has been seen, and that he thinks favorable reaction in a political way will follow; that there will be no rocking of the boat if the President can prevent it, and no resignations forthcoming because of the terrible disclosures just made.

I quoted the President here as having said that he would not permit Mr. Denby to resign, and that was after this telegram was sent and Mr. Denby was boldly declaring that he would not resign. I should like to have the committee ask Mr. Bennett to-morrow morning—I understand that he is going to appear before the committee—to explain this telegram in detail, and explain exactly what he meant when he said that he had seen the "principal." It may be that he will state that he never saw the principal or the President in person; and I should like to have the committee ask him who did see him, and who brought to him the statement that he had been seen. In other words, I want to suggest, a day in advance, that the committee go very thoroughly and minutely into the details regarding this particular telegram. I make that request.

Mr. President, the bill pending here is a sad disclosure of the awful conditions that we find under a Republican administration. Here are the people in several States hard pressed, and some poverty stricken, when Republican periodicals, for political purposes, are boasting that we have prosperity throughout the country. Here are the people of four or five sovereign States in the Northwest begging the Congress to do something to permit thousands of farmers and their families to have a chance to live, and yet we have had a Republican administration in control of every branch of the Government for three years and a little more.

While there is prosperity in the East, the section that is sapping the substance of the other three sections of the country, we are here debating for two days a measure that seeks to bring relief to a great army of farmers in the great Northwest, mortgaged, debt ridden, and poverty stricken; everything that the farmer has, personal property of every kind, farm lands and all, covered with mortgages, and he says he has reached his row's end, bankrupted and broke; and this is the fruit of a Republican administration!

I want to remind the Senators on the other side who seem to have forgotten that when the Republican deflation panic was on you contributed to the undoing of agriculture, you would not permit the farmer to obtain loans on the very cattle that you caused him to lose and that you are now seeking to buy back for him and take a mortgage on for the Government. You would not permit him to have the same rediscount rates that the gamblers of Wall Street got during that period. Not only that, but you charged him a high progressive interest rate, ranging from 10 to 30 per cent and higher, when your gamblers in New York were obtaining money at from 5 to 6 and 6½ per cent. You had one standard of financial accommodations for the East and quite another and harder standard for the people of the South and West, and finally you became so cold and cruel that you would not permit the people of the South to borrow money on cotton at all. Our farmers were helpless and could not obtain a dollar on cotton. We could not obtain a dollar on Liberty bonds finally for the agricultural section of the South; neither could they obtain such loans in the West. They could not get loans upon their cattle; they could not get loans on their lands. You had a high interest rate for the South and West, a progressive interest rate. The more money the farmer needed by reason of the organized efforts to rob him the higher you placed the rediscount rate. You finally reached the point where you would not let him have a dollar. Now everyone can clearly see that you have sown the wind and you are reaping the whirlwind, and "as ye sow, so shall ye reap." You mistreated the farmer; you withdrew from him the aid of governmental instrumentalities established for his benefit; you permitted those who wanted to pillage and plunder him to do so. Now you have him in a despondent and impoverished state and you are calling on the Government to loan him some money to temporarily get him out of the mire into which you have thrown him, and all this just before a presidential election.

Mr. President, I have in my desk here a cartoon. It is the most appropriate and timely thing that I have seen. It is a picture of the G. O. P. elephant. Some friend was kind enough to send it to me. It has this big, old G. O. P. elephant on the side of a lagoon, and President "Cautious Cal" Coolidge is sitting upon his head, and the farmer is down in the mud and mire and slush of the lagoon, and the old elephant has come up to the edge of it and is reaching his trunk—or snout, as the boys call it down home—taking the farmer by the arm to pull him out just before the presidential election, to get him on his feet and feed him up and fatten him so that they can get his vote, and the predatory interests can slaughter him again after election if the Republicans should win in the national election. That is what goes on under Republican rule. Will certain people never learn the wisdom and necessity for abandoning for good the boss-ridden and time-serving Republican Party of to-day? Can the people be fooled again by the leaders of the old standpat party as we know them here to-day?

Mr. President, these farmers were not always in this dreadful condition. Under a Democratic adminstration prosperity reigned in the West. We had taken the control of the money supply and credits out of the hands of Wall Street. The farmer in the West was prosperous. He was getting a good price for his products. He had money in his pocket and money in the bank; but when these mighty money lords of New York told these new Republican leaders, "We are going to contribute funds to help put you in power, and when we do you will have to turn over to us the money instrumentalities of the country, the control of the money supply and credits; we have got to have our feast if we furnish the money to put you in," and, Mr. President, we have seen the contract fulfilled to the hurt and injury of millions of American people, and now the Teapot Dome scandal looms up to blacken and cap the climax of it all. They not only robbed the South and West, but they robbed that which was intrusted to their care, the Government itself; and fortunate it is that all this is being brought to the attention of the people, whose Government this is, prior to another presidential election.

I have never seen—and I have been in Congress for some time—the instrumentalities of the Government used in a single instance in a way to benefit the common masses of the common people when the Republican Party was in power—not once.

I have in mind now an instance where the instrumentalities of Government are used to hurt the farmers of my section, the cotton farmers of the South. They tell us, Mr. President, that when you make a big cotton crop that we must expect a low price, because we have too much cotton; the law of supply and demand they tell us regulates that, and when you have a greater supply than is needed, the price is bound to come down. Then we say, "If that is true, when we have a small crop, a supply too small to meet the consumptive demand, then the law of supply and demand would, if permitted to operate, compel a higher price for cotton, and we would be entitled to get a high price to offset the low price we received when the crop is said to be too large." But not so.

What do we find to-day regarding the attitude of the Government toward raw cotton in the United States? We have a cotton crop that is three and a half to four million bales short of the world's consumptive demand. We find the governmental instrumentalities padding the Washington report, adding cotton bales to make up cotton that has not been produced and is not in existence.

There are from 579,000 to 610,000 bales reported in this bogus Census Bureau Government report that can not be found anywhere in the United States. We find the Bureau of the Census, in Mr. Hoover's department, adding cotton bales—hundreds of thousands of them—to the hurt and injury of the cotton producer, simply to balance with distribution. We said, "How is that? Here is the ginners' report covering gins scattered through the 820 counties of the Cotton Belt. They tell exactly how many bales have been ginned. That is the supply that is coming into sight in the United States. Cotton imported is accounted for by Government agents at the port of entry. We can tell how much has come in from the outside and from these two sources we know what the supply is."

"Well," they say, I suppose, "but we add what some of the New England spinners said they had left over and on hand."

But we said, "They have not got it. They are mistaken. The ginners' report shows so many million bales. They imported so many thousand bales; we added them together, and that gives us the correct total, but the figures that you give us show that you have added without rhyme or reason about 610,000 more bales than the figures justify." We said, "How do you get this balance?" They said, "We guessed at or just added these hundreds of thousands of bales to make our report on the cotton supply balance with distribution."

We said, "Why, you have not given the cotton farmer credit for what the ginners' report shows he actually made, but you have added to what he actually made out of your imagination to help the spinners and speculators bear the market about 610,000 bales."

It is a corrupt and scandalous performance. I know of no other way to characterize it. We had one of the agents up here, a Mr. Zimmerman—and I am going to remember him, too, as soon as the Democrats get into power.

We said, "Where do you get this 50,000?"

"I added that for cotton ginned in Texas."

"Have you the ginners' report? We see here where you have 100,000, when only 50,000 had been ginned in Texas."

"That is right," he said, "I added that." He had counted the 50,000 bales twice. So he had the producer charged with 100,000 bales in that one instance when he admitted that there were only 50,000 bales that should have been in the report.

We said, "The other; how did you get that?"

He said, "We estimated it."

"Estimated it—why?"

"To balance with distribution." I raised this point when we had him before the conference of Senators from the cotton-growing States. I said, "Here you have on hand at the cotton mills in the South 531,000 bales, and in the northern mills 687,000 bales, when the fact is the southern mills consume twice as much cotton as they do in the northern mills, and you have somehow got about 150,000 bales more in the northern mills than you have in the southern mills." He was embarrassed; he could not explain that.

Mr. President, I am mentioning this to show that the Republican Party in power never uses it imagination or indulges in guesses to favor the average man, the plain citizen, in the common walks of life. It is always found showing favors to some big concern, and when they do guesswork and put up a smooth job, it is always on that side.

How long will it take for the old-time, self-respecting Republicans of other days to wake up and know the present-day Republican Party as it is and repudiate it as the subservient tool of the predatory interests of the Nation?

Mr. President, I believe that is all I have to say this afternoon. I will probably have some more remarks to make on this bill to-morrow, after I have had the opportunity of examining certain hearings on the bill.

PHILIPPINE INDEPENDENCE.

Mr. ROBINSON. Mr. President, the Chief Executive has issued an important statement, an address to members of the Philippine Commission now visiting Washington in connection with the independence of the people of the Philippine Islands. The statement discusses relationship between the people of the United States and of the Philippines, and the President expresses the opinion that the time has not yet arrived when independence should be granted.

The evidence set forth in the statement upon which this opinion is based is that the natives of the islands have been unable to appreciate the ability and services of the present Governor General. The President says plainly that is one reason upon which he justifies his conclusion that the present relationship between the Government of the United States and the Philippines should be continued. The statement also incorporates the following:

> If the time comes when it is apparent that independence would be better for the people of the Philippines, from the point of view of both their domestic concerns and their status in the world, and if, when that time comes the Filipino people desire complete independence, it is not possible to doubt that the American Government and people will gladly accord it.

The statement admits, apparently, that the best interests of the United States justify granting independence to the Filipinos. The policy of continuing the exercise of authority of this Government over the islands is justified by the President solely upon the ground that the Philippine people require protection against themselves and supervision against a probably improvident government if independence be granted them.

Mr. President, the sentiment among the people of the Philippines appears to be almost unanimous in favor of independence. It is undoubtedly true that great advancement has been made since the American occupation of the islands began in 1898. This advancement is evidenced by improved sanitary conditions, better facilities for education, and the existence of a highway system which is constantly being extended and improved. But, sir, the hearings before the Senate committee which has been considering this subject show that resolutions have been unanimously adopted by the Philippine Assembly urging that this Government now permit the citizens of the islands to take over and control their own affairs, and that these resolutions have been supported not only by the members of the assembly who have been elected by the people of the Philippines but also with equal enthusiasm by those members of the assembly who have been appointed by the Governor General, which indicates that so powerful is the sentiment in favor of independence that even the influence of the Governor General has not been sufficient to prevent his own appointees from supporting and advocating that policy.

It is clear to everyone who has studied the subject that the recognition of Philippine independence would relieve the United States Government of a very grave responsibility. It has been said, Mr. President, that the treaties negotiated by the Washington conference last year have so adjusted international problems in the Orient that there is not the slightest probability of our possessions in the East being questioned or disturbed by any foreign power. Yet it is unquestionably true that by our agreement in the naval arms-limitation treaties, in which the United States promised not to further fortify our possessions in the Pacific, we have left those possessions at the mercy of any power which might choose to attack them.

This would seem to be a peculiarly opportune time for granting independence to the people of the Philippines. While they have expressed appreciation for the splendid services our Government has rendered them in the past, there is in the breasts of the enlightened natives a desire for liberty. They believe that independence ought to be granted them. They are well-nigh unanimous in insisting that the pledge made by the United States Government in the act of 1916 to accord them full liberty should be redeemed, and that this should be done now or in the early future.

The difficulties in the way of granting independence will increase in number and grow stronger with the passing of time. The hearings show that American business interests and American influences are gathering volume day by day.

Mr. WILLIS. Mr. President——

The PRESIDING OFFICER (Mr. GEORGE in the chair). Does the Senator from Arkansas yield to the Senator from Ohio?

Mr. ROBINSON. I yield.

Mr. WILLIS. While the Senator is speaking of the difficulties, I was wondering whether he had pursued the subject far enough to cause him to desire to make a statement about the financial side of the question. As the Senator knows, he being a member of the committee and one of the most useful members of it, here are about $70,000,000 of bonds issued by the Philippine government, for the maintenance of the value of which the credit of the Government of the United States is pledged. What is the Senator's thought as to how that matter should be cared for in the event we grant them independence?

Mr. ROBINSON. I was just about to say that not only is American influence in the Philippines growing stronger, and that therefore the difficulty of granting independence will increase with the passing of time, but American financial ties and obligations are expected to increase rather than diminish in the future, so that it would be easier now to solve the financial problems which appear to be inseparably connected with the question of independence than it probably again will be during the lifetime of the present generation.

Mr. WARREN. Mr. President, will the Senator yield?

Mr. ROBINSON. I will yield in just a moment. The outstanding bonds are probably less in amount now than they will be again during the present generation so long as the United States Government retains supervision over the Philippines, so that the problem in that particular is easier now than it will ever be again. Now the representatives of the Philippine Government have themselves suggested that no objection will be interposed to pledging a portion of the revenues of the islands as security for the redemption of the payment of those bonds. Whether that is the most practicable and feasible plan that could be devised I am not prepared to say, but certainly the problem is easier now than it will be hereafter, easier now than it will be 25 years in the future.

I now yield to the Senator from Wyoming.

Mr. WARREN. I take it for granted that the Senator is not desiring the Senate to proceed to any immediate consideration of the Philippine question, and I only say that I was about to make an inquiry similar to that which the Senator from Ohio has done. Since the Senator has asked the question, I wish to say that there are further obligations than the bonds referred to, and conditions that I presume have been looked up or will be before the subject comes regularly before the Senate.

Mr. KING. Mr. President——

Mr. ROBINSON. I yield to the Senator from Utah.

Mr. KING. The Senator from Ohio [Mr. WILLIS] indicated that he felt that our Government had pledged itself to the payment of the $70,000,000 referred to.

Mr. WILLIS. It is a moral responsibility, at least.

Mr. KING. There is absolutely no guaranty and no pledge. The city of Manila has borrowed something like $4,000,000, and the Philippine government has borrowed a considerable amount, largely, if not entirely, in the United States, but there is absolutely no guaranty by the United States for the payment of a single dollar of the Philippine debt. The Senator will remember that in the hearings the only reference to that question was that perhaps there was a moral obligation merely because the United States was exercising sovereignty over the

islands, and the Governor of the Philippine Islands had been named by the President of the United States.

Mr. WILLIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Ohio?

Mr. ROBINSON. I yield.

Mr. WILLIS. If the Senator will permit me very briefly, I recall very well the statement made as suggested by the Senator from Utah. It is, of course, a moral obligation, yet it is well known that those bonds were sold with the tacit understanding, of course, that the Philippine Islands were a part of the United States. While there was no direct guaranty by the Government of the United States, the bonds were sold with the understanding that the Government of the United States was back of them.

Mr. ROBINSON. No; Mr. President, I am not willing to recognize that principle. The language of a written obligation, a public bond, is such that one can not read into the obligation secret or private understandings with governments or individuals who are not parties to the contract, assuming responsibility for their payment. Such a suggestion is to me unreasonable. Whatever may be the responsibility of the United States for those bonds, the United States must and will assume to discharge. I would not attempt to say that the Philippine bonds are a moral obligation of our Government, but if they are the United States must and will discharge that moral obligation.

Mr. WILLIS. Mr. President, will the Senator yield just a moment?

Mr. ROBINSON. I yield to the Senator from Ohio.

Mr. WILLIS. The reason why I suggest that at this time is because the Senator very accurately and properly referred to the fact that it was proposed that the revenue should be pledged to the payment of the bonds. Now, if our Government has no obligation, of course, we ought not to have anything in the world to do with the revenues of the Philippine Islands, and there is no reason why they should be pledged to us for any purpose.

Mr. BAYARD. Mr. President——

Mr. ROBINSON. I yield to the Senator from Delaware.

Mr. BAYARD. May I state to the Senator from Ohio that at the hearing the other day, I think he was a little bit late. Secretary of War Weeks was there and this same question came up. He stated at that time that doubtless if the United States Government gave the Filipinos their freedom, in the course of a few years the bonds would go down in value, but so far as his opinion was concerned the United States had no obligation of any kind to assume responsibility of payment, that if engagements were made with the Filipinos that if their freedom was given to them they should underwrite some portion of their governmental income to liquidate the bonds, that would be merely because the Filipinos felt that the floating of the bonds at par in the first place was a moral obligation which the Filipinos had undertaken and not the United States.

Mr. WILLIS. I want to ask a question of the Senator. I do not desire to trespass unduly on the time of the Senator from Arkansas.

Mr. ROBINSON. I yield to the Senator from Ohio.

Mr. WILLIS. Is it the opinion of the Senator from Delaware that there is, then, no moral obligation at all on the part of the Government of the United States touching the bonds?

Mr. BAYARD. I am of the opinion very frankly that the Government has not a moral obligation under the circumstances.

Mr. WILLIS. I disagree with the Senator from Delaware.

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Delaware?

Mr. ROBINSON. I yield.

Mr. WALSH of Montana. I wonder why the Senator from Ohio thinks there is any moral obligation upon the part of the United States. When the Philippine Islands were annexed President McKinley issued a proclamation declaring that there was no purpose whatever upon the part of the United States permanently to annex the Philippine Islands; that it was intended merely to hold them until the people of the islands should familiarize themselves with the principles of self-government and exhibit a capacity for governing themselves. That declaration has been repeatedly asseverated by our public men since and took the form of a formal enactment of the Congress in the year 1916, as stated by the Senator from Arkansas.

Any man who bought the Philippine bonds bought them with the full realization that some time or other the Philippines would have their independence unless we were to repudiate the solemn proclamation of President McKinley at the time the islands were acquired.

That proclamation, I might say, was at that time promulgated in order to still apprehension entertained by some foreign governments concerning aggressive purposes upon the part of this Government of ours. Those bonds, therefore, were taken with the complete information upon the part of the purchasers that at some time or other the Philippines were to be given their independence.

Of course, in modern times a government never discharges its obligations. It merely refunds them; that is, sometimes it reduces them. We hope in time to reduce our great obligations, but the great bulk of our national debt will be refunded. It will not be paid off. So if there is anything to the argument at all that we ought to postpone the redemption of our promise to give the Philippines their independence until the bonds of the Philippine Islands are discharged, we might just as well say that we repudiate our obligations.

I would like to inquire of the Senator whether he thinks the moral obligation of the United States to sustain the bonds is greater than the moral obligation of the United States to redeem its promise made at the time the Philippines were acquired?

Mr. WILLIS. Will the Senator from Arkansas yield?

Mr. ROBINSON. I yield to the Senator from Ohio for a brief statement.

Mr. WILLIS. It will be very brief. The Senator from Montana misapprehends entirely my purpose. I am not now canvassing the question at all as to whether independence should now be granted. I simply spoke of the financial side of the question. While I agree with the historic facts that he has recited, it being understood that it was the purpose of this Government ab initio eventually to make the Philippine Islands free, I can not overcome the feeling that the obligations that are incurred meanwhile before they become independent are to some extent resting upon us—not a legal obligation, of course I recognize that, but I think they become a moral obligation. But I am not citing that at all as an argument to postpone the granting of independence. If that can be done, it would rest upon other considerations than what I have stated.

Mr. ROBINSON. Mr. President, I have already said that when a contract, correctly denominated as a bond, is executed there are written into its provisions all the obligations which can be asserted in connection with it. It is unheard of to say that there is a moral obligation on the part of the United States to pay the bonds of another government or another people when the United States did not issue and did not sign the bonds and did not assume any liability in connection with them. But, I repeat, whatever may be the obligation of the United States, if it has any obligation to discharge in connection with the bonds of the Philippines, that obligation is lighter now and more easily discharged now than it will ever be again during the present generation. The hearings show that instead of diminishing in amount, the bonds are likely to increase in amount and all the while the ties that bind us to the Philippines and that tend to keep us in the exercise of authority over them are growing stronger and more numerous, and it will be easier now than it will ever be again to redeem the pledge made when we uplifted above the islands the flag of this Republic that we would give them independence as soon as conditions justify it.

But, sir, reverting to the topic discussed by the Senator from Ohio, there is a suggestion that independence should not be granted until some financial arrangement is made satisfactory to the holders of bonds issued by the Philippine people so that the United States would in effect guarantee the obligations of the Philippines now in existence against a decline on the market. Is it the purpose of the Senator from Ohio to place financial obligations above the pledge made by this Government to grant liberty to a people over whom we have exercised authority? Considerations of liberty, the right of people to govern themselves, are the very highest known to civilized people. These considerations must not be subordinated to mercenary interests and they will not be.

I ask to have printed in the RECORD the statement of the President, recently issued, which prompted the remarks which I have made upon the subject.

The PRESIDING OFFICER. Without objection, permission will be granted.

The President's letter is as follows:

THE WHITE HOUSE,
Washington, February 21, 1924.

MY DEAR MR. ROXAS: The resolutions adopted by the Senate and House of Representatives of the Philippines, touching upon the relations between the Filipino people and the Government of the United

States, have been received. I have noted carefully all that you have said regarding the history of these relations. I have sought to inform myself so thoroughly as might be as to the occasions of current irritation between the legislature of the Philippines and the executive authority of the islands.

In your presentment you have set forth more or less definitely a series of grievances, the gravamen of which is that the present executive authority of the islands, designated by the United States Government, is in your opinion out of sympathy with the reasonable national aspirations of the Filipino people. If I do not misinterpret your protest, you are disposed to doubt whether your people may reasonably expect, if the present executive policy shall continue, that the Government of the United States will in reasonable time justify the hopes which your people entertain of ultimate independence.

The declaration of the commission of independence charges the Governor General with illegal, arbitrary, and undemocratic policies, in consequence of which the leaders of Filipino participation in the government have resigned and their resignations have been accepted by the Governor General.

The commission of independence declares that it is necessary "to take all needful steps and to make use of all lawful means within our power to obtain the complete vindication of the liberties of the country now violated and invaded." It proceeds: "And we declare, finally, that this event, grave and serious as it is, once more demonstrates that the immediate and absolute independence of the Philippines, which the whole country demands, is the only complete and satisfactory settlement of the Philippine problem."

It is occasion for satisfaction to all concerned that this declaration is couched in terms of moderation, and that it goes no further than to invoke "all lawful means within our power." So long as such discussions as this shall be confined to the consideration of lawful means there will be reason to anticipate mutually beneficent conclusions. It is therefore a matter of congratulation, which I herewith extend, that you have chosen to carry on this discussion within the bounds of lawful claims and means. That you have thus declared the purpose to restrict your modes of appeal and methods of enforcing it is gratifying evidence of the progress which the Filipino people, under American auspices, have made toward a demonstrated capacity for self-government.

The extent to which the grievances which you suggest are shared by the Filipino people has been a subject of some disagreement. The American Government has information which justifies it in the confidence that a very large proportion, at any rate, and possibly a majority of the substantial citizenry of the islands does not support the claim that there are grounds for serious grievance. A considerable section of the Filipino people is further of the opinion that at this time any change which would weaken the tie between the Filipinos and the American Nation would be a misfortune to the islands. The world is in a state of high tension and unsettlement. The possibility of either economic or political disorders, calculated to bring misfortune, if not disaster, to the Filipino people, unless they are strongly supported, is not to be ignored. It should not be overlooked that within the past two years, as a result of international arrangements negotiated by the Washington Conference on Limitation of Armament and Problems of the Far East, the position of the Filipino people has been greatly improved and assured. For the stabilizing advantages which accrue to them in virtue of the assurance of peace in the Pacific they are directly indebted to the initiative and efforts of the American Government.

They can ill afford in a time of so much uncertainty in the world to underrate the value of these contributions to their security. By reason of their assurance against attack by any power; by reason, also, of that financial and economic strength which inevitably accrues to them; by reason of the expanded and still expanding opportunities for industrial and economic development. Because of all these considerations, the Filipino people would do well to consider most carefully the value of their intimate association with the American Nation. Although they have made wonderful advances in the last quarter century, the Filipino people are by no means equipped, either in wealth or experience, to undertake the heavy burden which would be imposed upon them with political independence. Their position in the world is such that without American protection there would be the unrestricted temptation to maintain an extensive and costly diplomatic service, and an ineffective but costly military and naval service. It is to be doubted whether with the utmost exertion, the most complete solidarity among themselves, the most unqualified and devoted patriotism, it would be possible for the people of the islands to maintain an independent place in the world for an indefinite future.

In presenting these considerations, it is perhaps worth while to draw your attention to the conditions in which some other peoples find themselves by reason of lacking such guaranties and assurances as the Filipino people enjoy. The burdens of armament and of governmental expenses which many small nations are compelled to bear in these times, are so great that we see everywhere the evidence of national prosperity and community progress hindered, if not destroyed, because of them. During the World War, the Filipino people were comparatively undisturbed in their ordinary pursuits, left free to continue their fine progress. But it may well be doubted whether, if they had been shorn of the protection afforded by the United States, they could have enjoyed so fortunate an experience. Much more probably they would have become involved in the great conflict and their independence and nationality would have become, as did those of many other peoples, pawns in the great world reorganization. There could be no more unfortunate posture in which to place a people such as your own. You have set your feet firmly in the path of advancement and improvement. But you need, above all else, assured opportunity of continuing in that course without interference from the outside or turmoil within. Working out the highest destiny of even the most talented and advanced of peoples is a matter of many generations.

A fair appraisal of all these considerations, and of others which suggest themselves without requiring enumeration, will, I am sure, justify the frank statement that the Government of the United States would not feel that it had performed its full duty by the Filipino people or discharged all of its obligations to civilization if it should yield at this time to your aspiration for national independence. The present relationship between the American Nation and the Filipino people arose out of a strange, an almost unparalleled, turn of international affairs. A great responsibility came unsought to the American people. It was not imposed upon them because they had yielded to any designs of imperialism or of colonial expansion. The fortunes of war brought American power to your islands, playing the part of an unexpected and a welcome deliverer. You may be very sure that the American people have never entertained purpose of exploiting the Filipino people or their country. There have, indeed, been different opinions among our own people as to the precisely proper relationship with the Filipinos. There are some among us, as there are some among your people, who believe that immediate independence of the Philippines would be best for both. I should be less than candid with you, however, if I did not say that, in my judgment, the strongest argument that has been used in the United States in support of immediate independence of the Philippines is not the argument that it would benefit the Filipinos but that it would advantage the United States. Feeling as I do, and as I am convinced the great majority of Americans do regarding our obligations to the Filipino people, I have to say that I regard such arguments as unworthy. The American people will not evade or repudiate the responsibility they have assumed in this matter. The American Government is convinced that it has the overwhelming support of the American Nation in its conviction that present independence would be a misfortune and might easily become a disaster to the Filipino people. Upon that conviction the policy of this Government is based.

Thus far I have suggested only some of the reasons related to international concerns, which seem to me to urge strongly against independence at this time. I wish now to review for a moment some domestic concerns of the Philippine Islands, which seem also to argue against present independence. The American Government has been most liberal in opening to the Filipino people the opportunities of the largest practicable participation in and control of their own administration. It has been a matter of pride and satisfaction to us, as I am sure it must also have been to your people, that this attitude has met with so fine a response. In education, in cultural advancement, in political conceptions, and institutional development, the Filipino people have demonstrated a capacity which can not but justify high hopes for their future. But it would be idle and insincere to suggest that they have yet proved their possession of the completely developed political capacity which is necessary to a minor nation assuming the full responsibility of maintaining itself in the family of nations. I am frankly convinced that the very mission upon which you have addressed me is itself an evidence that something is yet lacking in development of political consciousness and capability.

One who examines the grounds on which are based the protests against the present situation is forced to conclude that there has not been, thus far, a full realization of the fundamental ideals of democratic-republican government. There have been evidences of a certain inability, or unwillingness, to recognize that this type of governmental organization rests upon the theory of complete separation of the legislative, executive, and judicial functions. There have been many evidences of disposition to extend the functions of the legislature, and thereby to curtail the proper authority of the executive. It has been charged that the present Governor General has in some matters exceeded his proper authority; but an examination of the facts seems rather to support the charge that the legislative branch of the insular government has been the real offender through seeking to extend its own authority into some areas of what should properly be the executive realm.

The Government of the United States has full confidence in the ability, good intentions, fairness, and sincerity of the present Governor General. It is convinced that he has intended to act and has acted

within the scope of his proper and constitutional authority. Thus convinced, it is determined to sustain him; and its purpose will be to encourage the broadest and most intelligent cooperation of the Filipino people in this policy. Looking at the whole situation fairly and impartially, one can not but feel that if the Filipino people can not cooperate in the support and encouragement of as good an administration as has been afforded under Governor General Wood, their failure will be rather a testimony of unpreparedness for the full obligations of citizenship than an evidence of patriotic eagerness to advance their country. I am convinced that Governor General Wood has at no time been other than a hard-working, painstaking, and conscientious administrator. I have found no evidence that he had exceeded his proper authority, or that he has acted with any other than the purpose of best serving the real interest of the Filipino people. Thus believing, I feel that I am serving those same interests by saying frankly that it is not possible to consider the extension of a larger measure of autonomy to the Filipino people until they shall have demonstrated a readiness and capacity to cooperate fully and effectively with the American Government and authorities. For such cooperation I earnestly appeal to every friend of the islands and their people. I feel all confidence that, in the measure in which it shall be extended, the American Government will be disposed to grant in increasing degree the aspirations of your people. Nothing could more regretably affect the relations of the two peoples than that the Filipinos should commit themselves to a program calculated to inspire the fear that possibly the governmental concessions already made have been in any measure premature.

In conclusion let me say that I have given careful and somewhat extended consideration to the representations you have laid before me. I have sought counsel of a large number of men whom I believed able to give the best advice. Particularly I have had in mind always that the American Nation could not entertain the purpose of holding any other people in a position of vassalage. In accepting the obligations which came to them with the sovereignty of the Philippine Islands the American people had only the wish to serve, advance, and improve the condition of the Filipino people. That thought has been uppermost in every American determination concerning the islands. You may be sure that it will continue the dominating factor in the American consideration of the many problems which must inevitably grow out of such relationship as exists.

In any survey of the history of the islands in the last quarter century I think the conclusion inescapable that the Filipino people, not the people of the United States, have been the gainers. It is not possible to believe that the American people would wish otherwise to continue their responsibility in regard to the sovereignty and administration of the islands. It is not conceivable that they would desire, merely because they possessed the power, to continue exercising any measure of authority over a people who could better govern themselves on a basis of complete independence. If the time comes when it is apparent that independence would be better for the people of the Philippines from the point of view of both their domestic concerns and their status in the world, and if when that time comes the Filipino people desire complete independence, it is not possible to doubt that the American Government and people will gladly accord it.

Frankly, it is not felt that that time has come. It is felt that in the present state of world relationship the American Government owes an obligation to continue extending a protecting arm to the people of these islands. It is felt also that, quite aside from this consideration, there remain to be achieved by the Filipino people many greater advances on the road of education, culture, economic and political capacity before they should undertake the full responsibility for their administration. The American Government will assuredly cooperate in every way to encourage and inspire the full measure of progress which still seems a necessary preliminary to independence.

Yours very truly,

CALVIN COOLIDGE.

Hon. MANUEL ROXAS,
Chairman the Philippine Mission,
2033 Twentieth Street, Washington, D. C.

NATIONS OR TRIBES OF INDIANS IN MONTANA, IDAHO, AND WASHINGTON.

Mr. WALSH of Montana. Mr. President, on the 3d day of March the Senate passed the bill (S. 321) for the relief of certain nations or tribes of Indians in Montana, Idaho, and Washington. To-day there came to us from the House of Representatives House bill 3444, identical with the bill to which I have referred. I ask unanimous consent that the Senate proceed to the consideration of that bill.

The PRESIDING OFFICER. Unanimous consent is asked by the Senator from Montana to proceed to the consideration of the bill named by him. Is there objection?

Mr. BRUCE. Mr. President, may I ask the Senator from Montana what is the nature of the bill?

Mr. WALSH of Montana. It is a bill proposing to authorize certain nations or tribes of Indians to begin suit in the Court of Claims against the United States to establish claims which they assert they have against the Government.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 3444) for the relief of certain nations or tribes of Indians in Montana, Idaho, and Washington, which was read, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the Court of Claims, with right of appeal to the Supreme Court of the United States, to consider and determine all legal and equitable claims against the United States of the Blackfeet, Blood, Piegan, and Gros Ventre Nations or Tribes of Indians, residing upon the Blackfeet and Fort Belknap Indian Reservations, in the State of Montana; and the Flathead, Kootenais, and Upper Pend d'Oreilles Nations or Tribes of Indians, residing upon the Flathead Indian Reservation, in the State of Montana; and the Nez Perce Nation or Tribe of Indians, residing upon the Lapwai Indian Reservation, in the State of Idaho, and upon the Colville Indian Reservation, in the State of Washington, for lands or hunting rights claimed to be existing in all said nations or tribes of Indians by virtue of the treaty of October 17, 1855 (11 Stat. L., p. 657, and the following), and in said Flathead, Kootenais, and Upper Pend d'Oreilles Nations or Tribes of Indians by virtue of the treaty of July 16, 1855 (12 Stat. L., p. 975, and the following), with said Indians, and all claims arising directly therefrom which lands and hunting rights are alleged to have been taken from the said Indians by the United States, and also any legal or equitable defenses, set-offs, or counterclaims, including gratuities, which the United States may have against the said nations or tribes, and to enter judgment thereon, all claims and defenses to be considered without regard to lapse of time; and the final judgment and satisfaction thereof shall be in full settlement of all said claims.

That suits under this act shall be begun by the filing of a petition within two years of the date of the approval of this act, to be verified by the attorney or attorneys selected by the claimant Indians, with the approval of the Secretary of the Interior, employed under contracts executed and approved in accordance with existing law. The claimant Indians shall be parties plaintiff and the United States shall be the party defendant, and such suits shall on motion of either party be advanced on the docket of the Court of Claims and of the Supreme Court of the United States. The compensation to be paid the attorneys for the claimant Indians shall be determined by the Court of Claims in accordance with terms of the said approved contracts and shall be paid out of any sum or sums found and adjudged to be due said Indians: But in no event shall said compensation exceed 10 per cent of the amount of the respective judgments, nor exceed $25,000 for the Indians residing on each respective reservation: *Provided, however,* That said compensation shall not exceed $25,000 for the Nez Perce Nation or Tribe of Indians residing upon both the Lapwai and Colville Indian Reservations, nor exceed 10 per cent of the amount of any judgments rendered in favor of said Nez Perce Nation or Tribe, said compensation to be exclusive of all actual and necessary expenses in prosecuting said suits. The balance of any such judgments shall be placed in the Treasury of the United States to the credit of the Indians entitled thereto and draw interest at the rate of 4 per cent per annum.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

FIVE-CENT STREET CAR FARES.

Mr. McKELLAR. Mr. President, a few days ago an article appeared in the New York Times under the following headlines:

Five-cent trolleys to stay in Jersey. Company says higher traffic under lower fare is reducing deficit. Light rates will be cut. Request of State commission for lower gas and electricity is granted.

The article reads:

New Jersey will keep its present 5-cent trolley fare indefinitely and, if it wishes, can have gas and electric rates reduced an estimated 5 per cent.

Thomas N. McCarter, president of the Public Service Corporation, made this announcement at a conference with the State Public Utilities Commission at Newark yesterday. Formal decision by the latter was reserved pending presentation of detailed schedules. The commission had requested a reduction.

About 147 municipalities, from Camden to the northern boundary of the State, will be benefited by the retention of the 5-cent street car fare, which has been on trial since the settlement of the New Jersey trolley strike last September. The fare previously had been 8 cents.

President McCarter indicated that the Public Service Railway Co., operator of the trolley system, had not only found a 5-cent return profitable thus far, but that after a long run of deficits this revenue might even enable the corporation to "turn the corner."

I shall not read the remainder of the article, but I ask unanimous consent that it may be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The remainder of the article is as follows:

The trolleys have reached their lowest point in deficits in the belief of his corporation, Mr. McCarter told the State commissioners. He said that the expected increase in traffic justified belief that the company would "rapidly reduce the loss sustained in operation of its cars under the 5-cent rate." Repeating that this tariff would be continued for an indefinite period, he expressed hope that "continued cooperation of the people of New Jersey" would finally eliminate all loss in operation.

JITNEY OWNERS WORRIED.

The "expected increase in traffic" was taken by some of the jitney owners in the larger New Jersey travel centers last night as meaning further steps against them by the trolley corporation. These operators have already instituted a "recall" movement against Thomas L. Raymond, Newark director of streets and public improvements, alleging that he has discriminated against them in favor of the street railway company.

The jitney men also complained that they could no longer safely sell a jitney, for the trolley company, they asserted, was picking up vehicles on the more lucrative routes through agents. They renewed a standing charge that the company sought to gain a monopoly on busses on competing routes in order to put them out of business. This was denied by the company spokesmen.

The cut in gas and electric rates would bring a corresponding cut in gas receipts of $1,000,000, and in electric receipts of $1,500,000, Mr. McCarter told the State commission. He was unable as yet to announce what the exact rates would be. Such a reduction has been asked in a letter sent to the Public Service Corporation last week by Harry V. Osborne, chairman of the State board. The State urged that the cut was warranted by the good business done in 1923. Profit on electricity last year was 10 per cent, the board asserted, and on gas 12 per cent. The profit allowed by law is 8 per cent.

AFFECTS MOST THE POPULATION.

President McCarter and his associates concurred yesterday in the view held by the State officials, although holding that in accordance with present-day property values the existing rates of $1.25 a thousand feet for gas and 9 cents per kilowatt hour for electricity were justified. Nevertheless, they had decided to meet the requests, they said.

The Public Service Electric Co. serves 202 New Jersey municipalities, with a population of 2,500,000, and the Public Service Gas Co. pipes gas into homes in 168 municipalities having a population of 2,300,000. It was estimated that the companies served about five-sixths of the population of the entire State.

The Public Service Corporation was represented at the conference by President McCarter, Vice President Edmund W. Wakelee, Vice President Percy Young, and General Solicitor Harry S. Blake. Commissioners Osborne, Autenrieth, and Gnichtel represented the State.

Mr. McKELLAR. Mr. President, I wish to say in connection with the article that it is very pertinent in connection with the present hearings on the 5-cent street car fare bill for the city of Washington. In the New Jersey cases, where all the New Jersey companies returned to a 5-cent fare, after a trial of some six months, I am told the trolley companies believe that it will permit them to make more money, and they say from their experience that the return to the 5-cent fare for the past six months shows that they will make more money, as the article which I have read well illustrates.

I merely wish to say in addition in that connection that if a return from an 8-cent fare, which has been tried all over New Jersey, to a 5-cent fare will enable those companies that have had trouble in making ordinary expenses, without declaring a dividend, to make money, surely the people of Washington ought not to be inflicted with an 8-cent car fare, when the companies here are making money. It was testified just a day or two ago that in 1919, the year in which the car fares in this city were raised by the Public Utilities Commission from 5 cents to 8 cents, that one street railway corporation paid a 6 per cent dividend and made over $1,000,000 besides, which was credited to other accounts. It not only made a 6 per cent return upon capital, but made over $1,000,000 in excess; and yet the people of Washington are being inflicted by the street car companies here with an 8-cent fare.

AGRICULTURAL DIVERSIFICATION.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 2250) to promote a permanent system of self-supporting agriculture in regions adversely affected by the stimulation of wheat production during the war, and aggravated by many years of small yields and high production costs of wheat.

Mr. LADD. Mr. President, I wish to renew my request for unanimous consent that the Senate vote on the pending bill, being Senate bill 2250, and all amendments on Friday, March 7, at 3 o'clock. I hope that such an unanimous-consent agreement may be entered into.

Mr. ROBINSON. Mr. President, I had understood that we might have a vote on the bill to-morrow.

Mr. LADD. I am perfectly willing that to-morrow be fixed, but I was told that it would be impossible, and so I changed it to Friday. Of course, I should be glad to have the vote taken to-morrow.

Mr. ROBINSON. I think the Senate is anxious that some final action be taken regarding the bill. I make no objection to the request.

Mr. LADD. In conformity with the suggestion of the Senator from Arkansas, I will change the day to Thursday at 3 o'clock.

Mr. KING. I think the Senator had better adhere to his first request and make it Friday. In that event there will be no objection so far as I am concerned.

Mr. WILLIS. I do not desire to object, but I hope the Senator will not fix the time for a vote on Friday because I am compelled to be absent for a time on that day and I wish to vote for the Senator's bill.

Mr. JONES of Washington. Mr. President, I wish to suggest to the Senator that while I think I shall vote for his bill, I will not consent to any unanimous-consent agreement to fix a definite time for a vote on the bill and all amendments at a particular hour. I often have seen it happen under an agreement of that kind that when the time came to vote and there were a good many amendments pending, some of them of very great importance, we had to vote on them without any consideration. So I gave notice some time ago that I would not give my consent to any such agreement as that in the future. I did so on that ground. Now, if the Senator will ask that debate be closed on the bill at a certain time and that after that time debate on amendments shall be limited to 5 minutes or 10 minutes—I do not care which—and that no Senator shall speak more than once on an amendment and more than once on the bill, I shall make no objection.

Mr. LADD. I will accept that suggestion, Mr. President.

The PRESIDING OFFICER. Is there objection to the request of the Senator from North Dakota for unanimous consent?

Mr. COUZENS. Let the request be read.

Mr. TRAMMELL. Mr. President, I suggest there be a general limitation, that debate on the bill shall close at a certain time, and that thereafter Senators shall be permitted to speak only upon amendments to be offered, not to exceed 10 minutes on any one amendment. I think such provision ought always be put in a unanimous-consent agreement to bring the discussion of a measure to a close. My observation in the Senate has been, and my experience as well, that if we limit debate to six hours, for instance, and then provide that a vote shall be taken without further debate a few Senators occupy all the time, and the Senators who wish to present their views in a short speech occupying 10 or 20 minutes never have an opportunity to express themselves on the measure at all; but the speeches that consume hours occupy all the time. I hope the agreement will be modified to that extent.

The PRESIDING OFFICER. The Secretary will read the proposed agreement.

The reading clerk read as follows:

It is agreed by unanimous consent that at not later than 3 o'clock p. m. on the calendar day of March 7, 1924, the Senate will proceed to vote without further debate upon any amendment that may be pending, any amendment that may be offered, and upon the bill (S. 2250) to promote a permanent system of self-supporting agriculture in regions adversely affected by the stimulation of wheat production during the war, and aggravated by many years of small yields and high production costs of wheat through the regular parliamentary stages to its final disposition; and that after the hour of 3 o'clock p. m. on said calendar day no Senator shall speak more than once or more than 10 minutes upon the bill or more than once or longer than 10 minutes upon any amendment offered thereto.

Mr. JONES of Washington. That is all right, Mr. President, except that the first part of the proposed agreement requires a vote at 3 o'clock.

Mr. CURTIS. I suggest that the proposed agreement be modified so as to cover the bill and leave out reference to amendments. Then the proviso as to the limitation of debate will take care of the debate on the amendments.

Mr. KING. The proposed agreement should provide that all general debate shall cease at 3 o'clock on that day, and thereafter all debate shall be limited to debate upon amendments, and no Senator shall speak oftener than once or longer than 10 minutes upon any amendment.

Mr. BRANDEGEE. Inasmuch as debate is going to be allowed to proceed both upon the bill and upon amendments after 3 o'clock, I do not see any necessity of saying anything except that after 3 o'clock on Friday no speech either on the bill or any amendment shall be longer than 10 minutes.

Mr. JONES of Washington. And that no Senator shall speak more than once on any amendment.

Mr. BRANDEGEE. That will accomplish the purpose and bring a vote within an hour or two, I am quite certain.

The PRESIDING OFFICER. Does the Senator from North Dakota accept the suggestion?

Mr. LADD. I accept the suggestion.

Mr. WILLIS. Let the agreement be read.

Mr. JONES of Washington. Let me suggest that I do not think under the rule a roll call is required in a case of this kind, because this agreement does not fix a definite time to vote on the bill.

Mr. LODGE. No; it does not.

Mr. JONES of Washington. So a roll call is not necessary in order to enter into this agreement.

The PRESIDING OFFICER. The Chair thinks the Senator from Washington is correct.

Mr. WILLIS. I shall not object, Mr. President; but, if it could be arranged, I should like to have it so planned that the limitation on debate leading to a vote could be fixed for some day other than Friday. Could it be on Thursday? Is there any objection to striking out "Friday" and inserting "Thursday"? I can not be here on Friday, and I should like to be present when a vote is taken on the bill.

Mr. KING. Some Senators can not be here on Thursday, and others can not be here on Saturday.

Mr. WILLIS. How about Monday? Everyone can be here on Monday.

Mr. KING. I think the Senator from North Dakota would like to have the bill disposed of before that time. I have no objection to any time that suits the Senator after and including Friday.

Mr. WILLIS. I am not going to object, but I wonder if the Senator from North Dakota will accept the suggestion for Monday instead of Friday?

Mr. LADD. So far as I am personally concerned, I have no objection to the vote being taken on Monday, if it will accommodate Senators better to devote the time between now and then to other subjects.

Mr. CURTIS. If we could go ahead with the appropriation bill in the meantime, that would be perfectly satisfactory.

Mr. LADD. I have no objection to laying this bill aside temporarily and having other matters taken up from time to time until Monday.

Mr. CURTIS. Let us make it Monday, then.

Mr. LADD. I will ask, then, that the day be changed to "Monday."

The PRESIDING OFFICER. The Senator from North Dakota agrees that "Friday" shall be stricken from the proposed unanimous-consent agreement, and that "Monday" shall be inserted in lieu thereof. Is there objection to the agreement as thus modified? The Chair hears none.

Mr. HARRISON. Let the unanimous-consent agreement be read.

The PRESIDING OFFICER. The Secretary will read the unanimous-consent agreement.

The reading clerk read as follows:

It is agreed by unanimous consent that after 3 o'clock p. m. on the calendar day of Monday, March 10, general debate on the bill shall cease, and thereafter debate shall be limited to 10 minutes on the bill and each amendment.

Mr. FLETCHER. Ten minutes by each Senator.

Mr. CURTIS. Each Senator is limited to one speech.

Mr. LODGE. Each Senator shall speak once and not longer than 10 minutes.

The PRESIDING OFFICER. The question before the Senate is on agreeing to the amendment of the Senator from Georgia [Mr. HARRIS].

Mr. WARREN. Mr. President, I understand the Senator from North Dakota now lays aside his bill temporarily.

Mr. McKELLAR. Has the unanimous-consent agreement been entered into?

The PRESIDING OFFICER. It has.

Mr. COUZENS. No; it has not.

Mr. WILLIS. Yes; the Chair announced that there was no objection to it.

Mr. SWANSON. I understand that it has not yet been reduced to writing.

Mr. CURTIS. Let it be read, so that we can agree to it.

The reading clerk read as follows:

It is agreed, by unanimous consent, that after 3 o'clock p. m. on the calendar day of Monday, March 10, general debate on the bill shall cease, being Senate bill 2250, and thereafter no Senator shall speak more than once or longer than 10 minutes upon the bill, or more than once or longer than 10 minutes upon any amendment offered thereto.

Mr. BRANDEGEE. Mr. President, that is not as I understood the request. I did not understand that debate was to cease at 3 o'clock, because, as the Senator from Washington said, that is perfectly inconsistent with the privilege of speaking 10 minutes more on the bill after 3 o'clock. I thought we had agreed to the proposition that it was sufficient if we said that beginning at 3 o'clock no Senator shall speak more than 10 minutes either on the bill or on any amendment pending or to be offered.

Mr. ROBINSON. That is all that is necessary, and that effectuates the purpose of the Senator in offering the agreement. There is no such thing as general debate in the Senate under the rules of the Senate, and there is nothing else under the practice of the Senate.

Mr. WARREN. Is the Chair waiting for the agreement to be read again?

The PRESIDING OFFICER. The Chair ruled that unanimous consent was given, but there was some confusion about the terms of the agreement. The Chair recognizes the Senator from Wyoming.

Mr. WARREN. Mr. President, I ask unanimous consent to call up House bill 6349, the appropriation bill for the Treasury and Post Office Departments.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of H. R. 6349.

Mr. LADD. Mr. President, has the agreement been entered into by unanimous consent?

The PRESIDING OFFICER. It has been.

Mr. HARRISON. Mr. President, let the agreement be read from the desk.

Mr. BRANDEGEE. Mr. President, a parliamentary inquiry. What is the situation of the bill of the Senator from North Dakota? It was before the Senate a minute ago.

Mr. ROBINSON. It is the unfinished business.

The PRESIDENT pro tempore. The Senator from Wyoming asked unanimous consent that the Senate proceed to the consideration of House bill 6349, and, without objection, it is so ordered.

Mr. BRANDEGEE. I think that would displace the unfinished business. If it is temporarily laid aside, however, that is all right.

Mr. CURTIS. I understood that the Senator from North Dakota asked unanimous consent to lay aside the bill temporarily. I ask unanimous consent that the unfinished business be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARRISON. Now, Mr. President, so that we may know just what was done, may we not have the unanimous-consent agreement read?

The PRESIDING OFFICER. The unanimous-consent agreement will be read.

The reading clerk read as follows:

It is agreed by unanimous consent that after the hour of 3 o'clock p. m. on the calendar day of Monday, March 10, 1924, no Senator shall speak more than once nor longer than 10 minutes upon the bill (S. 2250) to promote a permanent system of self-supporting agriculture, etc., or upon any amendment offered thereto.

Mr. JONES of Washington. Mr. President, I want to ask a question about the agreement, because the same point came up in connection with other unanimous-consent agreements. Under the agreement can a Senator talk 10 minutes upon an amendment and then 10 minutes upon the bill, or does it mean that a Senator has only 10 minutes upon the bill and all amendments that may be offered?

Mr. McKELLAR. Mr. President, the Senate decided that the last time the question came up. The Chair ruled that a Senator had a right to speak 20 minutes—10 minutes on an amendment and 10 minutes on the bill—and the Senate overruled him.

Mr. JONES of Washington. Yes; but let us change the language so as to cover what we want. That is what I wanted to be sure of.

The READING CLERK. Striking out the word "or" and inserting the word "and" would make it read "10 minutes upon the bill and 10 minutes upon any amendment offered to S. 2250."

Mr. JONES of Washington. That is all right. That makes it perfectly plain.

Mr. KING. Let it go that way.

The agreement as entered into is as follows:

UNANIMOUS-CONSENT AGREEMENT.

It is agreed by unanimous consent that after the hour of 3 o'clock p. m. on the calendar day of Monday, March 10, 1924, no Senator shall speak more than once nor longer than 10 minutes upon the bill (S. 2250) to promote a permanent system of self-supporting agriculture in regions adversely affected by the stimulation of wheat production during the war, and aggravated by many years of small yields and high production costs of wheat, and upon any amendment offered thereto.

TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATIONS.

The Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 6349) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1925, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. WARREN. I ask that the formal reading of the bill be dispensed with, and that the bill be read for amendment, the amendments of the committee to be first considered.

Mr. KING. Does the Senator desire to proceed with the bill this evening?

Mr. WARREN. I expect to lay it aside, because it is desired to have an executive session.

Mr. KING. And resume its consideration to-morrow?

Mr. WARREN. Yes.

The PRESIDING OFFICER. The Senator from Wyoming asks that the bill be read for amendment, the committee amendments to be first considered. Is there objection? The Chair hears none, and it is so ordered.

Mr. WARREN. I understand that an executive session is desired. I therefore ask to have the bill laid aside. I give notice that in the morning I shall ask the Senate to take it up immediately after the close of the routine morning business.

EXECUTIVE SESSION.

Mr. LODGE. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After seven minutes spent in executive session the doors were reopened, and (at 4 o'clock and 47 minutes p. m.) the Senate adjourned until to-morrow, Thursday, March 6, 1924, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate March 5 (legislative day of March 3), 1924.

TO BE UNDERSECRETARY OF STATE.

Joseph C. Grew, of New Hampshire, now envoy extraordinary and minister plenipotentiary to Switzerland, to be Undersecretary of State.

SPECIAL COUNSEL.

Samuel Knight, of San Francisco, Calif., as special counsel to prosecute proceedings and assert and establish the title of the United States to sections 16 and 36, township 30 south, range 23 east, Mount Diablo meridian, within the exterior limits of naval reserve No. 1, in the State of California, and any suit or suits ancillary thereto or necessary or desirable to arrest the exhaustion of the oil within said sections 16 and 36, pending such proceedings, as provided in Senate Resolution No. 71, approved April 21, 1924.

APPOINTMENTS IN THE NAVY.

James B. Brown, a citizen of Missouri, to be an assistant surgeon in the Navy with the rank of lieutenant (junior grade), from the 9th day of February, 1924.

Arthur D. Hawkins, a citizen of Minnesota, to be an assistant surgeon in the Navy with the rank of lieutenant (junior grade), from the 9th day of February, 1924.

POSTMASTERS.

ALABAMA.

Clara L. Drummond to be postmaster at Lamison, Ala., in place of C. L. Drummond. Office became third class January 1, 1924.

CALIFORNIA.

Harold K. Rankin to be postmaster at Ocean Beach, Calif., in place of H. K. Rankin. Incumbent's commission expired February 11, 1924.

CONNECTICUT.

Herbert E. Erwin to be postmaster at New Britain, Conn., in place of W. F. Delaney. Incumbent's commission expired February 4, 1924.

FLORIDA.

Guy K. Masten to be postmaster at Vero, Fla., in place of O. H. Linn. Incumbent's commission expired February 14, 1924.

William J. Carter to be postmaster at Homestead, Fla., in place of W. J. Carter. Incumbent's commission expires March 9, 1924.

ILLINOIS.

Pearl E. Smith to be postmaster at Colp, Ill., in place of I. A. Guffey. Office became third class October 1, 1923.

Robert N. Bragg to be postmaster at Brimfield, Ill., in place of George Howard, resigned.

James W. Scott to be postmaster at Monmouth, Ill., in place of J. W. Scott. Incumbent's commission expires March 9, 1924.

Arthur F. Sturgis to be postmaster at Middletown, Ill., in place of A. F. Sturgis. Incumbent's commission expires March 9, 1924.

Edward F. Tedens to be postmaster at Lemont, Ill., in place of E. F. Tedens. Incumbent's commission expires March 9, 1924.

Rose S. Beard to be postmaster at Arenzville, Ill., in place of R. S. Beard. Incumbent's commission expires March 9, 1924.

INDIANA.

John T. Stevenson to be postmaster at Kirklin, Ind., in place of S. A. Thompson, removed.

Menno Burkhalter to be postmaster at Berne, Ind., in place of Vilas Schindler. Incumbent's commission expired January 23, 1924.

KENTUCKY.

William C. Huddleston to be postmaster at Butler, Ky., in place of E. F. Yelton. Incumbent's commission expired August 20, 1923.

MAINE.

Harry J. White to be postmaster at Jonesport, Me., in place of H. J. White. Incumbent's commission expired February 11, 1924.

MASSACHUSETTS.

Raymond H. Gould to be postmaster at Millers Falls, Mass., in place of R. H. Gould. Incumbent's commission expires March 9, 1904.

MICHIGAN.

Arthur R. Gerow to be postmaster at Cheboygan, Mich., in place of John Noll. Incumbent's commission expired July 28, 1923.

MINNESOTA.

Gay C. Huntley to be postmaster at Hill City, Minn., in place of G. C. Huntley. Incumbent's commission expired February 18, 1924.

MISSOURI.

John B. Wilson to be postmaster at Maysville, Mo., in place of C. C. Carter. Incumbent's commission expired January 23, 1924.

NEBRASKA.

Edwin P. Clements jr., to be postmaster at Ord, Nebr., in place of W. A. Bartlett. Incumbent's commission expired August 5, 1923.

NEW JERSEY.

Byron M. Prugh to be postmaster at Westfield, N. J., in place of R. L. DeCamps, resigned.

NEW YORK.

Clayton J. Bannister to be postmaster at Westfield, N. Y., in place of E. N. Skinner, resigned.

Harry C. Holcomb to be postmaster at Porterville, N. Y., in place of John Cronin. Incumbent's commission expired February 4, 1924.

Leon Pralatowski to be postmaster at Cold Springs, N. Y., in place of Leon Pralatowski. Incumbent's commission expires March 11, 1924.

NORTH CAROLINA.

Thomas S. Keeter to be postmaster at Grover, N. C., in place of T. S. Keeter. Incumbent's commission expired January 1, 1924.

Joseph G. Gamble to be postmaster at Davidson, N. C., in place of M. W. Cranford. Incumbent's commission expired August 8, 1923.

OHIO.

Frank A. Brown to be postmaster at Batavia, Ohio, in place of S. O. Weaver. Incumbent's commission expired February 24, 1924.

OKLAHOMA.

Bernice Pitman to be postmaster at Waukomis, Okla., in place of C. S. Brown. Incumbent's commission expired January 28, 1924.

PENNSYLVANIA.

Marion C. Hemmig to be postmaster at Elverson, Pa., in place of M. C. Hemmig. Incumbent's commission expired February 4, 1924.

Ida E. Megargel to be postmaster at Canadensis, Pa., in place of I. S. Price. Incumbent's commission expired March 2, 1924.

RHODE ISLAND.

Joseph E. Noel to be postmaster at Arctic, R. I., in place of Leon Charbonneau, resigned.

TENNESSEE.

Everett M. Greer to be postmaster at Newport, Tenn., in place of J. M. Jones, resigned.

TEXAS.

Nora C. Brite to be postmaster at Pleasanton, Tex., in place of S. C. Hankinson. Incumbent's commission expired January 31, 1924.

Ira S. Koon to be postmaster at Hallsville, Tex., in place of I. S. Koon. Incumbent's commission expired February 24, 1924.

Chessell Gra to be postmaster at Brookshire, Tex., in place of J. D. Cooper. Incumbent's commission expired January 31, 1924.

VERMONT.

Sanford A. Daniels to be postmaster at Brattleboro, Vt., in place of M. J. Moran, deceased.

Robert A. Slater to be postmaster at South Royalton, Vt., in place of H. A. Sherlock. Incumbent's commission expired August 5, 1923.

WASHINGTON.

Mabel G. Lamm to be postmaster at Burlington, Wash., in place of M. G. Lamm. Incumbent's commission expires March 11, 1924.

WISCONSIN.

Simon F. Wehrwein to be postmaster at Manitowoc, Wis., in place of H. C. Schuette, resigned.

Frank W. Stanley to be postmaster at Omro, Wis., in place of F. J. Maher. Incumbent's commission expired January 24, 1922.

CONFIRMATIONS.

Executive nominations confirmed by the Senate March 5 (legislative day of March 3), 1924.

ASSISTANT ATTORNEY GENERAL.

Ira K. Wells to be Assistant Attorney General.

PUBLIC HEALTH SERVICE.

Edward C. Ernst to be surgeon.
Peter J. Gorman to be surgeon.

PROMOTIONS IN THE ARMY.

Edward Fuller Witsell to be major, Chemical Warfare Service.
Paul Xavier English to be major, Chemical Warfare Service.
Howard Winthrop Turner to be captain, Field Artillery.
Robert Chapin Candee to be captain, Air Service.
John Sharpe Griffith to be second lieutenant, Air Service.
Brainerd Taylor to be lieutenant colonel, Quartermaster Corps.
Edwin Albert Zundel to be major, Field Artillery.
Morgan Ellis Jones to be captain, Infantry.
Fannin Adkin Morgan to be captain, Judge Advocate General's Department.
George Howard Rarey to be captain, Infantry.
Jacob Edward Uhrig to be captain, Infantry.
Joseph William Kullman to be first lieutenant, Infantry.
George Dewey Rogers to be first lieutenant, Infantry.
Robert Jones Merrick to be first lieutenant, Cavalry.
William Henry John Dunham to be first lieutenant, Coast Artillery Corps.
Irvin Alexander to be first lieutenant, Infantry.
Eugene Manuel Landrum to be captain, Adjutant General's Department.
James Byron Haskell to be major, Signal Corps.
James Perrine Barney to be lieutenant colonel, Field Artillery.

POSTMASTERS.

COLORADO.

John Davis, Arriba.
Harold J. Schwarzel, Carbondale.
Thomas B. Scott, Meeker.

MAINE.

Carl W. Mitchell, Union.

NEW HAMPSHIRE.

Arthur M. Rolfe, Salem Depot.

OHIO.

Howard E. Foster, Chagrin Falls.
Frank L. Lee, East Youngstown.
Frank H. Shaw, Germantown.

PENNSYLVANIA.

Nathaniel Shaplin, Windgap.

HOUSE OF REPRESENTATIVES.

WEDNESDAY, *March 5, 1924.*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

In our minds and hearts, O Lord, be Thou exalted above the heavens and the earth. Continue to speak to us in wisdom, truth, and holiness. Thou alone art able to satisfy the longing soul and lead the step aright. Teach us the way of Thy statutes and give us understanding that we may keep Thy law. Holy, holy, holy is Thy name. Let Thy light go out through all the world and Thy words to the ends of the earth. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

THE CHARGE OF THE LIGHT BEER BRIGADE.

Mr. CRAMTON. Mr. Speaker, I ask unanimous consent to proceed for two minutes.

The SPEAKER. The gentleman from Michigan asks unanimous consent to address the House for two minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. CRAMTON. Mr. Speaker and gentlemen of the House, it was a very interesting occurrence yesterday when 58 bills to bring back beer and wine were introduced by 58 gentlemen of the House. There were the "57 varieties" in addition to my friend the gentleman from Maryland, Hon. JOHN PHILIP HILL. There were 57 generals and my friend HILL as generalissimo.

I simply want to suggest certain facts to be faced by this highly generaled beer bloc. They ought to face the facts as to what Charles Edward Russell has said of conditions in England under the widespread use of beer; what A. B. MacDonald, special writer of the Ladies' Home Journal, has said about the use of beer and wine in Quebec; and what the attitude of labor is as demonstrated in the referendum on beer and wine in Michigan several years ago when, after a year of state-wide prohibition, only two cities in the whole State gave any majority for beer and wine.

Mr. DYER. Will the gentleman yield?

Mr. CRAMTON. I will.

Mr. DYER. Will the gentleman support a referendum to the people of the United States on the question of beer and wine?

Mr. CRAMTON. I will not support a referendum to declare unconstitutional a part of the Constitution.

Mr. DYER. The gentleman is begging the question.

Mr. CRAMTON. I want to call attention to the further fact that out of the 435 Members of the House, with the appeal that was made, there were only 58 who have been willing to sponsor this proposition.

Mr. BARKLEY. Will the gentleman yield?

Mr. CRAMTON. Unless I can get more time I can not yield. I will ask, Mr. Speaker, unanimous consent to revise and extend my remarks, and then I will yield to questions.

[By unanimous consent, Mr. CRAMTON was given consent to revise and extend his remarks in the RECORD.]

Mr. BARKLEY. The gentleman understands the reason this bill was introduced by 58 Members, does he not? The newspapers no longer take note of the activities of the gentleman from Maryland [Mr. HILL], and it took 58 to get 2 inches of space in the papers.

LOW EBB OF THE "BUNGSTARTING" PROGRAM.

Mr. CRAMTON. Mr. Speaker, the organization and public announcement of this beer bloc of 58 gives proof to the country of the low ebb of the "bungstarting" program in Congress. Though by introducing 58 separate but identical bills in concert, the cost to the Government in printing, and so forth, is increased fifty-eight fold, it will be worth while if the country will realize the true significance of the incident—that after several years of propaganda, heartily promoted by most of the metropolitan press, after organizing 40 or more "beer and wine" associations ranging from Harley to Stayton, after active campaigning for months before the last congressional election, after noisily proclaiming for a year after the election what a great "wet" victory had been won, after getting a fearless 40 faithful together to appeal to all and sundry "bungstarters" to come up and sign on the dotted line, legislation made easy—after all this only 58 have "gone over the top," such a meager handful as to make it plain that not one of the 58 identical 2.75 per cent beer bills will ever be heard of again. The fearless, faithful 58 have introduced their bills and made their 58 separate and identical records in concert, and said records, as to this subject, end there separately but identically. Any Member can introduce any kind of a bill, but it takes votes to pass them.

The beer bloc are long on introductions, have broken the record for waste of printer's ink, but are demonstrated to be woefully short on votes. Reading over the record of bills introduced, H. R. 7563, H. R. 7564, H. R. 7565, and so forth, down to H. R. 7620, from BRITTEN to MOONEY, one might think it was the Hell Raisers Brigade, but not so. It is rather the "Here Rest" roll call. In deference to my friend BRITTEN, of the Navy, and my friend HILL, of the Army, we might term the dash of the futilely fearless, faithful, frenzied 58 "the charge of the Light-Beer Brigade."

THE ANXIOUS APPEAL.

Note the anxious appeal sent out by the fearless forty, sent to all the 435 Members of the House:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., February 28, 1924.

DEAR COLLEAGUE: On Tuesday, March 4, the undersigned individually, but at the same time, propose to introduce the following bill:

"That Title II, section 1 of the national prohibition act is hereby amended by the addition after the words 'beverage purposes,' on line 8 of said section, of the following:

"'*Provided*, That from and after the passage of this act any beverage obtained by the alcoholic fermentation of an infusion or decoction of barley malt, cereals, and hops in drinkable water, or by the natural fermentation of apple or other fruit, vegetable, or herb juices containing not more than 2.75 per cent of alcohol by volume may be manufactured, sold, or transported for sale in original packages for consumption in homes and places other than the place of sale.'"

This bill proposes to modify the Volstead Act by the substitution of a percentage which has been declared legal by Mr. Volstead himself. *If you desire to join us in this movement, please sign and return the inclosed bill to Room 532, House Office Building, in order that we may introduce it with ours on March 4.*

Very truly yours,

BRITTEN, of Illinois; BROWNE, of New Jersey; BERGER, of Wisconsin; BRUMM, of Pennsylvania; CELLER, of New York; CLANCY, of Michigan; CONNERY, of Massachusetts; CONNOLLY, of Pennsylvania; CORNING, of New York; DOYLE, of Illinois; DYER, of Missouri; EDMONDS, of Pennsylvania; HILL, of Maryland; KAHN, of California; KINDRED, of New York; KUNZ, of Illinois; LAGUARDIA, of New York; LAMPERT, of Wisconsin; LEHLBACH, of New Jersey; LINTHICUM, of Maryland; MACGREGOR, of New York; MCNULTY, of New Jersey; MEAD, of New York; MINAHAN, of New Jersey; MORIN, of Pennsylvania; NEWTON, of Missouri; O'BRIEN, of New Jersey; O'CONNOR, of Louisiana; O'SULLIVAN, of Connecticut; PERLMAN, of New York; RANSLEY, of Pennsylvania; ROSENBLOOM, of West Virginia; SABATH, of Illinois; SCHAFER, of Wisconsin; SHERWOOD, of Ohio; STEPHENS, of Ohio; TAGUE, of Massachusetts; TYDINGS, of Maryland; VOIGT, of Wisconsin; WOLFF, of Missouri.

The italics are mine.

Eighteen recruits responded, nearly half a recruit for each of the fearless 40.

Less than 15 per cent of the membership of the House in all enrolled in the light-beer brigade, far short of the 51 per cent required to pass a bill. And "the most unkindest cut of all" was when the Chicago Tribune of yesterday, exuding sympathy in every line of an editorial lauding their program as one to "make a happy land," referred to our distinguished colleagues, the fearless 58, as the "congressional bungstarters."

THE WIDESPREAD (?) DEMAND FOR BEER.

Seriously, this tangible showdown is of importance. Realizing there are not enough votes in Congress to get the light wine and beer question before this Congress, not even the necessary number to petition under the new rule for discharge of the Judiciary Committee, this concerted introduction stunt was the only way of getting a real count of noses. It has been done, on a bill for 2.75 beer, with no provision in it for light wines; and there they are—58; count them.

A press dispatch from Washington dated March 3, probably by Associated Press, published in the Detroit Free Press, credits the gentleman from Maryland [Mr. HILL] with being the organizer of the bloc. It says: "No claims are being made of victory in the present Congress" but the bloc "expects to get a 2.75 per cent beer law through the next Congress." The press notice says:

> Only Congressmen from districts where sentiment is distinctly wet dare to put themselves on record.

Just so, and there are now proven to be only 58 districts out of 435 that are "distinctly wet." And as to the "next Congress," remember what the Washington Evening Star said last October:

> There is plenty of talk of what will be done, but when the wet politicians are called upon to toe the line they get cold feet.

Not only is the number only a small fraction of the House but the representation comes from only a few States and almost entirely from large cities, principally from New York City.

Realizing that we have here presented the real beer and wine support in the House, a little study of it is interesting.

The proposition in the 58 identical bills is for 2.75 per cent beer or "apple or other fruit, vegetable, or herb juices" to be manufactured, sold, or transported for sale in original packages for consumption in homes and places other than the place of sale.

The supporters of this program are accredited:

California (out of 11 Representatives): *KAHN—1.
Connecticut (out of 5 Representatives): O'SULLIVAN—1.
Illinois (out of 25 Representatives): *BRITTEN, *DOYLE, *KUNZ, and *SABATH—4.
Louisiana (out of 8 Representatives): *O'CONNOR—1.
Maryland (out of 6 Representatives): *HILL, *LINTHICUM, and *TYDINGS—3.
Massachusetts (out of 16 Representatives): CONNERY, GALLIVAN, and TAGUE—3.
Michigan (out of 13 Representatives): *CLANCY.—1.
Minnesota (out of 10 Representatives): *KELLER—1.
Missouri (out of 16 Representatives): *DYER, *NEWTON, *WOLFF—3.
New Jersey (out of 12 Representatives): *BROWN, *EAGAN, *LEHLBACH, *MCNULTY, MINAHAN, O'BRIEN—6.
New York (out of 43 Representatives): BLACK, BLOOM, BOYLAN, CAREW, CELLER, CLEARY, CORNING, CULLEN, GRIFFIN, *KINDRED, *LAGUARDIA, LINDSAY, MEAD, *MACGREGOR, O'CONNELL, O'CONNOR, OLIVER, *PERLMAN, QUAYLE, SULLIVAN—20.
Ohio (out of 22 Representatives): *MOONEY, SHERWOOD, *STEPHENS—3.
Pennsylvania (out of 36 Representatives): BRUMM, CONNOLLY, EDMONDS, MORIN, RANSLEY—5.
West Virginia (out of 6 Representatives): ROSENBLOOM—1.
Wisconsin (out of 11 Representatives): BERGER, LAMPERT, SCHAFER, SCHNEIDER, VOIGT—5.

* Not in the 10 per cent wine and cider bloc.

Total—58.
Total number of States represented—15.
Total number of States not represented—33.
Largest percentage of delegation—50 per cent.
From cities of 300,000 population and over—42, or 72 per cent of the beer bloc.

As this showing of support for 2.75 per cent beer comes so largely from the largest cities of the country the following may be of interest:

Concerning all cities of 300,000 population and over.

Name of city.	Members of beer bloc.	Population, 1920.	Foreign born, 1930.	Per cent foreign born.
New York	17	5,620,048	2,028,160	35.4
Chicago	4	2,701,705	808,558	29.8
Philadelphia	3	1,823,779	400,744	21.8
Detroit	1	993,678	290,884	29.1
Cleveland	1	796,841	240,173	30.1
St. Louis	2	772,897	103,626	13.4
Boston	2	748,060	242,619	31.9
Baltimore	2	733,826	84,809	11.4
Pittsburgh	1	588,343	120,792	20.4
Los Angeles	0	576,673	122,131	19.4
Buffalo	2	506,775	121,824	24.0
San Francisco	1	506,676	149,195	27.7
Milwaukee	2	457,147	110,160	24.1
Newark	2	414,524	117,549	28.2
Cincinnati	1	401,247	42,921	10.7
New Orleans	1	387,219	27,355	6.7
Minneapolis	0	380,582	88,248	23.1
Kansas City	0	324,410	27,583	8.4
Seattle	• 0	315,312	80,976	23.4
Indianapolis	0	314,194	17,096	5.4

Per cent of entire population of United States, 1920, foreign born, 13.2.

CITIES THAT ARE FOREIGN IN BIRTH, LANGUAGE, AND IDEALS.

Of course, New York City leads in this great movement for a happy land through 2.75 per cent beer; New York City, with 35.4 per cent of its population born in some other land, coming here because of better opportunities for happiness, enjoying prosperity and privileges undreamed of across the seas, but too often determined to break down our American standards by insistence upon their Old World customs. And of that foreign-born population 479,800 came from Russia—more than from any other land. It is but idle to say that if satisfaction of their thirst for alcohol is their prime requisite for a happy land, Russia still has its vodka. In the country as a whole, according to the 1920 census, of the 1,400,489 persons of Russian birth only 40.2 per cent were naturalized—had taken upon themselves any obligation to support this country or its Constitution in war or in peace. In New York State only 43 per cent of the total foreign-born population had in 1920 become naturalized, but many are in the silk-shirt class and able to make as much noise as anybody for "light beer and wine" and their "personal liberties." In New York City the percentage of naturalized citizens among the foreign born was only 39.9 in 1920. In Chicago it was 52.7; Philadelphia, 47.5; Detroit, 36.1; Cleveland, 42.4; St. Louis, 56.6; Boston, 44.1.

The total foreign white stock in New York City, including foreign-born whites, native whites of foreign parentage, and native whites having one foreign-born parent, in 1920 was 4,294,629, or over three-fourths of the total population of the city. While "English and Celtic" was the mother tongue of only 20.9 per cent of its population, "Yiddish and Hebrew" led all with 22 per cent, and nearly one-fifth of the city was of Russian stock.

I have no attack to make upon the foreign born who has since coming to this country shown his appreciation of the opportunities here afforded him by taking up the responsibilities of citizenship and yielding respect and obedience to our laws. But I do not want them to run the country and nullify the Constitution before they can speak our language or will promise support to our laws and institutions. If we did not have this great foreign-born and still alien population in our largest cities, disrespect for our laws would not be the problem it now is.

THE RADICAL WING OF THE WET BLOC.

I should not overlook the fact that 2.75 beer has not enough "kick" for all of the 58, and so they dropped in their bills for beer—with their left hands 22 dropped in bills for 4 per cent beer and 10 per cent wine, and in this were joined by 2 others. This radical wing of the wet bloc calls for 4 per cent beer and 10 per cent wine or cider—

which such liquids are manufactured, possessed, offered for sale, sold, purchased, or transported solely within the territorial limits of any State which shall first by appropriate legislative action authorize such manufacture, possession, sale, purchase, and transportation of such liquids and shall fix the alcoholic content thereof within the above limitations, it being the intent and purpose of this act that each State may by appropriate legislation authorize the manufacture, possession, sale, purchase, and transportation solely within the limits of its own territory of the above-mentioned liquids, containing alcohol not exceeding by volume the above limitations of percentages and under such and further limitations, restrictions, and regulations as to places of sale and consumption, licenses, permits, bonds, penalties, and nature and marking of containers as such State shall enact."

The radical or 10 per cent wing analyzes as follows:

Connecticut (out of five Representatives): O'SULLIVAN—1.

Massachusetts (out of 16 Representatives): CONNERY, GALLIVAN, and TAGUE—3.

New Jersey (out of 12 Representatives): MINAHAN and O'BRIEN—2.

New York (out of 43 Representatives): BLACK, BLOOM, BOYLAN, CAREW, CELLER, CLEARY, CORNING, CULLEN (not on the 2.75 per cent list), DICKSTEIN, GRIFFIN, LINDSAY, MEAD, O'CONNELL, O'CONNOR, OLIVER (not on the 2.75 per cent list), PRALL, QUAYLE, SULLIVAN—18.

Total, 24.

Total number of States represented, 4.

Total number of States not represented, 44.

Largest percentage of delegation, 44 per cent.

From cities of 300,000 population or over, 19; or 79 per cent of the wine and cider bloc.

It is to be noted especially that the program of the 10 per centers includes authority for a State to bring back the saloon in any form desired.

The mere detail that both the 2.75 and the 10 per cent programs are unconstitutional should not prevent introducing bills to cheer the thirsty, bills truly that are guaranteed to "cheer but not inebriate."

THE ENTERING WEDGE.

In a copyrighted article by former Vice President Marshall, he pays his respects to nullification doctrines and programs:

I was not for the prohibition amendment when it was pending, for reasons that have nothing to do with the case now that it is a part of the Constitution, but I am for the amendment now, for the laws enacted under it, and for strict observance and strict enforcement of prohibition.

* * * * * * *

It annoys me to hear it suggested that we ought to loosen up the Volstead Act so as to permit the use of beers and light wines when the loosenors are habitual users of Scotch whisky and never tasted either beer or light wine in their lives. Their kick against prohibition is to get a kick in their stomachs. Undoubtedly they are seeking an entering wedge.

Really, I do not understand some of the arguments that are being advanced. I am told, for instance, that there is more drinking now than there ever was before prohibition. This I strongly doubt. If it is so, the sale of cloves, spices, and other breath sweeteners must have kept pace with the sale of liquor.

* * * * * * *

I move from one part of the country to another, making what I hope is an honest living. I used to see hundreds of men partly or wholly intoxicated. The odor of the smoking room in the Pullman cars reeked with liquor. Drunken brawls everywhere I went were not unusual.

All this has changed, according to my observation. In 50,000 miles traveled the last three years I have seen but one man that I believed was intoxicated. I have seen no fight; I have rarely detected the odor of intoxicating liquor.

Some few persons may be drinking more than they did before the amendment, but most people are drinking less. My view is that most persons are not drinking at all.

I am told in other quarters that there should be a loosening up of the law because everyone is getting all to drink that they want, anyway. This argument is unique, but it does not appeal to me—in fact, it runs counter to my own experiences in life.

Whenever I can get all I want of what I want I do not waste my time in trying to find out whether the other fellow desires what I desire and in engaging in a crusade to provide him with it if he does.

The law of my life has been to let the fellow who does not have and can not get what he wants make known the fact that he desires it and is unable to secure it, and to make his own fight to obtain it.

BEER, WINE, AND BOOTLEGGING.

Winking one eye, your beer and wine proponent is apt to justify his program as one to eliminate bootlegging and use of strong liquors. But they know, and we know, that in real purpose it is the entering wedge, the wooden horse, admission of which endangers the whole citadel of prohibition and would be ineffective so far as illicit sale of distilled liquors is concerned. In fact, in a moment of frankness, Dr. John H. Slevin, president of the Michigan division of the Association Against the Prohibition Amendment, said in an article on "The light wine and beer program," in the Detroit Saturday Night of September 22, 1923, speaking of this proposed beer and wine law:

There is one thing the law can not stop. That is the manufacture and consumption of "moonshine hootch" and "white mule." The appetite for these beverages has been created.

This beer program in the United States is copied directly from Canada. When prohibition was seemingly inevitable in

Quebec, in 1918, the brewers brought such pressure upon the government that a prohibitory law announced to become effective the following spring was withdrawn. The following referendum was submitted to the people: "Is it your opinion that the sale of light beer, cider, and wines, as defined by law, should be allowed?" The beer was to contain not more than 2.51 per cent of alcohol and the wine 6.94 per cent by weight.

The same arguments now used in the United States were put forth by the brewery publicity agencies and the measure carried. Beer with the 2.51 limit was too light, however. The people would not drink it. The alcoholic content was increased until there is no limit. The greater part of the beer contains from 6 to 8 per cent and much of it from 10 to 12 per cent alcohol. With this higher alcoholic content, the consumption was multiplied four-fold in the first year following this increase. Brewery stock which sold at $15 a share when the 2.51 beer was being made jumped to $185 under the profitable impulse of the higher alcoholic content. Drink cost the province of Quebec $28,000,000 in 1922.

British Columbia, with a government-control system adapted from the Quebec plan, has been forced to keep its liquor shops open during hours when they would otherwise have been closed because of the competition of bootleggers. Sale of wine, beer, and stronger liquors do not materially decrease illicit competition.

In its second annual report, the liquor control board of the province of British Columbia, says on page B7:

> In the stores conducted by three or more employees arrangements were made for keeping such stores open throughout the week, it being felt that service to this extent was necessary to offset the activities of the bootlegger.

And again, in the same report, "'the bootlegger'—now a recognized 'international pest' on the American Continent—has proved his ability to provide increasing embarrassment to all classes of officials directly or indirectly concerned with the administration of liquor laws. Whether it occurs in a 'wet' or 'dry' territory, the illicit sale of liquor is a continuous source of trouble."

THE LIQUOR TRAFFIC WILL OBEY NO LAW.

The evil effect of even so slight a wedge as permitted operation of breweries and distilleries for export only is working havoc in law enforcement in Ontario. Note the following, from the Christian Science Monitor:

> TORONTO, ONTARIO, February 25 (special correspondence).—That the police of Toronto have a hopeless task in enforcing the Ontario temperance act as long as the distilleries and breweries are allowed to make and ship liquor through the Province, is emphasized by the chief of police in his annual report for 1923. From the report the figures show that the police are rigidly enforcing the Ontario temperance act. There were 904 prosecutions as against 712 in 1922.
>
> "The act is being energetically enforced," states the chief, "but it would seem that the police have a hopeless task as long as distilleries and breweries are making and sending out large quantities of liquor, presumably for export, but which often never get beyond the boundary of the Province. I offer the suggestion that if the immigration act could be so amended that aliens could be deported for breach of the statute this would to a large extent reduce breaches of the Ontario temperance act, as most of the illicit liquor business is being conducted by foreigners."

CHARLES EDWARD RUSSELL ON BEER IN ENGLAND.

Now, speaking about beer making a land happy, we might well hear from Charles Edward Russell on that issue. A world-famous journalist, evidently not an advocate of prohibition, he startled many by his article "Is the world going dry?" in the January Century Magazine. Of England, the land of beer and ale, he says in part:

> But the wisdom of one generation is the blithesome jest of the next. Ten years ago wisdom was equally sure of the United States and on grounds as good. These confident deductions that Europe is all walled and moated against prohibition may be all wrong; ominously, European faith in them has been waning of late. Slowly, thoughtful men abroad are coming to see that forces are at work stronger than brewery trusts, stronger even than the ancient habits of races. As such men reflect upon certain manifest conditions now developing in this world the advertised failure of prohibition in America begins to lose its point. In the way alone important to economic Europe prohibition has not failed in America but has eminently succeeded. The only test of prohibition that counts is economic, and Europe is getting ready to own, in ways to cause some astonishment, that under such proving American prohibition stands up well.
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> The bitter crisis that came upon Great Britain and menaced her life when the World War was 6 months old was born chiefly of her lack of all things with which nations fight on land. Continental countries had ample stores of munitions and ample machinery to make more. Great Britain had neither. In the appalling emergency that followed, while commanders on the front begged and implored for shells, and there were no shells, the labor of every man that produced anything, and every minute of that labor, became of vital importance.
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> Not only of the men that produced shells or rifles, but of every man that produced food, clothes, shoes, coal, or what else; if he were not making shells he might be making food to feed the shell makers. Efficiency in production suddenly loomed upon statesmen as the substance of the whole situation. Upon it hung the nation's life. Newspapers and Parliament discussed the conditions that blocked the way to this efficiency, the time of miners between pit mouth and vein, for instance, the regulations of unions, the need of machinery, but above everything else and at all times stood out the national drink habit as chief enemy to topmost output. Whether statesmanship believed or disbelieved in prohibition as a principle mattered nothing; there were the facts with which the Government had to deal. Workingmen whose brains were dulled with beer were inefficient producers. At a time when every second was precious to the national welfare beer was causing the loss of time that mounted into the equivalent of months. It was largely because of beer that commanders were clamoring in vain for shells, and the western front was often silent for their lack.
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> Records kept at munition and other factories showed that week after week normal production was never attained before Wednesday. Everywhere the figures for Monday and Tuesday were below the mark; often 22 per cent or even more on Monday, 10 per cent on Tuesday. The reason was that on Monday many workers came to their work still unsettled from their exploits of Saturday night and Sunday with the clinking cannikin; came unsettled, or did not come at all, for the absences on that day were pestilential. Even by Tuesday many had not rebounded to their natural tension. It would be monstrous, of course, to affirm or to suggest that drunkenness was the rule or even common among British workers; but drink was common, and it was drink that worked this havoc.
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> The noon hour, with its pot of beer and bit of cheese, time out of mind the poor worker's luncheon, was another disaster. Everywhere the first two hours after luncheon were hours of slackened production at a time when moments were like diamonds and there were no shells for the western front. "Drink in England is Germany's most powerful ally," said the prohibitionists, and there was no gainsaying their indictment. Experiment showed that where men could be induced to pass up the beer at noon there was no complaint about slackened production for the rest of that day.
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> In this crisis the skill that steered the affairs of the nation was great. Any attempt to abolish beer would be full of peril. In 1915 the working population as a whole had no great zest for the war, anyway; the loss of its beer it would have regarded as an intolerable addition to the troubles it was already bearing. Thus the Government would be raising one of those domestic issues it most wished to avoid. Without tempting this besom of destruction it met the requirements of the case not by taking beer away from workingmen but taking alcohol away from beer.
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> Under all these innovations drunkenness almost disappeared from the nation, as may be seen from this table covering six years in England and Wales:

Convictions for drunkenness.

Year.	Male.	Female.
1913	153,112	35,765
1914	145,517	37,311
1915	102,600	33,211
1916	62,946	21,245
1917	34,103	12,307
1918	21,853	7,222

Deaths from alcoholism.

Year.	Male.	Female.
1913	1,112	719
1914	1,135	680
1915	867	584
1916	629	333
1917	358	222
1918	222	74

In all the United Kingdom the total proceedings for drunkenness were 374,749 in 1913 and only 71,306 in 1918.

Something, though not much, is to be allowed from these figures because in 1918 a million men or more were out of the country. We are to note, also, that in 1919, with the extending of the hours of

sale and with the Bacchic joys of post-war reunions, the convictions for drunkenness rose to 46,765 for men and 11,183 for women. Yet remains the pregnant fact that for the population at home 1918 was the year of greatest sobriety the country had ever known, and the foregoing recital shows why it was sober.

It was also the year of the greatest production efficiency. Production kept even pace with sobriety.

The lesson of this demonstration was not lost. In the present stage of our industrial civilization no such lesson could possibly be lost. Production means too much to the world, and what affects production is too profoundly important. The truth is a force has come upon human society more potent than guns, armies, governments, press, or public opinion. It is this indeterminate and almost incalculable power of production needs. Certain basic products mankind must have; as population increases and distribution becomes more complicated, so the more imperative become these demands; and on the supplying of them rests, not without peril, the whole business superstructure.

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THE SNEER AT AMERICA'S REMEDY FADES.

"The land of the free—where a man can't get a drink." was at first a favorite sneer of the complacent Briton as he read of America's draconic remedy for the inefficiency bred by drink. It is a sneer that in these days is fading from British lips. Efficiency is promoted by the taking away of part of the alcohol. Does not that indicate surely the taking away of the rest? And to that question no one has been able so far to frame a really apt negative.

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On December 1, 1917, eight months after we entered the war, President Wilson gave the last-needed touch to the argument by suspending by proclamation the brewing of beer and establishing about coal mines and munition plants a state of absolute prohibition of all liquor.

When war-time prohibition succeeded, it merely confirmed all this. Every condition of industrial production notably improved wherever the saloon was abolished. Without expense the yield of mine or factory was enlarged. Employers had the equivalent of an increased force of workers without an increase in the pay roll. For years augmented production efficiency had been much in the thought of every wise manufacturer. How many "speeding-up" systems, how many well-devised plans of premiums and rewards had been proposed, how many strikes they had caused or threatened, memory flags to recall. Now, all these ends were achieved by the simple and inexpensive means of throwing out the beer can. Under such conditions the beer can was out to stay out.

The theory of prohibition may be good or bad; it is to the physical fact of prohibition that we chiefly owe the strangely placid economic waters in which we now navigate. At a time of profound agricultural depression all other industry should suffer. Other industry does not suffer now, but does more than usually well because increased production efficiency enables production to stand the strain of raised wage levels.

Foreigners are beginning to note these facts, even if we ignore them. After two years of American prohibition Mr. G. C. Vyle, a British business man and antiprohibitionist, came to this country to observe the workings of the new reform. On his return he was quoted as declaring in a speech at Birmingham that 7 American workingmen with the same plant, same materials, same facilities; would produce more than 10 British workingmen.

Mr. C. A. McCurdy, member of the British Parliament from Northampton, was lately quoted as saying to the business men of Leeds, England, that the American worker was producing, man for man, three times as much as the British worker, and he gave figures from the shoe industry to enforce his statement. He added that while in Great Britain the average output of coal had declined from 312 tons a year for each miner to 259 tons, the average output in the United States had increased from 400 tons for each miner to 681 tons.

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But the next link in the progression is still more interesting, still more suggestive. In our industrial civilization the international struggle for markets grows every day more intense. Production efficiency is production economy. By exactly how much American prohibition has increased American productive efficiency is still to be put into figures, but we know enough about it to know that it is an increase of momentous importance in the world-wide market arena. Even those that have estimated the gain at 30 per cent may not be extravagant. One thing that is clear is that it has put America into a position she never before occupied in these contests.

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That being the case, we should note next the advance prohibition sentiment seems to be making in Europe. When the British Parliament is in session hardly a day passes without discussion or mention of the subject, and from hour to hour across the debates grows the shadow of an obvious uneasiness. Like a graveyard whistle sounds now the once confident assurance that Britons never, never will suffer life without beer, while 207 societies in England alone are working for prohibition. * * *

It is also notable that Lloyd George, so recently a visitor here, said in a speech yesterday in an English city, "America got more out of the war than any other nation—it got prohibition."

And recently the Lancet, a leading British medical journal, in a review of The Action of Alcohol on Man, a book promoted by liquor interests, says: "Nowhere in the book is there any attempt to balance the cheerfulness and sociability engendered by the week's beer against the desirability of, say, the repair of a child's boot."

QUEBEC—A LAND MADE HAPPY BY BEER AND WINE.

And something about the blessings being experienced in Quebec under beer and wine is worth while. In November, A. B. MacDonald, special writer for the Ladies' Home Journal, wrote a terrific indictment of conditions as he found them in that supposedly idyllic Province. Robert Lipsett, city editor of the Montreal Star, had the temerity to challenge MacDonald's statements, and has brought out a supplementary statement from MacDonald, published in the Detroit Saturday Night of March 1, 1924. It is to be presumed Lipsett has had enough and his lips will be truly set hereafter, and his brewery pen as well. MacDonald says in part:

In fact, I made two visits to Quebec and spent five weeks there in all, two weeks of which was spent in the city of Montreal. I was in hundreds of the saloons and night clubs and bootlegging clubs of Montreal, in the slums, and in the best districts of the city, for those night clubs are everywhere, some of them undisguised dives, and some silken-lined dens in the heart of the city. I was in nearly every town in Quebec that has a government liquor store and I was in towns and rural districts where the people had fought to keep them out.

Mr. Lipsett says he does not believe my statement that "I saw hundreds of women drinking; many of them were mere girls, and fully one-third of them were drunk."

Well, if Mr. Lipsett won't believe me, maybe he will believe one of the editors associated with him on the Montreal Star, Mr. R. L. Werry, who wrote a book last year—The Liquor Traffic in the Province of Quebec. On page 27 of that book Mr. Werry, writing about the shady restaurants in Montreal, where groups of young boys and girls gather to drink and carouse, says:

> "Five times in the last 10 days one restaurant had been raided. Each time the raiding squad found from eight to a dozen youths and girls of ages ranging from 14 to 19, piled into a private room designed for four people, and in this restaurant there are seven of such rooms. A list of 27 cafés of this character was sent recently to the Government in Quebec."

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I have a letter from R. L. Werry, one of the editors of the Montreal Star, in which he says:

> "I wish to stress, above all, the correctness and good judgment in which you presented the facts to your readers in your article 'Whirlpools of beer,' notwithstanding the statements of interested parties to the contrary. The people of this city and Province are under a great obligation to you for the service you have rendered the home, the child, and the cause of morality. Everywhere in Quebec your article is quoted as authority in meetings and in private conversations; and I know, from my own personal observations, that your article about the workings of Government control of liquor here is true in every particular."

I have another letter from John Gardiner, associate editor of the Montreal Standard, stating that my article was true and that it underestimated the evil rather than overestimated it.

The Montreal Witness reprinted my article in full and made editorial comment upon it in several different issues, always commending it for its truthfulness.

I have a letter from the Rev. E. I. Hart, D. D., who conducts an editorial page in the Montreal Witness, in which he says that everything I wrote about the liquor evil in Quebec was true and that he has seen everything I described, the drunken men and all the other evils.

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Since I wrote my article Cardinal Begin, head of the Roman Catholic Church in the Province of Quebec, has issued a letter to the faithful of the Province warning them of the growing evil of drink and admonishing them to sobriety. What has Mr. Lipsett to say to that?

A commission of Scottish churchmen toured Canada and the United States last summer investigating the workings of prohibition and the liquor-control system in parts of Canada. Its report about Quebec, made since I wrote my article, says:

> "The commission was deeply impressed with the results of the liquor-control system as reflected in the unsatisfactory social conditions of Montreal. The commission saw little difference between conditions there and conditions prevailing in cities where the open bar is in existence. The 'taverns' in Montreal are chiefly crowded into the poorer districts and business sections of the

city, where intoxicated men are to be seen in the streets. Montreal, it may be stated, is the only city on the North American Continent where legalized vice is permitted."

Just recently R. L. Calder, K. C., crown prosecutor, of Montreal, speaking before the Canadian Club in that city, said that the loot from crime and criminal actions in Montreal, the profits of bootleggers, political graft, and all the by-products of crime were a heavy tax on honest industry, heavier in Montreal than in any other city in America. Mr. Calder compared the safety and certainty of punishment in England with the lack of both in Montreal, and remarked that he would be safer in the neighborhood of the docks in London at midnight than he would be at noon in some of the downtown sections of Montreal.

I clipped that item from the Montreal Star of February 4. Does Mr. Lipsett say that their own honored crown prosecutor has slandered Montreal?

The facts are that in Montreal there are 300 beer saloons licensed to sell strong ale at 5 cents a glass, and that it is a very intoxicating beverage. In addition there are 500 grocery stores that sell this strong ale by the bottle to families, as potatoes and bread are sold. Then there are a great many cafés where this strong beer is sold with meals, and I have it on good authority that there are 200 unlicensed bootlegging joints, that stay open all night, besides a dozen or more Government stores, where hard liquor is sold by the bottle, and two of those liquor stores are "women's stores," where the women of Montreal can go and buy their booze without being stared at by men.

Now, I submit these facts to any fair-minded person, and say that where there are so many drinking places there must be much drinking. It costs money to run a beer saloon. There is the license and the rent and the wages to pay; the competition is keen, and they have got to sell a whale of a lot of beer to make both ends meet; and I contend that where there is so much drinking there must of a surety be a lot of drunkenness and poverty and misery and want and neglect of children and cruelty to women and hardships of all kinds that always follow the open saloon.

Whether a man had been there and seen it or not, he knows from the very fact that there are so many drinking places that there must be all the evils of drunkenness in its train. That is self-evident.

But I have been there and seen it.

A BEER-SOAKED GOVERNMENT WITH BEER SUPREME.

There is one place in the very heart of Montreal, a very large hall, up one flight of stairs, all hung with silken curtains and oriental lanterns and Japanese parasols, where the lights burn low, and there are far corners deep in shadows, with tables where men and women sit and drink, and in the center a dance floor that is flooded with lights from above, and there women who are almost naked twist and wriggle in sensuous dances. I was there two nights until long after midnight, and I saw many women drunk. I saw two women so drunk that they leaned over the tables and vomited on the floor. I saw a girl so drunk there that she collapsed on the dance floor and was carried off.

John Gardiner, Mr. Lipsett's fellow editor, told me it was this place he had in mind when he wrote in the Montreal Standard April 7 last:

> "Daughters of prominent men, led away by the attractive glare of the bright lights, flutter into the web; sweet young girls, the pink flush of childhood still on their cheeks, are bought and paid for by pusillanimous male beasts. While Montreal slumbers the all-night clubs and dance halls trade in souls."

I have seen the night life in the cabarets of New York City, but I never saw anything anywhere that, as a deliberately contrived and set trap for the enticement and ruin of girlhood, equals this oriental hootchie-cootchie joint in the heart of Montreal.

I have seen Cripple Creek and Deadwood and other gold camps of the West in their wildest days. I have seen the vice and drunkenness of the new oil camps of Oklahoma and Texas in their wildest days. I knew the New York Bowery when there was a saloon in almost every building for blocks. I have seen drunkenness and vice and squalor and degeneracy, but I never saw anything that was as bad as the legalized red-light district of Montreal, with its 3,000 lost women, nine-tenths of whom filtered down to that abyss from the drinking places, the all-night clubs of Montreal.

I was told by a woman newspaper reporter of Montreal that she had seen in the night clubs of Montreal fully 1,000 women drunk, altogether. Mr. Lipsett says of that:

> "The person is not alive who has seen 1,000 women drunk in Montreal."

In one night I saw 100 women drunk in Montreal, and I will venture to say that there is never a night when there are not 1,000 women drunk in that red-light district of Montreal that covers whole miles of territory. I believe there are hundreds of persons living who have seen 1,000 women drunk in Montreal.

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The Star conducted a symposium for weeks afterwards, in which it quoted practically all the leading men and women of Montreal in their demands that the city must be cleansed and the red-light district must go.

But it has not gone. The reason is that the abandoned men and women of that district drink so much beer. They are the source of a great revenue to the brewers of Montreal, and the brewers control the government of Montreal and of the Province of Quebec.

It is a beer-soaked government, and in Montreal beer is more powerful than even the Montreal Star.

Happiness for our land does not lie in that direction.

PROHIBITION IS MAKING THIS A HAPPY LAND.

One of the greatest local charitable organizations in America is McGregor Institute, in Detroit. Its last annual report, for 1923, says in a review of "some results of prohibition":

When the open saloon was a part of the life of Detroit, over 90 per cent of the homeless men who sought shelter at McGregor Institute and other charitable agencies were victims of its influence.

Since the Michigan State prohibition law went into force, May 1, 1918, a gradual change has been effected in the personal appearance and habits of these men, but because it has been gradual, rather than sudden, the extent of the revolution has not been fully realized. To aid in understanding what has taken place a comparison is here given of the work at McGregor Institute for the five years before prohibition, 1913 to 1917, inclusive, and of the five years since 1919 to 1923, inclusive.

The number of different men averaged 20,923 per year for the 5-year period before prohibition, and 12,733 for the five years following prohibition. Daily arrivals averaged 37,406 before and 20,941 after prohibition, while the figures for repeaters from former years were 3,881 as against 1,577. Although the number of different men dropped so decidedly, total guests increased from 167,927 per year before, to 192,954 after prohibition. From the foregoing it is apparent that the number of men who frequent McGregor Institute has been reduced since prohibition came into existence, while their length of stay has been increased from an average of four days per man to eight days.

A substantial increase in individual prosperity is evidenced by—

(1) The falling off of destitute lodgers from 45,286 annually before prohibition to 33,042 after.

(2) The increase in money left for safekeeping overnight from $7 to $25 per depositor.

(3) The decrease in requests for cast-off clothing from 2,757 per year to 1,065.

(4) The increase in payment for lodgings from 5 per cent to 12 per cent of those trusted.

A decided improvement in the health of men at McGregor Institute is shown since prohibition. From 1913 to 1917, inclusive, the average number of men per year applying to the institute physician for special medical treatment was 5,247, and from 1919 to 1923, inclusive, 1,706.

Records of separate illnesses are not available for the entire period covered, but a comparison of December, 1917, the last month of the preprohibition period, with December, 1923, the last month of the post-prohibition period, reveals a decrease in venereal cases from 18 to 6, a decrease in gastrointestinal cases from 46 to 12, a decrease in skin troubles from 199 to 56, and a decrease in minor surgery from 280 to 24.

The shift of ages since prohibition has been toward younger men. For the five-year period before 1918, 50 per cent of institute lodgers were under 30 years and 1.8 per cent over 60, while for the five years after 1918, 55 per cent were under 30 and 1.2 per cent over 60.

The most striking immediate effect of prohibition on the work at McGregor Institute has been in its religious department. Total chapel attendance for 1919, the first calendar year after prohibition, was 10,000 less than for the year 1918, although there were 71,000 more men in the building.

It is institute experience that most men seek religious aid only when shattered in body and purse—hungry, poorly clad, nervously weak, penniless—and this condition was intensified and widespread previous to prohibition. Accustomed to think of religion as something for material relief only, it was natural that the transient man at first should avoid it as his acute need for physical aid lessened.

With the removal of the saloon, gradually the deadening effect of alcohol on the minds and hearts of men has been lifted, and religion now appeals as a broader and more spiritual aid. There is evident a more alert and less spoiled outlook on life, and sober men with clear minds make more intelligent and more permanent decisions than those under the influence of alcohol.

The steadily increasing chapel attendance from 14,439 in 1919 to 29,793 in 1923; the increase in the number of men who sought the religious-work director for instruction in Christian living from 397 to 1,330; and the increase in the percentage of these seekers from 2.7 per cent in 1919 to 4.4 per cent in 1923, together with a more cordial attitude toward all religious services, confirm the belief that a higher type of manhood is in process of development since prohibition came into effect.

That more reliable and efficient workers and more intelligent and useful citizens are developing, McGregor Institute believes it is reasonable to conclude from its experience—

(1) A decrease of 39 per cent in the number of different men.
(2) A decrease of 44 per cent in daily arrivals.
(3) A decrease of 59 per cent in repeaters.
(4) A decrease of 27 per cent in destitute lodgers.
(5) A decrease of 61 per cent in requests for clothing.
(6) A decrease of 67 per cent in men requiring medical treatment in the five-year period since prohibition as compared with the same time before.
(7) A steady increase of 106 per cent in chapel attendance from 1919 to 1923.

In drawing its conclusion, McGregor Institute realizes that other factors are at work, but even after allowing for such causes, as the increase in general prosperity and the growth of knowledge, the results are in such striking contrast to open saloon days that prohibition justly deserves a very large share of credit in bringing about this improved condition, and better men should be a natural and lasting result.

The wet stronghold of Rhode Island, where the eighteenth amendment has not yet been ratified, contributes testimony to the efficiency of prohibition by abolishing its State workhouse.

Since prohibition came committals to the workhouse have decreased 72.5 per cent. With the completion of the new wing at the State prison and the establishment in it of the reformatory for men, the few committals from the courts to the workhouse will be received there, but a separate institution will no longer be continued.

In the 52 years of its existence the State workhouse has received 31,385 prisoners. In the four years of prohibition the average occupancy of the workhouse was 58.2. For the 10 years previous to the prohibition period the average was 211.4.

This disclosure is made in the report to the State Welfare Commission of Warden Charles E. Linscott, in charge of the penal institutions. That the condition is due entirely to prohibition, he states, is shown by the fact that the State workhouse was the place to which were committed men convicted of being common drunkards, of vagrancy, of being "idle persons without visible means of support," of nonsupport and of being sturdy beggars, or offenses directly traceable to drink.

To remove any question of the cause of the falling off in committals Mr. Linscott goes into the history of the workhouse from its establishment in 1872. In the first year the committals numbered over 100 and increased gradually until in 1914 they totaled their highest, 240. For the first time thereafter, in 1918, the year's total dropped to less than 200 and was recorded as 156. With the advent of prohibition, effective wartime prohibition, the committals in 1918 fell to 18. The greatest number of committals in any one year since has been 77, which is a total less than two-thirds of the smallest preprohibition year.

In the House of Correction, to which women are committed for offenses similar to those for which men were sent to the workhouse, the report adds, the decrease in occupancy has been so great with prohibition that it has been necessary to discontinue the work of shirt making by power-driven machines because the inmates number now only enough to do the ordinary household work with the laundry and greenhouse work to be done. The decrease of women prisoners has amounted to 60 per cent, the average for four years of prohibition being 23.7, as compared with an average of 60.7 during the preceding 10 years.

This record obtains in a State which had no concurrent prohibition law until 14 months ago.

Prohibition has not caused any decided increase in drug addiction. Ninety per cent of our addicts have a habit dating back to the days before prohibition.

This is a finding of Dr. Charles E. Sceleth and Dr. Sydney Kuh, of Chicago, writing in the current issue of the Journal of the American Medical Association on Drug Addiction. Their article, they note—

is based on the experience of the last 20 years, during which time more than 5,000 patients addicted to morphinism were treated.

In the same issue Dr. Carleton Simon, of New York, says:

In the city of New York narcotism has decidedly decreased during the last three years. This is evidenced by the fact that a beginner is now rarely found among the addicts recently apprehended.

Doctor Simon is special deputy police commissioner in charge of the narcotic division of the New York City police department.

The Associated Press carried this from Philadelphia, dated February 19, 1924:

PHILADELPHIA, February 19.—Deaths from alcoholism in Philadelphia decreased more than 85 per cent in the first six weeks of 1924, in comparison with a similar period last year, Frank Paul, chief investigator of the coroner's office said to-day. Mr. Paul attributed the reduction to Director of Public Safety Butler's campaign against lawbreakers.

Reports showed 150 deaths due to alcohol during the first six weeks of 1923, Mr. Paul said. This year but 27 have been reported, and 11 of these were due to accidents resulting from intoxication.

"The police battle against lawbreakers," declared Mr. Paul, "is putting out of business the places and persons dealing in liquor, and it is frightening the public through fear of arrest. The fact that the majority of liquor deaths this year occurred early, while their frequency is steadily becoming less, shows the effect of General Butler's drive."

There is no doubt about the effectiveness of prohibition in making our land happy. It is only enforcement that is sometimes not effective.

Eloquently and succinctly did Lloyd-George sum up America's progress toward national happiness in a recent speech in Parliament in connection with the proposal for local option for Wales. The report in Law Times summarizes his speech:

He thought no one could deny the magnitude of the drink evil. It was true that during the last few years there had been a considerable reduction in the drink bill—not in cash but in quantity. But that improvement had been effected very largely by the action of the House in increasing taxation, restricting facilities, diminishing the alcoholic strength. The drink bill amounted to £400,000,000, or, if taxation was deducted, £200,000,000. He took a serious view of the industrial position of the country. He did not like the remedy suggested by the Prime Minister, but he agreed with the right honorable gentleman that the situation was serious and required to be grappled with. In such a situation we could not afford to carry a drink bill of £200,000,000 a year. (Hear, hear.) What had struck him more than anything else in the United States was that the practical business community were behind drastic temperance legislation. It was not brought about by parties, but by the business community, who were convinced that something had to be done; and now, he was told, 75 per cent of the business community would oppose the rescinding of that law. Its effect had been very great in the diminution of crime, an increase of building, and an enormous increase of trade, because the people had more money to spend. He was told that the children in America had never had such a good time since the creation of the world.

And it is to be noted that the liquor interests, international as they are in their organization and affiliations, and who now propose "local option" and all kinds of referendums to the people, in England fight just as bitterly against anything of that kind as they used to do in this country when they were in control, and were able to defeat Lloyd George and Lady Astor, for a time further, in their desire to free communities in Wales.

The industrial prosperity of the United States, which was said by Charles Edward Russel, in his article which I have quoted, to be chiefly due "to the fact of prohibition," is emphasized by the Federal Reserve Board in the January Federal Reserve Bulletin. It is said:

In the business and banking developments of the year 1923, the outstanding fact has been the high level of industrial and agricultural output and the demand for bank credit to finance a volume of production and trade never previously equaled. Throughout the year the buying power of consumers, arising out of practically full industrial employment and increased income of farmers, has been reflected in a growth of retail trade and in a more active distribution of merchandise than in any other year. * * * The year, taken as a whole, has been one of unparalleled industrial and trade activity.

In the Saturday Evening Post for March 1, 1924, is an interesting article by Felix Isman, "The effect of prohibition on realty values." It is really a story of happiness and prosperity brought to a nation through sobriety, thrift, and industry under national prohibition. How every line of lawful industry has been made more prosperous is sketched, the help to healthful recreations, the greater comforts, the more happiness. Of home owning, fundamentally important for a happy land, he says:

Many elements enter into the ever-increasing demand for better and more housing. Let no one say it is absurd that prohibition had a dominant part. John Workingman has more money to-day than he has ever had in the history of the country and probably in the history of the world, and the elimination of John Barleycorn for John Workingman probably means an additional room at least to his living quarters. My opinion of the housing situation is that prohibition has created, through its success as a money saver, a tremendous impetus in the mind of the latent home seeker, the desirability of investing his savings in some place where he knows he can find shelter, without the drag of the payment of rent, as quickly as possible, and he has

become luxurious in his demands; not luxurious to the point of wastefulness, but he wants more elbowroom. He now has the money to pay for it and he is getting it.

He concludes:

From the time the Volstead Act went into effect, it has been a prime factor in the real-estate business. The corpse of Demon Rum has been handled almost as successfully as that of the porker—but no pig ever had so many unexpected by-products as prohibition. It will be interesting to see how many more are yet to turn up.

Years ago the first Armour said one used everything about the pig but his squeal; the realty expert did more than that with the realty used for liquor purposes—he utilized the squeal.

The noted surgeon, Dr. Howard A. Kelley, of Johns Hopkins University, says in the February issue of Health:

The invocation of the vanished intoxicating beverages by a handful of men who are fanatics about drink is doomed to a dismal failure, for no little group of liquor dealers or addicts can rule this vast Nation. In clearest terms, the majority has spoken in terms of law. That majority has borne in patience the persistent lawless attempts to nullify its will. To-day, in tones heard in every State of the Union, that majority voice is speaking ever more loudly for enforcement and yet more enforcement, for prohibition means health, wealth, morality, and happiness to an entire Nation of over a hundred million souls.

State after State has repudiated the beer-and-wine entering wedge for John Barleycorn, and our Nation will let the 58 bills for 2.75 beer lie in capacious pigeonholes while the eighteenth amendment goes on in the great experiment to make this a sober, happy Nation.

The SPEAKER. The time of the gentleman from Michigan has expired.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had passed bill of the following title, in which the concurrence of the House of Representatives was requested.

S. 365. An act for the relief of Ellen B. Walker.

ENROLLED BILLS SIGNED.

Mr. ROSENBLOOM, from the Committee on Enrolled bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. R. 4121. An act to extend the provisions of certain laws to the Territory of Hawaii.

S. 2014. An act to authorize the Park-Wood Lumber Co. to construct two bridges across the United States Canal which connects Apalachicola River and St. Andrews Bay, Fla.

SENATE BILL REFERRED.

Under clause 2, Rule XXIV, Senate bill of the following title was taken from the Speaker's table and referred to its appropriate committee, as indicated below:

S. 365. An act for the relief of Ellen B. Walker; to the Committee on Claims.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States, for his approval, the following bills:

H. R. 4807. An act granting the consent of Congress to the State highway commission of Louisiana to construct, maintain, and operate a bridge across West Pearl River in the State of Louisiana.

H. R. 4808. An act granting the consent of Congress to the construction, maintenance, and operation of a bridge across the Pearl River between St. Tammany Parish in Louisiana and Hancock County in Mississippi.

H. R. 3681. An act to authorize the building of a bridge across the Waccamaw River in South Carolina.

H. R. 3265. An act to authorize the construction of a bridge between the Boroughs of Brooklyn and Queens in the city and State of New York.

H. R. 584. An act to authorize the county of Multnomah, Oreg., to construct, maintain, and operate a bridge and approaches thereto across the Willamette River, in the city of Portland, Oreg., in the vicinity of the present site of Sellwood Ferry.

REFERENCE OF BILLS TO COMMITTEES.

The SPEAKER. The Chair referred to the Committee on Banking and Currency Senate bill 2209. The chairmen of both the Banking and Currency Committee and the Judiciary Committee agree that this bill should have gone to the Committee on the Judiciary, and the Chair agrees with them. Therefore, without objection, the Chair will rerefer the bill to the Committee on the Judiciary.

There was no objection.

Mr. PARKS of Arkansas. Mr. Speaker, I make the point of order that a quorum is not present.

Mr. LONGWORTH. Mr. Speaker, I hope the gentleman will withhold that.

Mr. PARKS of Arkansas. I withhold the point of order.

ORDER OF BUSINESS.

Mr. LONGWORTH. Mr. Speaker, I move to dispense with Calendar Wednesday, and before the Speaker puts the motion I desire to renew my request for unanimous consent that in the event of the passage of this motion the business in order to-day be in order the next day after the conclusion of the consideration of the Muscle Shoals proposition.

The SPEAKER. The gentleman from Ohio asks unanimous consent that in case his motion to dispense with Calendar Wednesday to-day prevails, the Calendar Wednesday business of to-day shall be in order the day after the conclusion of the consideration of the Muscle Shoals bill. Is there objection?

Mr. DYER. Mr. Speaker, reserving the right to object, suppose that all of this week is consumed by the Muscle Shoals proposition, then we would lose the Calendar Wednesday for this week, would we not, if we agree to this motion, or would we have two Calendar Wednesdays next week?

Mr. LONGWORTH. The business would be in order, under my motion, on Monday.

Mr. DYER. Then we would have Monday for Calendar Wednesday and also the following Wednesday?

Mr. LONGWORTH. It would be a question of what the House desired to do. This motion would have nothing to do with that.

Mr. CRAMTON. Will the gentleman yield? As I understand, the Committee on Interstate and Foreign Commerce has the call; and does the gentleman understand that the Coast Guard extension bill is to be brought up by them on the next Calendar Wednesday?

Mr. WINSLOW. I am not prepared to say when the next Calendar Wednesday comes.

Mr. CRAMTON. I ask if it would be called up on the next Calendar Wednesday?

Mr. WINSLOW. That would now seem likely, but I would not want to commit myself entirely.

Mr. CRAMTON. In view of that fact, I think the request of the gentleman from Ohio is very desirable.

Mr. MADDEN. Mr. Speaker, of course I do not want to get in the way of whatever the plans may be, but I do want to call the attention of the House to the situation. We have a very important urgent deficiency bill pending. It is on the calendar. It carries a large amount of money for refunds, judgments, and things of that sort, much of which is drawing interest at the rate of 6 per cent. We ought not to put anything in the way of that bill after the disposition of the pending bill, if we can avoid it.

Mr. LONGWORTH. Mr. Speaker, I want to say to the gentleman that it seemed to me the importance of Calendar Wednesday this week, from what the chairman of the Committee on Interstate and Foreign Commerce told me, would have justified our not dispensing with Calendar Wednesday.

Mr. MADDEN. I do not want to get in the way, of course.

Mr. LONGWORTH. And I think we will probably finish up this week on the Muscle Shoals matter and the business of the Interstate and Foreign Commerce Committee.

Mr. MADDEN. In the meantime we are paying interest on a very large amount of money.

Mr. LONGWORTH. I am in favor of the gentleman having the floor with any appropriation bill he desires immediately after the conclusion of those matters.

Mr. WINGO. Mr. Speaker, I am interested in this question. When does the gentleman from Illinois [Mr. MADDEN] say they will bring in a deficiency bill?

Mr. MADDEN. It is on the calendar now.

Mr. WINGO. I think it ought to be passed as quickly as possible. The Government has unpaid claims 13 or 14 months old that I know of. There is no contest about them and they simply say that the Congress has not appropriated the money.

Mr. DYER. But the gentleman from Illinois, no doubt, if his bill was up next week, would ask to suspend the Calendar Wednesday of next week.

Mr. MADDEN. No; I would not.

The SPEAKER. Is there objection?

Mr. GRAHAM of Pennsylvania. Reserving the right to object, I want to enter a protest against this constant interference in Calendar Wednesday in the future because of the mass of legislation that comes from the Judiciary Committee which can not be heard except on Calendar Wednesday. The rule of the House that Calendar Wednesday shall be reserved for certain business, it seems to me, ought to be followed

strictly on all occasions, unless there is a national emergency or something like a calamity. Therefore, I object.

Mr. PARKS of Arkansas. Mr. Speaker, I make the point of order that no quorum is present.

The SPEAKER. The gentleman from Arkansas makes the point that no quorum is present. Evidently there is no quorum present.

Mr. LONGWORTH. Mr. Speaker, I move a call of the House.

The motion was agreed to.

Accordingly the doors were closed, the Sergeant at Arms was directed to bring in absent Members, and the Clerk called the roll.

The following Members failed to answer to their names:

Anderson	Darrow	Johnson, Ky.	Perlman
Anthony	Davey	Johnson, S. Dak.	Phillips
Berger	Dempsey	Kahn	Porter
Black, Tex.	Dickinson, Iowa	Kvale	Quayle
Boies	Dickstein	Langley	Reed, W. Va.
Brand, Ohio	Drewry	Lindsay	Rouse
Britten	Eagan	Linthicum	Sears, Fla.
Browne, N. J.	Edmonds	McClintic	Taylor, Colo.
Buchanan	Free	McFadden	Thomas, Ky.
Buckley	Fuller	McLaughlin, Nebr.	Tydings
Byrnes, S. C.	Fulmer	Mooney	Underhill
Canfield	Funk	Nelson, Me.	Upshaw
Carter	Gifford	Newton, Mo.	Vare
Connolly, Pa.	Goldsborough	Newton, Minn.	Ward, N. Y.
Crisp	Greene, Mass.	Nolan	Welsh
Crowther	Griffin	O'Brien	Wertz
Cullen	Hooker	Oliver, N. Y.	Zihlman
Curry	Jacobstein	Patterson	
Dallinger	Johnson, Wash.	Perkins	

The SPEAKER. Three hundred and fifty-six Members have answered to their names. A quorum is present.

Mr. LONGWORTH. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were opened.

Mr. LONGWORTH. Mr. Speaker, I move to dispense with Calendar Wednesday.

The SPEAKER. The gentleman from Ohio moves to dispense with business on Calendar Wednesday.

Mr. LONGWORTH. Mr. Speaker, I wish to say that in the event that my motion is agreed to I shall renew my request for unanimous consent that business in order to-day may be in order on the day following the passage of the Muscle Shoals bill. In other words, on some day this week there will be a Calendar Wednesday, provided we finish Muscle Shoals.

Mr. GRAHAM of Pennsylvania. Mr. Speaker, I rise with regret to oppose the motion made by the floor leader upon this side of the House. I would rather be in accord with him than in opposition, but I do feel that it is necessary that we should keep some of the rules of procedure intact. If Calendar Wednesday is to be suspended every time some bill is brought up in which a large number of Members are interested, we will never have a Calendar Wednesday for any committee or for the Judiciary Committee, with a score or more of most important measures pending, including matters relating to the Constitution of the country. I do hope that the Members will not accord this motion their support but that we will stand for regularity in the maintenance of the rules in this respect.

The SPEAKER. The question is on agreeing to the motion of the gentleman from Ohio to dispense with the business on Calendar Wednesday.

Mr. GRAHAM of Pennsylvania. Mr. Speaker, I ask for the yeas and nays.

The SPEAKER. The gentleman from Pennsylvania demands the yeas and nays. All those in favor of taking the question by yeas and nays will rise. [After counting.] Sixteen Members have arisen, not a sufficient number, and the yeas and nays are refused.

Mr. GRAHAM of Pennsylvania. Mr. Speaker, I ask for a division.

The question was taken; and there were 223 ayes and 26 noes.

So the motion to dispense with the business on Calendar Wednesday was agreed to.

Mr. LONGWORTH. Mr. Speaker, I renew my request for unanimous consent that business in order to-day be in order the day following the disposition of the Muscle Shoals bill.

The SPEAKER. The gentleman from Ohio asks unanimous consent that the business of Calendar Wednesday be taken up on the first day after the Muscle Shoals bill is disposed of. Is there objection?

Mr. GRAHAM of Pennsylvania. Mr. Speaker, reserving the right to object, I ask the gentleman from Ohio if that means, supposing this business consumes the entire week, that we will have two days for Calendar Wednesday business in the coming week.

Mr. LONGWORTH. Business would be in order under my request on Monday or on Tuesday, and it lies with the House whether it will dispense with the Calendar Wednesday business next week, and so far as I know there will be no disposition to do that.

The SPEAKER. Is there objection?

Mr. GRAHAM of Pennsylvania. I shall not object.

Mr. BLANTON. I object.

The SPEAKER. Objection is heard.

MUSCLE SHOALS.

Mr. McKENZIE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 518) to authorize and direct the Secretary of War to sell to Henry Ford nitrate plant No. 1, at Sheffield, Ala.; nitrate plant No. 2, at Muscle Shoals, Ala.; Waco Quarry, near Russellville, Ala.; and to lease to the corporation to be incorporated by him Dam No. 2 and Dam No. 3 (as designated in H. Doc. No. 1262, 64th Cong., 1st sess.), including power stations when constructed as provided herein, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 518, with Mr. MAPES in the chair.

The Clerk reported the title of the bill.

Mr. McKENZIE. Mr. Chairman, I yield 15 minutes to the gentleman from Michigan, [Mr. JAMES].

Mr. QUIN. Mr. Chairman, I yield to the gentleman from Michigan 25 minutes.

The CHAIRMAN. The gentleman from Michigan is recognized for 40 minutes.

Mr. JAMES. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. JAMES. Mr. Chairman, the minority report is supposed to be written by the gentleman from Iowa [Mr. HULL]. However, I must absolve him from all blame for this report. I insist upon coming to the defense of our colleague from Iowa [Mr. HULL], and I am going to prove that he has been duped by some of his so-called "friends."

The gentleman from Iowa is, I know, too shrewd to write a report that contradicts his utterances of two years ago in every particular and would make it appear that he has no fixed opinions on anything, at least for any particular length of time. I realize that even a gentleman with an "open mind" is not going to write a report that criticizes his previous utterances and remarks in every particular or that would show that he had forgotten his previous questions and his previous answers.

The gentleman from Iowa was formerly the strongest advocate of the Ford offer. The same as the gentleman from Mississippi [Mr. QUIN], he was about ready to vote to accept the Ford offer before the rest of the committee had read the offer, and, like the gentleman from Mississippi, he was ready, apparently, to turn over to Mr. Ford the United States Treasury to help him run the plants. If this seems exaggerated, you will see I am right when Mr. QUIN makes his speech.

If I had three guesses as to who wrote this report, I would guess the following:

First guess: Tom Martin.

Second guess: Thomas W. Martin, Birmingham, Ala.

Third guess: The president of the Alabama Power Co., Thomas W. Martin.

The report that is wrongly charged to the gentleman from Iowa states that Mr. Ford is to get a "subsidy." Let me read you the language written by Mr. Martin and credited to Mr. HULL:

> We believe, moreover, that this can and should be done without favor, subsidy, or Government grant of special privilege to any individuals or groups of individuals, corporations, or parties whatsoever.

On page 18, we find a paragraph entitled, "Not necessary to subsidize Mr. Ford." Then comes the following language:

> Under these circumstances we see no reason, even if higher consideration of public policy did not prohibit it, for inducing Mr. Ford with heavy subsidy in the form of power and property to engage in that profitable enterprise.

Then later, we read:

> It follows that Mr. Ford ought not to be accorded special privilege and subsidy for any purpose whatsoever. * * *

Now let us see what Mr. HULL said two years ago.

Mr. HULL. You spoke of a subsidy this morning.

WITNESS. Yes, sir.

Mr. HULL. I do not know what the rest of the committee has, but I have gone into the matter far enough to say that, in my opinion, the use of the word "subsidy" is wrong. It is not subsidy at all.

Mr. MADDEN. Who said that?

Mr. JAMES. The gentleman from Iowa [Mr. HULL].

Mr. HULL seems to be peeved—excuse me, I mean that Mr. Martin, of the Alabama Power Co., tries to make it appear that our colleague is peeved—because he has not had a chance to talk to Mr. Ford about the offer. Other members of the committee might be "peeved" because they had no opportunity to talk to Mr. Ford and to ask him questions, but the gentleman from Iowa [Mr. HULL] has no complaint on that score. When Mr. Ford was here two years ago I understand that our colleague went down to see Mr. Ford and was with him for several hours.

Mr. HULL of Iowa. Mr. Chairman, will the gentleman yield?

Mr. JAMES. Not now. Mr. HULL, our colleague, spent several hours with Mr. Ford, and if he only talked with him for two minutes, and if he did not ask Mr. Ford then about the 100-year and fertilizer guaranty and the water power act and everything else, it must have been because our colleague was either tongue-tied or too modest, or else he was satisfied with the provisions of the Ford offer at that time.

Mr. HULL of Iowa. Will the gentleman yield right there?

Mr. JAMES. I will not.

Mr. HULL of Iowa. But you are making a misstatement.

Mr. JAMES. So far as I can make out, about all our colleague said to Mr. Ford at that time was: "Mr. Ford, you do not need to worry about your offer not passing the House. Remember that I am with you; there is no doubt about its going through." [Laughter and applause.]

Mr. HULL of Iowa. Will the gentleman yield?

Mr. JAMES. I will not.

Mr. HULL of Iowa. But you are making a misstatement of facts.

Mr. JAMES. Then we will put it down to sarcasm.

Mr. HULL of Iowa. You have no right to quote me wrongly.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, the Chair ought to protect the witness, and the gentlemen of the House ought to observe the rules.

The CHAIRMAN. Will the gentleman from Michigan suspend? The Chair suggests that it would be better for specific members of the committee to address the Chair when they desire to interrupt. That will also tend to better order in the committee.

Mr. HULL of Iowa. Will the gentleman yield right there?

Mr. JAMES. I will not.

If I am correctly informed, our colleague from Iowa was very well satisfied with his interview with Mr. Ford, because I am informed that he stated upon his return that everything was all right.

Mr. LaGUARDIA. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. Does the gentleman from Michigan yield to the gentleman from New York?

Mr. JAMES. I do not.

Mr. LaGUARDIA. I want to make a parliamentary inquiry.

Mr. MADDEN. But the gentleman can not interrupt a gentleman for the purpose of making a parliamentary inquiry.

The CHAIRMAN. The Chair sustains the point of order.

Mr. JAMES. This report makes it appear that Mr. HULL uses the following language:

He must have this reversal of established governmental policy in respect to tenure of water-power right—a grant of the people's heritage—for a term of 100 years with preferential rights. * * *

Mr. HULL, two years ago in examining a witness, did not condemn this section but praised it and thought that it was fair and reasonable. Let me read the exact language used by our friend:

Mr. HULL. That means that having the property there and having developed it, if two companies offered the same thing, the Ford Co. should be given the preference. Why is that unfair? I understand that some gentlemen say it is unfair, but I can not see it is unfair.

Gentlemen, think of the unfairness of Mr. Martin in writing a report to make it appear that our colleague was against the Ford offer two years ago and against it now. Our colleague from Iowa can well say that he wishes he was delivered of his friends.

In another part of the report, Mr. Martin again misrepresenting our colleague, would make it appear that the gentleman from Iowa uses the following language:

It is in the record of the former hearings that Mr. Ford stated to the Secretary of War that if he could not make fertilizer profitably he intended to "quit."

If our colleague had been consulted on writing this part of the report, he would have begged Mr. Martin not to use this language and state that the above did not correctly state the testimony of the Secretary of War, and also that—to use the exact words of the Secretary of War—"that interview took place on the 11th of January," or about two weeks before Mr. Ford made offer No. 2.

The chairman of the committee, Mr. KAHN, then said:

That interview took place, as I take it from what you said, about two weeks before he signed the second agreement, which is now before us.

Secretary WEEKS. Yes.

If you will examine the evidence, you will find that the Secretary of War and Mr. Ford had no conversation about the matter of fertilizer afterwards.

If Mr. HULL had had anything to do with the writing of this report, I am sure that he would have been fair with the House by quoting all that Mr. Weeks said, which is as follows:

In my conversation with Mr. Ford I said to him, "Will you guarantee to continue the manufacture of fertilizer during the life of this contract?" He replied that he would not. I said, "Will you agree to invest a certain amount of money in the manufacture of fertilizer?" And he said he would not. Now, of course, he does in effect.

A little later Mr. Martin makes it appear that our colleague uses the following language in his report:

FORD'S FERTILIZER GUARANTY NOT BINDING.

We are not convinced that if given the special privileges he demands Mr. Ford could be compelled continuously to produce fertilizer at Muscle Shoals. The language of section 14 of the committee bill is, to say the least, peculiar, and it has a peculiar history. It is certain that the original offer contained no binding language regarding fertilizer production. This was the opinion of the Military Affairs Committee of the last preceding Congress, and its members sought energetically to strengthen the commitment. They were apparently successful, but with the new wording of the section qualifying language not in the original proposal appeared. * * *

I want to be fair to our colleague, and state that he would not if he could and could not if he would make any such statements.

Every member of the committee, with the exception of myself, voted for the present fertilizer-guaranty section of the Ford offer.

The present language in the McKenzie bill was drawn up one afternoon by men on our committee against the Ford offer, men on the committee in favor of the Ford offer, and by representatives of Mr. Ford. They unanimously agreed on the language.

The signed report is as follows:

15. Since the manufacture, sale, and distribution of commercial fertilizers to farmers and other users thereof constitutes one of the principal considerations of this offer, the company expressly agrees that, continuously throughout the lease period, except as it may be prevented by reconstruction of the plant itself or by war, strikes, accidents, fires, or other causes beyond its control, it will manufacture nitrogen and other commercial fertilizers, mixed or unmixed, and with or without filler, according to demand, at nitrate plant No. 2 or its equivalent or at such other plant or plants adjacent or near thereto as it may construct, using the most economical source of power available. The annual production of these fertilizers shall have a nitrogen content of at least 40,000 tons of fixed nitrogen, which is the present annual capacity of nitrate plant No. 2. If during the lease period said nitrate plant No. 2 is destroyed or damaged from any cause, the company agrees to restore such plant within a reasonable time to its former capacity.

Mr. HULL is an honorable man, and would not, of course, vote for any language that had a "joker" in it, or did not in every way provide that the farmers were to get an absolute guaranty for fertilizer. We know our colleague too well to think that he would allow the farmers to be tricked if he had anything to say.

Mr. HULL of Iowa. Will the gentleman yield?

The CHAIRMAN. Does the gentleman from Michigan yield?

Mr. JAMES. I do not.

The CHAIRMAN. The gentleman declines to yield.

Mr. JAMES. The committee was very liberal in the matter of hearings. We gave our colleague and the Alabama Power Co. and their friends all the time they asked for. Several times we had to stop hearings because their witnesses were not on hand, but we reopened the hearings again two or three times.

We had one young man who thought a "hearing" was not a serious proposition, and immediately he began to play the only part of which he was capable of playing—that of a clown. I think his name was Frazier. Frazier said he had formerly been for the Ford offer but that this was when he "was in the wilderness." Frazier changed his mind when a Moses came by. This Moses not only led him out of the wilderness but also led him from Alabama to Washington, and from the Union Depot at Washington to the Washington Hotel, and from the lobby of the Washington Hotel to his own room. There Moses told the young man what he was to tell the committee, and then Moses led the young man to our committee room. Upon investigation by Mr. HILL of Alabama, we found that the name of Moses was Mr. Thomas W. Martin, president of the Alabama Power Co. I hope that Moses provided our friend who had been in the wilderness the "manna" necessary for use on the way here and also "manna" enough to take him home.

Other gentlemen were also led out of the wilderness, apparently, in the same way, if we may judge from their testimony.

There is still another reason for my assertion that our colleague [Mr. HULL] did not write the minority report.

In the minority report we read this language:

His offer still contemplates the making of fertilizer by the operation of nitrate plant No. 2.

Mr. Martin could very well make this mistake, but our colleague, with his great familiarity with the Ford offer, knows that section 14 reads in part as follows:

It will manufacture nitrogen and other commercial fertilizers, mixed or unmixed, and with or without filler, according to demand, at nitrate plant No. 2, or its equivalent, or at any such other plant or plants adjacent or near thereto as it may construct, using the most economical source of power available.

Mr. Martin would not, of course, know the history of this language, but our colleague knows that we put this in so that if necessary to use any other building than plant No. 2 it could be done. Our colleague voted to put this language in the bill, so you can readily see that he can not be held responsible for the language used by his false friend, Mr. Martin.

Mr. Martin, in the minority report, would make it appear that our colleague [Mr. HULL] uses the following language:

Nobody denies that Mr. Ford demands the divesture by the Government of its ownership of the nitrate plants. It is inconceivable that this necessity of national defense, vital to the Nation's safety, should pass into private hands.

If Mr. Martin read this report to our colleague from Iowa [Mr. HULL] before it was presented to us, I am sure that our colleague would have told Mr. Martin, his false friend, that he could not allow anyone to charge him with that language. You can readily understand why when I read you the way our colleague [Mr. HULL] felt when he last expressed himself on the matter.

Mr. HULL. Colonel, I think we are sometimes liable to lose sight of the fundamental idea of the whole matter, and that this is a national-defense proposition.

Our colleague was absolutely right, and here comes Mr. Martin, pretending to be a friend of Mr. HULL, and wants to make an electric-lighting-company proposition out of it.

Then our colleague goes on to say:

We have down there at the present time nitrate plant No. 2, built and in working shape, ready to turn out practically at a minute's notice nitrates for high explosives. Now, by this contract we agree to sell it to Henry Ford. Yet we have a string attached to the sale to the effect that at any time we can take that plant over and operate it for the production of nitrates for the production of high explosives.

A little later we find our colleague stating:

The question has come to my mind—and I think it is of vital importance—is there anything in this contract to assure the Government that this plant will be maintained under all circumstances as a plant for the manufacture of explosives or nitrates for high explosives in case of war? In other words, could Henry Ford assign this plant, as Mr. GREENE has suggested, to some other method of manufacturing nitrate for fertilizer and change the method? In other words, I mean we would have a formula for the manufacture of nitrate for high explosives which is another method. Is that fully protected?

Colonel HULL, Acting Judge Advocate General. In section 14 you will find this provision:

"To maintain nitrate plant No. 2 in its present state of readiness or its equivalent for immediate operation, in the manufacture of materials necessary in time of war for the production of high explosives."

This is his obligation.

Mr. HULL. He could not destroy it in any way without our stopping him; we would have the right to stop him if he tried to assign it to somebody else, or sell it for some other process? We would still have the right to go in?

Colonel HULL. I think so, without the shadow of a doubt.

A little later on in the hearings we find our colleague stating:

I am more concerned about this whole matter from a national defense standpoint and I want to keep something so that we may have an independent source of nitrates. If we accepted the Ford offer, there would be no question but what we would always have there an independent source of nitrogen.

And yet, Mr. Martin would have us think that Mr. HULL had always been against the Ford offer. Mr. Martin had better read the testimony.

A little later we find our colleague telling Mr. Mayo, the representative of Mr. Ford, that Mr. Ford "would not have the absolute ownership" of nitrate plant No. 2.

Listen to the words of our colleague at that time:

You would not have the right, although, apparently, under the contract you have bought the property—although I might say you have simply bought the land of it because you would not have the absolute right of ownership there because you could not change that plant and destroy what we now have in plant No. 2, and that is an independent source for the production of ammonium nitrate?

Mr. MAYO. Not unless we replace it with something equally as good or better.

Then a little later, we find our colleague telling the representative of Mr. Ford, Mr. Mayo, that national defense is the "big, compelling thing," in the whole contract from his way of thinking.

Mr. HULL. Mr. Mayo, as I stated to you before, the big, compelling thing in this contract is in section 14:

(b) To maintain nitrate plant No. 2 in its present state of readiness, or its equivalent, for immediate operation in the manufacture of materials necessary in time of war for the production of explosives.

And to think that Mr. Martin would send out statements to the press of the country to make it appear that our colleague "had always been against the Ford offer." Our colleague ought to sue him for libel.

A little later we find that our colleague is still interested in plant No. 2, because we find him stating, in part:

Mr. HULL. In the first place, as I have stated before, it seems to me that plant No. 2 is the one important thing in this whole proposition, in keeping plant No. 2 in such condition so that we can use it in time of war. That, to my mind, is the greatest object we have in making this contract, if we make it.

Our colleague did everything that he could at that time to make the contract with Mr. Ford. As I have said, Mr. McKENZIE and he "talked the same language at that time," and Mr. HULL had no use at all for the views of the enemies of the Ford offer, like Mr. MORIN, Mr. RANSLEY, Mr. HILL of Maryland, and Mr. FROTHINGHAM, and voted with the friends of the Ford offer to kill all amendments made with the idea of killing the Ford offer.

On page 3 of the report written by Mr. Martin for Mr. HULL, we find the following comparison of pending bills:

HULL BILL (H. R. 6781) BASED ON POWER COMPANIES' OFFER.	McKENZIE BILL (H. R. 518) BASED ON THE FORD OFFER.
1. (a) $15,000,000 of capital (one company). Owned by Americans.	1. (b) $10,000,000 of capital (one company); personal liability of Mr. Ford limited to formation of corporation with above capital. Owned by Americans.

Mr. HULL, of course, had nothing to do with the writing of the above.

Our colleague knows from his experience, especially during the war, that a company controlled by another company which in turn is controlled by a foreign country was not considered an American company or "owned by Americans."

Our colleague also knows that a company, controlled by another company, organized under the laws of Alabama, but which in turn is controlled by a Canadian corporation, is not

in reality or fact an American company controlled by Americans.

Our colleague believes that any company operating any part of Muscle Shoals should be a company owned by Americans and owing no allegiance, directly or indirectly, to any foreign company, because he voted with all the rest of the committee to put the following language in the McKenzie bill:

SEC. 22. The stock of the company to be formed by Henry Ford, referred to in section 1 of this act, to be controlled after his death by his heirs or by American citizens, and no stock or bonds issued by any company or subsidiary company in connection with the lease of the dams referred to herein or in connection with nitrate plant No. 2, or any substitute therefor or addition supplementary thereto, shall be owned or controlled by any foreign corporation, citizen, or subject.

I am positive that our colleague would not want to put anything into the contract with Mr. Ford that he would not put into a contract that we proposed with any other bidder.

Mr. Martin, as an interested bidder, might misstate the facts, but our colleague would not do so, because, of course, he has no interest in this matter except to protect his own Government.

Mr. HULL, the gentleman from Iowa, knows that the company to be formed by the power companies will be controlled by the Alabama Power Co. I believe that our colleague knows that the Alabama Power Co. is a subsidiary of a Canadian company called the Alabama Traction, Light & Power Co.

In case our colleague has forgotten, let me remind him of the following:

Mr. JAMES. The Alabama Traction, Light & Power Co. (Ltd.) is a Canadian corporation?

Mr. MARTIN. Yes, sir.

Mr. JAMES. What is the capital stock of the company?

Mr. MARTIN. I think it is $17,000,000 in common stock.

Mr. JAMES. The Alabama Power Co. is a subsidiary concern of the Alabama Traction, Light & Power Co. (Ltd.), is it not?

Mr. MARTIN. Limited in that relation.

A little earlier Mr. GARRETT of Texas asked a few questions of Mr. Martin:

Mr. GARRETT. What company is that which controls the Alabama Power Co.?

Mr. MARTIN. That is the Alabama Traction, Light & Power Co.

Mr. GARRETT. Where is that company located?

Mr. MARTIN. That company is domiciled in the Dominion of Canada.

A little later Mr. GARRETT of Texas said:

What did you say is the name of the Canadian corporation that owns this stock of the Alabama Power Co.?

Mr. MARTIN. The Alabama Traction, Light & Power Co. (Ltd.).

Mr. GARRETT. Does it still own a majority of the stock?

Mr. MARTIN. It owns all the common stock of the Alabama Power Co.

Mr. GARRETT. And the common stock is the majority of all the stock, common and preferred?

Mr. MARTIN. Oh, yes.

On page 23 of the minority report we find that Mr. WAINWRIGHT, of New York, states he concurs—

in the conclusions of my colleagues that the Muscle Shoals should not be transferred to Mr. Ford on the terms proposed—

And so forth, and then concludes—

Also I question whether Congress can ever arrive at a wise or satisfactory conclusion until the whole subject and all offers that have been or still can be adduced have been analyzed, considered, and reported on by a select commission, as proposed by the President in his message at the opening of this session of Congress.

Mr. HULL was very severe with a witness two years ago, as the following language indicates:

You make no pretense yet to making us an offer; that you want it turned over to somebody else that you can do business with across the table. I might say that, in my opinion, there has been too much of that kind of business done across the table and not enough of it here in the open where people can see what is being done.

By the shades of Fall, Doheny, and Sinclair, our colleague at that time talked like a statesman. [Applause.]

The WITNESS. I hope, Mr. HULL, I have not made a suggestion that a reference of this matter to a member of the President's Cabinet would have the effect of initiating a kind of negotiation that could not stand the light of day * * *.

But our colleague from Iowa would have none of that way of dealing.

Our colleague from Iowa, two years ago, was very strong to "maintain plant No. 2, in condition to produce nitrates" and for that reason, our colleague did not like the offer of the Alabama Power Co.

Mr. HULL. If we accepted your proposition there would be no positive assurance that in the future we would have nitrates for war purposes, because you do not propose to maintain plant No. 2 in condition to produce nitrates.

Mr. MARTIN. No; we do not undertake any obligations with respect to plant No. 2; but we undertake to give the Government power and money.

Mr. Martin is the president of the Alabama Power Co. and then, as now, was doing everything that he could to see that it did not go to Mr. Ford. At that time, however, our colleague was not in alliance with him.

There was no "positive assurance that in the future we would have nitrates for war purposes" in the offer of the Alabama Power Co. made two years ago, and neither is there any "positive assurance that in the future we would have nitrates for war purposes" under their present offer, and neither is there any "positive assurance that in the future we will have nitrates for war purposes" in the bill that Mr. Martin has inveigled Mr. HULL to introduce. I take it for granted that Mr. HULL has not read the bill very carefully but that when he does he will withdraw it because I am sure that our colleague in his great zeal for "nitrates for war purposes" can not be used for a tool—when he knows it.

If anyone believes that our colleague thought two years ago that Mr. Ford could not manufacture fertilizer and sell it below the prices sold by others, let me quote you the following:

Mr. HULL. Mr. Swann, following the line of the questions asked by Mr. GREENE, then it is your opinion that if we make this contract with Mr. Ford, or something similar to it, he could develop this process which you speak of for making concentrated fertilizers?

Mr. SWANN. He would not have to develop it; it is already developed. It could be utilized.

Mr. HULL. He could utilize it, then?

Mr. SWANN. Yes.

Mr. HULL. It might be developed further.

Mr. SWANN. Oh, it will be developed further as the development goes on, of course.

Mr. HULL. That is what I had in mind.

Mr. SWANN. But it is developed to the point now that makes it available.

Mr. HULL. Then, does it not conclusively follow that he will be able to cheapen fertilizer to the farmer very materially?

Mr. SWANN. With the price of power suggested there is no question but what fertilizer could be produced cheaper.

And yet Mr. MARTIN says Mr. HULL has "always been against the Ford offer."

Mr. Swann is one of the men interested in the fertilizer proposition with the Alabama Power Co.; so when he says that the price of fertilizer can be cut he ought to know.

A little later we find Mr. Swann stating in reply to Mr. QUIN's question:

Mr. QUIN. Then it is not any dream that concentrated fertilizer can be produced and turned over to the farmer?

Mr. SWANN. No, sir.

Mr. HULL, the gentleman from Iowa, did not like the testimony of Mr. C. H. McDowell, president of the National Fertilizer Association.

Mr. HULL. Perhaps I do not catch the point, but it seems to me as though the fertilizer people were worrying for fear Henry Ford would break up on this proposition; is that the point?

Mr. MCDOWELL. Will break up?

Mr. HULL. Yes; that he will go broke in this proposition.

At that time the gentleman from Iowa had the same opinion as the rest of us, and that was that it was not only possible but that there was no doubt in our minds but that he could not only make fertilizer but that he could make it so cheaply that he could bring about a material reduction in the price of every pound of fertilizer to the farmer.

From a question he asked two years ago, our colleague from Iowa seemed to think that 100 years was not too long, provided one had an investment of $15,000,000 or more.

Here is what the gentleman from Iowa said two years ago:

As a business man would you spend fifteen or twenty million dollars without having a lease of 100 years?

A little while before that, in talking to Mr. Ford's representative, Mr. Mayo, we find him using the following language, in part:

You realize we are making a contract for 100 years; and, at the least, it will be three years before you start and probably from 15 to 18 years, as you suggest, and in that time many things may change.

And so forth.

Our colleague seemed to think that 100 years would not be too long, seeing it might take "from 15 to 18 years" to get fully under way.

To show that our colleague was not opposed to the Ford offer at that time I might also quote the following conversation that took place between Mr. Mayo and Mr. HULL immediately after the above:

Mr. MAYO. We hope to start within a year.

Mr. HULL. Producing fertilizer?

Mr. MAYO. Yes, sir.

Mr. HULL. I am glad to hear that. I did not know you figured you could do that. You would have to start, then, with your steam power.

Mr. MAYO. Yes, sir.

Mr. HULL. You hope to start right away, with steam power, manufacturing the fertilizer and sell it to the farmer?

Mr. MAYO. Yes, sir.

That does not sound very much as if our colleague had "always been against the Ford offer." Neither was he. As I have said, he was the most enthusiastic man on the committee in favor of the Ford offer.

Mr. Martin would have us believe that Mr. HULL is not only against Mr. Ford's getting Muscle Shoals at the present time but that he always was against it. In fact, I remember that in the last publicity statement given out by the president of the Alabama Power Co. he recklessly declared that our colleague from Iowa [Mr. HULL] had prepared a minority report, and also that our colleague had always been against the Ford offer.

Why does the president of the Alabama Power Co. insist upon slandering or misrepresenting the views of the gentleman from Iowa? Mr. HULL is capable of speaking for himself. We all know that our colleague was in favor of the Ford offer at the time he voted to report out the McKenzie bill in the last session of Congress. There was no difference of opinion then between the gentleman from Illinois [Mr. MCKENZIE] and the gentleman from Iowa [Mr. HULL]. Others of us had the same opinion as the gentleman from Iowa, and still have it, except that we thought that Mr. Ford ought to get the Gorgas plant. Mr. HULL thought at that time that because of a "moral right" we should sell the Gorgas plant to the Alabama Power Co.

Let the words of the gentleman from Iowa speak for themselves. Mr. HULL was then expressing his views in the presence of our committee to the representative of Mr. Ford, Mr. Mayo. Here are the exact words:

So far I quite agree with the idea of turning over the Muscle Shoals plant to Henry Ford. I think I can defend that position, if necessary, before my people, and I know that I can before myself, which is far more important than anything else; but when you come to the Gorgas plant, that is coming to another proposition.

The statement of our colleague [Mr. HULL] that I have quoted—

I agree with the idea of turning the Muscle Shoals plant over to Henry Ford. I think I can defend that position, if necessary, before my people, and I know that I can before myself, which is far more important than anything else—

was not made in the early days of our hearings but made on the day of our last hearing, June 3, 1922. It was the day after Mr. MORIN, Mr. PARKER, and Mr. CRAGO, against the Ford offer, Mr. WRIGHT and Mr. MILLER, for the Ford offer, and Mr. Mayo and Mr. Worthington, representing Mr. Ford, had agreed on a compromise to take the place of section 14, the fertilizer section. It was on the same day that Mr. HULL, Mr. HILL of Maryland, and Mr. MORIN had all voted for the present section 14.

This statement of our colleague was made after our committee had discussed time and time again the water power act, the 100 years, the personal guaranty, and every other feature.

The day after Mr. HULL said he was for the Ford offer, our committee voted to report out the McKenzie bill by a vote of 11 to 10. The 11 comprised the 6 Democratic members of our committee, in addition to Mr. MCKENZIE, Mr. HULL, Mr. WURZBACH, Mr. MILLER of Washington, and myself.

If Mr. HULL had been against the Ford offer, he would have voted with his present allies, Mr. MORIN, Mr. HILL of Maryland, and Mr. FROTHINGHAM and the bill would have died in the committee.

Messrs. MORIN, HILL, and others prepared a minority report, but you did not see the name of our colleague Mr. HULL on it, because, as I have said before, Mr. MCKENZIE and he "talked the same language" at that time.

If Mr. HULL had offered a motion at that time to put Mr. Ford under the water power act, it would have carried, because the 10 opponents would have voted with him.

If Mr. HULL had offered any other motion to cripple the Ford offer, it would have carried, because he could have relied on the votes of the 10 opponents.

Mr. HULL made no such motion because he was then as strongly in favor of the Ford offer as Mr. MCKENZIE, and any statements given out by Mr. Martin or anyone else that our colleague has "always been against the Ford offer" are lies, pure and simple.

The more I think of the way the president of the Alabama Power Co. has betrayed our colleague from Iowa, the more I regret that he ever allowed his false friends to get him to introduce the two bills that he introduced in their behalf.

Gentlemen, Julius Cæsar had his Brutus, and George Washington had his Benedict Arnold, and our colleague from Iowa has his Tom Martin. [Laughter and applause.]

Our colleague from Illinois [Mr. MCKENZIE], who has the confidence and respect of every man in this House, will not be with us in the next Congress. After 14 years of faithful service, our colleague has decided that the quiet life of the farm is more conducive to health and happiness than the busy whirl here at Washington.

Men are loved many times for the enemies they make, and bills sometimes are assisted in their passage by the tactics of those outside of Congress who oppose them.

Our colleague is the author of this bill and also the author of the soldiers' adjusted compensation bill. Our friend from Illinois has been fortunate in the ones that are opposing his bills, especially the ones that are directing the publicity against both bills.

Bronson Batchelor, No. 50 Madison Avenue, New York, is the publicity manager and the handy go-between of the Alabama Power Co. and its group, and of the Electric Bond & Share Co., which is owned exclusively as a subsidiary by the General Electric Co. Batchelor is at the present time in Washington, I am informed, has frequently been here, and he has been very active—but not very prominently because of the character of the work he has done—against the offer of Henry Ford for Muscle Shoals.

At Batchelor's office, No. 50 Madison Avenue, New York, he poses as representing what is known as the American Institute of Business.

When in Washington Mr. Batchelor makes his office headquarters, I am informed, with J. T. Newcomb, of New York, who is attorney for the Alabama Power Co. and the Electric Bond & Share Co., and whose Washington office is at No. 304, National Savings & Trust Building.

Mr. Batchelor is also the publicity man and propagandist of the Anti-Bonus League. For more information regarding his activities read the CONGRESSIONAL RECORD of March 6, on page 3085.

Mr. Newcomb represented the Electric Bond & Share Co. and its allied power group when the Federal power act was being written, and Mr. Newcomb had much to do, I am informed, with the approval of the power act on the part of the power interests.

I understand that Mr. Newcomb was formerly a Republican State senator of the State of New York. Mr. Martin is a Democrat, I am informed. When it comes to hiring men to look after the interests of the Alabama Power Co, Mr. Martin draws no party lines.

Mr. Newcomb is a good lawyer, with experience in State politics. Mr. Martin believes in preparedness—so far as the Alabama Power Co. is concerned—and believes it is to their interests to have men on the pay roll—regardless of politics—who are familiar with State politics, and also he has men on the pay roll—regardless of politics—who are familiar with national politics.

A newcomer here, even one with State legislative experience, is not as valuable to the Alabama Power Co. as an attorney—especially a good attorney—who has had experience in national politics.

Good attorneys—in addition to other duties—are valuable in making reports, also in helping to make any necessary dart or dent or anything else "in the armor" of the critics of any offer of the Alabama Power Co. and their friends.

A little later in the day or on another bill in the near future I may have something further to say about certain activities of Mr. Newcomb, and also other men who have been working with him against the McKenzie bill.

I hope that by the time our colleague is ready to go to his little farm in Illinois that both the McKenzie bills will be laws.

If so, our colleague will be able to point with pride and satisfaction that one of his bills not only provided fertilizer for the farmers but also carried out the intentions of the national defense act, for which he fought so hard several years ago, and also that the other bill paid the debt to our ex-service men that is long past due.

The real opposition of the Alabama Power Co. is not due to any fear that Mr. Ford will not produce fertilizers, and neither is it because they are afraid that he can not reduce the price of fertilizer to the farmers, and neither is it because of the water power act, and neither is it because of the 100-year clause; no, it is none of these things, but it is something that Mr. Ford said on the 11th of October.

Mr. Ford said in part:

> The only thing that I could do at Muscle Shoals which I am not able to do elsewhere would be to make fertilizer for the farmers. * * * They may get other offers for every piece of Muscle Shoals, and the total sales price may compare favorably with the initial payment called for under my offer, but the sales price is the smallest item at Muscle Shoals. * * * It would be well worth while for the water power and fertilizer financiers who control this situation to pay $100,000,000 if thereby they retain the endless millions which they now make through exorbitant prices of power and fertilizer. The demonstration which we could make at Muscle Shoals would be a death blow to all such exploitation.

That would be enough to make the shivers run down the spines of those interested in the Alabama Power Co., but Mr. Ford had still a harder blow to deliver. Here it is:

> *My offer is still before Congress. I shall not withdraw it. * * * But I want to say this: If I get Muscle Shoals we shall run power lines 200 miles in every direction from Muscle Shoals. We have been working and have learned how to send power long distances without loss by leakage. I say this now for the benefit of the international financiers who, with the Alabama Power Co., have Muscle Shoals almost hopelessly in their grasp.*

The statement of Mr. Ford that "We shall run power lines 200 miles in every direction from Muscle Shoals" constitutes the real objection of Mr. Martin and his cohorts to the offer of Mr. Ford. They do not want Mr. Ford as a competitor. They know that the people of Alabama prefer the business methods of Mr. Ford to the business methods of the Alabama Power Co.

Mr. HULL has been so busy changing his mind that he evidently had forgotten the statement of Mr. Ford last October, but not so with Mr. Martin. Mr. Martin is hired to look after the interests of the stockholders of the Alabama Power Co. and is on the job for the people that he represents every minute.

This is not a fight between the gentleman from Illinois [Mr. MCKENZIE] and the gentleman from Iowa [Mr. HULL].

This is a fight between a company that, according to the Department of Justice, "lost no opportunity of turning to its own advantage every possible change of circumstances" and Mr. Ford, a man who has a world-wide reputation for square dealing.

This is a fight between the power companies' trust and the Fertilizer Trust, on the one hand, and those of us who believe in cheap fertilizer to the farmer in time of peace and air nitrates for explosives in time of war, on the other hand.

In conclusion I would remind Members of the House that we can not exaggerate the importance of a sufficient domestic supply of nitrogen for national defense. All explosives require it. Without it our Army and Navy are virtually at the mercy of any inferior enemy country.

According to testimony of Major Burns before our committee, nitrate plant No. 2 will fix enough nitrogen to supply explosives for 12 Army divisions fighting in accordance with the military organization as it existed at the time of the armistice. When our Army was engaged in the Meuse-Argonne offensive the maximum number of divisions available was 30. Nitrate plant No. 2, therefore, would have been capable of fixing more than one-third of the nitrogen required by a force equal to the greatest military effort that America was able to put forth in the World War.

We are the only great Nation which depends wholly upon Chile for military nitrates. During the war, when it seemed that the outcome would depend upon our ability to secure enough ships, and to get them quickly enough, we sought in nearly every port in the world for vessels with which to transport our men and supplies.

After a most desperate effort, by using German, Dutch, Scandinavian, and Japanese tonnage, we managed to build up a fleet of 616 ships, totaling 3,562,000 tons. Then those among us who had scoffed at section 124 of the national defense act, those who had declared that the need for nitrates was enormously exaggerated, learned a lesson, for no less than 128 of these precious carriers had to be diverted to the duty of bringing that one single essential material, nitrate of soda, from Chile. So vital was the necessity and so grave was the danger that a high official in the War Department declared that the loss of a single cargo of nitrate was as serious a disaster as the loss of a battleship.

In such a time of need, gentlemen, would you have this country rely upon an obsolete plant merely held in stand-by condition and which might easily be found to be wholly inadequate in a great emergency, or would you depend upon an operating plant—a going concern, thoroughly equipped with the most efficient and up-to-date processes, manned by a trained and experienced organization, all to be placed instantly at the command of the United States whenever needed in the national defense? There can be but one answer to such a question.

We have heard much argument that assumes that these idle plants constitute a great national asset of enormous value. I deny it. A great nitrogen industry at Muscle Shoals built up and successfully operated as a commercial enterprise would be a national asset, but one small, unsuccessful experimental nitrate plant and one large nitrate plant using a process that is utterly obsolete do not constitute any great national asset. Merely held in idleness they are an ever-increasing liability, costing more and more each year for their maintenance.

To make them of real value they must have the vitalizing influence of money, men, and management. All of these will be provided under the Ford offer for 100 years. Such an obligation to keep nitrate plant No. 2 in modern operating condition protects the public interest in a big, important way. In comparison the empty and unnecessary "regulations" of the Federal Power Commission shrink into insignificance.

Finally, I am for the Ford offer, not because it is made by Henry Ford, but because it is the only offer that provides for navigation on the Tennessee River; I am for the Ford offer because under it the industry will always be owned by Americans; I am for the Ford offer because it is the only offer that guarantees 2,000,000 tons of 2-8-2 commercial fertilizers to the farmers each year; I am for the Ford offer because it means cheap fertilizer to the farmers; and I am for the Ford offer because it is the only offer that guarantees to "maintain plant No. 2 in its present state of readiness or its equivalent for immediate operation in the manufacture of materials necessary in time of war for the production of explosives." [Applause.]

Mr. QUIN. How much time has the gentleman consumed?

The CHAIRMAN. The gentleman yields back seven minutes to the gentleman from Mississippi.

Mr. MORIN. I yield 40 minutes to the gentleman from Ohio [Mr. BURTON]. [Applause.]

Mr. BURTON. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to revise and extend his remarks. Is there objection? [After a pause.] The Chair hears none.

Mr. BURTON. Mr. Chairman and gentlemen, there are four branches of this inquiry which I desire to submit to you. First, the violation of the settled policy of the Government contemplated by this bill; second, the utter inadequacy of the Ford offer; third, the fact that the system for the manufacture of fertilizers by nitrates is now in a condition of flux; fourth, I shall try to offer some constructive suggestions. The history of the water power act of 1920 and the development of a national policy in that regard is a long and interesting one. The final result was a policy of conservation for the general welfare which shows a more perfect attainment of helpful principles than any other branch of Government activity. That policy and the act referred to are far superior to any laws or regulations pertaining to forests, superior to laws relating to oils or to coal and minerals or any other great national asset which should be preserved for the future. This great act of 1920 stands out prominently as a final expression of the national will. It shows the strictest regard for the rights of the people and, what is quite as important, a broad vision looking to the future. In talking on this subject I shall endeavor to avoid all personal recriminations. I am not interested in any of the offers. I am not intending to advocate any of them, though at this time or another I may point out some of their advantages and some comparisons between them. There are outstanding facts and general principles which should control our action.

The great German poet, Goethe, said, "What a man earnestly desires in his youth that shall he have in its fullness in his old age," and there is no subject that has come before this Congress applicable to myself more than this. I feel comparatively

young yet [applause], and I did not begin the consideration of this subject until I was of mature age. But I have been with this proposition 25 years.

Let me state briefly the history of water-power legislation and facts pertaining to it. The river and harbor acts of 1890 and 1899 adopted provisions preventing the location of obstacles in navigable streams and other navigable waters. The second act, or that of 1899, was somewhat stronger than that of 1890. The first required consent of the Secretary of War and the Chief of Engineers; the second the consent of Congress. Somewhat later an act was passed embodying more advanced principles than any other for the construction of a dam at Hales Bar, below Chattanooga. This contained a provision by which the builders of the dam who were granted the license should build a lock and provide for navigation. They were compelled to face considerable difficulties, and to have several postponements, but that plan was accomplished and very substantially aided the navigation of the Tennessee River.

Down to the year 1900 there were 17 statutes passed by the Federal Congress granting the right to develop water power in navigable streams. Most of those rights were granted alongside of rapids and in especially favorable locations. There was at that time no perfect plan for the development of water power. From that time up to 1912, 78 acts were passed, and these showed the gradual growth of the policy of conservation.

Let me state it briefly. In 1903 an act was passed by Congress giving to one Thompson and others the right to build a dam in the Tennessee River. President Roosevelt vetoed that bill, saying that it did not sufficiently safeguard the navigation rights of the Government. The discussion will be found in the CONGRESSIONAL RECORD of March 4, 1903. Later than that, in the year 1906, and in a way prompted by this veto, although it was done somewhat tardily, the first general statute on this subject was passed.

This act provided that whenever authority is granted by Congress to construct a dam for water power crossing any of the navigable waters of the United States, drawings and a map must be submitted to the Secretary of War and the Chief of Engineers for their approval; and not until such approval shall the construction be commenced. The Chief of Engineers and the Secretary of War may impose such conditions and stipulations as they may deem necessary to protect the present and future interests of the United States, which may include the condition that such persons shall construct, maintain, and operate, without expense to the United States in connection with said dam, a lock or locks, and booms, sluices, or any other structures. Also, that if a lock or other structure is constructed by the Government, the owners of the dam shall convey to the United States, free of cost, the title to the necessary land, and furnish the United States the free use of water power for building and operating such structure. The right to construct such locks is reserved, and the United States retains the right to control the level of the pool to the extent necessary to provide proper facilities for navigation. The owners shall be liable for damage inflicted upon private property, by overflow or otherwise, and shall maintain such fishways as the Secretary of Commerce and Labor shall prescribe. The authority gained shall cease unless construction is commenced within one year and completed within three years.

While that act was in force another bill was passed providing for the erection of a dam in the Rainy River, a boundary stream on the Canadian border. It was intended that it should embody all the provisions of the general act, and practically it did, but President Roosevelt promptly vetoed the bill and set forth four objections, as follows:

First. The grant should be annulled if the work was not begun and plans carried out in accordance with the authority granted.

Second. The proper official should see that in approving the plans the maximum development of navigation and power was assured.

Third. There should be a license fee or charge which, although small and nominal at the outset, could be adjusted in the public interest.

Fourth. There should be provision for the termination of the grant at a definite time, leaving the future to determine its course.

Notwithstanding that veto, another bill was passed providing for a dam in the James River, in Missouri. President Roosevelt promptly vetoed that. The Tennessee River seems to have been the storm center in this controversy. Another bill was passed in 1906 providing that any individual, company or corporation to which the right was granted by the State of Alabama might build a dam at Muscle Shoals. I am telling no secret when I say that President Roosevelt wrote out a veto message for that bill, but later he was prevailed upon to sign it. However, the very persons who promoted it most strongly later opposed it, and in the river and harbor act of 1907 a provision was incorporated that nothing should be done under the bill without further authorization by Congress.

Then in 1910 followed another general dam act, adding provisions to the prior act of 1906. It provided that in acting upon plans presented, the Chief of Engineers and the Secretary of War should consider the bearing of the structure or dam upon a comprehensive plan for the improvement of the waterway over which it was to be constructed, both as regards navigable quality and the full development of water power. There was another important section, the bearing of which upon the present proposal is important and will be explained later, authorizing the Chief of Engineers and the Secretary of War to fix and collect just and proper charge or charges for any direct benefits from the construction, operation, and maintenance by the United States of storage reservoirs at the headwaters of any navigable streams or from any forested watershed wherever intended for the development, improvement, or preservation of navigation in such streams in which such dams might be constructed. There was a provision that charges be paid for restoring the streams to navigability in case a project should be abandoned or the structures removed. There was a further clause that Congress might revoke any rights conferred in pursuance of the act whenever necessary for public use, and in the event of such revocation the United States should pay the owners the reasonable value, exclusive of the value of the franchise granted. Then followed an important provision. The authority granted should terminate at the end of a period not to exceed 50 years from the date of the original approval of the project. That was the beginning of the modern idea of a 50-year lease.

In the meantime this subject was elaborately considered by two commissions, one appointed by President Roosevelt and known as the Inland Waterways Commission, and the other created by Congress and known as the National Waterways Commission.

Numerous hearings were held, especially by this latter body, at which electrical and water-power engineers presented their views, and as a result of such hearings the great majority of those interested in the development of water power agreed upon the restrictions imposed by the acts of 1906 and 1910 and still further restrictions. A conservative opposition to these plans, however, was strong in Congress. Then, in the year 1912, occurred a discussion in the Senate upon a bill granting the right to a company to construct a dam in the Connecticut River between Hartford and Springfield. Under the terms of the proposed grant the licensee was to provide for the development of navigation around certain rapids, thereby extending navigation from Hartford to Springfield. The restrictions in the prior bills were incorporated and a further provision recommended by the Secretary of War, Mr. Stimson, to the effect that that official might impose a reasonable annual charge without depriving the company of a reasonable return, the proceeds to be used for the improvement of the Connecticut River. The company was to build locks free of charge and furnish power for their operation and was to pay compensation for lands taken or destroyed. Upon termination, the grant might be renewed or transferred, but in the latter event compensation must be paid. Majority and minority reports were filed upon this bill. The minority maintained that the authority to control water-power development belonged to the States and that the Federal Government could not exercise supervision, impose charges, or even withhold permission for a dam which would not interfere with navigation. There was a lengthy discussion, in the course of which it was maintained that the sole right to the utilization of water power in such streams belonged to the abutting owners. This view was shared also by prominent officials of the Government. It was also maintained that the Government had no right to impose charges or to control the method of development and distribution. This bill was so emasculated by amendments that those who advocated it in its original form voted against it.

In the meantime water-power development had been kept back by grasping, selfish interests, by a lack of thorough understanding of the mechanical phase of the problem, which made it impossible to properly develop power that now would be immensely profitable, by disputes relative to the control of the States and the Federal Government, and by a question as to the rights of the abutting owners as against the Federal Government. The view was maintained and even prevailed in the

Senate that the Federal Government had but little to do with hydroelectric power, and that the right of development belonged to the abutting owner, who, it is true, must take that right subject to the paramount claims of navigation, but that he could use all the surplus power. This was contemporaneous with the increased use of electricity. Then came a judicial decision, which I trust the Members will examine if they are interested in this question, that of the United States against the Chandler-Dunbar Water Co., found in Two hundred and twenty-ninth United States, page 53. In this case the Chandler-Dunbar Water Co., had become the owners of a strip of land some 2,500 feet in length on St. Marys River, which connects Lake Superior and Lake Huron. Immediately adjacent to this strip the river has a very large flow and is in rapids. It was the contention of the company that they were entitled to enjoy the flow of this water, subject only to a paramount right of navigation, and as navigation was furnished by a lateral canal or canals, this alleged right assumed under their claim was of very great importance. In view of the obstacles threatened to governmental control, the river and harbor act of 1909 contained sections directing the condemnation of this property and the wiping out of this title. The company alleged that because of potential water power belonging to them very large damages, amounting to $3,500,000 or more, were due.

The court, however, by unanimous decision, rejected this claim, maintaining that the right of navigation was not only paramount, but since under that right the Federal Government had authority to grant or refuse permits to erect structures in the rivers or adjacent thereto necessary for the creation of water power, there was no beneficial ownership or privilege which the company could maintain. Hence it was entitled to a decision merely for the value of the upland bordering on the river, and the damages were reduced to a comparatively small sum. This sweeping decision establishes the principle that the Federal Government has full control of the development of water power in navigable streams, and it should be added that a river or stream is to be taken as an entirety, and the fact that it is not navigable in one portion, while navigable in another, does not take away the quality of navigability for the whole extent of the stream or river. Indeed, this principle might also be extended to tributaries. For a time there was no special interest in the development of water power. Numerous bills were introduced and considered. The pressing need for the development of water power in navigable streams and its great advantage for the conservation of coal was not fully realized until the scarcity of fuel in time of war created a pressing demand for the utilization of this very valuable asset. As the result of consideration by commissions and a recommendation by President Wilson, Secretary Houston and others, the Federal power act of 1920 was passed. The provisions of this statute may be grouped under the following main heads:

First. The organization of a Federal Power Commission—a bill treating this subject was reported by Mr. Esch in the House June 24, 1919. The commission is composed of the Secretaries of War, Interior, and Agriculture, and is authorized to make investigations of power possibilities. It may report whenever it thinks the United States should undertake any project and possesses divers other powers for carrying out the purposes of the act.

It has authority to issue licenses for power projects, including the authority to issue preliminary permits authorizing preliminary work. These licenses pertain to inauguration of power projects on navigable streams, on public lands, and on reservations. Licenses affecting navigable streams shall be approved by the Chief of Engineers and the Secretary of War. States and municipalities shall have the preference. The licenses shall not extend more than 50 years and shall be conditioned upon prompt inauguration of the construction work. Licenses may not be transferred without the approval of the commission. After the first 20 years of operation, any excess over a reasonable return shall be paid into an amortization fund. The licensee shall pay a fixed fee to defray the cost of administering the act and for use of Government lands and property.

Second. Combinations and agreements to restrain trade or raise prices are prohibited.

Third. There are provisions for navigation.

Fourth. The Government may purchase after the expiration of the license, but must give not less than two years' notice.

Fifth. Miscellaneous provisions. When the public safety requires it, the Government may enter temporarily upon any project and operate it for the making of explosives, and so forth, paying just compensation therefor. The condemnation power of States and of the Federal Government is expressly reserved.

There are several manifest objects in the act which are essential for the public interest. One is that so far as possible there shall be such joining of projects that water power may be developed on a comprehensive plan over the largest possible area. For instance, permits have been granted for projects which may be interlocked from Medford, Oreg., to the southern boundary of California. It is obvious that waterfalls may supply sufficient amount of power in one watershed while there is deficiency in another and the two should be hooked together.

Every provision is made to prevent monopoly or giving any industrial concern an advantage by the possession of an unusual amount of power. This does not mean that plans have not been approved on a colossal scale. For example, the Southern California Edison Co. has obtained permits and has applications pending for developments which involve an expenditure of $375,000,000.

What has the power commission done in something more than three years of its existence? Applications have been presented involving an estimated installation of 21,500,000 horsepower. Permits and licenses have been issued having an aggregate installation of 7,500,000 horsepower and 2,400,000 have been built or are building under license of the commission. In this period the commission has dealt with applications involving six times as much horsepower, issued permits involving three times as much, and twice as much has been built or is building, as the individual departments or Congress, working independently in the preceding 20 years, had authorized. Only 1,400,000 horsepower had been constructed under Federal authority in the years preceding the passage of the act, and at the time of its passage the aggregate installation in all water-power plants in the United States amounted to only 9,000,000 horsepower. Special attention is to be called to the fact that the Federal Power Commission is not a separate bureau or department, but the coordination of three departments in one body. In the development of what is called superpower, the impression has gained ground that the term applies to the adoption of methods not hitherto employed and the use of equipment or stations of a size and efficiency hitherto unknown. This impression is not correct. It means that existing generating stations shall be electrically interconnective, and the gradual extension of existing systems shall be under such conditions that when they meet they may be interconnected and operated as a single system. The number of applications up to date is about 368, of which 117 pertain to locations in the State of California.

It is stated in the majority report that Mr. Ford is entitled to 100 years because he takes upon himself conditions that are not assumed by the general grantee of water power under this act, and it was stated here in discussion yesterday, as I understand it, that Mr. Ford is the only man who has offered to throw open his books to public authorities. Well, now, let me show how absolutely superficial and incorrect those ideas are, and let me show in that same connection the vital difference between the Ford offer and the established policy of this country as embodied in that act. Why, my friends, I would just as soon vote for cracking the Budget act as I would vote for disregarding this act. After years of struggle, during which some of us incurred a great deal of obloquy and had to face opposition, that statute was enacted, and it ought to stand as one of the things not to be shaken but that must remain. [Applause.]

Now, let me point out the differences between this act and the Ford plan, and in doing so it will be necessary to repeat some things mentioned above: First, section 4, subdivision (f). The commission has the right to examine all books and accounts of licensees at any time; to require them to submit statements and reports; and there are severe penalties for deceit. Ah, Mr. Ford was not the first to think of this, because it was carried in the water power act before he ever made his offer.

Section 6, licenses are limited to 50 years. Preference is given to States and municipalities in the granting of permits.

SEC. 10 (a). The project adopted must be such as in the judgment of the commission will be best adapted for a comprehensive scheme of improvement and utilization for the purposes of navigation, water-power development, and other beneficial uses.

Let me say that if there is one thing which is objectionable in the pending bill it is the proposition to give one of the best water powers in the country to a man who can use it in the manufacture of articles in his own industry. If Mr. Ford is

intending to extend lines two or three hundred miles away from Muscle Shoals, I ask you gentlemen in charge of the measure to put that in this bill. [Applause.] What he said before the committee investigating the matter did not sound in that way.

The next provision is that reasonable annual charges shall be fixed by the commission, and the Government can appropriate excessive profits. With the greatest care it is provided that either by a State commission or by the Federal Government the charges shall be made reasonable; and again with the greatest care, as I have already stated, this water power must be available, not in one section alone, not to one individual or company, but to the whole people of the United States, and that is the fundamental idea of the act of 1920. [Applause.]

Then, here is an important provision: Whenever any licensee is directly benefited by the construction by another licensee or by the United States of a storage reservoir or other headwater improvement, the commission shall require that the licensee so benefited shall reimburse the owner of such reservoir for such part of the annual charges for interest, maintenance, depreciation, and so forth, as the commission may deem equitable. That is particularly important in the Tennessee River, and I might as well say right here and now that within two days leading engineers of this Government have told me that with the development of water power in the Little Tennessee, the Catawba, and other tributaries of the Tennessee, and in the Tennessee itself in the upper portion, by equalizing the flow, the primary power at Muscle Shoals will be doubled. One engineer said he would not wish to say that this would be accomplished in less than 50 years, while another said—and the first one then agreed with him—it would be done in 25 years. Now, just see how important that is. All of our present computations are based upon the amount of primary power now developed, but this growth—which is inevitable and which is carefully provided for in the water power act and under which there must be compensation—goes to Mr. Ford, almost doubling the value of his rights there without any equivalent. There is a special paragraph relating to reservoirs constructed by the Government.

It is provided in another section that after the expiration of the license the Government may take over any project on making payment in the manner provided.

Then there is this vital provision; that any project licensed under this act may at any time be acquired by the Government by condemnation proceedings on payment of just compensation.

Now, what was the object? Those who framed that bill were farseeing. They knew that water power would develop in the course of time and be a much more important asset than now, and they realized that the time might come when it would be necessary to expropriate, here and there, a section of that which is a natural part of a national system.

Who knows what development will occur in the use of water power in 100 years? Science is making rapid progress, and often there is a revolution in methods and processes in a single year. The very general conviction of chemists is that the problem of the fixation of nitrogen has not yet been satisfactorily solved.

Who knows what will happen in 50 years? It was the conviction that a better utilization of water power might be secured by Government control that caused the framers of the power act of 1920 and those who wrote the bills of 1910 and 1920 to establish a limit of 50 years.

We all know that we may take two watersheds and there may be a scarcity in one when there is a plentitude of water in the other, and vice versa. The whole idea was to create, as far as possible, one complete system, and that no one should have a link in that system which he could withhold for himself to the detriment of the general interest.

Oh, they said so much about another matter. They said that Mr. Ford was entitled to especial credit, because he agreed to turn this over to the Government for the manufacture of explosives in case of war. What a fine offer that is. Why, gentlemen, did you know that is in every license that is issued by the Government, in this language:

> Whenever, in the opinion of the President, the safety of the United States demands it, for the purposes of manufacturing nitrates, explosives, or munitions of war, the United States shall have the right to enter upon and take possession of any project constructed, maintained, or operated under said license.

There is another requirement which should be in the present proposed grant, in order that it may be in line with both the spirit and the letter of the Federal power act, namely, a clause to the effect that in case Mr. Ford fails to manufacture nitrates for fertilizer, the grant is void. The sole object of this proposed bill, aside from having the plant ready for the manufacture of explosives under the control of the Government, is the manufacture of fertilizer, and if that purpose fails, the grant should fail.

Now, is it fair, when these requirements are imposed in every grant, when that policy is so salutary for the future, to say we will give to a man, perhaps the wealthiest man in the world, a special privilege? I do not blame Mr. Ford. It is one of the consolations of our life here below that what helps others incidentally sometimes helps ourselves, and oftentimes the incident is far more prominent than the principal fact. Notwithstanding the glowing promises contained in the bill, its conditions and restrictions in favor of the grantee are such that there is no reliable assurance that fertilizer for the farmer will be manufactured at all.

I have listened here about the altruism of Mr. Ford until I am a little bit tired. As I think I shall show, he would obtain by this an unprecedentedly favorable bargain. It is his right to obtain as good a bargain as he can, but I object to his obtaining it at the expense of the American people and to the detriment of those who have submitted themselves to the law and to a policy thoroughly established, when it is for his sole benefit, whether it be in this or in any other contract. [Applause.] What may we say to the others who have submitted to these conditions, whose permits have been issued with all these conditions in them, and who altogether outclass in quantity of horsepower, what Mr. Ford would develop at this point?

I would like now to go into the question at some length of how much horsepower there is at Muscle Shoals. The primary horsepower at Dam No. 2 is about 100,000, and by primary horsepower we mean the all-year-around horsepower which is there during low water as well as during high water. The installation at that dam provides for 624,000 horsepower. There is a steam plant constructed by the Government which furnishes 80,000 horsepower. The other dam, No. 3, if it is built—and I want to say in this connection I do not think it is pressing to build Dam No. 3 at this time. It is very uncertain what the foundation is. I have been over the Tennessee River from one end to the other. When they built the dam at Hales Bar they thought it would cost $3,000,000. The foundation was treacherous and before they got through with it it cost them $11,000,000, and while the estimate on this dam is the enormous sum of $25,000,000, I am not at all sure that that will be sufficient for its completion. Far and away more power than is required for fertilizer can be obtained from Dam No. 2 and the steam plant with it. The average amount of horsepower for the year at that dam, with the other installations contemplated in this bill, is 480,000. All that Mr. Ford agrees to use is enough to make 40,000 tons of fixed nitrogen, which requires 100,000 horsepower.

Mr. ALMON. Will the gentleman yield?

Mr. BURTON. I would rather not until I am somewhat further along. I hope to have time later to yield to questions.

Mr. ALMON. I simply thought the gentleman would not want to make a misstatement.

Mr. BURTON. I have a statement here from the secretary of the Water Power Commission. I am not relying on outside sources. I have been going to the officials of the Government in every case and I have not gone outside. [Applause.] I will add a statement from the executive secretary of the Federal Power Commission:

MARCH 4, 1924.

Hon. THEODORE E. BURTON,
House of Representatives, Washington, D. C.

MY DEAR MR. BURTON: With reference to your telephone inquiries about maximum power available at Muscle Shoals, I submit the following:

The ultimate installation now proposed at Dam No. 2 is 624,000 horsepower and at Dam No. 3, 250,000 horsepower, or an aggregate of 874,000 horsepower. There is now in operation as a part of nitrate plant No. 2 a steam plant of 60,000 kilowatts, or 80,000 horsepower capacity. It is proposed, under the provisions of H. R. 518, to supply funds for the construction of a power plant at Dam No. 17, on the Black Warrior River, of a capacity of 40,000 horsepower, making a total of 120,000 horsepower of steam capacity and an aggregate capacity of hydro and steam of 994,000 horsepower. If these plants are operated on a 75 per cent daily load factor, they will be able to turn out, when sufficient water is flowing in the Tennessee River, an average daily output of 645,000 horsepower. Our estimates show that in the average year this installation could turn out an average daily

output throughout the year of 480,000 horsepower, of which about 300,000 horsepower would be primary power and the remaining 180,000 horsepower secondary power.

Very truly yours,

O. C. MERRILL,
Executive Secretary.

I emphasize the overwhelming unfairness of making an exception in this case and a departure from a policy adopted after a long contest and struggle. What policy of economy or conservation of public rights or interests can we insist upon if we throw this away, and there are possibilities there, my friends, that make Teapot Dome look like a bagatelle [applause] and Mr. Doheny and Mr. Sinclair as men whose injured innocence should be forever vindicated. [Laughter.]

Among other things, the steam plant at Dam No. 2 is now leased on a basis that furnishes an income of $350,000 a year, $120,000 being the basic price, and additions being made according to quantity. For this there is an outstanding offer of $4,500,000. Computed at even 5 per cent this is paying a return on $7,000,000, $2,000,000 more than the amount of Mr. Ford's offer.

The gross income for water power, including the power for fertilizer and the additional 40,000 horsepower, in accordance with the offer of Mr. Ford, has been estimated by competent engineers as $9,300,000. After deducting operating expenses, including an allowance for depreciation of $3,000,000, there would be left a net profit of $6,300,000.

Yet it is said the farmers of the country are in favor of this. We all have regard for the farmer. I will go as far as anyone in utilizing the power at Muscle Shoals for the manufacture of fertilizer, of which the farmers are in urgent need. We must admit, with some abatement of national pride, that while the yield of wheat in this country averages 14 to 15 bushels per acre, in England, France, and Germany the yield is 25 bushels or even more. One main reason for this disparity is the absence of sufficient fertilizer. But in performing our duty to the Government we should be sure that an adequate price is paid for property which cost approximately $100,000,000, and that there be assurance that the objects desired, namely, the supply of fertilizers in peace and material for explosives in war, may be properly secured. I want to read to you a letter from a member of a leading farm association just received this morning. I would not be surprised if you received copies of it yourselves to-morrow morning. It is from Mr. W. I. Drummond, chairman of the board of governors of the International Farm Congress of America:

Hon. THEODORE E. BURTON, M. C.,
Washington, D. C.

DEAR SIR: In the opening debate in the House on Muscle Shoals statements were made to the effect that the farmers of the country are practically unanimous in demanding the acceptance of the Ford offer.

It is only fair to the Members who are to shortly cast their votes on this important proposition that they know the facts in this connection, especially if their votes are to be influenced by farm sentiment.

There are five major groups of organized farmers in the United States. Their respective records on this question are as follows—

I ask the special attention of those of you who represent farm constituencies, and I represent one in part. I have not heard a word from them in favor of the Ford offer.

The National Grange has never indorsed the Ford offer. At its last annual meeting a resolution to do so was rejected. The grange reported a paid membership of 601,086 last year.

The National Board of Farm Organizations, which met in Washington only three weeks ago, refused to consider a resolution indorsing the Ford offer. This group includes the Farmers' Union, the strong milk producers' organizations, and some others, with a total membership reported to be in excess of 600,000.

The National Council of Cooperative Marketing Associations, which also met in Washington within the past month, ignored the entire Muscle Shoals proposition. The paid membership of the associations composing this group is officially reported to exceed 500,000.

The Farm Congress has rejected every effort to approve the Ford offer in its present form, holding it to be in violation of sound economic and conservation principles. The Farm Congress, including affiliating bodies and delegate feature, represents a very large number of farmers, possibly larger than any other group.

And if it is not in violation of conservation principles, I do not know what conservation is. [Applause.]

The American Farm Bureau Federation, which alone is urging the acceptance of the Ford offer, had 392,580 paid members last year, according to the official report of its secretary and treasurer. In addition, it is claimed that dues representing nearly 200,000 more local members did not reach the national treasury, which would make a total membership of about 600,000.

These are the facts, as the available records will show. No Member should vote for the Ford offer in the belief that he is thereby carrying out the desire of the farmers.

W. I. DRUMMOND.

I now pass to the question of the adequacy of the Ford offer of $5,000,000 for the nitrate plants and other property. Why, gentlemen, if you should go to a private individual with such an offer—if you should go to a single official of the Government—he would laugh you out of court on the ground that it was ridiculous. Five million dollars! That is probably more than any of us have, but let us see what he is to get. Out of the $5,000,000, $3,400,000 and slightly more is to be expended by the Government for the building of a plant of 40,000 horsepower, equivalent to the Gorgas plant at Muscle Shoals, leaving only about $1,600,000. An able engineer told me—and I think he is perfectly right—that it is absurd to build that plant down there where the Alabama Power Co. built one, because the foundation and the installation and everything necessary for building an additional plant carrying 40,000 horsepower is right there at dam No. 2, and the additional expense would be about half as much as the cost of the proposed plant.

Now, what does Mr. Ford get? Ninety-two million dollars worth of property, with a scrap value of $16,000,000 as computed by one Government official. Two thousand three hundred acres of land at nitrate plant No. 2, and 1,900 or 1,700 at the other.

Why, there is a real-estate speculation down there the like of which was hardly ever known in the country. Here is an extract from one of their circulars: "Henry Ford said, 'I will employ 1,000,000 men. I will build a city 75 miles long at Muscle Shoals.'" They have been advertising lots away outside of the 2,300 and 1,900 acres which are far less valuable and much less desirable than those to be sold to Mr. Ford, and there is a surplus there of nearly 4,000 acres that Mr. Ford, if he buys this property, can sell. In a few years land will be worth $3,000 or $4,000 an acre. There are located on that property houses in a very considerable number, some three or four hundred. Sewers have been built. Let me show you some of the expenses paid by the Government.

In the village at nitrate plant No. 1 $2,526,000 have been expended. Public works, water, and so forth, cost $1,026,000. All this now belongs to the Government. The shops we will not count in. Then at nitrate plant No. 2. On the village they expended $3,120,000; public works, $8,843,000. That property is right there that Mr. Ford is to get for this ostensible offer of $5,000,000, when he really pays but a little over a million and a half dollars.

Mr. BYRNS of Tennessee. Will the gentleman yield?

Mr. BURTON. Yes.

Mr. BYRNS of Tennessee. Does not the gentleman agree with the President when he said that in a matter of this magnitude the financial benefit to the Government was not a major consideration.

Mr. BURTON. I do not believe that we should give away this property.

Mr. BYRNS of Tennessee. Will the gentleman yield further?

Mr. BURTON. I must decline to yield any further.

Now, upon the location of the plant and the advertisement of that real estate many were taking up land anywhere in the neighborhood. They rode over it in automobiles, some on horseback, some had their hats on, and others were in such a hurry that they rushed on after their hats had blown off. They advertised in glowing language that the soil was alluvial and the climate salubrious, and it would only require them to go a little further to say that it was as fair as a resurrection morning. [Laughter.] Four thousand acres of land of this enormous value we are asked to give away. What does Mr. Ford need of 4,200 acres of land? What does anyone in the development of this property need of 4,200 acres of land? What need has he to utilize the houses that have been built there? Such a sacrifice of Government property easily worth more than $20,000,000 I can not contemplate without a feeling that we are recreant in our duty. [Applause.]

My friends, I have twice before on a similar question been in the minority. I do not quite feel that I shall be in the minority this time. In 1906 I opposed with all my might that bill allowing an individual or company or corporation to build dams at Muscle Shoals. My, what a woodpile I brought down on my head! "I will beat it; I will beat it," a Member from the

locality, not now a Member, said. But it passed and was approved by President Roosevelt. I told them they could not develop it in that way. It was not worth while. They sent down a couple of engineers, and they came to the same conclusion. What did those who had been attacking me do? They sent telegrams to me at Washington asking me to prevent the operation of that bill, and there was inserted in the river and harbor act of 1907—this is all a matter of record—a provision that nothing should be done under that act granting authority to locate dams there without further authorization by Congress, and Congress never has acted upon the matter since that time and never will. In 1912 it was stated that those who favored conservation were wrong on the law; grave ex-judges said the abutting property owner had the ownership of the water power; yet within six months along came this decision of the Supreme Court in the case of the United States against the Chandler-Dunbar Co., which vindicated the position we had taken.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. MORIN. Mr. Chairman, I yield 10 minutes more to the gentleman.

Mr. BURTON. Before I come to some constructive suggestions I would like to read the minutes of what I have obtained from officials of the Government in regard to the manufacture of nitrates, but I am afraid of two things—first, it would take too much time, and, second, it is too technical; and so I shall insert the minutes in the RECORD. Generally speaking, the process employed at plant No. 2 is the cyanamide process. That requires for 40,000 tons of fixed nitrogen contained within calcium cyanimide, about 100,000 horsepower. The latest developments have been unfavorable to this method. Mr. Ford in his offer evidently contemplates the use of the cyanamide process, because he says he shall not be under obligation to manufacture at nitrate plant No. 1. Nitrate plant No. 1 has been completed and has proved a failure. It was intended for what is called the synthetic ammonia or Haber process. Great improvements have been made in this recently. I wish to give credit to a young man who came to the Capitol and spent a day with me, Mr. Braham, who is in the nitrogen department of the Department of Agriculture. Professor Cottrell, of the same department, has accomplished great results in this regard. Both have so thoroughly studied this subject that I think they ought to be mentioned here. Mr. Braham, with another, was abroad in Germany last year and reports that the synthetic ammonia or Haber process as modified is now coming into great use in Germany. It is used at two places, Oppau and Merseburg, and at the latter place five times as much nitrate is manufactured as is contemplated at Muscle Shoals, and that, too, with the use of brown coal. The Haber process in a general way contemplates throwing steam over incandescent or burning coke and then putting it through a pipe with an immense pressure, going out into a retort to be mixed with what are called catalysts, which aid hydrogen from the steam to combine with nitrogen in the air and with certain chemicals to make sulphate of ammonia or some similar substance. We do not know whether the profitable manufacture of cyanamide will be possible or not. It takes only about 30 to 35 per cent as much power to make an equivalent amount of fertilizer by the modified Haber process as does the cyanamide method, and we might find if this process were perfected that we had an obsolete process on our hands, and Mr. Ford might find the same also. The following is a statement relating to the two processes:

For the purpose of manufacturing fixed nitrogen by the cyanamide process, nitrate plant No. 2 is as good a plant as any in the world.

Cyanamide is one form of fixed nitrogen. It has a weight of 45 to 50 pounds per cubic foot. It is of a dark grayish color, somewhat resembling powdered coal, but with a grayish tint. It contains from 20 to 23 per cent nitrogen. Cyanamide for the most part is not used direct for fertilizing purposes, though it is used quite extensively in Germany.

Nitrogen constitutes about 80 per cent in volume of the atmosphere. When in the air it is called free nitrogen, but when separated from the air and combined with other elements it is called fixed nitrogen. Calcium carbide is the substance which is combined with nitrogen. The main use of power is in the production of this calcium carbide. The elements in its manufacture are limestone and coke or coal. The limestone is taken and burned. The product is mixed in a proportion of one part lime and five-tenths to six-tenths part of coal or coke. The limestone and the coal or coke are placed in an electric furnace which is heated to a high temperature of about 2,000° centigrade. Here is where the power is required.

The detachment of nitrogen from the air is a much easier process. The nitrogen is separated from the oxygen in the air and the carbide is treated with the nitrogen at a high temperature of 1,000° centigrade. The product is called calcium cyanamide. In Germany and other European countries various kinds of oil are sprayed upon the calcium cyanamide, which is in the form of a very fine powder and difficult to handle. It is then scattered upon the land as a fertilizer. The value of the calcium cyanamide is about $55 per ton.

In this country fertilizers are usually made up of mixtures. One of the principal constituents of fertilizers used in this country is acid phosphate. Only relatively small quantities of calcium cyanamide can safely be used in connection with acid phosphate. Phosphate rock is worth $4 to $5 per ton. When treated with acid it is worth $8 to $10 per ton. Only 50 to 60 pounds of calcium cyanamide could be used in making a ton of fertilizer in combination with acid phosphate. The above-named mixture is sometimes further used with potash salts, which can be used in any quantity.

The demand in the country would not exceed more than forty to fifty thousand tons of calcium cyanamide. This creates a limitation on the use of the plant. Fifty thousand tons of calcium cyanamide would not be more than about 20 per cent of the possible output of the plant as it now is; that is, 250,000 tons or more could be produced there.

Calcium cyanamide, when treated with steam under pressure, yields ammonia gas. From this gas a large number of nitrogen fertilizer salts can be produced. Taking this gas produced from the calcium cyanamide and passing it into sulphuric acid produces ammonium sulphate, which can be used directly on the land, but is usually employed in combination with other fertilizer materials—acid phosphate, for example.

Some addition would have to be made to nitrate plant No. 2 to make this sulphate of ammonia. There is a certain amount of equipment brought there from the Old Hickory Powder Plant which has not been set up; but, when set up, this would not be sufficient to utilize the total possible output of calcium cyanamide.

Another important fertilizer is sodium nitrate, imported from Chile, the value of which when landed in American ports is about $50 per ton. The British control about 25 per cent of the capital engaged in the mining and shipment of Chilean nitrates. Chilean nitrate and sulphate of ammonia made from the production of coke ovens have been the principal sources of fertilizer. It should be said that in addition to artificial fertilizers use is made of barnyard manure, cottonseed meal, tankage, dried blood, and so forth, from meat-packing plants, fish scraps, and other similar substances.

The present value of sulphate of ammonia is about $58 per ton. Twenty pounds of fixed nitrogen would be somewhat above the average used per acre. This would mean 100 pounds of sulphate of ammonia. Twenty per cent is the usual content of fixed nitrogen in ammonium sulphate. The manufacture of sodium nitrate is to be ruled out because it can not be made by artificial processes to compete with the natural product coming from Chile.

Plant No. 2 is equipped to make ammonium nitrate. This is made by the same process as the ammonium sulphate, except that nitric acid is used instead of sulphuric acid. The nitrogen content of ammonium nitrate is 35 per cent. Ammonium nitrate is an ingredient in the manufacture of powder, and it was for making this that the plant was built. Ammonium nitrate would cost more than ammonium sulphate about in the proportion of the amount of nitrogen content; that is, 35 to 20. Ammonium nitrate can be used for fertilizer, but it is inconvenient because it absorbs moisture from the atmosphere, thus becoming a gummy mass, hard to scatter. Experiments are being made in mixing chemical elements with which to obviate this difficulty.

The amount of water power that would be required to manufacture 40,000 tons of fixed nitrogen would be approximately 100,000 horsepower.

The Haber or synthetic ammonia process used at nitrate plant No. 1 is capable of developments which it is believed will result in lower costs for fixed atmospheric nitrogen. There are two plants in Germany, one at Oppau, another at Merseburg. The latter produces five times the amount which could be produced at Muscle Shoals. Brown coal is the source of power. Nitrate plant No. 2 does not seem to offer much chance of price reduction, because to use it for the Haber process would necessitate rebuilding.

There are plants in Germany similar to that at Muscle Shoals, where more power is used than at the plants mentioned. The process used in these two German plants is the direct combination of hydrogen and nitrogen to form ammonia. The principal cost of producing fixed nitrogen by this process is that of hydrogen production. At the German plants hydrogen is produced by passing steam through incandescent coke and

requires only approximately 35 per cent of the electric power that is required by the cyanamide process. If the hydrogen is produced by the electrolytic decomposition of water, the electric-power requirement is somewhat in excess of that required by the cyanamide process per ton of nitrogen fixed. These are the two principal methods for the production of hydrogen for use in the synthetic ammonia or Haber process for fixing atmospheric nitrogen.

For the fixation of nitrogen by this process nitrogen obtained from the air and hydrogen obtained either by electrolytic decomposition of water or by treatment of coal and steam are mixed and passed through an apparatus at a pressure of 1,500 pounds per square inch or higher at a temperature of 500° centigrade. This apparatus contains material known as a catalytic agent, which promotes the reaction between nitrogen and hydrogen to form ammonia. The product is a gas at a certain pressure and a liquid at a higher pressure and can be converted into several different nitrogen materials suitable for fertilizer and other uses. By combination with sulphuric acid it yields ammonium sulphate, by combination with nitric acid it yields ammonium nitrate, with phosphoric acid it yields ammonium phosphate, and with carbon dioxide it yields urea.

A new type of catalyst has been discovered by the fixed nitrogen research laboratory of the Department of Agriculture which will unquestionably lead to important improvements in the Haber process, resulting in lower operating costs.

The upshot of all this is that improved methods and more economic production are more likely to come from a modification of the Haber process at plant No. 1 than from the use of plant No. 2. About $2,000,000 would be required for the remodeling of plant No. 1 in order to use the latest improved discoveries. It has one-fifth the capacity of plant No. 2.

The Alabama Power Co.'s offer is to begin with a production of 5,000 tons per annum and gradually increase to 50,000 tons if demands increase. To repeat, there is not a present demand for 40,000 tons of nitrogen in the form of cyanamide, and sulphate of ammonia now sells at so high a price as not to be attractive to the farmer. If the 40,000 tons of nitrogen content appeared in 200,000 tons of ammonium sulphate there would not be a demand for it at the present market prices. In fact, about one-third of the ammonium sulphate now produced is exported to Japan.

Because of transportation and distribution costs it has been figured that even at the maximum production at Muscle Shoals the farmer would gain little benefit from its operations. The natural course to pursue would be to operate plant No. 2 with the cyanamide process while No. 1 is being developed and enlarged for the Haber process, and in time No. 2 would probably be abandoned. Plant No. 1 would require new apparatus in large part, to be worked even under the original Haber process, and for the improved Haber process would require very substantial apparatus. The design for remodeling has already been prepared under the supervision of the nitrate division of the War Department.

The tendency will be toward the requirement of smaller and smaller amounts of power in the fixation of nitrogen. On the basis of an experimental trial, after the plant was completed in 1919 it was computed that the cost of producing fixed nitrogen was somewhat less than the market prices. This estimate made no allowance for interest on capital cost, but did make an allowance of $15 to $18 as the cost of each horsepower.

I hasten to make some constructive suggestions. Bitterly opposed as I am to Government ownership and operation, I would a great deal rather see the plant completed and even operated by the Government of the United States than to give it to Ford under any such terms as are proposed. [Applause.] Our engineers are at work upon Dam No. 2. This bill contemplates the disbandment of the Government forces, and let me call your attention to the chaos that would be created by that. There is a force there, with the necessary superintendents, of 4,000 men, that have been at work upon it for months. They are under the control of the engineers, whose work has been faithfully and well done. The moment you pass this bill these men must be discharged. You will discharge those who are familiar with the work, unless Mr. Ford chooses to engage them again. The superintendents must go, and you would create a wrench that would be very disastrous.

Mention has been made of what the President said. Just what did he say in regard to Muscle Shoals? I read:

> Such a solution will involve complicated negotiations, and there is no authority for that purpose. I therefore recommend that the Congress appoint a small joint committee to consider offers, conduct negotiations, and report definite recommendations.

I do not want to see this matter delayed. The reason that some of you may vote for this bill is that you think there has been some sinister influence against the work and that it has been delayed. The Federal Power Commission might seek the best possible offers. Mr. Hoover might be added. The engineers promise that they can have the Dam No. 2 finished by the 1st of July, 1925. A commission, made up of Members of Congress, might be chosen. Let them go to it, let the engineers finish the work just as soon as they can; but in the meantime, I say, some attention should be given to the relative merits of the cyanamide and the Haber processes and this new process which has been greatly facilitated by the discovery in our own nitrogen division of the Department of Agriculture.

I tell you, gentlemen, that we have some fine men in our respective departments, as scientific as any in the world [applause], and they are working for the Government. They are working for you; they are working for me. Credit, I believe, has been given outside, but the real credit belongs, I believe, to that nitrogen laboratory down there for discovering that new catalyst which makes results so much easier. I am not here to advocate the Alabama Power Co., or the offer that I consider the best of the three—the so-called Hooker-Atterbury offer, which contemplates giving the profits to the Government, and which would be undertaken by men who are highly skilled in the chemical business. But I do not want to see this Congress do something that is ridiculous. I have never been one of those who cared very much whether he had vindication by a majority vote or not. I am satisfied with the position that I have taken upon this. We must appeal, all of us, to the future, that great judge of human action. I am ready to stand by the warning that I have given to this House to-day, confident that if you carry out this plan, if you pass this bill, in the future condemnation will rest on Congress for having done an unwise, yes, a foolish and a wasteful thing, one in which the rights of the country which we represent were utterly disregarded. [Applause.]

Mr. QUIN. Mr. Chairman, I yield 12 minutes to the gentleman from Tennessee [Mr. FISHER].

Mr. FISHER. Mr. Chairman, I hesitate even to suggest an inaccuracy in the remarks made by the very distinguished Member from Ohio [Mr. BURTON], but when there is before this body so serious a matter as the decision as to whether or not we are to accept this great offer for our Nation, I must call attention to the remarks of the distinguished Member on yesterday as to the amount of power to be used in the fertilizer program set forth in this offer. The figures given were grossly inadequate. The suggestion that only eight or nine thousand horsepower would be used in the manufacture of 40,000 tons of nitrogen is not the amount given in the hearings. The proof there develops that the minimum power to be used in the operation of the large nitrate plant No. 2 would be 100,000 horsepower, which is quite different from the smaller amount suggested.

The proposition we have here to-day is not one controlled by the Federal water power act, for when the Congress passed the national defense act in 1916 authorizing and providing for a nitrate program the water power at Muscle Shoals, when that place was designated, became a part of the nitrate program. The use of coal was too expensive, except for a war proposition, and during the time of peace the water power would be produced cheap enough to make nitrates for fertilizer.

The construction of the Wilson Dam was begun and it was to be an essential part of the nitrate program. When the armistice came and the activities in the huge nitrate plants were stopped, the great project was a tremendous burden on the Government. Work was stopped on the dam, and the upkeep of the whole project was a heavy expense. The Government has spent several hundred thousand dollars in upkeep of the buildings since the armistice.

The Secretary of War sought private bids to take over the whole project and thus relieve the Government. There were no offers made, but Henry Ford was asked to make a bid. This offer of a contract which we are considering to-day is a result of many conferences between the Government's representatives and Mr. Ford. The question under discussion in these conferences was as to a contract to be made between the Government and Mr. Ford. The unfinished dam and the terms as to its completion were parts of the discussion leading up to the drawing of the proposed contract or offer, and it was always understood that the lease was to extend for 100 years.

In the hearings the question as to the Federal water power act was discussed, and Mr. Ford's representatives always insisted that the lease would have to be for 100 years; otherwise he could not undertake to handle the great project.

Mr. Mayo stated:

Well, on account of the size of the project and the immense amount of capital necessary to develop it to such an extent that we can use all the power, Mr. Ford felt that in 50 years he would perhaps only have made a good start (p. 296).

We realize it; yes, sir. The point is if the offer is accepted we will have such a very large investment at Muscle Shoals in the course of the next 10 or 15 years that we could not afford to risk that much of an investment there and run the risk of having the power end of it cut from under our feet at the end of 50 years (p. 243).

It was made clear in the hearings that, outside of a great development in industries at or near Muscle Shoals, there was proposed the possibility of building storage reservoirs which would increase the primary horsepower. It will be seen that the question of the length of the lease is a vital one in the acceptance of the offer.

The main question before the Congress in this offer is not water-power development, but it is the opportunity to get in our country a supply of nitrates which will more nearly supply the growing demands. Our country is now the only great Nation depending wholly for the greater portion of its nitrate needs upon Chile. We get nearly three-fourths of our supply from that country. The natural supply there is greater by far than that in any other country.

A nation ought not to have to depend on a foreign supply of so vital a thing as nitrates, and with that supply located thousands of miles away and in a foreign country. Nitrates are needed in every form of ammunition used by our Army; in smokeless powder, nitroglycerin, picric acid, T. N. T., and, in fact, is necessary in all explosives.

General Beach said before the committee:

I can not understand anybody who is acquainted with the conditions being willing to put the United States in such a position that in case of hostilities it would have to depend upon securing its nitrates from a foreign source of supply (p. 103).

The conditions surrounding the supply in Chile are most unsatisfactory. During the first year of the Great War in 1914 the Germans had a fleet off the coast of Chile, which interfered with the Allies in their effort to transport the much-needed nitrates. When we entered the war it became necessary to utilize 128 of the large ships to bring the supply to this country, and the ships were badly needed in the transportation of our troops and supplies to France. The need for nitrates was so great that there was a record of one month when 370,000 tons of nitrates were brought to this country.

Outside of the great distance from the supply the conditions in Chile are not satisfactory. We are the largest buyers and have nothing to say about the price. The prices and distribution are controlled by a committee with a subcommittee in London and Berlin. The Government of Chile places an export tax of eleven and twelve dollars on each ton. If for no other reason than the national defense the great opportunity offered in this contract to keep in running shape the nitrate plant No. 2, which has a capacity of 40,000 tons of nitrate a year, should be accepted. This would supply the nitrates needed for the ammunition of 12 divisions of our Army in actual warfare.

As great as our need is for a supply of nitrates in our own country for ammunition for our Army, there is another field where the great activities for the production of nitrates provided for in the offer would be of tremendous help to our country. The nitrates made in peace time and into a commercial fertilizer at a greatly reduced price would be a wonderful relief to the farmers. The provisions of the contract as to the manufacture and sale of fertilizers are clear. It has the approval of all the farmers' organizations, and a careful reading is convincing that every interest of the farmer is protected. Nitrates are essential to a good commercial mixture to fill the requirements of a salable fertilizer. The other elements needed, such as phosphates, to make up the mixture are located near Muscle Shoals and can be easily acquired.

The farmer would be greatly benefited by the acceptance of this offer. He believes in Henry Ford and has strongly supported his offer.

At the present time the farmer who has a farm needing fertilizer can not afford to put enough fertilizer on the farm. If given the opportunity under the working of this contract, he would be able to purchase enough fertilizer to build up the soil. Many are the farms that need help. This opportunity to buy cheap fertilizers is better than the loans of money on easy terms as provided by the several acts of Congress. When the loan is made there is interest to pay and in the end the loan will have to be paid. If the money is spent on high-priced fertilizers, the amount purchased will be limited.

The Agriculture Department is urging the farmers to increase the yield per acre. There would be no better way than to make possible cheaper fertilizer.

In many sections of the South the farmer who tries to raise cotton and corn has had a hard time.

The efforts to beat the boll weevil and the army worm have been very good and most often failure has been the result. Now the county agents and the farm bureaus urge him to raise more cotton to each acre, but with high-priced fertilizers it is difficult to do.

If we cut the farmers' fertilizer bill one-half we will see a great prosperity return to this country. Where farms are abandoned, they will be restored through the means of cheaper fertilizer. The farmer who has farmed for years with a shortage of fertilizer finds the soil gets poorer and poorer and the crops as a result get smaller.

The advent of a great reduction in the price of fertilizers would give him hope.

There is no other offer which provides for so great an output of fertilizers in peace time.

One of the most important considerations of the offer is the manufacture, sale, and distribution of fertilizers. The proposed agreement is that there will be produced annually mixed or commercial fertilizers which shall have a nitrogen content of 40,000 tons of fixed nitrogen or 110,000 tons of ammonium nitrate. This is the present capacity of the nitrate plant No. 2.

The careful reading of sections 14, 15, and 16 will show what a wonderful opportunity there will be for a great development in commercial fertilizers.

The active operation of this great nitrate plant No. 2 and the fact that it is available with all its facilities for the United States whenever, for the national defense, it should be needed. It has been said by the Chief of the Ordnance Department of the Army that this fact would be worth many millions to our Government in nitrate preparedness. If this offer should not be accepted and the plant No. 2 should be kept in condition all the time it is estimated that it would take over $250,000 a year for maintenance and upkeep and the replacements necessary over the period of the lease would amount to twenty millions. The cost to the Government, it is seen, would be tremendous. The acceptance of this offer would take from the Government the burden.

There can certainly be not just criticism as to the terms of the offer in reference to the proposed dams. It is provided as to the Wilson Dam that there will be paid annually 4 per cent of the actual cost of completion including the amounts paid out since May 31, 1922, by the Government. The same percentage is provided for as it relates to the proposed Dam No. 3 to include the same percentage on the cost of the acquisition of necessary land and flowage rights.

The provisions as to the repairs, maintenance, and operation of the two dams is clearly set forth. The amounts to be contributed by Mr. Ford have the approval of the Chief of Engineers, as shown in the hearing. The sinking fund provision is set out in detail. It is an interesting feature of the offer.

If the payments as made are invested by the Government at 4½ per cent, the total amount would at the end of the lease amount to $58,570,003, which would entirely recoup the Government for its outlay. The primary horsepower from the Wilson Dam will be approximately 100,000 horsepower and the secondary power is estimated at 450,000 horsepower.

There is a wide variance in the amount of water in the Tennessee River during the different seasons. The Government has a record for many years showing this variance. It is proposed to bring about the development of reservoirs or storage basins in the mountains of east Tennessee, which would increase greatly the amount of primary power available.

The amount of power to be developed at Dam No. 3 is estimated at 40,000 primary horsepower; secondary horsepower, 200,000. From the construction of these two dams it is estimated that the value to navigation is approximately $8,500,000. This would make many miles of the river navigable. At the present time the activities at the Wilson Dam have blocked all through river transportation. The change which would be made in the river by the construction of the dams with the locks would relieve the Government of an expenditure of $50,000 to $75,000, which has been the cost of the upkeep and maintenance of an antiquated canal system.

There can be no doubt of the many advantages which will be given to the Tennessee river transportation. The Tennessee River made navigable from Chattanooga through the Muscle Shoals section would mean an increase in shipments of the natural resources along the river.

It would be impossible to give in so limited time all the advantages flowing from this offer if it is accepted.

I want to say that I am proud that Tennesseeans are for the Ford offer. At the hearings of the committee at the last session of Congress the then Governor of Tennessee, Gov. Alf Taylor, was given a hearing. He is a Republican, but much loved by all Tennesseeans regardless of party affiliations. He urged for the people of Tennessee that the Ford offer be accepted.

Mr. QUIN. Mr. Chairman, does the gentleman from Tennessee yield back any time?

The CHAIRMAN. No. The gentleman consumed his 12 minutes.

Mr. MORIN. Mr. Chairman, will the gentleman from Mississippi use some of his time?

Mr. QUIN. Yes. Mr. Chairman, I yield eight minutes to the gentleman from New Jersey [Mr. GERAN].

The CHAIRMAN. The gentleman from New Jersey is recognized for eight minutes.

Mr. GERAN. Mr. Chairman and gentlemen of the committee, I was very much interested yesterday in the remarks made by the gentleman from Illinois [Mr. MCKENZIE] and the gentleman from Iowa [Mr. HULL], a member of the Committee on Military Affairs. The latter gentleman stated, and his statement seemed to cause, as it seemed to me, a considerable amount of interest, for the reason, the gentleman from Iowa argued, that Mr. Ford did not agree to bind himself, his heirs and assigns, to carry out the terms of this contract. He left the impression, it seemed to me, that there was something peculiar in that the first proposal made by Mr. Ford was different from the second proposal; that the first proposal intended to do something and expressed certain ideas in certain words that the second proposal did not express; and that that was very vital to this question of guaranty.

I therefore want to call your attention to the two proposals made by Mr. Ford. The first one is embodied in a letter from the Secretary of War and is known as House Document No. 167. In paragraph 19 of that offer, which is the concluding paragraph, appears the following:

> The above proposals are submitted for acceptance as a whole and not in part. Upon acceptance the promises, undertakings, and obligations shall be binding upon the United States and jointly and severally upon the undersigned, his heirs, representatives, and assigns, and the company, its successors and assigns; and all the necessary contracts, leases, deeds, and other instruments necessary or appropriate to effectuate the purpose of this proposal shall be duly executed and delivered by the respective parties above mentioned.

That proposal is dated and signed by Mr. Ford on the 25th day of January, 1922. After that there was another proposal made by Mr. Ford, and that proposal is the one I think that is referred to by the gentleman from Iowa [Mr. HULL]. In the second proposal paragraph 20 takes the place of paragraph 19 in the original proposal, and the second proposal recites:

> The above proposals are submitted for acceptance as a whole and not in part. Upon acceptance the undertakings and obligations shall be binding upon the United States—
>
> And so forth.

Then follows in identical language the same specific guaranty made in the proposal No. 1. So that there is no difference between the guaranty in proposal No. 1 and that in proposal No. 2, as set forth in these two documents.

Mr. HULL of Iowa. Mr. Chairman, will the gentleman yield?

Mr. GERAN. I will.

Mr. HULL of Iowa. Is that the language in the present bill?

Mr. GERAN. It is not the language in the present bill, and I am coming to that now, I will say to the gentleman from Iowa. The language of the present bill covering this subject appears in section 23, and section 23 says that—

> All the contracts, leases, deeds, transfers, and conveyances necessary to effectuate the acceptance of said offer shall be binding upon the United States and jointly and severally upon Henry Ford, his heirs, representatives, and assigns, and the company to be incorporated by him, its successors and assigns.

The argument is made that these words, appearing in lines 15 and 16, "necessary to effectuate the acceptance of said offer," means that the only guaranty made by Mr. Ford is the guaranty prior to the execution of the contract.

Mr. MADDEN. Mr. Chairman, will the gentleman yield there?

Mr. GERAN. Yes.

Mr. MADDEN. Does the gentleman think the language in the first of the two proposals covers the guaranty that ought to be covered?

Mr. GERAN. Yes.

Mr. MADDEN. Then I propose, before this bill reaches its final stages, to offer that language as the guaranty to be contained in the bill.

Mr. HULL of Iowa. Mr. Chairman, will the gentleman yield?

Mr. GERAN. Yes.

Mr. HULL of Iowa. We are told that Mr. Ford will not accept any amendment. Will the gentleman from Illinois accept that amendment?

Mr. MADDEN. I propose to offer it myself in the form of an amendment.

Mr. HULL of Iowa. Mr. Chairman, will the gentleman yield further?

The CHAIRMAN. Does the gentleman from New Jersey yield; and if so, to whom?

Mr. GERAN. I regret I can not yield. My contention is this: No amendment is necessary in order to carry out Mr. Ford's proposal because section 23 is perfectly plain.

Mr. MADDEN. I think it is myself, but if there is any doubt about it it should be cleared up.

Mr. GERAN (reading)—

> SEC. 23. All of the contracts, leases, deeds, transfers, and conveyances necessary to effectuate the acceptance of said offer shall be binding upon the United States, and jointly and severally upon Henry Ford, his heirs, representatives, and assigns, and the company to be incorporated by him, its successor, and assigns.

Those words, "necessary to effectuate the acceptance of said offer," are simply explanatory and are by no means words of limitation. The contracts, leases, deeds, transfers, and conveyances that are necessary to effectuate this offer will be guaranteed and are binding, and so forth.

Mr. MADDEN. I do not think there is any doubt at all but what the language in section 23 covers the first and second proposals, but I do not want any doubt about it. I am willing to adopt the language of any one of the proposals as a substitute for that.

Mr. HULL of Iowa. Will the gentleman yield?

Mr. GERAN. Yes.

Mr. HULL of Iowa. I understand——

Mr. GERAN. For a question, but not for a speech.

Mr. HULL of Iowa. Will you accept that?

Mr. GERAN. I will accept it if you can show to me or anyone else that it is necessary. The two proposals made by Mr. Ford are just as plain as the English language can write them, and section 23 simply expresses what is in these two proposals, namely, that upon the acceptance of this proposition all contracts and leases, and so forth, which are going to be made will be binding upon Mr. Ford, his heirs and assigns, so that we are simply quibbling and continuing to confuse the issue by reading these as words of limitation and not as words of explanation. Furthermore, if there were any doubt about that I would call your attention to section 12 of this bill. Section 12 provides:

> As the purchase price for the foregoing plants and properties to be conveyed to the company by the United States, the company will pay the United States $5,000,000—

And so forth. And further on in the section it is provided that—

> Each of said deeds shall refer to or contain the provisions of this offer and said deeds shall be so drawn as to make such provisions covenants running with the land.

So it seems to me it is perfectly plain that when we come to draw our contracts, draw our leases, or draw those papers which are necessary to effectuate the terms of this proposal all those convenants shall run with the land. And then section 18 provides:

> In addition to any other remedies that may be possessed by the United States, and as a further method of procedure in the event of the violation of any of the terms of this proposal or any contracts made in furtherance of its terms, the company agrees that the Attorney General may, upon the request of the Secretary of War, institute proceedings in equity in the District Court of the United States for the northern district of Alabama for the purpose of canceling and terminating the lease of Dam No. 2 or Dam No. 3, or both of them, because of such violation or for the purpose of remedying or correcting by injunction, mandamus, or other process, any act of commission or omission in violation of the terms of this proposal or any contract made in furtherance thereof.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GERAN. May I have two minutes more?

Mr. QUIN. Mr. Chairman, I yield the gentleman two additional minutes.

The CHAIRMAN. The gentleman from New Jersey is recognized for two additional minutes.

Mr. GERAN. So it seems to me there is no question but what the Government is amply protected in these matters. But I want to call your attention to one other thing. Mr. Ford undertakes to do certain things and the Government undertakes to do certain things. The main thing which the Government undertakes to do is to advance a sum of money necessary to complete Dam No. 2 and to construct Dam No. 3. It will require approximately—so the engineers estimate—$50,000,000 in order to do that work, but that $50,000,000 is by no means all that is necessary to be expended at Muscle Shoals, for Mr. MADDEN, when he appeared before the Military Affairs Committee, stated that Mr. Ford will have to expend a great deal of money himself in order to carry out this proposition. In other words, as Mr. MADDEN said, Mr. Ford will have to expend between $40,000,000 and $50,000,000——

Mr. MADDEN. He will have to expend $59,000,000.

Mr. GERAN. I ask you gentlemen whether it is fair to presume that Mr. Ford is going to expend $59,000,000 in carrying out the terms of this contract and then default in connection with the fulfillment of his contract. It seems to me we ought not to assume that is true. But if Mr. Ford does, he will lose his $59,000,000 and the Government will have it. Muscle Shoals will be completed and Mr. Ford's deeds, leases, and contracts will be canceled.

I just want to express a thought which has occurred to me in connection with this, that we learn some things when we come to Congress, and I have learned some things here, too, along with the rest of you.

I have learned that when we went to war we were proud of the possessions of America; we were proud of our material resources; we were proud of our men, of the spirit of our men, and of our ability to carry on the war; but notwithstanding our millions of men, all of our resources, and our apparent ability to carry on the war there was one thing which we lacked, and that was the nitrate necessary for high explosives.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. GERAN. Mr. Chairman, I ask permission to revise and extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from New Jersey asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. MORIN. Mr. Chairman, I yield 20 minutes to the gentleman from New York [Mr. SNELL]. [Applause.]

Mr. SNELL. Mr. Chairman and gentlemen of the committee, I am one of those Members who opposed the development of Muscle Shoals by the Federal Government not because I am opposed to the development of water power but because I am absolutely opposed to Federal ownership, development, or operation of industry. The condition that exists at Muscle Shoals at the present time, the enormous waste of millions of the people's money, as admitted by the majority report, at least substantiates the position taken by Congress when it refused to authorize the beginning of this work. However, it was begun under the authority granted the President under the national defense act, and we have spent some $125,000,000 there, and the question now before us is, What can we best do to get the most out of this development and make it best serve the interests of the American people? We are the directors of this corporation; we are confronted by a cold-blooded business proposition, and we must treat it in a truly business manner. As far as Mr. Ford is concerned, I should just as soon sell it to him as anyone else, but I want reasonable compensation for this most valuable property, and we are not getting that if we accept the proposition now before us.

Without burdening the RECORD with any long argument, I am going to try to state briefly and point out three or four basic reasons just why I am opposing the acceptance of the Ford offer at the present time.

First. The Ford offer on fertilizer production does not mean what it purports to mean, and particularly as it is carried out by the terms of the McKenzie bill. I say this in all earnestness, with the full realization of the importance of this statement, which statement can be backed up by undeniable and undisputed facts as shown on the record. The final Ford offer, dated May 31, 1922, beginning on page 8 of the McKenzie report, shows that section 15 reads as follows:

> Inasmuch as the manufacture of commercial fertilizer for our soils and the sale and distribution of same to the farmers and other users thereof constitute one of the principal considerations of this offer, moving to the Government of the United States and its people, the company expressly agrees that it will continuously throughout the lease *operate* nitrate plant No. 2, using the most economical source of power, at the approximate present annual capacity of its machinery and equipment in the production of nitrogen and other commercial fertilizers, mixed or unmixed, according to market demand (said capacity being equal to approximately 110,000 tons of ammonium nitrate per annum containing 40,000 tons of fixed nitrogen).

In this offer there is seemingly made a bona fide agreement of a tangible nature, though qualified in some important respects, but possibly capable of being carried out, if such operations could have been so done that Mr. Ford could have netted his 8 per cent. What do we find, however, in the McKenzie bill accepting this offer on fertilizer production? The bill does not follow the language quoted. The wording of the bill—and this is controlling—is very different. The changes are significant and radical and are so worded that Mr. Ford's obligations are materially modified to his very marked benefit. This section, now No. 14, reads:

> The company expressly agrees that continuously throughout the lease period, except as it may be prevented by reconstruction of the plant itself, or by wars, strikes, accidents, fires, or other causes not under its control—

Now, note this phraseology—

> it will *manufacture* nitrogen and other commercial fertilizers mixed or unmixed, etc., * * * at nitrate plant No. 2, *or its equivalent, or at such other plant or plants adjacent or near thereto as it may construct, using the most economical source of power available.*

There is the meat in the coconut, and there is where you have given away your birthright, as far as the actual production of atmospheric nitrogen is concerned, if you accept the Ford offer. These last three lines are entirely different than the original offer. They absolutely release him from making one pound of atmospheric nitrogen at plant No. 2. Then, as a separate and distinct undertaking and having no relation to the making of fertilizer and from which not one pound of fertilizer need be expected or hoped for, he will "maintain nitrate plant No. 2 in its present state of readiness, or its equivalent."

Mr. MADDEN. Will the gentleman yield?

Mr. SNELL. I will.

Mr. MADDEN. The gentleman does not overlook the fact that the statement says he will make fertilizer either at the existing plant or at some other plant that may be constructed. Now, what difference does it make at what plant he makes it?

Mr. SNELL. That is what I want to call to your attention, that you have not followed the original language in the Ford offer of May 22.

Mr. MADDEN. But what difference does that make?

Mr. SNELL. It makes this difference to me, that in the first place you have changed the Ford offer, which Mr. MCKENZIE says can not be done; and, secondly, you have yielded on the vital proposition of the whole plan, and your yielding is entirely in favor of Mr. Ford and against the American people.

I contend that these changes are significant, for not only will Mr. Ford avoid the operation of nitrate plant No. 2 for the fixation of atmospheric nitrogen—and atmospheric nitrogen is nowhere mentioned or considered in the McKenzie bill, and not one pound of nitrogen so produced need be made thereunder—but under the phrasing of this section is permitted, through suitable enlargement of his present by-product operations, whereby he is already engaged in the manufacture of a fertilizer, ammonium sulphate, if these enlargements are constructed adjacent or near to Muscle Shoals, to make ammonium sulphate and ammonium sulphate only, to the extent of his entire fertilizer obligation, without producing one pound of it in nitrate plant No. 2 or using therefor a single kilowatt of energy from the two dams.

Mr. OLIVER of Alabama. Will the gentleman yield there?

Mr. SNELL. Yes; I will yield now.

Mr. OLIVER of Alabama. If the gentleman will consult the last and the original offer, he will find that the bill has not departed from the offer but uses the exact language of the offer. I will read it:

> or at such other plant or plants adjacent or near thereto as it may construct, using the most economical source of power available.

Mr. SNELL. I am taking the offer printed in the McKenzie report made in May, 1922.

Mr. OLIVER of Alabama. This is the original offer signed by Mr. Ford.

Mr. SNELL. I am taking the offer we have before us at the present time. It has been said that the original Ford offer can not be changed, but it has been changed in the bill we have before us.

Two hundred thousand tons of ammonium sulphate, less than one-third of the present United States production of ammonium sulphate, made by Mr. Ford from Alabama coal in by-product

ovens as he may construct them and as has been publicly heralded as being in his plans, or the same or similar product, perhaps even if produced from his extensive coal holdings in Kentucky and West Virginia, would not only completely meet his obligation of fertilizer production but, through the mere maintenance of nitrate plant No. 2 at an insignificant sum per annum, releases for his own profit and use the operation of nitrate plant No. 2 for any other product than fertilizer which he may desire to make if "equivalent readiness" is maintained, and at the same time releases to other uses than fertilizer the 60,000-kilowatt steam plant at Sheffield, the 40,000-horsepower steam plant to be built at Lock 17, and all the power from both dams, a total of some 970,000 horsepower of electrical energy.

No one claims, not even Mr. Ford himself, that Mr. Ford has discovered a process or has contributed in the slightest degree to the scientific development of the art of atmospheric nitrogen fixation. But the altered wording of this bill shows that since his final offer made in May, 1922, he has discovered something else of very great importance to himself, and that is that he can not make and sell fertilizer that is made through the operation of plant No. 2. And I want some gentlemen who say we can not change this contract by dotting an "i" or crossing a "t" to explain why this change was made. If you can change this in one place, you can change it in another; and I want to change it in some places to the advantage of the American people. [Applause.]

On the other hand, he can make and is making ammonium sulphate in his by-product coke ovens and can and is getting for it the market price representing no saving to the farmer, and can completely carry out his fertilizer obligations through its manufacture by enlarging his by-product coke oven operations. This will not lower the cost and will not benefit the farmer, but it will enable Mr. Ford to carry out his contract and secure and retain the personal benefits he is seeking. The Ford fertilizer offer, as bald and vague as it was in his letter of May 31, 1922, completely loses what value it ever had in the light of the present wording of the McKenzie bill.

The changes are significant, the contract so radically modified to Mr. Ford's benefit as to completely demolish his plea for special privilege and to completely evade what the country has been shrewdly led to expect in the way of radically lowered fertilizer costs. Mr. Ford's recent "discovery," therefore, underlies the real reason for the radical change now carried out by the terms of the McKenzie bill.

My second objection to the Ford offer lies in the Ford purpose to gain the undisputed possession of an immensely valuable water power belonging to the Nation, built by the Nation's money, and built mainly for the purpose of the national security in time of war, and to secure it for his own use on terms that violate not only the conditions of the Federal water power act in respect to Federal regulation and control but are at the same time obnoxious and against public rights and interest in both the price to be paid and the length of the lease, 100 years, with a preferred right to negotiate for a further period. The true motive behind the Ford offer, the considerations of the Ford offer moving from the Government to him as beneficiary, is cheap electrical energy. Make no mistake on that point. Henry Ford is quoted as having said, "The destiny of the American people for centuries to come lies at Muscle Shoals," and if he obtains Muscle Shoals he could well add the words "and lie in my hands there." I have here a circular issued by a firm of real estate dealers and selling Muscle Shoals real estate, in which this Ford motive is set forth in better form than I can myself do it. It reads, in part:

Why Henry Ford said:

"I will employ 1,000,000 men at Muscle Shoals.

"I will build a city 75 miles long at Muscle Shoals."

Because Muscle Shoals has 1,000,000 potential hydroelectric horsepower, inexhaustible deposits of raw material, water and rail transportation facilities, over $100,000,000 in completed factory and plant buildings, now equipped with machinery for manufacturing commodities of life with electric energy at new low cost of production.

And I admit all these reasons are true. Then the circular resumes in these words:

Because Henry Ford visualizes at Muscle Shoals a vast industrial empire, pulsating with happy workers at high wage rate, 1,000,000 jobs, the realization of his ambition, the furnishing of employment to every man and woman who wants and needs employment. The dawn of a new prosperity. The hydroelectric chemical age. The saving of millions upon hundreds of millions annually in living expenses to the American people from the development of this new industrial center in the Tennessee Valley. A second Chicago!

And all this latter "vision" is about 100 per cent plain bunk! Except that over this "vast industrial empire" there will preside Henry Ford and his dynasty, certainly for 100 years and longer if "preferred rights" mean what we understand them to mean.

Mr. ALMON. Was that Howell N. Graves, of New York, who issued that advertisement?

Mr. SNELL. I saw the advertisement on Broadway. I do not know the names of the persons.

There you have it—strikingly and candidly told. Is there any mention of fertilizer in this summary; any evidence of his intent to supply cheap or any kind of fertilizer? It is power he wants. It is power he will get—mechanical power, social and political and industrial power beyond belief, on which he may indeed build an "industrial empire."

Because "Muscle Shoals has 1,000,000 potential water power, and over one hundred millions in completed factory and plant buildings" and is now equipped for manufacturing not only the commodities of life but all commodities with electric energy at new low cost of production—there we have the true statement of why Mr. Ford wants Muscle Shoals for his very own on terms that he challenges the Congress to change by the dotting of an "i" or the crossing of a "t," under threat of withdrawal of his offer, and has the effrontery to flout a sovereign State seeking some assurance of power for its insistent needs by compelling its Senator to be satisfied with an assurance made by a "Ford representative" that Mr. Ford will at some time allocate some of this power to Mississippi.

Mr. MADDEN. Will the gentleman yield?

Mr. SNELL. Yes.

Mr. MADDEN. Does the gentleman believe what he says when he says that Muscle Shoals will develop 1,000,000 horsepower?

Mr. SNELL. I believe it has potential possibilities of somewhere between 800,000 and 900,000 horsepower.

Mr. MADDEN. On what does the gentleman base his belief?

Mr. SNELL. On the testimony given by the engineers before the Military Affairs Committee.

Mr. MADDEN. There is not a man living who can tell that with any degree of accuracy.

Mr. SNELL. I will admit that to a certain extent it is indefinite, but that is the testimony of the engineers before the committee, and I read it in the hearings. It is the best evidence you have, and it is the evidence you have used in preparing this bill.

Mr. MADDEN. But the gentleman did not say that. The gentleman did not say it was in the testimony; the gentleman said it would be possible.

Mr. SNELL. I believe it is possible; and, besides, it is in the hearings and has been disputed by no one.

Mr. McSWAIN. Will the gentleman yield?

Mr. SNELL. I would like to finish this statement and then I will be glad to yield.

I know something about hydroelectric power. I have built and own a water power, developed electrically, in northern New York; a small one it is true—only some 3,000 horsepower. I know something of water-power values; what electrical energy means to industry now; what it will mean in the future, as coal grows scarcer, more costly, as labor costs, transportation costs, transportation difficulties increase. Were it possible to transfer Muscle Shoals to New York State, or to New England, or to Detroit, the present-day values of 850,000 horsepower, in mere dollars and cents, are simply staggering. Even at Niagara Falls, that great water power, built in part by nature, the average price at the switchboard is some $19.60 per horsepower year, and this price includes long-time contracts made years ago at a ridiculously low figure, and taken up by industry at that figure, because that figure is already cheap power. I am informed you can not get it at any price at Niagara Falls at the present time.

I wonder how many of us here know or comprehend the magnitude of the power possibilities at Muscle Shoals. There is to be installed at Dam No. 2, 600,000 horsepower, in generating capacity; at Dam No. 3, 250,000 horsepower, in generating capacity. There is already installed an 80,000-horsepower modern steam unit at nitrate plant No. 2. There is to be built for him, under the Madden amendment, an additional 40,000-horsepower steam plant at Lock 17. This makes a grand total of 970,000 horsepower. He calls it a million horsepower. To be fair, not all of this water power is primary power at the present time—by primary power is meant power available 365 days in the year and for 24 hours per day.

But there is a very large amount of primary power immediately available on completion of the dams, something like

250,000 horsepower, and Mr. Ford has very skillfully insisted upon the installation of generators and water wheels for the total amount above named, 850,000 horsepower, because he realizes that as headwater improvements are made on the Tennessee River the primary power is immensely increased and that ultimately, perhaps within the next 10 or 15 years, the total of primary power will be the same as the installed generating capacity. So that projecting the matter in the future, as may with propriety be done, say, 10 or 15 years from now, Mr. Ford at that time will have available from the water power, 850,000 horsepower in primary power, and this increase from the present amount of primary power will, under the McKenzie bill, cost Mr. Ford not one cent. He is not required to contribute a penny toward headwater improvements or storage, but what does he gain? The figures are illuminating as showing canniness, at least, in insisting upon the installation of so large a generating capacity.

Mr. McSWAIN. Will the gentleman yield right on that point?

Mr. SNELL. Yes.

Mr. McSWAIN. The gentleman knows the reputation of Mr. Elon H. Hooker, President of the American Association of Engineers, and one of the bidders here. Mr. Hooker is from New York, and the gentleman knows his reputation?

Mr. SNELL. I do.

Mr. McSWAIN. Did the gentleman read the hearings where Mr. Hooker testified on his professional reputation that there was not over 75,000 horsepower, primary, at Dam No. 2?

Mr. SNELL. I know the man who knows more about this than any other man on the floor of this House and he himself told me that there is at least 150,000 primary horsepower, and that is the gentleman from Alabama [Mr. ALMON].

Mr. ALMON. Let me correct the gentleman. The building of Dam No. 2 and Dam No. 3 will create 121,000 primary horsepower.

Mr. SNELL. I understood the gentleman to tell me the other day he thought there was at least 150,000 horsepower at these two dams.

Mr. ALMON. And the two steam plants, 120,000 horsepower, making a total of 241,000 horsepower.

Mr. SNELL. The exact amount is somewhere along there. We can not tell exactly what it is.

With each improvement of the river or its tributaries above him, that would add a mere 50,000 horsepower to his primary capacity, and without, as I have said, costing Mr. Ford a single penny, Mr. Ford's power costs would materially decrease in a radical way, though his payments to the Government remain fixed at the yearly rate of $2,199,649.54 throughout the entire lease period of 100 years. These decreases are interesting to compare with even the low costs at Niagara. Assuming that Mr. Ford has at the beginning of the lease period 250,000 primary power, his cost per year per horsepower is $8.80. When headwater improvements add 50,000 horsepower—or 300,000 horsepower primary—his cost per horsepower is cut to $7.33 per annum; when 350,000 horsepower is available, his cost becomes $6.28 per horsepower.

With 400,000 horsepower, the cost is $5.49.
With 450,000 horsepower, the cost is $4.88.
With 500,000 horsepower, the cost is $4.40.
With 550,000 horsepower, the cost is $4.
With 600,000 horsepower, the cost is $3.66.
With 650,000 horsepower, the cost is $3.38.
With 700,000 horsepower, the cost is $3.14.
With 750,000 horsepower, the cost is $2.93.
With 800,000 horsepower, the cost is $2.74.
With 850,000 horsepower, the cost is $2.58.

And even on top of this and before the regular contract begins he has 100,000 horsepower for six years at $2 per horsepower. Eighty thousand horsepower more for three years at $2 per horsepower, a lower price by twice over than horsepower was ever sold anywhere in the civilized world. I want you to think of these figures before you vote for this measure.

Or, in other words, Mr. Ford gets for $2,200,000 per year that which is richly worth even in that location under present conditions at least $12,200,000—a straight out-and-out gift to Mr. Ford of $10,000,000 a year for 100 years. This proposition has Teapot Dome beaten a hundred ways in giving away Government property. And before you are through with it, it will be a bigger scandal.

Disregarding the Sheffield steam plant—except to say that there is an offer for it of $4,500,000—this 850,000 horsepower would yearly produce nearly double the energy in kilowatt hours now used in the entire New England district, namely, 5,550,000,000 kilowatt hours at Muscle Shoals as against 3,384,000,000 kilowatt hours for the entire New England district; nearly one-half of the energy now used in the middle Atlantic district, including Niagara Falls, 5,550,000,000 kilowatt hours compared with 11,620,000,000; practically as much as all the energy now used in the Pacific district, 5,550,000,000 kilowatt hours compared to 5,650,000,000 kilowatt hours there. It is some 249,000 horsepower more than the ultimate development of power on the American side at Niagara Falls. It is more than one-half of the developed water powers in the entire South, and represents more than 20 per cent of the total potential water-power resources of that region. When given to Henry Ford for his private use, and therefore not available or intended for general industry, there will remain in the South to fill the growing and insistent needs for power coming from a population of 18,000,000 people, something over a bare million and a half of potential water power classified as good, indifferent, and poor, yet remaining to be developed.

What folly to say, as does the McKenzie report, that there is nothing in the history of the electrical-power business to indicate that water-power rights will be more valuable 50 years hence than they are to-day. The argument is unique and specious. It is diametrically opposed to known and actual facts. As coal costs increase due to well-known and clearly recognized causes, water power becomes increasingly valuable and increasingly necessary to our industrial existence. Why, all any man needs to do to refute this argument is to refer to the long debates on the water power act. The fundamental principles of that whole act are the increasing values of the water powers and natural resources and they must be kept for all time for the people. Yet the first opportunity you propose to vitiate that whole act and give the largest single water power in the East to one man to do as he pleases with for 100 years. It is the crime of the age, and the worst of it is that it is done in the name of agriculture. If any other man made a similar offer on a much less valuable power, it would not receive five minutes consideration in this House.

Third. The Ford offer demands a fee simple title to the entire nitrate properties, including the new steam power plant, and site 100 miles away, and the new transmission line proposed by the Madden amendment, the latter the greatest piece of folly contained in the whole bill.

I am unalterably opposed to the transfer by the Government of these great plants, primarily built as a measure of national security, to any private agency of any kind. The Government can not now and can not in the future rely on foreign or alien sources of nitrogen for war purposes. The underlying purpose behind the building of these great plants was to have a permanent agency in the hands of the Government for securing this war essential.

I assert, without fear of successful contradiction, that every legitimate purpose behind the Ford offer can be fully met, every desire to serve the farmer fully carried out, by leasing these properties on a long time and generous lease which at the same time shall safeguard every national right; and, further, that as nitrate plant No. 1 has become of striking usefulness under our present knowledge of the spectacular and revolutionizing developments in the synthetic production of ammonia, every precaution should be taken that this plant should be put to work, and by no means, or under any circumstances, scrapped. It represents the true hope and expectation of cheap fertilizer through the development therein of the synthetic process. A revolution in the industry impends through the discovery of a new catalyzer at our own fixed nitrogen laboratory, that gives us a commanding position for not only an unequaled explosive but an unbeatable process for fertilizer, and nitrate plant No. 1 has become thereby of infinitely greater importance than nitrate plant No. 2.

Neither plant should be sold. Neither should be scrapped. No justification can be urged for their sale or their scrapping in the light of this new value established by the recent startling advances in the art.

The German production of ammonium sulphate in 1922, for example, was some 1,425,000 tons, and 1,050,000 tons were produced by the synthetic process, only 375,000 tons by the by-product process. The Germans lead the world in this production and at low prices, but what they have done we can do even better under our new catalyzer, and there can be brought about at Muscle Shoals and elsewhere where cheap power is available a production even greater in quantity and lower in cost than the German's.

But it can not be done at nitrate plant No. 2, nor under the Ford plan of ammonium sulphate from by-product ovens, obligated as he is to supply only 200,000 tons, which I again repeat, need not, under his contract as it now reads, be made to the extent of a single pound at nitrate plant No. 2.

I am just as much interested in getting cheap fertilizer for agricultural needs as any man here, but I do not propose to be fooled about it. Let us have a clean-cut power proposition and a clean-cut fertilizer proposition. We can afford to give away every horsepower used in the production of fertilizer if we get the market price for the balance. You could use the secondary power for 9 or 10 months of the year to manufacture nitrates and easily sell the primary power for twice as much as Ford is offering. I maintain if we use our heads and are not carried away by propaganda Muscle Shoals can be made to produce fertilizer at the lowest possible cost and pay interest on every dollar the Government has ever put there.

Therefore I earnestly protest against the unparalleled folly of passing the Muscle Shoals bill as recommended by the Military Affairs Committee. I earnestly ask you to read and digest the enlightened views and facts presented in the Hull report. No saner or more clearly stated analysis has ever been made of the real demerits and unfairness and objections to the Ford offer, and which I have only treated in part.

We can not afford to pass legislation of this magnitude so pregnant with evil for generations yet to come, so menacing, I believe, to the present one, without considering where we shall land. Truly Mr. Ford has said: "The destiny of the American people for centuries to come lies at Muscle Shoals," but this destiny is surely safer in the hands of the Nation and under its control and regulation than in the uncontrolled hands of an individual builder of an empire there. Shall we sell—does the Congress and this administration in the light of the real and verifiable facts dare to sell—the Nation's birthright at Muscle Shoals for a mass of fertilizer promises? [Applause.]

Mr. QUIN. Mr. Chairman, I yield 13 minutes to the gentleman from Alabama [Mr. HILL]. [Applause.]

Mr. HILL of Alabama. Mr. Chairman, on yesterday the gentleman from Iowa had something to say about Mr. Gray Silver and Col. J. W. Worthington being promoters. I might say that after the very able speech of the gentleman from Michigan this morning I can not think of the gentleman from Iowa that I do not recall the line from Hamlet when Hamlet walked into the graveyard, picked up the skull, looked at it, and exclaimed, "Alas, poor Yorick."

Let me say that Colonel Worthington is a citizen of Alabama and that the people of Alabama are proud to claim him. He has given of his time, of his money, of his life to the development of this great project for national defense and for the farmers of this country. More than this no man could do. [Applause.]

As has been well explained by the gentleman from Illinois [Mr. MCKENZIE], the Government enterprise at Muscle Shoals was undertaken by the Government of the United States for the express purpose of carrying out the provision of section 124 of the national defense act. That section provided for the manufacture of nitrogen to supply munitions of war in time of emergency and to supply fertilizer for the farmer in time of peace. This was the purpose for which the plants at Muscle Shoals were located and constructed by the Government, and thus should and must be the paramount and dominant consideration in the disposition of Muscle Shoals by the Government. But as an Alabamian, as a Representative of the people of Alabama, may I remind you gentlemen that in any disposition of Muscle Shoals the people of Alabama are in a very real and peculiar sense concerned. Their welfare, their happiness, and their prosperity in no small measure depend upon the disposition of that gigantic source of power.

My State is an agricultural State, and the farmers of my State, together with the farmers of the whole country, will profit from the manufacture of fertilizer at Muscle Shoals. But there is another matter of compelling consideration to the people of Alabama in the disposition of Muscle Shoals. Of the 850,000 horsepower at Muscle Shoals no one has advocated the need of using more than a part of that great power for the manufacture of fertilizer. This leaves a large part of that great power to be used for other purposes and the use of this power is of tremendous importance to the people of Alabama. Need I call to your attention, gentlemen of the House, the fact that vital as is the disposition of Muscle Shoals to the people of Alabama, they have no authority, no power in that disposition. As Muscle Shoals is the property of the United States, Congress is the only body that has any authority or power in the disposition of Muscle Shoals. Congress and Congress alone can say how Muscle Shoals shall be disposed of. I therefore ask that I may have the privilege at this hour of giving to you something of the feelings and of the sentiments of the people of Alabama on this great question.

In 1907 the Alabama Power Co., almost entirely owned and wholly controlled by British capital and British interest, a company of Alabama in name only, commenced it activities in the State. In that year it deluded and ensnared the Legislature of Alabama into the passage of the 1907 water power act. By that act the State of Alabama practically abdicated its sovereignty over its greatest natural resource, the use of its splendid rivers for the production of power. By that act the owners of power sites were granted in perpetuity the right to construct their dams and works without payment of one cent to the State in return therefor. By that act the owners of power sites received the State's right of eminent domain for the condemnation of land for flowage and other purposes and paid not one cent to the State in return therefor. By that act the owners of power sites were granted an exemption from taxation for all works of water-power development. By that act the Alabama Power Co. acquired all of the best of the power sites in the State and all the special privileges granted thereunder and laid the foundation of its great design—the throttling of the Commonwealth in the iron grip of its monopoly. In the furtherance of that design it has known no limitation. It has had its legislators, its public officials. It has had its champions in Congress. It has endeavored to subsidize the press, to deceive the people. [Applause.]

For 25 years the people of Alabama, conscious of the tremendous possibilities of Muscle Shoals, have sought and prayed for its development. Too stupendous in cost for their undertaking, they witnessed with joy its purchase by the Government. Disappointed in the defeat in 1921 of the bill that provided for the governmental completion in large degree of the project, which defeat was brought about by the perverse action of a Member of this House who afterwards resigned to become a lawyer for the Alabama Power Co., the people of Alabama waited with anxious hearts, with eager anticipation, while the Government sought to find some one who would take over Muscle Shoals and complete its development. After a number of months of waiting by the people of Alabama, in response to a plea from them, Mr. Ford came forth and made his now famous offer. This offer meets every requirement of section 124 of the national defense act. It absolutely guarantees the manufacture annually of 40,000 tons of fixed nitrogen for munitions of war in time of emergency and for fertilizer in time of peace. It assures the production of an amount of fertilizer equivalent to 250,000 tons of Chilean nitrate or equal to 2,000,000 tons of 2-8-2 commercial fertilizer. This is an amount of nitrate equal to the entire annual imports from Chile used by American agriculture before the World War. We find that during the fiscal year ended June 30, 1923, American farmers paid the Chilean Government $11,239,384 as a tax simply for the privilege of buying necessary nitrate from that country. If the establishment of the nitrogen industry at Muscle Shoals under the Ford offer resulted in nothing more than in eliminating the export duty collected by Chile for the privilege of purchasing nitrates in that country, it would have paid a dividend to American farmers and consumers of more than 5½ per cent on $200,000,000. But authorities everywhere declare that the acceptance of the Ford offer and the establishment of a nitrogen industry at Muscle Shoals will reduce the cost of fertilizer one-half. The annual expenditure of the farmers in this country for fertilizer over the past five years has been, in round numbers, $300,000,000 a year. Cutting this bill in half would save the farmers of this country $150,000,000 a year. In my State of Alabama we have important iron and steel industries, and Alabama is a large producer in the coal and coke industry, and Alabama's textile industry grows yearly; but Alabama, like every other State of the Union, is without the nitrogen industry.

Henry Ford proposes to establish at Muscle Shoals in Alabama the nitrogen industry, without which no nation can consider itself safe in time of war and without which no nation can preserve and increase the soil fertility of its lands. Resting on every acre of land there are 33,880 tons of nitrogen in the atmosphere. Henry Ford proposes to "fix" this nitrogen so farmers can use it, and the farmers in my State of Alabama look forward with confidence that Henry Ford will reduce the cost of their fertilizers one-half. Alabama farmers paid for fertilizer in 1920, $14,066,108 for about 341,000 tons, and they paid in 1910, $7,630,952 for about 425,000 tons; that is, they paid 84 per cent more money for 4 per cent less tonnage, strange as it may seem. When Alabama farmers can get these fertilizers for one-half what they have been paying for them in normal times they will double and treble their purchases, and will by so doing double and treble their production per acre.

The Ford offer was received throughout the State with deep gratification. At last the great project at Muscle Shoals was to be developed. At last the hopes of the people were to be

realized—their prayers were to be answered. The Commonwealth was vocal with the plea of the people to Congress for acceptance of the offer. But there was one dissenting voice. Bearing the honored name of Alabama, there was one dog in the manger. Did the Alabama Power Co. join hands with the people of Alabama for the acceptance of the offer and the development of Muscle Shoals? Did they lend their help or lift their voice to further the cause? Conscious of their inability to undertake the development of Muscle Shoals themselves; conscious of the fact that they had preempted the entire water-power sites and rights in perpetuity of the Coosa, Tallapoosa, and Little Rivers, which practically took in all the water power in the State except that at Muscle Shoals; and conscious of the fact that at the rate they were then developing it would take them a hundred years to develop the power they held, the Alabama Power Co.'s president announced through the press when the Government, through the Chief of Engineers of the Army, called for bids for the development of Muscle Shoals that they were not interested in Muscle Shoals for themselves and that they would make no bid for it.

They knew full well of the untiring efforts of the nitrate director of the War Department in 1919 to interest private capital in the development of Muscle Shoals and of his failure. They knew full well of the efforts of the Chief of Engineers of the Army to secure bids for Muscle Shoals and how, after a number of months of widest publicity, Mr. Ford made the only genuine offer. The Alabama Power Co. not only did not help the cause of the acceptance of the Ford offer, fraught with such tremendous possibilities for the people of the State and particularly for the farmers, but they sought to ridicule it, to laugh it to scorn, to damn it with the smile of contempt. They said that the offer was not practical; that neither Henry Ford nor anyone else could successfully manufacture fertilizer at Muscle Shoals. Unable to deceive the people, unable to mislead them, unable to deter them in their urge for the acceptance of the Ford offer, the Alabama Power Co. now comes forth and makes an offer, an offer that failed utterly to meet the requirements of section 124 of the national defense act, an offer that made no provision whatever for the manufacture of nitrogen for war munitions or for fertilizer for the farmer. The Alabama Power Co. made this offer with no expectation of its acceptance, with no faith in its worth, but they made it solely in the effort to obstruct, to thwart, to delay, to encompass the defeat of the Ford offer. [Applause.] Then it was that the people of Alabama awakened to the sinister motives and unholy designs of the Alabama Power Co.; were stirred as they have not been stirred in 50 years. In civic clubs, in secular societies, in farm meetings, in directorates, in committees, in official bodies, in public gatherings, in mass meetings they came together and petitioned and prayed and memorialized Congress to accept the Ford offer and to deliver them from the conspiracy of the Alabama Power Co. monopoly. Telegrams asking the deliverance poured in to the Members of this House, and the mails were laden with messages of protest. The Legislature of Alabama adopted the following joint resolution:

Senate Joint Resolution 9.

Whereas the Muscle Shoals enterprise and its development for the benefit of the agricultural interests of this Nation being of profound importance; and

Whereas it being known that Mr. Henry Ford has made to the Government of the United States of America a proposal for the development, leasing, and control of said enterprise; and

Whereas it being known that Mr. Ford's organization is financially able to develop said industry and the marked efficiency of his organization is almost a matter of common knowledge; and

Whereas the agricultural interests of the country have confidence in the proposal of Mr. Ford to manufacture their needed fertilizers at a much lower cost to them than they have been able to obtain heretofore: Therefore be it

Resolved by the Senate of Alabama (the House of Representatives concurring), That the Congress of the United States of America is hereby petitioned and memorialized to adopt such measures and enact such laws as will cause the favorable acceptance by the Government of the United States of Mr. Ford's proposal; and that a copy of this resolution be forwarded to the Presiding Officers of the Senate and the House of Representatives of the Congress of the United States, and to each Senator nad Member of Congress from the State of Alabama.

Passed Senate of Alabama, October 4, 1921.

Passed House of Alabama, October 6, 1921.

Anxious that Congress might know that all minds were as one, that all hearts were as one, 5,000 of Alabama's citizens gathered together in mass meeting assembled in Montgomery, the capital of the Commonwealth. They came from every corner, from every part of the State. They came representing county governments, municipal authorities, women's clubs, labor bodies, chambers of commerce, civic bodies, and farmers' organizations. Never in all the years of that historic old capital city had there been a meeting whose atmosphere was more surcharged with enthusiasm, whose purpose was more determined, and whose sentiments were more unanimous. As a Representative of the people of Alabama, permit me to present and to read to you at this time the memorial to the President and the Congress of the United States adopted by that great meeting:

MEMORIAL TO THE PRESIDENT AND CONGRESS OF THE UNITED STATES AND THE COMMITTEES OF CONGRESS ADOPTED BY THE STATE-WIDE MASS MEETING HELD IN THE CITY AUDITORIUM AT MONTGOMERY ON WEDNESDAY, MARCH 1, 1922.

We, citizens of Alabama, 5,000 strong, representing county governments, municipal authorities, women's clubs, labor bodies, chambers of commerce, civic bodies, and farmers' organizations from every quarter of the State, in mass meeting assembled at Montgomery, with full confidence in both the justice and wisdom of the President and Congress, do hereby declare:

That while the entire Muscle Shoals stretch of the Tennessee River lies within the borders of this State, the right to control and regulate the river in the interest of the Nation's commerce has been ceded by the State of Alabama to the Federal Government. We recognize the fact that Muscle Shoals is the property of the Nation, belonging alike to the people of all of the States; and while we claim no greater right than any other State to say what shall be done with Muscle Shoals, we believe that we but exercise the guaranties of the Federal Constitution when we petition Congress that this great national asset be not employed by the Government as an instrumentality for fastening upon us and upon our children and our children's children the yoke of an oppressive and burdensome monopoly.

We affirm that the Alabama Power Co. now owns and controls a number of splendid power sites on the Coosa River in this State; that it owns and controls all of the available power sites on Little River in Alabama; and that it owns the wonderful power site at Cherokee Bluffs on the Tallapoosa River in this State; that in the 14 years since its incorporation it has built one power dam in this State and commenced work on one other dam; that at the present rate of development of the power potentialities already under the control of this corporation more than 100 years will go by before all of these dormant water powers are harnessed; that it has been the policy of that corporation to develop only such power as can be sold in small units and at high prices; that controlling as it does all of the great water-power sites in a State blessed by God Almighty with wonderful power possibilities, it, a foreign-controlled corporation, is in position to litigate with any American-owned organization which may seek to develop any one of Alabama's wasting water powers, just as it now threatens to litigate with Henry Ford, or with the Government, if either seeks to build Dam No. 3 at Muscle Shoals, or to control the Government-built steam plant and transmission line at Gorgas; that in spite of the fact that this foreign-owned corporation has long enjoyed exemption from taxation in this State, it has been busy ever since its entrance into Alabama in preempting every great power site within our borders, and in so copper-riveting its hold on all of Alabama's great hydroelectric potentialities as to prevent for all time their development by any possible competitor; that it has been its policy to buy these power sites at farm-land prices and to hold them in perpetuity as power sites; that it already controls the utilities in our principal cities and is year by year securing the control of the utilities in our towns and villages; and that if it secures Muscle Shoals it will have perfected its control of all of our great water powers and will hold in its selfish grasp all of these instrumentalities, placed within our borders by a beneficent providence for the promotion of the commercial and industrial welfare of all the people.

We hold that it would be a travesty on legislation if, after many years of congressional consideration of how best to conserve the power in our navigable streams for the benefit of all the people and how most surely to preserve them from being used as instruments of monopoly, the Nation's greatest water power should be handed over to the Alabama Power Co. under the national water power act; and we

Further hold that it would be the quintessence of legislative folly for the Government, after 10 years of investigation as to how best to free the United States from its dependence upon a foreign power for its supply of nitrogen for explosives, in the event of war, and after spending millions of dollars in the construction of the greatest nitrogen fixation plant in the world, to turn over the only power capable of successfully operating the nitrate plant to a corporation owned and controlled by foreigners.

We remind Congress that just as the Alabama Power Co. has returned evil for good to the people of Alabama, so it is the one corporation whose dealings with our country in the grim emergency of war were so shameless, selfish, and conscienceless that when its conduct was investigated by a select committee of Congress the minority members of this committee joined with the majority in denouncing its brazen and sordid betrayal of its duty to a war-beset nation.

Again affirming our utmost confidence in the ability and the desire of the President and the Congress of the United States and the committees of Congress to reach the soundest solution of the pending questions relating to the disposition of Muscle Shoals, we wish to express ourselves with regard to Mr. Henry Ford's proffered contract with the Government. The subject is of such vital interest to the people of Alabama that with greatest enthusiasm they have assembled in this meeting for the purpose of making this memorial:

"Upon mature deliberation we, as citizens, do express our firm conviction that it is to the best interest of the United States and to the interest of the people of Alabama that the offer of Henry Ford be accepted and concluded as a binding contract and for the following among other reasons:

"The acceptance of the Ford offer would insure the operation in Alabama of at least two great organizations engaged in the development and sale of hydroelectric energy and would further insure competition in the distribution and sale of power throughout the territory which can be reached by transmission lines from the several power sites on the Tennessee River whose development is within the contemplation of the Ford offer.

"The Ford offer insures the operation of United States nitrate plant No. 2 for a period of 100 years for the production of fertilizers in time of peace and for the production of nitrates for explosives in the event of war.

"It insures to the millions of farmers throughout the United States, whose organizations have with unanimity indorsed the offer of Henry Ford, the continuous operation of this Government-built plant for the production of nitrate fertilizers in competition with the present producers of nitrates, by a company whose profits will be limited to 8 per cent, and in sufficient volume to have a controlling influence in fixing the price of nitrates and nitrate fertilizers for agricultural uses.

"The Ford offer insures to the people of the United States the operation of nitrate plant No. 2 and its maintenance in such a constant state of readiness, with a trained force of operatives, as to guarantee to the Government and its citizens an independent, internal supply of nitrates, in exact accord with the announced intention of Congress as expressed in section 124 of the national defense act of 1916.

"The Ford offer guarantees the construction of Dam No. 3 and makes provision for use by the people of the United States for purposes of navigation of one of the country's largest and most important rivers which is an integral part of the great Mississippi River waterway system.

"In the consideration given to the various offers for Muscle Shoals much has been said about the profit and loss that would accrue to the Government of the United States and to its people from the acceptance or the rejection of the various offers. We respectfully urge that a plan which looks to a constant supply of cheap fertilizers for the farmers of the Nation through a period of 100 years, which insures to American industry during that period the use of nearly 1,000,000 horsepower of electric energy, which provides for the security of the Nation in the event of war, and which guarantees the navigability of one of the country's greatest rivers for all time. These continuing additions to the resources of the Nation, if it were possible to express them in terms of dollars, with interest at 4 per cent, will in the course of 100 years add so vastly to the wealth of the Nation and the prosperity of its people that any difference in the price of the nitrate plant as fixed in the several offers, and any difference between the purchase price offered and the estimated possible scrap value of the property, is dwarfed into insignificance.

"With these considerations in view and having in mind the freedom of our own people from a galling and oppressive water-power monopoly, the freedom of the American farmer from a burdensome and grinding fertilizer monopoly, the opening of a great river to navigation, and the security of the country in the event of war, we urge the President and the Congress of the United States to accept the offer of Henry Ford, whom we verily believe seeks through his offer to dedicate to the American people and especially to the farmers of America his genius and his fortune.

"We indorse the sentiment 'America first' and Muscle Shoals first for Americans and, above all, for American farmers. Henry Ford is a typical American, who by his genius has done more for country people and country life than any other man of his time. A man who has the trust and confidence of the great masses of the common people, as evidenced by the resolutions adopted by every gathering of plain, ordinary Americans, including the representatives of 4,000,000 farmers, who have given voice to their sentiments in regard to his proposal for the development of Muscle Shoals.

"We believe the issue in Congress is clearly drawn. It is a contest between the people and the interests which control the people's fertilizer and power resources.

"On behalf of the army of the unemployed, in the interest of the great body of plain American citizens, in the name of millions of perplexed and burdened farmers, we beg our President and the Congress of the United States and its committees to promptly accept the offer of Henry Ford.

"J. L. ANDREWS.
"FRANCIS PATTERSON WALKER.
"J. J. BUFFINGTON.
"H. C. RANKIN.
"EDW. A. O'NEAL.
"S. P. MCDONALD.
"CHAS. L. HAROLD.
"EDWARD DOTT.

"This resolution was unanimously adopted.

"B. M. ALLEN, *Chairman.*
"C. E. JOHNSON, *Secretary.*

"MARCH 1, 1922."

Mark you, gentlemen, that the people of Alabama have spoken to you as Alabamians, but they have also spoken to you as Americans. They have petitioned you to deliver them from a galling and oppressive water-power monopoly, and they have also petitioned you not to surrender the security of the country in the event of war, into the hands of a corporation owned and controlled by foreigners. They remind you that the Alabama Power Co. is the one corporation whose dealings with our country in the grim emergency of war was so shamelessly, selfish, and conscienceless that when its conduct was investigated by a select committee of Congress, the minority members of this committee joined with the majority in denouncing its brazen and sordid betrayal of its duty to a war-beset Nation. Let me remind you that following that great meeting in Montgomery, it became the duty of the Attorney General of the United States to pass upon the validity of the contract made between the Alabama Power Co. and the Government during the war for the construction of the Gorgas Steam Plant, and such was the Attorney General's opinion of that contract that he was moved to write these words:

No one can carefully analyze the long and rather complex contract made with this company (The Alabama Power Co.) without being impressed with the harsh and even drastic provisions which it imposes on the Government. When its intricate provisions are closely scrutinized and their full significance realized, it becomes at once apparent that the company lost no opportunity of turning to its own advantage every possible change of circumstances.

Let me remind you further that it was on this contract held null and void by the Judge Advocate General of the Army and by the Attorney General of the United States and found by a committee of Congress to be reeking with Alabama Power Co. disloyalty to this war-beset Nation, that the Alabama Power Co. sought to charge that the people of Alabama were unfair in asking that the Gorgas Steam Plant, together with the other Muscle Shoals property be sold to Mr. Ford.

Since that great meeting in Montgomery, the Alabama Power Co. has marshaled in its offices at 120 Broadway, New York City, the forces of Wall Street, of the Fertilizer Trust, of the Aluminum Trust, of the predatory interests in an effort to defeat the Ford offer. Throughout the country these selfish interests have waged a sinister and unholy compaign against the Ford offer. The Alabama Power Co. has literally flooded the State of Alabama with propaganda of misrepresentation and of deception. They have proclaimed to the people of Alabama through the widest publicity that their offer would bring into the Federal Treasury each year more money than the Ford offer.

The fact is that 14 Members of this House, in reporting to this House the bill for the acceptance of the Ford offer, show that each year the Ford offer will put into the Federal Treasury $235,000 more than will the power companies' offer. They have attempted to lead the people of Alabama to believe that if they could get Muscle Shoals they could distribute much more power than they are now distributing and could meet more demands than they are now meeting. They have not told the people of Alabama that they hold more than sufficient power to satisfy every need in the State if they would only develop that power. They have attempted to lead the people of Alabama to believe that if Mr. Ford gets Muscle Shoals he will not distribute power. They know that Mr. Ford, on the 11th day of October, 1923, issued a statement in reply to a statement from the Secretary of War, in which Mr. Ford said that he would distribute power. They know that this means competition and that competition means good service and fair rates for the people of Alabama. [Applause.]

Since that great meeting in Montgomery, the Alabama Power Co. in an effort to influence the people of Alabama, has spent thousands of dollars, and all of this money they have taken from the pockets of the consumers—the people of Alabama. They have attempted to subsidize the press. Column after column of their advertisements have appeared in our papers. They have banqueted civic clubs and societies. They have given fine prizes and made large donations. They have chartered private cars and special trains, and financed junketing trips of all sorts. They have gone into municipalities and made all kinds of promises of cheap rates and fine service. They have set out to gain control of directorates and of high officials. Everywhere, in a thousand ways, they have attempted the purchase of the people of Alabama. My people are not a rich people, but they are an honorable people. They have not swerved—they have not turned. They remain steadfast and unanimous in their desire for the acceptance of the Ford offer. [Applause.]

Just as our committee was on the verge of closing the hearings on Muscle Shoals, the Alabama Power Co. joined hands with eight other power companies of the South, all descendants of a common ancestor, all children of British capital, and all seeking, by their joint efforts, to acquire a monopoly of the water power of the South. These companies, under the leadership of the Alabama Power Co., brought in a new offer for Muscle Shoals. After the expenditure of so much money in Alabama, after such great efforts on the part of the Alabama Power Co., the Alabama Power Co. was able to present to our committee witnesses from Alabama in number less than the fingers of the hand.

These witnesses did not possess the effrontery to advocate the offer of the power companies. They all said that they came merely to ask that Muscle Shoals be disposed of to the interest of Alabama. But their coming found its explanation when one of these witnesses admitted on being questioned by me that the first thing he did when he arrived in Washington was to go to the room of the president of the Alabama Power Co. at the Washington Hotel, where, on paper furnished him by the president of the Alabama Power Co., the witness, together with the president and the attorney of the Alabama Power Co., prepared the notes from which the witness testified before our committee. One of these witnesses was the distinguished mayor of Mobile. When he appeared before our committee, the people of Mobile, fearful lest his appearance might be interpreted as representative of them, held a referendum vote on the disposition of Muscle Shoals, and the result of that referendum was 11,856 votes for the acceptance of the Ford offer and 17 votes for the acceptance of the power company's offer. [Applause.]

If a referendum could be held this day throughout the State of Alabama, the answer would be no less decisive, no less emphatic. There are 10 Representatives from that Commonwealth in this House, and there will be 10 votes from that Commonwealth in this House for the Ford offer. Yea, more, when the roll shall be called and the South shall answer, I prophesy that there will not be one discordant note in that answer. Never in all its history has there been in the South more singleness of purpose, more unanimity of feeling than there is this day on this question of Muscle Shoals. From all over this Union will come the voices that will swell the chorus and sing out the victory of this measure. For, mark you, not a single Member of the 435 Members of this House asks or advocates the acceptance of the offer of the power companies—no; not even their most valiant servant, the gentleman from Iowa. And whatever else may be said of him, let it ever be recorded to his credit that he favored the provision written into Mr. Ford's proposal that Muscle Shoals should always be held and controlled by American citizens and by American citizens only. I say this reverently. I say it as one who in the hour of the Nation's danger was privileged to answer the Nation's call. I say it as one who would gladly answer that call to-morrow. But heaven forbid, that it should be my lot to answer that call with the powder horn of this Nation in the hands of a foreign power. [Applause.]

Mr. Chairman and gentlemen, as a Representative of the people of Alabama, commissioned by them to speak, standing here this hour and gathering in my own the voices of them all, I ask you to reject the power companies' offer; I ask you to accept the Ford offer; one means monopoly of my people, the other means freedom for my people; one means oppression and greed, the other means independence and opportunity; one means selfishness and cupidity and exploitation, the other means growth and happiness and prosperity; one is cast over with the pall of disappointment, of defeat, of disaster, the other fills the future with faith, with hope, with promise; one is unpatriotic and un-American, the other is patriotic and American; the one, God forbid, the other, God grant. [Applause.]

The CHAIRMAN. The time of the gentleman from Alabama has expired.

[By unanimous consent, Mr. HILL of Alabama was granted leave to extend his remarks in the RECORD.]

Mr. MORIN. Mr. Chairman, I yield 10 minutes to the gentleman from Nebraska [Mr. SIMMONS].

Mr. SIMMONS. Mr. Chairman, President Coolidge in his annual message to this Congress, discussing the situation at Muscle Shoals, stated the problem to be that of developing low-price nitrates—

> For the direct benefit of the farmers and the indirect benefit of the public in time of peace, and of the Government in time of war.

He stated:

> Such a solution will involve complicated negotiations, and there is no authority for that purpose. I therefore recommend that the Congress appoint a small joint committee to consider offers, conduct negotiations, and report definite recommendations.

Many of us listened to the President and believed that his recommendation was a wise one. Others of us, young in the service in this House, have been told that for those on this side the recommendation of the President was akin to gospel and should be obeyed, and that to fail to obey was sin. Imagine then our surprise to learn that this matter, sufficient in importance to receive special mention in the Executive message, has been handled without any apparent consideration being given to the logical plan of procedure which came from the White House.

Much has been said regarding Muscle Shoals, and little has come from it except to create a confusion in the public mind, both as to the facts involved and the purpose sought to be accomplished.

The proposed bill outlines a contract to be entered into on behalf of the Government authorizing the sale and leasing of valuable properties. Every question of its interpretation should be so safeguarded that the rights of the Government are without doubt fully protected. Every question of the advisability, feasibility, or advantage of the Government bartering away the great untold, almost unlimited resources of Muscle Shoals should be decided in favor of the people of the United States. It is their heritage, their birthright, not only for themselves but for generations yet unborn, that we are asked to dispose of in this act.

With that thought in mind I read this bill and wondered in doing so just why many of its provisions were made. Then I read the report of the majority of the committee and the letters therein from Henry Ford, and there I found my answer. Gentlemen on the Democratic side of the House criticized often during the debate on the tax bill the writing of that legislation in the Treasury Department, emphatically telling us that the writing and framing of legislation was the sole right and duty of Congress. Some of those same gentlemen now ask us to pass this bill without amendment, and I find that it was written, not in the Treasury Department by a sworn official of the Government, but that in all material points its contents were dictated almost word for word by the offer presented by an automobile manufacturer of Detroit.

This is not a question of the cheap production of fertilizer or the production of fertilizer at all. That can be produced and without doubt will be produced in the near future at Muscle Shoals. The sole question here should be, By whom should this fertilizer be produced? In other words, should the plant be sold; and if so, to whom? Or should the Government operate and control the plant?

If the answer is that the plant should be sold, then a reading of the bill, which, we are informed by its introducer, should not be amended, convinces me that it should not be sold under the conditions of this proposed act.

In the provision for the completion of both Dams Nos. 2 and 3 it is provided that the company shall complete Dam No. 2 and build Dam No. 3 "as speedily as possible at actual cost and without profit to the company." Around this are thrown no safeguards, no protection as to limiting cost, of giving public notice of contracts, no assurance of economy—none of the things are required to be done by the company which Mr. Ford is to organize such as the Government requires in all cases where it is acting directly. The Government does only one thing, and that is pay whatever bills Mr. Ford's company contracts in the building of this plant. After these dams are built Mr. Ford's company begins after a few years to pay 4 per cent interest on the investment. But it should be noted that the United States now has invested in Dam No. 2 about $17,000,000, upon which Mr.

Ford pays absolutely no interest or lease rental. He gets it free. The United States contracts to install machinery producing 850,000 horsepower; only 100,000 of it is to be used in producing fertilizer, and the rest is Ford's, absolutely to do with as he pleases, save and except not to exceed a small 300 horsepower which Mr. Ford's company agrees to deliver "free of charge" to the Government to operate the locks. Out of the unlimited power generated by the property paid for by the people of the United States the pittance of not to exceed 300 horsepower is given back in a great show of generosity.

The President in his message further stated:

> The best information I can secure indicates that present methods of power production would not be able profitably to meet the price at which these imports can be sold. To obtain a supply from this water power will require long and costly experimentation. Otherwise our purpose would fail completely. It seems desirable therefore in order to protect and promote the public welfare to have adequate covenants that such experimentation be made and carried on to success.

The company here covenants—

> to determine by research whether by means of electric-furnace methods and industrial chemistry there may be produced on a commercial scale fertilizer compounds of higher grade and at lower prices than farmers and other users of commercial fertilizers have in the past been able to obtain, and to determine whether in a broad way the application of electricity and industrial chemistry may accomplish for the agricultural industry of the country what they have economically accomplished for other industries; and if so found and determined, to reasonably employ such improved methods.

The President says this experimentation will be "long and costly" and that there should be "adequate covenants" that it be carried on to success.

In this clause there is nothing definite, nothing fixed in amount, time, method, nor plan; no assurance of success given, and if successful, the company agrees to "reasonably employ such improved method." A clause more indefinite, vague, and inconclusive could not be written regarding a matter upon which so much of the future of the industry depends.

This property is practically being given to Henry Ford, and yet the bill provides that in the event of war, when property and lives should be fully and freely placed at the disposal of the Government, if the Government wants this plant, or any part of it, it must protect Ford's company from its losses, not specified nor limited, must return the property in as good condition as when received, and must reasonably compensate the company for its use. The liberal provisions of this contract are not reciprocal even in time of great national emergency.

Neither is the company content with all of these benefits for 100 years, but unblushingly asks for a preference right in dealing with the Congress 100 years from now for further extensions of the use of this great resource.

The right to condemn private property for public use is a recognized right of the Government. But here it is proposed to condemn private property not for public use or public good but that, once condemned, it may be improved by the building of a steam plant thereon by funds taken from the Public Treasury and then sold to Ford's company at a small fraction of its cost for his private use and purposes. The United States agrees to buy rights of way, lands, and flowage rights at Dam No. 2 through an agent to be named, not by the United States but by the company. Have we reached the point in the development of the United States where the Government buying property to lease to a third party allows that third party to name the agent to conduct the negotiations for the Government?

These are but a few of the many places in the bill that are objectionable and sufficient to defeat it. But there are other reasons for rejecting this pact.

Mr. Ford does not put his fortune behind this plan, but only $10,000,000 in a corporation. There is nothing to prevent him selling at any time.

We propose to contract to keep these dams in repair for 100 years, at a fixed payment of $55,000 a year. There is absolutely no basis upon which these figures can be established; it may be necessary to rebuild the dams; they may be destroyed by flood or earthquake, but the Government and not Ford's company takes the risk. Who can estimate the purchasing power of the dollar 100 years from now? Yet this would bind the Government for 100 years without more than a wild guess of future conditions.

This bill, as I see it, is to give Ford and his company a fee simple title to about $90,000,000 worth of property for $5,000,000, the junk value of the property to-day being estimated at from $11,000,000 to $16,000,000. The steam plant included in this sale can be sold to-day for $4,500,000, so we are told. The Government now has $3,472,487.25 of this $5,000,000 in its Treasury, received from the sale of the Gorgas plant to the Alabama Power Co., and which Mr. Ford asks to be spent on a new plant.

It is proposed that we should appropriate $50,000,000 more to put this plant in operation and then lease it for a sum which the Senate Committee on Agriculture says amounts to 2.79 per cent per year. It is proposed to do this with money belonging to the people of the United States, taken from them by taxation, and at the same time grant to Mr. Ford's company the right to charge 8 per cent profit on fertilizer sold to our farmers and turn him absolutely loose in the profits he can make from the power monopoly which we give him.

The Federal water-power act provides that there shall be no grant of water-power privileges for more than 50 years—here it is proposed to make it 100 years. Another provision is that a small rental shall be paid for the use of power that belongs to all the people—here there is no rental for the power provided. Public control of the rates charged the consumers and a regulation of the service either by State or Federal authority is again a principle of development insisted on in America—here Mr. Ford's company is without regulation either by State or Federal authority. There is no limit to the profit he can make. We have heretofore asked the lessee to construct his own dams with his own money and take the risk of disaster and accident—here the Government furnishes the money to construct the dams and takes the risk of accident and disaster. Need more be said to defeat the bill?

Fertilizer may be necessary in many southern and eastern States now, and it will become more and more necessary as the years go on, and the Government should be in a position to develop and deliver that fertilizer to the people of the United States in unlimited, and not limited, amounts at cost, and not cost plus 8 per cent. My own State of Nebraska has used an average of 500 tons of commercial fertilizer per year for the past several years. During that same time the United States has used from 5,000,000 to 7,000,000 tons. When the time comes that the great States of the West demand a supply of fertilizer such as the East now uses, where are they to get it if the Government now adopts a policy of disposing of all its great resources and placing them out of the control of the American people? Mr. Ford's company agrees to produce only 40,000 tons of nitrogen—only one-half the present demand—and he can not be compelled to produce more, and will only produce that when it can be sold at a profit. Teapot Dome, with its oil is valuable, but when the oil is gone its value ends—it is a decreasing asset. Here the value of this asset increases with use. The public has condemned the leasing of the oil lands; it will condemn in like manner this bill when a full understanding of it is had.

Go back 100 years and picture the development of the United States—its railroads, telegraphs, telephones, electricity, chemistry, medicine, control of the air and the seas, the changes in methods of farming, and so forth. Imagine ahead development of similar import, and who can tell the demand for nitrate and power 50 or 75 years from now? Yet for 100 years this great power plant, with all its possibilities of service and good to the general public, is absolutely sold and disposed of—with only 40,000 tons of fixed nitrogen required to be produced—everything else belongs to Ford's company.

Surely some way can and must be devised whereby this resource can be properly developed, fertilizer produced, power benefits given to the people, and the Government protected without this great subsidy being given to Mr. Ford to enter into a profitable business.

Such a method is offered in the plan of Government ownership and operation offered in the Senate by Mr. NORRIS, of Nebraska. It keeps title to the property in the Government of the United States; it provides for the completion of Dams 2 and 3 by the Government and their operation and control by a Government corporation directed to operate the dams and steam plant at Muscle Shoals to supply explosives in time of war and fertilizer in time of peace, surplus power developed is to be sold, preference being given to State, counties, and municipalities under charges and regulations provided in the act. Nitrate plant No. 1, which Mr. Ford may abandon, the Norris bill provides shall be used for experimental purposes for the developing of improved methods for the extraction of nitrogen from the air. In case of war the whole plant can be taken over by the Government without cost to the taxpayer. Fertilizer will be produced, power will be distributed to the people at large instead of monopolized by one individual, the whole people will benefit and not a corporation. While not enough

fertilizer can be produced to supply the demand the Government will be in a position to prevent extortion. As I see it, everything that the people can gain by this development can be had by Government operation and control, and all rights and privileges belonging not only to this generation but to generations yet unborn will be adequately preserved. I favor the Government operation and control of this great project for the benefit of all the people.

Much has been said here regarding the benefit that the passage of this bill will confer upon the American farmer and appealing to his present distress as a reason for its passage. May I call the attention of this Congress to the fact that the great agricultural distress is in those States between the Mississippi River and the Rocky Mountains and north of the Mason and Dixon line, and that the passage of this bill will be of no present benefit to them.

This Congress can do much to aid in bringing back a measure of prosperity to the agricultural regions of the West. President Coolidge, in his annual address, stated:

> Competent authorities agree that an entire reorganization of the rate structure for freight is necessary. This should be ordered at once by Congress.
>
> The farmer—
>
> must be assisted by the reorganization of the freight-rate structure which could reduce charges on his production.

A reorganization of the freight-rate structure, with a consequent reduction on the products of the farms of the West, a freight-rate reduction for the western farming communities will be of great and material benefit. This Congress can start that in operation—the President asked on December 6 last that it be done at once. It has not yet been done.

In many sections of the West farmers on reclamation projects, who have staked their all in an effort to make the desert sections produce abundantly, who did so relying on the promises of the Government, are waiting while heartaches and tragedy increase for this Congress to give relief. They have seen their Government treat other great groups of citizens generously. They have heard of this bill loaning the people's money to Mr. Ford at 4 per cent while they are asked to pay 12 per cent interest on delinquent charges which they can not pay from the products of their farms. They have seen the agencies created by Congress to give the farmer financial relief refuse them aid, or having once given it the Federal agency has become the hardest taskmaster of them all. They have been told that farm lands were the basic wealth of the country, and they, owning lands, have offered them as collateral to the Federal reserve banks for loans to carry on their operations and been refused credit thereon. This should be corrected. They are asking the liberalization of the rules under which the farm-loan agencies operate in order that they may better serve.

They have believed that an increase of the tariff on wheat would help restore prices to their great commodity, and this Congress has refused to act at the request of their representatives.

They are asking this Congress to act, and act quickly, in the consideration of bills designed to bring about a better price condition for their commodities, to aid them in the diversification of their products, to reduce the spread between the consumer and the producer. These plans take money, but if the Government has money to assist Mr. Ford in the development of Muscle Shoals, then it also should have money to assist in the restoring of prosperity to the farmers of the West.

They have asked that freight congestion and high transportation rates be relieved by the developing of the inland waterways of the Nation.

The great Western States have led in the demand for the passage of adjusted compensation and are looking to this Congress to take quick and favorable action thereon.

The West also expects this Congress to submit for adoption the constitutional amendment recently passed in the Senate regarding the election of a President and Vice President and to submit an amendment regulating child labor. It expects this Congress to do justice to the requests of the postal employees of the country for a readjustment of salaries and allowances. It expects the passage of adequate pension bills for the veterans of the Civil and Spanish-American Wars, their widows and dependents. [Applause.]

Mr. QUIN. Mr. Chairman, I yield 13 minutes to the gentleman from South Carolina [Mr. McSWAIN], a member of the committee.

Mr. McSWAIN. Mr. Chairman, I yield, first, to the gentleman from Tennessee [Mr. SALMON].

Mr. SALMON. Mr. Chairman and gentlemen of the committee, I can not let the chance pass to take a few moments of your time to voice the sentiment of the people of the seventh congressional district of Tennessee. They have gone with this proposition from its inception to the present. Government operation is beyond question.

The disposition of Muscle Shoals is not a matter merely of local interests, nor is it a partisan matter; it is a subject in which the entire country is interested. It is one of the enterprises brought into being on account of the World War; contemplated at the time for the purpose of the manufacture of nitrates necessary in the manufacture of munitions.

The location of Muscle Shoals made it almost impenetrable from without, and nature's handiwork had formed one of the most ideal conditions for the harnessing of the water of the great Tennessee River and the development of hydroelectric power known to the country and probably the best known to civilized man. These elements concentrated and combined at Muscle Shoals in the northwestern corner of the State of Alabama, and just south of and across the line from southern Tennessee, caused the selection as the place for the erection and establishing the world's greatest nitrate plant and the building of one of the most gigantic dams and locks ever attempted in this country. The power to be produced from the harnessing of the Tennessee River at the point is estimated to be over 1,000,000 potential horsepower. Here the river is about three-quarters of a mile wide, passing over solid limestone rock for a distance of something like 30 miles and through a channel cut through a tableland, with the banks on each side ranging from 150 to 300 feet high.

The importance of the place discovered, the decision made, the necessity being great, the Government entered upon the construction of the dam known as the Wilson Dam and the building of two nitrate plants—thousands of cottages suitable for housing tenants, employees, without reserve and probably with one of the greatest aggregation of engineers, mechanics, and laborers employed anywhere in the United States at any time on a similar project. Cost, expense, nor economy were considered, but the one sole object was to harness the power, transmit it into electrical energy at the earliest time possible in the production of war munitions. Wages and materials were high, and no time taken to develop and try out economical systems in the development of this project, hence it is estimated that the prosecution of the projects during this trying period must have cost at least twice as much as it would have cost in normal times, and, too, being done at a time when the American dollar was worth only about 55 or 60 per cent of its normal value. Therefore the real value of that portion of the project completed during this period would not be much, if any, over half the actual amount expended.

The only portion of this project which is of stable and lasting value is the dam and locks, steam plants, quarries, and acquired lands. The ever-changing process of the development of such chemicals as nitrates and the machinery necessary for its production may render practically worthless the nitrate plants hastily constructed during the emergency of the World War.

The hundreds of thousands of dollars expended by the Government for tools and equipment for temporary use in construction and the temporary buildings erected for housing during this emergency can be of little value even in scrapping. Therefore the only real, tangible asset the Government has to dispose of is composed of the dams, steam plant, rock quarry, and lands. The other portions of the project are of doubtful value. There was so much doubt about the peace-time value of this project that early after the armistice it was freely discussed and predicted in Government circles and throughout the country that the entire project should be abandoned and the materials scrapped and disposed of. Just at this time, when the Government representatives were seemingly perplexed, without purpose or policy regarding the project, they turned to America's two greatest geniuses—Mr. Edison, the inventive genius, and Mr. Ford, the industrial genius—for investigation, advice, and counsel. These two men, at their own expense and in their own way, visited the project, made minute investigations of its possibilities, and reported to the Government, thus saving Muscle Shoals from the same character of scrap heap to which so many war enterprises had been consigned.

Then followed the proposition of Mr. Ford to take over the undertaking, complete the Wilson Dam and build Dam No. 8, utilize the power produced by the harnessing of the Tennessee River in the manufacture of nitrates for use as a component of fertilizer in time of peace and for the manufacture of nitrates and munitions of war in time of war, agreeing to maintain and keep in repair the entire project for a period of 100 years, binding himself, his heirs, assigns, and estate to organize a $10,000,000 corporation as a guaranty that his proposition would

be fulfilled and carried out. Up until that time other interests had manifested no interest in rescuing the Muscle Shoals proposition from disuse and the scrap heap. But as it began to appear that one of the Nation's greatest natural resources in hydroelectric power was going to be harnessed and utilized neighboring and competing interests began to take notice, and at first began to disseminate propaganda questioning Ford's ability to perfect the project and manufacture nitrates; but this argument was soon utterly refuted by Ford's known achievement, and then they began another propaganda to the effect that Ford had not offered the Government enough for the project, that an individual should not control it, and by many other methods succeeded in so muddying the minds of the Representatives that legislative action was stifled for more than two years.

Just about the time the committee in charge, at this session of Congress, was ready to make a report on the acceptance of the Ford offer these ambitious competitive neighbors came forth with a proposition to lease the plant for a shorter period than the Ford offer. Then followed another flood of propaganda to the effect that the Ford proposition was violative of the national defense act of 1916 and water power act of 1920, and this is the question seriously urged on the floor of the House to-day, but incidentally insist that their proposition would pay more money to the Government than would be received by it from the Ford offer. This argument "sticks in the back," as we are now disposing of a war-time emergency project.

Following this proposition manufacturing interests, chambers of commerce, and newspapers influenced directly or indirectly by them, began a gigantic and well-directed propaganda in favor of this proposition and against the Ford offer. Almost every Member of Congress has been flooded with resolutions, letters, and newspaper clippings in furtherance of this propaganda. The Ford offer has withstood all of these onslaughts and now stands forth among the agricultural interests of the country and all other allied interests as being the best offer for the Government, and for the whole people, for the handling and operation of this great resource.

I have the proud honor to represent one of the great agricultural districts in the blue-grass region of southern middle Tennessee, which section is noted for its fertile soil, great livestock industry, a large part of its territory being underlaid with rich phosphate rock from which phosphoric acid, one of the necessary components in the manufacture of fertilizer, is extracted.

The phosphate areas in this section are among the largest and richest in the United States; thus, with the manufacture of nitrates at Muscle Shoals and the production of phosphoric acid from this great area of phosphate-bearing rock in the same or near-by communities, affording two of the principal necessary components of fertilizer, make the Muscle Shoals project a national question in which every section of the United States is vitally interested.

That Mr. Ford will be the most potent factor in bringing success out of the Muscle Shoals proposition in bringing together these two necessary components in the production of commercial fertilizer is nowhere questioned or doubted.

For these reasons and further for the reason of the unshaken confidence in the honesty, integrity, sincerity, and financial ability of Henry Ford, and his determination to carry into effect his proposition and aim in the matter, almost every farmer in my entire district and in the State of Tennessee is insisting that the Ford proposition should be accepted at the earliest possible moment. That his organization may take immediate charge, complete the construction work, and put the machinery of the plant in motion, and the President's instruction to turn this project over to private interests for completion and operation, should result in the unanimous passage of the McKenzie bill, thus discontinuing the red-tape expensive governmental development at the expense of the tax-paying public and that peace-time operation of the enterprise be finally and fully declared abandoned. [Applause.]

Mr. McSWAIN. Mr. Chairman and gentlemen of the committee, the distinguished gentleman and public servant from Ohio [Mr. BURTON] used 55 minutes of time in discussing this question and evidently made a profound impression upon the minds of some members of the committee. Yet, I call attention to the fact that during the whole 55 minutes not one single word escaped the lips of the gentleman from Ohio to indicate that there was crossing his mind the fundamental thought back of this whole proposition, namely, to provide for national defense. In a few weeks this House will have passed appropriation bills for the Army and the Navy aggregating, perhaps, over $700,000,000, and that thing will go on year after year, never diminishing, but as we shall grow in population and power and in duty to defend this population and possessions, it will increase, perhaps, to two or three times the present sums. Yet every cannon will be defenseless, every rifle as useless as a dry cornstalk, every bomb as harmless as a baseball, unless there be sufficient nitrate, the essential destructive explosive element, and in every ingredient that goes in to make high explosives essential in war. The only resource, the only place on earth where natural nitrates may be had in sufficient quantities for war or fertilizer is in Chile. History no older than 10 years tells us the importance of that. When war broke out in Europe in 1914 both the Central Powers and the allied powers were utterly dependent upon Chilean nitrates for explosives.

On November 1, 1914, the German fleet destroyed the British fleet off the coast of Peru and shut off the supply of nitrates for the Allies. If that condition had continued, the fight for the Allies, the fight for liberty, the fight for parliamentary government, the fight for the people, could not have continued for six months. Fortunately on December 16, off the Falkland Islands, the British fleet destroyed the German fleet and opened the avenue for nitrates to pass to the Allies and closed the way by which they might reach Germany. The Germans then had to resort to the very thing we are now seeking to resort to, to wit, the fixation of atmospheric nitrogen. Further than that we now could easily be cut off in time of war by a naval power having equal or greater strength than ourselves by taking advantage of some peculiar strategic position. We are separated by thousands of miles of water from our base of nitrogen supply. The only thing that we can do to make ourselves safe, to make our artillery worth while, the only thing that national defense requires, is to have an inland supply of nitrogen—an inland supply so far from the coast that even should foreign fleets take possession of the coast towns no "big Bertha" that could be mounted on the coast could ever reach the inland supply of nitrogen and destroy it. Such a safe and secure inland supply is to be had out yonder at Muscle Shoals, and another such will in time be placed at Bowlder Canyon on the Colorado River and later in other parts of the Nation.

So goes the logic of the situation. Fortunately—it seems as if by a divine place—the very power that is used to destroy human life in time of war, to wit, nitrogen, is the power necessary to produce the things essential to preserve human life in time of peace, to wit, nitrogen. [Applause.]

ECONOMICAL NATIONAL DEFENSE POLICY.

Now, that is just what we have in the proposition now before Congress. The nitrate plant is more important than any arsenal or machine shop or navy yard, because they are all powerless without nitrates. The contract will bind Henry Ford to keep nitrate plant No. 2 in perfect condition to make nitrates for war purposes at any time during the whole period of 100 years. If the Government were to undertake to maintain this nitrate plant itself, as it does maintain its ordnance factories and navy yards and arsenals, then it would necessitate an annual appropriation of several million dollars, and this sum of money if placed into a sinking fund would in the course of 100 years reach staggering proportions. The cumulative power of money at interest is beyond the ordinary comprehension of us people who are not accustomed to dealing with it. But for illustration, I will state that $1 put up annually, at the end of 100 years—this representing a principal of $100 only—will, if placed at interest of 4 per cent, amount at the end of 100 years to over $1,287. So that one dollar by the growing power of interest becomes more than $12.

DO WE WANT GOVERNMENT OWNERSHIP, GREED, AND GRAFT?

The only question that confronts us as practical men at this time is, Shall we accept the Ford offer, or shall the Government itself complete and operate the plant at Muscle Shoals? Undoubtedly the so-called offer of the Alabama Power Co. and its associates is not worthy of serious consideration. It is a feeble imitation of some of the best points in the Ford offer, but it falls down at the vital places.

First of all, when the matter was first presented to them several years ago they ignored the whole matter, practically said that it was worthless to them, that the water power could not be developed at a cost that would prove remunerative, and held on with a deathlike clutch to their contract made under the exigency of war, whereby they claimed the right to purchase the Gorgas steam plant. The Department of Justice denounced the exacting, harsh terms of said contract, and expressed the opinion that it indicated the spirit of one seeking to drive a hard bargain with his own country in time of war.

THOUGHT THEY HAD KILLED FORD'S OFFER.

Finally, after long negotiations and frequent refusals by the Alabama Power Co. to state to the public in the hearings before the Committee on Military Affairs what it considered to be the reasonable value of the Gorgas steam plant, said plant was sold by the Secretary of War to the Alabama Power Co. for about $3,500,000. Then the Alabama Power Co. thought that Ford's offer was dead. Ford had said that his proposition stood as a whole, and that he considered the Gorgas plant essential to the economical and businesslike operation of the nitrate plants at Muscle Shoals.

MADDEN'S SUGGESTION TORPEDOED ALABAMA POWER CO.

But in the face of the insistent demands from the farmers from every corner of the Nation that this great opportunity to produce fertilizers at reasonable prices and thus restore our waste lands and increase the economical production of foodstuffs, and thus while making agriculture more profitable at the same time reduce the cost of living to the people massed in industrial and commercial centers, the Hon. MARTIN B. MADDEN, chairman of the great Committee on Appropriations and universally considered to be a hard-headed, successful business man, who knows the value of a dollar, and believes in saving to the Treasury of the Nation every cent possible, and who has stood four-square many a time in the breach when efforts to raid the Treasury were being made, came forward with the proposition that in order to meet the terms of Henry Ford and give him no excuse to escape from his proposition, and thus bind him to assist this Government to carry on its program of national defense and to produce cheaper fertilizers in time of peace, that he [MADDEN] would advocate the building by this Government of a steam plant to take the place of Gorgas steam plant and thus be in a position to accept the Ford offer.

MIRACULOUS CHANGE BY ALABAMA POWER CO.

When this announcement was made from a responsible official of the Republican Party in close touch with the administration, when the President came forward with his message urging final and definite decision upon the disposition of Muscle Shoals, then consternation reigned in the ranks of the Alabama Power Co. Suddenly the Alabama Power Co. saw all of its deep-laid schemes to wreck by inaction and indirection the great project at Muscle Shoals falling to pieces, and saw rising the stalwart statue of a real competitor in the field of power production and of power distribution. Naturally the Alabama Power Co. has received sympathetic support from the Fertilizer Trust of the Nation, and from the financial interests that are common to both the Alabama Power Co. and the Fertilizer Trust. So that here a competitor was rising to haunt the Fertilizer Trust also. Then the Alabama Power Co. got busy and hearings were resumed on the bill early in January, 1924, and the Alabama Power Co. was certainly on the scene, having enlisted the cooperation of other southern power companies, and particularly the Tennessee Power Co. and the Memphis Light & Power Co. I can not see any of the earmarks of sincerity in the proposition of the Alabama Power Co. The officers of that concern, especially Mr. Thomas W. Martin, as the record will show, have been intimately familiar with the whole nitrate program planned by this Government more than eight years ago, and enacted into section 124 of the national defense act in 1916. He has known that the manufacture of nitrates for fertilizer purposes in time of peace from the same plant that was designed to manufacture nitrate explosives in time of war was a part of the same great conception and the same wise plan for the economical production of nitrates which are alike essential to the destructive power of war and to the productive power of agriculture in time of peace.

Nitrates are necessary to kill human beings in war, and necessary to feed human beings in peace. Yet in the face of all this knowledge the Alabama Power Co. came forward with a purely power proposition only, and utterly ignored the fertilizer end of the proposition. When that was called to the attention of their representative, Mr. Yates, he alluded in a veiled and mysterious sort of way to certain "other persons" who would come to Washington to make a flattering offer to take care of the fertilizer end. Finally, becoming impatient with this "hide and seek" method, I interrogated Mr. Yates, as will be found on page 74 of the printed hearings, as follows:

Mr. MCSWAIN. These gentlemen who are prepared, or who are going to be prepared, about the fertilizer proposition, are on their way to Washington?

Mr. YATES. Yes, sir.

Mr. MCSWAIN. Are they anywhere within 1,000 miles of Washington now, do you think?

Mr. YATES. Well, I think probably one is; the others are not.

Mr. MCSWAIN. How many thousands of miles do you think the others are away?

Mr. YATES. I should say there are probably two of them close to 1,000 miles away at this time.

Mr. MCSWAIN. Do you think those two will be prepared to talk when they get here?

Mr. YATES. I believe they will within a reasonable time; yes, sir.

The CHAIRMAN. What do you call a reasonable time?

Mr. YATES. I think this proposal, Mr. Chairman, should go in to-morrow or the day following. Now, I can not say more than that. We have to discuss several matters with them and put the proposal in and arrange for their testimony.

The next day Mr. Yates was back before the committee killing time with rambling and irrelevant talk, and when I again sought to get some definite information, as will be found on page 92 of the printed hearings, said:

Mr. MCSWAIN. I want to ask for some information again this morning, not opinion. I would like to ask if those two gentlemen who represent somebody who proposes to take the power from you for the purpose of manufacturing fertilizer have arrived in Washington?

Mr. YATES. Yes, sir.

Mr. MCSWAIN. Where are they—are they in this room?

Mr. YATES. No, sir.

Mr. MCSWAIN. They are not in this room?

Mr. YATES. No, sir.

Mr. MCSWAIN. Then, are they in Washington?

Mr. YATES. They are at the hotel.

Mr. MCSWAIN. Have you seen them?

Mr. YATES. Yes, sir.

Mr. MCSWAIN. Where did you see them?

Mr. YATES. At the Washington Hotel.

Mr. MCSWAIN. They are at the Washington Hotel?

Mr. YATES. Yes, sir.

Mr. MCSWAIN. What are their names?

Mr. YATES. I would prefer not to state.

Mr. MCSWAIN. We want to know; we want information, not opinion.

Mr. YATES. I know; but I have said in every way I could we are going to have them here, sir.

Mr. MCSWAIN. Are they not coming before this committee?

Mr. YATES. Yes, sir.

Mr. MCSWAIN. Then, where is there any objection to giving their names if they are coming.

Mr. YATES. I prefer not to do it.

ALABAMA POWER CO. WAS "THE OTHER PEOPLE."

The upshot of the whole thing was that on January 24 there was brought in what was called the offer of the fertilizer people, and, to my surprise and astonishment, this proposition was signed by the same identical corporations that signed the power proposition of January 15, with the additions of the names of Mr. Swann, Mr. Bacon, and Mr. Jones, who are understood not to represent very much financial strength, if any, but merely to have an associate and working relation with the power companies in the fertilizer proposition.

So that it appears that Mr. Yates was trifling with the committee when he said that the people who were going to make the fertilizer proposition were on their way to Washington and would arrive in time to go before the committee the next day, when, in fact, they were already in Washington, and Mr. Yates was one of them, representing the Alabama Power Co., and knew as much then and there as he knew on January 24, and as he knows to-day, about any fertilizer proposition.

Therefore when he answered the questions propounded on page 92 in the evasive, wriggling way that the record discloses, it is entirely manifest that Mr. Yates was not candid with the committee, and it is not surprising therefore that his propositions were looked upon with suspicion.

POWER END MUST GUARANTEE FERTILIZER PRODUCTION.

When the propositions of the power companies are properly scrutinized, it is manifest that they were hurriedly hatched up to try to stem the tide toward the acceptance of the Ford offer and not with any sincere businesslike intention of having them accepted instead of the Ford offer. It is well understood that the committee and the Congress and the country would insist that the power and the nitrate elements in this proposition would be so interlocked and interdependent that the power factor would guarantee and enforce the nitrate factor. The power companies came first of all on January 15 with a power proposition, pure and simple, and suggested as a sort of side issue and fifth wheel that another concern would later take up and consider the fertilizer end. Then the proposition of January 24 was finally fixed up and reluctantly brought in, and we see no interlocking and interdependence between it and the

power whatever. First of all it speaks of a $5,000,000 corporation, but does not assure us that this will be paid in in cash, and, on the contrary, it might be a mere man of straw. And then it speaks of "commencing the manufacture of fertilizer after the construction of the first unit of its plant shall have been finished," and will start with 5,000 tons of nitrogen a year and gradually increase the production as the farmers may demand.

Instead of agreeing to a nonpartisan board of judges appointed by the President and confirmed by the Senate, representing every group of farmers in the Nation, it suggests that a single executive officer, to wit, the Secretary of Agriculture, appoint the commission, and that this commission would be the mere responsible creature of the Secretary of Agriculture alone, and does not give this price-fixing commission any of the legal status that the Ford offer does, and the offer of the power companies does not confer upon any officer of the United States the power of visitation and inspection, and, therefore, of criticism and correction, that the Ford offer does.

FIFTEEN MILLION DOLLAR CORPORATION A MYTH.

Finally, when all these matters were called to the attention of the Alabama Power Co., while the hearings were still on, one of their representatives, Mr. Yates, in desperation, seeing that they had failed to confuse the issue as they had expected, stated orally before the committee that they would agree to organize one single corporation with a capital stock of $15,000,000, to correct the other propositions, but they did not sign any paper to that effect and have never signed any paper to that effect. They did not say that this $15,000,000 or any part of it would be cash. It remains to be stated what part of it would be water, and what part would be promotion funds, and what part would be patent rights, and what part would be mere hot air.

WHY THE FORD ENEMIES WANT GOVERNMENT OPERATION.

So we come to the proposition again that the only thing before the country now is either the Ford offer or Government operation. It is true that the enemies of Mr. Ford and of his business policies, and of his personal views and private character, are so fixed in their prejudices that they would rather see the Government embark in this enterprise of making fertilizer than to see Henry Ford undertake in this way to serve his Nation by assisting agriculture in peace and by assisting national defense in time of war.

It is manifest that Mr. Ford like all great, strong, and outstanding characters has succeeded in creating many powerful enemies, and these enemies place their opposition upon a multitude of grounds. Some are so idle and frivolous as to say that because he organized the "peace-ship trip" he is too idealistic and impracticable to intrust with Muscle Shoals. Some say because he has made several hundred million dollars by manufacturing cheap cars that he sells at a very low price that he has all the money that any one man ought to have, and to let him take up his obligations under this Muscle Shoals proposition would add many millions more to his pile. Some object because he heretofore had political ambitions. Others object because having abandoned his political ambitions he has announced in favor of a particular candidate. Others object because they do not like his cars, saying that they are too "rattly" and are really dangerous to human life. These fastidious persons should find Lincoln cars more to their taste, but there they find an objection on the ground that the Lincoln is too expensive and too fine and only manifests Mr. Ford's extravagant taste. All these enemies of Mr. Ford have combined to defeat this great national enterprise. Some hate Mr. Ford because he was the first great outstanding industrialist that raised the wages of his employees. Others hate him because having bought in a bankrupt railroad, by reducing rates he built it to great financial independence. Others hate him because he refused to be sandbagged and profiteered upon by the bootlegging coal dealers and went to the mountains and bought a coal mine of his own. All these classes who hate Mr. Ford must take full responsibility for playing into the hands of the Power Trust of the South Atlantic States and the Fertilizer Trust of the United States.

GOVERNMENT OWNERSHIP AND ECONOMIC SABOTAGE.

The Power Trust and the Fertilizer Trust, though they generally oppose governmental operation with all the vigor of their beings, yet to-day would prefer to see the Government embark in the manufacture of fertilizer at Muscle Shoals rather than to let Henry Ford do it. And why? Because they feel satisfied that they can continue their program of sniping and that they can carry on a guerrilla warfare with the Government operations; that they can seduce and traduce first this Government agent and then that Government agent until the whole project will be in confusion; and finally, when ruined and totally discredited, that a disgusted Government will give up the whole proposition and close down the fertilizer mill and allow the nitrate plants, essential to national defense, to become inadequate and worthless, and thus throw back into the hands of these monopolists their great opportunity to continue to pile up in peace and war countless millions at the expense of the American people.

TEST NOT MERE RICHES, BUT TEST IS HOW WERE RICHES MADE AND HOW NOW USED.

What if Mr. Ford is very wealthy? Certainly he has made his fortune by his own physical and intellectual efforts. He has contributed wonderfully to the comfort and happiness of the masses of the people. He has made profits, but he has been willing to divide his profits with the public. As the price of raw material fell he would reduce the price of his cars. Millions and millions of poor men, women, and children that never would have tasted the joy of automobile riding and that could never own a Packard or a Cadillac, or even a Dodge, have been able to buy Ford touring cars and cross over the bounds of State lines and to visit scenes that otherwise would have been forever sealed to them, and thus to broaden their vision and to deepen their feelings and to carry them home filled with new ideas and deeper inspiration and to profit by the observations made in distant sections, counties, and States.

Mr. HASTINGS. Mr. Chairman, the bill under consideration, H. R. 518, is to authorize the Secretary of War on behalf of the Government to sell to Henry Ford, or a corporation to be incorporated by him, nitrate plants Nos. 1 and 2, Waco Quarry, and to lease Dams Nos. 2 and 3 for a period of 100 years.

I have given this bill as careful consideration as my other duties as a Member of Congress will permit. I am not an engineer and therefore can not go into the details of the engineering features of the bill. Neither am I a member of the Military Committee, and I have therefore not had the advantage of the extensive hearings held by that committee. This proposition has been under consideration for some time. It must be assumed that the Military Committee and the Secretary of War have driven the best bargain for the Government that could be made with Henry Ford with reference to this project.

Briefly, the bill (sec. 1) authorizes the contract to be made with Henry Ford, or a corporation with a minimum capital of $12,000,000 to be organized by him; the company is to complete (sec. 2) Dam No. 2, its locks, power house, and all necessary equipment as speedily as possible at actual cost for the Government and without profit to the company; the company is to lease (sec. 3) Dam No. 2, its power house and equipment, except the locks, for a period of 100 years, conditioned upon payment to the United States as an annual rental therefor 4 per cent of the actual cost of acquiring land and flowage rights and of completing the locks, dam, and power house, including all expenditures made subsequent to May 31, 1922, the interest being payable annually; and, in addition (sec. 4), pay $35,000 annually for repairs, maintenance, and operation of Dam No. 2, its gates and locks; and the company (sec. 5) agrees to furnish power sufficient for the operation of the locks, not in excess of 200 horsepower. The company further agrees (sec. 6) to construct for the United States, in accordance with plans and specifications of the Chief of Engineers, Dam No. 3 at actual cost to the company, lease the same (sec. 7) for a like period and upon practically the same terms as that of lease of Dam No. 2, and (sec. 8) pay $20,000 annually for repairs and maintenance of this dam. A sinking fund is provided, to be paid annually, of $19,868 and $3,505 by the company, sufficient to repay the Government for the money advanced in completing the construction of Dam No. 2 and for the construction of Dam No. 3. The work is to be done in accordance with plans and specifications prepared by the Chief of Engineers of the United States Army. The company (sec. 11) agrees to purchase from the United States nitrate plant No. 2 and nitrate plant No. 1, also the Waco Quarry, for a consideration (sec. 12) of $5,000,000, payable in installments, the deferred payments bearing 5 per cent interest. The company agrees (sec. 13) not to permit the property to depreciate but to keep it in a good state of repair, and agrees (sec. 14) to maintain nitrate plant No. 2 in its present state of readiness, or its equivalent, for immediate operation in the manufacture of materials necessary in time of war for the production of explosives. This is a very important provision. This plant is happily located in the inland at Muscle Shoals in northern Alabama and can not be reached by foreign foes.

FERTILIZER FOR FARMS.

I am particularly interested in the bill for the reason that it provides (sec. 14) that one of the principal considerations for the contract is the agreement on behalf of the company to manufacture nitrogen and other commercial fertilizers during the entire period of the lease, at nitrate plant No. 2, of at least 40,000 tons of fixed nitrogen, which is the present annual capacity of this nitrate plant, and in the event that the plant is destroyed or damaged the same will be rebuilt. The company agrees (sec. 15) to sell fertilizer products to the farmers and other users of fertilizers at a price which shall not exceed 8 per cent of the fair, actual cost of production, and agrees to the appointment of a board of nine members nominated by the leading farm organizations, from whom the President shall select the members, subject to confirmation by the Senate, and this board, advised by a representative of the Bureau of Markets, shall determine what has been the cost of manufacture and sale of fertilizer products and regulates the price at which said fertilizer may be sold by the company, limiting the profit to 8 per cent of the actual cost. This is a very important provision to the farmers of the country. It is a provision of the very greatest value to the farmers of the South and West. The farmers are in a very depressed condition. Everybody appreciates that. Every effort should be made through legislation and administration to relieve them. The cost of production of the leading agricultural products is greater than the farmers get for them in the market. The farmers of the country need, in my opinion, among other things—

First. To be supplied with money at a lower rate of interest on long-time loans. This is attempted to be done, and is being done, through the farm land banks, the one serving Oklahoma being located at Wichita, Kans.

Second. They need better marketing facilities, and there are many bills pending before Congress at the present time and under consideration by the Committee on Agriculture to assist them in this respect. They are doing a wonderful work themselves through cooperative agencies in studying the question of marketing and in marketing their farm products. In this respect they need more financial assistance to enable them to hold their farm products so as not to be compelled to sell them upon a depressed market, but to hold and sell their products as they may be orderly marketed.

Third. They need to be encouraged in lowering the costs of production. Cheap fertilizer aids in this respect. Of course, everyone appreciates that if fertilizer is manufactured at a price that is not prohibitive and if the farmers are able by the use of a sufficient amount of fertilizer to double the amount of cotton raised per acre or the yield of wheat, oats, or increase the amount of any other farm product that can be produced from an acre of ground, the cost of production will be correspondingly lowered and the farmers will profit thereby. At present the prices of commercial fertilizer is prohibitive in Oklahoma and but little is being used. It will be a great advantage to farmers to use some fertilizer on every farm. The original cost of fertilizer is in the first place too great, and in the second place the cost of transportation would prohibit the use by farmers of very much fertilizer. The location of this plant at Muscle Shoals on the Tennessee River, in northern Alabama, is accessible to the farmers of the South, and with the Tennessee River improved it can be easily made navigable for small boats which could transport fertilizer down the Tennessee into the Ohio and Mississippi Rivers, then up its tributaries, insuring water rates to a great area of country, including my own State of Oklahoma, which would have a water rate up to Fort Smith, Ark., and perhaps to Muskogee, Okla.

I favor the lease to the company to be organized by Henry Ford because—

First. It is generally recognized throughout the country that he is financially responsible and that a contract entered into with him will be carried out.

Second. It is with some embarrassment and reluctance that I say that, in my judgment, unless this bill is passed authorizing a contract to be made with this company to be organized by Henry Ford these dams will not be completed and no similar contract will be let by the authority of Congress to any other company. I base this statement upon the arguments made during the consideration of this bill and the several votes cast. I deeply regret the sectional arguments and appeals that have been made on the floor and the sectional spirit evidenced by the many votes and large number of hostile amendments offered for no other purpose than to divide the friends of the measure and to defeat it. The name of Henry Ford is an influence which has brought to the support of this bill barely sufficient number of Members of Congress to insure its favorable consideration. No other company could have brought to the support of this bill sufficient influence to insure the appropriation of a sufficient amount of money to insure the completion of Dam No. 2 and the construction of Dam No. 3 in any State in the South. We might just as well understand it, and the farmers of the country might as well understand it that if they hope to break the strangle hold of the trusts and combinations they had better get behind this bill as it passed the House. I voted against a great many amendments, which, if I had been drawing the contract, I would have supported. I was bound to assume that the Committee on Military Affairs and the Secretary of War had secured all the favorable provisions possible written into the contract, and I did not want to vote for amendments, although I favored them, if I thought that such amendments stood in the way of completing this project which I regard of such very vital interest to the farmers of the country. As your farm lands become more unproductive the need of cheap fertilizers from year to year will be felt.

Again I favored the contract with the Ford Co. over propositions made by other companies not only for the reason that the Military Committee after a thorough investigation had recommended the Ford Co., but the people of northern Alabama and the adjacent country of Tennessee, commercial bodies, business men, farmers and laborers, and in fact all classes of people, are almost a unit in favor of the Ford Co. Why is this? They had an opportunity to investigate these companies. They are not deceived by the offers of other companies. They know, of course, that the fight against the Ford offer is not only made by other power plants but in a very adroit way by the Fertilizer Trust and combinations and that all amendments are offered for the purpose of dividing the friends of the measure and to reduce the slender majority for the bill to a minority and accomplish its defeat.

The completion of this project as contemplated by this bill means a reawakening of the farmers of the South and West. It will give them renewed hope. It will convince them that the Congress of the United States is really trying to do something worth while for the farmers of the country. Of course, the farmers need other things than cheap fertilizers, but these other needs are subject matters of other bills and should be considered, and I trust will be considered, at an early date in the House. The farmers of the country will not be deceived by the many criticisms made of the bill and the many attempts made to amend it in order to encompass its defeat. The dams will be completed at Muscle Shoals and the power utilized for the benefit of the farmers of the country through a contract made with the Henry Ford Co., or cheap fertilizer will not be supplied to the farmers of the country during the present generation.

Mr. KENT. Mr. Chairman, I yield 20 minutes' time to the gentleman from Georgia [Mr. WRIGHT]. [Applause.]

Mr. WRIGHT. Mr. Chairman and gentlemen of the committee, as is well known, the Muscle Shoals project was inaugurated under the provisions of the national defense act of 1916, the particular provision under which this great project was started being that the President of the United States might select some place for the purpose of manufacturing nitrates for explosives in time of war and for fertilizers in time of peace. It would seem from the discussion of this great question that gentlemen overlook the original and prime objects and purposes for which this great plant was inaugurated. It is confused and confounded with a purely water-power proposition, when, as a matter of fact, the water power is but an incident to the great objects and purposes which the Government had in mind in the installation of this plant, these purposes, as before stated, being for the manufacture of nitrates to be used in the manufacture of explosives in time of war and for fertilizers in time of peace. The plant was located at Muscle Shoals simply because of the available water power at that point which could be developed to drive the machinery necessary to carry out the great objects and purposes which I have indicated. So that I repeat, that water-power element now sought to be made a dominant matter by the opponents of the pending bill is only secondary and is incident to carrying out the great scheme and purposes which the Government had in mind. Now, gentlemen, I wish you could go back just a few years and follow the history of this proposition. It will be recalled that the Government commenced the work of the construction of Dam No. 2, known as the Wilson Dam, and about $17,000,000 had been expended on that one project during and just after the war, and a great nitrate plant was constructed at Muscle Shoals, known as No. 2, which cost $67,000,000. Nitrate plant No. 1 was constructed at a cost of something like $12,000,000. After the close of the war and after about $17,000,000 had been expended on the construction

of the dam, as well as the other large expenditures, the work stopped because of the lack of any further appropriation.

It will be recalled by gentlemen now Members of the House that the Congress absolutely refused to appropriate one dollar to prosecute further the work on the construction of the Wilson Dam. The new administration came into power and evidently regarded this Muscle Shoals project as a veritable white elephant upon its hands; and soon after Mr. Weeks became Secretary of War he directed General Beach, Chief of Engineers, to put out advertisements, so to speak, over the country to see if anybody or any company would come forward and make the Government any proposition for Muscle Shoals. Keep in mind, it was standing still, going to decay, rapidly deteriorating, the cofferdams going down and decaying, and $500,000 to $1,000,000 was being annually spent by the Government simply in caring for and preserving the property. Now, gentlemen, under those circumstances, and after these advertisements were sent out, what happened? These southern power companies which we hear so much about appeared before General Beach and absolutely discouraged the spending of another dollar at Muscle Shoals, indicating it was an impractical proposition to go any further with the construction of this great dam. They indicated to General Beach that it would be an unprofitable venture for the Government or anybody else to prosecute this work, and the only man in the whole world who came forward with a proposition was Henry Ford. Now, this proposition has been pending for over two years. I undertake to tell you, after a careful study of all the propositions which have been submitted, that the Henry Ford offer is the only single comprehensive offer which has ever been made which contemplates the carrying out of the purposes the Government had in mind in the inauguration of this great plant. I shall not take the time to enumerate its numerous provisions. You will understand that the prime object is to keep this country supplied with nitrates for explosives in time of war and, secondly, for the manufacture of fertilizers in time of peace. Now, there has been stressed here the great importance of the fertilizer proposition, but I fear many Members do not know the magnitude of what the fertilizer proposition means in the United States. Why, gentlemen, do you know that the statistics for the year 1920 show that there were used in this country fertilizers amounting to $326,399,900?

There was an increase from the year 1910 to the year 1920 from $114,882,551 to the amount I have indicated for 1920. In the year 1922 the figures show there were about 6,000,000 tons of fertilizers used in the United States. Now, you will bear in mind that a balanced commercial fertilizer consists of three elements, acid phosphate, potash, and nitrogen, and about one-fourth of these elements is nitrogen, and nitrogen is the most expensive element. It costs about twice as much as the potash and acid phosphate. Now, I want to give a few figures on Chilean nitrates. You will understand we have been relying on Chile for our nitrate supply from time immemorial.

It is expected that the manufacture by Mr. Ford of fixed nitrogen from the air at Muscle Shoals would work a veritable revolution in the manufacture and use of fertilizer in the United States. As commercial fertilizer is now manufactured and sold to the farmers there is only about an average of 300 pounds of real plant food in a ton—the remaining 1,700 pounds being inert matter or what is known as "filler." Mr. Ford could sell the fertilizer in concentrated form—the real plant food—without the filler and the farmer could do his own mixing and thereby save the enormous expense of the handling, mixing, and freight on the 1,700 pounds of inert matter or filler. Every farm has an abundance of earth suitable for this mixing. Besides the time will, perhaps, soon arrive when the real plant food in the concentrated form will be distributed in the fields without mixing with a filler.

It should also be kept in mind that the use of fertilizer is general—every State in the Union using it.

Beginning with 1831 and up to and including the first seven months of the fiscal year 1924 we imported from Chile 16,902,532 long tons. The duty we paid Chile alone on that nitrate amounts to $209,178,989.35. To-day this nitrate is costing the people of the United States $69.14 per long ton delivered at the ports of this country. That price is made up of $46.49 per long ton for the nitrate itself; export duty, per long ton, $12.53; ocean freight, $5.73; shrinkage, commissions, and so forth, $4.48; making in all, $69.14 per ton.

Mr. ALMON. And the farmers of America paid the Chilean Government more than $10,000,000 in export taxes last year?

Mr. WRIGHT. Yes.

Mr. STEVENSON. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. Yes.

Mr. STEVENSON. I saw a statement which seems to be pretty well founded that the Guggenheims have about gathered in a monopoly of the nitrate of Chile, a monopoly that has never consulted the interest of anybody but themselves.

Mr. WRIGHT. Yes. I want to follow the consideration of this proposition through the Committee on Military Affairs of the House. When this matter was first taken up it was opposed by the Fertilizer Trust of this country and opposed by the Water Power Trust, and that fight was led by this company that you have heard so much about, known as the Alabama Power Co. It is one of the allied power companies that are making bids for this property.

When the matter first came up these interests, which first fought this proposition, insisted that the development was unnecessary; that there was already enough water power developed in that section of the country; and, in the next place, that Henry Ford could not make fertilizers at Muscle Shoals, and that if he could make it, it was not needed, because there was already an oversupply in the country. Now, after a lapse of two years, these same interests came before the committee and insisted that the acceptance of the Ford offer would be detrimental to the water-power interests in the southeastern section of the country, and that this power should not be turned over to Mr. Ford but distributed by them over the country, and that there is now a scarcity of this power in the Southeast. These same people, who in 1922 ridiculed the idea of Henry Ford or anybody else making fertilizer at Muscle Shoals, now come and say they will undertake to do it, and do it at half the price that is now being charged the farmers of the United States, and stress the desirability and importance of it being done, and show it is entirely practicable.

Let us see if we have a dearth of water power in this country. I have some statistics as to primary power which has and can be developed in the United States, as follows:

Water powers of the United States.

[Estimated horsepower January 1, 1920.]

Region.	Developed.	Undeveloped.	Total.
North Atlantic States	1,788,800	1,465,200	3,254,000
South Atlantic and Eastern Gulf States	1,509,500	2,691,500	4,201,000
Ohio River drainage area	1,287,900	2,649,100	3,937,000
Upper Mississippi River region	809,000	1,396,000	2,205,000
Lower Mississippi River region	146,800	770,200	917,000
Western Gulf region	68,000	632,000	700,000
Mississippi River drainage area	755,100	4,699,900	5,455,000
Colorado River drainage area	438,900	5,461,100	5,900,000
North Pacific States	719,600	22,400,400	23,120,000
South Pacific and Rocky Mountain States	1,088,600	8,931,400	10,020,000
Total for the United States	8,612,200	51,096,800	59,709,000

You will notice there has been developed in the South Atlantic and Gulf States region 1,509,500 horsepower, and there is undeveloped 2,691,500 horsepower. In the whole United States there has been developed 8,612,200 horsepower, and there is undeveloped 51,096,800 horsepower; so that I do not see, gentlemen, that there is any probability of a dearth of water power in this country at an early date.

The trouble about it, gentlemen—and we might as well be plain—is that this Alabama Power Co. had hoped that the Government would go forward and spend its money on the construction of dams at Muscle Shoals, and then this company would pick it up for a song. There is no trouble about the available water power in the Southeast if they want to develop it. It is available.

Now, some question has arisen as to the construction of this offer and as to the fertilizer proposition contained in it. I want to say, for the benefit of the gentleman from New York [Mr. SNELL], who criticized the language of the fertilizer proposition and said it was not in accordance with the offer as printed in the report, that by some means in the printing of that report the final offer as submitted by Mr. Ford was not printed, so far as the fertilizer feature is concerned, but the language printed in the bill is exactly the same as that in the proposal of Mr. Ford as finally perfected and agreed to.

Now, it is conceded that it is important to have nitrates in order to make the United States independent of all other countries for its supply. It is also conceded that it is needed for munitions, and it is conceded that it is necessary for agriculture. The question is, Can it be produced at Muscle Shoals?

Now, the chemists and experts and scientific men all agree that it can be made there, and at a much less cost than is now being paid for it. It is true that the art is constantly undergoing changes. Now, it being true that it can be produced there,

let us see if the Ford offer binds him to produce fertilizer at Muscle Shoals. I invite your attention to section 14 of the McKenzie bill, which provides:

Since the manufacture, sale, and distribution of commercial fertilizers to farmers and other users thereof constitute one of the principal considerations of this offer, the company expressly agrees that, continuously throughout the lease period, except as it may be prevented by reconstruction of the plant itself, or by war, strikes, accidents, fires, or other causes beyond its control, it will manufacture nitrogen and other commercial fertilizers, mixed or unmixed, and with or without filler, according to demand, at nitrate plant No. 2 or its equivalent, or at such other plant or plants adjacent or near thereto as it may construct, using the most economical source of power available.

The opposition want to distort this into a meaning that it does not convey by saying that Mr. Ford will not have to manufacture this fertilizer at Muscle Shoals unless the market demands call for it, when, as a matter of fact, the words "according to demand" relate exclusively to the character and form in which he is to offer this fertilizer for sale.

In other words, if Mr. A wants to buy pure nitrogen under this contract Mr. Ford will have to sell it to him, and if Mr. B wants it mixed with other elements, Mr. Ford will have to mix it for him and sell it to him in that form. So that the words "market demand," as they are inserted in that provision, do not relate to the quantity he is to produce, but to the kind he is to produce. Is not that clear, gentlemen?

Now, we will read further from the fertilizer provision in the offer:

The annual production of these fertilizers shall have a nitrogen content of at least 40,000 tons of fixed nitrogen, which is the present annual capacity of nitrate plant No. 2.

Can the English language make that any clearer? If anybody could put any fancied construction upon the first part of this section 14 which would make it look doubtful—and they can not do it—why, certainly what follows would take away the fancied doubt, when it says:

The annual production of these fertilizers shall have a nitrogen content of at least 40,000 tons of fixed nitrogen, which is the present annual capacity of nitrate plant No. 2. If during the lease period said nitrate plant No. 2 is destroyed or damaged from any cause, the company agrees to restore such plant, within a reasonable time, to its former capacity.

Now, gentlemen, I want to say in connection with these fertilizer provisions that I was on a subcommittee appointed by the Committee on Military Affairs which was to undertake to perfect and work out a provision with Mr. Ford's representatives which would guarantee to the Government that Mr. Ford would produce 40,000 tons of fixed nitrogen a year.

Mr. QUIN. And does not the bill contain the exact language worked out by that subcommittee?

Mr. WRIGHT. Yes. That subcommittee held many meetings, and I want to tell you the provision was not an easy thing to draw, because, as you lawyers know, these commonplace things are the most difficult to clearly express. We wanted to accomplish several things in this provision. We wanted, first, to bind Mr. Ford to manufacture fixed nitrogen for fertilizers with a nitrogen content of at least 40,000 tons of fixed nitrogen for 100 years at Muscle Shoals or adjacent to that plant. Not only that, but we wanted to obligate him to make it continuously during the 100 years.

Mr. BEGG. Will the gentleman yield at that point?

Mr. WRIGHT. Certainly.

Mr. BEGG. I notice the bill provides that he shall make it, provided he is not reconstructing the plant. Suppose he decided he could not profitably make it and did not want to make it. Would he not be complying with the terms of the bill and requirements of the contract if he simply tore down the building and proceeded to take 50 years to reconstruct it?

Mr. WRIGHT. It would bear no such construction. It means when it is destroyed by winds, fires, accidents, or like casualties.

Mr. BEGG. It does not say that. It says in the process of reconstruction.

The CHAIRMAN. The time of the gentleman has expired.

Mr. QUIN. Mr. Chairman, I will yield the gentleman five additional minutes provided he does not give it away in interruptions.

Mr. BEGG. Evidently the gentleman from Mississippi does not want any information about it.

The CHAIRMAN. The gentleman from Georgia is recognized for five additional minutes.

Mr. WRIGHT. The suggestion of the gentleman from Ohio [Mr. Begg] is merely fanciful, like the other attacks made here. What I was going to say was that after many meetings—and there were some good lawyers on that subcommittee——

Mr. LaGUARDIA. Will the gentleman yield?

Mr. WRIGHT. No.

Mr. LaGUARDIA. The gentleman is a member of the committee, but does not seem to want to give any information.

Mr. WRIGHT. Later, if I have the time, I will yield. My friend from the State of Washington [Mr. Miller] was a member of that subcommittee and several others, and we met time after time and at times with representatives of Mr. Ford in an effort to perfect some language which would carry out the points we had in mind, to bind Mr. Ford to manufacture fertilizers at Muscle Shoals, mixed or unmixed, with or without filler, and with a nitrogen content of 40,000 tons annually, and finally this language, as contained in section 14 of the McKenzie bill, was agreed upon. I undertake to say, gentlemen, barring any personal connection I had with it, that I do not believe that the language could be improved on.

I think it carries out the idea of the committee in binding Mr. Ford to make fertilizers at Muscle Shoals and that it would bind him if the offer is accepted.

There has been a great deal said here about the cyanamid process being obsolete, and that Mr. Ford is to operate nitrate plant No. 2, which is to produce fixed nitrogen, under the cyanamid process. In that connection let us read this fertilizer provision further. Mr. Ford agrees:

(a) To determine by research whether by means of electric-furnace methods and industrial chemistry there may be produced on a commercial scale fertilizer compounds of higher grade and at lower prices than farmers and other users of commercial fertilizers have in the past been able to obtain, and to determine whether in a broad way the application of electricity and industrial chemistry may accomplish for the agricultural industry of the country what they have economically accomplished for other industries; and if so found and determined, to reasonably employ such improved methods.

So he does not bind himself to the cyanamid process; he does not bind himself to any process, but he binds himself to use the most economical process of securing fixed nitrogen from the air by the electric-furnace methods and industrial chemistry.

Mr. BRAND of Georgia. Will the gentleman yield?

Mr. WRIGHT. Certainly.

Mr. BRAND of Georgia. I wish the gentleman would give his opinion upon the stipulations in that contract which seek to bind Mr. Ford, his estate, and his heirs during the 100 years to comply with that contract and whether he is strictly obligated to do so.

Mr. WRIGHT. That is contained in section 23, and I will read that provision as it appears in the bill:

SEC. 23. All of the contracts, leases, deeds, transfers, and conveyances necessary to effectuate the acceptance of said offer shall be binding upon the United States, and jointly and severally upon Henry Ford, his heirs, representatives, and assigns, and the company to be incorporated by him, its successors and assigns.

That language, as it appears, certainly binds Mr. Ford, his heirs, and assigns to the faithful performance of any of these contracts that may be entered into as to the manufacture of fertilizers or anything that is covered by his offer. The English language can not make it any clearer.

Mr. BRAND of Georgia. Why did you not use the words "executors and administrators?"

Mr. WRIGHT. Well, heirs and assigns cover everything; that binds Mr. Ford's entire estate absolutely, and there is no doubt about that.

Mr. LaGUARDIA. Will the gentleman yield?

Mr. WRIGHT. No; I decline to yield. That is not a new question; that has been up in the committee, and the opposition to the bill has urged that all along. The language is clear and unambiguous and absolutely binds Mr. Ford and estate.

Much was said by the gentleman from Ohio [Mr. Burton] about the national water power act and in criticism of the power being turned over to Mr. Ford without being placed under the provisions of this act. There is absolutely no analogy between entering into the proposed contract with Mr. Ford and granting some person or company a license to develop a water power on a navigable stream. When such a license is granted under the act it does not impose on the licensee the heavy liabilities and responsibilities which Mr. Ford proposes to assume under his offer—the greatest, perhaps, ever proposed to be assumed by any man or company in the history of the world.

Besides, this is a case of the Government dealing with its own water-power plants, developed and to be developed, with its own money, and connected therewith and as a part of the

same contract embodying stipulations imposing the heavy obligations on Mr. Ford of keeping the great nitrate plant in a state of readiness, at his own expense, for war purposes for the next 100 years and manufacturing the fertilizer in accordance with the terms of his proposal. What could be accomplished if he should be placed under the terms of the water power act?

All of the States have public utility boards or commissions with regulatory powers, and under the act in question the Federal Water Power Commission has no authority to fix rates in a State which has a State commission, the only exception in such cases being it can settle disputes where the commissioners of the two States can not agree. To place the Muscle Shoals power under the Federal act would mean that 25 cents per horsepower would have to be paid—one half to the Federal commission and the other half to the Board of Engineers of the War Department, and thereby increase the cost to the farmer of fertilizer produced at Muscle Shoals.

The gentleman from Ohio also severely criticizes the inadequacy of price Mr. Ford proposes to pay for the nitrate plants. As a matter of fact, this consideration is insignificant compared to the real consideration which would move the Government to accept the offer, the real consideration being the stupendous and unprecedented obligations proposed to be assumed by Mr. Ford. The gentleman promised some constructive suggestions as to Muscle Shoals, but during the entire 55 minutes he addressed the House his only suggestion was that he favored Government operation and ownership in preference to any of the offers which had been submitted, and that he was opposed to Government operation and ownership.

My friends, the issue is squarely joined. The great interests opposing the acceptance of the Ford offer have been energetically spreading a propaganda from one end of the country to the other, using freely the press of the country for the dissemination of misleading statements intended to poison the public mind and create a prejudice against the offer. The minority report on this bill has been broadcasted over the South; certainly not by the nominal author of it.

On the other hand, the distressed and struggling farmers of the country are eagerly watching our action and hoping and praying that we will pass this bill and thereby give them some relief. Which side will you take?

It is a momentous issue and fraught with transcendant importance. No country can long endure unless it encourages and fosters its agricultural industry—the basic industry and upon which depends the success of all others.

This is a great national question with which we are dealing. Let us dispose of it without partisanship, prejudice, or passion, but with an eye single to the best interest of the people of our beloved country and their posterity.

Mr. LAGUARDIA. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LAGUARDIA. I would like to inquire of the gentleman from Mississippi whether the members of the committee who have all the information on this bill have been enjoined from giving information to the Members of the House?

Mr. QUIN. The gentleman can get all the information he pleases from his own colleagues, who control half the time.

Mr. Chairman, I yield five minutes to the gentleman from Tennessee [Mr. BYRNS].

Mr. BYRNS of Tennessee. Mr. Chairman and gentlemen of the committee, in the very brief time allotted to me it will be impossible for me to fully discuss any of the particular features of the Ford offer. I have had occasion several times heretofore discuss it to a considerable extent.

I very much appreciate, Mr. Chairman, the courtesy of my good friend from Mississippi [Mr. QUIN] in yielding me this brief time. I am aware, of course, of the many demands that have been made upon him for time. I particularly appreciate it because the movement to harness this great waterpower which has been going to waste for so many years at Muscle Shoals, and to make it serviceable for humanity, was first started in the city of Nashville, Tenn., where I live and which I have the honor now to represent upon this floor. My colleague from Tennessee [Mr. FISHER] stated that the citizens of Tennessee were for this proposition. The gentleman referred to the fact that Gov. Alf Taylor, the former Republican Governor of Tennessee, and one of the most beloved citizens of that State, two years ago, while governor, came here and appeared before the committee and appealed at that time for the acceptance of the Ford offer, and I had a telegram to-day from Maj. E. B. Stahlman, one of the most distinguished and one of the most progressive citizens of Tennessee and of the entire South, in which he expressed the opinion that in the referendum that was being taken by his great paper, the Nashville Banner, in Nashville and surrounding towns there would be, possibly, 30,000 votes, and that 90 per cent of them would be cast for this proposition. Among numerous other letters and telegrams I have also received the following telegrams:

NASHVILLE, TENN., *March 4, 1924.*

Tennessee Delegation in United States Congress and Senate, care of Joseph W. Byrns, Washington D. C.:

The Farm Bureau Federation of Davidson County urge you to advocate acceptance of the Ford bid on Muscle Shoals. We believe a large majority of your constituency favor Ford's offer.

DAVIDSON COUNTY FARM BUREAU FEDERATION,
By JAMES B. EZZELL, *President.*
CHARLES E. BUNTIN,
GEORGE A. HENDERSON,
M. C. WHITWORTH,
Dr. K. O. DAVIS,
L. R. CAMPBELL,
P. J. TINSLEY,
Dr. M. E. LINK,
Directors.

SPRINGFIELD, TENN., *March 5, 1924.*

Hon. JOSEPH W. BYRNS, M. C.,
Washington, D. C.:

Robertson County Farm Bureau 100 per cent in favor of Ford getting Muscle Shoals.

A. G. WOODARD, *President.*
BETTY MORRIS, *Secretary.*

Gentlemen have claimed that there is going to be no distribution of power upon the part of Mr. Ford. Other gentlemen have called attention to the fact that last October he publicly proclaimed he would run power lines for 200 miles. The people of the South, the people of Alabama and Tennessee and of Georgia and of the other southern States in proximity to this great power, are not so greatly concerned as some gentlemen from other sections seem to be. They are for the acceptance of Henry Ford's proposition and against the acceptance of the proposition made by the power companies, among other reasons because they do not want this Congress to deliver them into the hands of a power monopoly in the South, a monopoly that now controls practically all of the water power in the South that is now available for use.

I have always contended, gentlemen, that this proposition should be considered, primarily, from two standpoints—from the standpoint of the national defense act, which declared, in section 124, that this great power should be developed at Muscle Shoals for the purpose of national defense, for the purpose of the manufacture of nitrates for munition purposes in war times and nitrates for fertilizer in times of peace.

Mr. HULL of Iowa. Will the gentleman yield?

Mr. BYRNS of Tennessee. I have only a few minutes, and I hope the gentleman will permit me to finish my remarks.

Mr. HULL of Iowa. I just wanted to know whether the gentleman knew of any Member of the House who did not agree with him so far as the national-defense proposition was concerned?

Mr. BYRNS of Tennessee. Yes; and if the gentleman would remain silent and if I had the time, I think I could show the gentleman that his position upon the floor of the House is in direct antagonism to what was declared to be the purpose of Congress when it enacted the national defense act. [Applause.]

Mr. HULL of Iowa. Will the gentleman yield further?

Mr. BYRNS of Tennessee. I regret I have not the time.

Now, take the two propositions before the House. Mr. Ford binds himself to maintain the nitrate plant at Muscle Shoals in a good state of preservation and keep it in repair, in a modern and up-to-date condition, to be used by the United States in the event of war, and in peace times it is to be used for the purpose of manufacturing at least 40,000 tons of nitrates for fertilizer purposes. There is no question about his being bound for the performance of his contract, both to keep the plant in an up-to-date, modern condition, to be used by the Government in the event of war, and also to manufacture nitrates for fertilizer purposes. [Applause.]

As I have said, I have many times discussed on the floor of the House the proper disposition of Muscle Shoals, and it is not my intention in the limited time at my disposal to discuss the Ford offer from the standpoint of financial benefit to the Government. I fully agree with the President that the comparatively small amount of financial benefit to the Government is not the major consideration. The real consideration is the development and the use of this great power for the primary

purpose of carrying out the plain intent of the national defense act under which its development by the Government was first undertaken. As I have stated, that intent is clearly set forth in section 124 of that act which provided for the installation of a nitrate plant to be used for the manufacture of nitrates for munition purposes in time of war and for fertilizer in time of peace. After reading the minority report and listening to the discussions in opposition to Mr. Ford I am constrained to believe that those opposing his offer do not take into consideration the needs of the farmer for cheaper fertilizer and the importance of Congress doing something to relieve the agricultural industry, which forms the basis of all our prosperity. Farm bureaus and their representatives in every section of our country have importuned Congress to adopt the Ford offer because they appreciate the fact that this is perhaps the only opportunity to break the hold of the fertilizer trust and the Chilean nitrate producers who have admittedly kept the price of fertilizer up and have paid their stockholders rich dividends at the expense of the farmers. And it is a source of regret to me that a Representative from the great farming State of Iowa, Mr. HULL, which boasts of being the richest agricultural State in the Union, should lead the fight to prevent the farmer from obtaining this long-sought relief. Both under the terms of the act and for economic reasons the interests of the farmers should be paramount in the consideration of this question, and I do not hesitate to say that those who oppose the Ford offer will disregard their wishes unanimously expressed, and in my opinion, whether intentionally or otherwise, if they are successful, will have strengthened the strangle hold which the fertilizer interests now have upon them.

And you who represent an agricultural constituency either in whole or in part upon this floor need not think that the farmers are not watching you and your vote upon this proposition. They will know who their real friends are when the roll is called.

The gentleman from Chicago, Mr. MADDEN, who represents a constituency located in the heart of the city of Chicago, has had vision to see that any relief which is given to the farmer and which will add to the production of our country will bring prosperity to the city, and with a broad statesmanship is one of the strongest supporters of the Ford offer. What are you who are charged with the direct responsibility of representing the agricultural constituency of your district going to say to your constituency by way of explanation of your vote if you cast it against the Ford offer?

Having in mind the spirit and intent of the national defense act, which was to provide cheaper fertilizer for the farmer in times of peace, the Committee on Military Affairs of the Sixty-seventh Congress recommended that this offer be accepted, and the committee of the Sixty-eighth Congress, with the exception of a small minority of six members, has declared in its majority report that—

After hearing all of the evidence and after considering the various proposals—

They have—

reached the same conclusion as that of the Committee on Military Affairs of the Sixty-seventh Congress, viz, that the offer of Henry Ford is the only proposal which meets all of the requirements of section 124 of the national defense act, and when judged in this light the Ford offer is found to be satisfactory in all respects.

Mr. Ford in his offer makes this express agreement:

Inasmuch as the manufacture of commercial fertilizers for our soils and the sale and distribution of the same to the farmers and other users thereof constitute one of the principal considerations of this offer moving to the Government of the United States and its people, the company expressly agrees that it will continuously throughout the lease period operate nitrate plant No. 2, using the most economical source of power at the approximate present annual capacity of its machinery and equipment in the production of nitrogen and other commercial fertilizer, mixed or unmixed, according to market demand (said capacity being equal to approximately 110,000 tons of ammonium nitrate per annum, containing approximately 40,000 tons of fixed nitrogen). If during the lease period said nitrate plant No. 2 is destroyed or damaged from any cause, the company agrees to restore such plant within a reasonable time to its former capacity, and further agrees:

(a) To determine by research whether by means of electric-furnace methods and industrial chemistry there may be produced on a commercial scale fertilizer compounds of higher grade and at lower prices than farmers and other users of commercial fertilizers have in the past been able to obtain, and to determine whether in a broad way the application of electricity and industrial chemistry may accomplish for the agricultural industry of the country what they have economically accomplished for other industries, and if so found and determined to reasonably employ such improved methods.

(b) To maintain nitrate plant No. 2 in its present state of readiness or its equivalent for immediate operation in the manufacture of materials necessary in time of war for the production of explosives.

He further agrees that—

In order that farmers and other users of fertilizer may be supplied with fertilizer at fair prices and without excessive profits the company agrees that the maximum net profit which it shall make in the manufacture and sale of fertilizer products shall not exceed 8 per cent of the fair annual cost of production thereof.

And in order that this provision may be carried out he agrees to the creation of a board of nine voting members, seven of whom are to be chosen from the leading farm organizations of the country and two to be selected by the company, and who shall have authority after the fullest investigation to determine the actual cost of production and fix the price of fertilizer to the farmer in accordance with the agreement. It is thus left with the farmers themselves, uninfluenced by any political consideration, to determine what is a fair and just price for the fertilizer manufactured. I submit that no fairer proposition could have been presented.

Forty thousand tons of nitrate will produce 2,000,000 tons of fertilizer and is the equal of the 250,000 tons of nitrate which were imported from Chile in 1923 and for which, in addition to the cost, the farmers of the country were compelled to pay the Chilean Government more than $11,000,000 for the privilege of buying.

It is conceded that nitrates can be produced for one-half of their present cost and with the experimentations which Mr. Ford agrees to conduct they will doubtless be produced in time for even less. Will anyone contend that 2,000,000 tons of fertilizer placed on the market each year at a price far less than the present price will not serve to bring down the cost of fertilizer to the farmer? The fertilizer interests think so, for otherwise they would not have had their representatives here in Washington and conducted such an expensive propaganda over the country in opposition to the Ford offer. Let me repeat that you who vote against the Ford offer vote to continue this monopoly. You vote as the British and Chilean nitrate producers would have you vote. You vote against giving to the farmers and the consuming masses of the country the benefit of securing at a cheaper price this important and essential factor in the productivity of the soil.

While the primary consideration is the manufacture of fertilizer, all of the power generated at Muscle Shoals will not be needed for that purpose. And in a statement which was issued in October, 1923, and which was obviously very carefully and deliberately prepared, Mr. Ford declared: "If I get Muscle Shoals we shall run power lines 200 miles in every direction from Muscle Shoals." This is the clear, unequivocal promise upon his part to distribute a certain amount of the surplus power for commercial purposes. Will it be contended that Mr. Ford made this solemn statement for the purpose of deceiving the public? His record in the past certainly does not justify any such conclusion nor do I believe that his bitterest opponents will so contend. The power companies of the South think he will keep his pledge, for it was only after he made this statement that they got together and submitted an offer for this power more than two and one-half years after Mr. Ford first submitted his offer, and they have numerous representatives here to-day fighting his offer. As in all public matters the people themselves are not represented save by you. The people have confidence in Henry Ford and they believe he will faithfully carry out every pledge that he has made.

Mr. QUIN. Mr. Chairman, I yield to the gentleman from Alabama [Mr. ALMON].

Mr. ALMON. Mr. Chairman, I discussed the merits of the Ford offer at length on yesterday and shall devote the little time allotted to me now in calling attention to some inaccurate statements which have been made by others. Member after Member has stated that it would only be necessary for Mr. Ford to use 100,000 horsepower to manufacture fertilizer, when as a matter of fact, as I have heretofore explained, it requires 260,000 horsepower to meet the fertilizer obligation of Mr. Ford, and this is more power than the primary power that will be developed by both of the dams and the steam plant at No. 2 and the one to be built on the Warrior River. No one can dispute the fact that the primary power from the two dams

amounts to 121,000 horsepower. The steam plant at Muscle Shoals and the one to be built on the Warrior River will provide for an additional 140,000 horsepower, altogether amounting to 241,000 horsepower.

Several Members opposing the Ford offer have called attention to discrepancies between the Ford offer and the terms of this bill, but when the two have been compared they are found to be identical.

This is no ordinary legislation. Mr. Ford has made an offer to purchase and lease property from the Government, and the bill reported by the committee provides for the acceptance of that offer, and it should be voted up or down. Those in favor of the Ford offer I take for granted will vote for the bill. It is but natural to expect those who are opposed to the Ford offer to criticize it and, if possible, make such changes as would defeat it. Some one has said that the bill was prepared in Detroit and that we had criticized the revenue bill prepared by Mr. Mellon. The cases are not at all analogous. The revenue bill was general legislation in which every Member of the House had a voice and was expected to take part in the preparation of its various terms and provisions. In this case, as I have said, it is a question of whether the House is willing to accept a bona fide offer made by Henry Ford to buy and lease the Government's property at Muscle Shoals.

A few Members of the House continue to contend that the water-power feature should be under the control of the Water Power Commission. They seem to overlook the fact that this development at Muscle Shoals was not only authorized and commenced before the water power act was passed but by express authority of Congress in the national defense act of 1916, for two fundamental purposes, viz, to make explosives in times of war and cheap fertilizer for the farmers in peace times. And for that reason the Congress of the United States should keep within its power the control over this entire property and not delegate it to the Water Power Commission or any other Government bureau nor to any Cabinet member or number of Cabinet officers.

Why should the gentleman from Iowa [Mr. HULL] and the gentleman from South Dakota [Mr. WILLIAMSON] manifest such interest in the distribution by Mr. Ford of the surplus power in that section of the country? The Representatives in this House of all the States and entire territory which could possibly be supplied with this surplus power are here favoring and will vote for the offer of Henry Ford just as it is written. If they are satisfied with the provisions of the Ford offer and the assurance of Mr. Ford that if his offer is accepted that the surplus power will be sent in every direction for 200 miles, why should the Representatives from the section of country which can not be served by this surplus power interpose an objection?

It was remarkably strange that the gentleman from Ohio [Mr. BURTON], speaking for 40 minutes on this subject, failed to mention the national-defense feature of the development at Muscle Shoals. It is very evident from what he said and from his record in the House and the Senate that if it had been left to him these dams on the Tennessee River at Muscle Shoals would never have been built and the water power developed if he could have prevented it. He talks about conservation of our natural resources. It would seem from his argument that his idea of conservation, so far as it applies to Muscle Shoals, would be to allow the water to continue to flow over the shoals at that point and go on into the Gulf without being utilized.

The gentleman from Ohio also criticizes that provision of the bill authorizing Mr. Ford or his representative to provide for the purchase of the lands which will be overflowed by the construction of Dam No. 3. Mr. Ford will have to pay the interest on the cost of these lands, and it will be to his interest to acquire the same as cheaply as possible; and he should be given this right for the same reason that he is permitted to complete the water-power dams, for he believes that he can do the work cheaper and quicker than the Government. The less the cost, the less the interest he will have to pay. The flowage damages at Dam No. 2 have already been paid by the Government.

Some one has said that it would require an additional appropriation by Congress of $50,000,000 to complete the water-power development if Mr. Ford's offer is accepted, while the fact is that only an amount sufficient to build Dam No. 3, estimated at $25,000,000, will be required in addition to the amount carried in the Army appropriation bill which has been reported to the House.

There has never been a question before Congress which has met with such interest and favor as the offer of Henry Ford for Muscle Shoals. The committees of this and the last Congress have recommended its acceptance. The passage of this bill will meet with the approval of the American people. It will break the Fertilizer Trust and reduce the price of the farmer's fertilizer one-half. It will increase food production, reduce the cost of living, and give employment to millions of people at good wages. [Applause.]

Mr. McKENZIE. Has the gentleman from Mississippi any Member here to whom he can now yield?

Mr. QUIN. No; my orators are not present.

Mr. McKENZIE. In the interest of expediting this matter, let me state that I have only one speaker left. I have 40 minutes remaining. I will ask the gentleman from Mississippi and the gentleman from Pennsylvania if we should rise now if we can not agree that the gentleman from Mississippi will use 40 minutes to-morrow and the gentleman from Pennsylvania 40 minutes to-morrow, and I use 40 minutes, and at the expiration of that time close general debate.

Mr. QUIN. I can not agree to that, for I have got this time promised.

Mr. MORIN. Mr. Chairman, how much time is there remaining?

The CHAIRMAN. The gentleman from Pennsylvania has 1 hour and 27 minutes remaining; the gentleman from Illinois and the gentleman from Mississippi have 1 hour and 49 minutes remaining between them.

Mr. MORIN. All my time is allotted and I can not agree to surrender any part of that time to-morrow.

Mr. McKENZIE. I think it is always conceded that the side in charge of the bill shall have the closing speech. I have but one more speech, and naturally we expect to reserve that to the end of the debate, which is perfectly proper. It seems to me these gentlemen should have had their speakers here this afternoon, so that we would not have to take up so much time to-morrow. I do not say that in a critical spirit, but I am anxious simply to expedite the consideration of the bill.

Mr. HULL of Iowa. The gentleman understands it is not our duty to have the speakers here when he has more time to use than we have.

Mr. HILL of Maryland. Will the Chair state again how much time there is remaining?

The CHAIRMAN. The gentleman from Pennsylvania has remaining 1 hour and 27 minutes and the gentleman from Illinois and the gentleman from Mississippi, between them, 1 hour and 49 minutes.

Mr. McKENZIE. Mr. Chairman, in order to expedite the bill, I will ask the gentleman from Mississippi if he will be willing to agree that to-morrow we shall use only as much time as the gentleman from Pennsylvania has remaining, and that is 1 hour and 27 minutes. Will he be willing to curtail the discussion to that extent?

The CHAIRMAN. There is a difference of only 12 minutes.

Mr. QUIN. The gentleman wants to know if I will sacrifice 12 minutes? I will, rather than have any hard feelings. [Laughter.]

Mr. McKENZIE. It is not a question of hard feelings, it is a question of getting along with the bill. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. MAPES, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 518, the Muscle Shoals bill, and had come to no resolution thereon.

LEAVE OF ABSENCE.

Mr. TYDINGS (at the request of Mr. HILL of Maryland) by unanimous consent, was given leave of absence for to-day on account of important business.

NATIONAL PROHIBITION ACT.

Mr. KVALE. Mr. Speaker, I wish to say that I have introduced two amendments to the national prohibition act proposing certain changes in that act, chief of which is the provision striking out the latter half of section 33 of Title II of that act.

This amendment, H. R. 7644, if enacted into law, will drive the colored gentleman out of the woodpile in which he has reposed so snugly for the past four years.

It will eliminate the inexcusable and indefensible portion of that act, through the provisions of which the rich are given the right to have all the liquor they choose. A more disgraceful provision was never incorporated into any law. More open, brazen class legislation is unthinkable.

My amendment will at least make an honest and sincere attempt to make of the eighteenth amendment what the people intended it should be when they adopted it, namely, prohibition for all, and not a law affecting only a part of the population of this Nation.

The United States as a Nation knows nothing about actual prohibition, for it has never tried it. What it has tried is

something often called "Volsteadism," and I dispute no man's right to give it that name. But it is not prohibition. There is as wide a difference between the two as there is between a swamp and a desert.

What we now have is the curse of the country. Prohibition, if we can have it, will be a boon, a godsend, a blessing to untold millions, and to millions of generations yet unborn.

I look to all who want real prohibition and not a farce to support my bill.

ADJOURNMENT.

Mr. BEGG. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 17 minutes p. m.) the House adjourned until to-morrow, Thursday, March 6, 1924, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. SINNOTT: Committee on the Public Lands. H. R. 3682. A bill authorizing the construction, reconstruction, and improvement of roads and trails, inclusive of necessary bridges, in the national parks and monuments under the jurisdiction of the Department of the Interior; without amendment (Rept. No. 258). Referred to the Committee of the Whole House on the state of the Union.

Mr. WINTER: Committee on the Public Lands. H. R. 4494. A bill authorizing extensions of time for the payment of purchase money due under certain homestead entries and Government land purchases within the Fort Berthold Indian Reservation, N. Dak.; without amendment (Rept. No. 259). Referred to the Committee of the Whole House on the state of the Union.

Mr. SNYDER: Committee on Indian Affairs. H. R. 5726. A bill to amend the act of Congress of March 3, 1921, entitled "An act to amend section 3 of the act of Congress of June 28, 1906, entitled 'An act of Congress for the division of the lands and funds of the Osage Indians in Oklahoma, and for other purposes'"; with an amendment (Rept. No. 260). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. REECE: Committee on Military Affairs. H. R. 6972. A bill for the relief of William H. Nelson; with an amendment (Rept. No. 261). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 7631) for the relief of Charles T. Clayton and others; Committee on Claims discharged, and referred to the Committee on War Claims.

An act (S. 2209) to amend section 5147 of the Revised Statutes; Committee on Banking and Currency discharged, and referred to the Committee on the Judiciary.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. DICKSTEIN: A bill (H. R. 7643) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. KVALE: A bill (H. R. 7644) to amend the national prohibition act; to the Committee on the Judiciary.

Also, a bill (H. R. 7645) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. SUTHERLAND: A bill (H. R. 7646) to extend the provisions of certain laws to the Territory of Alaska; to the Committee on the Territories.

By Mr. WARD of North Carolina: A bill (H. R. 7647) to amend and reenact sections 20, 22, and 50 of the act of March 2, 1917, entitled "An act to provide a civil government for Porto Rico, and for other purposes"; to the Committee on Insular Affairs.

By Mr. LOZIER: A bill (H. R. 7648) for the erection of a post-office building at Trenton, Mo.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 7649) providing for the purchase of a site and the erection of a public building at Marceline, Linn County, Mo.; to the Committee on Public Buildings and Grounds.

By Mr. DYER: A bill (H. R. 7650) to amend sections 136 and 138 of the Judicial Code; to the Committee on the Judiciary.

By Mr. WEAVER: A bill (H. R. 7651) to establish a fish hatchery and fish-cultural station in the State of North Carolina; to the Committee on the Merchant Marine and Fisheries.

By Mr. CORNING: Memorial of the Legislature of the State of New York petitioning Congress to enact legislation to provide for a substantial increase in the salaries of all postal employees; to the Committee on the Post Office and Post Roads.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BACON: A bill (H. R. 7652) for the relief of the Turner Construction Co., of New York City; to the Committee on War Claims.

By Mr. CANFIELD: A bill (H. R. 7653) granting a pension to Benjamin F. Bennett, jr.; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7654) granting a pension to John Mark White; to the Committee on Invalid Pensions.

By Mr. CARTER: A bill (H. R. 7655) for the relief of the heirs of Israel Folsom and of Peter Folsom, both deceased, and for other purposes; to the Committee on Claims.

By Mr. DEAL: A bill (H. R. 7656) for the relief of the estate of Sarah Harrison; to the Committee on Claims.

By Mr. EDMONDS: A bill (H. R. 7657) for the relief of Frank E. Richards, as liquidator of Steamship Tregenna Co. (Ltd.); to the Committee on Claims.

By Mr. KAHN: A bill (H. R. 7658) granting a pension to Norman Campbell; to the Committee on Pensions.

Also, a bill (H. R. 7659) granting a pension to John B. Reilly; to the Committee on Pensions.

By Mr. KEARNS: A bill (H. R. 7660) granting an increase of pension to Emma Harrell; to the Committee on Pensions.

By Mr. LILLY: A bill (H. R. 7661) granting a pension to Leroy Lively; to the Committee on Invalid Pensions.

By Mr. MADDEN (by request): A bill (H. R. 7662) for the relief of the General Chemical Co., the Interstate Iron & Steel Co., the Great Lakes Dredge & Dock Co., the Armour Grain Co., and the Chicago & North Western Railway Co.; to the Committee on Claims.

Also, a bill (H. R. 7663) for the relief of the Cudahy Packing Co.; to the Committee on Claims.

By Mr. MORGAN: A bill (H. R. 7664) granting a pension to Minerva D. Hood; to the Committee on Invalid Pensions.

By Mr. RAGON: A bill (H. R. 7665) to incorporate the Theodore Roosevelt Educational Association; to the Committee on the District of Columbia.

Also, a bill (H. R. 7666) for the relief of Marion H. Henderson; to the Committee on Claims.

By Mr. REED of Arkansas: A bill (H. R. 7667) granting an increase of pension to Thomas Samuel Garen; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7668) granting an increase of pension to Dora Probst; to the Committee on Invalid Pensions.

By Mr. THOMAS of Kentucky: A bill (H. R. 7669) granting an increase of pension to Maggie A. McKinney; to the Committee on Invalid Pensions.

By Mr. WASON: A bill (H. R. 7670) granting a pension to Daniel F. Healy; to the Committee on Invalid Pensions.

By Mr. WEAVER: A bill (H. R. 7671) for the relief of Laura E. Alexander; to the Committee on Claims.

Also, a bill (H. R. 7672) for the relief of Mrs. Cary B. Moore; to the Committee on Claims.

Also, a bill (H. R. 7673) granting a pension to O. W. Surrett; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7674) granting a pension to Mrs. Anson B. Sams, sr.; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7675) granting a pension to Will Brown; to the Committee on Pensions.

Also, a bill (H. R. 7676) granting an increase of pension to Rome Patton; to the Committee on Pensions.

Also, a bill (H. R. 7677) granting a pension to John B. Free; to the Committee on Pensions.

Also, a bill (H. R. 7678) granting a pension to Levi J. Tipton; to the Committee on Pensions.

By Mr. WEFALD: A bill (H. R. 7679) for the relief of Lars O. Elstad and his assigns and the exchange of certain lands owned by the Northern Pacific Railway Co.; to the Committee on the Public Lands.

By Mr. ASWELL: A bill (H. R. 7680) for the relief of Andrew G. Winfree; to the Committee on Claims.

By Mr. LAGUARDIA: Resolution (H. Res. 208) protesting against the unlawful imprisonment of Eamon De Valera; to the Committee on Foreign Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1524. By the SPEAKER (by request): Petition of citizens of Chicago, Ill., asking for repeal of war taxes on motor trucks, automobiles, parts, tires, and accessories; to the Committee on Ways and Means.

1525. By Mr. ALDRICH: Petition of the South Providence (R. I.) Free Loan Association, protesting against passage of Johnson immigration bill; to the Committee on Immigration and Naturalization.

1526. By Mr. BLOOM: Petition of citizens of New York City, N. Y., opposing section 4 of Senate bill 726; to the Committee on Indian Affairs.

1527. By Mr. BULWINKLE: Petition of Lions Club of Charlotte, N. C., asking Congress to appropriate sufficient funds to train not less than one-third of the reserve officers and enlisted reservists each year, maintain headquarters for Organized Reserve units, and pay necessary expenses of the officers; to the Committee on Military Affairs.

1528. Also, petition of Auten-Stowe Post, American Legion, Belmont, N. C., for the passage of adjusted compensation bill; to the Committee on Ways and Means.

1529. By Mr. KING: Petition of the Columbian Club of Geneseo, Ill., favoring the adjusted compensation bill; to the Committee on Ways and Means.

1530. By Mr. KVALE: Petition of A. F. McArthur and other farmers and voters of Stevens County, Minn., urging passage of the Haugen-McNary bill; to the Committee on Agriculture.

1531. Also, petition of farmers and business men of Minnesota, Amiret, Ghent, and Balaton, Minn., urging the necessity of passing the Haugen-McNary bill; to the Committee on Agriculture.

1532. By Mr. MORROW: Petition of Luna County Medical Society, Deming, N. Mex., favoring an amendment to the Harrison narcotic act; to the Committee on Interstate and Foreign Commerce.

1533. Also, petition of Monday Progress Club, Raton, N. Mex., favoring the sending of United States representatives to the International Conference on Narcotics; to the Committee on Foreign Affairs.

1534. Also, petition of Bernalillo County Medical Society, Albuquerque, N. Mex., favoring an amendment to the Harrison narcotic act; to the Committee on Interstate and Foreign Commerce.

1535. Also, petition of Santa Fe County Medical Society, Santa Fe, N. Mex., favoring an amendment to the Harrison narcotic act; to the Committee on Interstate and Foreign Commerce.

1536. By Mr. O'CONNELL of Rhode Island: Petition of members of the South Providence Free Loan Association, opposing the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1537. By Mr. STRONG of Pennsylvania: Petition of Lodge No. 621, Patriotic Order Sons of America, Porter, Pa., in favor of the Johnson-Lodge immigration bill; to the Committee on Immigration and Naturalization.

1538. Also, petition of honorably discharged soldiers, sailors, and marines of Leechburg, Pa., and vicinity, in favor of adjusted compensation for World War veterans; to the Committee on Ways and Means.

1539. By Mr. TEMPLE: Petition of Unit No. 22, American Legion Auxiliary, Charlerol, Pa., favoring the adjusted compensation bill; to the Committee on Ways and Means.

SENATE.

THURSDAY, *March 6, 1924.*

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father, from Thee all our blessings come. We would recognize our dependence upon Thee this morning and realize that life becomes intensely more precious when we seek to follow out the precepts of Thy Word and engage in those duties given unto us with the consciousness that all wisdom cometh from Thee. The Lord our God be with us and help us to do the things which are acceptable before Thee. Through Jesus Christ our Lord. Amen.

The reading clerk proceeded to read the Journal of the proceedings of the legislative day of Monday, March 3, 1924, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

CALL OF THE ROLL.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The principal legislative clerk called the roll, and the following Senators answered to their names:

Adams	Edwards	Kendrick	Reed, Pa.
Ashurst	Ernst	Keyes	Robinson
Bayard	Ferris	King	Sheppard
Borah	Fess	Ladd	Shields
Brandegee	Fletcher	Lodge	Shipstead
Brookhart	Frazier	McKellar	Shortridge
Broussard	George	McLean	Simmons
Bruce	Gerry	McNary	Smoot
Bursum	Glass	Mayfield	Spencer
Cameron	Gooding	Moses	Stanley
Capper	Hale	Neely	Stephens
Caraway	Harreld	Norris	Swanson
Copeland	Harris	Oddie	Trammell
Cummins	Harrison	Overman	Wadsworth
Curtis	Heflin	Pepper	Walsh, Mass.
Dale	Howell	Phipps	Walsh, Mont.
Dial	Johnson, Minn.	Pittman	Warren
Dill	Jones, N. Mex.	Ralston	Watson
Edge	Jones, Wash.	Ransdell	Willis

The PRESIDENT pro tempore. Seventy-six Senators have answered to their names. There is a quorum present.

STATEMENT BY FORMER ATTORNEY GENERAL GREGORY.

Mr. SHEPPARD. Mr. President, I desire to place in the RECORD as a part of my remarks the statement addressed by former Attorney General Gregory to President Coolidge in reference to the oil-lease matter, and the President's comment thereon. Both statements were given to the press by the President immediately after Mr. Gregory's interview with the President following his arrival from Texas.

The PRESIDENT pro tempore. Is there objection? The Chair hears none and it is so ordered.

The matter referred to is as follows:

FEBRUARY 2, 1924.

MR. PRESIDENT: On last Tuesday night, when I was in Austin, Tex., you stated to me over the long-distance telephone that you wished to employ me in the investigation of the leases of the naval oil reserves. You will recall that after expressing my appreciation I stated that I was not in close touch with the developments in the matter; that nothing occurred to me that would prevent me from serving, but that I would be in Washington Saturday afternoon—to-day—and would then confer with you on the subject. I had no idea that in saying this I was accepting an appointment or that you so understood it. I assumed that that would be decided when we conferred and that in the meantime I would have an opportunity to go through my books and correspondence to see whether in the course of my private practice I had ever had any employments which might stand in the way. It was also my desire, before definitely committing myself, to confer with Senator WALSH of Montana, who has conducted the investigation of the Senate committee. I was very much surprised to read in the Texas newspapers the next morning that I had been appointed, but did not feel at liberty to make any public statement, and consistently declined to do so until I had seen you.

Of course, if it had been in my mind at the time of our telephone conversation that I had been employed by Mr. Doheny, directly or indirectly, or at any time, near or remote, that would have ended the matter at once, because I would have realized that however free from criticism such employment might have been, it would have disqualified me from acting as your counsel on the present occasion. I have no recollection of having seen or communicated with Mr. Doheny in my life, and at that time did not recall ever having had any business connection with him or with any company controlled by him.

I returned to Washington as quickly as possible for the purpose of keeping my engagement with you, and arrived here this afternoon.

Yesterday while on the train my attention was called to a statement made the day before to the Senate Public Lands Committee by E. L. Doheny to the effect that his company and several others employed me "to represent them before the President in regard to getting permits to drill oil while in Mexico," and that "the Island Oil Co. billed us for $2,000 as our share of the fee that they paid Judge Gregory for this particular work."

I would have been at a loss to know what he was referring to except for his mention of the Island Oil Co. I remembered perfectly my employment by that company, although some of the details had passed

out of my mind. I have now refreshed my recollection by examining data in my office. The facts are as follows:

In the fall of 1919 the firm with which I was then associated had among its regular clients the Island Oil & Transport Co., which is evidently the Island Oil Co referred to. It was a small independent company without any connection whatever, so far as I have ever known, with either Mr. Sinclair or Mr. Doheny.

The Island Co. asked me to act for it in the concerted effort then being made by American oil companies to get the State Department to take action to prevent the threatened confiscation of their properties in Mexico, the Carranza government having refused to grant them permits to drill on their own property unless they accepted the provision of the new constitution vesting title to oil and other minerals in the government.

The purpose was to secure some character of diplomatic action by the United States Government which it was hoped would place American oil companies on the same footing as those of Great Britain, the latter having been allowed to continue development. The facts in regard to all the interested companies were about the same, the law as to all was the same, and there was general cooperation among them in attempting to obtain relief.

I gave the matter attention for some months, and the Mexican authorities finally extended to the American companies the privileges enjoyed by those of Great Britain.

This result was brought about in December, 1919, or January, 1920, and my employment in the matter ended then and there. I rendered a bill to the Island Co. for $15,000, which it paid.

At some stage of the transaction the Island Co. stated that the work I did redounded to the benefit of other companies besides itself and that, it being a small company, it would try to induce several of the others similarly situated to make contributions to the fee charged. I understood that some of them did so. The Huasteca Petroleum Co., which was controlled by Mr. Doheny, was one of these, and no doubt paid the Island Co. the $2,000 referred to by Mr. Doheny.

This phase of the matter had entirely passed out of my mind. But even at the time I never thought of my employment as an employment by Mr. Doheny or his company, and he evidently did not, as his testimony before the Senate committee, as reported in the press, is to the effect that he knew nothing about my connection with the transaction until within the last few days.

I have never felt that the transaction involved the slightest necessity for apologies, nor even for explanation, but for the unusual conditions which have arisen.

It is obvious, nevertheless, that the fact that one of Mr. Doheny's companies bore a part, however indirect and however small, of the expense of my employment by the Island Co. makes it inappropriate for me to act as your counsel in this matter.

Respectfully yours,

T. W. GREGORY.

To the PRESIDENT.

This letter was made public at the White House, accompanied by the following statement:

FEBRUARY 2, 1924.

The statement in the letter of Mr. Attorney Gregory to me regarding the conversation between him and me over the telephone and the inferences to be drawn from it are correct.

CALVIN COOLIDGE.

MUSCLE SHOALS.

Mr. NORRIS. Mr. President, I ask unanimous consent to have printed in the RECORD an interview with Governor Pinchot, of Pennsylvania, on the question of Muscle Shoals.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The article referred to is as follows:

PINCHOT OFFERS SEVEN POINTS OPPOSING FORD PROPOSAL.

HARRISBURG, PA., March 5.—Henry Ford's offer for the Muscle Shoals project, which is now before Congress, "should not be accepted unless and until it is amended to conform to the principles of the Federal water power act," Governor Pinchot declared in a statement to-day. He set forth seven points of the act which he said safeguarded the public and asserted the Ford offer and the bill to accept it sacrifices all but one, that insuring complete development.

These seven points were set forth as:

"First, insure complete development; second, limit the lease to not more than 50 years; third, insure to the public at the end of the lease a free hand to take back the site and works on terms fair both to the public and the lessee; fourth, provide for the regulation of service, prices, and security issues if the lessee is engaged in public service; fifth, secure for the public all profits in excess of a fair return on the lessee's actual net investment; sixth, insure a fair return to the public on Government money invested; seventh, require the lessee to pay his fair share of the cost of storage reservoirs built above his works up to the amount of the benefits he gets from them."

The governor said he had "no objection" to Ford getting Muscle Shoals, "provided the terms on which he gets it are in line with the Roosevelt conservation policies, and provided they secure for the public what the rights granted are worth."

PURCHASE OF NITRATES FROM CHILE.

Mr. DIAL. Mr. President, we have been considering here for a few days a bill proposing that the Government shall lend $50,000,000 to the farmers of the wheat-growing section of the United States. On yesterday while speaking on this subject I stated that the legislatures of the States in the sections proposed to be covered could, perhaps, provide the means of relieving the farmers instead of their coming to the National Government. In the Columbia (S. C.) State, which is a splendid newspaper published in South Carolina, and one which advocates sound doctrines there appeared on yesterday an editorial showing that the South Carolina Legislature a few days ago passed a resolution providing for taking up the question of the purchase of nitrate directly from the Chilean authorities. I commend that proposition, and I ask to have printed in the RECORD the editorial referred to, showing how the States may take care of their own citizens without coming to the National Government.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Columbia (S. C.) State of March 5, 1924.]

A MOVE TO BUY NITRATE IN CHILE.

The act passed by the legislature, and especially fathered by Representative R. D. McDonald, of Oconee, providing for the "appointment of a commission to look into the feasibility of purchasing nitrate of soda at actual cost to the farmers of South Carolina," may well bear good fruit.

Mr. McDonald, we understand, has already, through extended inquiry by correspondence during the past several years, familiarized himself with conditions surrounding the Chilean nitrate business and the normal commercial barriers which prevent economical trading between the Chilean producers of nitrate of soda and the consuming farmers, and he has received encouragement from Chilean sources to believe that some of those barriers may be removed.

What may be done must depend largely upon the ability and willingness of the Chilean Government to aid an independent move to escape the extra costs now imposed not only by the middlemen but by those who, having a monopoly of the trade, have been able to fix prices on the exported nitrate. If Chile is willing to sell direct and to send cargoes of nitrate of soda to Charleston and take back coal, the trading may be readily accomplished, and with mutual advantage. That point definitely settled and the the costs figured, the business organization necessary for carrying out the details would be simple enough.

It might seem rather venturesome for South Carolina farmers to bring this nitrate from the mines 5,000 miles away, but it comes from there, anyway, and if they can through business cooperation secure the advantages of direct trading it is worth the effort. We feel, too, that the work and earnestness of Representative McDonald in what is really a patriotic effort to serve is due our interest and cooperation.

The American consul general and other representatives of our Consular Service in Chile will, we are sure, be glad to contribute information and advice when called upon.

INCOME-TAX COMPARATIVE TABLES.

Mr. ROBINSON. Mr. President, I ask leave to have printed in the RECORD for the use of the Senate a series of tables, the first showing the amount of tax on incomes of $5,000 or less under the so-called Longworth compromise plan; the second, a comparative table showing the amount of tax on incomes of $5,000 and less under the present law, under the Mellon plan, and under the Democratic or Garner plan; also a comparative table showing the amount of surtax under the existing law, as proposed by the Mellon plan, the Garner plan, and the Longworth compromise plan. I think the tables will be of some use to the Committee on Finance in its consideration of the tax reduction bill and also useful to Members of the Senate generally. I ask to have the tables printed in the RECORD.

The PRESIDENT pro tempore. Is there objection? The Chair hears none and it is so ordered.

The tables referred to are as follows:

Table showing amount of tax on incomes of $5,000 and less under the Longworth compromise plan.

Income.	Single person.	Married person with no dependents.	Married person with 1 dependent.	Married person with 2 dependents.
$1,000				
$1,100	$1.50			
$1,200	3.00			
$1,300	4.50			
$1,400	6.00			
$1,500	7.50			
$1,600	9.00			
$1,700	10.50			
$1,800	12.00			
$1,900	13.50			
$2,000	15.00			
$2,100	16.50			
$2,200	18.00			
$2,300	19.50			
$2,400	21.00			
$2,500	22.50			
$2,600	24.00	$1.50		
$2,700	25.50	3.00		
$2,800	27.00	4.50		
$2,900	28.50	6.00		

Table showing amount of tax on incomes of $5,000 and less under the Longworth compromise plan—Continued.

Income.	Single person.	Married person with no dependents.	Married person with 1 dependent.	Married person with 2 dependents.
$3,000	$30.00	$7.50	$1.50	
$3,100	31.50	9.00	3.00	
$3,200	33.00	10.50	4.50	
$3,300	34.50	12.00	6.00	
$3,400	36.00	13.50	7.50	$1.50
$3,500	37.50	15.00	9.00	3.00
$3,600	39.00	16.50	10.50	4.50
$3,700	40.50	18.00	12.00	6.00
$3,800	42.00	19.50	13.50	7.50
$3,900	43.50	21.00	15.00	9.00
$4,000	45.00	22.50	16.50	10.50
$4,100	46.50	24.00	18.00	12.00
$4,200	48.00	25.50	19.50	13.50
$4,300	49.50	27.00	21.00	15.00
$4,400	51.00	28.50	22.50	16.50
$4,500	52.50	30.00	24.00	18.00
$4,600	54.00	31.50	25.50	19.50
$4,700	55.50	33.00	27.00	21.00
$4,800	57.00	34.50	28.50	22.50
$4,900	58.50	36.00	30.00	24.00
$5,000	60.00	37.50	31.50	25.50

Comparative table showing amount of tax on incomes of $5,000 and less under the present law, Mellon plan, and Democratic plan.

Income.	Single person.			Married person without dependents.			Married person with one dependent.			Married person with two dependents.		
	Present law.	Mellon plan.	Democratic plan.	Present law.	Mellon plan.	Democratic plan.	Present law.	Mellon plan.	Democratic plan.	Present law.	Mellon plan.	Democratic plan.
$1,000												
$1,100	$4.00	$2.25										
$1,200	8.00	4.50										
$1,300	12.00	6.75										
$1,400	16.00	9.00										
$1,500	20.00	11.25										
$1,600	24.00	13.50										
$1,700	28.00	15.75										
$1,800	32.00	18.00										
$1,900	36.00	20.25										
$2,000	40.00	22.50										
$2,100	44.00	24.75	$1.50									
$2,200	48.00	27.00	3.00									
$2,300	52.00	29.25	4.50									
$2,400	56.00	31.50	6.00									
$2,500	60.00	33.75	7.50									
$2,600	64.00	36.00	9.00	$1.00	$2.25							
$2,700	68.00	38.25	10.50	8.00	4.50							
$2,800	72.00	40.50	12.00	12.00	6.75							
$2,900	76.00	42.75	13.50	16.00	9.00							
$3,000	80.00	45.00	15.00	20.00	11.25		$4.00	$2.25				
$3,100	84.00	47.25	16.50	24.00	13.50	$1.50	8.00	4.50				
$3,200	88.00	49.50	18.00	28.00	15.75	3.00	12.00	6.75				
$3,300	92.00	51.75	19.50	32.00	18.00	4.50	16.00	9.00				
$3,400	96.00	54.00	21.00	36.00	20.25	6.00	20.00	11.25		$4.00	$2.25	
$3,500	100.00	56.25	22.50	40.00	22.50	7.50	24.00	13.50	$1.50	8.00	4.50	
$3,600	104.00	58.50	24.00	44.00	24.75	9.00	28.00	15.75	3.00	12.00	6.75	
$3,700	108.00	60.75	25.50	48.00	27.00	10.50	32.00	18.00	4.50	16.00	9.00	
$3,800	112.00	63.00	27.00	52.00	29.25	12.00	36.00	20.25	6.00	20.00	11.25	
$3,900	116.00	65.25	28.50	56.00	31.50	13.50	40.00	22.50	7.50	24.00	13.50	$1.50
$4,000	120.00	67.50	30.00	60.00	33.75	15.00	44.00	24.75	9.00	28.00	15.75	3.00
$4,100	124.00	69.75	31.50	64.00	36.00	16.50	48.00	27.00	10.50	32.00	18.00	4.50
$4,200	128.00	72.00	33.00	68.00	38.25	18.00	52.00	29.25	12.00	36.00	20.25	6.00
$4,300	132.00	74.25	34.50	72.00	40.50	19.50	56.00	31.50	13.50	40.00	22.50	7.50
$4,400	136.00	76.50	36.00	76.00	42.75	21.00	60.00	33.75	15.00	44.00	24.75	9.00
$4,500	140.00	78.75	37.50	80.00	45.00	22.50	64.00	36.00	16.50	48.00	27.00	10.50
$4,600	144.00	81.00	39.00	84.00	47.25	24.00	68.00	38.25	18.00	52.00	29.25	12.00
$4,700	148.00	83.25	40.50	88.00	49.50	25.50	72.00	40.50	19.50	56.00	31.50	13.50
$4,800	152.00	85.50	42.00	92.00	51.75	27.00	76.00	42.75	21.00	60.00	33.75	15.00
$4,900	156.00	87.75	43.50	96.00	54.00	28.50	80.00	45.00	22.50	64.00	36.00	16.50
$5,000	160.00	90.00	45.00	100.00	56.25	30.00	84.00	47.25	24.00	68.00	38.25	18.00

Comparative table showing amount of surtax under the existing law, Mellon plan, Democratic plan, and Longworth compromise plan.

Income.	Present.	Mellon.	Democratic.	Longworth.
$11,000	$60.00	$10.00		$15.00
$12,000	80.00	20.00		30.00
$13,000	110.00	40.00	$10.00	52.50
$14,000	140.00	60.00	20.00	75.00
$15,000	180.00	90.00	40.00	105.00
$16,000	220.00	120.00	60.00	135.00
$17,000	270.00	160.00	90.00	172.50
$18,000	320.00	200.00	120.00	210.00
$19,000	380.00	250.00	160.00	255.00
$20,000	440.00	300.00	200.00	300.00
$21,000	520.00	360.00	250.00	360.00
$22,000	600.00	420.00	300.00	420.00
$23,000	690.00	490.00	360.00	487.50
$24,000	780.00	560.00	420.00	555.00
$25,000	880.00	640.00	490.00	630.00

Comparative table showing amount of surtax under the existing law, etc.—Continued.

Income.	Present.	Mellon.	Democratic.	Longworth.
$26,000	$980.00	$720.00	$560.00	$705.00
$27,000	1,090.00	810.00	640.00	787.50
$28,000	1,200.00	900.00	720.00	870.00
$29,000	1,320.00	1,000.00	810.00	960.00
$30,000	1,440.00	1,100.00	900.00	1,050.00
$31,000	1,570.00	1,210.00	1,000.00	1,147.50
$32,000	1,700.00	1,320.00	1,100.00	1,245.00
$33,000	1,850.00	1,440.00	1,210.00	1,357.50
$34,000	2,000.00	1,560.00	1,320.00	1,470.00
$35,000	2,150.00	1,690.00	1,440.00	1,582.50
$36,000	2,300.00	1,820.00	1,560.00	1,729.00
$37,000	2,460.00	1,960.00	1,690.00	1,815.00
$38,000	2,620.00	2,100.00	1,820.00	1,935.00
$39,000	2,790.00	2,240.00	1,960.00	2,062.50
$40,000	2,960.00	2,380.00	2,100.00	2,190.00

Comparative table showing amount of surtax under the existing law, etc.—Continued.

Income.	Present.	Mellon.	Democratic.	Longworth.
$41,000	$3,140.00	$2,530.00	$2,250.00	$2,328.00
$42,000	3,220.00	2,680.00	2,400.00	2,460.00
$43,000	3,510.00	2,830.00	2,560.00	2,602.50
$44,000	3,700.00	2,980.00	2,720.00	2,745.00
$45,000	3,900.00	3,130.00	2,890.00	2,895.00
$46,000	4,100.00	3,280.00	3,060.00	3,045.00
$47,000	4,310.00	3,440.00	3,240.00	3,202.50
$48,000	4,520.00	3,600.00	3,420.00	3,360.00
$49,000	4,740.00	3,760.00	3,610.00	3,525.00
$50,000	4,960.00	3,920.00	3,800.00	3,690.00
$51,000	5,190.00	4,080.00	4,000.00	3,862.50
$52,000	5,420.00	4,240.00	4,200.00	4,035.00
$53,000	5,660.00	4,410.00	4,410.00	4,216.00
$54,000	5,900.00	4,580.00	4,620.00	4,396.00
$55,000	6,150.00	4,750.00	4,840.00	4,852.50
$56,000	6,400.00	4,920.00	5,060.00	4,770.00
$57,000	6,660.00	5,090.00	5,290.00	4,965.00
$58,000	6,920.00	5,260.00	5,520.00	5,160.00
$59,000	7,190.00	5,440.00	5,760.00	5,362.50
$60,000	7,460.00	5,620.00	6,000.00	5,565.00
$61,000	7,740.00	5,800.00	6,250.00	5,775.00
$62,000	8,020.00	5,980.00	6,510.00	5,985.00
$63,000	8,310.00	6,160.00	6,780.00	6,202.50
$64,000	8,600.00	6,340.00	7,060.00	6,420.00
$65,000	8,900.00	6,530.00	7,350.00	6,645.00
$66,000	9,200.00	6,720.00	7,650.00	6,870.00
$67,000	9,510.00	6,910.00	7,960.00	7,102.50
$68,000	9,820.00	7,100.00	8,270.00	7,335.00
$69,000	10,140.00	7,290.00	8,590.00	7,575.00
$70,000	10,460.00	7,480.00	8,910.00	7,815.00
$71,000	10,790.00	7,680.00	9,240.00	8,062.50
$72,000	11,120.00	7,880.00	9,570.00	8,310.00
$73,000	11,460.00	8,080.00	9,910.00	8,565.00
$74,000	11,800.00	8,280.00	10,250.00	8,820.00
$75,000	12,150.00	8,480.00	10,600.00	9,082.50
$76,000	12,500.00	8,680.00	10,950.00	9,345.00
$77,000	12,860.00	8,890.00	11,310.00	9,615.00
$78,000	13,220.00	9,100.00	11,670.00	9,885.00
$79,000	13,590.00	9,310.00	12,060.00	10,162.50
$80,000	13,960.00	9,520.00	12,410.00	10,440.00
$81,000	14,340.00	9,730.00	12,790.00	10,725.00
$82,000	14,720.00	9,940.00	13,170.00	11,010.00
$83,000	15,110.00	10,160.00	13,560.00	11,302.50
$84,000	15,500.00	10,380.00	13,950.00	11,595.00
$85,000	15,900.00	10,600.00	14,350.00	11,895.00
$86,000	16,300.00	10,820.00	14,750.00	12,195.00
$87,000	16,710.00	11,040.00	15,160.00	12,502.50
$88,000	17,120.00	11,260.00	15,570.00	12,810.00
$89,000	17,540.00	11,490.00	15,990.00	13,125.00
$90,000	17,960.00	11,720.00	16,410.00	13,440.00
$91,000	18,380.00	11,950.00	16,840.00	13,762.50
$92,000	18,820.00	12,180.00	17,270.00	14,085.00
$93,000	19,260.00	12,410.00	17,710.00	14,415.00
$94,000	19,700.00	12,640.00	18,150.00	14,745.00
$95,000	20,150.00	12,880.00	18,590.00	15,082.50
$96,000	20,600.00	13,120.00	19,030.00	15,420.00
$97,000	21,060.00	13,360.00	19,470.00	15,765.00
$98,000	21,520.00	13,600.00	19,910.00	16,110.00
$99,000	21,990.00	13,840.00	20,350.00	16,462.50
$100,000	22,460.00	14,080.00	20,790.00	16,815.00
$150,000	46,460.00	26,580.00	42,790.00	34,815.00
$200,000	70,960.00	39,080.00	64,790.00	53,190.00
$250,000	95,960.00	51,580.00	86,790.00	71,940.00

OUACHITA RIVER IMPROVEMENT.

Mr. ROBINSON. I also ask to have printed in the RECORD a letter addressed to me by Mr. J. E. Callaway, of Arkadelphia, Ark., explaining the necessity and justification for the improvement of the Ouachita River from Camden to Arkadelphia, Ark., explaining the necessity and justification for the a brief news report relative to freight service on the Ouachita River.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

ARKADELPHIA CHAMBER OF COMMERCE,
Arkadelphia, Ark., February 26, 1924.

Hon. JOE T. ROBINSON,
United States Senate, Washington, D. C.

DEAR SENATOR: As chairman of the committee on new industries of the Arkadelphia Chamber of Commerce, I desire to submit the following for your consideration with reference to the improvement of the Ouachita River from Camden to Arkadelphia.

First. The locks and dams on the Ouachita River below Camden have been completed, which makes all-year navigation from Camden south.

Second. The wholesale merchants of New Orleans and the business men of Camden are now cooperating to utilize navigation to Camden, and traffic with 600 tons of freight north-bound from New Orleans up every 14 days, with the tariff of 50 per cent of the rail rates, with a minimum of 25 per cent of railroad rates to Monroe and 30 per cent to Camden.

Third. Although Arkadelphia is the head of navigation, yet it is impossible to navigate the Ouachita River between here and Camden on account of the obstructions, consisting of snags and overhanging timber. If these obstructions were cleared, the traffic would be continued to Arkadelphia at a minimum of about 35 per cent of railroad rates.

Fourth. With the obstructions cleared we would have navigation to Arkadelphia five to six months per year, regardless of the advantages that the locks and dams would give us for slack water. The merchants of this city buy their heavy groceries largely from New Orleans, which is our natural market. If river transportation were open we could buy most of our commodities, including hardware, in New Orleans. There is a vast amount of traffic between Arkadelphia and Camden which needs navigation.

Fifth. If the department appreciated the advantages that this upper stretch would be to this section of Arkansas they would not hesitate to give us relief.

While you are familiar with the system of hydroelectric dams now in course of construction on the Ouachita River north of Arkadelphia, it is our desire to inaugurate river traffic by next winter without waiting for the dams.

Asking your good offices in obtaining the relief desired during the coming summer, I am,

Yours very truly,

J. E. CALLAWAY,
Chairman.

ARKANSAS WATER FREIGHT SERVICE OFFERED DEALERS—REGULAR STEAMBOAT TRIPS PLANNED IF COOPERATION IS OBTAINED.

Steamboat service to the prosperous and fast developing section of North Louisiana and South Arkansas tributary to the Red, Black, and Ouachita Rivers was offered wholesale merchants, jobbers, and manufacturers of New Orleans yesterday by Adolph Felsenthal, of Camden, Ark., and Capt. L. V. Cooley, president and general manager, respectively, of the Arkansas-Louisiana Navigation Co.

If New Orleans shippers will furnish a minimum of 600 tons of northbound freight for each trip, the navigation company, which has acquired an interest in the steamboat *America*, will publish a tariff at 50 per cent of the rail rate, with a minimum of 25 cents a hundred pounds to Monroe, and 30 cents to Camden, Ark. It will begin sailing on a 14-day schedule, and if the business justifies will have sailings each week.

Mr. Felsenthal and Captain Cooley yesterday laid their proposal before the traffic and transportation bureau of the Association of Commerce, which indorsed the proposed boat line, and will call the matter to the attention of the wholesale merchants and the manufacturers' bureaus. There will be no committee to solicit freight, it was announced. It is up to the New Orleans business interests to produce the tonnage.

Points that would be served by the steamboat line include Jonesville, Harrisonburg, Columbia, Riverton, Bosco, Logtown, Monroe, Sterlington, Ouachita City, Alabama Landing, Felsenthal, Moro Bay, El Dorado Landing, Calion, Smackover Landing, and Camden. The Ouachita River flows through the Monroe gas fields, and the El Dorado, Smackover, Norphlet, and Louann oil and gas fields of Arkansas.

New Orleans shippers would also have rail connections over two lines at Monroe and over three railroads at Camden.

The entire Ouachita Basin was tributary to New Orleans in the old steamboat days. Twenty years ago the traffic was cut off by lack of a channel in the Ouachita River, and since then the territory has been dormant so far as New Orleans is concerned. In the 20-year period it has grown immensely in population and wealth.

Camden and Monroe business men, who are interested in the navigation company, are anxious to see waterway connections reestablished with New Orleans. They declare that if New Orleans wholesalers and manufacturers will send salesmen into the Ouachita Basin to obtain orders on the basis of the low water rate that is proposed there will be no difficulty in securing the desired northbound tonnage. Cargo is already available for the southbound journey.

Mr. Felsenthal, a prominent business man of Camden, has been active for 30 years in bringing about Government improvement of the Ouachita River. Mainly as a result of his efforts the first congressional appropriation was voted in 1894.

Since then the Government has spent $6,000,000 to complete a system of locks and dams in the Ouachita River. The last lock was recently opened, giving a year-round channel of 6½ feet from Camden to New Orleans.

"The new transportation company"—

Said Mr. Felsenthal yesterday—

"has no stock for sale. It desires no bonuses. All it asks for is commerce, and it is willing to handle that commerce for 50 per cent of the rail rate, with minimum charges to Monroe and Camden.

"The company wants freight, and it wants to be certain this freight will be forthcoming for at least six months. The service is ready, but New Orleans wholesalers and manufacturers, who have a profitable trade territory open to them, must show that they will support a boat line."

CONDOLENCE ON DEATH OF FORMER PRESIDENT WILSON.

The PRESIDENT pro tempore laid before the Senate a communication from the President of the Senate of Portugal, expressing the sincere condolence of that senate upon the death of the great citizen and former President of the United States, Woodrow Wilson, which was ordered to lie on the table.

PETITIONS AND MEMORIALS.

The PRESIDENT pro tempore laid before the Senate the petition of L. Boardman Smith Camp, No. 25, United Spanish War Veterans, of Rochester, N. Y., praying for the passage of legislation granting increased pensions to Spanish War veterans and their widows, which was referred to the Committee on Pensions.

He also laid before the Senate resolutions adopted by the convention of the National Association of Builders' Exchanges, at Reading, Pa., favoring the granting of adequate relief to disabled veterans of the World War, but opposing the granting of a bonus to able-bodied veterans; also, the adoption of an amendment to the Constitution assessing income taxes upon incomes derived from present tax-exempt securities, which were referred to the Committee on Finance.

He also laid before the Senate a resolution adopted at a mass meeting of citizens of Logan County, at Russellville, Ky., favoring the granting of adjusted compensation to veterans of the World War, which was referred to the Committee on Finance.

He also laid before the Senate a petition of sundry citizens of Spotswood, N. J., praying for the participation of the United States in the Permanent Court of International Justice, which was referred to the Committee on Foreign Relations.

He also laid before the Senate a resolution of the Board of Aldermen of the City of New York N. Y., favoring the granting of relief to the destitute people of Germany, which was referred to the Committee on Foreign Relations.

He also laid before the Senate a resolution of the Hartwell Business Men's Club of Hartwell, Cincinnati, Ohio, favoring the fostering of the American merchant marine and protesting against the ratification of any treaties with foreign governments not leaving the United States free to favor its merchant marine, which was referred to the Committee on Commerce.

He also laid before the Senate resolutions adopted by the board of directors of the American-Hungarian Chamber of Commerce, protesting against the passage of the so-called Johnson selective immigration bill as being violative of American principles, which were referred to the Committee on Immigration.

He also laid before the Senate the petition of John F. Mathews, of New Orleans, La., praying for the passage of Senate bill 895 and House bill 2719 providing relief for persons who served in the United States Military Telegraph Corps during the Civil War, which was referred to the Committee on Military Affairs.

He also laid before the Senate resolutions adopted by a convention of Oklahoma Indians, at Tulsa, Okla., favoring an investigation as to the affairs of restricted Indians in the State of Oklahoma and appropriate action for the protection of the Indian wards of the United States, which were referred to the Committee on Indian Affairs.

Mr. McLEAN. I ask to have printed in the RECORD and referred to the Committee on Finance resolutions adopted by the American Legion of the Department of Connecticut relative to disabled ex-service men.

There being no objection, the resolutions were referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

Whereas it is a recognized fact that mental diseases are insidious in onset, often requiring years before restraint becomes necessary; and

Whereas steps are not taken in mental cases with the same dispatch as in purely physical conditions due to the stigma which attaches to insanity; and

Whereas the American Legion of the Department of Connecticut believes that the fullest latitude should be extended by the Government in such cases: Now, therefore, be it

Resolved, That the said department is against any time limit for the filing of mental claims arising from service to the United States in the World War, and that a copy of this resolution be forwarded to the Connecticut Representatives and Senators in Congress, to the Connecticut representative on the national committee of the American Legion, to the national commander of the American Legion, and to the department commanders of the New England States, New Jersey, and New York, in order that a concerted action may be obtained in this matter.

THE AMERICAN LEGION, DEPARTMENT OF CONNECTICUT,
E. P. ARMSTRONG, *Department Commander.*

Whereas regulations in force at present in the Veterans' Bureau require that ex-service men who develop tuberculosis after three years from date of discharge must show medical treatment for same within the three-year period or it is not allowed as traceable to service, with a result that many ex-service men who have developed tuberculosis since the three-year period who can not show medical treatment for their condition are now being hospitalized by other agencies; and

Whereas there are ex-service men to-day dying of tuberculosis, the object of public charity, unable to prove a service connection because the proof required is beyond all reason: Now, therefore, be it

Resolved, That the State department of the American Legion of the Department of Connecticut is in favor of a five-year limit in all tubercular cases and feels that the United States Government should accept the responsibility for all such, and that a copy of these resolutions be forwarded to the Connecticut Representatives and Senators in Congress, to the Connecticut representative of the national committee of the American Legion, to the national department of the American Legion, and to the department commanders of the New England States and of New Jersey and New York, in order that a concerted action may be obtained in this matter.

THE AMERICAN LEGION,
By E. P. ARMSTRONG,
Department Commander.

Mr. HARRELD. I send to the desk a resolution of the Oklahoma State Legislature, and ask that it be printed in the RECORD and referred to the Committee on Post Offices and Post Roads.

The resolution was referred to the Committee on Post Offices and Post Roads, as follows:

STATE OF OKLAHOMA,
DEPARTMENT OF STATE.

To all to whom these presents shall come, greeting:

I, R. A. Sneed, secretary of state of the State of Oklahoma, do hereby certify that the following and hereto attached is a true copy of house resolution 11, adopted by the house of representatives February 4, 1924, the original of which is now on file and a matter of record in this office.

In testimony whereof, I hereto set my hand and cause to be affixed the great seal of State.

Done at the city of Oklahoma City this 5th day of February, A. D. 1924.

[SEAL.]

R. A. SNEED,
Secretary of State.
UNA LEE ROBERTS,
Assistant Secretary of State.

House resolution 11 (by Finley) memorializing Congress to increase the compensation of postal employees.

Whereas the employees of the United States Postal Service are efficient workers engaged in a work vital to the entire country; and

Whereas they are chosen by competitive tests, not political preference; and

Whereas the cost of living is from 65 to 85 per cent higher than 10 years ago; and

Whereas the postal employees have only received increase in pay of from 10 to 20 per cent in that length of time: Therefore be it

Resolved by the house of representatives of the ninth legislature in extraordinary session assembled, That we believe Congress should grant the postal employees an adequate increase in their compensation; and be it further

Resolved, That copies of this resolution be furnished to the Oklahoma delegation in Congress.

Adopted by the house of representatives this the 4th day of February, 1924.

W. D. MCBEE,
Speaker of the House of Representatives.

Correctly enrolled.

JOHN M. BELL,
Chairman of Committee on Engrossing and Enrolling.

Mr. EDGE presented a petition, numerously signed, of sundry citizens of the State of New Jersey, praying for the enactment of legislation granting adjusted compensation to veterans of the World War, which was referred to the Committee on Finance.

Mr. EDGE. Mr. President, I desire to have inserted in the RECORD and referred to the Immigration Committee a resolution passed by the Legislature of the State of New Jersey, referring to a pending immigration bill.

The resolution was referred to the Committee on Immigration and under the rule ordered to be printed in the RECORD, as follows:

NEW JERSEY SENATE, *March 4, 1924.*

HON. WALTER E. EDGE,
Senator from New Jersey, Senate Office Building,
Washington, D. C.

MY DEAR SENATOR: Inclosed please find copy of a concurrent resolution that has passed both Houses of the New Jersey Legislature. According to the last paragraph of this resolution, I am forwarding a copy to you for your consideration.

Very truly yours,

ROBERT M. JOHNSTON,
Secretary of the Senate.

Whereas it is proposed in the Congress of the United States to enact a law restricting immigration, called the Johnson law; and

Whereas the said law will restrict immigration to 2 per cent of any nationality immigrating to the United States in the year of 1890; and

Whereas the immigration of the Italian people to the United States did not begin until, and was small in number, in 1890 and increased with later years; and

Whereas the effect of the bill will be unduly restricting the immigration of the Italian peoples and reflect upon them much in the same manner as so-called inferior peoples are reflected upon, to-wit, the Chinese and Japanese peoples; and

Whereas the Italian people, beginning with Christopher Columbus, benefited this continent and has conferred as great a benefit upon this country as any other people, and without their presence to-day the great work of constructing the railroad systems and the general construction work which has made the greatness of the country would have been impossible; and

Whereas the Italian race is industrious and thrifty and honest and law-abiding, and they and their native born and descendants have ornamented pages of history in this country: Therefore be it

Resolved that the Senate of the State of New Jersey (the House of Assembly concurring) does protest to the people of the United States against enacting such iniquitous and injurious law, a law as injurious to the United States of America as it is injurious and iniquitous to the great Italian people; be it further

Resolved, That a copy of this resolution be sent to the two United States Senators of New Jersey and one copy to each Member of the House of Representatives from the State of New Jersey.

Mr. SHIPSTEAD presented resolutions adopted at the annual meeting of the Northwestern Cooperative Livestock Shippers' Association, at St. Paul, Minn., favoring the passage of House bill 5093, to amend sections 301, 303, 306, and 407 of an act to regulate interstate and foreign commerce in livestock, livestock products, dairy products, poultry, poultry products, and eggs, and for other purposes, approved August 15, 1921, which were referred to the Committee on Agriculture and Forestry.

Mr. CAPPER presented a resolution adopted by Branch No. 201, Letter Carriers' Association, of Wichita, Kans., favoring the enactment of legislation granting increased compensation to postal employees, which was referred to the Committee on Post Offices and Post Roads.

He also presented the petition of the postmaster and postal employees of the Council Grove, Kans., post office, praying for the enactment of legislation granting increased compensation to postal employees, which was referred to the Committee on Post Offices and Post Roads.

Mr. WILLIS presented the petition (numerously signed) of Miss Mollie Williams and sundry other citizens in the State of Ohio, praying for the passage of legislation granting increased compensation to postal employees, which was referred to the Committee on Post Offices and Post Roads.

He also presented a resolution of the directors of the Washington Savings Bank, of Cleveland, Ohio, favoring the enactment of legislation granting increased compensation to postal employees, which was referred to the Committee on Post Offices and Post Roads.

Mr. CURTIS presented a petition of sundry citizens of Girard and vicinity, in the State of Kansas, praying for the enactment of legislation granting adjusted compensation to veterans of the World War, which was referred to the Committee on Finance.

He also presented a resolution of the Kansas City (Kans.) Chamber of Commerce, favoring the passage of legislation adjusting the salaries of postal employees and also adjusting postal rates so that the system may be self-sustaining, which was referred to the Committee on Post Offices and Post Roads.

He also presented a resolution of Branch No. 201, Letter Carriers' Association, of Wichita, Kans., favoring the enactment of legislation granting increased compensation to postal employees, which was referred to the Committee on Post Offices and Post Roads.

He also presented a resolution of the Embroidery Club, of Stafford, Kans., favoring an amendment to the Constitution regulating child labor, which was referred to the Committee on the Judiciary.

He also presented a petition, numerously signed, of Civil War veterans of Oswego, Kans., praying for the enactment of legislation granting pensions of $72 per month to Civil War veterans and of $50 per month to their widows, which was referred to the Committee on Pensions.

He also presented a resolution of the Horton Shop Federation, Central Labor Union, of Horton, Kans., favoring strict compliance with the Federal laws relative to locomotive inspection and safety appliances, which was referred to the Committee on Interstate Commerce.

He also presented a resolution of the Horton Shop Federation, Central Labor Union, of Horton, Kans., protesting against a resolution adopted by the Chamber of Commerce of the City of Horton, Kans., opposing any substantial change in the transportation act of 1920 as not being representative of the citizens of Horton, etc., which was referred to the Committee on Interstate Commerce.

He also presented a resolution of Kansas City (Kans.) Council, No. 419, the Order of United Commercial Travelers of America, favoring the passage of legislation increasing rates on second-class mail matter; fixing a 1-cent rate on "drop" letters, and providing that each class of mail shall pay the cost of service, so that no class need pay overcost, which was referred to the Committee on Post Offices and Post Roads.

He also presented memorials of members of the Shop Associations of the Atchison, Topeka & Santa Fe Railway system at Wellington, Kans., remonstrating against the making of any substantial change in the transportation act of 1920, which were referred to the Committee on Interstate Commerce.

Mr. LADD presented the petitions of John Wagner and 154 other citizens of Arthur, of W. G. Dooley and 87 other citizens of Grand Forks, and of O. Q. Satrom and 43 other citizens of Galesburg, all in the State of North Dakota, praying for the enactment of legislation granting adjusted compensation to veterans of the World War, which were referred to the Committee on Finance.

He also presented the petition of J. W. Wampler and 23 other citizens of Bordulac, N. Dak., praying for the passage of legislation repealing or reducing the so-called nuisance and war taxes, especially the tax on alcohol, which was referred to the Committee on Finance.

He also presented the petition of H. S. Gund and 15 other citizens of Sheyenne, N. Dak., praying for the adoption of the so-called Mellon tax-reduction plan, which was referred to the Committee on Finance.

He also presented the petitions of M. S. Ordal and 29 other citizens of Manitou, of O. G. Richards and 18 other citizens of Fargo, of A. L. White and 60 other citizens of Pingree, and of A. H. Nelson and 68 other citizens of Alexander, all in the State of North Dakota, praying for the enactment of legislation increasing the tariff duty on wheat and the repeal of the drawback provision and the milling-in-bond privilege of the Fordney-McCumber tariff act, which were referred to the Committee on Finance.

He also presented a resolution of the Sheyenne Valley Medical Society, of Valley City, N. Dak., protesting against the so-called Harrison narcotic act tax; the imposition of taxes on the incomes of physicians not deducted for expenses incurred in attending meetings of medical societies, etc., and favoring the imposition of taxes on earned income at less rates than on income on investments, which was referred to the Committee on Finance.

He also presented the petitions of H. O. Kunze and 25 other citizens of Havelock, of O. F. Hansen and 41 other citizens of Traill County, of Ole Tangen and 22 other citizens of Harvey, of J. H. Paulson and 37 other citizens of Hoople, of Anton Beck and 20 other citizens of Maddock, and of W. Noller and one other citizen of Harwood, all in the State of North Dakota, praying for the passage of the so-called Norris-Sinclair bill, providing aid to agriculture, which were referred to the Committee on Agriculture and Forestry.

He also presented a resolution of the Bismarck (N. Dak.) Lions Club, favoring the passage of the so-called Norris-Sinclair bill, providing aid to agriculture, which was referred to the Committee on Agriculture and Forestry.

NEAR EAST RELIEF (INC.).

Mr. STEPHENS, from the Committee on Claims, to which was referred the bill (S. 87) for the relief of the Near East Relief (Inc.), reported it without amendment and submitted a report (No. 208) thereon.

ENROLLED BILL PRESENTED.

Mr. WATSON, from the Committee on Enrolled Bills, reported that on to-day they presented to the President of the United States the enrolled bill (S. 2014) to authorize the Park-Wood Lumber Co. to construct two bridges across the United States Canal which connects Apalachicola River and St. Andrews Bay, Fla.

CHANGE OF REFERENCE.

On motion of Mr. COUZENS, the Committee on the Judiciary was discharged from the further consideration of the bill (S. 2759) granting privilege of the floor and right to participate in debate to heads of executive departments and other officers, and it was referred to the Committee on Rules.

SETTLEMENT OF FINLAND'S INDEBTEDNESS.

Mr. SMOOT. From the Committee on Finance I report back favorably without amendment the bill (H. R. 5557) to authorize the settlement of the indebtedness of the Republic of Finland to the United States of America. I ask unanimous consent for the present consideration of the bill.

The PRESIDENT pro tempore. The bill will be read for the information of the Senate.

The reading clerk read the bill, as follows:

Be it enacted, etc., That the settlement of the indebtedness of the Republic of Finland to the United States of America, made by the World War Foreign Debt Commission and approved by the President, upon the following terms is hereby approved and authorized:

Principal amount of obligations to be funded, $8,281,926.17; interest accrued thereon to December 15, 1922, at the rate of 4½ per cent per annum, $1,027,389.10, less payment in cash made by Finland March 8, 1923, on account of interest, $300,000, leaving a balance of $727,389.10; total principal and interest accrued and unpaid as of December 15, 1922, $9,009,315.27; less payment in cash made by Finland on May 1, 1923, $9,315.27. Total indebtedness to be funded into bonds, $9,000,000.

The principal of the bonds shall be paid in annual installments on the 15th day of each December, up to and including December 15, 1984, on a fixed schedule, subject to the right of the Government of Finland to make these payments in three-year periods; the amount of the first year's installment shall be $45,000, the annual installments to increase with due regularity until, in the sixty-second year, the amount of the installment will be $345,000, the aggregate installments being equal to the total principal of the debt.

The Government of Finland shall have the right to pay off additional amounts of the principal of the bonds on any interest date upon 90 days' notice.

Interest shall be payable upon the unpaid balances at the following rates on December 15 and June 15 of each year:

At the rate of 3 per cent per annum, payable semiannually, from December 15, 1922, to December 15, 1932, and thereafter at the rate of 3½ per cent per annum, payable semiannually, until final payment.

The Government of Finland shall have the right to pay up to one-half of any interest accruing between December 15, 1922, and December 15, 1927, on the $9,000,000, principal amount of bonds first to be issued, in bonds of Finland dated as of the respective dates when the interest to be paid thereby becomes due, payable as to principal on the 15th day of December in each succeeding year, up to and including December 15, 1984, on a fixed schedule, in annual installments, increasing with due regularity in proportion to, and in the manner provided for, the payments to be made on account of principal of the original issue of bonds, and bearing the same rates of interest and being similar in other respects to such original issue of bonds.

Any payment of interest or of principal may be made, at the option of the Government of Finland, in any United States Government obligations issued after April 6, 1917, such bonds to be taken at par and accrued interest.

The PRESIDENT pro tempore. Is there objection to the immediate consideration of the bill?

Mr. NORRIS. Mr. President, I did not quite understand the full purport of the bill from its reading. I assume it provides for a settlement of the debt between our Government and the Government of Finland.

Mr. SMOOT. That is correct; and I will say to the Senator that the settlement is exactly the same as that between Great Britain and the United States.

Mr. NORRIS. That is the question I was going to ask. There is not any difference between the form of the two settlements?

Mr. SMOOT. There is no difference; not a word has been changed.

Mr. NORRIS. That is the way, of course, in which the indebtedness ought to be settled. I have no objection to the consideration of the bill.

Mr. OVERMAN. I will inquire if the report on the bill is a unanimous one?

Mr. SMOOT. The report is unanimous.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

CONGRESSIONAL ALLOTMENT OF PUBLIC DOCUMENTS.

Mr. MOSES. From the Committee on Printing I report back favorably, with an amendment to the title, the bill (H. R. 7039) to amend section 72 of chapter 23, printing act approved January 12, 1895. I ask unanimous consent for immediate consideration of the bill.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

Mr. FLETCHER. Mr. President, may I ask the Senator from New Hampshire the purpose of the bill?

Mr. MOSES. The purpose of the bill is to make uniform the practice of the House with the practice of the Senate with reference to the allocation of public documents to new Members, providing that Members of the House shall have the same rights in the documents allotted to their predecessors as are now possessed by Members of the House with reference to their predecessors.

Mr. FLETCHER. I recall the provisions of the bill now.

Mr. ROBINSON. What are the rights of Members of the House to documents that formerly went to their predecessors?

Mr. MOSES. The Members of the Senate immediately on the 4th of March have the rights of their predecessors in all documents that are public, whereas Members do not, because their rights have extended until the following December, the beginning of the new Congress. It so happens that a case developed with some acuteness in connection with new Members during the last summer. Congress had authorized the printing of a very large edition of certain publications of the Department of Agriculture, two volumes on the diseases of the horse and the diseases of cattle, which were in very great demand. New Senators found themselves wholly without copies of any of those volumes except such as the Joint Committee on Printing were able to procure for them by transfer from one account to another.

Mr. ROBINSON. The bill, then, will in fact transfer to a new Member's account such documents as remain undisposed of at the end of the term of retiring Members.

Mr. MOSES. Yes, sir; and will put Members exactly on the same footing with Senators in that regard.

Mr. CURTIS. Mr. President——

Mr. MOSES. I ask that the bill may be read for the information of the Senate. It is a very short bill. The Senate will then understand its provisions.

Mr. ROBINSON. We may just as well know what we are doing.

The PRESIDENT pro tempore. The bill will be read.

The reading clerk read the bill (H. R. 7039) to amend section 72 of chapter 23, printing act approved January 12, 1895, as follows:

Be it enacted, etc., That section 72 of chapter 23, printing act approved January 12, 1895, be amended so as to read as follows:

"That the congressional allotment of public documents printed after the expiration of the term of office of any Senator, Representative, or Delegate shall be delivered to his or her successor in office.

"Any Senator, Representative, or Delegate having public documents to his credit at the expiration of his term of office shall take the same prior to the convening of the next succeeding Congress, and if he shall not do so within such period he shall forfeit them to his or her successor in office."

Mr. MOSES. The bill exactly covers the point to which I have referred with regard to the large edition of the two volumes issued by the Agricultural Department. The appropriation for the documents was passed late in the session prior to the 4th of March but the edition was not printed until after the final adjournment of the Sixty-seventh Congress, and Members coming in with the Sixty-eighth Congress were not able to get copies of the documents.

Mr. ROBINSON. I have no objection to the passage of the bill.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to amend section 72 of chapter 23, printing act approved January 12, 1895, relative to the allotment of public documents."

TERMS OF DISTRICT COURT AT KANSAS CITY, KANS.

Mr. OVERMAN. From the Committee on the Judiciary I report back favorably without amendment the bill (S. 2236) to designate the time and place of holding terms of the United States district court in the first division of the district at Kansas City. I call the attention of the Senator from Kansas [Mr. CURTIS] to the bill.

Mr. CURTIS. Mr. President, I ask unanimous consent for the immediate consideration of the measure just reported by the Senator from North Carolina.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read as follows:

Be it enacted, etc., That after the passage of this act the terms of the United States district court for the first division to be held at Kansas City, Kans., shall be held at that city on the first Monday in October and the first Monday in December, instead of the dates fixed in the act approved September 6, 1916.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SHIPSTEAD:

A bill (S. 2760) to prevent abuses of judicial process in cases involving or growing out of labor disputes; to the Committee on the Judiciary.

Mr. NORRIS. Mr. President, on behalf of the Senator from South Dakota [Mr. NORBECK], who is unavoidably absent, I introduce a bill which I ask to have properly referred.

By Mr. NORRIS (for Mr. NORBECK):

A bill (S. 2761) to authorize the withdrawal of lands for the protection of antelope and other game animals and birds; to the Committee on Public Lands and Surveys.

By Mr. EDGE:

A bill (S. 2762) for the relief of the estate of Farnham Z. Tucker, deceased; to the Committee on Claims.

A bill (S. 2763) to impose civil liability under certain circumstances upon owners of motor vehicles operated in the Canal Zone; to the Committee on Interoceanic Canals.

Mr. EDGE. I ask unanimous consent that the Committee on Military Affairs may be discharged from further consideration of Senate bill 1379 and that it be indefinitely postponed, and I send to the desk a bill which I ask to have take its place.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and that order will be entered. The bill presented by the Senator from New Jersey will be received and appropriately referred.

By Mr. EDGE:

A bill (S. 2764) authorizing the President to order Leo P. Quinn before a retiring board for a rehearing of his case and upon the findings of such board either confirm his discharge or place him on the retired list with the rank and pay held by him at the time of his discharge; to the Committee on Military Affairs.

By Mr. DALE:

A bill (S. 2765) granting a pension to Flora M. Gillett;

A bill (S. 2766) granting an increase of pension to Emma C. Derby;

A bill (S. 2767) granting an increase of pension to Katherine S. Fletcher; and

A bill (S. 2768) granting an increase of pension to Alice M. Jones; to the Committee on Pensions.

By Mr. SHIELDS:

A bill (S. 2769) appointing John Sullivan master sergeant, United States Army, retired; to the Committee on Military Affairs.

A bill (S. 2770) granting increased compensation to Wilson S. Jaynes by the Employees' Compensation Commission; to the Committee on Claims.

A bill (S. 2771) to provide for the erection of a public building at South Pittsburg, Tenn.; to the Committee on Public Buildings and Grounds.

By Mr. SMOOT:

A bill (S. 2772) for the relief of the Utah Fuel Co.; to the Committee on Claims.

By Mr. SHEPPARD:

A bill (S. 2773) for the relief of Donald Simpson Alkire; to the Committee on Military Affairs.

By Mr. SWANSON:

A bill (S. 2774) for the relief of G. Ferlita; to the Committee on Claims.

By Mr. JONES of Washington:

A bill (S. 2775) to supplement the national prohibition act by adding thereto a section to be known as section 26a; to the Committee on the Judiciary.

PHILIPPINE INDEPENDENCE.

Mr. KING. I introduce a joint resolution to enable the people of the Philippine Islands to form and adopt a constitution and establish an independent republic. Heretofore I introduced a resolution having the same object in view. An amendment was suggested which I have incorporated in the new joint resolution. I ask that it be printed and referred to the Committee on Territories and Insular Possessions.

The joint resolution (S. J. Res. 92) to enable the people of the Philippine Islands to form and adopt a constitution and establish an independent republic, was read twice by its title and referred to the Committee on Territories and Insular Possessions.

SURVEY OF MILL CUT AND CLUBFOOT CREEK, N. C.

Mr. SIMMONS. Mr. President, I ask unanimous consent, out of order, for the immediate consideration of House bill 4577, providing for the examination and survey of Mill Cut and Clubfoot Creek, N. C. It is Order of Business 198.

The PRESIDING OFFICER (Mr. MOSES in the chair). The Senator from North Carolina, out of order, asks unanimous consent for the present consideration of House bill 4577. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That the provision in section 12 of the river and harbor act approved September 22, 1922, providing for a preliminary examination and survey of Mill Cut, North Harlowe, Craven County, N. C., is hereby amended to read as follows: "Mill Cut and Clubfoot Creek, North Harlowe, Craven County, N. C."

Mr. SIMMONS. I desire to state that the bill has passed the House, and its purpose is merely to correct an error in the designated waters to be surveyed by the engineers.

Mr. KING. It is not a new project?

Mr. SIMMONS. No.

The PRESIDING OFFICER. If there be no amendment to be proposed, the bill will be reported to the Senate.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

AMENDMENT OF COTTON FUTURES ACT.

Mr. HARRIS. Mr. President, I ask unanimous consent to have printed in the RECORD two letters from one of the leading business men of the South, a resident of my State, whose name I shall omit, in regard to the efforts of the New York Cotton Exchange and others to depress the price of cotton and containing other information in regard to their efforts. I will state that I hope that the Senator from South Carolina [Mr. DIAL] and the Senator from Arkansas [Mr. CARAWAY], who have bills pending dealing with this subject, will press their bills immediately, so that this gambling in cotton futures can be prevented. I have urged since I have been a Member of the Senate that Congress enact a law preventing gambling in cotton futures. A farmer who produces cotton should not have the price fixed by the speculators. It is an outrage for this to be done.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

Hon. WILLIAM J. HARRIS,
United States Senate, Washington, D. C.

DEAR SENATOR: You will probably recall my conversation with you about having something to do in buying and selling future contracts. I have learned a great deal about this business this season. I occupy a position of having made a great deal more than I have lost; therefore you must give me some credit for an impartial statement on the curse of this business.

The man who buys a contract and loses money does not deserve any sympathy, but the man who makes the cotton and sells it on a fictitious speculative market made by unscrupulous and unconscionable speculators should have the sympathy of everybody, and that's the case as it now stands. The price of cotton a year ago the 1st of March was 31 cents a pound on the gamblers' market. It sold down by September to less than 21 cents, although there existed a small surplus. It commenced to rise and continued to do so until it reached over 37 cents in November. Since that time it has fluctuated and constantly gone down to where the gamblers' market for next October and December is 25 something. No doubt a large part of this year's cotton has been bought and sold before the seed have been planted. No doubt the market will

continue to shrink in price until it gets back like it did last year to 20 cents, and then it will start back, should a small crop be raised, and repeat the same course as this season. In the meantime the mills and wholesale jobbers will increase their prices in proportion to the advance in cotton until Christmas, which time the wholesale jobbers will postpone buying until the market is reduced to suit their interest in buying their stock for next fall's sales.

The average farmer can not adjust himself to any such market. The law of supply and demand is absolutely set aside by these gamblers as their market they make is recognized and sales are governed by their market. According to statistics this country has never had as little cotton in proportion to the need of cotton as it has to-day. It is a fact that if the farmers should make 14,000,000 bales of cotton they would get less money for it than should they make seven. The cost of production plus a profit has no bearing on the market. It is only a question of what the gamblers will let them have. If they make a small crop they run it up at the first of the year and run it down after that time. However, should they make a big crop they continue to run it down far below the cost of production, so it puts the farmer in a position of getting a big price when he hasn't but little to sell, and less than cost of production when he makes a crop, consequently, the destruction of the producers of this country and the enrichment of millionaires, manufacturers, gamblers, jobbers, and distributers. The cities are growing in wealth while the producers of crops are becoming bankrupt.

There has been a great deal said about legislation to help the farmer. You can benefit the farmer by stabilizing his markets so that he can sell like other people sell their goods, at cost plus a fair profit, as the Cotton Cooperative Association is trying to do by selling their cotton 12 months in the year to mills, and being governed by the law of supply and demand, and fixing a price, as above stated, at cost of production plus a fair profit.

If the Congress will pass a law requiring every man who contracts to sell 100 bales of cotton to own that cotton, you will stabilize the market which will fluctuate only as the law of supply and demand governs it. Many people will tell you that this future market is absolutely necessary for the manufacturers to hedge their contracts by future contracts made by the people who do not own a bale of cotton, which is untrue. Spot-cotton houses and farmers' cooperative associations could make contracts with the mills for deliveries of cotton every month in the year, and it would be a bona fide transaction. They would be selling something that was in existence. The steel industry is one of the largest in the United States. I do not understand that steel futures are dealt in as cotton futures, but contracts are made for future delivery of steel to buyers. I also believe that the same condition applies to the grain markets. The argument that the gambler raises the price of cotton and causes the farmer to get more for it is very deceptive, as he also lowers the price of it far below the cost of production, and the practice is destroying the farmers of the country, and if the Congress will thoroughly study this question they will break it up and stabilize spot markets in lieu of the gamblers' market, which we now have in force. Your southern colleagues ought to realize that this condition is ruining us. Lands in my section can be bought for $10 an acre that would have sold easily for $50 a few years ago. Thousands of people are leaving the farms because they can not make a living and pay taxes on the land. The radicals in Congress and in the legislatures of the country are made radicals by this condition and will become more radical to the point of revolution unless some corrections are made for protection to the producers. Loaning them money is a small consequence. They must be protected from robbery; they must have some assurance that they will get a fair price for their products, so they can take care of themselves without the charity of government, which plunges them further into radical socialism and prejudices against the people who are better off than themselves.

I would be delighted to know that all Members of Congress would seriously consider this problem and not be swept aside with any argument for the necessity of the gamblers' market to buy and sell a product before it is planted, as is being now done. They are more destructive than the boll weevil and can be more easily eliminated.

Yours very truly,

_____.

MARCH 4, 1924.

Senator WILLIAM J. HARRIS,
Washington, D. C.

MY DEAR MR. HARRIS: You need not bother to reply to this letter. I am just inclosing you a little propaganda for your information put out by the gamblers' market, also a clipping from Roger W. Babson.

Future market now is $45 to $50 a bale for May and July futures below what it was the last of November. The future market on next December is around 24 cents, which is less than our people can make it for and live decently. Not many seed have been planted, but the price has already been fixed by the gamblers. To say that supply and demand has anything to do with the cotton market is not true.

I am just sending you these clippings for your information for your file in case the Congress wants to take this matter up. Senator DIAL writes me that if the people understood what this market meant, they would destroy it in a week, and that's my opinion exactly. If you would destroy the gamblers' market, it would be the greatest piece of legislation that has ever been enacted for the producers of this country, and would stabilize the textile industry, although they would fight it. In the end, it would save them from having idle mills.

Yours very truly,

_____.

Cotton market has dropped practically 20 per cent in the past month or so. In view of the strong statistical status, there is no basis for a further immediate marked decline. Careful survey shows that total consumption and exports for the first six months of the season were 6,931,916 bales. This amount is well over half the estimated total supply, 12,168,919 bales. In recent months consumption has declined materially, and exports during the balance of the season should rule materially under the first six months' average. Even with a drastic curtailment the total consumption will approach 12,000,000 bales, leaving the smallest carry over in modern history. Cotton is still too high from a long-swing standpoint, and the possibility of a huge acreage and conservative consumption indicate further price readjustment later in the year. Temporarily, however, the statistical structure is strong. In view of the sharp reaction in price, we believe one should protect actual needs for the greater part of the current season.

ROGER W. BABSON.

[Reprint from New York Commercial of February 29, 1924.]

WIDE MOVEMENT PROVES COTTON-HEDGING VALUE—LARGE AND SMALL TEXTILE MEN NEED FUTURES MARKET FOR INSURANCE, SAYS MCELROY—MANCHESTER CRADLE OF FORWARD CONTRACTS—OPEN SWINGS IN 1924 MARKET HARMLESS TO PROTECTED MILL AND DRY GOODS INTERESTS.

(By Hugh F. McElroy, Tameling, Keen & Co.)

High prices and increasing scarcity of raw cotton during the past two seasons have done more than simply focus public attention on the futures markets, sensational though their fluctuations have been during that period. Summer scarcity on one hand and hopes for abundance in the fall and winter on the other, combined to cause a wide disparity between prices of cotton for prompt use by mills, as compared with new crop deliveries, even though the difference in time of delivery was a matter of only a few months.

When last year the striking difference of over 4 cents a pound was established between old cotton for May delivery and new crop for October delivery, wholesalers and jobbers refused to place their usual orders with mills for fall goods. At the same time a housewife's strike against the high prices set in, and mills were forced to quit purchasing raw cotton for sheer lack of orders.

Again this season, owing to a third disastrously short yield, the situation became even more acute, so that the difference between prices for May and October delivery expanded to the phenomenal spread of nearly 7¾ cents a pound.

The specter of summer famine was thus visible so far ahead that spinners were urged to purchase their needs for the whole year early, while receipts were running free and selections could be made out of a crop notoriously low in average grade. Many wise mill managers followed this course and were gratified to see cotton prices soar to vivid heights. All would have been well had consumers, retailers, and jobbers shown equal willingness to pay advanced prices for goods. But, apparently, the public's appetite for goods waned as raw cotton waxed in price, and mills saw orders on their books for delivery in summer months dwindle fast, while the business usually placed for fall and early winter was almost nil. Thus many manufacturers found themselves bare of orders, yet with stocks of raw cotton on hand as well as goods accumulating in their warehouses. They were in a quandary—goods would not advance to a raw cotton parity, and cotton suddenly developed a disposition to fall.

Here is where the contract market demonstrated its usefulness in a striking manner!

A year ago we issued an educational article on the value and methods of "hedging" in the cotton market, including among those addressed, more than a thousand of the largest department stores and dry goods merchants of the country. At that time the disparity between old and new crops was only 4 cents a pound, while this year an extreme difference of nearly 7¾ cents was established. Obviously, dealers in cotton goods—in all the various channels from manufacturer to the small retailer—desired protection from losses resulting from stocks carried over from one such season to another. Some, happily had learned of the insurance offered by sales of cotton futures, and availed themselves of it. To mill managers this method of protection was not a new story, but this year it has been used to far greater extent than ever before, for the very good reason that never before has there been such a wide chasm between old and new crop values and, therefore, more urgent necessity for such protection.

It is to be hoped that the profitable experience in "hedging" this season will have weight with those in the trade who have heretofore ignored its existence. The difficulty lies in convincing successful men of big affairs, that even greater success may be attained by investigating progressive methods new to them, but which have been tried for years by others and found invaluable.

The genesis of "hedging" harks back to Manchester, the cradle of the cotton-spinning industry. Manchester's great markets for yarn and goods lie in far-off India and China, with their teeming populations, whose only wearing apparel is made of cotton. Orders from those great customers are spasmodic, but enormous when they are placed.

In India the weather is the controlling factor. Until the monsoon breaks, with its life-giving rains, Indian merchants hold off, but once assured of a favorable season for food and other crops, they immediately place orders for vast quantities of goods. Chinese orders, on the other hand, are largely subject to fluctuations in silver exchange. When exchange, therefore, turns in favor of the buyer—without injuring the seller in any way—China becomes a big buyer. If British spinners waited until such orders arrived before making up goods, they would be overwhelmed. Of course, they do no such thing, but keep on steadily turning out goods for stock, so that they are always able to promptly fill the demand when it asserts itself. Such a process of manufacturing from a raw material subject to such wide fluctuations—both in supply and price—as cotton, would be the sheerest kind of gamble if some insurance against loss were not available or provided.

It was this situation which gave birth to the future contract system, and it is well to bear in mind that it goes back to the days of the sailing ship, when it took 60 to 90 days to land cotton in Liverpool from our Gulf ports. Spinners then were obliged to contract for cotton months in advance of their mill needs, and when goods were being piled up before orders arrived they required a method to sell against them for protection. Years of experience and elimination of abuses have brought the cotton-futures system close to the zenith of human perfection, a state which is largely due to the beneficient operation of the Federal cotton futures act, which went into full effect in 1915, and which has proved a boom to every branch of the cotton trade in the entire world.

FRANCIS SCOTT KEY BRIDGE.

Mr. CARAWAY. Mr. President, I introduce a joint resolution, which I send to the desk, and ask unanimous consent for its present consideration. I desire to make a word of explanation in regard to it.

Some time ago the Congress passed a bill permitting the Daughters of 1812 to have placed upon the Key Bridge a bronze tablet with certain inscriptions. The Fine Arts Commission say that they hope it will be changed to a marble tablet, because a bronze tablet will discolor the surface to which it is attached. I spoke to the Senator from Pennsylvania [Mr. PEPPER], who is chairman of the Committee on the Library, which deals with these matters and who had the original bill passed through the Senate; and the Senator from Pennsylvania told me he would be glad if this joint resolution were passed. I therefore ask unanimous consent to have that action taken. The joint resolution simply changes the word "bronze" to "marble."

The PRESIDING OFFICER. The Senator from Arkansas asks unanimous consent for the present consideration of the joint resolution which he has just introduced. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution (S. J. Res. 91) to authorize the National Society United States Daughters of 1812 to place a marble tablet on the Francis Scott Key Bridge, which was read the first time by its title, and the second time at length, as follows:

Resolved, etc., That the National Society United States Daughters of 1812 is authorized to place on the Francis Scott Key Bridge across Potomac River a marble tablet inscribed with the insignia of such society and with the last verse of the Star-Spangled Banner, after the plans and specifications for such tablet have been submitted to and approved by the Commission of Fine Arts on such plans and specifications.

SEC. 2. Such tablet shall be erected without expense to the Government of the United States.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

REDUCTION OF TAXATION.

Mr. McNARY submitted an amendment intended to be proposed by him to House bill 6715, the revenue bill, which was referred to the Committee on Finance and ordered to be printed.

RESTRICTION OF IMMIGRATION.

Mr. REED of Pennsylvania submitted an amendment intended to be proposed by him to the bill (S. 2576) to limit the immigration of aliens into the United States, and for other purposes, which was ordered to lieu on the table and to be printed.

TERMS OF THE PRESIDENT AND VICE PRESIDENT.

Mr. HARRIS submitted an amendment intended to be proposed by him to the joint resolution (S. J. Res. 22) proposing an amendment to the Constitution of the United States fixing the commencement of the terms of President and Vice President and Members of Congress, and fixing the time of the assembling of Congress, which was ordered to lie on the table and to be printed.

CHANGE OF DATE OF INAUGURATION.

The PRESIDING OFFICER. The morning business is closed.

Mr. NORRIS. Mr. President, I ask unanimous consent to take up for consideration Senate Joint Resolution 22, Order of Business No. 174.

If Senators will permit me to say just a word in explanation of it, this is a joint resolution amending the Constitution of the United States, and has the unanimous report of the Judiciary Committee. In effect, it is the same constitutional amendment that the Senate passed at the last Congress. It went to the House, was referred to the proper committee, and came back from that committee with a favorable report. It was then placed on the calendar and lost. The joint resolution provides for fixing the time of beginning and ending of the terms of President, Vice President, and Members of Congress in January instead of the 4th of March.

Mr. ROBINSON. Mr. President, may I ask the Senator from Nebraska a question respecting the joint resolution? Is the joint resolution as reported by the Committee on the Judiciary identical in form with the joint resolution which passed the Senate at the last session?

Mr. NORRIS. It is not identical in form. It is the same in substance.

Mr. ROBINSON. Can the Senator state the differences?

Mr. NORRIS. The difference is in section 3. That was not contained in the former joint resolution. The committee found on investigation of other parts of the Constitution that section 3 of the present amendment was necessary. There is another place in the Constitution which says that if the election of a President is referred to the House of Representatives on account of the electors not having elected a President, if the election does not take place by the House before the 4th day of March—the words "the fourth day of March" being used in the Constitution"—then the Vice President elected by the Senate shall become acting President. The fact that we change the beginning of the term from March to January makes it necessary for us to change that part of the Constitution also, which we have done in section 3. It only carries out the purpose of the original joint resolution.

Mr. ROBINSON. I feel justified in asking that the joint resolution go over for the present.

The PRESIDING OFFICER. Objection is made.

Mr. ROBINSON. I do not want to be placed in the attitude of objecting to the consideration of the joint resolution. My recollection is that I supported the joint resolution to which the Senator refers.

Mr. NORRIS. The Senator did support it in a very able speech when we had it up before.

Mr. ROBINSON. I desire, however, to have an opportunity of examining it. I suggest to the Senator that he withdraw his request for the day.

Mr. NORRIS. I will withdraw my request and make this one. Let me see if this will satisfy the Senator from Arkansas and other Senators. I ask unanimous consent that to-morrow immediately after the conclusion of the routine morning business we take up this joint resolution.

Mr. ROBINSON. I shall be unable to be present to-morrow.

Mr. NORRIS. Would Saturday suit the Senator?

Mr. ROBINSON. I will ask the Senator to make it a special order for some day early next week.

Mr. NORRIS. Then I request that on Monday next, immediately after the completion of the routine morning business——

The PRESIDING OFFICER. The Chair will inform the Senator from Nebraska that there is a unanimous-consent agreement governing the action of the Senate on Monday.

Mr. ROBINSON. The Senator from Nebraska is taking care of that. His proposal is that this special order shall take effect immediately after the disposition of the bill which has already been, in a way, made a special order for that day.

Mr. NORRIS. Let me inquire of the Chair whether an agreement has been made that will do away with morning business next Monday?

The PRESIDING OFFICER. That all depends upon whether the Senate adjourns or recesses on Saturday.

Mr. NORRIS. We will try to adjourn. If I should request that immediately upon the conclusion of the routine morning business on Monday we shall take up this joint resolution, that will not interfere with the unfinished business, because we will not take until 2 o'clock to conclude it.

The PRESIDING OFFICER. The Senator from Nebraska asks unanimous consent that when the Senate concludes its business on Saturday, it take an adjournment until Monday at 12 o'clock——

Mr. OVERMAN. How will that affect the memorial services on the late Senators NELSON and NICHOLSON?

The PRESIDING OFFICER. The Senator from Nebraska asks unanimous consent that when the Senate concludes its business on Saturday it take an adjournment until Sunday at noon, and at the conclusion of the memorial services scheduled for Sunday that the Senate adjourn until Monday at 12 o'clock, and that at the conclusion of the routine morning business on Monday the Senate proceed to the consideration of Order of Business 174, Senate Joint Resolution 22, proposing an amendment to the Constitution of the United States fixing the commencement of the terms of President and Vice President and Members of Congress, and fixing the time of the assembling of Congress. Is there objection?

Mr. KING. I have no objection to that, but I want to give notice to the Senator that on Monday the bill of the Senator from North Dakota [Mr. NORBECK] will be up for consideration.

Mr. NORRIS. Yes; but this proposed agreement applies only to the morning hour. Of course, if we do not get through before the conclusion of the morning hour, nothing will be accomplished; but I feel so confident that the joint resolution will not take any great length of time that I am willing to take that chance. It will not, of course, interfere with the morning business. At 2 o'clock the unfinished business will be laid before the Senate.

Mr. KING. I want to state to the Senator that if there should be a disposition to discuss at some length on Monday the bill to which I have just referred some of that discussion might take place during the morning hour.

Mr. NORRIS. It is possible, I will concede, that Senators who may think the time is going to be short will avail themselves of the privilege of talking about that bill when this joint resolution is up. Let me change the request.

Mr. KING. I suggest making it Tuesday.

Mr. NORRIS. I will change the request to Tuesday instead of Monday. Then there certainly will be no objection.

The PRESIDING OFFICER. The Senator from Nebraska asks unanimous consent that when the Senate concludes its business on Monday next it take an adjournment until Tuesday, and that at the conclusion of the routine morning business on Tuesday the Senate proceed to the consideration of Order of Business 174, Senate Joint Resolution 22. Is there objection? The Chair hears none, and the unanimous-consent agreement is entered into.

Mr. HARRIS. Mr. President, I heretofore and again this session introduced a joint resolution proposing to amend the Constitution so that the President shall be elected to serve for six years and be ineligible thereafter for reelection. I offer that joint resolution now as an amendment to the Norris resolution. It is before the Judiciary Committee, of which the Senator from Nebraska is a member; and I ask that it may be considered when the Norris resolution is considered. I also ask that it may be considered pending.

The PRESIDING OFFICER. Without objection, the amendment will be received and lie on the table.

COINAGE OF MEMORIAL 50-CENT PIECES.

Mr. SMOOT. I ask unanimous consent for the present consideration of Senate bill 684, Order of Business No. 206. If it leads to any discussion whatever, I shall not ask the Senate to give consideration to it.

The PRESIDING OFFICER. The Senator from Utah asks unanimous consent for the present consideration of Senate bill 648, Order of Business No. 206. Is there objection?

Mr. KING. Let it be read first.

The PRESIDING OFFICER. The bill will be read for the information of the Senate.

The reading clerk read the bill (S. 684) to authorize the coinage of 50-cent pieces in commemoration of the commencement on June 18, 1923, of the work of carving on Stone Mountain, in the State of Georgia, a monument to the valor of the soldiers of the South, which was the inspiration of their sons and daughters and grandsons and granddaughters in the Spanish-American and World Wars, and in memory of Warren G. Harding, President of the United States of America, in whose administration the work was begun, as follows:

Be it enacted, etc., That in commemoration of the commencement on June 18, 1923, of the work of carving on Stone Mountain, in the State of Georgia, a monument to the valor of the soldiers of the South, which was the inspiration of their sons and daughters and grandsons and granddaughters in the Spanish-American and World Wars, and in memory of Warren G. Harding, President of the United States of America, in whose administration the work was begun, there shall be coined at the mints of the United States silver 50-cent pieces to the number of not more than 5,000,000, such 50-cent pieces to be of the standard troy weight, composition, diameter, device, and design as shall be fixed by the Director of the Mint, with the approval of the Secretary of the Treasury, which said 50-cent pieces shall be legal tender in any payment to the amount of their face value.

SEC. 2. That the coins herein authorized shall be issued only upon the request of the executive committee of the Stone Mountain Confederate Monumental Association, a corporation of Atlanta, Ga., and upon payment by such executive committee for and on behalf of the Stone Mountain Confederate Monumental Association of the par value of such coins, and it shall be permissible for the said Stone Mountain Confederate Monumental Association to obtain said coins upon said payment, all at one time or at separate times, and in separate amounts, as it may determine.

SEC. 3. That all laws now in force relating to the subsidiary silver coins of the United States and the coining or striking of the same, regulating and guarding the process of coinage, providing for the purchase of material and for the transportation, distribution, and redemption of coins, for the prevention of debasement or counterfeiting, for security of the coin, or for any other purposes, whether said laws are penal or otherwise, shall, so far as applicable, apply to the coinage herein authorized: *Provided*, That the United States shall not be subject to the expense of making the necessary dies and other preparations for this coinage.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

POST OFFICE AND TREASURY DEPARTMENTS APPROPRIATIONS.

Mr. WARREN. I ask that the pending appropriation bill, H. R. 6349, be laid before the Senate and proceeded with.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 6349) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1925, and for other purposes.

Mr. KING. I would like to have the bill read, as some few of us have not had a chance to see it.

The PRESIDING OFFICER. The Secretary will read.

The reading clerk proceeded to read the bill, and the reading was continued to page 2, line 19, the last paragraph read being as follows:

OFFICE OF THE SECRETARY.

Salaries: Secretary of the Treasury, $12,000; three Assistant Secretaries of the Treasury, and other personal services in the District of Columbia in accordance with "The classification act of 1923," $163,780; in all, $175,780: *Provided*, That in expending appropriations or portions of appropriations contained in this act for the payment for personal services in the District of Columbia in accordance with "The classification act of 1923," the average of the salaries of the total number of persons under any grade or class thereof in any bureau, office, or other appropriation unit shall not at any time exceed the average of the compensation rates specified for the grade by such act: *Provided*, That this restriction shall not apply (1) to grades 1, 2, 3, and 4 of the clerical-mechanical service, or (2) to require the reduction in salary of any person whose compensation is fixed, as of July 1, 1924, in accordance with the rules of section 6 of such act, or (3) to prevent the payment of a salary under any grade at a rate higher than the maximum rate of the grade when such higher rate is permitted by "The classification act of 1923," and is specifically authorized by other law.

Mr. McKELLAR. I shall be called from the Chamber in just a few moments, and I ask the Senator in charge of the appropriation bill to permit the first proviso on page 2, from line 3 to line 10, inclusive, to go over, so that I may offer an amendment in regard to it.

The PRESIDING OFFICER (Mr. WADSWORTH in the chair). The Chair will state that if there is any amendment which the Senator from Tennessee may desire to offer it will be in order after the committee amendments are disposed of. It is not necessary that it should be offered now.

Mr. McKELLAR. Very well.

BACK TO THE PEOPLE AMENDMENT.

Mr. ASHURST. Mr. President, I now discuss Senate Joint Resolution No. 4, introduced by the senior Senator from New York [Mr. WADSWORTH], who now temporarily presides over the Senate, and who always presides well.

The Judiciary Committee struck from the joint resolution section 2 and added in lieu thereof the following:

ARTICLE —.

The Congress, whenever two-thirds of both Houses shall deem it necessary, shall propose amendments to this Constitution, or, upon the application of two-thirds of the legislatures of the several States, shall call a convention for proposing amendments, which, in either case, shall be valid to all intents and purposes as a part of this Constitution when ratified by a vote of the qualified electors in three-fourths of the several States, said election to be held under such rules and regulations as each State shall prescribe, and that until three-fourths of the States shall have ratified, or more than one-fourth of the States shall have rejected, a proposed amendment, any State may in like manner change its vote: *Provided*, That if at any time more than one-fourth of the States have rejected the proposed amendment, said rejection shall be final and further consideration thereof by the States shall cease: *Provided further*, That any amendment proposed hereunder shall be inoperative unless it shall have been ratified as an amendment to the Constitution, as provided in the Constitution, within six years from the date of submission hereof to the States by the Congress: *Provided further*, That no State, without its consent, shall be deprived of its equal suffrage in the Senate.

It is not my purpose this morning to discuss all the features of this joint resolution as reported by the Committee on the Judiciary. I reserved the right in the committee to act in the Senate respecting this joint resolution as I deemed best, but I now address myself to that provision which provides that hereafter amendments shall be ratified by the qualified electors in three-fourths of the States instead of by the legislatures of the States.

Mr. FLETCHER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Florida?

Mr. ASHURST. I yield.

Mr. FLETCHER. As I understand, there is no conflict between this joint resolution and Senate Joint Resolution 22, introduced by the Senator from Nebraska?

Mr. ASHURST. There is no conflict.

Mr. FLETCHER. Unless it may be that if the resolution the Senator is discussing is passed first, then it might affect the other.

Mr. ASHURST. No; this particular joint resolution could not affect any other proposed amendment until this resolution shall first be ratified by three-fourths of the States as now provided.

The point to which I shall speak this morning is that portion of the reported Senate Joint Resolution 4 which provides that hereafter the qualified electors of three-fourths of the States, and not the legislatures thereof, shall hereafter be the eligible authority for ratifying constitutional amendments.

Several important features are incorporated in this Senate Joint Resolution No. 4, but I shall give them only a passing reference now. For instance, the joint resolution proposes that under a particular submission the States must act within six years. In my opinion that is a valid exercise of the powers of Congress. The Supreme Court of the United States in the case of Dillon *v.* Gloss (256 U. S., at pages 368 et seq.) held that Congress had the power to limit the time within which the States might act under a particular submission, and I ask that that decision be incorporated into the RECORD as an appendix to my remarks.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

[The decision appears at the close of Mr. ASHURST's remarks.]

Mr. NORRIS. Mr. President, I just came into the Chamber, and I would like to know if the Senator is discussing the so-called Wadsworth joint resolution.

Mr. ASHURST. Yes.

Mr. NORRIS. Very well.

Mr. ASHURST. I have just secured permission to include in the RECORD as an appendix to my remarks a copy of the decision of the Supreme Court of the United States in Dillon *v.* Gloss, reported in volume two hundred and fifty-six, United States Reports, holding that the limitation of time within which a State may act under a particular submission is a valid exercise of the powers of Congress.

Another feature of this resolution is as follows:

And that until three-fourths of the States shall have ratified, or more than one-fourth of the States shall have rejected, a proposed amendment any State may in like manner change its vote.

Another feature is:

Provided, That if at any time more than one-fourth of the States have rejected the proposed amendment, said rejection shall be final and further consideration thereof by the States shall cease.

Of course, the joint resolution means that further consideration by the States shall cease under that particular submission.

It is my opinion, after considerable research, that a State may at any time change its vote upon a ratification of a proposed amendment provided the vote which it previously cast was not determinative of the result. In other words, three-fourths of the States, or 36 States, must vote favorably to ratify a proposed amendment. Assume that State "A" was the thirty-fifth State to ratify a particular amendment, but before the thirty-sixth State or the necessary number ratified, State "A," the thirty-fifth to ratify, changed its vote from yea to nay, State "A" under such circumstances would have that power, but it would have no power to change its vote if its vote were the determinative vote upon the particular question.

Mr. BAYARD. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Delaware?

Mr. ASHURST. I yield to the Senator.

Mr. BAYARD. Is it not the practice for the several States when they ratify proposed amendments to the Constitution to certify that fact to the Secretary of State of the United States, which becomes a matter of permanent record?

Mr. ASHURST. That is true.

Mr. BAYARD. How can a State withdraw its ratification and destroy that matter of permanent record?

Mr. ASHURST. I have great respect for the opinion of the Senator from Delaware. When the first 10 amendments were ratified, the Secretary of State of the United States made no promulgation of the fact that the 10 amendments were ratified. Judicial notice was taken of the ratification. But beginning with the eleventh amendment the various Secretaries of State of the United States made announcements of the fact that a sufficient number of the States had ratified the amendment to make the same a part of our fundamental law.

The governors of some of the States have dropped into the habit of approving the ratification of constitutional amendments. The governors of the States have no power to approve or to disapprove a resolution of ratification on an amendment. The governor's signature to such a resolution is a brutum fulmen; it is a harmless thunderbolt. It adds nothing to the resolution and takes nothing therefrom.

I grant that if a ratification by a particular State were conclusive and determinative of the result, if it were the thirty-sixth State, that State could not thereafter change its vote; but I perceive no reason in policy, and certainly no reason in law, why a State may not alter its vote when such vote at the time of its change or alteration is not determinative of the result; and I need not say to Senators that in the ratification of the fourteenth and fifteenth amendments some States withdrew their ratifications. Oregon withdrew a ratification on one of the amendments.

New York withdrew a ratification upon an amendment. Ohio did likewise. I arose, however, to discuss the "back to the people" part of this amendment which has been reported.

Mr. President, if this proposed amendment should be ratified and thus become a part of the Federal Constitution, it would mean that thereafter neither the legislatures of the various States nor conventions therein would be eligible to ratify proposed amendments to the Federal Constitution and that the qualified electors themselves would be the only authority eligible to ratify proposed amendments to the Constitution of the United States. This is simply a back-to-the-people amendment. Nineteen amendments to the Constitution have been ratified to this date.

I will herein treat the first 10 amendments, the Bill of Rights amendments, as a part and parcel of the original Constitution, because when the Constitution was ratified it was upon the implied, in some cases express, understanding that these Bill of Rights amendments would be proposed and ratified. Therefore the First Congress, on the 15th of September, 1789, sub-

mitted 12 proposed amendments. The third, fourth, fifth, sixth, seventh, eighth, ninth, tenth, eleventh, and twelfth thus proposed were ratified by the required number of States within exactly two years and three months. But No. 1 and No. 2, submitted in 1789, are still pending, and on the 15th day of last September had been pending 134 years.

Amendments have come by "amendment epochs." The eleventh and twelfth amendments were adopted in the 10-year period between 1794 and 1804; the eleventh was brought about by the decision of the Supreme Court (2 Dallas), which held that a State could be sued by an individual citizen of another State; the twelfth was brought about by the unfortunate tie in the Electoral College between Thomas Jefferson and Aaron Burr. Call that the first amendment epoch. Then, notwithstanding that many score of amendments were introduced in Congress and two were submitted between 1804 and 1804, no amendment was adopted; thus there was a 60-year period of immobility with respect to amending our Federal Constitution.

Then came the second amendment epoch, which began in 1865 and lasted until 1875. In that 10-year period the thirteenth, fourteenth, and fifteenth amendments were proposed and ratified.

Then came nearly 40 years of immobility, and then came the sixteenth, seventeenth, eighteenth, and nineteenth amendments—the third amendment epoch, 1909 to this date—showing that these amendments move in cycles.

The Federal Constitution conserves and protects all that real Americans hold precious; it should not be changed by legislative caucus.

There is not a State in the Federal Union whose constitution may be amended by the State legislature. The State of Delaware is an apparent but not a real exception, as Delaware requires that an amendment to the State constitution must be proposed by at least two-thirds of one legislature, then there must be notice to the electors for a certain period before the next election, so that if they desire, they may express their will at the polls upon the proposition; then the amendment must be ratified by a second legislature by a two-thirds vote, which gives the people an indirect vote.

Mr. BAYARD. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Delaware?

Mr. ASHURST. I yield.

Mr. BAYARD. I would suggest to the Senator that he should note there that it requires that a succeeding legislature should ratify the act of the first one.

Mr. ASHURST. That really gives the people at least an indirect vote, so that the various State constitutions may be amended only by the electorate of the State. How utterly archaic, therefore, it is, to deny an electorate an opportunity to express an opinion upon proposed changes in our fundamental law. If the consent of the voters in every State be required and they are actually required to alter and amend a State constitution, a fortiori the vote of the citizens should be required to amend the Federal Constitution.

Mr. BRUCE. Mr. President——

Mr. ASHURST. I yield to the Senator from Maryland.

Mr. BRUCE. Would the popular vote be taken entirely under State laws, or would there be a Federal enactment to provide for it?

Mr. ASHURST. Let me read to the Senator the provision in the proposed amendment:

> Such election to be held under such rules and regulations as each State shall prescribe.

It is vital to our American system that the voter should have an opportunity to say at the ballot box under what form of government he desires to live.

If you are not willing that the State legislatures should choose United States Senators, for a much stronger reason the State legislatures should not change your fundamental law.

Every argument in favor of the election of Senators by a direct vote of the people is a stronger argument in favor of consulting the people on constitutional amendments.

Mr. BRANDEGEE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Connecticut?

Mr. ASHURST. I yield to the Senator.

Mr. BRANDEGEE. I am very much interested in the Senator's discussion. Will he allow me to interpolate a remark?

Mr. ASHURST. I am delighted to have the compliment now paid to me by the attention which the distinguished chairman of the Judiciary Committee is giving.

Mr. BRANDEGEE. It is not such an unusual thing for the Senator to have my attention when he is speaking. The Senator has drawn attention to the fact that the constitution of no State can be amended without having the proposed amendment ratified by the people of the State as well as by its legislature, and that the present system of amending the United States Constitution is not in accordance with that plan, because the present Constitution provides that the amendment, when approved by both branches of Congress and then by three-quarters of the State legislatures, becomes valid as an amendment to the Constitution, not having been submitted to the people at all.

I wanted to interject this remark in relation to that feature, which I think is quite important: If the States consider their own electors competent to amend their constitutions and consider it necessary to give them a veto power, so to speak, against the legislature amending it, it is equally important that the people should have a voice in amending the Constitution of the United States, and they do not now and can not now.

But inasmuch as the people will not allow their own State constitutions to be amended without reference to the electors of their own States the present system of amending the United States Constitution vitiates that precaution, because when we amend the United States Constitution without going to the electors of the States, but only to the legislatures, the United States Constitution having been amended, ipso facto it amends the constitution of every State; so that indirectly the States are now allowing their own constitutions to be amended in ways which they themselves have prohibited.

Mr. ASHURST. I regard it a powerful argument that the Senator has presented, and I am grateful for the contribution.

Mr. ROBINSON. Mr. President, will the Senator yield to a question?

Mr. ASHURST. With pleasure.

Mr. ROBINSON. What, in the opinion of the Senator from Arizona, would be the effect with respect to the difficulty of effecting amendments to the Constitution if the proposal of the Senator from New York, which the Senator from Arizona is now discussing, should be agreed to? Would it be more difficult or less difficult to secure an amendment to the Constitution?

Mr. ASHURST. Replying to the question of the able Senator, I am of opinion that it would not become more difficult.

Mr. ROBINSON. I do not say that it is not desirable to make more difficult amendments to the Constitution of the United States. There is a feeling which has been growing throughout the country that the Constitution now is too easily amended, and that some amendments have been adopted that might very well have been deferred; but if in the future the method of amending the Constitution shall be that an affirmative majority vote of the electors of the respective States shall be required before that State shall be construed as having ratified the amendment, the business of amending the Constitution of the United States will be pretty nearly ended.

Mr. ASHURST. I thank the able Senator for his remarks.

Mr. SHIELDS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Tennessee?

Mr. ASHURST. I yield.

Mr. SHIELDS. My view of the inquiry presented by the Senator from Arkansas is that the amendment would make it more difficult to railroad through an amendment to the Constitution, as has been done in the past, by having the legislatures alone pass on it. It would make it easier to get an amendment through or one rejected in accordance with the will of the people expressed at the ballot box.

Mr. ASHURST. I am grateful to the Senator from Arkansas and to the Senator from Tennessee for their contributions.

Mr. SHIELDS. The history of the past will bear out the truthfulness of what I have said in regard to the matter. I believe that all amendments ought to be made by the same authority that originally adopted the Constitution—that is, by the people. They did not act directly, as we are now proposing by the amendment, but through their representatives in convention elected for the special purpose of either ratifying or rejecting the constitution that was presented by the Constitutional Convention and then by the Congress to the several States.

Mr. ROBINSON. Mr. President, will the Senator yield to me again?

Mr. ASHURST. With pleasure.

Mr. ROBINSON. I think there is no doubt that to adopt the proposal of the Senator from New York would make much more difficult all efforts to amend the Constitution of the United States. In one State with which I am somewhat familiar the constitution provided that before amendments should

be considered as ratified they should be affirmatively voted for by a majority of the electors participating in an election. Experience showed that a great many voters did not familiarize themselves with the propositions for amendment and that they neglected to vote on the subject. The effect of their failure to do so was a vote against the amendment. While that provision was in force I think only one amendment to the constitution of that State was adopted out of more than 10 submitted.

Mr. ASHURST. At this juncture I am oppressed with the belief that I have unwittingly done the senior Senator from New York [Mr. WADSWORTH] an injustice. He could not answer because he is at present in the chair. I ought to have said that the amendment proposed by the Senator from New York provided that amendments hereafter should be ratified by the legislature, one branch of which was chosen after the submission, and that the Judiciary Committee struck out that provision and inserted in lieu thereof a provision that the amendment should be ratified by direct vote of the people.

Mr. WADSWORTH. Mr. President——

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from Arizona yield to the Senator from New York?

Mr. ASHURST. Certainly.

Mr. WADSWORTH. The Senator described in part the original amendment. It is true that the original proposal contemplated that no legislature may ratify unless the members of at least one house shall have been chosen subsequent to submission, and thereafter the people of any State shall have the right to confirm the action of their legislature.

Mr. ASHURST. The Senator is correct.

Mr. WADSWORTH. So the people under the original proposal, which has now been changed by the Committee on the Judiciary, would have the same right that they would have had under the amended amendment.

Mr. ASHURST. Under the proposal as reported by the Committee on the Judiciary the legislature would not in any way be eligible authority to ratify or reject a Federal amendment. It would have to be ratified by the qualified electors.

Mr. BRANDEGEE. Mr. President, will the Senator allow me to interrupt again just at that point?

Mr. ASHURST. With pleasure.

Mr. BRANDEGEE. Under the proposal of the Senator from New York [Mr. WADSWORTH], who just spoke, a legislature would have a veto power against the change if the people wanted to make the change.

Mr. ASHURST. Yes; that is quite true.

Mr. BRANDEGEE. That ought not to be the case in a democratic country in which majority rule of the people is to be maintained.

Mr. JONES of Washington. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Washington?

Mr. ASHURST. I yield.

Mr. JONES of Washington. In view of the suggestion that was brought out by the Senator from Arkansas as to the failure of the people to get out and vote, does not the Senator think that it would be wise to have a provision that any proposed constitutional amendment should be acted upon first either by convention or by the legislature, and then ratified by the people?

Mr. ASHURST. I think the question suggested by the Senator from Connecticut [Mr. BRANDEGEE] would answer the Senator from Washington. Somewhere, some place, some time, the American citizen should have a right to say under what form of government he wishes to live and whether or not he wishes that fundamental law changed.

Mr. JONES of Washington. That is what I thought.

Mr. BRANDEGEE. I want to suggest to the Senator also, in reply to a remark of the Senator from Arkansas, that it seems to me if a constitutional amendment is submitted for the opinion of the people and the majority of them do not care enough about it to vote on it, it could not be an amendment which would very vitally concern the liberty and the happiness of the people, because they would turn out and vote for or against something which was a real issue.

Mr. ASHURST. Of real seriousness is the question of absentee voters. It occurs in the Senate. It occurs in every parliamentary body. There is always a percentage of persons who for various reasons do not vote. But I do not perceive how that can affect the principle that under a government like ours—a democratic Republic—the citizen at some time must be given in some place an opportunity to say what is his opinion as to a proposed change of the fundamental law.

Mr. BRUCE. Mr. President, will the Senator yield for a moment?

Mr. ASHURST. I yield.

Mr. BRUCE. As I understand, it is not necessary under existing provisions for State constitutions to be submitted to the electorate at all.

Mr. ASHURST. There is no State in the Union that permits its constitution to be altered without giving the people an opportunity to express themselves on the proposed alteration.

Mr. BRUCE. But there are States in the Union which have adopted entire constitutions without submitting them to the people.

Mr. ASHURST. The Senator is correct. Some have proclaimed their constitutions.

Mr. BRUCE. The State of Mississippi is one.

Mr. ASHURST. Now, let me summarize.

According to the data of the year 1919, the aggregate membership of the legislatures of the States is 7,406 members.

Thus a mere majority of the membership of the legislatures in three-fourths of the several States which would aggregate about 4,600 men—plus two-thirds of the 531 Members of Congress—being about 5,000 men in all, may and do submit and ratify amendments to the Federal Constitution.

Five thousand men could change the structure of our Government to any form their fancy suggested or the lobbyist dictated and the people would have no opportunity to approve or reject the proposed amendments.

Our American system and public right should not be at the disposal of legislative caucuses but should be guarded by the free ballot of all the citizens.

Constitutional amendments should be ratified by the entire electorate and not by the legislatures of the States.

The able Senator from Tennessee [Mr. SHIELDS] spoke about proposed amendments being railroaded through the State legislatures. I read a graphic account of transactions surrounding the ratification of the fifteenth amendment. I read from a paper written long ago by Mr. A. Caperton Braxton, of Staunton, Va.

Mr. BRUCE. Mr. Braxton was a schoolmate of mine.

Mr. ASHURST. The able Senator from Maryland states that Mr. Braxton was a schoolmate of his.

I think the reading of this article will be a more powerful argument in favor of giving the people an opportunity to vote on proposed constitutional amendments than any argument I could make. The article preceeds:

If the passage of this amendment—

The fifteenth amendment—

through Congress was unseemly, its ratification by the State legislature was, in several instances, at least, nothing short of scandalous.

The amendment passed the Senate rather late Friday night, February 26, 1869. The next morning, as soon as the enrolled resolution was signed by the Presiding Officer, it was telegraphed by Congressman Sydney Clarke to the Legislature of Kansas, then on the point of adjournment. His telegram, entirely unofficial, was received by the legislature during its afternoon session, and that very evening, in less than 24 hours after the amendment had passed Congress, long before it had been certified to the States for action, and before anyone in Kansas had even seen it (other than Clarke's telegraphic copy), the legislature of that State ratified it. The people of Kansas, at the polls about a year previous, had voted against negro suffrage by a majority of 2 to 1.

Senator Stewart, of Nevada, was, if anything, more anxious than Congressman Clarke, of Kansas, to obtain action by existing legislatures before the people could make themselves heard. The State of Nevada had very recently adopted a constitution which restricted suffrage to "white" men. The people of that State, like those of California and Oregon, were overwhelmingly opposed to an extension of the elective franchise to any but white men—not so much for fear of the negro as of the Chinese vote. It was generally conceded among the radical press that Nevada would certainly reject the amendment, but they underrated the resources of their own generals. Late Friday night, as soon as the Presiding Officer had announced that 39 votes was two-thirds of a Senate of 66 Members, Senator Stewart, impressed with the fact just stated by him to the Senate that the legislatures were waiting to ratify the amendment, and that if it was not done by them, and at once, the whole thing would be lost, caused the Secretary of the Senate, without even waiting for the resolution to be enrolled or signed, to telegraph it to the Legislatures of Nevada and Louisiana, to which telegrams he and three others added a message urging the immediate ratification by the legislatures.

This remarkable dispatch did not reach Nevada till the next morning, Saturday, when the legislature at once endeavored to comply with its instructions, but they were not quite so docile as in Kansas and did not succeed until Monday morning, March 1, 1869, when they ratified the amendment against a strong written protest of the minority, including Republicans and Democrats. This protest insisted, among other things, that the amendment had not received the constitutional

two-thirds majority in the Federal Senate; that the Legislature of Nevada had as yet no official knowledge of the proposed amendment (the telegraphic report of it being, as it afterwards transpired, materially incorrect); that the people of Nevada should be given an opportunity to be heard upon it; and that the people, by voting the Republican ticket for President, had just within a few months past ratified the declaration of the Republican platform of May, 1868, that the control by loyal States of their suffrage laws should not be interfered with. But all this was as baying at the moon, and Nevada was recorded as the second State ratifying the fifteenth amendment.

The records of the Legislature of Missouri fail to show how that body was informed of the passage of the fifteenth amendment in Congress; the newspapers of the day said some one heard of it by telegram.

Mr. OVERMAN. Mr. President, will the Senator yield to me?

Mr. ASHURST. I will.

Mr. OVERMAN. The Senator agrees, then, with Francis P. Blair—General Blair, of Missouri—who stated right here on the floor of the Senate at the time that the fifteenth amendment was adopted by fraud and duress?

Mr. ASHURST. I do not think that any impartial, accurate historian would question that statement.

Mr. SHIELDS. It was to the fifteenth amendment which I was especially referring when I stated that constitutional amendments were railroaded through.

Mr. ASHURST. I was reading about the ratification of the fifteenth amendment.

Mr. SHIELDS. The fact is, as the Senator from Arizona knows, that the amendment really never was ratified by a sufficient number of States when the Secretary of State proclaimed that it had been ratified.

Mr. ASHURST. The ratifications by some of the legislatures were under duress.

This was enough; accordingly that legislature, early Monday morning, March 1, 1869, suspended their rules and ratified what they thought was the amendment, but it turned out, after they had adjourned, that the thing they ratified was not the amendment at all, and so they had to ratify all over again when they next assembled.

APPENDIX.

Dillon *v.* Gloss, deputy collector of United States internal revenue. Appeal from the District Court of the United States for the Northern District of California. Volume 256, United States Reports, pages 370, 371, 372, 373, 374, 375, 376, and 377.

Mr. Justice Van Devanter delivered the opinion of the court.

This is an appeal from an order denying a petition for a writ of habeas corpus. (262 Fed. Rep. 563.) The petitioner was in custody under section 26 of Title II of the national prohibition act, chapter 85, 41 Statutes, 305, on a charge of transporting intoxicating liquor in violation of section 3 of that title, and by his petition sought to be discharged on several grounds, all but two of which were abandoned after the decision in National Prohibition Cases, 253 United States, 350. The remaining grounds are: First, that the eighteenth amendment to the Constitution, to enforce which Title II of the act was adopted, is invalid because the congressional resolution (40 Stat. 1050) proposing the amendment declared that it should be inoperative unless ratified within seven years; and, secondly, that, in any event, the provisions of the act which the petitioner was charged with violating, and under which he was arrested, had not gone into effect at the time of the asserted violation nor at the time of the arrest.

The power to amend the Constitution and the mode of exerting it are dealt with in Article V, which reads:

> "The Congress, whenever two-thirds of both Houses shall deem it necessary, shall propose amendments of this Constitution, or, on the application of the legislatures of two-thirds of the several States, shall call a convention for proposing amendments, which, in either case, shall be valid to all intents and purposes, as part of this Constitution, when ratified by the legislatures of three-fourths of the several States, or by conventions in three-fourths thereof, as the one or the other mode of ratification may be proposed by the Congress; provided that no amendment which may be made prior to the year 1908 shall in any manner affect the first and fourth clauses in the ninth section of the first article; and that no State, without its consent, shall be deprived of its equal suffrage in the Senate."

It will be seen that this article says nothing about the time within which ratification may be had—neither that it shall be unlimited nor that it shall be fixed by Congress. What then is the reasonable inference or implication? Is it that ratification may be had at any time, as within a few years, a century, or even a longer period; or that it must be had within some reasonable period which Congress is left free to define? Neither the debates in the Federal convention which framed the Constitution nor those in the State conventions which ratified it shed any light on the question.

The proposal for the eighteenth amendment is the first in which a definite period for ratification was fixed. Theretofore 21 amendments had been proposed by Congress and 17 of these had been ratified by the legislatures of three-fourths of the States—some within a single year after their proposal and all within four years. Each of the remaining four had been ratified in some of the States, but not in a sufficient number. Eighty years after the partial ratification of one an effort was made to complete its ratification and the legislature of Ohio passed a joint resolution to that end, after which the effort was abandoned. Two, after ratification in one less than the required number of States, had lain dormant for a century. The other, proposed March 2, 1861, declared:

> "No amendment shall be made to the Constitution which will authorize or give to Congress the power to abolish or interfere, within any State, with the domestic institutions thereof, including that of persons held to labor or service by the laws of said State."

Its principal purpose was to protect slavery and at the time of its proposal and partial ratification it was a subject of absorbing interest, but after the adoption of the thirteenth amendment it was generally forgotten. Whether an amendment proposed without fixing any time for ratification, which after favorable action in less than the required number of States had lain dormant for many years, could be resurrected and its ratification completed had been mooted on several occasions, but was still an open question.

These were the circumstances in the light of which Congress in proposing the eighteenth amendment fixed seven years as the period for ratification. Whether this could be done was questioned at the time and debated at length, but the prevailing view in both Houses was that some limitation was intended and that seven years was a reasonable period.

That the Constitution contains no express provision on the subject is not in itself controlling; for with the Constitution, as with a statute or other written instrument, what is reasonably implied is as much a part of it as what is expressed. An examination of Article V discloses that it is intended to invest Congress with a wide range of power in proposing amendments. Passing a provision, long since expired, it subjects this power to only two restrictions: One that the proposal shall have the approval of two-thirds of both Houses, and the other excluding any amendment which will deprive any State, without its consent, of its equal suffrage in the Senate. A further mode of proposal—as yet never invoked—is provided, which is that on the application of two-thirds of the States Congress shall call a convention for the purpose. When proposed in either mode, amendments to be effective must be ratified by the legislatures, or by conventions, in three-fourths of the States "as the one or the other mode of ratification may be proposed by the Congress." Thus the people of the United States, by whom the Constitution was ordained and established, have made it a condition to amending that instrument that the amendment be submitted to representative assemblies in the several States and be ratified in three-fourths of them. The plain meaning of this is (a) that all amendments must have the sanction of the people of the United States, the original fountain of power, acting through representative assemblies, and (b) that ratification by these assemblies in three-fourths of the States shall be taken as a decisive expression of the people's will and be binding on all.

We do not find anything in the article which suggests that an amendment once proposed is to be open to ratification for all time, or that ratification in some of the States may be separated from that in others by many years and yet be effective. We do find that which strongly suggests the contrary. First, proposal and ratification are not treated as unrelated acts but as succeeding steps. In a single endeavor, the natural inference being that they are not to be widely separated in time. Secondly, it is only when there is deemed to be a necessity therefor that amendments are to be proposed, the reasonable implication being that when proposed they are to be considered and disposed of presently. Thirdly, as ratification is but the expression of the approbation of the people, and is to be effective when had in three-fourths of the States, there is a fair implication that it must be sufficiently contemporaneous in that number of States to reflect the will of the people in all sections at relatively the same period, which, of course, ratification scattered through a long series of years would not do.

These considerations and the general purport and spirit of the article lead to the conclusion expressed by Judge Jameson "that an alteration of the Constitution proposed to-day has relation to the sentiment and the felt needs of to-day, and that, if no ratified early while that sentiment may fairly be supposed to exist, it ought to be regarded as waived, and not again to be voted upon, unless a second time proposed by Congress." That this is the better conclusion be-

comes even more manifest when what is comprehended in the other view is considered; for, according to it, four amendments proposed long ago—two in 1789, one in 1810, and one in 1861—are still pending and in a situation where their ratification in some of the States many years since, by representatives of generations now largely forgotten, may be effectively supplemented in enough more States to make three-fourths by representatives of the present or some future generation. To that view few would be able to subscribe, and in our opinion it is quite untenable. We conclude that the fair inference or implication from Article V is that the ratification must be within some reasonable time after the proposal.

Of the power of Congress, keeping within reasonable limits, to fix a definite period for the ratification we entertain no doubt. As a rule the Constitution speaks in general terms, leaving Congress to deal with subsidiary matters of detail as the public interests and changing conditions may require; and Article V is no exception to the rule. Whether a definite period for ratification shall be fixed so that all may know what it is and speculation on what is a reasonable time may be avoided, is, in our opinion, a matter of detail which Congress may determine as an incident of its power to designate the mode of ratification. It is not questioned that seven years, the period fixed in this instance, was reasonable, if power existed to fix a definite time; nor could it well be questioned considering the periods within which prior amendments were ratified.

The provisions of the act which the petitioner was charged with violating and under which he was arrested (Title II, secs. 3, 26) were by the terms of the act (Title III, sec. 21) to be in force from and after the date when the eighteenth amendment should go into effect, and the latter by its own terms was to go into effect one year after being ratified. Its ratification, of which we take judicial notice, was consummated January 16, 1919. That the Secretary of State did not proclaim its ratification until January 29, 1919, is not material, for the date of its consummation, and not that on which it is proclaimed, controls. It follows that the provisions of the act with which the petitioner is concerned went into effect January 16, 1920. His alleged offense and his arrest were on the following day; so his claim that those provisions had not gone into effect at the time is not well grounded.

Final order affirmed.

(256 U. S. Repts. 370–377.)

CRITICISM OF REPUBLICAN POLICIES.

Mr. HARRISON. Mr. President, on the night of February 12, in the city of New York, the President of the United States delivered an address in which, among other things, he said:

Character is the only secure foundation of the state. We know well that all plans for improving the machinery of government and all measures for social betterments miserably fail and the hopes of progress wither when corruption touches administration. At the revelation of greed making its subtle approaches to public officers, of the prostitution of high places to private profit, we are filled with scorn and indignation. We have a deep sense of humiliation at such gross betrayal of trust, and we lament the undermining of public confidence in official integrity.

Mr. President, every right-thinking American citizen applauds those sentiments. Reputation is something dearly bought, paid for only in right living, and is to be admired. No one should attack another's reputation unless he has good cause. Charges should never be made unless they can be proven, and when men high in public favor stoop to corrupt actions, of course they destroy the confidence of the people not only in the particular individual but in the whole Government.

If our institutions are to be preserved and this Government is to be safeguarded, it must be through the faith of the people in public officials; and yet, Mr. President, I notice in the morning newspaper that the National Republican, the organ of the Republican National Committee, issues a statement and asks the press of the country to use it, hoping that it will be carried in every neswpaper throughout the country, its sole purpose being to undermine public confidence in men who are upon committees investigating charges.

I called the attention of the Senate and the country some 10 days ago to the National Republican and the propaganda that was being published in that organ and carried throughout the country in an effort to minimize this awful scandal, and to assert indirectly that the leases which were made to Doheny and Sinclair were legal. It sought to whitewash the charges that had been made against Fall and Doheny and against everybody else connected with this affair. I find in the newspapers this morning a statement—and I have a copy of the original here—that was given to the country yesterday by the National Republican.

I have heretofore called attention to the fact that the men who direct and control the policies of the National Republican are the chairman of the Republican National Committee, Mr. John Adams; George Lockwood, secretary of the Republican National Committee; John W. Weeks, Secretary of War in the present Cabinet; and other national committeemen from various States. They are the men presumed to be closest to the President and who in large part direct the policies of the present administration.

Mr. LODGE. Mr. President——

Mr. HARRISON. I yield to the Senator from Massachusetts.

Mr. LODGE. Did I understand the Senator to say that Secretary Weeks is a member of the Republican National Committee?

Mr. HARRISON. No; the Senator did not understand me correctly. I said that the official organ of the Republican Party, known as the National Republican, is controlled by various stockholders and that Mr. John W. Weeks, as disclosed in the investigation made in 1920 by the Kenyon committee, owned $5,000 of stock—I believe it was—in the National Republican. So it must be conceded that this organ is the one which directs the policies and circulates the propaganda for the Republican Party. Indeed, in this investigation it is shown that Mr. Hays, who was then the chairman of the Republican National Committee, so stated. A letter is incorporated therein from the Senator from Indiana [Mr. WATSON], one of the Republican leaders, to the same effect; another one from Will Wood, who was chairman of the congressional campaign committee of the Republican Party, to the same tenor and effect. So it can not be denied, it is not denied, that the National Republican is the official organ of the Republican Party.

Now, I desire to read what the men who direct the policies of this organ said yesterday in this statement:

A CHRONOLOGY OF THE DAUGHERTY CASE.

1. Senator WHEELER, then United States district attorney for Montana, is tried by the Montana State Council of Defense during the World War for close affiliation with I. W. W. and other seditious elements in the State of Montana, and for refusal to prosecute them for acts of violence, and after a five-day hearing by a council composed of both Democrats and Republicans, is unanimously found guilty and recommended to President Wilson for dismissal.

2. WHEELER becomes a candidate for Governor of Montana on the Nonpartisan League-Democratic ticket and is defeated.

3. WHEELER becomes a candidate for United States Senator, and after a heavily financed campaign, with the united support of all I. W. W., Communist, Socialist, and radical elements, is elected.

4. Following interviews favorable to Soviet Russia, WHEELER goes to Russia for an extended stay as a guest of the Soviet Government, and returns to give out statements comparing the American Government unfavorably to that of Soviet Russia.

5. Attorney General continues vigorous prosecution of plots against the Government by I. W. W. and communist elements, refuses under heavy pressure to recommend release of the more flagrant war-time seditionists, and when the Moscow Government calls upon the American Government for evidence of Bolshevist plots in the United States, furnishes information to Secretary Hughes to confirm his statements, including the full report of the Michigan meeting of I. W. W.'s and communists broken up by agents of the Department of Justice. The Senate demands this information, but is refused by Attorney General Daugherty on the ground that it would endanger the lives of informants.

6. Following a barrage of attack by Senators impugning by wholesale the integrity of Government officials and speeches calculated to undermine the faith of the American people in their Government, Senator WHEELER introduces a resolution attacking the Attorney General and providing an investigation of his office. Opposition Senators, thrown into a political panic, demand the resignation of the Attorney General, who, supported by the President and the Republican national chairman, declines to resign under fire and welcomes the investigation.

The object, the sole intent, of this propaganda upon the part of the Republican National Committee or its officers is to create in the public mind the impression that the Senator from Montana [Mr. WHEELER] is allied with the I. W. W. and the soviet, thereby trying to destroy the effectiveness of this investigation. Is that sound policy? Is that fair, Mr. President? And they do not stop at hat. They go further, and in the eighth paragraph they say:

8. The Senate passes the Wheeler resolution for an investigation of the Attorney's General's office, and selects as head of the committee Senator BROOKHART, of Iowa, another recent guest and eulogist of the Russian Soviet Government.

They are the only two men who are placed upon the committee who are selected by these men who control the destinies of the Republican Party as objects of attack in order to destroy the faith and confidence of the people in their work.

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER (Mr. WADSWORTH in the chair). Does the Senator from Mississippi yield to the Senator from Iowa?

Mr. HARRISON. I yield to the Senator.

Mr. BROOKHART. I should like to inquire of the Senator what the Republican says about the 66 Senators who voted for the resolution?

Mr. HARRISON. I was just coming to that.

Mr. President, with the American people stirred as they have never been stirred before by the infamous Teapot Dome scandal, with the Senate of the United States by unanimous vote directing these men to investigate these charges and try to restore confidence to the American people, we find that these leaders of the Republican Party are trying to undermine confidence in the committee and cast aspersions upon these honorable men. Why do they select WHEELER? Why do they print all of this stuff about him? Has he not been honored by the people of the great State of Montana? He is a young man, with a brilliant future, and his whole record shows him to be imbued with the highest motives. No finger of suspicion as to his honesty has ever been pointed at him. He started out in life, I dare say, with but few friends and few of them leaders of great influence; but because of his exceptional ability as a lawyer, because of his humane qualities of fighting for the under dog at all times and not allying himself with the big interests of Montana he won public favor against obstacles that few men have ever been able to overcome; and yet the leaders of the Republican Party try to destroy him, not because they care anything about WHEELER, but because they want to create in the country the impression that the committee is stacked so that whatever recommendation it may make will have little weight in the country.

There is the junior Senator from Iowa [Mr. BROOKHART] who is attacked by the leaders of his own party in the same way, not because they care anything about BROOKHART, but because they want to create the impression that he is not fit to sit on this committee, that he is unworthy of public confidence, that he can not give this matter a fair and impartial hearing. Why do they say it? The chairman of the Republican National Committee lives in the State represented in part by the distinguished junior Senator from Iowa and, if I recall correctly, in that State in the last election the junior Senator from Iowa came here by one of the largest majorities ever accorded any candidate in that State.

I do not know what the figures were, but, if I recall correctly, they were around 160,000 majority. If I am not wrong, I think he carried about 94 out of 97 counties. He had the confidence of those people. Why? Not because he had around him some influential Republican leaders of reactionary tendencies, but it was because when he was younger than he is now and serving his people as a prosecuting officer, he saw fit to resign his office and go to Cuba and fight in the service of his country and win laurels. It was because, too, in the late Great War, while others in his State were preaching pro-Germanism and receiving the criticism and condemnation of their fellow citizens for their pro-German views, the Senator who is now attacked by his own party leaders joined the forces of this country, went across, and became the chief inspector of the whole Army in marksmanship. He served his country with distinction. Has any finger been pointed at him throughout his record as being dishonest? No, Mr. President. Whatever has been said about him and Mr. WHEELER, though they have been charged with radical views and progressive tendencies, the people have always thought that they were fair, that they were impartial, that they were forward looking, that they were broad visioned, and that they were progressive. The Senate evidently did not believe, when they were placed upon this committee by the unanimous vote of every Republican and every Democrat here, that they were not honorable men, that they were not men of the highest integrity, that they would not give Mr. Daugherty a fair investigation; and I submit that since this committee was named with these two men on it, the committee has progressed along lines that evince its determination to conduct a fair and an impartial investigation.

It matters not what views these two Senators may entertain, or how dishonest they may be according to the expressions of the leaders of the Republican Party through their organ. This committee is made up also of other men. Here is the distinguished senior Senator from Arizona [Mr. ASHURST]; here is the distinguished senior Senator from Washington [Mr. JONES], and the distinguished senior Senator from New Hampshire [Mr. MOSES]—all men of the highest character and exceptional ability. This committee was selected in a way somewhat different from the way in which committees have been selected in the past because the Senate did not want the impression to go out to the country that there was any stacked committee or that the findings would be anything else than fair and just findings; so the Senate of the United States voted for the selection of these men. They are an exceptional investigating committee, and, so far as the RECORD shows, they are the choice of every man in the United States Senate.

I have seen it stated that the committee are going to allow Mr. Daugherty's attorneys, ex-Senator Chamberlain and Mr. Howland, to appear before the committee and even to cross-examine witnesses, so anxious are they to see that all the facts are disclosed and that justice is done in this investigation. There is not a Senator here who wants to see any packed committee investigating anybody. I do not know whether the charges against Mr. Daugherty are true or not. I want to see them go to the bottom and follow every avenue and every channel and bring in their report after the fullest kind of an investigation; and I have such faith in the integrity and the honesty of the members of the committee that whatever their findings are I will give them great weight.

It has been said that this is a jury trying a man. It is not a jury; it is an investigation of all the facts, and the Senate can take whatever action it chooses after the findings are all made.

But, Mr. President, this remarkable document of yesterday goes further than that. With all the charges that have been made, with all the confessions of these men that have been published in the papers—and you know what they are—in letters to Senators and otherwise, we find this clause in this circular. We can read in the papers to-day and to-morrow and last week that the President of the United States is going to request the resignation of his Attorney General. The reporters of the big newspapers rely upon the statement they get from the White House as to what is coming, and it goes to the country, and the country is led to believe that the President sits there carefully and cautiously weighing this matter before he comes to his conclusion to request the resignation of Mr. Daugherty. Not satisfied with what he learned from the speeches delivered upon the floor of the Senate by my distinguished friend here, the Senator from Wyoming [Mr. KENDRICK] nearly two years ago, while the present President sat as the Presiding Officer of this body; notwithstanding the fact that he had heard the eloquent speech of the distinguished Senator from Wisconsin [Mr. LA FOLLETTE] over two years ago; notwithstanding the fact that he sat in conferences and in Cabinet meetings and read the newspapers and had his political advisers to tell him what was happening, and knew as few men in this whole country knew of every rumor that is afloat, we get the impression from the papers that he sits there "cautiously and carefully" awaiting the proper time, the psychological moment, to request the resignation of Mr. Daugherty.

Yet Mr. Adams, John W. Weeks, the Secretary of War, and George Lockwood, the secretary of the Republican National Committee, know what is in the President's mind. I do not care what the newspapers publish; these men are on the inside. They know what the President is thinking about. He is assisting them in creating propaganda and establishing their policies, and here is what Adams and Lockwood, these men who direct the policies of the Republican Party and control the National Republican, said only yesterday, to be published this morning—and it was published. This is what they said about it:

> Opposition Senators, thrown into a political panic, demand the resignation of the Attorney General, who, supported by the President and the Republican national chairman, declines to resign under fire and welcomes the investigation.

There are some traits in Harry Daugherty that I greatly admire. Whatever may be said about him, he is a fighter, and as long as he was here he made these fellows come up to the lick log, and he put the fighting spirit in them. As soon as he left to go to Florida we found that his cause was growing weak. But this morning, as the papers say, when the President is about to reconsider and to request his resignation, we read that Daugherty is on his way back. Yes, he is coming back, and he will beard you again in your den. He will face you here upon the floor of the Senate, and some of you whose arms have been strong in the past will grow weak—they will wither at the sight of him. This pamphlet shows that the President is behind the Attorney General.

Who else is behind him? The distinguished senior Senator from Idaho [Mr. BORAH] is not behind him, nor is the distinguished senior Senator from Nebraska [Mr. NORRIS] behind him. Who is behind him with the President? The chairman of the Republican National Campaign Committee. That is stated in this pamphlet, issued under the direction of the

chairman of the Republican National Campaign Committee, John Adams.

It was a blast that Mr. Adams gave out. He it was who sounded the tocsin call to Republicans over the country to come to the rescue of Daugherty. At that time he was almost single handed and alone fighting for him, but since that day the President has been his right-hand man, and to-day, I care not who may assail Daugherty, Coolidge and John Adams will defend him. They stand to-day defending Daugherty as the Siamese twins.

Who is meant by this circular when it speaks of the "opposition Senators being thrown into a political panic"? What is in the minds of Adams and Lockwood and Weeks and the national committeemen who control the National Republican? There is not a Senator here but who knows whom they are speaking of.

"Opposition Senators thrown into a political panic." It was the distinguished leader of the Republican Party in the Senate, Mr. LODGE; it was the distinguished senior Senator from Pennsylvania [Mr. PEPPER], who, after a conference among Senators on the other side, went to the White House. I do not know how many were in the conference, but probably they were expressing the views of all the Members over there. They were dispatched to the White House to tell the President what they thought was good politics and right in the premises, and they went up there and did speak to the President. They told him that Mr. Daugherty should resign, and that if he held on to him he would make a great political mistake; that it would hurt the Republican Party in the country, and if it came to a vote in the Senate, the Senate would pass a resolution demanding his resignation.

But they did not get much comfort out of the President. They came back and reported. I think probably my good friend from Idaho [Mr. BORAH] advised him also; and his advice is worth something touching political matters. He not only advised the President within the close confines of the White House to drop the Attorney General but he came out in a public statement, aye, he spoke it upon the floor of the Senate, saying that the Attorney General should resign. Yet those who control the Republican Party in the national committee to-day say that "opposition Senators, thrown into a political panic, demand the resignation of the Attorney General, who, supported by the President and the Republican national chairman, declines to resign."

I do not know why the President takes that position. I do know that the American people have lost confidence in many of the men who to-day occupy high places in the Republican Party. They are losing confidence in their Government, and they will lose more confidence if the highest official in this land, the President, holds on to any man who fails to discharge his public duties, and whose conduct casts suspicion upon his office.

It may be that the President has taken the advice also of Ned McLean in this Daugherty matter. He perhaps took it in the Denby matter; I do not know. Perhaps he was given it in the Roosevelt matter; I do not know about that. But I know this, Mr. President, that when the American people read the revelations of this morning before the committee investigating this oil scandal, find out that there were not only telegrams sent in secret code by men in the Department of Justice to Ned McLean and others down at Palm Beach, but even that messages went signed by the President of the United States to Ned McLean at Palm Beach, it will cause them further to shudder, to tremble, and lose confidence—my God—in this Government of ours.

It is bad enough when men employed at the White House send messages to Ned McLean, when he admits openly, by his confession, that he has deceived the American people, misrepresented facts—aye, even that he has lied about the matter. It is bad enough when messages, I say, go to McLean from employees at the White House when all this is breaking, when the teapot is boiling over. It is bad, too, when secret-service codes, known only to the officials of the Department of Justice, are employed by Ned McLean and the employees of the Department of Justice in communicating with each other. But when the facts are revealed that Ned McLean, while all this is being heaped upon him, seeks the President of the United States for information and for consulation—here are the messages:

January 12, 1924—

Mind you, it was January 11, 1924, one day before this message was transmitted, that Ed McLean confessed that he told a falsehood when he said he loaned to Fall the $100,000. The papers were full of it. He was a self-confessed liar. Yet the very next day, over the private wires that led from the White House, in which the American people place all their confidence, a message goes to McLean down at Palm Beach. This is the message:

WASHINGTON, D. C., *January 12, 9 p. m.*

EDWARD B. MCLEAN,
Palm Beach, Fla.:

Prescott is away. Advise Slemp with whom I shall confer. Acknowledge.

(Signed) CALVIN COOLIDGE.

I hope that some real explanation can be made by the President. With the country at fever heat as it is to-day, it is incumbent on the President to give a statement to remove the suspicion that attaches to that telegram, not that Bascom Slemp, the Secretary of the President, shall give out a statement, but that the President of the United States shall himself give all the facts touching it.

I am aware that already there has been sent out or given out from the White House two or three lines making some kind of an explanation of it, they think, but that is given out by Bascom Slemp. Bascom Slemp is the man who was appointed by the President after it was shown in the other House that he accepted money from applicants for appointment as postmasters, and he said he turned it over to the Republican National Committee to help pay the deficit. All that scandal was published. Yet, in the face of that the President appointed Bascom. Bascom is the man who went to Florida, and who a dozen times in Florida, as shown by the testimony, ate with Ned McLean, and Fall was present practically every time.

Mr. DILL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Washington?

Mr. HARRISON. I yield.

Mr. DILL. I wanted to suggest to the Senator if it would not be interesting for the President to inform the country why he asked Mr. McLean to ask Mr. Slemp, the President's private secretary, instead of asking Mr. Slemp directly. What is the relationship that Mr. McLean should be the go-between between the President and his own private Secretary?

Mr. HARRISON. I can not understand it at all, and I sincerely hope for the good of the country and in the interest of restoring public confidence that the President will feel that he should give out a statement over his own signature—and I pray that it will be plausible and that it will be thorough—in explanation of this whole transaction.

My God! I love my country better than any political party, and as an American citizen I hate to see men high in public places being smeared with such a scandal as this, because, my friends, when the people lose confidence in them they lose confidence in all public officials, and I am sincerely sorry that the President saw fit to communicate with Ned McLean in Florida in the circumstances.

AGRICULTURAL DIVERSIFICATION.

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated.

The READING CLERK. A bill (S. 2250) to promote a permanent system of self-supporting agriculture in regions adversely affected by the stimulation of wheat production during the war, and aggravated by many years of small yields and high production costs of wheat.

Mr. WARREN. Mr. President, I noticed that statement on the calendar this morning, but it does not, I think, state the true condition of affairs. That bill was made a special order for Monday next at a given hour. The Senator in charge of the bill [Mr. LADD] laid it aside awaiting the hour to arrive when it would be taken up again. The Treasury and Post Office Departments appropriation bill was taken up and became the unfinished business, and should have been reported this morning as the unfinished business. Otherwise I should not have asked consideration of it in the small remnant of the morning hour. But under any circumstances it now practically becomes the unfinished business, the hour of 2 o'clock having arrived.

Mr. LADD. That is true, Mr. President. The agricultural diversification bill was temporarily laid aside, to be taken up on Monday at 3 o'clock, and the Senator from Wyoming, in charge of the appropriation bill, was to have the right of way until that time.

Mr. JONES of Washington. Mr. President, as one Member of the Senate I did not understand that as the agreement. The agricultural bill was temporarily laid aside and then a unanimous-consent agreement was entered into with reference to debate after the hour of 3 o'clock on Monday. That bill could be temporarily laid aside now.

The PRESIDING OFFICER. The understanding of the Chair was that the bill which the Senator from North Dakota [Mr. LADD] has in charge was temporarily laid aside. No other disposition was made of it. It is the duty of the Chair at 2 o'clock to lay before the Senate the unfinished business, which is that bill. The understanding is that when laid before the Senate it shall again be temporarily laid aside from time to time until Monday afternoon at 3 o'clock if other business intervenes.

Mr. WARREN. Mr. President, notwithstanding a member of the Appropriations Committee seems to regard it as peremptory that I have called up the appropriation bill—and judging from the debate that has been had since I called it up, it does not matter much when it is brought forward. We might as well take up the other bill as any other, I suppose, as prolonged debate seems probable.

The PRESIDING OFFICER. The Chair has before him the language of the RECORD.

Mr. NORRIS. Mr. President, I think it ought to be said that the Senator from Wyoming is laboring under the impression, as I understand it, that he can make something the unfinished business by unanimous consent. That is not what makes anything the unfinished business. The agreement, which he himself said was put into effect yesterday, is undisputed, but it did not make the appropriation bill the unfinished business. That would have been an impossibility.

The PRESIDING OFFICER. The Chair has so stated.

Mr. NORRIS. I think the understanding has been that when the unfinished business was laid before the Senate to-day the Senator from North Dakota [Mr. LADD] would ask unanimous consent that it be temporarily laid aside, in order that the Senator from Wyoming might proceed with the consideration of the appropriation bill.

The PRESIDING OFFICER. That was the understanding of the Chair.

Mr. JONES of Washington. Mr. President, the Senator in charge of the bill, I take it from his language, has rather rebuked me for the attitude I took.

Mr. WARREN. Not at all. I simply stated the difficulties under which I attempted to take up the appropriation bill.

Mr. JONES of Washington. I am a member of the Committee on Appropriations, but I understood the request on yesterday to be to temporarily lay aside the unfinished business for the purpose of bringing up the appropriation bill. I did not anticipate that there would be any trouble in keeping the bill before the Senate until it was disposed of or until next Monday afternoon at 3 o'clock. Of course, I understand, and I understood it when the agreement was made, that if any Senator desires to discuss the bill which is the unfinished business, he will have a perfect right to do it even to the extent of calling up that bill for the purpose. While, of course, he could discuss any subject that he desires while the appropriation bill is before the Senate, yet it would not be out of order for any Senator at any time to ask to have the Agricultural bill laid before the Senate for the purpose of considering it. Of course, there is no trouble about having the Agricultural bill temporarily laid aside now and the appropriation bill called up.

Mr. McKELLAR. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that we may proceed to the consideration of the Treasury and Post Office Departments appropriation bills.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATIONS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 6349) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1925, and for other purposes.

The reading of the bill was resumed at line 20, page 2, and continued to the bottom of page 3.

Mr. KING. Mr. President, I would like to ask the chairman of the committee with reference to a number of the items without enumerating them particularly. The Senator is aware of the fact that during the war when appropriations of the Government were much larger than they are now—brought about, of course, by reason of heavy expenditures on account of the war—the number of Federal officials in the Treasury Department was increased. I do not mean by that that the number was not increased in other departments. Since the war the appropriations necessarily have been reduced, but should be much less than they now are. In comparing the appropriations for the Treasury Department for the next fiscal year with the appropriations made in 1918, 1919, and 1920, I do not find any material reduction.

There ought to have been, it seems to me, an enormous reduction in expenses of operating the Treasury Department, but we find here millions and tens of millions of dollars as expenses for the Treasury Department. For instance, on pages 4, 5, and 6, and extending for 20 or 30 pages, there is a large number of items, aggregating tens of millions of dollars. I would like to ask the Senator why there have not been greater reductions in these items and in the appropriation bills generally than may be shown?

May I say before the Senator replies that the report which has been prepared by the chairman of the committee, the Senator from Wyoming [Mr. WARREN], accompanying the bill, shows that the amount carried by the bill as it passed the House was $729,959,970.25. The Senate has increased this amount by nearly $7,000,000, so that the aggregate amount reported by the Senate Committee on Appropriations is $736,867,380.25. The amount of appropriations for the fiscal year 1924 was only $711,381,567, so that the appropriation for the next fiscal year exceeds the appropriation for the present fiscal year by nearly $25,500,000.

Our Republican friends, and I say this in no critical spirit, promised great reforms and a reduction in taxation, as well as greater efficiency in the departments, and yet in this bill alone we find an increase of more than $25,000,000 as between the present fiscal year and the next fiscal year.

Mr. WARREN. Mr. President, the war is over and the clean-up following the war, of course, brings to us matters for settlement that have been neglected or deferred during the war. The post-office business is considerably increased. As the Senator knows, there is some part of the nearly $700,000,000 appropriation that comes back during the year, all, perhaps, except $30,000,000 or possibly $40,000,000. The post-office business has tremendously increased, as have many lines of business. The post-office business last year increased something like 17 per cent, as I recall it—not only the letter mail but the parcel-post business—so that there is a very large increase there that really does not involve so very much of an increase in the expenses of the Government, but we must arrange to encompass the great additional amount of business that is to be handled meantime.

As for the Treasury Department, there has been right along from year to year reductions from the peak, and very considerable reductions, but in that department there is a very considerable line of business that must be taken care of. We started at the end of the war with about $27,000,000,000 indebtedness, a part of which was provided for by the issuance of bonds, other parts by notes and certificates. In the meantime many of the bonds which were issued have had to be taken in because they had become due. Others have been exchanged largely for new issues. Hence a large amount of work is demanded and must be taken care of by experienced, able employees.

The Senator would more particularly note this if he would look at the hearings which were held before the House and Senate subcommittees. There are several scores of pages there that explain very fully the situation. I think the Senator would agree with me, after an examination of the hearings with his usual acuteness and detail, that we can not well reduce in the present year more than has been done. I ask the Senator to notice that we have not increased an item contained in the House text in the first 16 pages of the bill. So far as we are concerned, we became satisfied that the items in the House bill were reduced as much as it was safe to shave them, and we have not increased them at all.

The Senator spoke of the amount carried by the bill. This is the first time, of course, that two bills have been grouped under one head. Here we have in one bill the appropriations for the Post Office Department and for the Treasury Department. There is a matter, for instance, of between $2,000,000 and $3,000,000 involved in the one item of collection of customs.

Now, it appears that in the collection of customs duties, which are very greatly increased, as the Senator knows, being now almost $500,000,000 a year, there is such great pressure upon the present force of employees that there are a great many articles which have to be passed practically without examination.

Then, again, the House of Representatives shaved very closely the appropriations for the Internal Revenue Bureau. It might strike one, perhaps, on first observation that because the amount of taxes collected is smaller than in previous years, consequently less help would be required, but the bureau is necessarily three years behind in dealing with various delinquents and cases of incorrectly returned taxes. A good many employees have been placed on that work, and I will say to the Senator that they have not only collected great amounts of back taxes greatly

exceeding the sum of their salaries but they have gotten the body of taxpayers into the position where they should be, where they can make out their own returns and not undertake to escape taxation or any part of their liability. We found the collection of back taxes ran up into many million dollars above the expense of collection. So we have allowed the bureau to keep for a longer time the men whom they now have in order that they may clean up the remaining business.

Of course, as the Senator knows, collections for the year 1917 dragged along and there had to be suits commenced for the collection of back taxes. It was suggested that waivers might be made in order that the statute of limitations would not run against such suits. The bureau is now working on the returns of individuals and corporations for later years. Many of these cases are being straightened out up to and including the returns for all years except last year.

Mr. ASHURST. Mr. President, in January last I addressed the Senate and discussed an editorial, printed by the Saturday Evening Post, entitled "Cut yourself a piece of cake." Subsequently I received a letter from Mr. P. S. Collins, general business manager of the Curtis Publishing Co., in which he asserted that I had—inadvertently, of course—made some error or had done an injustice.

Mr. President, I try to be fair, and I think that principle is what should guide a man. So, out of a spirit of fairness, I ought now to ask unanimous consent to include in the RECORD a letter, under date of January 11, 1924, from the general business manager of the Curtis Publishing Co. If the Senate wishes the letter read it may be read, but it is three pages in length and I ask that it may be included in the RECORD.

The PRESIDING OFFICER. Is there objection?

Mr. CARAWAY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Arkansas?

Mr. ASHURST. I yield.

Mr. CARAWAY. I wish to ask if that was the article in behalf of the Mellon plan?

Mr. ASHURST. In January of this year I delivered a speech in the Senate in which I criticized the article in the Saturday Evening Post entitled "Cut yourself a piece of cake."

Mr. CARAWAY. I imagine that he was not complaining about cutting himself a piece of cake, for he seems to be willing to take the whole cake.

Mr. ASHURST. I made the charges here, and so this would be the proper place to print the reply. Therefore, if there is no objection, I ask that the letter of Mr. Collins may be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The letter referred to is as follows:

JANUARY 11, 1924.

HON. HENRY F. ASHURST,
United States Senate, Washington, D. C.

MY DEAR SENATOR ASHURST: We note a newspaper reference to an address recently delivered by you in which it is stated that "Senator ASHURST assailed the Saturday Evening Post" in connection with an alleged deficit to the Government arising from carrying the Saturday Evening Post in the mails.

Judging from the newspaper report referred to, that the statement attributed to you was prompted by an editorial which appeared in the Scripps-Howard newspapers, we venture to quote from a letter recently written to Mr. William B. Colver, editor in chief of those papers, in that connection:

MR. WILLIAM B. COLVER,
Editor in Chief the Scripps-Howard Newspapers,
1322 New York Avenue NW., Washington, D. C.

MY DEAR SIR: We have before us clipping of an editorial entitled "Cut yourself a piece of cake," which appeared in Scripps-Howard newspapers.

In the clipping referred to Representative RAINEY is quoted as having in 1917 made the statement that at that time the cost to the Government for carrying the Saturday Evening Post in the mails was $780,000 per year, and, further, that "the subsidy they now receive from the Government is as large as it was in 1917."

Even if the first statement was correct at the time it was made (though anyone familiar with transportation and delivery costs will hardly believe that there existed in the Post Office Department such inefficiency as such condition would indicate), and even if now, as then, virtually the entire edition of the Saturday Evening Post was sent by mail, the magazine ought to be paying its own way now, for the present postal rate on magazines of national circulation, such as the Saturday Evening Post, is about four times what it was then.

The fact is, however, that because of the present excessive postal rates, over 70 per cent of the entire edition of The Saturday Evening Post does not now enter the United States mails at all, and further that even of the remaining 30 per cent about one-half is not transported from Philadelphia by mail, but is handled by the Government only for local delivery.

Actually up to this time nobody knows what it costs the Government to handle any one class of mail. Various governmental commissions and committees who have in the past investigated the matter have all so stated.

As a field for guessing contests, that of postal costs has up to this time offered unlimited opportunities for imagination. For example: You may recall that former Postmaster General Burleson, during the latter part of his administration, called attention to the alleged material profit arising from the carriage of parcel-post matter, which to-day constitutes more than 60 per cent of the entire weight of the mails; while his successor in office a little later stated that it resulted in a tremendous deficit. This, as you know, is only typical.

The greatest sufferers from the present excessive postal rates are actually the many valuable publications of comparatively small circulations, some of which have been forced out of existence, and not such publications as The Saturday Evening Post, the overwhelming part of the editions of which is not now carried by mail, but by other transportation agencies, which are doing it at a cost far below that charged by the Government, and incidentally doing it at material profit to themselves.

Very truly yours,

THE CURTIS PUBLISHING CO.,
P. S. COLLINS,
General Business Manager.

Whenever the question of mail rates is under discussion, The Saturday Evening Post (presumably because of its large circulation) is almost always referred to by somebody as being peculiarly responsible for an alleged deficit in the handling of second-class mail matter. As stated in my letter to Mr. Colver, 70 per cent of the edition is distributed entirely outside of the mails, and one-half of the remainder is only handled by the Government for local delivery. But the limited portion which does go through the mails, actually pays a rate to the Government which, in proportion to the Government's expense, is equaled by very few publications in the country.

To illustrate: I have before me a copy of a small Philadelphia periodical, weighing 10 copies to the pound, and 5 per cent of the space in which is devoted to advertising. For transporting 10 copies of this periodical to Arizona and delivering them by carrier to 10 separate addresses, the Government receives a total revenue of about 2 cents (1 pound of magazines; 10 deliveries—2 cents). On the other hand, one copy of the Saturday Evening Post, which averages 1 pound, sent to one of the same addresses, costs the publisher 6½ cents (1 pound of magazines; 1 delivery—6½ cents).

I am sure you will agree that, if one is endeavoring to prove that the carriage of second-class mail matter results in a deficit to the Government, the Saturday Evening Post is not a happy selection.

The existing system of charges for second-class mail is, in fact, the only instance of which I know in the transportation world in which the rate is so devised that the shipper whose goods are handled by the carrier at the lowest cost pays the highest rate.

Very truly yours,

THE CURTIS PUBLISHING CO.,
P. S. COLLINS,
General Business Manager.

Mr. KING. Before the Senator from Arizona takes his seat I should like to ask him if the statement which he made is not substantially true, namely, as I recall the statement, that the Curtis Publishing Co., as well as others, are getting their publications transmitted through the mails at a very much less cost than the actual cost to the Government.

Mr. ASHURST. That is what I charged.

Mr. KING. And is not that a fact?

Mr. McKELLAR. Do they deny the Senator's statement?

Mr. KING. Mr. President, may I say to the Senator from Arizona that I think evidence which has been adduced before various committees and presented to the Senate shows that the $70,000,000 deficit a few years ago in the Post Office Department resulted from the Government carrying through the mails the large publications containing pages of advertisements, which resulted in great profit to the publisher but great loss to the Government?

Mr. ASHURST. Mr. President, I am not retracting what I said, but I do say I am now seeking to give to the person or the publication, against which I inveighed, an opportunity to have the contrary views placed into the RECORD.

Mr. CARAWAY. I thought perhaps the Senator was going to have the communication contributed to the column which is devoted to humorous sketches.

Mr. ASHURST. No; I am in perfect good faith in the matter. It is my philosophy of life that the other side to a controversy should have an opportunity to make its statement.

Mr. CARAWAY. As I understand, the Senator is of the same opinion as before, but merely wishes that everyone shall have his day in court?

Mr. ASHURST. That is my view of life.

Mr. OVERMAN. If the Senator puts the letter in the RECORD, then there will appear only one side of the controversy. We have not heard his side, and how is the public going to know what is his side and that what he so frankly says is true?

Mr. ASHURST. Mr. President, I could resurrect the speech which I delivered, in which I made the reference to the Saturday Evening Post. I will tell the Senate how the matter arose. In January, 1924, the furious drive was on for the Mellon plan of taxation, and I made the observation that Mr. Ford, in October, had in a most vicious way opposed Secretary Weeks and was opposed to Mr. Coolidge, but that later Mr. Coolidge sent a telegram to Mr. Ford saying, "Be patient and everything will come out to your satisfaction." I was inveighing against Mr. Ford and inveighing against Mr. Mellon for their furious drive in behalf of the Mellon plan, which would give Mr. Mellon a reduction annually of over half a million dollars in his taxes, and would give Mr. Ford a reduction annually of over a million dollars in his taxes. Then, I said this drive was supported in an editorial in the Saturday Evening Post, entitled "Cut yourself a piece of cake." I then said that the Saturday Evening Post each week "cut itself a piece of cake," the frosting of which was put on by the Government, and that the Saturday Evening Post licked its chops as it swallowed the cake; that the cake consisted of the fact that each time it sent its publication through the mails it did not pay to the Government anywhere near the amount of money which the Government had to expend in transporting the publication. That was the charge.

Now, Mr. P. S. Collins, the general business manager of the Curtis Publishing Co., wrote me that I was in error, and he quotes some correspondence with other parties. It is a perfectly proper letter, which he had a right to send to me. He did not offend me; but I think, after having made that charge, that his letter ought to have a place in the RECORD, and I think every man will agree with me.

Mr. CARAWAY. Mr. President, before the Senator takes his seat, he knows it all has to do with the Mellon plan and that the Literary Digest is conducting a poll to get everybody to vote for the Mellon plan.

Mr. NEELY. And to vote against the bonus.

Mr. CARAWAY. Of course against the bonus; they are twins, as the Senator knows. I happen to have in my hand a postal card sent to an attorney in my State by the Literary Digest, which constitutes the third invitation sent to him to vote. He had filled in two, and then they came back and wanted a third. I was just curious to know how many times anybody was entitled to vote on this Mellon plan. If one is for it, I presume he can stuff any ballot box on earth, and it will be within the law.

Mr. ASHURST. Mr. President, I have recently examined the returns of the balloting conducted by the Literary Digest, and why the result is not unanimous I can not understand. According to the way the Mellon plan and the referendum are stated by the Literary Digest, I am unable to ascertain how any citizen could vote otherwise than in favor of the Mellon plan. My astonishment is great that there should be any votes upon the other side, in view of the way the Mellon plan is there stated. The Literary Digest has a right to conduct a referendum, but when the Literary Digest pretends to ask for a referendum it ought at least to be fair enough to set forth properly the subjects that are referred to a vote. I have endeavored to secure permission to print the letter of Mr. Collins because I did not want to be so grossly unfair as the Literary Digest has been. I want the question as stated by me to be fairly stated, and I want the opposition to have equal opportunity to state its views. That is why I rose, because if I were to withhold the statement I would be as guilty as the Literary Digest has been guilty of unfairly stating a question.

Mr. CARAWAY. I think the Senator is too hard on himself, but let that go.

Mr. President, while this matter is pending let me say that there appeared in the morning newspapers a letter from the Secretary of the Treasury, Mr. Mellon, addressed to me, answering questions touching his activity and the activities of his friends and business associates in connection with the propaganda that is being organized against the soldiers' bonus.

There is nothing at all improper with reference to the publication of the letter of the Secretary of the Treasury, and I have no objection to it appearing, but inasmuch as it is now in print I have some documents which I wish to submit along with the letter of the Secretary of the Treasury. I rather imagine that after he has read them, if he ever does me the honor to do so, he will discover that he was mistaken in some of the answers that he made in his letter bearing date of the 4th instant. I do not think intentionally the Secretary would misrepresent any fact within his knowledge; personally, I have for him a very high regard; but I do want to publish his letter and the letters and affidavits dealing with the question about which he undertakes to set out the activities of himself and his business associates in this matter.

Therefore, Mr. President, as a part of my remarks, if there is no objection, I wish to publish the letter of the Secretary of the Treasury and either the original letters or photostatic copies of letters and an affidavit of Mr. Allen, who was the original organizer of the Ex-service Men's Antibonus League. They show that instead of being supported by the activities of ex-service men now, it is supported by the activities of men of large means, who hope that by contributing a small sum to a propaganda they may escape taxes to pay an adjusted compensation to ex-service men. I think I can so arrange these papers that they will make a story that will need no comment. Therefore I ask unanimous consent to publish, along with my remarks, the letters and affidavits mentioned.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

The matter referred to is as follows:

THE SECRETARY OF THE TREASURY,
Washington, March 4, 1924.

DEAR SENATOR CARAWAY: I have received your letter of the 1st instant, in which you ask me questions with reference to certain charges that have been made by the commander of the American Legion, Mr. Quin, and I comply with your request, as follows:

"First. Is it true that H. B. Rust, president of Koppers Co., and George S. Davison, official of the Gulf Oil Co., contributed substantial sums to the Anti-Bonus League?"

Answer. I have no knowledge as to whether or not Mr. Rust or Mr. Davison contributed any sums to the Anti-Bonus League.

"Second. Would you mind telling if you are interested in the corporations mentioned, or have you business relations with the two gentlemen mentioned?"

Answer. I am interested as a stockholder in each of the corporations mentioned in question 1, but I have no official connection with either of these companies nor business relations with the two gentlemen excepting as a stockholder in the companies in which they are officers.

"Third. It is charged that employees of the Chicago Bi-Product Coke Co., a subsidiary of the Koppers Co., were commanded or requested to write letters to the Members of Congress opposing adjusted compensation. Do you know whether this is true or not, or have you taken any steps to ascertain whether it be true?"

Answer. I have no information whatever as to whether or not employees of the Chicago Bi-Product Coke Co. were commanded or requested to write letters to Members of Congress opposing adjusted compensation and have taken no steps to ascertain whether that is true.

"Fourth. These charges have been made by the commander of the American Legion, Mr. Quinn. They are also supported by an affidavit by Mr. Allen, and they purport to show that you had advised and counseled, and possibly contributed, either through yourself or your business associates or companies in which you are interested, to this activity. Will you tell me whether this is true?"

Answer. Your letter and that which I have read in the daily papers is the only knowledge I have had of charges having been made by Mr. Quinn of the American Legion with respect to the subject matter in questions 1, 2, and 3. I do not know who Mr. Allen is, to whom you refer, nor what his source of information may be upon which he relies for making the affidavit mentioned. I have not been consulted with, nor contributed, personally, to this activity. I have no knowledge of what my former business associates or their companies may have done in the matter.

"Fifth. Particularly I would like to know if you authorized or cooperated with Mr. Davison in raising a fund, the ultimate amount of which was said to be, or was to have been, $20,000? The purpose of said fund was that it was to be used in propaganda against the soldiers' adjusted compensation measure."

Answer. I have never authorized nor cooperated with Mr. Davison or any other person in raising any fund whatever that had for its purpose any propaganda against the soldiers' adjusted compensation measure, or any other measure that has been before the Congress during the time I have occupied my present office.

I believe the foregoing answers cover the information which you have requested. No doubt Mr. Davison and Mr. Rust, if called upon, will respond promptly to any inquiries on the subject which you may desire to make of them.

Sincerely yours,

A. W. MELLON,
Secretary of the Treasury.

Hon. T. H. CARAWAY,
United States Senate.

THE KOPPERS CO.,
Pittsburgh, Pa., November 17, 1923.

Capt. KNOWLTON DURHAM,
President Ex-Service Men's Anti-Bonus League,
19 West Forty-fourth Street, New York, N. Y.

MY DEAR CAPTAIN DURHAM: Your letter of November 9 was found here on my return to Pittsburgh yesterday.

I heartily approve of what you are doing in this matter, and my first impulse was to send you my personal check, but I took the matter up in a quiet way and found that my friend, Mr. George Davison, was raising some funds for you, and he wanted me to make my contribution through him. I saw Mr. Davison again last night and told him I felt time was the essence of this plan and that he should hurry his contributions to you. I am going to see him again on Monday and hope to make through him a substantial contribution to your cause, in which, as I have said above, I am most thoroughly in sympathy.

I think you are doing a great work for the country and for all the world. I agree with your position on the matter 100 per cent.

Very truly yours,

H. B. RUST.

CHICAGO BY-PRODUCT COKE CO.,
Chicago, Ill., December 18, 1923.

AMERICAN LEGION LEGISLATIVE HEADQUARTERS,
New York City, N. Y.

COMRADES: I am inclosing two form letters which this corporation is distributing to its employees in wholesale quantities. The fact that the antiadjusted-compensation faction has stooped to this is sufficient proof of the hole in which they find themselves. You will note that in the inclosed letter, in which instructions are given as to exactly what is to be written, the employees are commanded to tell their representatives in Congress certain things, and it will require no exhausting stretch of the imagination to visualize what would happen to the employee (and his family) who disregarded the command. I have personally seen scores of the letters which are the fruits of this campaign, as they are collected and brought to the main office where stenographers are worked far into the night typewriting them.

I hope these will reach our legislative committee in Washington where they may be used to advantage. Inasmuch as I am dependent upon my salary from this corporation while supporting my wife and myself and educating myself, you will readily understand that it will not be to my advantage to have my connection with this matter become public. I have no doubt that other corporations throughout the country are stooping to like methods.

Respectfully,

FLOYD F. APPELL,
Colon-Couch Post No. 831, Clayton, N. Y.

CHICAGO, ILL., *December 11, 1923.*

Hon. ——— ———,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: I have been thinking about the tax-reduction matter as proposed by Secretary Mellon, and want to urge that you support this measure. It would seem evident that everyone is anxious for anything that spells tax reduction.

I would also urge that you heartily support any effort leading to better care and relief of all crippled or afflicted ex-service men. There is no question that everything should be done to assist and care for such men, and that we abandon, once and for all, the idea of a bonus or general distribution of money among our soldiers. Such a tax burden would be but a temporary expedient and react to their disadvantage, due to the hardship such a tax would place upon the business of the country. We can not do too much for those who have been afflicted, but a tax for the purpose of giving a few hundred dollars to able-bodied men would do them no ultimate good as compared with the disadvantages they would experience.

Yours very truly,

——— ———.

CHICAGO, ILL., *December 11, 1923.*

Hon. ——— ———,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN:

1. Tell your Congressman that you are in favor of his supporting the passage of bill to effect tax reduction as proposed by Secretary Mellon.

2. Tell your Congressman that you are in favor of his supporting every activity that looks to better care and relief of crippled ex-service men, but that you do not approve of a bonus which would tax the country at large and bring on a reaction that would do the ex-service men more harm than good.

3. Tell him that it is self-evident that a reduction in taxes will stimulate business and increase employment, and that such a condition would benefit ex-soldiers more than the payment of a small cash bonus.

4. If you are an ex-service man simply state that you served in the war without stating your rank.

——— ———.

AFFIDAVIT.

I, Edward L. Allen, a resident of New York City, N. Y., do hereby declare under oath that, to the best of my knowledge and belief, the following statements are true and correct.

I founded the Ex-Service Men's Antibonus League (Inc.) in the deep belief that at least a large minority of the former service men shared with me the ideals upon which it was built and would welcome such an opportunity to express, through organization, their opposition to the principle of adjusted compensation. Though time has proven that belief to be somewhat in error, it has not altered or changed my personal convictions in the matter. It has, however, implanted an even deeper conviction in my mind that the payment of a bonus to World War veterans is in no way related to any other problem or project of the Government. It is either right or wrong in itself.

For 14 months I was the directing executive of the league. During that time the annual membership dues were $1. During my tenure of office approximately 250,000 pieces of literature inviting membership were distributed throughout the Nation. The number of members enrolled in that time was a few over 1,400. Of this number, some four hundred and odd members paid their $1 membership from their own pockets, dues for the remainder being either paid by others than those enrolled or carried on the books as memberships due. Eighty per cent of the total were former officers.

Last November the tendencies of the executive committee to divert the league from its foundation principles became so pronounced, despite my most earnest opposition, that I felt called upon to resign.

The tendencies referred to became manifest immediately following the advent into the league of one Bronson Batchelor, a publicity man and propagandist, who was brought into the league through the influence and at the suggestion of its president, Knowlton Durham. The membership fee was abolished, a statement issued that the league would disband upon defeat of the bonus, and other steps were taken involving activities far removed from the securing of members an honest, open, opposition to the bonus on principle, and the advocacy of adequate legislation for the disabled, the charter purposes of the league.

Shortly after said Batchelor was employed he told me that he had secured an appointment to see Andrew W. Mellon, through his intimate acquaintance with John T. Adams, chairman of the Republican National Committee. A few days later he advised me that he had gone to Washington and kept his appointment with Mr. Mellon. Where they met he did not say. At the same time he stated to me that Mr. Mellon had given his complete approval to certain plans (not explained to me) that he had submitted to Mr. Mellon. He proposed a trip to the Middle West to secure funds, and intimated that leads to men in that section who would subscribe funds to carry out the plans had been furnished him by Mr. Mellon. Owing to this action and other indications of his too great interest in tax-reduction matters, I discharged said Batchelor shortly after this incident. I understand, however, that he was reemployed by the executive committee of the league immediately after my resignation, at a salary of $250 per week.

Maj. Richard S. Buck, a member of the executive committee of the league, and a consulting engineer for the Brooklyn Cities Railway, stated to me that he was intimately acquainted with Mr. George W. Davison, of Pittsburgh, Pa., whom, Major Buck also stated, was very close to the Mellon interest of the same city.

Buck told me that Davison had talked to him while on a trip to New York and that he would undertake to raise money for the league in Pittsburgh. On two different occasions Buck told me that he had talked to Davison on the telephone regarding the raising of money; the last phone conversation being held one Saturday afternoon immediately after Mr. Davison had been in conference with Mr. Andrew W. Mellon in Washington. Major Buck told me that upon that occasion Mr. Davison told him that he had up to that time raised $7,500 for the league and that the balance of $20,000 would be forthcoming shortly after his return to Pittsburgh. None of this was turned into the league while I was in office.

There was a like fund of $20,000 to be raised for the league by a joint committee of the New York Chamber of Commerce and the New York Merchants' Association to which I have evidence that contributions were made. None of this fund reached the treasury of the league while I was in office.

I sincerely believe that both these funds were duly raised as planned and wholly or partly spent with no entries being made on the books of the league to show from where it came or how it was spent. I am of the opinion that the officials of the league will deny any knowledge of these funds. The proper authority of lawful jurisdiction could quickly determine the matter. I am confident that not only is the man Batchelor being paid from this joint fund but that part of it was and is being used to promote and finance the operations of the recently formed National Citizens' Tax Reduction Committee, headed by Maj. Gen. John F. O'Ryan. I believe that Benjamin F. Castle, of the Irving Bank-Columbia Trust Co., and treasurer of the league, is the man who is holding and disbursing this secret fund. Miss M. E. Durning, formerly secretary to Colonel Castle, is assistant treasurer of the league and handles the books of the league.

The last meeting of the executive committee of the league prior to my resignation was held, at the call of the president, in board of directors' room of the Irving Bank-Columbia Trust Co. The last meeting of the national administrative board of the league was also held at the Irving Bank-Columbia Trust Co.

The annual meeting of league members was called to meet in Washington, D. C., January 31, 1924. Upon that date a delegation, supposedly representing the league, called upon President Coolidge. The delegation consisted of some 25 men. Eighteen of them were paid employees of the league.

In closing this affidavit I state that I am still opposed to the principle of a bonus to able-bodied ex-service men, but I just as frankly state that I am glad to offer the foregoing in the hope that it may be used in effective protest against what I believe to be unfair, unjust, and un-American methods of seeking to mislead the public mind and Congress.

EDWARD L. ALLEN.

Subscribed and sworn to in the city of Washington, D. C., this 21st day of February, 1924.

[SEAL.] ETHEL R. GUISE, *Notary Public.*

NEW YORK CITY, *February 29, 1924.*

Mr. SAMUEL T. MOORE,
732 Woodward Building, Washington, D. C.

DEAR MR. MOORE: I find that I made a slight error in the affidavit I gave you, and will ask that you correct your copy as noted.

I stated that some 25 members were present at the annual meeting of the league on the day the delegation called on the President. As a matter of fact, there were only 21 present, but only 11 of them were paid employees. Following is a classification of those present:

Three officers of the league, 3 members of national administrative board, 11 paid employees of league, and 4 members of league.

I have photo of all present and evidence of a member of the board who was present to corroborate above.

Sincerely, EDWARD L. ALLEN.

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602 WEST ONE HUNDRED AND NINETIETH STREET,
New York City, February 14, 1924.

Memorandum to the members of the national administrative board and the national advisory council of the Ex-Service Men's Antibonus League.

GENTLEMEN: When I recently resigned from both the league and its national administrative board I quite naturally presumed your president would comply with my request to forward each of you a copy of the letter containing my reasons for so doing.

As I am informed this was not done, and as it is due me that you be fully informed in the matter, I take advantage of the publication in full of my letter by the inclosed magazine to place it before you.

A point not touched upon in my letter of resignation, for the reason that I had no wish to bring in personalities, but which may nevertheless be of some interest to you, is that twice after my resignation as executive director I called upon your president in person and offered a protest at the trend of league management. Upon my last call, about January 20, I told him that if he and the one or two others who were running things would abandon the course they were following I would gladly get in harness again and go out on the road organizing units in States not then having any, to the very necessary end that we have at least one organized voice in each State of the Union. I volunteered to do this work for my expenses, but my offer was refused.

Regarding the names of contributors to the league, whose names appear in the same article with my letter, I wish to state that I did not supply that information. The editor of the paper had been supplied the names published by a former employee of the league, but when asked if the names and the amount quoted were correct, I, of course, admitted they were and gave permission to be quoted to that effect.

In conclusion I wish particularly to bring to your attention a point worthy, I believe, your careful thought. There were two funds raised for the work of the league, which, I am informed, have never been turned into the treasury of the league—one by Pittsburgh interests and one by joint committees of the Merchants' Association and New York Chamber of Commerce. I have conclusive evidence that contributions were made to these funds in the belief by the contributors that they were contributing to the league. The point for consideration is that these funds could not have been diverted to tax-reduction propaganda or for any other purpose whatsoever without the full knowledge, consent, and willingness of a majority of your executive committee of whom your president and treasurer are members.

The matter is thus called to your attention, and if you fail to take the necessary action, the result of your inaction, whatever it may be, will rest on your shoulders alone.

Very truly yours, EDWARD L. ALLEN.

THE BROOKLYN CITY RAILROAD CO.,
Brooklyn, N. Y., October 2, 1923.

Mr. GEORGE S. DAVISON,
Frick Annex Building, Pittsburgh, Pa.

DEAR MR. DAVISON: This will introduce to you Mr. Edward L. Allen, executive director of the Ex-Service Men's Anti-Bonus League, and I earnestly hope that with such counsel and assistance as you can secure for him he may inaugurate a strong and effective branch of the league in Pittsburgh.

My conviction is that unless we can make the vast silent army of antibonus veterans vocal, and that quickly, the threatened bonus bill will be passed even over the President's veto. The plan Mr. Allen will present, I believe, is the only one on which we can pin any hope of blocking this.

Very sincerely yours,

R. S. BUCK.

P. S.: If you deem it advisable, I would like you to introduce Mr. Allen to Mr. R. B. Mellon, and get the personal views of the latter as an out of New York banker on this whole proposition of the antibonus fight, viewed through the light of information Mr. Allen will give.

Mr. McKELLAR. Mr. President, in connection with the publication of the letter offered by the Senator from Arizona [Mr. ASHURST], I call attention to one paragraph of it:

The fact is, however, that because of the present excessive postal rates, over 70 per cent of the entire edition of the Saturday Evening Post does not now enter the United States mails at all, and further, that even of the remaining 30 per cent about one-half is not transported from Philadelphia by mail, but is handled by the Government only for local delivery.

That is just another way of saying that when it pays the Saturday Evening Post to send its papers by freight it does so, and when it pays it to send them by mail it likewise does so.

The truth is, Mr. President, as all of those of us know who have served on the Post Offices and Post Roads Committee of the Senate for a number of years, that the transportation of second-class mail matter, even at present rates, costs the Government an enormous sum of money. It takes all the profit made on first-class mail matter to overcome the deficit that is even now, with the increased rates, incurred on second-class matter.

There are still inequalities in second-class railway mail rates that probably ought to be straightened out, but those inequalities do not affect the Saturday Evening Post or periodicals of that kind that are now shipped through the mails in carload lots, and even trainload lots, I am informed.

If we had permitted the rates to continue that existed prior to 1919, when they were raised, the deficit resulting from carrying periodicals like the Saturday Evening Post and others of like character that were then carried as second-class mail matter would have amounted each year to over $100,000,000. It amounted at that time to something like eighty-nine or ninety million dollars.

The statement here that there are excessive rates on second-class mail matter, such as the Saturday Evening Post, is wholly in error, and is indefensible.

Mr. KING. Mr. President, I have hastily examined the appropriation bill now before us. It carries hundreds of millions of dollars. Not being a member of the Appropriations Committee, and having been constantly engaged in the work of other committees upon which I am serving, I have not had the opportunity to examine the measure before us or the hearings before the House and the Senate committees. The bill, however, seems to contain items that ought to be expunged and appropriations which ought to be materially reduced. In my opinion it does not redeem the pledges of the party in power in behalf of economy and efficient administration. I have been amazed since coming to the Senate at the apparent indifference not only of the public but of Congress to the mounting appropriations and to the enormous burdens which are being placed upon the people. There is much talk of the Mellon tax bill, and appeals are made to support it upon the

theory that it will diminish taxes. It is refreshing to find any evidence in favor of diminishing the burdens of taxation. Most appeals addressed to Congress are in favor of appropriations. Apparently the petitioners for increased appropriations see no relation between appropriations and taxation. Many who appeal for contributions from the Federal Treasury seem oblivious to the sources from which such appropriations come. There are measures pending before Congress which call for at least $6,000,000,000 in appropriations for the next fiscal year. Where this stupendous sum is to be obtained does not excite that interest which its importance demands.

Even the Senate seems indifferent to appropriation bills. Seldom are there more than a dozen Senators present when appropriation bills are being considered though they may carry hundreds of millions of dollars. The bill under consideration seeks to take $700,000,000 out of the Treasury, and yet there is but a handful of Senators in the Chamber and not more than half a dozen who evince any interest in the bill.

We are called upon to appropriate in this bill more than the value of all the property of the State from which the chairman of the committee comes. Indeed, as I recall the assessed valuation of the entire property of a number of Western States, this measure asks for more than the combined value of all the property, real and personal, to be found within two, if not more, of such States. And this is but one of the many appropriation bills which will be enacted into law before Congress adjourns.

Mr. President, no question is of more importance than that of taxation. Thrones have been lost and nations destroyed because of oppressive taxes and exactions wrung from an oppressed people. Prosperity and oppressive taxation do not go hand in hand. Public economists and statesmen interested in the public weal seek to diminish the burdens of taxation and to free commerce and industry from a paralyzing bureaucracy and a deadening system of taxation. The vigor and vitality of a State are determined in a large measure by the freedom of the people from governmental exactions. The early days of this Republic found the taxes to be exceedingly light.

The savings of the people were thus increased and made available for investment and industrial development. Senators know well what history teaches, and how important it is that industry be released from the chains and bondage of oppressive taxes. Light governmental burdens result in individual and national prosperity. Federal taxation assumes a more oppressive and despotic character as it is imposed for illegitimate purposes or to execute policies which are in derogation of the rights of a State and violative of the principles of local self-government.

A careful examination of the budgets of the Federal Government for a number of years past will demonstrate that the increasing burdens of taxation have been brought about largely as the result of the creation of new Federal agencies, many of which were wholly unnecessary, and some of which find no justification for their existence, either in the Constitution, or in the public welfare, or under any system of political morality. These unnecessary Federal creations multiply the Federal personnel and bring a long train of abuses which are always the concomitant of bureaucracy and of governmental usurpation.

In every age the struggle has been to repress the centralizing manifestations and to prevent that consolidation of authority which destroys personal liberty and impairs the capacity of the people for local self-government.

Republics manifest the same dangerous symptoms and exemplify the same maladies which are found in monarchical or despotic governments. Students of our Republic and of democratic governments have oftentimes marveled at the insidious growth of bureaucracy within such governments and the almost unobstructed movements which have diminished local independence and personal liberty, and transferred the authority and power of the people into the hands of autocratic power. It would seem as if the people, whose fathers fought for liberty and to be freed from tyrannous taxes and unwarranted exactions, did not prize their rich inheritance and desired to surrender dearly won liberties, and to return to conditions which led brave and heroic men to rebel.

Anyone familiar with our country must admit that the centralizing forces are very powerful in the United States and that a considerable part of the American people are supporting socialistic policies and the adoption of measures which in the end would reduce the States to shapeless and devitalized forms. Some writers contend that socialism and autocracy go hand in hand. Without discussing the political and philosophical questions that might suggest themselves, by reason of this view, it is sufficient to say that socialism restricts the activities of the individual, limits his independence, and augments the power of the Government, or the agencies which it sets up. It, therefore, contributes to a despotic rule and abridges the power and authority of local political organizations.

Socialism, whether of the moderate form or of the Marxian type, contemplates the transfer of all property to the Government, although euphemistically it is to be transferred to the people. There are demands made in our own country that the Federal Government take over many activities which are purely individual or private in character. The railroads and the ships and the mines and a multitude of other things are to be owned and operated by the Government. The Federal Government is to go into the States, take over their police powers, and through the Federal organization, bureaus, and other instrumentalities, and with an army of Federal employees, perform the duties and responsibilities which rest upon the people or the political subdivisions of the various States. And Congress is responding to many importunities and is creating Federal organizations and multiplying the number of Federal employees.

But, Mr. President, I did not rise to deliver an address, except to call attention briefly to one or two provisions of the bill and to invite attention to the appropriations; that is, the probable aggregate amount of appropriations that will be made by the present Congress. The Senator from Wyoming has just stated that this bill carries an amount to cover a deficit of approximately $40,000,000, which will result in the next fiscal year in the operation of the Post Office Department.

In other words, notwithstanding the hundreds of millions of dollars provided in the pending measure to meet expenses of the Post Office Department, it is necessary to add to the same $40,000,000 additional because the receipts from the Postal Service will be less by $40,000,000 than the cost of operation. Of course, wisdom would dictate that we either retrench and inaugurate reforms in the Postal Service or increase the rates in some branch of the service to cover the expenses. It is unfair to tax the people to meet a deficit created by the beneficiaries of the postal system. The department should be self-supporting and increased rates should be imposed upon second-class matter, and the parcel-post system should be modified so that this great deficit would not occur. The Senator from Arizona [Mr. ASHURST] and the Senator from Tennessee [Mr. MCKELLAR] have just informed us, as I interpret their remarks, that the deficit results, in part, if not wholly, from the abuse of the second-class mail privileges and the abuse of the parcel-post system. We know that in many States freight is hauled by the Government entailing enormous loss which the Treasury is compelled to meet. Coal, flour, lumber, and commodities of various kinds are transported as mail matter or as proper articles to be carried under the parcel-post provisions of the law. This is such a gross abuse of every principle of justice and of the spirit of the law, if not the letter, that Congress ought promptly to provide against the continuation of such an unfair and unjust practice.

Mr. MCKELLAR. Mr. President——

Mr. KING. I yield.

Mr. MCKELLAR. I want to say to the Senator that so far as the Post Office Department is concerned, an investigation is being had, and it is almost completed—we hope to have a report by the 1st of July at the latest—showing the exact cost of the various classes of mail matter and the exact deficit. We have some experts in the department, who have long been in the department, who are ascertaining the exact figures. In other words, we can tell exactly what the deficit, if any, is on second-class matter such as magazines, newspapers, and other classes of second-class matter, parcels post of all kinds, first-class matter, and every other class of business carried by the Post Office Department.

I think the Senator is right when he says that we ought to know exactly what it costs. The Senator knows, of course, that the Post Office Department in a general way is self-sustaining. There will be a deficit this year of something like $30,000,000, which, in comparison with the whole amount of some $700,000,000, is not very great; but it is believed by the postal authorities that under present rates this deficit will be entirely wiped out by another year. I am rather inclined to think that that will be true. The business of the department is increasing enormously.

I have not the figures here before me, though I am sure the chairman of the committee has them, because we had them before the committee, showing the general rate of increase, which is about 10 per cent a year; perhaps 11 per cent, as I recall. I will get the exact figures and put them in the RECORD. So that hereafter I am quite sure that we will have more accu-

rate information before us when these bills come up. I regret that we have not the exact figures now, so that we can tell the Senate and the country exactly what each class of matter costs, and exactly what profit is made on each class, or exactly what deficit there is on each class.

Mr. KING. Mr. President, more than 20 years ago, when I had the honor to represent my State in the House of Representatives, investigations of the character just referred to by the Senator were being made for the purpose of correcting the injustices which it was conceded existed; and my recollection is that there has been scarcely a session of Congress since then but that some investigation has been made for the purpose of ascertaining just exactly where the deficits were, in order that by remedial legislation the wrongs might be righted. Two years ago and four years ago and six years ago there was a great deal of talk about investigations by the Post Office Department in order that the evils just alluded to by the Senator might be corrected.

Mr. McKELLAR. Mr. President, will the Senator yield to me again?

Mr. KING. I yield.

Mr. McKELLAR. That was the time when these investigations were begun, under the provisions of the law passed at that time, and they are just about completed. The officer in charge reported to the committee recently that he expected to have a complete return on the 1st of July, and it will be laid before the Senate immediately. That is after two years of search.

Mr. KING. That is quite reassuring; but, from my knowledge of the subject, I can promise the Senator now that that report will not be at all conclusive. It will not be definite. Further reports will be called for, further examinations will be required, and no relief will be granted to the taxpayer.

Mr. President, as I understand the Senator, his view is that there will be a deficit of but thirty-odd millions for the next fiscal year. He does not take into account that there are bills pending in Congress to increase the compensation of tens of thousands of employees in the Post Office Department, nor other measures which will greatly increase the operating expenses of the department; nor does he take into account the post offices which will be built or the important repairs which will be made; nor do these figures contemplate the appropriations which will be required for pensions and to meet the provisions of the compensation act. And as I understood his position, sufficient consideration is not given to the additional cost resulting from increased personnel of the service.

Mr. President, there are many factors which I feel sure will enter into the final arithmetical calculation which will materially increase the deficit.

The increase in taxes, both Federal and State, during the past few years has been most extraordinary. In 1895 the taxes of the Federal Government were but $492,000,000. In 1900 they amounted to $698,000,000; in 1910 they reached the billion-dollar mark; in 1916 they had risen to $1,114,000,000. I pause to remark that during the four years of Democratic administration before the war, notwithstanding the important legislation enacted and the far-reaching policies inaugurated by the Government, the increase in taxes and appropriations amounted to but $114,000,000.

In 1917, the year of the war, the appropriations, of course, were increased and totaled $1,628,000,000. In 1918 and 1919 the burden of the war had to be met. Loans were made to the Allies amounting to tens of billions of dollars. In 1920 the appropriations amounted to $7,000,000,000—I am not giving the fractional sums. In 1921, $4,070,000,000 were appropriated, and in 1922 the appropriations totaled $4,177,000,000. In 1923 they were approximately $4,000,000,000, and for the present fiscal year more than $3,760,000,000 were appropriated. The deficits for the year will amount to several hundred millions, so that the costs of the Federal Government for the present fiscal year will exceed the $4,000,000,000 mark.

Mr. President, these sums are so huge as to be incomprehensible to the average mind. It is important to learn who pay these taxes and the extent of the burden upon those who are actually engaged in productive activity. As I recall, the number of persons gainfully employed in the United States, as shown by the Census Bureau, is 41,000,000—11,000,000 are engaged in agriculture, over 12,000,000 in manufacturing, those engaged in clerical work are more than 3,000,000, those employed in transportation exceed 3,000,000, and in the professions more than 2,000,000, and those employed in our mining activities are approximately 1,000,000.

In a recent publication which I have just seen, by the National Industrial Conference Board, entitled Tax Burdens and Exemptions, there are some important figures which reveal the growing volume of taxation and the increasing burdens which are being placed upon the people both by the Federal Government and the States and their political subdivisions. In 1903 the Federal taxes amounted to but $521,000,000, the State taxes $155,000,000, and local taxes $706,000,000. In 1913 all taxes aggregated $2,194,000,000; in 1919, $8,034,000,000; in 1921, $8,363,000,000; and in 1922, $7,061,000,000. In 1903 the national income was but twenty and one-half billion dollars and the taxes amounted to 6 per cent of the entire national income.

The reports from 36 States, comprising 86.1 per cent of the entire population of the entire United States and more than 74 per cent of the total area of continental United States, shows that there was collected for the fiscal year ending in 1922 8.4 per cent of the national income, and an investigation of all local governments in 34 States embracing 66⅔ per cent of the total area of the United States and 75 per cent of the total population shows an increase of 4.1 per cent in taxes in 1922, as compared with 1921. The increase in taxes is much greater than the increase of population. The taxes imposed by Federal, State, and local governments, as I have indicated, were more than $7,000,000,000 in 1922 and but $2,194,000,000 in 1913. The per capita total taxes in 1922 amounted to $64.63, as compared with $22.78 in 1913 and $17.07 in 1903.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER (Mr. McNARY in the chair). Does the Senator from Utah yield to the Senator from Tennessee?

Mr. KING. I yield.

Mr. McKELLAR. I think the Senator from Utah is doing a splendid service in his work in cutting down all appropriations wherever it is necessary to cut them down. It is one of the crying evils in our Government that we are spending too much money, that we are extravagant. The Senator is right about that, and I am not here to gainsay what he has stated. But I want to say, in so far as the Post Office Department is concerned, that I have some figures here which I think will be encouraging to the Senator from Utah, and to all others who are interested in an economic administration of the Government.

The increases provided for in this bill, if allowed just as the Senate committee has reported them, will make the appropriation amount to about 2 per cent more than what was appropriated for 1924. While the increase in expenses is 2 per cent, the increase in business is 9.54 per cent.

I ask at this point that the figures to which I call attention be inserted in the RECORD.

The PRESIDING OFFICER. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

Comparative statement showing gross receipts for the years ended December 31, 1922 and 1923, of the 90 largest post offices.

Present rank.	City.	Dec. 31, 1922.	Dec. 31, 1923.	Amount of increase.	Per cent of increase.
	Present salary, $8,000.				
1	New York, N. Y.	$56,025,923	$60,874,938	$4,849,015	8.65
2	Chicago, Ill.	46,348,133	51,611,250	5,263,117	11.36
3	Philadelphia, Pa.	16,271,360	16,875,703	604,343	3.71
4	Boston, Mass.	13,061,455	13,798,461	737,006	5.64
5	St. Louis, Mo.	10,281,610	11,249,478	967,868	9.41
6	Kansas City, Mo.	7,622,817	8,528,142	905,325	11.88
	Present salary, $6,000.				
7	Cleveland, Ohio.	6,587,238	7,437,173	849,935	12.90
8	San Francisco, Calif.	6,486,880	7,039,161	552,281	8.51
9	Brooklyn, N. Y.	6,464,831	6,980,262	515,431	7.91
10	Detroit, Mich.	6,405,543	7,480,670	1,075,127	16.78
11	Los Angeles, Calif.	5,812,704	7,070,822	1,258,118	21.64
12	Pittsburgh, Pa.	5,764,698	6,499,580	734,882	12.75
13	Minneapolis, Minn.	5,663,033	6,155,213	492,130	8.69
14	Cincinnati, Ohio.	5,185,638	5,715,972	530,344	10.23
15	Baltimore, Md.	4,707,472	5,075,512	368,040	7.82
16	Washington, D. C.	3,992,391	4,292,638	300,202	8.34
17	Buffalo, N. Y.	3,927,991	4,388,326	460,335	11.72
18	Milwaukee, Wis.	3,849,954	4,221,251	371,967	9.66
19	St. Paul, Minn.	3,335,069	3,808,791	473,722	14.20
20	Indianapolis, Ind.	3,307,910	3,745,376	437,466	13.22
21	Atlanta, Ga.	2,933,760	3,266,913	333,163	10.60
22	Denver, Colo.	2,815,758	3,055,813	240,155	8.53
23	Omaha, Nebr.	2,724,411	2,819,178	94,767	3.48
24	Newark, N. J.	2,708,405	3,027,041	318,636	11.76
25	Dallas, Tex.	2,660,676	3,010,109	349,433	13.85
26	Seattle, Wash.	2,450,302	2,494,962	35,660	1.45
27	Des Moines, Iowa.	2,425,302	2,665,191	239,889	9.89
28	Portland, Oreg.	2,393,813	2,585,702	271,889	11.75
29	New Orleans, La.	2,299,810	2,461,645	161,835	7.04
30	Rochester, N. Y.	2,295,255	2,523,111	227,856	9.93
31	Louisville, Ky.	2,255,512	2,427,166	171,654	7.61
32	Columbus, Ohio.	2,151,860	2,372,779	220,919	10.21

Comparative statement showing gross receipts for the years ended December 31, 1922 and 1923, of the 90 largest post offices—Con.

Present rank.	City.	Dec. 31, 1922.	Dec. 31, 1923.	Amount of increase.	Per cent of increase.
	Present salary, $6,000.				
33	Fort Worth, Tex	$1,798,806	$1,386,977	[1] $411,829	[1] 22.89
34	Toledo, Ohio	1,715,943	1,949,645	233,702	13.62
35	Richmond, Va	1,646,759	1,782,815	136,056	8.26
36	Providence, R. I	1,616,980	1,754,106	137,126	8.48
37	Memphis, Tenn	1,555,286	1,717,630	162,344	10.44
38	Springfield, Ohio	1,456,684	1,538,347	81,663	5.61
39	Hartford, Conn	1,449,277	1,579,938	130,661	9.02
40	Nashville, Tenn	1,375,679	1,551,478	175,799	12.78
41	Dayton, Ohio	1,330,503	1,451,817	121,314	9.12
42	Syracuse, N. Y	1,322,815	1,427,552	104,737	7.92
43	Houston, Tex	1,314,166	1,412,566	98,400	7.49
44	New Haven, Conn	1,249,278	1,378,879	129,601	10.37
45	Grand Rapids, Mich	1,193,075	1,282,300	89,225	7.47
46	Oklahoma City, Okla	1,167,172	1,242,665	75,093	6.47
47	Albany, N. Y	1,120,273	1,210,591	90,318	8.06
48	Jersey City, N. J	1,071,670	1,208,417	136,747	12.76
49	Akron, Ohio	1,070,917	1,169,536	98,619	9.21
50	Salt Lake City, Utah	1,058,923	1,137,942	79,019	7.46
51	Springfield, Mass	1,037,181	1,115,283	78,102	7.53
52	Oakland, Calif	1,025,563	1,145,028	119,465	11.65
53	Topeka, Kans	960,881	1,027,951	67,070	6.98
54	Birmingham, Ala	959,210	1,119,774	160,564	16.74
55	Worcester, Mass	958,117	1,011,689	53,572	5.59
56	Spokane, Wash	951,545	1,016,137	64,592	6.79
57	Harrisburg, Pa	915,852	1,094,615	178,763	19.52
58	Scranton, Pa	908,062	1,057,370	149,308	16.44
59	San Antonio, Tex	859,767	959,815	100,048	11.64
60	Peoria, Ill	783,000	858,244	75,244	9.61
61	Wichita, Kans	775,320	810,403	35,083	4.52
62	Fort Wayne, Ind	775,018	907,543	132,525	17.10
63	Jacksonville, Fla	769,948	800,678	30,730	3.99
64	Lincoln, Nebr	744,127	791,307	47,180	6.34
65	Norfolk, Va	730,948	772,921	41,973	5.74
66	Duluth, Minn	704,451	751,725	47,274	6.71
67	Little Rock, Ark	702,371	794,404	92,033	13.10
68	Sioux City, Iowa	694,948	757,593	62,645	9.01
69	Tampa, Fla	688,668	683,949	[1] 4,719	[1] .69
70	Bridgeport, Conn	688,188	800,676	112,488	16.35
71	Sacramento, Calif	685,006	716,001	30,995	4.52
72	Long Island City, N. Y	639,815	832,383	192,568	30.10
73	Chattanooga, Tenn	636,831	694,569	57,738	9.07
74	Portland, Me	613,997	681,913	67,916	11.06
75	Jamaica, N. Y	604,894	669,722	64,828	10.72
76	Utica, N. Y	603,403	651,544	48,141	7.98
	Present salary $5,000.				
77	St. Joseph, Mo	595,882	622,780	26,898	4.51
78	Tulsa, Okla	581,273	626,918	45,645	7.85
79	Augusta, Me	566,836	634,470	67,634	11.93
80	Trenton, N. J	559,901	620,404	60,503	10.80
81	South Bend, Ind	550,864	601,848	50,984	9.25
82	Springfield, Ill	538,820	630,844	92,024	17.08
83	Atlantic City, N. J	534,105	570,316	36,211	6.78
84	Davenport, Iowa	532,010	569,562	37,552	7.06
85	Reading, Pa	531,618	622,331	90,713	17.06
86	Charlotte, N. C	524,091	591,525	67,434	12.87
87	Madison, Wis	522,182	564,844	42,662	8.17
88	Wilmington, Del	512,145	579,333	67,188	13.12
89	Lansing, Mich	503,096	550,423	47,327	9.41
90	Evansville, Ind	502,097	540,430	38,333	7.63
	Total	303,612,101	332,587,848	28,975,747	9.54

[1] Decrease.

Mr. McKELLAR. On pages 88 and 89 of the hearings before the Senate Committee on Appropriations the Senator will find a statement showing the enormous volume of business in a large number of cities, and tremendous increases, increases in the postal receipts ranging from 22.8 per cent in the case of some little Long Island city down to about 7 per cent, an average of 9.54 per cent.

There is one thing that can be said about the Post Office Department of the United States: It is a very effective and, as I believe, a very honestly administered department of the Government. As I said before, it is essentially self-sustaining, in ordinary years. There was a deficit in 1924 because of the increase in salaries, as the Senator recalls. The Postmaster General, a former Member of this body—and a very competent and efficient officer of the Government he is—states that in his judgment there will be no deficit for the year after the one for which we are appropriating.

I call the Senator's attention to those figures for the purpose of encouraging him in his fight for cheaper and more effective and more efficient government.

Mr. WARREN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Wyoming?

Mr. KING. I yield.

Mr. WARREN. The Senator asked me a question as to the shortage in the earnings of the Post Office Department for the fiscal year 1923, and I stated that it probably would be nearly $40,000,000. I have before me a statement for the last year of which we have any report, and it shows the figures to be $37,995,307.16. In testifying before the committee the Postmaster General said:

> The estimated receipts for the first six months of the current fiscal year, based on reports from the 50 largest offices, indicate that the revenues for the present fiscal year will be about $568,630,000. The estimated expenditures for the fiscal year 1924 are $596,853,313.67, leaving an estimated deficit of $28,223,313.67.
>
> It is estimated that revenues for the fiscal year 1925 will show an increase over the current fiscal year of about 7.5 per cent. The committee is of the opinion that the service can be conducted efficiently during the next fiscal year with the amount appropriated in this bill. On this basis the estimated deficit for 1925 would be slightly over $2,000,000.

Mr. KING. Mr. President, I do not accept those figures as at all accurate, nor do I believe that the department has the data on which to base a report which will give us any reasonable idea of the deficit that will result in the operation of the system.

Moreover, Mr. President, I invite the able Senator's attention to the fact that within the next year or two there will be large sums appropriated for additional buildings and equipment. Those items will have to be taken into account in determining the expenditures and, of course, will have to be considered in determining the deficits.

Then, as I have indicated, the number of employees will be greatly increased, and undoubtedly in many departments or branches of the service the salaries will be raised, so that I make bold to assert that the deficits in the Post Office Department will not decrease, but in all probability will materially increase; certainly this will be true unless important changes are made in the administration of the Post Office Department and some of the existing laws, particularly those relating to second-class mail matter and parcel post, are modified.

I assent to the compliment paid by the Senator from Tennessee [Mr. McKELLAR] to former Senator New, the present Postmaster General. I desire also to say that Mr. Burleson, who held the same position for eight years, was one of the most efficient public servants this Government ever had. I did not agree with some of his policies, but even his enemies were compelled to admit that he gave to the country a most economical administration of the department. During the war, when other departments were increasing their personnel and multiplying their expenditures, his department made no appeals for enlarged appropriations or for additional employees.

Mr. President, in view of the statements made by my friend from Tennessee [Mr. McKELLAR], I feel constrained to further comment upon the efforts which have been made, and are still being made, to convert the Post Office Department into a common carrier for the transportation of freight and all kinds of commodities. Several years ago an effort was made to establish a truck transportation line to carry freight as a part of the postal system of the United States. The project would have cost the Government hundreds of millions of dollars. It would have called for the purchase of thousands of trucks and automobiles, the employment of tens of thousands of mechanics and chauffeurs, the erection of garages, repair shops, filling stations, and the many accommodations imperatively required in connection with a nation-wide truck system of transportation.

The Senator from Georgia [Mr. HARRIS] has a proposition now before us which, while not so ambitious as the one just mentioned, contemplates, if I understand it, the establishment of a nation-wide transportation system, by which the products of the field and farm and ranch may be carried to market. And of course, if the Government shall transport agricultural products, there is no reason why it should not transport all other products. The execution of this plan would result in paralleling in some places railroad lines, steam and electric, and in duplicating transportation systems now in existence. There will be other plans suggested, to expand the functions of the Post Office Department, and to further introduce the Government into the broad and infinite activities of common carriers. I might add that such a perversion of the functions of our postal system would involve the erection of freight depots, hundreds of huge storage plants and buildings, freight yards, and necessitate the expenditure of hundreds of millions of dollars annually in furtherance of such plan.

Mr. President, the Post Office Department will not, in our day, be self-supporting. Indeed, we will be fortunate if the annual deficits are not larger.

But, Mr. President, I return to the question I was inviting attention to when interrupted by Senators. In considering the

burdens of taxation, it is important to inquire into the incomes of the people. The annual income of all of the American people, or that part who receive more than $1,000 annually and who make income-tax returns, was, for the calendar year 1921, reported to the Commissioner of Internal Revenue at $24,000,000,000.

The income for 1917 and 1918 approximated this same aggregate, so that we may say that the normal annual personal income reported to the Commissioner of Internal Revenue is $24,000,000,000 a year.

The total debt of the Federal Government is approximately $22,000,000,000. The national debt therefore equals nearly the entire annual income of the people of the United States whose annual incomes are $1,000 or more. I might say that the annual interest charge upon this debt exceeds $1,000,000,000.

But that is not the entire story, Mr. President, of our public debt. The total debt of the State governments for 1922 as reported by the Bureau of the Census was more than $10,250,000,000. That would bring the aggregate public debt of the United States and the States and their political subdivisions to more than $32,500,000,000. In the 10 years between 1912 and 1922 there was an increase in the State debts of more than 163 per cent, and in the Federal debt the increase was more than 670 per cent. Considering the annual interest on the public debt at 4½ per cent and the sinking fund, these charges would exceed $1,800,000,000. This situation should challenge the serious attention of Members of Congress whether at the other end of the Capitol or in the Senate.

Mr. President, the debts of the world to-day will probably never be discharged. The United States has not paid its Civil War debt. England still owes the obligations contracted in the Napoleonic wars. As the debts of various governments mature they will be refunded; perhaps some will be repudiated. Not in our lifetime will the United States discharge its public debt, nor will the States and municipalities of our country pay off their enormous indebtedness within this century. Unfortunately, the borrowing mania possesses States and their political subdivisions. It would be a blessing, the benefits of which would be lasting and incalculable, if there could be exorcised from the minds of the American people the spirit which is leading them into governmental extravagance and the constant augmentation of their public indebtedness.

We need to-day financial reformers. They are needed in the business affairs of the people. They are needed in the executive and legislative departments of the Federal Government as well as in the administration of the affairs of the States and their local subdivisions. There should be a demand, an insistent and peremptory demand, for lower taxes, and there should be a demand which can not be denied for drastic cuts in the expenditures by the Federal Government and by all of our States and their political subdivisions. The economist in public affairs is not looked upon with much favor; indeed, opposition to appropriations brings condemnation by executive departments and criticism from legislative associates and condemnation from the people. A wise friend of mine, who has studied deeply public questions and national and State legislation, stated that he could demonstrate that public officials who had favored and secured great appropri. tions had earned the greatest applause at the hands of the people and had been honored by longer service than those who had stood for economy and condemned profligate waste, enormous expenditures, and inefficiency in the executive departments of the Government.

I shall not attempt to controvert this statement; indeed, I am not sure that its accuracy can be challenged. I do know that those who obtained money from the Federal Treasury or from State depositories for their various localities are greeted effusively by their constituents and commended as faithful servants and statesmen of great renown.

Mr. President, the bigness of our country may have something to do with the magnitude of our demands for public appropriations. Moreover, notwithstanding the economic vicissitudes encountered since the war, the spending mania then developed is still in our blood and controls our conduct. An appropriation bill calling for $700,000,000 excites but a passing glance and provokes no criticism and but little interest. And yet as late as 1878 the entire appropriations of the Federal Government were only $291,000,000. It seems, Mr. President, that Congress as well as the legislatures of our States are being driven headlong by the importunities of the people or by an indefensible lack of consideration of official responsibility to fasten intolerable burdens and charges upon the American people. And the effects of this indifference is being manifested in increased costs of living, in high rents, high interest rates, higher service charges, and other things about which the public makes complaint, but the real and primary cause of which is unparalleled expansion of governmental extravagance and wasteful expenditures by which a wholly improper proportion of the earnings of the people are turned into nonproductive uses, which in no way stimulates industry or reproduces these immense values in commodities for the use of the people. This situation results in the consumption of public appropriations without adding a dollar to the wealth of the country. This condition would be bad enough if these extravagances were paid out of current taxes, but when they are fastened upon the public in the form of funded debts there is a constant contribution of interest without any return or use to the public.

As stated, in addition to these tremendous funded burdens upon the wealth and industry of the country, taxation has been pressed to the extreme limit and we are faced with the fact that, in 1922, the State governments and their municipal subdivisions took from the public in the form of taxes a total amount of $4,229,000,000, and for the same year the Federal Government took nearly four billions. The aggregate amount so wrung from the people amounted to nearly $70 per person in the country. Of course, the average per capita charge upon the average taxpayer is many times this sum. If his burden were distributed upon ten millions of people, the per capita charge would be $743. State taxes have been increased 115 per cent in the 10 years between 1912 and 1923, and in the same time Federal taxes have been increased 380 per cent.

Another significant fact is that these annual tax charges of more than seven billions of dollars amount to over 31 per cent of the annual personal income of $23,913,000,000 reported to the Commissioner of Internal Revenue. I repeat, that reduction in taxation is imperative and there must be drastic cuts in the expenditures of the Government and the States in order that there may be reduction in taxation. We are face to face with this problem with every appropriation bill presented.

May I direct attention to the fact that the cost of administration of the executive departments of the Federal Government, including the District of Columbia, has risen from $447,000,000 in 1900 to $2,240,000,000 in 1923; an increase of 500 per cent in 23 years.

Mr. President, referring to the publication Tax Burdens and Exemptions, which I have mentioned, I find that the national income in 1922 was $58,500,000,000, compared with fifty billions in 1920. I recall that political economists have stated that the income of the people of the United States before the war was approximately $35,000,000,000; that is to say, the aggregate earnings of all the people of the United States amounted to $35,000,000,000. In the production of this sum, $30,000,000,000 were expended or consumed. That left but five billions as the net earnings or savings of all the people of the United States for the year. This was the fund from which investments were made. Indeed, it was the only fund available for industrial or other investments. By reason of the increase in the prices of commodities, the national earnings, based in dollars, are larger now than at the time referred to by these economists. However, the amount available for investments at the present time will not, in my opinion, exceed seven or eight billions of dollars annually. If the burdens of taxation continue, if extravagance shall run riot in our public administration and governmental activities, obviously the amount which will be available for investment will be diminished. It is apparent that our prosperity is measured by our savings, by the net earnings of the people.

From these savings our business blocks and residences are erected, our railroads constructed, our manufacturing plants built, and the wheels of industry made to revolve. In other words, these savings are capital. They are not hoarded in vaults but are sent out through the land as life-giving currents to stimulate industrial activity and to bring prosperity to the people.

Senators will recall the able speech of the junior Senator from Maryland [Mr. BRUCE] a few days ago when he remarked that his State welcomed the investment of capital. He said Maryland would be glad to see new plants, more railroads, and greater industrial activity. Mr. President, what we need is more capital for investment, more manufacturing plants, more houses, more railroads, greater production in the manufacturing centers of our country, and increasing business activities to furnish employment to a larger number of people. This will result in increasing the demand for the products of the farmers. Senators who are desirous of aiding the farmer must appreciate more and more that agriculturists must find an increasing home market for their products.

Our farmers for many years have produced greatly in excess of the demands of the American people. Foreign markets are needed for their surplus products. I do not desire to be

partisan, but I can not refrain from stating that Republican legislation has greatly reduced and restricted the markets of the American farmers.

European nations have looked to the United States for cereals and livestock products as well as other agricultural products; have discovered that the party controlling in the Government to-day is hostile to the American farmer and has evinced a calloused indifference to the interests of the consuming public in the United States. It is perceived that tariff laws are written in behalf of the American manufacturer, and that the result of such a policy, if persisted in, will culminate in a practical destruction of the foreign markets formerly enjoyed by the agriculturists of the United States. Accordingly, the people of Europe are addressing themselves to the task of producing commodities which were formerly purchased in the United States. Within a few decades, if Republican policies shall triumph, the American farmer will be restricted almost entirely to the home market for his products. Russia, which is now staggering under the incubus of Bolshevism, will sooner or later emancipate herself, and the millions of peasants will produce for export enormous quantities of grain and flax and sugar and other agricultural products which will find a market in European countries which formerly obtained from the United States their needed food supplies.

But I shall not pursue this thought further. I repeat that we must increase our savings in order to have capital for the development of our enterprises. Increased taxation and a persistence in the extravagant and unnecessary appropriations which have characterized State and Federal Governments will subtract from the capital so vitally needed for industrial development.

Recurring to the publication above referred to, it is stated the taxes for 1922 represented 12½ per cent of the entire national income in 1922.

Mr. FLETCHER. Does that mean Federal taxes or both Federal and State, city, and county taxes?

Mr. KING. It means the entire taxes levied. In other words, we have been collecting for a number of years past from 12 to 17 per cent of the entire earnings of the people for tax purposes. It means that for every dollar earned by the people—and that does not mean net earnings—from 12 to 17 cents must be paid for taxes.

Mr. WARREN. Mr. President, will the Senator yield?

Mr. KING. I yield.

Mr. WARREN. The startling figures which the Senator quotes of course include State, county, city, and school taxes?

Mr. KING. Yes; I have so stated.

Mr. WARREN. I shall not attempt to figure the exact proportion, but are not several times more taxes exacted by the States and their political subdivisions than are exacted by the Federal Government? The State governments make the laws assessing those taxes irrespective of any legislation which may be passed by Congress.

Mr. KING. Certainly, of course. Mr. President, I concede that a large percentage of these taxes is imposed by the States. However, the increase in taxes by the Federal Government between 1910 and 1922 was 672 per cent, and of the States and the political subdivisions of the States it was only 163 per cent.

Mr. OVERMAN. Mr. President——

Mr. KING. I yield to the Senator.

Mr. OVERMAN. Has the Senator any information as to what the per capita tax is in the United States?

Mr. KING. The per capita tax for those who are engaged in gainful occupations amounts to more than $91 per annum; that is to say, against every man, woman, or child engaged in gainful occupation who earns a dollar there is levied a tax amounting annually to $91.

Mr. President, these staggering burdens of taxes inevitably will affect the industrial progress of our country. The Senator from Wyoming alluded to the fact that a part of the burdens of which I have been speaking are imposed by the States and their local governments. That is true, and they are subject to criticism because of the enormous expenditures which they are making. However, I call the Senator's attention to the fact that the responsibilities of the State government are very much greater than those of the Federal Government, and in the exercise of their duty a larger burden of taxation is legitimately called for. The Federal Government's field of activity is limited. Its duties are national and not local. Unfortunately, neither Congress nor the people always differentiate between the Federal and the State governments, nor do they preserve that clear line of demarcation which separates the two governments. We assume——

Mr. WARREN. Mr. President——

Mr. KING. Let me finish the sentence. We assume that the Federal Government has plenary power over all matters, including the subject of taxation; that there are no limitations whatever upon the power of Congress to deal with any matter which is cognizable by a Government charged with the entire duty and responsibility of legislation upon national as well as local and domestic affairs. We are forgetting that the Federal Government's powers are limited; that the States are sovereign, or at least have sovereign powers, and that to preserve our dual form of government is necessary if the work of the fathers is to be preserved.

Mr. WARREN. My attention was diverted when the Senator gave the percentages which he has quoted. Will the Senator kindly repeat his statement with reference to them?

Mr. KING. I do not at the moment put my eye upon the percentages.

Mr. WARREN. Then I shall not now make the observation which I had intended to make.

Mr. KING. My recollection is, though, that this research organization shows that within the period to which I have referred——

Mr. WARREN. What was the period?

Mr. KING. My recollection is that between 1912 and 1922 the increase in taxation by the Federal Government was 672 per cent and by the States was 163 per cent.

Mr. WARREN. Very well. Considering the matter in that way makes the comparison a very unfair one, because in 1912 the Government was taxing nothing of consequence direct against the people; it provided its resources otherwise; but the States, counties, and other subdivisions were running along, if not with large, certainly with their ordinary expenses, so that in the percentage of increase which the Senator cites there is no reasonable relation whatever between the Federal Government's percentage of increase in taxation, starting with 1912 at a mere nothing and coming up to date, and the percentage of increase of regular annual supply State taxation. As a matter of fact, the Senator could go back to a period when practically not a cent of direct taxes was imposed by the Government.

Mr. KING. I do not quite agree with my friend's deductions. He admits that we will be called upon this year—and when I say this year I mean for the coming fiscal year—to provide for at least $4,000,000,000, and if bills now before Congress shall be enacted into law, as some of them may be, we will be called upon to provide perhaps for six or eight billion dollars.

Mr. WARREN. The Senator from Wyoming does not quite concede the accuracy of that statement. It is true, perhaps, that the total expenditures, including those which are reimbursable and which are returned to the Treasury, will amount to nearly $4,000,000,000, but the net expenditures will probably be a little less or a little more, one way or the other, than $3,000,000,000. That, however, does not affect the statement I made that percentages are not applicable in fairness to the difference between the taxes now collected by the Federal Government and the taxes collected by the Government 10 or 12 years ago.

Mr. KING. I do not agree with my distinguished friend.

Mr. WARREN. Nor does the Senator seem to take into consideration the great reductions in Federal taxation and expenditures which have been brought down from $9,000,000,000 and $7,000,000,000 until now, when they are only a little over $3,000,000,000. The Senator approves of that reduction, does he not?

Mr. KING. I approve any reduction in taxation, if it is only $1.

Mr. WARREN. And the Senator approves of the intention to reduce expenditures in the present fiscal year below what were allowed last year? We are on the downward grade in that respect.

Mr. KING. I am not sure that the Senator is right. I hope that he is; but I can tell the Senator better when the gavel falls at the close of this session and I can tell him with greater assurance when the gavel falls on the 4th of March of next year just what the expenditures for the next fiscal year will be. In my opinion the Senator, with all his ability and with all his patriotism and his efforts to bring about reforms in expenditures, will find himself grievously disappointed and will be coming to Congress with bills asking for millions and tens of millions of dollars to cover deficits.

Mr. OVERMAN. Mr. President——

Mr. KING. I yield to the Senator from North Carolina.

Mr. OVERMAN. I merely wish to say that if this bill is an index, instead of being on the downward grade we are going up at a rapid rate.

Mr. KING. Yes; I have called attention to the fact that this bill carries more than $25,000,000 for these two agencies above the amount provided for the present fiscal year.

Mr. FLETCHER. Mr. President——

Mr. KING. I yield to the Senator from Florida.

Mr FLETCHER In respect to the question of taxation, let me suggest, furthermore, that it is estimated that the Fordney-McCumber tariff law is costing the people of this country something like $4,000,000,000 annually, and perhaps $6,000,000,000, while there flow into the Treasury of the United States only about $450,000,000 from that source.

Mr. KING. Mr. President, the Senator from Florida has opened up an inviting, indeed an alluring field, into which, if time permitted, I should be glad to enter, namely, the effect of the Fordney-McCumber tariff bill upon the American people and the enormous increase in prices charged to the consumers for the commodities produced by the beneficiaries of the tariff. The Senator from Minnesota [Mr. JOHNSON] yesterday, in a rather humorous but forceful way, called attention to the fact that the beneficiaries of the tariff found "pockets in which to put their hands," but he was disturbed because he could not "find a pocket in which the farmers could put their hands."

I am very glad to see the Senator from Minnesota and other Senators on the other side of the Chamber opening their eyes to the evils of the present tariff and to the heavy burdens which it places upon the consuming public and particularly the agriculturists of the United States. However, we will discuss the tariff upon some other occasion.

Mr. President, I was in error in stating a few moments ago that the increase in Federal taxes between 1912 and 1922 was 672 per cent, while the increase of the taxes levied by the States and their municipal subdivisions was but 163 per cent. I was confused by the Senator's questions. I stated that there had been an increase during the 10 years between 1912 and 1922 in the Federal debt of 672 per cent, while within the same period the State debts had increased but 163 per cent. The Federal appropriations for the year 1912 were $1,022,000,000, whereas in 1924 they were, as I have heretofore stated, $4,177,000,000. The State taxes in 1913 were $307,000,000 and the local taxes were $1,219,000,000. In 1922 the State taxes were $846,000,000 and the local taxes $331,000,000. The Federal taxes for 1922 were approximately $4,000,000,000. The Senator can easily figure the increase and the ratio of increase between the Federal Government and the State and local governments. However, the disparity would not be as great as would be indicated by the figures of 672 per cent for the Federal Government and 163 per cent for the State government.

But I repeat, Mr. President, the Federal Government's field of activity is restricted. It has nothing to do with schools and the police powers of the States and the important duties and responsibilities which rest upon the States and their municipal subdivisions. Comparisons are often made between the work of the Federal Government and the scope of governmental activity by the Parliament of Great Britain or by Germany or other governments which do not have a republican and a dual form of government. Our fathers wisely reserved to the States the exclusive power to deal with the broad field of local self-government and the entire subject of local and domestic affairs. I regret that there are some who would have the States shirk these responsibilities and transfer to the General Government the control of these questions. Mr. President, I am afraid of powerful governments. Their appetites are never satisfied. The more they gain, the more they desire. And it is a dangerous symptom in a republic such as ours when the people are willing to surrender the powers and prerogatives of the States and to crown the Federal Government with the glory which belongs to the States.

Mr. President, permit me to call attention briefly to the enormous increase in the number of Federal employees as well as those within the States. In 1913 there were 435,000 persons in the employ of the Federal Government. That did not include those in the Army, Navy, and the Marine Corps. During the war the number was greatly increased, and at the time of the armistice there were approximately 900,000 Federal employees.

In 1915 there were only 430,000 persons upon the Federal pay roll. In December, 1922, there were more than 542,000. This number, Mr. President, will be increased, because we are now multiplying the number of Federal agencies and increasing the personnel in many of the departments and bureaus. The number of active and inactive persons on the pay roll of all governments in this country number approximately 3,500,000, and the annual cost of maintenance amounts to about $4,000,000,000. The bill before us reveals enormous appropriations for employees in the Treasury Department alone. I have not had time to examine each item and to total the various items, but I venture the assertion that $75,000,000 are carried in this bill to meet the compensation of the employees of the various bureaus, agencies, and organizations that come under the jurisdiction of the Treasury Department. I observe here that there is a large increase in the personnel of the Coast Guard Service, and an increase in the appropriation for that branch of more than three millions of dollars. In my opinion, the appropriations for the Treasury Department—that is, for the administration of that department—are entirely too great. During the war the taxes collected were perhaps 100 per cent greater than those now collected. Obviously, the number of employees then required was greater than the present requirements. The cost of collecting the taxes is entirely too great. The appropriation for the field service is too large, and the amounts required to meet administrative expenses in the District of Columbia exceed by several millions of dollars any fair and just sum which should be required.

The able Senator from Michigan [Mr. COUZENS] has, by resolution, challenged attention to the inefficiency in the Treasury Department, and the corruption or the opportunity for corruption in the administration of the activities and responsibilities of the internal revenue branch of the Government; and he asks for an investigation to determine what steps shall be taken to purge that department and to secure efficiency and economy in the Treasury Department of the Government.

I am sure that that investigation, if the Senate shall vote in favor of it, will bring some revelations, if not startling, at least exceedingly interesting, and in my judgment they will furnish a basis for remedial legislation that will correct some of the transgressions of that department, and also improve the system of administration.

If we combine the officials of the Federal Government and those of the States and their political subdivisions, we find that there are approximately 4,000,000 persons on the pay roll of the National and the State Governments, at an annual cost of approximately $4,000,000,000. The publication to which I have referred contains this statement:

> When it is appreciated that 1 in every 12 persons 10 years of age or over who was gainfully employed in 1920 is on the public pay roll, the time should appear to be propitious for inquiring whether the community is receiving a full return for the outlays involved. The total amount disbursed annually on account of personal services in behalf of Federal, State, and local governments represents 6.5 per cent of the entire national income in 1922, and 46 per cent of the amount paid out in wages by all the manufacturing plants of the country the value of whose products exceeded $5,000 in 1921.

Of course, these observations will not change the course of the Senate. We will continue to vote these enormous appropriations, increase salaries, multiply offices, and augment the number of Federal agencies; and in 10 years from now, the way we are going, instead of $4,000,000,000 being paid out in wages to Federal employees and State employees, the total will be three or four times that amount.

It was said before the war that in Germany each wage earner carried a soldier on his back. It may soon be said of the United States that every wage earner bears a tax eater upon his back. Think of paying 6.5 per cent of the entire income for the salaries alone of the employees of the State and Federal Governments—6.5 per cent! Every man who pays a dollar in taxes knows that 6.5 per cent of it will be taken to pay the salaries of employees. Then follow the other expenses of the Government that have to be paid, so that we must add to that sum 8 or 10 per cent more, and he will pay 17 cents out of every dollar to meet the expenses of the Government. Yet we sit here complacently and permit these great appropriation bills to pass without comment, without criticism, without objection.

Mr. President, I wish we could recommit this bill with instructions that it be reduced $100,000,000. If this course were pursued with this and all other appropriation bills, the Appropriations Committee would cut down the expenditures of the Government for the coming year to a point at least $500,000,000 less than the aggregate amount of all of such bills. Of course, this will not be done, and when we adjourn in June and add up the appropriations made we will find that they exceed $4,000,000,000. I include in this amount direct and indirect appropriations. When we adjourn next March we will find other items added to the general list which will increase the total amount several hundred millions of dollars more.

This Congress will adjourn without having remedied evils of which we have cause to complain or having relieved the people of the burdens of taxation which press so heavily upon us.

Mr. JONES of Washington. Mr. President, I should like to ask the Senator a question.

Mr. KING. I yield to the Senator from Washington.

Mr. JONES of Washington. Does not the Senator really think that the Congress should get to work along the lines he suggests upon bills which authorize these appropriations, rather than to place the blame especially upon the Appropriations Committee, which is supposed to confine itself—and I think does confine itself pretty closely—to appropriations for those things that are authorized and required by legislative acts of the Congress?

Mr. KING. Mr. President, it is possible my remarks are susceptible of the construction, which I did not intend, that a criticism was leveled against the committee. I want here to pay tribute to the faithful services of the senior Senator from Washington [Mr. JONES] and the senior Senator from Wyoming [Mr. WARREN]. I have often referred to the faithful labor of the Senator from Wyoming, and I am sure he does not misunderstand my position.

Of course, the remarks made by the Senator from Washington are pertinent and proper. We ought to relieve the committee of the responsibility of being compelled to report some of these appropriations by amending existing statutes, which require them to report given amounts, but what I had in mind was that if we recommit the bill with instructions to reduce the aggregate appropriation carried by the bill then the committee would be constrained, under that admonition, to comply with the direction; or at least they could report the bill back if they saw they could not do that under the existing statute, and then we would be brought face to face with the situation that we must continue these large appropriations or repeal or modify existing statutes which require the committee to report items of appropriation for various purposes.

But there are many items in the bill which are not called for by law. The committee has added over $3,000,000 to the appropriations made by the House for the Coast Guard. There is no law requiring that to be done. So with respect to other items in the bill, the discretion rests with the committee to determine the amount of the appropriation, and where the discretion exists, then, of course, the committee can exercise that discretion, and reduce the amount of the appropriation to such figures as their judgment determines.

Mr. LODGE obtained the floor.

Mr. WATSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. WILLIS in the chair). The Secretary will call the roll.

The principal legislative clerk called the roll, and the following Senators answered to their names:

Adams	Ferris	Kendrick	Shortridge
Ashurst	Fess	Keyes	Simmons
Bayard	Fletcher	King	Smoot
Borah	Frazier	Ladd	Spencer
Brandegee	George	Lodge	Stanfield
Brookhart	Gerry	McKellar	Stephens
Broussard	Glass	McNary	Swanson
Bruce	Gooding	Neely	Trammell
Bursum	Hale	Oddie	Wadsworth
Capper	Harris	Overman	Walsh, Mass.
Caraway	Harrison	Pepper	Walsh, Mont.
Couzens	Heflin	Phipps	Warren
Dial	Howell	Ralston	Watson
Dill	Johnson, Minn.	Reed, Pa.	Willis
Edge	Jones, N. Mex.	Sheppard	
Ernst	Jones, Wash.	Shields	

Mr. JONES of Washington. I wish to announce that the Senator from Kansas [Mr. CURTIS] is absent on official business.

The PRESIDING OFFICER. Sixty-two Senators having answered to their names, a quorum is present. The Senator from Massachusetts [Mr. LODGE] is recognized as entitled to the floor.

THE PRESIDENT OF THE UNITED STATES.

Mr. LODGE. Mr. President, I was absent from the Senate for a few moments this morning—had gone to lunch, in fact—and on my return was told that my friend the senior Senator from Mississippi [Mr. HARRISON] had made a severe attack upon the President of the United States.

Mr. HARRISON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Mississippi?

Mr. LODGE. I do.

Mr. HARRISON. I do not want to interrupt the Senator's statement, but the Senator was present in the Chamber when I started out and interrogated me as to one or two matters. I do not know where the Senator went after the close of my remarks.

Mr. LODGE. I was not present when the Senator said what I am about to read. If it is necessary—and it appears to be necessary in all these occasions—I will produce witnesses to my absence from the Senate floor.

Mr. HARRISON. I say to the Senator that I do not doubt he was away, but I say he was here when I started out, as he interrogated me touching one matter while I was making the speech.

Mr. LODGE. I did; when the Senator first began I asked him a question.

Mr. HARRISON. The Senator left before I got through?

Mr. LODGE. I had an engagement for luncheon, and I did not hear the rest of the Senator's speech.

I was told when I returned that the Senator from Mississippi had made an attack on the President of the United States. As I did not desire to do him any injustice, I sent for the reporter's notes, which I hold in my hand, and I will read simply what was said about the President.

The text taken was a message, which I believe was read this morning to the Committee on Public Lands and Surveys, or to one of the many investigating committees at any rate, I do not know which one. It is as follows:

EDWARD B. MCLEAN,
Palm Beach, Fla.:

Prescott is away. Advise Slemp, with whom I shall confer. Acknowledge.

(Signed) CALVIN COOLIDGE.

The Senator then continued:

I hope that some real explanation can be made by the President. With the country at fever heat as it is to-day, it is incumbent on the President to give a statement to remove the suspicion that attaches to that telegram, not that Bascom Slemp, the Secretary of the President, shall give out a statement, but that the President of the United States shall himself give all the facts touching it.

Mr. DILL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Washington?

Mr. HARRISON. I yield.

Mr. DILL. I wanted to suggest to the Senator if it would not be interesting for the President to inform the country why he asked Mr. McLean to ask Mr. Slemp, the President's private secretary, instead of asking Mr. Slemp directly? What is the relationship, that Mr. McLean should be the go-between between the President and his own private secretary?

Mr. HARRISON. I can not understand it at all, and I sincerely hope, for the good of the country, and in the interest of restoring public confidence, that the President will feel that he should give out a statement under his own signature—and I pray that it will be plausible and that it will be thorough—in explanation of this whole transaction.

My God! I love my country better than any political party, and I hate to see men high in public places being smeared with such a scandal as this, because, my friend, when the people lose confidence in them they lose confidence in all public officials, and I am sincerely sorry that the President saw fit to communicate with Ned McLean in Florida, in the circumstances.

Mr. President, that is really a perfectly trivial telegram and a perfectly explicable one. Mr. Prescott is the chairman of the Republican committee of the District of Columbia, a very reputable man, as I have been informed, and a respected citizen of the District. The President had talked with him before in regard to District matters. He sent for him that evening to ask him about some District business. He was informed that Mr. Prescott was away.

The matter required prompt action, and the President wished to find out who was here who could take Mr. Prescott's place and give him the information he desired. He knew that Mr. Slemp would know. Mr. Slemp was away in Florida. The President did not know just where he was. He had been moving about, and the President did not have his address. It was in the evening—at half past 9, to be exact—and the President's other secretaries had gone. He did not know whether Mr. Slemp had left Florida or not. He knew that Mr. McLean would know where Mr. Slemp was, because Mr. Slemp had been with Mr. McLean in Florida. The President therefore telegraphed to Mr. McLean in order to reach Mr. Slemp for the purpose of getting from him the name of the man he desired to see in Washington. That is the whole story of the telegram.

Now, Mr. President, the Senator from Mississippi refers to that as something smearing the President's reputation, because, I suppose, the telegram was addressed to Mr. McLean. Into that I see no need of going. I am not discussing Mr. McLean's character, but he was known to the President, and it was a very natural way of reaching Mr. Slemp if he were still in Florida. That is the whole thing.

Mr. HARRISON. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Mississippi?

Mr. LODGE. I yield.

Mr. HARRISON. Does the Senator think it is at all strange that the President should know that Mr. McLean knew of Mr. Slemp's whereabouts all the time, even though the President might not know?

Mr. LODGE. I think it was his impression that Mr. McLean would know. He knew that Mr. Slemp had been with him.

Mr. HARRISON. Then the Senator thinks that the President knew when he left Washington and up to this time that Slemp would see McLean?

Mr. LODGE. He thought Mr. McLean would probably know where Slemp had been or where he was at the moment, if he was still in Florida. That is the whole basis of this attack upon the President.

Now, Mr. President, I desire to say a few words in regard to attacks of this character on a President of the United States. When I first came into the Senate I had been here but a short time when former Senator Tillman, of South Carolina, became a Member of the Senate. Almost as soon as he had done so he made a speech in the Senate confined practically to a ferocious attack on President Cleveland, who at the time was President. Being new to the Senate, I was very much surprised and I spoke to one or two Senators on the other side of the Chamber and said I thought that it ought to be stopped. It did not seem to me an attack of that kind on the President ought to be in order or could be in order. I was informed that there was no rule which protected the President of the United States, whoever he might be, from any attack that any Senator might see fit to make. It seemed to me then that the attack was very unfitting and ought never to have been made. I am happy to say that I do not recall anything resembling it in regard to any President, Democratic or Republican, from that day to this.

I think the President of the United States ought not to be attacked in this body. I think he is entitled to the full respect of the Senate and of all Senators in debate. He is the head of the Government. What the Senator from Mississippi said about respect for men in high office and its importance to the people of the country and as to not injuring or impairing their faith in the head of the Government is of very great moment. I have no sympathy, I will frankly confess, with the kind of debate to which the country has too often been treated in the last six weeks. I am thoroughly in favor of investigating wherever there is good reason to believe that wrong has been done or that corruption has existed. We have committees appointed for that purpose. But we have followed the plan here of discussing all the testimony and every newspaper rumor in addition, day after day, and with the character of that debate I am utterly out of sympathy. I think it is lowering to the character of the Senate to have its time taken hour after hour in villification of all sorts of men, whether guilty or innocent, and in exchanges of personal vituperation on the floor of the Senate among Senators themselves.

I think it is lowering the entire character of this body in the opinion of the people of the United States. Therefore I have no sympathy, in fact I have great dislike, for any such attack as has been made here to-day or any such imputations as have been cast upon the President of the United States at the present time. I wish, for my own part, to make this protest against it.

Not one thing has been discovered of any kind that reflects upon the President of the United States. I have spoken thus far as to office. A word now as to the man. I have known the present President of the United States for many years. I know him well both in private and in public life. His private life, as his public life, has been without spot or blemish. The present scandal of corruption or conduct in office has never come near him. He came into his present great office under the most trying circumstances which can beset a President when he goes into the White House, and that is when he comes there by the death of his predecessor. Mr. Coolidge found himself, of course, with a Cabinet that was not of his selection. He found himself with a number of questions, political questions and all sorts of questions, relating to this great Government which were not his policies—that is, they were not his personal policies—and with which he had had nothing to do officially. The recent charges that have been made and the investigations that have been held have surrounded him with all sorts of difficulties and trying conditions. I think he has borne himself honorably, ably, and well—very well. I do not see how any man could bear himself better. You may be assured that he will be as prompt to punish misdoing in the public service as any man who now listens to me in the Senate. He always has done it. He did it as Governor of Massachusetts. He will do it as President of the United States. He occupies what I think the greatest office in the world. He has done nothing to justify personal attack of any kind. He is entitled to all the respect that the Congress can give him. In all human probability he will be the candidate of one of the two great parties of the country for the Presidency. I believe he will be the next President. I think he should be lifted above the sort of discussion that has been running through the Senate here day after day, based on gatherings of the gutters, on the whispers of the corridors, on what is picked up from the newspapers, on every sort of calumny or falsehood or "rumor painted full of tongues," as Shakespeare has it. Many of those that have come here have been exposed; but still they come.

I so dislike this whole type of attack that I have no thought now or at any time of attacking any Democrat who happens to have been involved in any of these investigations. Such retorts are no pleasure to me and no answer to the situation nor to the attack made upon representatives of the Republican Party.

I have no desire to impugn the motives of any of my fellow Senators. But I think it is little short of an outrage to bring the President's name in here and treat him as he has been treated to-day in a place where he can not speak for himself, where he has to trust to the words of others, and where he is unable to make his own voice heard among those who assail him when the assault is made. He alone knows all the facts in relation to everything that concerns him. He is his own best champion and defender.

He has led, as I have already said, an unblemished life. There is not a thing that can be brought against him privately or publicly. His life has been simple. He is a man of very modest means. He has come here from a farm in Vermont and from a young man's practice of law in the State of Massachusetts. His whole life has been uniform and conforms to the principles which I know he holds. He believes and exemplifies the words of Wordsworth, "plain living and high thinking." I think I can assure the Senate, and I say it with as great confidence as I could say it of any man I have ever known, that "whatever record leap to light, he never shall be shamed." It is not that I fear attack on his account. I am not in the least afraid of any test ingenuity can suggest or malice devise, but I object strongly and I wish to make my objection here in the strongest way, to bringing the President of the United States into the kind of debates which have disfigured the Senate of the United States for the last six weeks. Therefore, I could not allow this beginning of an attack on the President to try to connect him with the wrongdoing of others and injure him in the public eye to pass without at least this word of notice and protest. The American people are honest and fair and they, too, will resent it.

Mr. HARRISON. Mr. President, I am sincerely sorry that the distinguished leader of the Republican side did not remain in the Chamber this morning to hear my feeble remarks through. He would not style any speech I made this morning as an attack upon the President. If he had done me the kindness to read all of my speech from the stenographic notes, which of course he could not do——

Mr. LODGE. I have read all that relates to the President.

Mr. HARRISON. He would not have said that it was an attack.

Mr. LODGE. That is a question of definition.

Mr. HARRISON. Indeed, the distinguished Senator from Massachusetts, even though he might be close to the President personally and politically, has no higher regard for that high station and position than I have. But I deprecate making charges at random about public officials, because I know it undermines the public confidence. No Senator here has held his tongue to a greater extent than I have during this whole controversy. I am sorry that the situation has developed as it has.

Mr. LODGE. I only want to say that I entirely admit what the Senator has just said, that he has not in this debate done that.

Mr. HARRISON. I have not and I will not. I do not believe in making charges that can not be substantiated, because I recognize that if our institutions and this Government are to be preserved they must be preserved by the confidence of the electorate in our high officials. The only time heretofore that I have said anything at length in the discussion was when I tried to answer the official organ of the Republican Party that sought to minimize this whole proposition and to defend the oil leases and to say in substance that nothing wrong had been done, and then, too, at the same time to defend the allegations made in that article that certain Democratic ex-Cabinet members had done wrong, and so on. I would not have spoken to-day had it not been for the fact that the same leaders of the party on yesterday had issued this circular charging the

distinguished Senator from Iowa [Mr. BROOKHART] and the junior Senator from Montana [Mr. WHEELER] with a whole lot of things that are not true, attempting to undermine public confidence in the members who are seeking to make and will make the investigation.

I made no attack, I say, upon the President. Personally, I like the President. If we have got to have a Republican, I reckon he is about as good as could be found in the country; but, God knows, I hope we do not have to have him again. In my speech this morning I read what had happened in the committee yesterday, what every newspaper in the country had carried. I submitted the telegram which was sent by the President, with his name attached, to Ed McLean at Palm Beach. I could have gone further. I could have said, Mr. President, that the White House had been in constant touch with McLean; that the White House, through its officials, had notified McLean at Palm Beach of almost the exact moment that Slemp, the President's private secretary, had left the White House for Florida; that McLean was kept in touch with Slemp's movements, and so on. But the Senator from Massachusetts after going to the White House, not doing me the courtesy after charging me with making an attack, of listening to my speech and getting at first hand the information, comes back and tells the Senate and tells the country that McLean was in such close touch with the President of the United States that, even though the President might not know where his secretary was, McLean would at all times know; and because the President did not know where Slemp was, when he should have known, that he telegraphed to McLean asking him to advise him about the situation.

Mr. President, I am sorry that the President styles my feeble remarks this morning as an attack. I did not say anything derogatory of the President; but I do say that the telegrams which came from the committee this morning bring the President's name into the oil scandal; that they show that the President was in touch with McLean the very next day after McLean had confessed to the world that he was a liar. He had gone back on what he had previously said, that he had loaned $100,000 to Fall, and on the 11th day of February he said that he had not done so; that he only let him have two checks. Following that news, which was carried in the headlines of all the newspapers, the President sends to McLean the remarkable telegram under his own signature:

> Prescott is away; advise Slemp with whom I shall confer.

And then asked him to acknowledge it. Evidently the newspapers thought it was sufficient; and in my speech this morning, instead of attacking the President, I prayed to God Almighty that the President could give an explanation that would remove the suspicion that attached to him. I appealed to the President that he would not merely allow Slemp—and suspicion does attach to Slemp, for Slemp was down there in company with Fall, eating, I believe, for 12 days at the same table with Ned McLean and with Fall—to give out a statement. Slemp can not give out a statement here that removes the suspicion; but I asked the President of the United States himself to explain. I am glad that the Senator from Massachusetts has seen the President and he has made the statement he has. I hope the country will accept it as true, for I do not want my President, I care not to what party he may belong, to be enmeshed in this awful thing that almost topples down the very pillars upon which this Government rests.

Mr. HEFLIN. Mr. President, no President is big enough or tall enough to tower above the pale of legitimate discussion in the Senate of the United States or in the House of Representatives. It is even proper to discuss him, his acts, and his policies in the debating societies of this country. This is supposed to be a Government of the people, by the people, for the people. When did we reach the time when the acts of a President were not matters that could and should be freely discussed by the chosen representatives of the people?

The Senator from Massachusetts [Mr. LODGE] seems to be begging the question, and we can infer from what he said that the present President is not capable of taking care of himself and that it is necessary for some Republican Senator to come to his rescue. I submit to the Senator from Massachusetts, to the Senate, to the President, and to the country that when a telegram is sent by a man of Mr. Ed McLean's newspaper staff, Mr. Bennett, saying:

> Saw principal. Delivered message. He says greatly appreciates, and sends regards to you and Mrs. McLean. There will be no rocking of boat and no resignations. He expects reactions from unwarranted political attacks. (Signed) Bennett—

I say again what I said on yesterday, that telegram ought to be explained. If the President can explain these telegrams, all right, and I shall be glad; but the people of the United States are entitled to have them explained.

Why should we go pussy-footing around the Senate when a telegram as plain as that suggests that the "principal," the head of the Government, I think, the Chief Executive of the Nation, says "there will be no rocking of boat." What does that mean? There will be no changes in the Cabinet because of these disclosures; there will be no resignations. It now develops from one of the telegrams that the President himself had sent to McLean, that it was in response to McLean's telegram to him congratulating him for saying that he would not let Denby resign. That, however, is not the first explanation that came from the White House. The first explanation was that it was acknowledging congratulations on the President's speech on Lincoln's birthday, when the fact is that the President had not then made his speech, and, indeed, had not left the Capital. That telegram was sent at 10 o'clock in the morning, I believe, and the President left at 11 o'clock for New York, I understand.

So, after looking into the matter a little further, they say we have discovered that it could not have been that, but it was in response to a telegram which the President had received from McLean congratulating him on his attitude regarding the Senate's action calling for Denby's resignation. That was the telegram which I read on yesterday assuring Ed McLean that there would be no resignations. McLean is pleased and wires back congratulating the President on the stand he has taken. I have heretofore adverted to the fact that Denby had stated he would not resign, and it appeared from an article in the Washington Times that the President had stated that he would not let him resign. Now comes this telegram from McLean's agent here, "I have seen the principal and he says there will be no resignations," and the telegram from McLean informs the President that his action in the matter of ignoring the Senate and refusing to let Denby resign meets with his hearty approval.

Who is McLean? Is he the head of the Republican Party now, its chief spokesman? The President wired him thanking him for his congratulations for not letting Denby resign on the day following McLean's repudiation of himself, when he practically said that he had told a falsehood to protect Fall. He had been connected with the Teapot Dome scandal and had been thoroughly discredited, and it was the day after all that came out in the newspapers that the President wired him and thanked him for his congratulations and reminded him how considerate he, McLean, had always been of him, the President.

Oh, Mr. President, I know that all this is exceedingly unpleasant to the able Senator from Massachusetts, the leader of the Republican Party in the Senate. I am thinking of what he would be doing and saying now if all this terrible crime and scandal had come when a Democrat was in the White House and Democrats were in control of Congress and members of the Cabinet were being knocked down and out like tenpins by an investigation that involved their honor and integrity while in office. We would not then hear the Senator from Massachusetts appealing to Senators not to discuss the President. He would criticize in caustic, bitter fashion everything connected with the Democratic administration. The way to prevent such discussions here is for the public officer to so conduct himself that he can not be thus assailed.

Mr. CARAWAY. May I interrupt the Senator?

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Arkansas?

Mr. HEFLIN. I am glad to yield to my friend from Arkansas.

Mr. CARAWAY. When Woodrow Wilson was President of the United States and was being attacked here in the Senate, does the RECORD show that the Senator from Massachusetts came to his defense?

Mr. HEFLIN. On the contrary, he was leading the charge against him; he was right in the forefront of the fight. I wish to say in this connection that when that master mind was in the White House nobody had to get up here and sound forth an appealing note for him on the ground that he was not able to take care of himself and that he ought not to be assailed. When he took his pen in hand and his brilliant mind began to work he had his critics shivering in their shoes. But now Republican Senators back off in a corner and say, "Lay off; do not criticize our President." What are we going to do when telegrams like these are disclosed in the Capitol? The President ignored the request of the whole United States Senate, which passed a resolution saying, "Denby has done an act born in corruption and fraud; he has violated the law of the land; he has overturned a fixed policy of the Government, and we ask you to call upon him to resign." He answers, in effect, "Away with your Senate; I will show you how much respect

I have for your opinion, expressed in a resolution unanimously passed, and I will not only not ask Denby to resign—I will not permit him to resign." He said he would not let Denby resign. I read from the Washington Times here where he said it, and no Senator ever denied that he had said it. Then McLean wires him thanking him for saying it. If that does not connect them up I do not know what it takes to connect up transactions such as these.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Tennessee?

Mr. HEFLIN. I yield to my friend from Tennessee.

Mr. McKELLAR. Does the Senator recall in 1919 the vicious, mean, determined attacks by Senator Lawrence Y. Sherman, of Illinois, charging President Wilson with almost every offense in the calendar, and did the Senator hear the senior Senator from Massachusetts or any other Senator on the Republican side get up and object to Senator Sherman's tirades against President Wilson?

Mr. HEFLIN. Not once. I was not in the Senate at that time, but I never heard of the Senator from Massachusetts or any other Republican coming to the rescue of President Wilson during that long and bitter tirade against him.

Mr. McKELLAR. I was in the Senate at that time, and I heard the meanest, the most vicious, and the most insulting attacks that ever I heard fall from mortal lips directed by Senator Sherman, of Illinois, against the then President of the United States, and not a word of rebuke was ever uttered by any Senator on the other side of the aisle.

Mr. HEFLIN. No, Mr. President; it makes a lot of difference whose ox is being gored. The shoe is on the other foot now. Here is a candidate for high office, seeking to succeed himself, and it is said that he is a past master in the art of politics—and he must be, for he has Ed McLean helping to manage his campaign, it seems, even while he is away in the sunny land of Florida. "Mr. McLean, you say there is nothing wrong in these connections? Mr. McLean, who is your private-wire operator?" "Mr. Smithers." "Who is the White House operator?" "The same Mr. Smithers." "Have you any connection with the Department of Justice, Mr. McLean?" "I am an agent of the Department of Justice." "And you have the Government's secret cipher code?" "Yes, sir." "And you are down in Florida?" "Yes, sir." "And when Mr. Coolidge's private secretary, Mr. Slemp, leaves for Florida one of the officials in the White House wires you that Mr. Slemp is on his way to Florida?" "Yes, sir." "And then the President wires you himself and asks you to see his secretary and find out who he, the President, shall advise with here regarding political appointments in the District of Columbia?"

What does that mean? Does it mean that Mr. Ed McLean controls the patronage in the District of Columbia, the Capital of the Nation? It would seem so. I think it is a proper inference that Mr. Ed McLean is the dispenser of Republican patronage in the District of Columbia. And who is he?

He is the man who admitted to the Senator from Montana [Mr. WALSH] that he had not told the truth about a transaction that involved the bribery of a Federal official, a Republican Cabinet officer, and the squandering of hundreds of millions of dollars' worth of the public domain. That is who he is. Who is he? He is the man that the President himself is sending a friendly telegram to the day after the newspapers had carried all this discrediting information about him. There is no denying the fact that the President was exceedingly cordial to him in that message.

I said some time ago in a speech here that we had trailed this thing up toward the White House; we had carried it as far as the back yard; and if they did not look out we would trail it into the White House. Now, let us see what the facts disclose. The telegraph operator for the White House and McLean's private-wire operator is one and the same man. The further you go the worse it gets. Next we find Mr. Slemp going to Florida. For what purpose? I do not think he told the committee for what purpose he went. I do not think that he told the committee what he knows. That is plain talk, too; but I think it is the plain truth. I think Slemp went on a mission; that he was sent to see McLean. Am I within the bounds of parliamentary debate when I draw that conclusion from what I know? The President says to McLean, "See Slemp." He does not wire Slemp to see McLean, but he wires to the big boss with the Government's secret cipher code in his pocket and armed with his commission as an agent in the Department of Justice, a dispenser of Republican patronage in the District of Columbia, and the President's warm friend, it seems—he wires and asks him to "See my secretary, and advise with whom I should confer back here."

No, Mr. President; we are simply intelligent human beings. And we are the trusted representatives of the greatest Government on the globe. Every one of us would be false to his oath and untrue to his country if he did not cry out against crookedness and corruption in public office. I think we ought to be encouraged in doing that. All of those who have clean hands in this Teapot Dome scandal will come out with heads erect and the light of conscious innocence upon their faces. Those who are connected with it, who excuse it or condone it in any way, ought to be branded and made to suffer for their part in it, I do not care who they are. It does not concern me whether they are United States Senators, Cabinet officers, or the President of the United States. Our business is to let the truth be known.

Mr. CARAWAY. Mr. President, may I interrupt the Senator there?

Mr. HEFLIN. I am glad to yield to my friend from Arkansas.

Mr. CARAWAY. Before we get away from that, the Senator from Massachusetts suggested that the President communicated with McLean in order to reach his secretary, Slemp. I believe the record will show that Slemp swore that when he left Washington he did not expect to see McLean, and that his meeting with him was purely accidental. I do not like to see Mr. Slemp left in such an embarrassing situation, and I hope somebody will explain his testimony.

Mr. HEFLIN. That is my recollection of it, and if that is not the testimony I wish some one would correct me here and now. Yes; he went down to Florida on a pleasure trip. I believe I recall also that he was just down resting for a few days looking after his health, and I suppose Ed McLean must have been his physician, and he was going to treat Bascom Slemp while he was down there.

It is strange that the President did not wire some hotel and ask: "Is my Secretary registered there?" But instead of doing that he wires to McLean, this now high muckamuck of the Republican Party, this dispenser of patronage, and mysterious financial friend of Fall. He is down there, and the President says to him in substance: "Get in touch with my Secretary," and keep in mind that a White House official wires McLean that Slemp is leaving for Florida. Why should the White House notify McLean that Slemp was on his way to Florida if he was just going down on a pleasure trip?

Mr. President, the more you analyze this thing and the more you turn the light in on this thing the worse it looks. Just one other thing and I shall have no more to say this afternoon. The Senator from Massachusetts [Mr. LODGE] says we are criticizing the President here where he can not be heard. He can be heard through a message directed to the Senate. He can be heard in the same way in the other branch of Congress. He can be heard through the columns of the newspapers of the country. If they will not let him have the front page, if he will see Doheny, he, I am sure, will arrange it, because Doheny gets the front page to abuse and curse Democrats because they have interfered with him and his colossal and lucrative game.

Republican Senators should not moan and groan because we criticize the public acts of the Republican President. Let them stand up here and answer our arguments. If we are wrong, show the country wherein we are wrong. The country wants the truth and the whole truth.

I want to close with this statement. The truth ought to come out; it must come out. It makes no difference whether it involves Democrats or Republicans, United States Senators, Members of the House, Cabinet officers, or the President of the United States. This Government belongs to the people. Those of us who have been honored by them with commissions to come here and represent them ought to see to it that the truth, and the whole truth, comes out; and I close as I did a day or so ago, by saying turn on the light.

Mr. WALSH of Montana. Mr. President, if the Senator from Massachusetts [Mr. LODGE] will remain, I should like to say a word with respect to what he said here a few minutes ago.

I have no disposition to enter into this discussion touching the President of the United States, and I sympathize very keenly with the admonition of the Senator from Massachusetts against the extravagance in debate which sometimes, in the zeal that actuates Senators, characterizes the discussion of questions here. The Senator ought, however, to have observed more carefully his own advice and caution.

The Senator told us that the debate which has engaged the attention of the Senate for some six weeks past has been disgraceful in its character; that the ideals of the Senate have been lowered thereby; and that, altogether, it is to be viewed with regret and reprehension. That debate, Mr. President, as my recollection goes, was precipitated by the speech of the

Senator from Arkansas [Mr. CARAWAY], worthy, I venture to say, of the best days and the best traditions of the United States Senate. I contributed to that debate myself at some length on three different occasions. The senior Senator from Arkansas [Mr. ROBINSON], who always speaks in conformity with the traditions of this body, addressed the Senate in the course of that debate. The Senator from Idaho [Mr. BORAH] contributed a very valuable discussion upon the constitutional aspects of some of the questions that were presented. The Senator from California [Mr. SHORTRIDGE] engaged the attention of the Senate for at least several hours in the course of that debate. The Senator from Missouri [Mr. REED], whose power and eloquence as a Senator is surpassed by that of no Member of this body, discussed the matter at some length.

The Senator from New Jersey [Mr. EDGE] discussed the matter here one day in a very Senator-like manner. Last, but by no means least, the Senator from Massachusetts [Mr. LODGE] felt that it was an occasion worthy of his own eloquence and of his great talents, and contributed to that debate; and to-day we are told that this is a debate that has disgraced the Senate and lowered the traditions of this body.

Of course, Mr. President, everybody understands what is the trouble. The debate has been a serious matter. It has been, in general, a recital of revelations made by the Public Lands Committee that have shocked the country, and, of course, have distressed the Senator from Massachusetts, and now he seeks to utilize the just reverence that the people of the United States have for the office of the President of the United States, and the respect they have for the present incumbent, to minimize the effect of the revelations and the disclosures made in the debate in this body with reference thereto.

Mr. President, I think the debate has not been at all disgraceful. I think it has not been below the level of the debates that have taken place in this body at any time since I have been here; and I think the Senator from Massachusetts, on being better advised about the matter, will be pleased to withdraw at least that part of his remarks on the floor of the Senate this afternoon.

Mr. DIAL. Mr. President, I am expressing no opinion as to the propriety or impropriety of a Senator attacking the President of the United States. I did not hear the speech of the Senator from Mississippi [Mr. HARRISON] to-day, and I do not know whether he attacked the President or not. However, I heard the Senator from Massachusetts [Mr. LODGE] refer to my predecessor, Senator Tillman, with reference to some remarks he made in regard to President Cleveland. Those two gentlemen were Democrats, and each in his day could take care of himself. Neither needed a guardian. No doubt each thought he was right, and believed in the position he took.

It occurs to me, Mr. President, that it would have been in better taste for the Senator from Massachusetts not to have uncovered the grave. If he was looking for a precedent under which one Senator, or Senators, could attack or did attack a President of the United States, he would not have to go further back than the last few years, when he and a great many of the Senators on his side of the Chamber most cruelly, unjustly, and outrageously criticized former President Wilson. They were unrelenting here for several years in their efforts to discredit that high official, the greatest man of modern times. Propriety should have restrained him from going back for precedents beyond our own term of service in this body.

Some of the Senators on the other side who are now dead made some of the most vicious assaults upon the former President of the United States, Mr. Wilson, but I will not mention their names. We need not look further than to the senior Senator from Massachusetts for such outrageous and unjustifiable conduct.

Mr. CARAWAY. Mr. President, merely as one of the more moderate statements of former Senator Sherman, of Illinois, a member of the Republican Party, I want to read a paragraph from one of his speeches made in the Senate in 1919. At the time he made that speech all the world was in turmoil; the questions about which we had armed and equipped 4,500,000 men were not settled; the treaty ending the war had not been ratified by many of the countries who participated in its making; that was a time, if there ever was a time, when tolerance and patience and forbearance should have been exercised. The Senator from Massachusetts doubtless participated in the discussion, but there is no record of any rebuke he administered to his colleagues on the Republican side, although he was then, as he now is, the leader of his party in the Senate. Here are some of the less offensive things Mr. Sherman said. I am reading from the CONGRESSIONAL RECORD of September 5, 1919, on page 4885:

> Certain foreign powers have ratified or approved the treaty with Germany, so that the same is now binding upon the several governments. Some of such governments require no act save that of the king, monarch, or other executive authority. The treaty-making power of the United States Government is not entirely vested in the President. It is a joint exercise of that power by both the Senate and the Executive. No negotiated treaty is binding upon the American people or their Government until the treaty has been approved or ratified by both such joint powers. Next month, we are notified, the President proposes to assemble in this country the representatives of various countries under the labor articles of a treaty unratified by our country. It is his declared purpose to convene on American soil a meeting of alien governments with our own regardless of whether the treaty has become the law of this Republic or not. Limiting the laborers of this country to the narrow definition of the President even, there is no land in which the rights of labor are so liberal and cared for as our own. This paragraph of the President's address is 100 per cent demagogical. It is an appeal to the lawless, a covert invitation to the ever-present dissatisfied, restless element to demand what they will. The President has already played with firebrands sufficiently to have informed him of the danger. He has yoked himself up with revolutionaries so frequently as to know he can not check their mad race to the goal of lawlessness. His open declaration that he proposes to convene on American soil radicals as well as others from foreign countries under the labor articles of the treaty unratified, either by the American people or their Government, is a proclamation of lawlessness and contemptuous disregard of the United States Government. Again we have one who declares "I am the State." Have the American people quit electing Presidents and begun to elect kings? Public officials have been impeached for less flagrant violation of the laws of their country than this.

The Senator from Massachusetts entirely approved that, I take it, because from 1919 until this day, in 1924, he has never complained of or condemned or criticized or apologized for that attack upon the President of the United States.

That is not all. To show that the same spirit ran through all Republican action, I have here a resolution introduced in 1919 by a Republican in the other House, in which this language appears:

> A carload of European gifts to President and Mrs. Wilson has been received at the White House. The shipment is in about 40 large boxes and will not be unpacked until the Wilsons return; and
>
> Whereas it is the grave constitutional duty of the House of Representatives to ascertain whether any or all of such gifts or presents were received and accepted by the President of the United States in violation of the Constitution and laws—
>
> *Therefore* be it resolved—

And so forth.

It asked to investigate, to have people summoned and sworn, to ascertain whether Mrs. Wilson, forsooth, had accepted a brooch or a hair net that might have been given to influence the President of the United States.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Tennessee?

Mr. CARAWAY. I yield.

Mr. McKELLAR. I wanted to call the attention of the Senator and the Senate to the fact that almost immediately after that resolution was offered in the House Senator Lawrence Y. Sherman, of Illinois, rose in his place on the other side of the Chamber and reiterated every one of those charges——

Mr. LODGE. I did?

Mr. McKELLAR. No; the Senator from Illinois, Mr. Sherman, iterated and reiterated every one of those charges against President Wilson in this body, and without a word of protest on the part of anyone on the other side of the aisle.

Mr. CARAWAY. I recall, if reading the public prints may be trusted, that the then Senator Albert B. Fall assailed the President of the United States in the most vicious language, and that the Senate appointed him, a known enemy of the President of the United States, to go to the President's sick chamber and turn back the covers to see whether Mr. Wilson was feigning illness; to learn whether he was capable, mentally and physically, of exercising the duties of President of the United States; and the Senator from Massachusetts never rose in his place to criticize, condemn, or complain about that sort of conduct.

Mr. McKELLAR. Will the Senator yield again?

Mr. CARAWAY. In just a moment. And now, when a Democratic Senator calls attention to the fact that the new President of the United States, Mr. Coolidge, is in communication with a man who everybody knows is trying to protect

people who have sold the public resources of this land, the President of the United States has immediately as his defender the senior Senator from Massachusetts, who deprecates, who condemns, who excoriates Senators who dare suggest that the President might at least tell why he should be in communication with the man who was the go-between between Fall and Doheny, who helped Fall to concoct a lie so as to conceal the truth from the Senate of the United States. I now yield to the Senator from Tennessee.

Mr. McKELLAR. Mr. President, as I recall the facts—and if I am wrong the Senator from Massachusetts can correct me—on the occasion to which the Senator from Arkansas refers, when Senator Fall went to the White House to see the condition of the ill President at that time, Senator Fall was a member of a committee of two, consisting of himself and former Senator Hitchcock, of Nebraska, who were appointed by the Foreign Relations Committee, of which the Senator from Massachusetts was the chairman at the time. They were sent there, and, as I recall it, reported back that Mr. Fall took the cover from over the ill President to see what his condition was. If I am incorrect about that, I hope the Senator from Massachusetts, who is present, will correct me.

Mr. LODGE. I recall nothing of that kind. I know the committee went.

Mr. McKELLAR. The committee was appointed by the Committee on Foreign Relations, was it not?

Mr. LODGE. I do not remember whether it was appointed by the Senate or the committee. I think it was appointed by the Senate.

Mr. CARAWAY. Did the Senator vote for this recommendation that these two Senators should go to see the President?

Mr. LODGE. I do not remember how it was brought up.

Mr. CARAWAY. I presumed that a Senator who goes so far back as Tillman's time to find a Senator who abused the President could remember how much he participated in such a disgraceful act as that, only five years ago. I know what a blessed thing it is to have a memory that recalls only those things we like, and forgets all those things we do not like.

Mr. LODGE. The Senator understands that kind of a memory perfectly.

Mr. CARAWAY. I understand it by hearing the Senator's speech. I understand it by reading McLean's testimony. I know it by Doheny's statement. I know it by Mr. McLean's lie that he let Fall have $100,000, and then said, "I never let him have a cent."

Mr. President, I want to withdraw whatever I said that may be offensive to the Senator from Massachusetts. For him I have a very high regard. But I do not know anybody who is so little justified in lecturing Senators about the sacredness of the President of the United States when everyone knows that Woodrow Wilson sleeps in his grave to-day from the abuse, the unjustified attacks, launched by Republicans against him, as President of these United States, for defending the things for which our country sent across the sea 2,000,000 soldiers, for defending these things for which our soldiers died, he went to his death. Oh, Mr. President——

Mr. STANFIELD. Mr. President, does the Senator think that is any justification for abuse of other people?

Mr. CARAWAY. The question answers itself. I think whenever Senators do that, they have very little appreciation of a situation if they lecture others for doing it. I am not defending either one, but I am simply saying that Senators who have done that, do not very well consider all the facts when they read a lecture to other Senators.

I want to say one thing about Mr. Coolidge; and I am as kind to him as anybody who knows him. I sat here in the Senate with him as Vice President for two years and a half. In all that time he never said a word that I can remember. He gave me the same impression then that a London fog does; and I have it yet. He may be the great President the Senator from Massachusetts says he is. It may be that he has done the best he could; but if he has, I want to deprecate, then, the fact that the senior Senator from Massachusetts [Mr. LODGE] and the senior Senator from Pennsylvania [Mr. PEPPER] went to the White House and implored him to do something else. If he was doing the best he could in such a delicate situation, why did they urge him to drop Daugherty overboard? It is a little inconsistent, when a man is doing the best he can to ask him to do something else. I presume nobody will deny that they did that.

Daugherty protested that it was not just to compel him to resign. Thereupon the Senator from Pennsylvania was quoted as saying "that whether it is just or not is not the question. The point is, it is for the good of the party. You have to get out." It reminds one of the time when a man named Jonah was asleep in the bottom of a ship and somebody went down and kicked him and said, "Jonah, you are about to get off." Jonah said, "No." They said, "You are," and then put him off for the good of those in the ship; and if it had not been for a whale, there would have been no chronicle of what happened to Jonah.

Now, I want to say another thing about the President and his telegram. I do not know why it was that everybody, including Burns and Mary and "Duck," who wanted to get in touch with anybody in Florida had to wire Ed McLean. He seemed to be the universal solvent, so far as information was concerned. I think it is the most startling statement I have listened to, that the President of the United States had lost his secretary and could not find him and was compelled to ask Ed McLean where he was.

But that is not all. I say this, and I am not criticizing the President. I am only talking about him. [Laughter in the galleries.]

The PRESIDING OFFICER. The Chair must admonish the occupants of the galleries that the rules of the Senate are intended at least to prevent manifestations of approval or disapproval in the galleries.

Mr. CARAWAY. I started to say that if the President's message of congratulation was in response to a message that he had received congratulating him for refusing to drop Denby overboard, that very telegram is in existence. He might have produced it and saved himself making an explanation. Another explanation was that McLean was congratulating him on a speech that he had not delivered. But the telegram was congratulating him about a speech he had not delivered and would not deliver for some hours yet, and when that did not suit and would not fit—and I can see how people might have been perfectly honest in it, and I do not want to be misunderstood—they said it was in answer to a message congratulating Mr. Coolidge on keeping Denby. I think that was premature, because before he had sent it Denby had been slid overboard; in other words, he was congratulating the President for keeping a Cabinet officer that he had already determined to drop. Anyway, the telegrams ought to be in existence. It ought to answer some of these inquiries.

The explanation of the other telegram was that he was just trying to get in touch with the Republican committeeman in the District of Columbia. I never knew that McLean was particularly in touch with the Republican organization. I thought he used to afflict himself on the Democratic Party until he got greased with oil, and then turned Republican so he would feel more at home. But I know there must be some kind of a Republican organization in the District of Columbia, not because they expect to deliver any votes, but because they expect to get some appointive officers.

I do know that the President of the United States could have reached the Republican organization in the District and found out how he could get in contact with the Republican chairman other than having to wire to Florida to McLean to hunt up his secretary, who was lost somewhere in the wilds of that State, in order that the secretary might tell him whom he could find in the District of Columbia to talk politics with.

Mr. DILL. Mr. President——

Mr. CARAWAY. I yield to the Senator from Washington.

Mr. DILL. Might it not be that he wanted to be sure that the man whom his secretary would suggest he should talk to would be satisfactory to Mr. McLean?

Mr. CARAWAY. That does not strike me as quite probable. I think there is another explanation to that telegram.

Mr. DILL. But that might be one of the explanations.

Mr. CARAWAY. There will be several more, and that explanation I expect is as good as any other that will be given.

All I want to say in conclusion is that it may be bad taste, and evidently it is according to the Senators on the other side of the Chamber, to hold up to public scorn people who have been guilty of betraying their country and selling for a cash consideration their country's resources. It may be bad taste to criticize people who will not tell the truth, who frame answers and try to palm off falsehoods on the Senate in order that the truth may never be known. But I hope, so help me Almighty God, that if the pendulum shall swing around and hit somebody on this side there will be no Senator found in this Chamber to deprecate any criticism that is offered against any man in public office on the Democratic side who shall forget his honor and betray his country. I will not do it. If any Senator on this side of the aisle shall do it I shall feel as indignant as I am inclined to feel about the lecture which has been read to us from the other side of the Chamber.

This is not our little affair. The people are interested in it. They have a right to know, and as long as the discussion is

confined to the facts I think that nobody who wants the truth known will complain. If we merely wanted to be critical—there is a man whose name is Homer—whether that is his first or last name I do not know.

Mr. BRUCE. That is his last name.

Mr. CARAWAY. That is the price people have to pay for being great. Evidently somebody named him for Homer of old, and he is apparently a singer of as great myths and wild romances as the blind Homer who lived so many centuries ago. In explaining the telegram that urged McLean to put in a private wire he said, "We want you to put in a private wire so you will be in quick and easy communication with the White House," that he telephoned something about somebody named "Wiley at your house." And now Mary—of course that is a pet name——

Mr. FLETCHER. That is not any worse than "six or eight cows."

Mr. CARAWAY. Oh, no. Wahlberg came before the committee and tried to make a liar out of a son of a former President of the United States, who had said that Wahlberg had said he had in his possession $68,000 in canceled checks given by Sinclair to the foreman of Fall's ranch in New Mexico. Wahlberg then said he said six or eight cows, and expected us to believe it. He said: "Oh, no, I just said there were six or eight cows." And now comes the lady who says that Burns called her clear across town in order to take a telegram to Ed McLean, who is one of the operators, or whatever they may be called, in the Department of Justice.

Mr. McKELLAR. An agent.

Mr. CARAWAY. Yes; he may have to protect cellars, and so we have to have agents. Anyway, she was called across town to send a telegram to McLean, in which it was agreed that the language should be substantially this: "There is an investigation of McLean's bank account and it is important." She said that Burns and she thought that meant a request that Ed McLean should resign. Oh, such imaginations. We are expected to accept these statements, and because we can not stultify our intelligence and believe those things that are told us, the Senator from Massachusetts reads us a lecture.

TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATIONS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 6349) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1925, and for other purposes.

Mr. WARREN. Mr. President, the junior Senator from Utah [Mr. KING] in his very learned speech of some length, protesting against extravagancies of the Nation, made some observations in the line of economy which cause me to ask to have place in the RECORD a statement showing the total appropriations for each of the last 50 years. I observe, in passing, that in 1890, when I first became a Senator, the total expenses were $395,000,000, or something like $50,000,000 to $70,000,000 less than it now costs to support the Veterans' Bureau alone. In other words, the war has caused that expense entirely, and it is liable to be more rather than less. It is not as much now as we owe to those men who have become disabled in the war.

On the other hand, we are spending nearly $50,000,000 annually for the Internal Revenue Bureau, which cost but a trifle up to the time of the war.

I ask that the statement may be printed in the RECORD.

The PRESIDING OFFICER. Without objection, that order will be made.

The statement referred to is as follows:

Appropriations by fiscal years.

1873	$330,546,360.16
1874	344,535,209.31
1875	330,441,844.41
1876	322,013,148.57
1877	299,150,124.68
1878	291,220,477.49
1879	317,924,555.08
1880	338,865,031.29
1881	332,791,077.04
1882	361,922,067.85
1883	423,827,293.92
1884	349,463,260.56
1885	306,077,469.58
1886	344,504,413.03
1887	383,245,913.54
1888	365,430,333.41
1889	422,867,168.11
1890	395,430,284.26
1891	463,383,480.46
1892	524,381,815.60
1893	507,376,397.53
1894	519,535,293.31
1895	492,477,759.97
1896	496,982,585.01
1897	515,852,380.27
1898	528,735,878.33
1899	892,656,775.65
1900	$698,912,982.83
1901	796,653,298.01
1902	750,241,862.51
1903	801,682,773.42
1904	752,741,659.25
1905	781,288,214.95
1906	818,191,283.26
1907	881,953,644.09
1908	919,163,823.18
1909	1,006,431,726.96
1910	1,044,435,622.64
1911	1,039,550,617.01
1912	1,022,759,948.52
1913	1,021,349,990.63
1914	1,098,602,065.64
1915	1,122,471,919.12
1916	1,114,490,704.09
1917	1,628,411,644.81
1918	18,881,940,243.79
1919	27,065,148,933.02
1920	7,052,386,540.14
1921	4,079,952,141.77
1922	4,177,385,251.53
1923	3,946,339,364.45
1924	3,706,779,063.12

Mr. WARREN. I desire also to submit a memorandum with reference to the number of employees in the Government. The question came up as to how many there were and what reductions have been made. The list shows that from November 11, 1918, to July 31, 1920, in something like two years, the reduction was 226,644 employees. After that the reduction in the next one year was 93,634 employees. In the year following the reductions were 36,619, and last year were 12,332. This year the reduction in the number of employees will probably be considerably less than the numbers I have stated.

The PRESIDING OFFICER. Does the Senator desire to have the statement inserted in the RECORD?

Mr. WARREN. That is my desire.

The PRESIDING OFFICER. Without objection that order will be made.

The statement referred to is as follows:

Employees, entire Federal Executive Civil Service, classified and unclassified.

	Number.
June 30, 1916	438,057
Nov. 11, 1918 (Armistice Day)	917,760
July 31, 1920	691,116
July 31, 1921	597,482
June 30, 1922	560,863
June 30, 1923	548,531
Reduction from Nov. 11, 1918 to July 31, 1920	226,644
Reduction from July 31, 1920, to July 31, 1921	93,634
Reduction from July 31, 1921, to June 30, 1922	36,619
Reduction from June 30, 1922, to June 30, 1923	12,332

PUBLICITY OF CERTAIN INCOME-TAX RETURNS (S. DOC. NO. 57).

Earlier in the day the following occurred:

The PRESIDENT pro tempore. The Chair lays before the Senate a communication from the President of the United States in response to Senate Resolution No. 180, which was adopted on the 29th of February, 1924, which the Secretary will read.

The reading clerk read as follows:

THE WHITE HOUSE,
Washington, March 5, 1924.

SIR: The resolution adopted by the Senate on February 29, 1924, requesting me to direct the Secretary of the Treasury to turn over to the Public Lands and Surveys Committee all income-tax returns filed by certain individuals and corporations, I am advised by the Acting Attorney General, can not be complied with by me without violating the rules and regulations prescribed under and by virtue of the revenue act of 1921, which have the force of law.

The President has no power to make the order suggested by the resolution. If, however, the committee desire to inspect these returns, I am willing to cooperate with the Secretary of the Treasury in so amending the rules and regulations as to make it possible for representatives of the committee to inspect them. Under the language of section 257 of the revenue act of 1921 the President is only empowered to authorize inspection, but has no authority to turn over the original documents, as requested by the resolution. Attached hereto is a copy of the opinion of the Acting Attorney General.

Very truly yours,

CALVIN COOLIDGE.

Hon. ALBERT B. CUMMINS,
President pro tempore United States Senate,
Washington, D. C.

(Inclosure.)

The PRESIDENT pro tempore. The Chair would like the sense of the Senate with respect to the reference which shall be made of this communication and the opinion of the Attorney General which accompanies it.

Mr. NORRIS. Mr. President, I notice that the chairman of the Committee on Public Lands and Surveys, the Senator from

Wisconsin [Mr. LENROOT], and the Senator from Montana [Mr. WALSH] are not present. I move that the message of the President, together with the attached documents, be referred to the Committee on Public Lands and Surveys.

The PRESIDENT pro tempore. Without objection, it is so ordered. The communication and accompanying paper will be printed.

Mr. MCKELLAR subsequently said: Mr. President, this morning the President sent a message to the Senate declining, under the advice of the Acting Attorney General, to turn over to the Committee on Public Lands and Surveys the income-tax returns of the gentlemen and corporations mentioned. I understand the message of the President was read and will therefore appear in the RECORD, but the accompanying letter of the Acting Attorney General was not ordered to be printed in the RECORD. I ask unanimous consent to have that letter published together with the President's message.

The PRESIDING OFFICER (Mr. WILLIS in the chair). Is there objection to the request of the Senator from Tennessee? The Chair hears none, and that order will be made.

The letter referred to is as follows:

DEPARTMENT OF JUSTICE,
Washington, D. C., March 3, 1924.

Memorandum in re power of Senate to direct the President to transmit to it copies of income-tax-returns.

The Senate, on February 29, adopted a resolution requesting the President to direct the Secretary of the Treasury to turn over to the Public Lands and Surveys Committee of the Senate, "as by law he is authorized to do," all income-tax returns filed by certain individuals and corporations, together with all files, claims, papers, settlements, reports, formal and informal, adjustments, memoranda, and refunds, and all files and data attached thereto or connected therewith.

Section 257 of the revenue act of 1921 provides that returns upon which the tax has been determined by the commissioner shall constitute public records; "but they shall be open to inspection only upon order of the President and under rules and regulations prescribed by the Secretary and approved by the President."

This provision is followed by two provisos, one authorizing access to the returns of corporations by proper officers of any State, and the other authorizing an examination of corporation returns by stockholders under certain circumstances. Punishment by fine and imprisonment is provided for any stockholder making known in any manner not provided by law any facts disclosed by any such return.

Article 1090 of Treasury Department Regulations 62, relating to the income tax and war profits and excess profits tax under the revenue act of 1921, recites that "the returns upon which the tax has been determined by the commissioner, although public records, are open to inspection only to the extent authorized by the President, except as otherwise expressly provided." The President, by an Executive order, dated January 24, 1922, directed that returns of income should be subject to inspection in accordance with the following regulations prescribed by the Secretary of the Treasury:

> "1. These regulations deal only with *inspection* of returns, as the statutes expressly require the approval of the President of regulations on this subject. For uses to which returns may be lawfully put, without action by the President, are not covered by these regulations." [Italics in original.]

That this Executive order was intended, however, to cover all instances of permissible inspection is indicated by the fact that by paragraph 10 thereof it is provided that the return of a corporation shall be open to inspection "(a) by the officers and employees of the Treasury Department whose official duties require such inspection, and by the Solicitor of Internal Revenue."

Paragraph 12 of the Executive order is the only one dealing with the inspection of income-tax returns by representatives of Government departments other than the Treasury Department, and reads as follows:

> "When the head of an executive department (other than the Treasury Department) or of *any other United States Government establishment* desires to inspect or to have some other officer or employee of his branch of the service inspect a return in connection with some matter officially before him, the inspection may, in the discretion of the Secretary of the Treasury, be permitted upon written application to him by the head of such executive department or other Government establishment. The application must be signed by such head, and must show in detail why the inspection is desired, the name and address of the taxpayer who made the return, and the name and official designation of the one it is desired shall inspect the return. When the head of a bureau or office in the Treasury Department, not a part of the Internal Revenue Bureau, desires to inspect a return in connection with some matter officially before him other than an income, profits tax, or corporation excise tax matter, the inspection may, in the discretion of the Secretary, be permitted upon written application to him by the head of such bureau or office showing in detail why the inspection is desired. The reasons submitted for permission to inspect as provided in this paragraph shall be considered by the Secretary and a decision reached by him whether the reasons are sufficient to permit the inspection."

It may be confidently stated that the expression "any other United States Government establishment" refers to the independent commissions and bureaus of the Government, such as the Interstate Commerce Commission, the Federal Trade Commission, etc., and does not include either the Congress as a whole or either House thereof. This results from the juxtaposition of the expressions "executive department" and "other * * * Government establishments" and from the fact that application is to be made by the "head" of such establishment, such a provision being wholly inappropriate in the case of the Congress.

So much for the power of the Secretary of the Treasury with the approval of the President to authorize *inspection* of income-tax returns. That, it may be noted, both by reference to section 257 of the statute and the first paragraph of the Executive order, is the only subject with respect to which the President appears to have been clothed with any power.

By section 1303 of the revenue act it is provided "that the commissioner, with the approval of the Secretary, is hereby authorized to make all needful rules and regulations for the enforcement of the provisions of this act." Article 1800 of the regulations, the concluding paragraph, provides that "in pursuance of the statute the foregoing regulations are hereby made and promulgated and all rulings inconsistent herewith are hereby revoked." Therefore authority to make regulations with respect to income-tax returns, other than regulations governing the inspection thereof, is vested in the Commissioner of Internal Revenue, subject to the approval of the Secretary of the Treasury, and not in the President of the United States.

This distinction has been carefully observed in the promulgation of the regulations. Thus, article 1091, made by the commissioner, with the approval of the Secretary, provides for the furnishing of copies of income-tax returns. This article prescribes that returns, or copies thereof, may be furnished by the Commissioner of Internal Revenue to a United States attorney or an attorney of the Department of Justice for use as evidence in a case or in the preparation of litigation. This is the only instance provided in the regulations for the furnishing of returns or copies of returns to officers or representatives of departments other than the Treasury Department. Returns or copies of returns under this article are limited in use to the purpose for which such copy is furnished and "is under no conditions to be made public except where publicity necessarily results from such use."

That the Senate, in adopting the regulation, had in mind the provision of the law charging the President with certain duties with respect to the *inspection* of income-tax returns is evident, because the resolution as originally introduced recited as follows:

> "Whereas the revenue of 1921, section 257, provides, in part, as follows: 'That the returns upon which the tax has been determined by the commissioner shall constitute public records, but they shall be open to inspection only upon order of the President and under rules and regulations prescribed by the Secretary and approved by the President'; and * * *."

The foregoing demonstrates that Congress never has clothed the President with any authority whatever for the furnishing of income-tax returns or copies thereof. The law makes a clear distinction between the authority and duty of the President, as stated in section 257, and the authority and duty of the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, as provided in section 1303. Generally speaking, the head of an executive department is but the alter ego of the President, and it would be proper for the Senate to request the President to supply information in the custody of a member of his official family. The situation is altered here, however, by the fact that Congress, in the revenue act of 1921, has made separate and independent conferences of power upon the President and upon the officials of the Treasury Department. Under the act the President clearly has no authority whatever to direct the furnishing of income-tax returns or copies thereof. His authority is limited solely to approving regulations for the inspection of income-tax returns.

The Commissioner of Internal Revenue, with the concurrence of the Secretary, has exclusive and plenary power over the furnishing of the originals or copies of income-tax returns. The regulations of the Treasury Department promulgated in accordance with section 1303 of the revenue act have the force and effect of law. This is recognized by section 1314 of the revenue act, providing as follows:

> "That in case a regulation or Treasury decision relating to the internal revenue laws made by the commissioner or the Secretary or by the commissioner with the approval of the Secretary is reversed by a subsequent regulation or Treasury decision and such reversal is not immediately occasioned or required by a decision of a court of competent jurisdiction, such subsequent regulation or Treasury decision may, in the discretion of the commissioner, with the approval of the Secretary, be applied without retroactive effect."

For other provisions recognizing the regulations of the Commissioner of Internal Revenue as law see articles 1002 (3) and 1005.

The power of Congress to authorize the promulgation of administrative regulations having the force and effect of law was recognized by the Supreme Court in United States v. Grimaud (220 U. S. 506 and 517-522). Also see Intermountain Rate Cases (234 U. S. 476, 480-486).

Of course, the validity as law of regulations made by the Secretary of the Treasury or the Commissioner of Internal Revenue governing the conduct of the Internal Revenue Department, when made in pursuance of a statute, has always been recognized. (Boske v. Comingore, 177 U. S. 459; Stegal v. Thurman, 175 Fed. 813.)

The remaining question is whether, the resolution having been addressed to the Chief Executive, he should refer it to subordinates who have been directly clothed with authority in the matter, or whether he should simply advise the Senate that he has no authority in the matter. It seems to me that since the statute so carefully limits the President's authority to the promulgation of regulations governing the inspection of returns he should advise the Senate to make application to the officers to whom Congress has delegated the authority which the Senate seeks to invoke. The statute authorized the Commissioner of Internal Revenue, with the concurrence of the Secretary of the Treasury, to make regulations which have the force and effect of law. Such regulations have been made, but they do not make provisions for such a request as is now made. To comply with the request properly and necessarily involves an amendment of the regulations—i. e., of the law governing the custody of income-tax returns.

It is, of course, possible and proper for the President to advise the Senate that, in accordance with section 257 of the revenue act of 1921 and the regulations promulgated thereunder, he will cooperate with the Secretary of the Treasury in so modifying or amending said regulations as to permit of the inspection of the income-tax returns in question by the committee. Bearing in mind the distinction already noted between the inspection of income-tax returns and the turning over of income-tax returns, the communication to the Senate should state that the returns will be brought to the committee in the custody of an officer or employee of the Bureau of Internal Revenue.

The question of the possible effect of a compliance with the resolution to embarrass or impede, by granting immunity or otherwise, the prosecution, civilly or criminally, of any of the persons or firms whose income-tax returns are requested is one which should be submitted to counsel especially employed to conduct such prosecutions.

A. T. SEYMOUR,
Acting Attorney General.

Mr. McKELLAR. In this rather labored attempt of the Acting Attorney General to find some possible technicality on which to base a refusal to turn over to the Committee on Public Lands and Surveys the information sought in the resolution, he bases it on the ground that the resolution read "turn over" to the Public Lands Committee the income-tax returns when it should have been, under the statute, "open to the inspection of." He makes the distinction and uses all this time and all this work and research to make the distinction between "submitting to the inspection" of the Public Lands Committee and "turning over" to the Public Lands Committee, of course for their inspection. It is upon that ground that the Acting Attorney General advises the President to refuse to comply with the request of the Senate to furnish the income-tax returns to the Committee on Public Lands and Surveys.

Mr. President, in conformity with the very labored opinion of the Acting Attorney General of the United States, whoever that may be—it is an office that I did not know existed. It is not surprising that we have such an officer, because it does not seem that we know there are any officers in the department that really look after the business of the country or of the department.

However, in order to conform to this opinion and to the end that the Public Lands Committee may have the information which they ought to have, I have modified my resolution. There ought not to be any technicality interposed. If I may say so, there ought not to be any quibbling about it, either upon the part of the Acting Attorney General or anyone else. I send to the Secretary's desk the resolution modified so as to read, in the words of the Acting Attorney General—

to permit the inspection by the Public Lands and Surveys Committee of the Senate, as by law he is authorized to do, of all income-tax returns—

and so forth. I ask unanimous consent for the immediate consideration of the resolution.

Mr. WARREN. I can not consent to that at this time.

The PRESIDING OFFICER. Objection is made.

Mr. McKELLAR. Then, I give notice that I shall move to take the resolution up to-morrow. I ask that it be printed and lie upon the table, so that it may be called up to-morrow.

The PRESIDING OFFICER. The resolution (S. Res. 185) will be printed, and lie on the table.

Mr. BRANDEGEE. I wish to ask the Senator from Tennessee, who apparently had the communication of the President in his hand when he spoke, if the President did not say in the communication—I so understood as I heard the communication read this morning—that he was perfectly willing to sign an order that the committee might have access to these returns, but that he did not think under the law he had the authority to remove them from the office and send them here.

Mr. McKELLAR. I stated that if the President is following the Assistant Attorney General, whoever he may be—and it may be proper that the President should follow him—he is doing what the department advised him to do. However, I think that an inspection of the memorandum will show that it is such a labored attempt to find some excuse or technicality to keep from delivering these tax returns that the President should have disregarded it, but that is a matter as to which I am not criticizing him. The Senator from Connecticut is right, for the President said this:

The President has no power to make the order suggested by the resolution. If, however, the committee desires to inspect these returns, I am willing—

And surely the committee have expressed their desire by unanimously reporting the resolution which was adopted by the Senate—

I am willing to cooperate with the Secretary of the Treasury in so amending the rules and regulations as to make it possible for representatives of the committee to inspect them.

Carrying out that suggestion, I have offered the resolution. I wish to say, however, that from my information neither the Secretary of the Treasury nor the President has in the past been so technical in regard to such matters, because I understand that the special committee investigating the Veterans' Bureau requested the same kind of information in reference to a soldier, and it was instantly forthcoming. However, when the Senate unanimously passes a resolution asking for the tax returns of Doheny, Fall, and Sinclair every technicality is interposed by the Department of Justice to the President furnishing the information.

Mr. REED of Pennsylvania. Mr. President, will the Senator from Tennessee yield to me?

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Pennsylvania?

Mr. McKELLAR. I yield.

Mr. REED of Pennsylvania. In the Veterans' Bureau investigation we did want to see the tax returns which had been filed by an individual who had sold land to the Veterans' Bureau. We made the same application which the Senator's committee has made and were met with something like the same answer, but we discovered at that time that there were regulations in the Treasury Department which had been adopted under the law, requiring a number of safeguards, such as showing exactly what information is desired and why it is desired. We complied with those regulations, and when we did so we were very promptly furnished with the information. I believe that the Senator's committee could pursue the same course. I think those regulations are all printed, and there is no difficulty in complying with them.

Mr. McKELLAR. Notwithstanding that, I am maintaining that the opinion of the Acting Attorney General is whimsical and trivial. It ought never to have been interposed, and it ought never to have put a President of the United States in any such position in reference to the matter. I think it is very inconsiderate on the part of the Department of Justice of the President of the United States; but, notwithstanding, that I am modifying my resolution so as to make it conform exactly to what this exceedingly technical official desires it to be.

I have already asked unanimous consent for the present consideration of the resolution; and if the Senator from Wyoming would withdraw his objection, I am sure that no other Senator would object, and that the resolution would pass immediately, because it calls for information which everyone realizes should be furnished. I assure the Senator from Wyoming that the resolution will not consume a moment, and I again ask unanimous consent for its present consideration.

Mr. WARREN. Mr. President, I gave my word that I would allow a matter of a personal nature to be considered if it would occasion no debate, and hence I can not at this time withdraw the objection. If the Senator will wait a moment, I think that matter may be disposed of.

Mr. McKELLAR. Very well. Then I will renew my request in a moment.

ADDITIONAL CLERKS TO SENATORS.

Mr. FESS. Out of order, I ask unanimous consent to report from the Committee to Control and Audit the Contingent Expenses of the Senate Resolution No. 161, with an amendment in the nature of a substitute.

Mr. REED of Pennsylvania. I ask unanimous consent for the immediate consideration of the resolution.

The PRESIDING OFFICER. The Senator from Pennsylvania asks unanimous consent for the immediate consideration of the resolution.

Mr. WARREN. If it will involve no debate, I shall offer no objection to the consideration of the resolution.

Mr. REED of Pennsylvania. I do not think it will lead to any debate.

Mr. McKELLAR. Let the resolution be read.

The PRESIDING OFFICER. The resolution will be read as proposed to be amended.

The reading clerk read the substitute reported for the resolution (S. Res. 161) submitted by Mr. REED of Pennsylvania on February 15, 1924, as follows:

Senate Resolution 161.

Resolved, That to each Senator (other than chairmen of committees to which additional clerks have been assigned) from a State having a population in 1920 of more than 8,000,000 persons there shall be allowed a special assistant clerk, to be paid at the rate of $2,400 per year. The salaries of such clerks shall be paid from the contingent fund of the Senate. Such clerkships shall continue during the Sixty-eighth Congress.

The PRESIDING OFFICER. The Senator from Pennsylvania [Mr. REED] has asked unanimous consent for the present consideration of the resolution.

Mr. OVERMAN. I do not exactly understand the resolution.

Mr. HARRISON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Mississippi object to the present consideration of the resolution?

Mr. HARRISON. I think the resolution had better go over until to-morrow.

The PRESIDING OFFICER. Objection to the consideration of the resolution is heard.

Mr. HARRISON. I may say in this connection that in the matter of clerks for Senators there should not be any distinction made.

Mr. McKELLAR. I wish to say in reference to the matter, if the Senator will excuse me, that I am a member of the Committee to Audit and Control the Contingent Expenses of the Senate, and I am quite sure the resolution was unanimously reported by the committee. I know I supported the resolution in committee for this reason: The States of New York and Pennsylvania have enormous populations, and we all know the burdens which are placed upon Senators coming from the large States. There is now a distinction made between Senators who are chairmen of great committees and other Senators. The chairmen of those committees have an additional clerk, and it should be so. Therefore, I am willing, as a matter of right, to recognize the fact that a Senator from Pennsylvania or a Senator from New York or a Senator from any other extraordinarily large State should be furnished with a sufficient number of clerks.

If their constituents write to them in the same proportion that my constituents write to me, I am sure an additional clerk will be none too many.

Mr. REED of Pennsylvania. Mr. President, I agreed when I asked unanimous consent that if the resolution led to debate I would withdraw the request for present consideration, but may I say to the Senator from Mississippi that the resolution applies only to three Senators, each of whom represents in part a State of over 8,000,000 population. It is not for our sake, but it is for the sake of the young women in our offices who now are working far into the night in the effort to keep up with the correspondence, and they are beginning to break down; that is the plain truth about it.

Mr. OVERMAN. How long will the additional clerks hold under this resolution?

Mr. REED of Pennsylvania. During the present Congress only. I hope the Senator from Mississippi will not press his objection.

Mr. HARRISON. Mr. President, this is a matter that is new; the clerks contemplated have not been provided heretofore. There are very few Senators present, and it seems to me that the resolution ought not to be brought up here and acted upon at the last moment of the day's session. I ask that the resolution go over.

The PRESIDING OFFICER. Objection is made, and the resolution goes over.

PUBLICITY OF CERTAIN INCOME-TAX RETURNS.

Mr. McKELLAR. Now, I ask unanimous consent for the immediate consideration of the resolution which I have submitted. I have amended the original resolution which the Senate has heretofore adopted in order to make it conform to the opinion of the Acting Attorney General.

The PRESIDING OFFICER. The Secretary will read the resolution for information.

The reading clerk read the resolution (S. Res. 185) as follows:

Resolved, That the President of the United States be, and he is hereby, respectfully requested to direct the Secretary of the Treasury to permit the inspection by the Public Lands and Surveys Committee of the Senate, as by law he is authorized to do, of all income-tax returns filed by H. F. Sinclair, the Sinclair Consolidated Oil Co., the Mammoth Oil Co., the Hyva Corporation, the Selah Corporation, E. L. Doheny, E. L. Doheny, jr., the Securities Investment Co., the Mexican Petroleum Co., the Pan American Petroleum & Transport Co., and A. B. Fall, together with all files, claims, papers, settlements, reports, formal and informal, adjustments, memoranda of refunds, and all other files and data attached thereto or connected therewith.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

The resolution was considered by unanimous consent and agreed to.

TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATIONS.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 6349) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1925, and for other purposes.

The first amendment of the Committee on Appropriations was, under the subhead "Customs Service," on page 15, line 8, to increase the appropriation for collecting the revenue from customs, and for the detection and prevention of frauds upon the customs revenue, including not to exceed $15,000 for the hire of motor-propelled, passenger-carrying vehicles, from "$13,680,140" to "$16,180,140."

Mr. OVERMAN. Mr. President, I think it is time to adjourn now or to take a recess.

Mr. WARREN. Mr. President, we have now reached a point in the consideration of the bill where there are found a number of amendments involving rather large amounts and which may require some discussion. Therefore I move that the Senate take a recess until 12 o'clock to-morrow.

The motion was agreed to; and (at 5 o'clock and 28 minutes p. m.) the Senate took a recess until to-morrow, Friday, March 7, 1924, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

THURSDAY, *March 6, 1924.*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Give ear unto our words, O Lord, and consider our meditations. In Thy light may we see light and in Thy strength may we get wisdom. We are grateful to Thee that we are still folded in Thy loving memory. We praise Thee as our Creator and Heavenly Father. We thank Thee for the tides and certainty of the sunrise of this day. Overrule our weaknesses and failures in accordance with Thy plan and for our good. May our national ideals and standards be realized and bless our citizenship and free institutions throughout the length and breadth of our land. In the name of Jesus. Amen.

The Journal of the proceedings of yesterday was read and approved.

CORRECTION.

Mr. TILLMAN. Mr. Speaker, I ask unanimous consent to correct an error which I made in some remarks in the House on January 24 last, upon the subject of freight rates. I understood from my informant, Mr. Hulse, that he was speaking of freight rates, when as a matter of fact he meant express rates. The rate Mr. Hulse paid as express was $1 per bushel on grain he shipped. I am very glad to insert as a part of my remarks the letter which follows.

The letter referred to is as follows:

CHICAGO, BURLINGTON & QUINCY RAILROAD CO.,
OFFICE OF VICE PRESIDENT,
Chicago, January 31, 1924.

Hon. JOHN N. TILLMAN,
House of Representatives, Washington, D. C.

DEAR SIR: In the debate in the House Monday, January 21, you made the following statement, as it appears on page 1239 of the CONGRESSIONAL RECORD:

> "Now, as to freight rates. John Hulse, a Republican, living near Prairie Grove in my county, told me last summer that he bought 6 bushels of rye in Kansas, not the kind prohibited by Volstead, but the kind you sow in the fertile fields around that garden spot known as the Prairie Grove Valley. He said he paid 60 cents a bushel for the rye in Kansas, a short distance away, and the transportation charges were $1 on each bushel. Write John and ask him what he thinks of the Republican legislation that made this outrage possible."

Probably all who heard you understood your statement to mean that the railroads are charging $1 per bushel for transporting rye and similar farm products "for short distances." You omitted to state the exact distance, which is an important omission where accuracy is desirable, because freight rates are based upon distances.

From Prairie Grove, in your county, north to the north line of Arkansas is about 50 miles, and, as you say this shipment was "for a short distance," I have taken 182 miles, which is the distance from Prairie Grove to Parsons, Kans., and both Parsons and Prairie Grove are on the line of the St. Louis-San Francisco Railroad. That is not a "short distance."

I have asked the freight department of the Frisco Road to give me their regular established published rate on the shipment of rye from Parsons to Prairie Grove, and they inform me that it is 13 cents per bushel, and is not $1 per bushel, as stated by you. Grain rates are quoted per carload, because the grain practically all moves in that way, and the rate from Parsons to Prairie Grove is 23½ cents per 100 pounds, and as there are 56 pounds of rye per bushel, the freight rate is 13 cents per bushel.

This is confirmed by the published rates in Illinois and Iowa; in Illinois the same rate on rye for that distance is 9 cents per bushel, and in Iowa it is 8 cents per bushel. The Arkansas rate quoted is slightly higher between those Kansas and Arkansas points, because of the very small volume of grain moving that way and the increased costs of operation in that region. These are all rates approved by the Interstate Commerce Commission.

One can only conjecture where Mr. John Hulse got the freight rate of $1 per bushel. It is possible that he bought seed grain, and shipped it on a passenger train by express, or at some class rate that was equal to express rates.

The point of principal interest to your colleague in the House, and to the country generally, is what is the burden of freight rates upon rye and other grains to the western farmer. For distances of 182 miles this average burden is about 8 cents per bushel; that is, the average freight charge in the West for transporting a bushel of rye or similar grain 182 miles does not exceed 8 cents per bushel, as it moves almost exclusively at carload rates. If freight rates are reduced 25 per cent, it would mean a reduction of 2 cents per bushel in the rate, but that would not necessarily benefit the farmer to the extent of 2 cents per bushel in the price he receives for his grain. To-day's Chicago price for cash rye is 72 cents per bushel, and the price fluctuates sometimes as much as 2 cents per bushel in one day, so that a reduction of 2 cents in the freight rate might be entirely wiped out in a single day by a fall in the price caused by poor demand from Europe, or a change in the customs tariff, or a slump in grain prices generally, or a stringency in the money market, or some other reason entirely remote from railroad freight rates.

Nothing can be made more confusing in this matter than to pick an exceptional incident, the result of an unusual condition, and, because it presents a sensational feature, to cite that as indicating the burden of railroad freight rates upon the farming industry.

Yours respectfully,

W. W. BALDWIN.

The SPEAKER. Without objection, the correction will be made in accordance with the statement of the gentleman from Arkansas.

There was no objection.

THE CREED OF AN AMERICAN.

Mr. McSWAIN. Mr. Speaker, the Clerk of this House, the Hon. William Tyler Page, rendered the country a patriotic service when he arranged some of the finest expressions in our constitutional history into The Creed of an American. I here reproduce that creed as my personal testimonial to its inspiration:

THE CREED OF AN AMERICAN.

I believe in the United States of America as a Government of the people, by the people, for the people; whose just powers are derived from the consent of the governed; a democracy in a Republic; a sovereign Nation of many sovereign States; a perfect Union, one and inseparable; established upon those principles of freedom, equality, justice, and humanity for which American patriots sacrificed their lives and fortunes.

I therefore believe it is my duty to my country to love it, to support its Constitution, to obey its laws, to respect its flag, and to defend it against all enemies.

I do not hope to rival Mr. Page as the formulator of a creed, but have put down some of the thoughts that have risen to the surface recently when forced to contemplate the distraction of the public mind and the confusion in public thought. We are so apt to get away from the fundamentals, both in life and in government, that it is well to turn attention often to the great truths upon which all genuine Americans agree. When we do sincerely understand and devoutly feel the principles of the Declaration of Independence and of the Constitution of the United States and of the impelling forces in our history, then it is much easier for the warring factions in our political, social, and economic strife to discern and to cast aside nonessentials and to strive for the real and vital principles of American life and living.

It is therefore in this spirit and for this purpose that I respectfully and sincerely submit the following amplified

CREED OF AN AMERICAN.

I believe in the fullest and freest opportunity for every person to make of himself and for himself all that his talents, industry, and character can achieve.

I believe in the square deal for every section, in fair play for and by every lawful and useful group, interest, or class; but I believe in the paramount right of the whole people acting only by constitutional agencies and methods, to carry on and to accomplish our manifest and God-given destiny.

I believe in equal rights for all and special privileges to none, and if the curse of war must ever again fall upon our Nation, then in equal burdens for all and special profits to none.

I believe that every citizen owes his country a duty to fight its battles, and if age, strength, or sex should prevent actual fighting in the field, then such person should contribute equitably of his material wealth and resources to carry on the war to its successful conclusion.

I believe that a public office is a public trust and that such public office must never be employed as a private opportunity for personal gain.

I believe that every public officer should guard as sacred the power and political influence of his position just as he should guard the money and property intrusted to his keeping.

I believe that official power and political influence come from the people and still belong to the people, and should be exercised by individuals only for and in behalf of the people.

I believe that the public school is the nursery of the spirit of Americanism and of genuine democracy, and that the church is the saving influence for men here and hereafter, and that the home, unbroken and unbreakable, is the hope and promise of our national life.

I believe in the ultimate triumph of right over might and truth over falsehood, and in the constant and enduring power of this Nation, founded on liberty, justice, freedom, and democracy, to overcome all obstacles and to continue to lead all nations in the procession toward human happiness.

I believe that all reforms that the people sincerely desire can and should be accomplished by the ballot through constitutional and legal agencies, and that any resort to violence for any purpose is un-American and will be finally destructive of all hope for the happiness of the people of this and succeeding generations.

I believe that the majority has a divine right to rule, but that it may properly enjoy and exercise such right only by respecting the constitutional and legal rights of minorities and of every individual citizen.

I believe that when existing rights contravene the highest public welfare, it is then the right and privilege and duty of the requisite majority to modify or repeal such contravening rights and to reorganize the law to conform to the expanding and growing spirit of democracy.

I believe that impatience with the processes of constitutional and parliamentary government, by either or both extremes of the economic and social structure, is dangerous to fundamental Americanism, which rests upon the unquestionable right of the people to rule according to established procedure.

I believe that such political influence as is intrusted to certain citizens chosen to public office for fixed periods of time should be held in trust for the benefit of the whole people, and that such influence should never be exploited either during tenure of office or thereafter for the personal gain of the office-holder.

I believe that liberty under the law is essential to the life of the Republic and that disregard and defiance of law and of lawful authority will lead to chaos, confusion, and ruin.

I believe that genuine patriotism needs and demands a tolerant spirit, with charity for all and with malice toward none, and with a high resolve to do the right as God enables us to see the right.

I believe that our fathers wisely established ours as a Government of laws and not of men exercising arbitrary power according to one standard to-day and another to-morrow, but that the same law applies to the rich and to the poor, and that none is so high as to be exempt from its avenging power and none so low as not to feel its protection.

I believe that the essence of fair play and of the square deal requires that the Government in all its departments and agencies shall hear before it condemns, and shall proceed only upon inquiry and shall render judgment only after trial.

I believe that our dual system of government was wisely devised to insure the power and integrity of the Federal Government in all matters essentially national, but that personal rights and liberties, diverse interests, and varying needs of the constituent States are best preserved and promoted by reserving to the people of the several States the right and duty of self-government.

COST OF CERTAIN INVESTIGATIONS.

Mr. MACGREGOR. Mr. Speaker, I have been requested to make a correction in respect to a statement made on March 4, 1924, by the gentleman from Texas [Mr. BLANTON] with reference to the expenses of special investigating committees. On page 3555 of the RECORD of March 4 the following occurred:

Mr. BLANTON. I just want to remind the minority leader of what occurred when the Walsh subcommittee of the Graham committee went in a special train to the Pacific coast and lived up and down that Pacific coast for about two months. Whatever, if any, good came out of that investigation and of the $700,000 of the people's money that was spent?

Mr. GARRETT of Tennessee. I think the gentleman states a larger amount than was really expended.

Mr. BLANTON. It was between six and seven hundred thousand dollars.

The committee to investigate war expenditures, consisting of five subcommittees on aviation, quartermaster department, camps and cantonments, ordnance, and foreign expenditures, expended $149,788.22. The committee to investigate the United States Shipping Board operations cost $44,418.89.

Mr. HOWARD of Nebraska. Mr. Speaker, will the gentleman yield?

Mr. MACGREGOR. Certainly.

Mr. HOWARD of Nebraska. Is it the gentleman's object now to correct the RECORD or to correct the statement made by the gentleman from Texas [Mr. BLANTON]?

Mr. MACGREGOR. To correct the statement of the gentleman from Texas. The statement was made that the expenditures of these two committees were between six and seven hundred thousand dollars.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. MACGREGOR. Yes.

Mr. BLANTON. How much does the gentleman say that the Graham committee cost, with all of its subdivisions?

Mr. MACGREGOR. One hundred and forty-nine thousand seven hundred and eighty-eight dollars and twenty-two cents.

Mr. BLANTON. They are not the figures that the employees of the Appropriations Committee gave me last year, and I usually find that they are very accurate. Did the gentleman get his figures from the Appropriations Committee?

Mr. MACGREGOR. I got these figures from the Clerk of the House.

Mr. BLANTON. I suggest that if the gentleman goes into Mr. MADDEN'S office and gets his force to make him figures, he will find that that entire Graham committee cost a great deal more than the gentleman thinks it cost.

Mr. MACGREGOR. It could not have, because it had to come out of the contingent fund.

Mr. BLANTON. There were various subcommittees of the Graham committee. The Walsh committee was a subcommittee of the Graham committee.

Mr. MACGREGOR. Oh, no. That was a separate committee.

Mr. SNELL. That was an entirely separate committee.

Mr. MACGREGOR. The Shipping Board committee was the Walsh committee.

Mr. SNELL. It had nothing to do with the original Graham committee.

Mr. BLANTON. The way it was handed to me, the total figures of the investigation, I think, ran up between six and seven hundred thousand dollars.

Mr. MACGREGOR. The gentleman is mistaken.

Mr. BLANTON. The gentleman from New York [Mr. MACGREGOR] is correct. I did make the mistake of merging the expenses of committees and commissions when I mentioned that between six and seven hundred thousand dollars were spent on investigations. On getting the figures furnished me by the Appropriations Committee's office, I find that they embraced about $600,000 expended by the Coal Commission created by Congress, which investigated the coal situation, with the amounts which the gentleman says were expended, aggregating $799,418.89.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had passed without amendment the bill of the following title:

H. R. 3444. An act for the relief of certain nations or tribes of Indians in Montana, Idaho, and Washington.

GENERAL LEAVE TO PRINT.

Mr. GARRETT of Texas. Mr. Speaker, a number of Members desire to extend their remarks upon this bill, say, within 5 legislative days. Therefore I ask unanimous consent that all Members who wish to extend their remarks on the Muscle Shoals bill may do so within 10 legislative days.

Mr. JOHNSON of Washington. Mr. Speaker, will the gentleman make that five legislative days?

Mr. GARRETT of Texas. I have no objection to that, Mr. Speaker, and so amend my request.

The SPEAKER. The gentleman from Texas asks unanimous consent that all Members who desire to extend their remarks on the pending bill may do so within five legislative days. Is there objection?

There was no objection.

MUSCLE SHOALS.

Mr. McKENZIE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 518) to authorize and direct the Secretary of War to sell to Henry Ford nitrate plant No. 1, at Sheffield, Ala.; nitrate plant No. 2, at Muscle Shoals, Ala.; Waco Quarry, near Russellville, Ala.; and to lease to the corporation to be incorporated by him Dam No. 2 and Dam No. 3 (as designated in H. Doc. No. 1262, 64th Cong., 1st sess.), including power stations when constructed as provided herein, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 518, with Mr. MAPES in the chair.

The Clerk reported the title of the bill.

Mr. McKENZIE. Mr. Chairman, so that there may be no misunderstanding on the matter, what is the amount of time remaining for general debate? I think it was understood that the time would be equally divided to-day.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. MOORE] has remaining 1 hour and 37 minutes. According to the agreement which the Chair understood was made last evening, the gentleman from Illinois [Mr. McKENZIE] and the gentleman from Mississippi [Mr. QUIN] are to consume only that amount of time. That would make 3 hours and 14 minutes remaining of general debate.

Mr. QUIN. Mr. Chairman, I yield 15 minutes to the gentleman from Texas [Mr. GARRETT], a member of the committee.

Mr. GARRETT of Texas. Mr. Chairman and gentlemen of the committee, the discussion on this bill has taken a rather wide range. Considerable irrelevant matter has been brought into the discussion. Suggestions have been made that there is a possibility that out of this legislation there may come some sort of a legislative scandal. Some have referred to it in such manner as if they feared that it may become akin to the Teapot Dome controversy that has occupied so much time of the other legislative body of the Congress. There is no excuse for any Member of this House to misunderstand this proposition in any particular whatever. It has been published broadcast to the world, hearings for months were had before the Committee on Military Affairs concerning the proposition, and, Mr. Chairman, there are no secrets connected with this piece of legislation whatsoever. No man has come before the Committee on Military Affairs who did not disclose fully

his identity. The gentleman from Iowa [Mr. HULL], for the lack of something else better to say, after having abandoned his leadership of this great project, referred to certain individuals as promoters and said that they were the powers who were moving about this Capitol and who were behind this legislation. Colonel Worthington, one of the men he spoke of, has made no secret of his interest in this matter. He has represented the waterways of that section of the country for a long time, for many years. He is vitally interested in water-power development and waterway improvement of the Tennessee River as provided for in this very bill. Mr. Silver, the other promoter that he referred to, stated openly and above board before the committee that he was the representative, the paid representative, if you please, of the farm organizations of this country, and that the only interest that he had in this legislation was that part of the legislation affecting the fertilizer end of the transaction, and that all other matters pertaining to the bill were left open to Congress and to the committee—he had no interest in it more than any other private citizen of the country. So that dismisses that. Now, Mr. Chairman, a great deal has been said here concerning the water-power end of this proposition. I wish to say that personally I am not so much concerned about the water-power feature of it, because I know the very fact that the great water powers of this country have already been developed and their usefulness to mankind so fully demonstrated that they will go on being developed through the coming years, as the necessities of the people may require, whether Mr. Ford gets Muscle Shoals or whether he does not get Muscle Shoals. But the part of this bill that has interested me most from the beginning and that interests me now more than anything else connected with it is the provision providing for the manufacture and distribution of cheaper fertilizer for the farmers and truck growers of these United States. One may say, Why do you, representing far-away Texas, hundreds and hundreds of miles removed from the scenes of Muscle Shoals, why should you be so much concerned about whether or not the farmers of this country should have fertilizers at half price? Well, there are a great many reasons. May I not recall those days long gone when I was a constituent of my good friend JOSEPH W. BYRNS of Tennessee? I was born and reared on the farm in a county where every farmer practically in it used fertilizers, and, as the gentleman from Illinois [Mr. MADDEN] said before our committee in a statement that I commend to the consideration of every Member of this committee and of this House, to those of us who were born and reared upon the farm there is ever a voice calling us back again, and in the consideration of legislation of this kind I can see the tired farmer not only of my own beloved State of Texas but I can see them back yonder in old Robertson County, Tenn. Yes, Mr. Chairman, I can see them in all of those good old hill counties as they return home at eventide, tired and weary after a long, long day of arduous toil, and my heart and sympathy goes out to them, and the man is ill informed who does not know to-day that these consumers of commercial fertilizer are in the hands of one of the most merciless trusts that exists in this country. [Applause.]

Mr. MADDEN. I wonder if the gentleman will allow me to make a suggestion as to how Texas could benefit. Last year $80,000,000 worth of nitrates from Chile were imported to the United States, on which $24,000,000 export tax was paid, and if we can cut the cost of nitrates in fertilizers to eliminate that Texas will get some benefit. [Applause.]

Mr. GARRETT of Texas. The gentleman is entirely right. Not only that, I will say to the gentleman from Illinois, but I go further than that. I can remember the time, when I was much younger than I am to-day, when it was said, "Go to Texas." Farmers back in my native State and the young men were advised there and everywhere to go to Texas, where the soil was so rich that it would never wear out, where you could plant one crop after another with no thought of depleting the soil, but the Members of our delegation to-day in the House of Representatives I am sure will agree with me that while we yet have unnumbered millions of acres of the richest land to be found in all the country, yet there are portions of our State where our lands are becoming much depleted from the continuous growing of crops and that our farmers are not only using commercial fertilizer to-day but that we are going to be compelled to use much more in the years to come. There are not a great many people who stop to consider that land has certain component parts of plant life—nitrogen, phosphoric acid, phosphates, ammonia—and that whenever these properties become exhausted in the land, it matters not where it is, that land is dead in so far as plant food and plant life is concerned, and it has to be rehabilitated by these commercial fertilizers. Now, we can not tell the people out yonder on the hills and in the valleys of Tennessee, Virginia, Alabama, the Carolinas, and all of those States that grow tobacco—you can not tell those people to go to some other country where they will not have to use fertilizer. They have to stay where they are, they can not abandon their homes and all that is dear to them because their lands are becoming worn from continuous toil. If they are to rehabilitate their land and make it fertile again they must have cheap fertilizer, and that is what this bill will bring them.

Mr. HULL of Iowa. Will the gentleman yield?

Mr. GARRETT of Texas. I will.

Mr. HULL of Iowa. There is no controversy about the necessity of fertilizer, but has the gentleman read the Union Carbide offer to take plant No. 2 and manufacture fertilizer at a profit of 5 per cent where Ford wants 8 per cent?

Mr. GARRETT of Texas. Yes; I will say to the gentleman that I am familiar with that kind of propaganda that has come before our committee since this Congress convened.

But I want to remind the gentleman from Iowa that when his Secretary of War advertised to the world for somebody to come and take Muscle Shoals off the hands of this Government, Henry Ford was the only man in all the world that came forward and made a proposition to the Government. [Applause.]

Mr. HULL of Iowa. Does that obligate us to make a contract with Mr. Ford when we have a better offer now?

Mr. GARRETT of Texas. No; but when the company that the gentleman represents on the floor of this House——

Mr. HULL of Iowa. What company is that?

Mr. GARRETT of Texas. The Alabama Power Co.

Mr. HULL of Iowa. Oh, the gentleman is wrong. The gentleman knows better than that.

Mr. GARRETT of Texas. The gentleman has introduced their bill.

Mr. HULL of Iowa. I introduced it for the information of the House, and the gentleman knows very well that when he states that he states an untruth.

Mr. GARRETT of Texas. I will say to the gentleman that I did not intend to misrepresent him, or to put him in a false light, but there is a saying that, "By their fruits ye shall know them." [Applause.]

Mr. LAGUARDIA. Does that apply to the Henry Ford crowd?

Mr. GARRETT of Texas. If the gentleman desires recognition he might address the Chair and ask me to yield.

Mr. LAGUARDIA. As to the maxim just quoted, would not that apply to the Henry Ford interests?

Mr. GARRETT of Texas. It applies to all the activities of mankind. And another thing I will say to the gentleman that we are not ashamed to gather the fruit from the tree that we represent. [Applause.]

Mr. LAGUARDIA. Mr. Chairman, will the gentleman yield?

Mr. GARRETT of Texas. Yes.

Mr. LAGUARDIA. So there are fruits to be gathered?

Mr. GARRETT of Texas. Well, if the gentleman does not understand figurative language I shall have to let him ask some one who does.

Mr. LAGUARDIA. I come from a race of people who are celebrated as a people of poetry.

Mr. McSWAIN. What race is that?

Mr. LAGUARDIA. The race that has brought civilization to the world.

Mr. GARRETT of Texas. I do not want this to be taken out of my time, Mr. Chairman.

This is a proposition we are to vote up or down. It is an offer of Mr. Ford to the Government to take over Muscle Shoals—to maintain nitrate plant No. 2 in stand-by condition for the use of the Government in time of war and to be used in the production of fertilizer for the farmer and truck grower in time of peace at greatly reduced price, and may I say it is the only proposition submitted to your committee that fully meets the requirements set forth in the national defense act, under which the great project at Muscle Shoals was inaugurated. I mean no disrespect to the gentleman from Iowa. I want him to understand that now, because he knows there were some things about the Ford proposition that I did not like and that he did, and I largely followed his leadership on the Committee on Military Affairs on this subject in the last Congress, but when I came back to this Congress I found he was gone, and I said, "Where is my leader, Mr. HULL? What is the matter with him?" And they said, "He has a better proposition now."

When did you get the better proposition? In the last Congress the Alabama Power Co. never raised its hand against the Ford offer except as it affected its interest in the Gorgas steam

plant. Although it did not have the law on its side, and after that company bought the Gorgas steam plant under a most unconscionable contract written against the interest of this Government and got its hands on that, then it decided that Henry Ford should not have Muscle Shoals.

Mr. HULL of Iowa. Mr. Chairman, will the gentleman yield right there?

Mr. GARRETT of Texas. Yes.

Mr. HULL of Iowa. You know very well that the Alabama Power Co. always had title to the Gorgas plant.

Mr. ALMON. The land on which it was built.

Mr. HULL of Iowa. That is the title.

Mr. ALMON. The Government paid for it, every cent.

Mr. GARRETT of Texas. I know this: I know that the Alabama Power Co., according to your Attorney General, had a contract; yes, and according to the opinion rendered by the Judge Advocate of the United States Army, had a contract that was null and void.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. GARRETT of Texas. Have you any more time left?

Mr. QUIN. I have not any time.

Mr. MORIN. Mr. Chairman, I yield 20 minutes to the gentleman from New York [Mr. LAGUARDIA].

The CHAIRMAN. The gentleman from New York is recognized for 20 minutes.

Mr. LAGUARDIA. Mr. Chairman, if this bill is to be passed by this House I believe it will be necessary to change its title. It should be entitled "A bill to make Henry Ford the industrial king of the United States."

Mr. STENGLE. He is already that.

Mr. LAGUARDIA. I would be ashamed to admit it. And for the purpose of carrying out the provisions in this bill it should read, "*Be it further resolved*, That it is necessary to bunco the farmers of Amercia."

I want to say that no Member of this House can intelligently register his vote unless he has read from beginning to end the scholarly, logical, concise presentation of the case made by the gentleman from Ohio [Mr. BURTON] on yesterday. I would sooner have to my credit the record of the gentleman from Ohio in his labors and efforts for the conservation of the natural resources of this country than all the ill-gotten millions of Henry Ford. [Applause.]

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. LAGUARDIA. In just a moment, please, I have only a few minutes, and later on, if I get further time, I shall be glad to yield.

Mr. BLANTON. Will you elucidate the "ill-gotten gains" feature?

Mr. LAGUARDIA. Yes; in a moment.

Much has been said about the personal guaranty of Mr. Ford. Mr. Ford's lawyers took care that there would be no personal guaranty in the bill, and the attention of the committee is called to page 2, lines 1 to 8. It is not necessary to be a constitutional lawyer to understand that very plain language. A first-year law student could tell you that there is no guaranty. Let me read the section:

> For the purpose of carrying out the terms of this agreement, Henry Ford will form a corporation (hereinafter referred to as the company) with a capital stock of $10,000,000, or more, of which at least $10,000,000 shall be paid in, in cash, to be controlled by Henry Ford, which company will immediately enter into and execute all necessary or appropriate instruments of contract to effectuate this agreement.

Reference was made as to who wrote the minority report. It is a matter of indifference to me who wrote the minority report, but if you want to know who wrote the bill that you are asked to vote on, then simply look at the majority report on pages 8 to 13 and you will see that the language of the bill is verbatim the language of the Ford offer. Henry Ford wrote this bill, and you can not get away from that. And he has told you that you must pass it just as it is written. Of course, it had to be, as my genial friend from Texas has said, because Henry Ford said to the Congress of the United States, "You will pass this bill as I wrote it, or I will not sign the contract."

Mr. McDUFFIE. Mr. Chairman, will the gentleman yield?

Mr. LAGUARDIA. Just as soon as I get time from the gentleman from Mississippi [Mr. QUIN] I will yield.

Now, gentlemen, the point that is urged in support of this measure is the great possibility of obtaining fertilizer; and yet not one Member who spoke in favor of the bill has given this House any definite information as to the cost of the fertilizer or the quantity that may be produced. What assurance have you that the farmers are going to get cheap fertilizer? What method of manufacture is Mr. Ford going to use? What formula is he going to follow? You have been given no information about these very important matters. What experience has Mr. Ford in the manufacture of fertilizer? I venture to state that Mr. Ford would not understand a formula if he saw one. All this talk about fertilizer is simply a camouflage justification for the passage of this bill. You have the poor farmer thinking that he is going to get cheap, powerful fertilizer, and yet we have heard Ford speeches, political speeches, stump speeches, but nothing definite, concrete on the matter of the manufacture of fertilizer by Henry Ford at the Muscle Shoals plant.

Let me again refer to the speech of the gentleman from Ohio [Mr. BURTON]. He patiently labored here yesterday with authentic information concerning the development of the manufacture of fertilizers. He presented in plain understandable language the scientific advancement in chemistry, meeting the needs of the world for fertilizer. I want to join with the gentleman from Ohio in paying tribute to the Department of Agriculture for their research work and preparation to keep abreast of the times. This great department should be given an opportunity. And if you want to help the farmer really, substantially, then let us turn over plant No. 2 and such parts of Muscle Shoals as is necessary to the Department of Agriculture. That is the way to beat the Fertilizer Trust. That is the way to help the farmers. That is the way to protect the interests of the American people.

I challenge the champions of this bill, in closing this debate, to point out any evidence presented to the committee or any reliable information presented to this House as to the cost of fertilizers.

Let me point out the cost of production you are guaranteeing to Mr. Ford. You give him 8 per cent of the annual cost of production; and that cost of production, as every business man knows, includes overhead, taxes, interest on capital, sinking fund on investment, depreciation, insurance, and legal expenses. All this will be included in the "cost of production" provided for in the bill. On this you give Henry Ford 8 per cent additional. Mr. Ford, with an investment in this enterprise of only $15,000,000—the $5,000,000 he is to pay to the Government in five annual installments and $10,000,000 invested in the corporation—will produce with the facilities of a $100,000,000 plant and receive above all his carrying charges 8 per cent on the total cost of production—8 per cent of the cost of the production of fertilizers, mark you, in addition to his annual contribution to the sinking fund, to pay for the Government property. In other words, the farmers will pay Henry Ford's cost of the plant and 8 per cent profit in addition. On Ford's investment, if he should decide to manufacture fertilizer, he will make many times 8 per cent annually on the amount of money paid into the company.

Talk about profiteering and it is right here under your nose, and yet you come on the floor of this House and you say what you are going to do for the farmer in the way of giving him fertilizers.

I want to make my position clear on this. I am not for the Alabama Power Co. offer, and I am not for the operation of this great plant by anyone or any corporation except the United States Government. [Applause.]

The magnitude of this great hydroelectric plant, perhaps, is not realized by many. It will some day. Is it generally understood that the Government must complete the work for Mr. Ford or rather that Mr. Ford will do it and the Government pay for it? Is it generally understood that Mr. Ford will not pay the Government the cost of the dams and the plant, but that he will simply pay 4 per cent of what the Government spent since May 31, 1922, and the millions of dollars spent prior to that period is practically a gift to Mr. Ford? With the exception of the $5,000,000 paid in five annual installments, the sinking fund provided in the bill will represent an infinitesimal percentage of the cost to the Government of this gigantic plant. I have before me a construction bulletin dated November 1, 1923, issued by Hugh L. Cooper & Co., consulting engineers, of New York City. Every Member of this House should read this report to glean an idea of the vast, enormous, gigantic proportions of this plant. You will find interesting data in this report. Let me read it to you; it is not very long:

> The development of water power and the improvement of navigation in the Tennessee River at Muscle Shoals have been under consideration for many years. The rapid advance in recent years in the hydroelectric art and the extraordinary demand for electric power caused a serious and broad study of this power proposal to be made in 1907. Since then various plans for private or Government development of the potential electric power at Muscle Shoals have been made.

In the Federal plan for the development of navigation and power from the Tennessee River there are required three dams and locks, officially designated as Dams Nos. 1, 2, and 3, located as shown on accompanying map, page 4.

Dam No. 1, including a lock, is located about 3 miles below Dam No. 2 and is purely a navigation development.

Dam No. 2, known as the Wilson Dam, is now under construction and is about 55 per cent completed. This installation, when finished, will cost about $50,000,000, excluding interest during construction. This power plant, with the Tennessee River unregulated, will supply approximately 700,000,000 kilowatt hours of primary power per annum and 1,490,000,000 kilowatt hours of secondary power per annum. Navigation locks are included in this development.

Dam No. 3 is a proposed water-power and navigation development located about 20 miles upstream from Dam No. 2. This project is estimated to cost about $25,000,000, including the locks, and using the unregulated flow of the Tennessee River is estimated to supply 285,500,000 kilowatt hours of primary power per annum and 608,000,000 kilowatt hours of secondary power per annum.

Early in 1918 the development of Dam No. 2 was undertaken by the United States Government as an aid in the manufacture of nitrate to be used in munitions during war periods and in fertilizer in peace times. The construction activities have been continuous and on a broad scale except for two periods of suspension, the first being for the last half of 1918 and the other from April, 1921, till July, 1922.

The construction work was started by Hugh L. Cooper, at that time a colonel of Engineers, United States Army, who was ordered home from France for this purpose. Sixty days later, having made general plans for the project and started the work, he was ordered back to France.

This installation, known as Dam No. 2 and officially called the Wilson Dam, is being built under the direction of Maj. Gen. Lansing H. Beach, Chief of Engineers, United States Army, with Brig. Gen. Harry Taylor, Assistant Chief of Engineers, United States Army, immediately in charge.

On May 21, 1920, the Chief of Engineers made a contract in which Hugh L. Cooper & Co., consulting engineers, were employed as the designing and supervising engineers for the entire project.

This work has at all times been carried on by day labor, and all of the construction forces since May, 1923, have been directed by Lieut. Col. George R. Spalding, United States Army. The responsibility for the cost of the works and time of completion rests with the War Department of the United States. Barring unexpected difficulties in the future, the works should be ready for the commercial operation of eight units, a total of 260,000 horsepower of capacity, by October 1, 1925.

The total length of the proposed structures across the Tennessee River at Muscle Shoals will be about 4,500 feet. The power house, abutting the south shore and forming a part of the dam, is 1,250 feet long. The dam or spillway section extends from the north end of the power house to the lock and is 3,050 feet long. The upstream end of the lock extends from the north end of the dam to the north shore, a distance of 200 feet.

Power house: The power-house structure is 1,250 feet long and 160 feet wide. Its total height is 134 feet. The substructure is monolithic concrete, while the superstructure is reinforced concrete, with a steel-trussed roof. Eighteen power units will be installed ultimately. There will be four 30,000-horsepower units and fourteen 35,000-horsepower units—a total of about 600,000 horsepower. Four complete units of 30,000 horsepower each are now being installed, and bids are soon to be requested for four additional units of 35,000 horsepower each.

Dam: The length of the dam proper is 3,050 feet. It is 95 feet high from the river bed to the crest, and 140 feet high from foundation to the level of the operating bridge, and is 105 feet thick at the base. The top of the dam is a floodgate operating bridge which may be used for highway purposes.

Locks: Two locks, one immediately above the other, each having a lift of 46 feet 6 inches at mean stage, and each 60 feet by 300 feet inside dimensions, having a miter sill clearance of 7 feet 6 inches, are being built at the north end of the drum and abutting the north shore.

GENERAL STATEMENTS.

This entire project calls for 1,350,000 cubic yards of masonry. This is the greatest quantity of masonry required by any hydraulic development hitherto built, not excluding the famous dam on the Nile at Assouan, Egypt.

This water power, when the total 600,000 horsepower of machinery has been installed and is utilizing the natural, unregulated flow of the Tennessee River, will produce on the average 700,000,000 kilowatt hours of primary power per annum and 1,490,000,000 kilowatt hours of secondary power per annum. Primary power is power which is available every hour of every year. Secondary power is power that is available a fraction of the year only. This fraction at the Wilson Dam will vary from a minimum of 90 days to a maximum of nearly 365 days. A kilowatt is 1⅓ horsepower.

This total amount of power will effect, if used for ordinary commercial purposes, a saving of about 3,500,000 tons of coal per annum.

When the flow of the Tennessee River is equalized by the construction of commercially feasible water powers and storages in the headwaters of the river, the average annual electric power from this project should be increased about 30 per cent.

The pool created by this dam will be about 18 miles long and have an average width of about three-quarters of a mile.

The operating head will vary from a maximum of 95 feet to a probable minimum of 70 feet.

Excess water not required for power purposes and flowing over the top of the dam will be controlled by 58 steel gates, each 38 feet long by 18 feet high, these gates to be operated by a control system which will permit one man to open or close all of the gates in two hours, thus securing the most dependable flood regulation. These gates are designed so as to discharge up to 950,000 cubic feet of water per second. This 950,000 cubic feet of water per second is three times the maximum discharge of the St. Lawrence River in its international section.

The foundations for all of these works is a very hard blue limestone. The foundation strata have been carefully examined and thoroughly tested throughout the entire length of the dam, power house, and lock system and found entirely satisfactory. Exploration holes, varying in depth from 40 feet minimum to 100 feet maximum, have been driven for every 20 feet of length of the structures to show the character of the foundations. The plans followed for the testing of these foundations have so thoroughly revealed the character of the rock supporting all of the structures as to remove all possible doubt as to their sufficiency.

Dam No. 2 and all of the water-retaining works are what is known as the gravity type of construction, meaning structures which depend primarily on their own weight for their ability to resist overturning or sliding on their foundations. This type of construction has been in successful use for centuries and is now considered in conservative engineering to be the most dependable design where permanence, heavy duty, and low cost of maintenance are required.

In general, reinforced-concrete construction throughout Dam No. 2 has been followed only where exterior surfaces immediately adjacent to reinforcing rods can be maintained waterproof throughout operating conditions, thereby relieving the reinforcement of the deterioration that always follows where waterproofing can not be perfected and maintained.

The Wilson Dam, when completed, is expected to represent the highest commercial efficiencies and the lowest costs of operation known to hydroelectric engineering at this time.

These figures answer fully and completely the statements made by gentlemen on the floor of this House yesterday about the meager horsepower available. Here is the engineer's report, which shows the absurdity of the statement that Mr. Ford would have insufficient horsepower left over after manufacturing fertilizer to generate electrical power for distribution. Do you not see at a glance that, assuming that Mr. Ford will manufacture fertilizer, the potential power of this plant is of such gigantic size as to generate sufficient electricity to turn the wheels of industry for hundreds and hundreds of miles.

Now, then, another point which has been emphasized is the necessity of having this plant in reserve as an emergency to produce explosives in the event of war. That point can not be overemphasized, and yet you are willing to place in the hands of one individual the supply of explosives at a time when this country may be in danger.

Mr. MADDEN. That is not so.

Mr. LAGUARDIA. I am coming to that.

Mr. McSWAIN. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. McSWAIN. Does not the bill, which the gentleman claims to have read, provide that the Government may take it over on five days' notice?

Mr. LAGUARDIA. Exactly, and let me point out to the gentleman that the bill first provides that the Government must turn over the plant to Mr. Ford complete, and if it has removed any of the equipment it must replace that equipment; that is section 13, page 9, lines 18-22. Then it provides that Mr. Ford—now, get this—shall keep plant No. 2 as he receives it, capable of turning out nitrates in case of war, but you have nothing in this contract guaranteeing the performance of that covenant, and in the contract you have no forfeiture if he fails to so keep up the plant, and you have no penalty if he fails. What a sorry situation, if, in the time of need, we found that the plant was not in such condition.

Mr. McSWAIN. Does not the gentleman recall that the bill provides that any officer of the United States—which includes an ordnance officer—shall have access to that plant at all times, and that clause 19 gives the Federal court power to declare a forfeiture and revert the title to the United States at any time in the event of failure in any respect to perform all the conditions of the contract? [Applause.]

Mr. LAGUARDIA. The gentleman knows that the contract does not provide for a forfeiture. What we need in time of war is nitrate, not a lawsuit in the courts.

Now, gentlemen, I say that the one person in the United States who can not be intrusted with such an important plant in the case of war is Henry Ford, and I say that on his own war record. [Applause.]

Why, perhaps when the Government, at a time of impending crisis, gives the five-days' notice to Henry Ford, he may be on a ship with some Roszika petticoat, trying to get the boys out of the trenches; and the only boy Henry Ford ever got out of the trenches was his own son, and the gentleman knows that. [Applause.]

Mr. McSWAIN. Will the gentleman yield further?

Mr. LAGUARDIA. Yes.

Mr. McSWAIN. Does not the gentleman admit that Henry Ford put all of his enormous industries at the disposal of the Government in time of war for the purpose of turning out war supplies, and without profit, contrary to the practices of the country generally?

Mr. LAGUARDIA. Without profit? I should say not. Where did the Ford millions come from? Compare Ford's fortune prior to 1917 and subsequent to 1919, and you will find out how much he contributed to this country without profit. Not a cent. The only form of contribution was made by Henry Ford's publicity agents.

Why, the idea of giving a plant of such importance to such a man, especially when the Secretary of War states that we must depend upon that plant to furnish the ammunition necessary for 1,000,000 men in action. Yet, in spite of all that, you want to turn it over to Henry Ford. If you do that, gentlemen, every treaty will have to be submitted to him for his approval; every communication to a foreign government, in the event of a crisis, will have to be submitted to him for his approval, and then when you go there to get your plant, who knows in what condition you will find it?

Let me read what the Secretary of War says about that, and may I ask my regular Republican colleagues for their attention. In a letter in reference to the Muscle Shoals proposition and the Henry Ford contract, dated January 30, 1924, from the Secretary of War, the Hon. John W. Weeks, to the Hon. GEORGE W. NORRIS, Chairman of the Senate Committee on Agriculture and Forestry, the Secretary said:

> There is, however, in the offer no security for the performance of this obligation other than the promise of the contractor and the remedy provided for in section 18. It is my opinion that a specific provision should be made that in case Mr. Ford or his company fails to live up to this provision of the contract or the provision for the production of fertilizer, that nitrate plant No. 2, the Waco Quarry, and the Black Warrior power plant shall revert to the United States and that the United States shall be entitled to cancel and terminate the leases of the dams and power plants covered by the proposal. The importance of nitrate plant No. 2 and the Waco Quarry to the defense of the United States is indicated by the fact that as they now stand they would furnish sufficient nitrogen for two field armies, or 1,000,000 men. It is therefore of the utmost importance to the national defense that this plant or its equivalent be ready for immediate operation in case of war. By the terms of the Ford offer and the bill under consideration title to nitrate plants Nos. 1 and 2 and to the Waco Quarry will pass to Mr. Ford or his company. It is true that in section 12 it is provided that the deeds conveying these properties "shall refer to or contain the provisions of this offer, and said deeds shall be so drawn as to make such provisions covenants running with the land." I believe that the importance of this feature of the contract is such that every possible safeguard should be placed in the contract to insure compliance therewith and that there should be added to the last-quoted provision the words—
>
> > "and such deed shall also provide that in case the grantee shall fail to operate said nitrate plant No. 2, as provided herein, or shall fail to maintain the same in its present state of readiness, or its equivalent, for immediate operation in the manufacture of materials necessary in time of war for the production of explosives, or if said grantee shall fail to comply in any other respect with the terms of the contract between the United States and Henry Ford, or his company, as evidenced by his offer of May 31, 1922, and its acceptance by Congress, then the title and right to possession of said nitrate plant No. 2, the Waco Quarry, and the Black Warrior power plant shall immediately revert to and revest in the United States of America, and the United States shall be entitled to a cancellation and termination on the lease or leases to Dams Nos. 2 and 3 and their power plants."

Mr. BLANTON. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. BLANTON. The gentleman wants to be fair, and if he does he must admit this: That Henry Ford is the only man in the whole United States who has ever built an automobile within the reach of the common farmer of the country.

Mr. LAGUARDIA. Yes; and when you buy a Ford automobile it is like eating in an automat restaurant—you pay more for what you get than in any other restaurant in the country.

Mr. BLANTON. You get more for what you pay than for anything else in the country. [Applause.]

Mr. LAGUARDIA. The only thing which impresses you gentlemen about Henry Ford is his wealth, his fortune. You are bowing to money, and that is the only thing which Henry Ford has to recommend himself to you. And if you pass this bill you should replace that flag on the wall of this House with a great big dollar sign.

Mr. BLANTON. The only thing I do not like about Henry Ford is his rotten politics.

Mr. LAGUARDIA. Very good, and the 10 Members from Alabama, and you all from the South, if you pass this bill, will have to go to Henry Ford to get his O. K. for renomination. [Applause.]

Mr. GARRETT of Texas. Will the gentleman yield.

Mr. LAGUARDIA. Yes.

Mr. GARRETT of Texas. The gentleman says that Mr. Ford, if he has this proposition of maintaining nitrate plant No. 2 for war purposes, can not be trusted.

Would the gentleman rather trust plant No. 2 in the hands of a company a majority of whose stock is owned by foreign interests than to Henry Ford?

Mr. LAGUARDIA. The gentleman heard me say that this proposition is so important that no private company ought to own and operate it. It ought to be controlled and operated by the Government of the United States.

Mr. GARRETT of Texas. Then the gentleman is for Government ownership?

Mr. LAGUARDIA. Absolutely; and I am consistent about it. I could not come before this House with the stand I have taken on bills that have been brought before us, otherwise than to be for Government operation of this enormous plant.

Mr. McSWAIN. Will the gentleman yield now?

Mr. LAGUARDIA. Yes.

Mr. McSWAIN. Does not the gentleman admit that Henry Ford is the one conspicuous man in this Nation who has defied the combined financial powers of Wall Street and licked them to their knees, and that is the reason they are now fighting him?

Mr. LAGUARDIA. Why, they are not fighting him. Every big financial interest, I will say to my friend, that has been opposing the municipal operation of electric power and heat and water plants and all the railroads are hoping you will pass this bill in order to stop the future development of Government operation of public utilities. You are putting back the progress of government 100 years by presenting this bill and passing it.

Mr. McSWAIN. And do they not hate Henry Ford more than they hate Government public-utility ownership?

Mr. LAGUARDIA. The only man who has hatred in his heart is Henry Ford, based on his ignorance of history, literature, and religion. [Applause.] And Henry Ford has done more, I will say, owing to his bigoted hatred, to create strife and hatred in this country among the races than any man in the United States.

And I will say that the wealth and ignorance of Henry Ford combined has made it possible for vicious men to carry on a nefarious warfare against the Jews, not only of America, but of the whole world, and it has been said and I can understand how this vicious, inhuman, un-Christian campaign did reach the other side, and its result we see in the pogroms of innocent, helpless Jews in 1919 and in 1920 in parts of Europe. Deny that, if you can. The gentleman suggested hatred, and I had to tell you where there was hatred.

I am against this proposition. You are turning over this $100,000,000 worth of property, and you know you are doing it, and placing every industry, every factory within a radius of 500 miles at the mercy of Henry Ford. You do not control the price of power. You do not regulate how he shall sell and distribute this power. You simply turn it over to him, which is an admission that out of 110,000,000 citizens in this country you have but one man whom you can trust with this very important plant.

Mr. McDUFFIE. Mr. Chairman, will the gentleman yield?

Mr. LAGUARDIA. Certainly.

Mr. McDUFFIE. For the gentleman's information, the minute Henry Ford sells power in Alabama he becomes subject to the Alabama public-service commission and its regulations. Now, what would the gentleman have the Congress do with that great plant down there?

Mr. LAGUARDIA. That is a fair question. I would have the Congress recommit this bill, I will say to the gentleman,

and have the Government complete the plant and operate it as I have stated before.

Mr. McDUFFIE. I know that.

Mr. LaGUARDIA. One moment. I would carry on the same completion of the work you have to do under this bill, at Government expense, and I would give the Department of Agriculture, with its splendid chemical and scientific staff, the opportunity to go down there and make fertilizer for the farmers, and I would have that always under the supervision and control of the Ordnance Department to use in case of need.

Mr. McDUFFIE. The gentleman simply believes in the Government operating this plant.

Mr. LaGUARDIA. Absolutely.

Mr. BLANTON. Will the gentleman yield for a further question?

Mr. LaGUARDIA. I will yield to the gentleman, although my time is about up.

Mr. BLANTON. Then the gentleman, if I understand him, would have the Agricultural Department go out and buy farms and raise cotton?

Mr. LaGUARDIA. Not at all. This question of fertilizer, as the gentleman knows, is so fundamental, and this opportunity down there is so great, that you can not afford to turn it over to Henry Ford. Why gentlemen, this proposition makes the Teapot Dome look like petty larceny. [Applause.] You can not get away with it, and I consider it a stupid blunder. The difference between Teapot Dome and this proposition is that in the case of Teapot Dome you can at least go into a court of equity and set aside the conveyance because it was based on fraud, but here we have this stupid blundering put into an act of Congress. You have this contract written into the statutes of the United States, and in a few years from now, when you realize what you are doing, it will be too late, and Henry Ford will be the absolute industrial king of the South for 100 years. You can not get away from that.

Mr. HOLADAY. Will the gentleman yield?

Mr. LaGUARDIA. Certainly.

Mr. HOLADAY. I have been attracted by the gentleman's solicitude for the farmers. May I inquire whether the gentleman has a single farmer in his congressional district?

Mr. LaGUARDIA. I will reply to the gentleman that I have great solicitude for the farmers because I have consumers in my district, and as long as the farmer of this country is getting the raw deal that he is and is getting buncoed by Congress, the price of food is bound to be so high that in my district hard-working wage earners can not afford to keep their families properly. That is my interest in the farmer. This idea of keeping the city and the farmer separated, of course, is engineered as a result of propaganda by those who profit on both—including Henry Ford.

The quicker we get the city and the farmer together the better it will be for the whole country; but when you call in Henry Ford and turn over to him $100,000,000 worth of property of the United States for $5,000,000, with no strings on it at all and with no regulatory supervision over it, then the day will come that you will rue your action, and the farmer, as usual, will suffer.

Mr. HOLADAY. Does the gentleman understand this property is worth $100,000,000 to-day?

Mr. LaGUARDIA. I certainly do.

Mr. HOLADAY. Has the Government received any offer anywhere near that figure?

Mr. LaGUARDIA. There is nothing to compel the Government to give it away except the stupidity of Congress. [Applause.]

Mr. HOLADAY. Do you not know the Government engineers have reported it is only worth $16,000,000?

Mr. LaGUARDIA. No such thing. Read the report of the majority.

Mr. HILL of Maryland. That is the scrap value.

Mr. LaGUARDIA. Why, of course; and the gentleman knows it. There is not a man or a corporation in the country that would not take a hundred million dollar plant for the terms offered by Henry Ford. I noticed that all the gentlemen speaking in favor of this Ford proposition have "soft-pedaled" on the value of the plant.

I want to say a word to my progressive associates. We have had many battles against special interests and powerful financial interests. Yet this is one of the most brazen, arrogant attempts of the power of money to usurp the power of government and to rob the people of a great natural resource that God Almighty intended should be enjoyed by them and not controlled by Henry Ford, to be parceled out as he sees fit. How can we consistently stand on our program of the Government control and operation of public utilities; how can we fight for greater regulatory powers over the railroads, if not actual operation; how can we urge legislation for Government warehouses and marketing facilities, if we accept this shameful proposition?

The one tie which has bound progressives is our fight for the conservation of natural resources and our stand against exploiting corporations and privileged interests grabbing these resources at huge profit to themselves at the expense, loss, and suffering of the people. Let me give an illustration: The two engineering feats which may be compared to Muscle Shoals are the Niagara water power and the Panama Canal. The Niagara power grabbed by greedy, selfish corporations, assisted by favored legislation and the gift of nature, this great water power is turned into dividends for these companies, and the people must pay excessive rates for power, current, light, and heat. Panama Canal, on the other hand, stands as a monument to Government operation. That great undertaking, carried out by the War Department and now operated by the Government, is enjoyed by the whole world in general and by the people of America in particular. Imagine Panama Canal operated by the power companies of Niagara or Henry Ford, do you not see that it would result in the control of intercontinental commerce? Just as the private operation of the Panama Canal would give its possessor the key to commerce, so will Muscle Shoals give Henry Ford the key to the industry and manufacturing of the South.

You have heard told here the history of the fight for the conservation of the natural resources. You are all familiar with the Federal water power act. How can we in the face of that beneficial act which took years of struggle and fighting to write on our statute books vote for this proposition?

We are reminded of one of the first acts toward the conservation of natural resources and the first step which finally ended in the enactment of the Federal water power act, of the opposition at every phase of the great fight which lasted for years to bring about this legislation. A bill was introduced in the Sixty-second Congress, known as Senate bill 8033, to authorize the Connecticut River Co. to relocate and construct a dam across the Connecticut River, in the State of Connecticut. This bill, I learn, was one of the first measures which tended to utilize water power and at the same time provide safe navigation on our waterways.

Enemies of conservation of natural resources, the friends of corporations controlling public utilities, saw the danger in the first step toward protection of the public in this bill and fought it inch by inch. The distinguished gentleman from Ohio [Mr. BURTON], then in the United States Senate, championed the bill and fought for its enactment as originally reported just as he is fighting against the measure now under consideration. But if you will look up the debate on that bill, in the CONGRESSIONAL RECORD of the third session of the Sixty-second Congress, on February 17, 1913, you will see that the bill was so emasculated with amendments as to destroy its very purpose, take every feature of conservation from it, and give the company the absolute control of the ways and the power and deprive the people of their just enjoyment of that waterway. My Progressive associates, I want to call to your attention that the great leader of progressive ideas in this country, Senator ROBERT LA FOLLETTE, voted against every amendment introduced for the purpose of destroying the real intent of the bill.

We have stood together and stood the test a great many years on principles in which we believed and we will stand together for a great many years, I am sure. And along with our program for the conservation and control by the Government of coal, oil, transportation, water power finds its place, and in keeping with that program I ask my Progressive associates to stand by the people and vote against King Ford.

Mr. QUIN. Mr. Chairman, I yield to the gentleman from Ohio [Mr. UNDERWOOD].

Mr. UNDERWOOD. Mr. Chairman and gentlemen of the committee, I can not let this opportunity pass without voicing what I believe to be the overwhelming sentiment of the people of the State of Ohio, and the Eleventh district, upon the Muscle Shoals proposal now before Congress. They have followed this proposition from its beginning to the present. In common with the people of our country they realize that it has tremendous possibilities, and consequently a proper disposition of it by us will vitally effect and benefit every man, woman, and child of this Republic.

Muscle Shoals is only one of the many great war projects brought into existence during the late world conflict for war purposes. The expenditure of millions of dollars of the taxpayers' money was authorized under the national defense act for two purposes: First, to provide for the manufacture of nitrogen to supply munitions of war in time of emergency;

and second, to produce and supply fertilizer for the American farmer in time of peace. These were the purposes for which the plants at Muscle Shoals were located and constructed by our Government, and these purposes should be kept clearly before us in their disposition.

I am not in favor of scrapping and selling the Muscle Shoals plants as junk, as has been done with many other war enterprises, which have been sold for one-twentieth of their cost and less. I am in favor of the Ford offer for the reason that it is the only real and honest proposal made to our Government for the development of Muscle Shoals. It is true that the Alabama Power Co., almost entirely owned and wholly controlled by British capital and British interests, has submitted an eleventh-hour proposal through the press and by their spokesmen on the floor of the House, for the development of Muscle Shoals. This offer is not made in good faith, but is a smoke screen to defeat an honest proposal. I agree with the provision written into Ford's proposal, that Muscle Shoals should always be held and controlled by American citizens, and by American citizens only, reserving to our Government the right to retake and use this enterprise during the emergencies of war.

The majority of the committee considering this legislation have favorably reported this bill and have recommended the acceptance of Ford's offer. This question has been thoroughly discussed through the press and by the people of our country for the past three years, and has been ably argued here for several days. If it were for the best interests of the people of our country for our Government to complete, maintain, and operate Muscle Shoals, I would heartily favor such a proposition.

Two courses are open to us: One Government ownership and operation, which in view of the character of the project would, in my judgment, mean not only failure from the standpoint of income but disaster to the hopes of the farmers and other users of commercial fertilizer. To have the Government undertake to engage in the manufacture of fertilizer ingredients with political superintendents, foremen, and straw bosses is unthinkable. To undertake such a scheme would be unspeakable folly.

The other course is to sell the tangible property to private individuals, or to a corporation, on conditions prescribed by Congress, lease the power at a fair rental, and permit individual American initiative and ingenuity to have an opportunity at this place, where the greatest water power in our country can be developed, requiring the preservation of the element of national defense and at the same time giving an opportunity for relief, if such there can be, to our entire country, in the way of commercial fertilizer at reasonable prices.

Is this possible? Does the Ford proposal promise such a consummation? I feel that it does, or at least it is the only proposal yet made by anyone that even gives ground for hope. It is of such great potential possibilities that I feel assured that action by Congress should be prompt and final and a satisfactory adjustment of the matter reached.

Much time and effort has been expended in attempting to get the fertilizer industry and private capital interested in taking over and operating the Government plants at Muscle Shoals, but no offer worthy of serious consideration by this Congress has ever been made except that of Ford.

The capital of our country has been decidedly opposed to engaging in any partnership arrangement with our Government. It has not been seriously disputed by anyone that if Ford's offer for Muscle Shoals is accepted by this Congress, that he can and will make fertilizer at Muscle Shoals of a far better quality at one-half the present cost of fertilizer. This would, no doubt, destroy the Fertilizer Trust and accounts for the stubborn opposition of all the fertilizer interests in this country to the Ford offer. They first said that Ford could not make fertilizer at Muscle Shoals, and when this was disproved, they then claimed that even if he could make fertilizer there he could not make enough to amount to anything. If they were honest and sincere in their opposition and their business would not be affected by the operation of the Muscle Shoals plant by Ford, I think the country would be interested in knowing why they have opposed the Ford offer. It is admitted that if the Ford offer is accepted and he manufactures 40,000 tons of fixed nitrogen annually at Muscle Shoals, to which he binds himself, his estate, and the corporation which he agrees to organize, and begins operation with a paid-in capital stock of $10,000,000, that the prices fixed for this fertilizer would fix and control the prices of all fertilizer used in the United States. The Fertilizer Trust and the manufacturers of fertilizer know this to be true and it explains their opposition to the Ford offer.

The farmers of the United States are spending at the rate of $300,000,000 a year for fertilizer. A reduction of one-half in cost means a saving of $150,000,000 annually. The farmers of this country pay the Chilean Government $11.80 a ton as an export duty on Chilean nitrate. According to the Department of Commerce this amounted to $11,239,384 for the fiscal year 1923. The 40,000 tons of fixed nitrogen which Ford agrees to produce is the equivalent of about 2,500 tons of Chilean nitrate. If Ford's operation of Muscle Shoals resulted in nothing more than in eliminating the export duty collected by Chile for the privilege of purchasing nitrate in that country, it would have paid a dividend to American farmers and consumers of more than 5¼ per cent on $200,000,000. It is not disputed by authorities anywhere that the acceptance of the Ford offer and the establishment of the nitrogen industry at Muscle Shoals will reduce the cost of fertilizer one-half.

The annual fertilizer bill of the farmers in the State of Ohio has increased from $4,180,485 to $13,206,018, or 215 per cent in 10 years. When the farmers of our county and my State can get fertilizer for one-half of what they have been paying for it, they will double and treble their purchases, and will by so doing double and treble their production per acre. It is estimated that in 1930 our annual fertilizer bill for the entire country will be more than $800,000,000. Gentlemen, we must seriously consider the question of cheaper fertilizer for our farmers. When Ohio buys more fertilizer than Florida, and Missouri buys more than Louisiana, and Michigan buys more than Tennessee, the fertilizer problem can no longer be declared a matter of sectional interest.

We must maintain and restore the soil fertility of our country. I have heard a great deal of talk here in the last few days about fertilizers, but it is a simple proposition. Soil fertility can only be maintained by replacing into the soil those elements that the crop takes out in its growth. That is the only way you can do it. Year after year we have been taking millions of tons of the three plant foods of which our supply is most limited—nitrogen, phosphoric acid, and potash—without replacing them. The once wonderfully fertile soil in many sections of our country has been unable to stand the strain and is practically exhausted. We have the equipment and abundant resources at Muscle Shoals to manufacture high-grade fertilizers that will restore our virgin soil, if properly utilized.

As one who spent his early life on the farm, I realize the benefit which the farmers of our country and in my State and district would derive from an adequate supply of cheaper fertilizer. Approximately 2,000,000 people have left the farm during the past year. We have many deserted farms which could be made profitable if it were not for the high cost of fertilizer which faces the farmer.

I have carefully studied the Ford proposal and I believe the interests of our Government are safeguarded in every respect. In the short time allotted me I can not discuss the proposal in detail. Muscle Shoals has cost our Government many millions of dollars. Shall we spend millions more of the taxpayers' hard-earned money, or turn Muscle Shoals over to the only American who has come forth with a satisfactory proposal to operate it for the benefit of the American people?

Mr. Chairman, the farmers of this country are paying war-time prices for many of the necessities which they use in the home and on the farm. They are receiving deflated prices for their farm products. At the present time the farmer's dollar, measured in other than farm products, is worth approximately 60 cents. Their beef, pork, grain, and other products of the farm are selling at low prices in the market. They have been toiling from early morning until late at night only to find that they are not making more than a bare living. In many instances they are facing a shortage at the end of the year.

We have an opportunity to help them by voting for this bill. By helping the farmer we will also help the business men, wage earners, and consumers of the entire country.

I favor the acceptance of the Ford offer because it will convert a large war-time expenditure into a peace-time investment which will result in a great benefit to the entire country. Congress should not consider this question from a partisan standpoint. It affects all the people. It is one of our big economic questions. [Applause.]

Mr. QUIN. Mr. Chairman, I yield to the gentleman from New York [Mr. BOYLAN] for five minutes.

Mr. BOYLAN. Mr. Chairman and members of the committee, I was surprised to hear my distinguished colleague from the city of New York assume the attitude that he has on this bill. I do not hold any brief for Henry Ford, but I do believe that something should be done with the great natural resources at Muscle Shoals. As a member of the Military Affairs Committee I sat and heard the various arguments made before that committee, and in order to answer a few of the arguments proposed by the gentleman from New York, whom I honor and esteem and whom I would be happy to follow and who I think would be glad

to follow us sometimes, and say to him that the cost of fertilizer will be reduced one-half to the farmers of this country if this property is turned over to Henry Ford.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. BOYLAN. Yes.

Mr. LAGUARDIA. Will the gentleman give me those figures? I have been trying to get them for some time.

Mr. BOYLAN. I will be glad to. The latest statistics that we have show that the cost of fertilizer is $40 a ton, and that under this project operated by Henry Ford it will cost $20 a ton.

Mr. LAGUARDIA. Is that a guess or a calculation?

Mr. BOYLAN. It is a calculation, and the gentleman will find it in the report of the engineers. It is no mere matter of guess, but it is a calculation. Now he says that turning over these great natural resources would make Ford the industrial king of America. I say more power to the industrial king of America. He is a product of America, he is a product of our civilization, he is a product of the opportunity that our country affords, and the same opportunity is open to any other citizen of our great Republic. [Applause.] What has he done to make life easier and better? Where and in what part of the world can you go and not find a Ford car? The gentleman from New York speaks derogatively of him, but I want to say that it was the first car that I ever owned, and some of the happiest hours of my life have been spent in driving a Ford car.

I am sure that no breath of scandal or suspicion was ever uttered against him in the accumulation of his money. [Applause.] Not a single solitary breath of scandal has ever been around his name, and therefore why should we not take the only thing we have in the world to judge of—the future by the past. If a man has lived decently and honestly for sixty-odd years, why should we not assume that he is going to live the rest of his life in the same upright way?

Mr. LITTLE. Will the gentleman yield?

Mr. BOYLAN. I will.

Mr. LITTLE. The gentleman says that no breath of scandal has ever reached him; have I not heard some little criticism of him in regard to the Senatorship and the expenditure of large sums of money?

Mr. BOYLAN. I think the gentleman's question is extraneous to the issue here.

Mr. LITTLE. That may be so. I may not be right about it.

Mr. BOYLAN. The gentleman may be right, but I do not think it relevant to the question we are now discussing.

The gentleman from New York says that the bill was not drawn here in Washington but that it was drawn by Henry Ford. The gentleman knows that a certain offer was made by Henry Ford and the bill was drawn to cover that offer of Henry Ford.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. BOYLAN. I will yield to the gentleman.

Mr. LAGUARDIA. Does the gentleman believe that a contract with a private individual should be written into the law and made a part of the statutes of the United States?

Mr. BOYLAN. Not without due and proper consideration; not without a careful scrutiny by eminent legal minds like those of the Committee on Military Affairs.

Mr. LAGUARDIA. Never in the history of this country was anything of that kind ever done.

Mr. GARRETT of Texas. Never was any proposition of this kind before the country.

Mr. BOYLAN. If you go into the realms of subterranean history you might be able to quote a thousand instances where it has been done.

Mr. WYANT. Will the gentleman yield?

Mr. BOYLAN. Yes.

Mr. WYANT. If as a result of obtaining this property nitrates will be made at a reduced cost, why is it that five of the largest farm organizations in the United States have failed to indorse this proposition?

Mr. BOYLAN. As I understand it, the allied farm organizations have indorsed it.

Mr. WYANT. Did the gentleman hear ex-Senator BURTON'S remarks?

Mr. BOYLAN. I heard part of them.

Mr. WYANT. As a matter of fact the farm organizations have not indorsed it.

Mr. BOYLAN. I received a letter from a farm organization this morning, signed by a gentleman who in the Legislature of the State of New York was called the "Accelerator," and in this letter received this morning he says it is opposed by his farm organization.

The distinguished gentleman from New York [Mr. LAGUARDIA] says that if we give this concession to Henry Ford we will tear down the flag in this Hall and put up the dollar sign in its stead. That is not what would happen, Mr. Chairman. If we should give this concession to these power companies we would then tear down the American flag and hoist the British ensign there, because the Canadian company owns the southern power companies.

Mr. LAGUARDIA. The gentleman from New York is against giving it to any company.

Mr. BOYLAN. Personally, I would be very glad to see the Government operate it, but that is against the Government's policy. I do want to see something done. I do not want to see this bill camouflaged coming in at the eleventh hour and saying, "Oh, we have this plant; we will do it; this is the thing to do if it is going to be successful," and then after the day and the hour have expired and Congress has adjourned have nothing done.

We want something done, and again, in answer to the gentleman, let me say that, according to the figures submitted to the committee, the scrap value of the plant is but $16,000,000 and not $100,000,000. In conclusion, I say something ought to be done for the people of the South. This thing does not mean anything to me, it does not mean anything to my district, but I am a lover of my country and I would be glad to cooperate with any part of it in anything that is going to increase prosperity, that is going to enhance the value of the farms, going to build up a new city along the Tennessee River, and radiate back from the Tennessee to hundreds of other towns power that will be used in the production of merchandise that will help the entire country. [Applause.]

Mr. MORIN. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts [Mr. FROTHINGHAM].

Mr. FROTHINGHAM. Mr. Chairman, this is a proposition which affects not one particular section of the country, but every part of the country, because it affects the taxpayers for one reason, and because it affects the national defense for another reason, and for a still further reason, because the question is put up to this Congress to make the best bargain that we can, if we are to dispose of the Government's property. The gentleman from New York [Mr. BOYLAN] who just took his seat, said that he wanted to do all that he could for the South. I am sure that we all feel that way. I have lived in the South and I have many friends there, but the question is whether this is the best thing to be done and how it is possible for any State in the South or anywhere else to get any water power out of this proposition, if this company is to utilize it for its own purposes, and only for its own purposes, is beyond my comprehension. This matter has been before this committee for discussion for two years. Last year a measure was reported somewhat different from the one now before us and only three members of the committee were in favor of it. It was put before this House. Some Members favored a different proposition and some of the committee favored a still different one. Only three members favored the bill that was actually reported. That was reported out because they wanted to get it into the House. It never came before the House.

What are the objections to this proposition? There is no need to bring in names or personalities. Mr. Ford will not live for 100 years, and, personally, I should be willing to see Mr. Ford's company get this, if it will come up to certain propositions and cure certain things in the bill which I think are absolutely not only objectionable but impossible as they stand. In the first place, if that dam breaks, and it is perfectly possible that an earthquake should cause an upheaval there, or if some crank should dynamite the dam and injure it, or if anything else should happen, who pays for the damage and who has to build up that dam? The United States Government.

Mr. Ford, it is true, has agreed to pay $35,000 a year as far as Dam No. 2 is concerned and $20,000 a year as far as Dam No. 3 is concerned, but that would not even be a drop in the bucket, because it would cost not only thousands but millions of dollars to build up those dams again or to repair them in case of injury. There is not a dam in this world that has stood up for 100 years of time. Not only that, but here you are giving this away for nominal terms, for not even a 4 per cent interest is to be paid on all that is invested and will be invested in these dams if this company gets it. They do not propose to pay even that interest until six years after the lease goes into effect in the case of Dam No. 2 and not until after three years in the case of Dam No. 3.

This power will be absolutely unregulated. It does not come under the Alabama statutes, because those statutes provide that in case the power is used by the owner himself the statute does not apply, and in case it is furnished to his tenants the statute does not apply. In case he furnishes the power to a subsidiary company the statute does not apply. There is no provision in this act which puts it under the water power act of the United

States. Consequently this power would be given to a great corporation without any regulation whatsoever.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

Mr. FROTHINGHAM. Yes.

Mr. MADDEN. Does not the gentleman know that the Water Power Commission has no power to regulate rates?

Mr. FROTHINGHAM. Oh, I beg the gentleman's pardon.

Mr. MADDEN. All rates are regulated by the States.

Mr. FROTHINGHAM. I say that the regulation will not be even by the States.

Mr. MADDEN. You can not take the power away from the States to regulate it.

Mr. FROTHINGHAM. I beg the gentleman's pardon. There is no provision in the statute of Alabama under which any one of these things which I have mentioned can be done. If Mr. Ford's company uses the water itself for its own use, if any subsidiary corporations use it, if any tenants of his use it, or if he sells it to subsidiary companies, there is no provision in the Alabama statute that the State of Alabama can regulate the rates.

Mr. MADDEN. If he sells the power, the rates will be regulated.

Mr. FROTHINGHAM. Oh, no; that is just what I say. That is what the statute says. Those are not my words, but they are the words of the statute.

Mr. Chairman, there have been all sorts of propaganda and all sorts of errors abroad about the provisions in this bill. Why not read the bill and stick to the bill. This argument ought to be conducted upon a high plane, and it can be so conducted by arguing merely on the printed words in the bill. There is going to be no regulation under what I have said, either by the State of Alabama or by the United States Government.

The fertilizer proposition is the important part of this bill. If this company under this measure can be forced to manufacture fertilizer, forced to manufacture it cheaply, there is some excuse for passing the bill.

But it does not. There is not a word in this measure that requires this company to manufacture fertilizer at a given price. What you ought to do is to say he shall manufacture at a given price because if you say he shall manufacture it if there is a demand, if he does not manufacture it cheaply of course there will not be any demand. Why do not you put in a provision and make it go in the deed and have it run as a covenant running with the land that this company, as suggested, has to manufacture fertilizer at such and such a price and so much fertilizer—make it run with the land providing if that is not done this property shall be forfeited. Now there are two propositions here——

Mr. WYANT. If the gentleman will permit, it has been stated upon the floor of this House that this fertilizer was to be produced for $20 a ton and Mr. Ford agrees. Do you not think it should be incorporated in the bill?

Mr. FROTHINGHAM. I do not see it in the bill. I sometimes have to use glasses, and I have read it both with and without glasses and there is no such provision in the bill.

Mr. LAGUARDIA. It might be a good thing to put it in the bill.

Mr. FROTHINGHAM. That is what I suggested. If this is simply bunk for the farmers that is a different matter. Now there are two propositions here, one for the sale of certain property down there on which the Government has expended some $84,000,000 or will have expended it if these requirements go through; $84,000,000, and that property includes villages, buildings, two nitrate plants, one of which, like a battleship, should not be sold, and certainly probably should never be leased, but kept for the protection of the United States Government in time of war like a battleship.

Mr. MADDEN. Will the gentleman yield for a question?

The CHAIRMAN. The time of the gentleman has expired.

Mr. MORIN. I yield the gentleman five additional minutes.

Mr. MADDEN. I wondered if the gentleman recollected the plant erected by the Government during the war at Nitro, a smokeless-powder plant, and the one at Old Hickory, the aggregate cost being $145,000,000, which have been sold by the Government since the war for $12,500,000, and on these plants there were houses, sewers, water mains, all the facilities such as the plant now existing down there?

Mr. FROTHINGHAM. I do not complain about the facilities there, but if we made one mistake there is no reason why we should make another, and the greater mistake in one case the less reason there is for making another in this case. [Applause.]

Mr. ALMON. If the gentleman will yield, does not Mr. Ford's offer in this bill provide for the Government retaining the interest in the nitrate plant for national defense purposes, and which the company could never sell and convey title to that property, and in the case referred to by Mr. MADDEN there was an absolute outright sale?

Mr. FROTHINGHAM. I understand it is provided in the bill that nitrate plant No. 2 should be kept in a stand-by position. I understand that is the only property that is not conveyed to him which he can not sell the next day, but he can sell the rest the next day and put the money in his pocket.

Mr. ALMON. The gentleman is mistaken about that.

Mr. FROTHINGHAM. There is nothing to prevent it being sold except nitrate plant No. 2; and if the Government takes that back, the corporation has to be paid; and that is another provision that ought to be in this bill, that the Government can take it back on the same terms and at the same price.

Mr. WAINWRIGHT. Will the gentleman yield?

Mr. FROTHINGHAM. I will.

Mr. WAINWRIGHT. Does the gentleman find any language in this bill which prevents Mr. Henry Ford, after he has acquired title to the nitrate plant, from disposing of it, or his corporation?

Mr. FROTHINGHAM. Only as far as I have said he can sell the next day.

Mr. ALMON. Will the gentleman yield?

Mr. FROTHINGHAM. I can not at the moment. Now, it may be thought that it is wrong to ask that the water power act apply to this measure. The only reason that I have heard given why it should not is that it also includes fertilizer. But I can not believe, with the good sense of this House, that this bill will pass, at any rate not without amendments, among others, cutting the 100 years. Why, gentlemen, the Government of this country has not been in existence over 135 years. One hundred years ago, in 1824, there were only 24 States in this Union, and the population was less than 10,000,000 people, whereas now it is 110,000,000. Nobody can tell what will happen in 100 years. Should we mortgage ourselves for 100 years? If the people wish to vote for it, it is their privilege to do so; but personally I merely ask opportunity to be recorded against this measure, so when future generations—when this question comes up, as it will come up—ask why did Congress will away this property for so many generations, my name will be recorded in opposition to any such grant. [Applause.]

Now, gentlemen, you may think I am conservative, but I want to read what was said by a Senator of the United States, Senator NORRIS, who last year got out the printed report on this measure. I read a few words merely, part of it, and it will take but a short time.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MORIN. I yield the gentleman two additional minutes.

Mr. FROTHINGHAM (reading)—

> The plain, cold facts are, however, that giving this corporation credit for every cent of money that it pays at the time it pays it, either for interest or the so-called "amortization," we find that the cold mathematical conclusion is that the corporation has not only not paid any of the principal but it has only paid 2.85 per cent interest on the Government's investment. In other words, it means that the Government has, in effect, loaned to this corporation from $70,000,000 to $75,000,000 at 2.85 per cent interest for 100 years, and has never received back one cent of the principal. This result would follow the acceptance of the Ford offer. We must not forget, however, that this great financial gift to this corporation does not end the privilege that comes to it under the Ford offer. Not only are the taxpayers financing this corporation at 2.85 per cent interest on a 100-year basis, but they are giving to this corporation unrestrained and unlimited liberty to sell the products which it manufactures without any regulation whatever. It will be the only instance in the history of the United States where the taxpayers have been called upon to furnish money to a corporation at less than 3 per cent interest, on a hundred years' time, and to give to the same corporation unrestrained and unlimited power to use the electricity developed on a navigable stream without payment and without regulation.
>
> It seems inconceivable that in a Republic representatives of the people could be induced to even consider a proposition that turns over to a corporation without regulation the power developed on a navigable stream and then furnish the corporation money out of the Treasury at a nominal rate of interest for a period of 100 years. There are many instances in history where kings and monarchs have given away valuable concessions belonging to the people to some favorite prince or corporation, but there can not be found anywhere in the history of civilization where such monarchs have provided that in addition to giving such a valuable concession the taxpayers of the country should be called upon to finance it for the benefit of the favored donee.

[Applause.]

Mr. QUIN. Mr. Chairman, I will yield 34 minutes to myself.

The CHAIRMAN. Before the gentleman begins, the Chair would like to advise Members who have reached a conclusion on this matter and do not care to listen to the debate to retire to the cloakroom. There is unusual confusion throughout the Hall this morning, and it is not fair to the speakers. The Chair has warned Members two or three times that those who do not want to listen should retire to the cloakroom and give the speaker a chance and give those who want to hear him the opportunity to hear him.

Mr. QUIN. Mr. Chairman and gentlemen of the committee, I have listened to the debate and have observed what the opponents of this Ford proposal have indicated to be their lines of reasoning and objection. We must start out in this argument with some basis upon which to base our discussion. The opponents of this measure fail to show truthfully any real reason why it should not be adopted and accepted by this Congress.

The gentleman from Ohio [Mr. BURTON] started out, in my judgment, upon a false premise. Only in 1916 the Congress of the United States passed what is known as the national defense act. I happened to be a member of the Committee on Military Affairs, where that bill originated, and I know from its inception up to this day what transpired with reference to that legislation and what obstacles it has met at every turn of the road.

Section 124 of the national defense act provided specifically that a plant of this description should be erected somewhere in the United States. Fundamentally it was for two purposes—first, to make nitrate, to be used for explosives in time of war, and, second, to be used for the manufacture of fertilizer for the farmers of the United States in time of peace. Approving both of these objects, I was an ardent advocate of section 124 of the national defense act. For obvious reasons Congress did not say where that plant should be located, but left it to the President of the United States, who appointed a commission of learned engineers. Out of all the Territories and States of this Union these engineers selected Muscle Shoals, Ala., as the proper place to locate this nitrate plant. Upon that basis in 1917 ground was broken at Muscle Shoals.

Can you gentlemen visualize what that place was and what it was intended to be? It was a wilderness, with tall trees growing on the banks of the Tennessee River, and those trees had to be cleared away. They started to build a dam there across the Tennessee River practically 1 mile long. When war was started the Government cleared away the timber and hurriedly erected what is almost a young city and two nitrate plants and a big steam power plant. All the thieving contractors, like the Air Nitrogen Corporation, got in their work on cost-plus contracts in erecting these plants and houses at outrageous prices, and some of you gentlemen pretend to argue that that mushroom city of empty dwellings, with paved streets, and two nitrate plants and a steam plant, is worth a whole lot of money. The truth is, it is practically worthless junk. It has a salvage value. The steam power plant in connection with the dam, when completed, will be worth some money. I lay down the proposition that after the armistice was signed in 1918 the very men who opposed that provision of section 124 of the national defense act opposed the completion of that dam, so much so that their friends in Congress turned it down and stopped every wheel from turning so far as work on the dam was concerned.

What happened? The Secretary of War, Mr. Weeks, in 1921 invited the world to bid for the Muscle Shoals plant and a lease on the dam to carry out these two primary purposes for which it was intended. Henry Ford, of Detroit, Mich., submitted a bid. So favorably was it considered by the country that the Committee on Military Affairs of the House and the Committee on Agriculture in the Senate began hearings, taking evidence, to see if Mr. Ford could really accomplish the things contemplated and what he promised to do.

We went down to look over the enterprise at Muscle Shoals. We saw that so-called city that they speak of as a lot of temporary houses put up, we saw the nitrate plants and steam power plant. We saw the water of the Tennessee River flowing through and over the partially constructed Dam No. 2. We saw the river flowing toward the sea as it did 600 years ago when the Indian with deer hide around his loins flourished his tomahawk in the surrounding wilds; and yet it is said that the Government of the United States should not give heed to the offer of Ford.

When it was seen that Ford meant business, then Congress put up money to continue work on the dam. That work has been continued until this day, and the dam will be completed by July, 1925. Gentlemen who oppose this measure on the ground that it violates the water power act should listen to this: The water power act was not passed until 1920. In 1916 this place was set aside by Congress for the United States Government forever to keep its strong arm on it, for the purpose of its being made a nitrate explosive production plant in time of war and a plant for the production of fertilizer for the farmers in time of peace.

We know that the gentlemen who oppose it come along with smoke screens, just like these arguments that have been put up here. It is my judgment that we can knock down every one of those smoke screens and brush aside the Dolly Varden arguments like those of the gentleman from Iowa [Mr. HULL], and the gentleman from New York [Mr. LAGUARDIA], which can all be brushed aside as immaterial and irrelevant to the issue pending before the House.

Mr. LAGUARDIA. Mr. Chairman, will the gentleman yield?

Mr. QUIN. I can not yield to anybody, because I must consume this time in legitimate argument. [Laughter.]

Gentlemen know that a hundred-year lease or a ten-year lease or a fifty-year lease or a million-year lease makes no difference, so far as this great Government plant is concerned. The gentleman from Ohio [Mr. BURTON] made an ingenious argument here on that ground, when he knows that the Government itself had this project set aside as a sacred and holy investment of the American Government, and that no bureau would ever put its hands or fingers on it in any way to jeopardize its success; and that is the real reason why the Committee on Military Affairs has met with all the opposition in the hearings that we have had on this proposition. When we started Wall Street came out against it in the open; the big men allied with the great interests who endeavored to kill this plant almost had Wall Street mapped out on their foreheads for folks to see.

This is the first time I have ever seen them come out in the open since I have been a Member of the House. Before they have always dodged and kept in the background, although they had their emissaries here, but this time the real gentlemen themselves came before the committee.

Now, gentlemen, the main opponent of this measure, outside of the selfish and greedy fertilizer companies, and the aluminum trust, and the organized water power companies, is the Alabama Power Co., and it is the papa of all of them.

Mr. WYANT. Will the gentleman yield?

Mr. QUIN. I can not yield; excuse me, please, sir. Another opponent of the measure is the Wall Street financial and banking interests, which hold the securities of all the different groups of enterprises which want the water power at Muscle Shoals and to keep Henry Ford from making cheap fertilizer, chemicals, and aluminum.

Bear in mind that if Congress keeps faith with the people of this Republic the Government is bound to operate that plant itself, or to do it by a lease, and make fertilizers for the farmers throughout all of this country during peace times. I assume that every man on this floor is an honest man and wants to abide by a contract which his Government has already made with the people of this Republic.

Mr. Ford has put in his offer a provision whereby at least 20 per cent, and I believe one-fourth, of all the fertilizers to be consumed in the United States for farming purposes at this time is to be manufactured there, and that 40,000 tons of fixed nitrogen, or its equivalent in mixed fertilizers, shall be produced annually throughout the 100 years' time. Mr. Ford provides further that he will keep that nitrate plant ready for war purposes, with his whole organization available, perhaps thousands of men ready to begin making explosives to be used in the mouths of cannon in time of war, by simply blowing the whistle and sounding the alarm.

Yet they object to that. They object because, as Mr. McDowell said, there is already a surplus of nitrogen and fertilizer production and the farmers do not need any more—and Mr. McDowell is the president of the National Fertilizer Association—and he stated that practically every manufacturer of fertilizer in the United States was a member of it. He identified himself as being the head of 20 or 30 fertilizer factories that Armour & Co. operate in the United States and elsewhere, and he knew whereof he spoke. He contended we did not need any nitrogen, because we already had a surplus and more than the farmers needed. He contended that we did not need any more manufacturing plants for the making of fertilizers, because we already had a greater capacity by 150 per cent than was needed.

There is the source from which the real opposition came. That was in April, 1922, and the farmers of this country were then suffering for fertilizers, yet the president of the fertilizer association of this Republic testified that 116 per cent had been added to the freight rate on fertilizers since 1914 in the Southern States, 120 per cent in the Northern States, and in some sections of the country 200 per cent had been added in freight rates.

The chief objection, according to the president of the fertilizer association, to Mr. Ford being given this contract is that the farmers of the United States already have more nitrogen than they need.

Now, you listen. The first thing they did was to endeavor to prove that Mr. Ford could not make fertilizers there. They had experts come before the committee, men with great long titles, doctors of chemistry; they had them from the ordnance department of the Government; and they had some of the biggest "know nothings" about fertilizers I ever heard to come before the committee, and some of them were out of universities and colleges. But we finally found a young man, Mr. Swan, who was already making concentrated fertilizers. He proved what some of us already knew. I was raised on a farm, and knew how to make lye soap out of the oak and hickory wood by putting the wood ashes into a barrel, pouring water on it, and getting lye from that, which is a form of potash, and making it into soap.

We know from actual experience on the farm that that can be done, and yet those men with great intellects, with their minds swimming in the air, tell us that Ford could not make fertilizer down there, and if he did it would cost twice as much as it would anywhere else. However, we knew they were either mistaken or very seriously prejudiced against the farmers of this country. But it finally developed, after Mr. Swan had demonstrated he could make it, that it could be made at half the price in concentrated form.

Now when 2,000 pounds of fertilizer is shipped to a farmer it means that 1,680 pounds of it is sand, and the freight on that 1,680 pounds of sand costs as much as Ford can make the 320 pounds of concentrated fertilizer for. Yet that gentleman at the head of the fertilizer interests of this Republic said that Mr. Ford could not make it there and that even if he could make it there it would cost more than it would cost anywhere else. But they forget that Mr. Ford would be located there with all of the natural elements around him with which to make fertilizer. He will have the lime there, the phosphoric rock, and the nitrogen in the air to be drawn down through any process he wants to use.

Now, much has been said about nitrate plant No. 2. Let me call your attention to the fact that every single ounce of stuff, practically all the machinery, in that plant is now worth nothing except as old junk. Now, Ford wants it to engage in the fertilizer business, and the first thing he will do will be to throw out all of that scrap stuff, sell it for junk, get it out of the way, and put in a modern, up-to-date plant. And what will he make there? He will make fertilizers, as the waste product from all of these chemicals, drugs, and metallic by-products—drawn down from the atmosphere—through processes already known to his chemists.

Gentlemen say the Government of the United States is giving him a great gift and he can do nothing. They first said he could not make fertilizers. Then, when I called Mr. McDowell's attention to Mr. Ford's evidence to the effect that he could make it for 50 per cent less than it cost now, and you will find it in the testimony, where he said, first, "Ford could not do it unless he would steal the stuff, and he knew he could not do that." That was the opinion of the president of the Fertilizer Trust of the United States in 1922; yet the same gang, headed by their papa, the Alabama Power Co., which is controlled by a Canadian corporation, and alien citizens own the majority of the stock and are back of that company, come along and say, "We can now make it for half of what it is made to-day." The men who, in 1922, said Ford could not make it at all, and if he did, it would cost him twice the amount it was then costing, now come along and say, "We ourselves can make it for half of what it is being made elsewhere to-day. Just let us have the water power so we can sell the current."

You listen. This fertilizer will be in a concentrated form. A ton of it to-day goes out to a farmer, and he wears out his teams hauling it from town, and 1,680 pounds of it is common sand.

Mr. HILL of Maryland rose.

The CHAIRMAN. The gentleman from Mississippi declines to yield.

Mr. QUIN. We propose to have the farmers of this country, through Mr. Ford, get their fertilizer in its concentrated form, and the farmer will have no freight to pay except on the actual concentrated 320 pounds, which will be mixed with 1,680 pounds of sand right on his place, and he has his ton of fertilizer ready to be placed on his soil. He will mix this himself and save the bagging, the sacking, the freight, and the hauling. You will see what this means. It means the farmers of the United States will save 80 per cent of the price of fertilizer to-day [applause], because, according to the evidence of Mr. McDowell, 35 per cent of the actual cost of the fertilizer is in the transportation charges.

These same men stand up here and argue against the farmers of this country having this plant run through Henry Ford, the man who is going to save the Government, according to our ordnance officers, $400,000 every year on replacement of machinery in the nitrate plants.

This will save in addition to that $200,000 a year upon the actual expense of the plant. It will save $125,000 a year on the locks for the dams, and yet they say that Ford is assuming no burden. Tell me that the people of the United States, if they properly understood this proposition, would not want to drive out of Congress these pretended friends of the farmer who desert him in the hours of distress. There is nothing but a plain issue before us. There are two flags here to-day. It is a question of whether you will stand by Wall Street, and all the trusts I have named, or the men who own plantations and can go out and supervise them and have tenants and so on, not able to clear expenses, and the poor man, who with his wife and children goes out himself and toils in the field and comes back home tired and worn out at evening, who will say, "Where was my Congressman when Henry Ford's proposition came up, and [applause] when the Congress of the United States was trying to give me fertilizer which I could buy at a decent price and make 3 acres of land produce more than 10 acres of land without fertilizer." All of the grains, all of the vegetable products, all of the cane, and all of the cotton must have fertilizer put under them in nearly every locality.

You have here a process for taking the nitrogen out of the air. Not only that, but Mr. Ford's chemist has demonstrated that the fertilizer will be nothing but a sort of waste product just like when you run the sugar cane through the mill and part of it comes out as waste, bogus, and just like the sawdust in a sawmill.

In connection with this air business he will make at least 30 different fine chemical by-products that will sell for fine prices. He can make a lot of metallic by-products of high value, and in taking out of the atmosphere all of these fine chemicals there will be included even cologne and even the yeast that will go into the biscuits you eat and with all these different things that will be made; Ford, with his ingenuity and his money, will have fertilizer so cheap that he can actually pay a man to haul it out and give it to the farmers. [Applause.]

In addition to this, after the lapse of 100 year's time, he will have saved the Government of the United States more than $80,000,000 in actual cash, and any man who will read these figures can see that. I will put into the RECORD a set of figures that I want every sensible man in the United States to see.

Financial returns to the Government.

[NOTE: The cost of Dam No. 3 has been assumed at $30,000,000 since the associated power companies and Mr. Ford each agree to pay 4 per cent on that amount, but Dam No. 3 may be omitted entirely without effecting the comparison, the only difference between the offers being that the power companies limit their interest payments to 4 per cent on $30,000,000 while Mr. Ford pays 4 per cent on the total cost, no matter what that cost may be.]

POWER COMPANIES' OFFER.

Interest on cost of Dam No. 2:		
Associated power companies' estimate of the amount of their rental for 50 years (Government exercising its option to install all units), including steam plant		$96,800,000
Interest on cost of Dam No. 3:		
First 3 years, at $200,000	$600,000	
Next 47 years, at 4 per cent, on not over $30,000,000, or 47 years at $1,200,000 [1]	56,400,000	
Total for Dam No. 3		57,000,000
Interest for 50 years, at 4 per cent, on payment of Alabama Power Co. of $3,472,487.25 for Gorgas plant		6,944,974
Total returns in 50 years		160,744,974
Average annual payment, as above		3,214,899

FORD OFFER.

Interest on cost of Dam No. 2:		
First 6 years, at $200,000	$1,200,000	
Next 94 years, at 4 per cent on $34,000,000 [2]	127,840,000	
Total interest for Dam No. 2		$129,040,000

[1] If Dam No. 3 costs more than $30,000,000 companies decline to pay 4 per cent interest on its full cost.

[2] Estimate of United States engineers for cost of Dam No. 2, complete, is now $51,000,000, from which is to be deducted the war-time expenditure of $17,000,000, leaving $34,000,000 on which Mr. Ford pays interest.

Interest on cost of Dam No. 3 (taken at $20,000,000) [2]		
First 3 years, at $160,000	$480,000	
Next 97 years, at $1,200,000	116,400,000	
Total interest for Dam No. 3		$116,880,000
Interest at 4 per cent on cash payment of $5,000,000 for nitrate plants for 100 years, making a total of		20,000,000
Amortization fund (at minimum rate of 4 per cent),[4] return of capital invested		49,071,935
Maintenance of nitrate plants 100 years, at $250,000 per year (average annual maintenance cost to date has been $277,442)[5]		25,000,000
The replacements necessary in the nitrate plant on a 100-year basis have been estimated by the Ordnance Department at $400,000 per year,[6] but, taking half this amount, the total in 100 years would be		20,000,000
Total returns in 100 years		330,991,935
Average annual return as above		3,599,919
Annual financial gain by accepting Ford offer		385,020

Henry Ford, my friends, is the man that Wall Street—this great aggregation who are plundering the people—is afraid of. They know that he took an old, broken-down railroad and made it make 35 per cent last year, and it will make this year over 200 per cent, according to the profits it made for the months of January and February. They know that Henry Ford taking this great plant and running the electric current 200 miles in every direction from Muscle Shoals, into Mississippi, Tennessee, Alabama, and everywhere else that it can reach, will be a power in the land. He will be a power for good. He will be a great blessing for the American farmer. The poor people of this country, whenever their welfare was at stake, have been shoved into the background.

These opposing Congressmen erect a smoke screen and say, "We ought not to lease it for more than 50 years." This great expert here from Ohio, I think, voted to give the railroads $1,687,000,000 in actual subsidy and on top of that a guaranty under section 15A of that one-sided contract known as the Esch-Cummins bill. I think the gentleman from New York [Mr. SNELL] voted the same way. In addition to that, I think those gentlemen voted to give $750,000,000 in the hard cash of the taxpayers to the private shippers of the United States.

Thank the Lord, the Senate threw it in the wastebasket and saved the people from that outrage which these gentlemen tried to put across. They now pretend they want to protect the taxpayers against Henry Ford robbing the Treasury. My friends out West, you gentlemen who live in the far West, should remember that when the Government of the United States built your irrigation schemes, and I supported them and voted for them and believed in them, it was a subsidy in that we took the water dammed up in those canyons and turned it out on the desert and created rich land where vegetation would grow. The finest alfalfa I ever saw in the world was right out on the desert. You were entitled to that. The farmers of all the East and the West and the North and the South are entitled to this fertilizer at a reasonable price. [Applause.] Not only are they entitled to it but the Nation itself is entitled, under the act, to provide it and keep that plant running there by the Government or by a lease with the Government having its hand on it all the time. Yet you hear men stand up here with a bogus argument and say that Ford is getting a great subsidy out of the Treasury.

Out of the great number of millionaires in America I have not heard a single one of them—and I have been anxiously waiting for them to come before the committee—I have not heard a single one of them make a proposition to give as much as Henry Ford. My friends, all these pretended benefactors, the power companies, united and came in with a proposition to get the power, but they did not want to do anything except to fool the farmers. They said, "We will make up a corporation with $5,000,000 capital," but they could have put in a lot of junk and moonshine in the corporation and then say, "We could not be forced to carry out the nitrate proposition because it would be ultra vires of our charter. Under the terms of our charter we would have no right under the law to produce nitrates. And our stockholders and holders of our securities would have the right to get an injunction on the Government in enforcing any such contract." Gentlemen, that is humbug of the first water. The only legitimate offer under the national defense act of 1916 that is binding is the Henry Ford proposition. It is honest, it is legitimate, it stands four square, and every man can be assured that if Congress accepts it it will be carried out.

Who is it that is interested in the farmers having fertilizer? Is it some fellow that lives up in the Bowery of New York [laughter], or is it some person living actually on the farm? I yield to no man on this floor for real sincerity and fidelity in getting help to the farmer. I was raised on a farm. I belonged to the Farmers' Alliance when I was 16 years old, and I remember going out with my good old father to help break up the Bagging Trust, which was robbing the farmers. I am a friend of all labor, and especially people who labor on the farms in this Republic, because I know that on the farmers rest the prosperity of this great Republic of the United States. [Applause.] Grass would grow in the streets of the cities if it were not for the farmers, and instead of having electric lights, instead of having the beautiful show windows and grand stores, if the farmers of the country were to go on strike, if they were to fail for 12 months' time, you would have darkness instead of light, and you would have disaster instead of prosperity. [Applause.] Farmers must prosper if the man in the town and in the city is to prosper. [Applause.] We must give the farmers a square deal. The basic industry of the United States is agriculture.

Way back in the primeval days, when the Indians inhabited all this territory, the farmers went out and cut away the trees, began to grow the products of the soil, and they have gone to the far West and established farms until they reach from the Atlantic to the Pacific Ocean. The farmers to-day have set up a cry of distress and say that they must have the help of the Congress of the United States. Between the failure to enact proper laws and the burdens of transportation the farmer gets caught going and coming. All the stuff shipped to him must bear a high freight rate. All the freight on the stuff that is raised on the farm must be paid for by the farmer instead of the ultimate consumer. My friends, if the farmers of the United States are not protected by this very Congress, they will rise up and condemn you and smite you both hip and thigh. The gentleman from Ohio said the farmers are not for the Ford offer. I will inform him the organization of farmers, 120,000 in number, in Ohio are for the Ford offer. I suppose the gentleman from New York [Mr. SNELL] could find some farmers who need the fertilizer. He will stand under the banner of the powerful representative like Mr. Hugh Cooper, one of the proponents of Wall Street; Mr. McDowell, president of the Fertilizer Trust; Mr. Duke, of North Carolina—these are the men these gentlemen are standing by who oppose the Ford offer to-day and who are against helping the laboring men of this country, who work to earn their daily bread by the sweat of their brow and hardly make enough to pay the taxes on their homes. They are opposed to these farmers who pay for fertilizer two and a half prices to the Fertilizer Trust—according to McDowell they pay 116 per cent more freight on fertilizer now than before 1914.

Now Mr. Ford says that he will go into the making of concentrated fertilizer—40,000 tons to be made every year, or 2,000,000 tons mixed with filler, and have it in any form you want it, concentrated or mixed, and any man who can read plain writing, who has as much education as a small schoolboy, can read the McKenzie bill and see that it is guaranteed that this thing shall be done. And yet, some of these men oppose the act.

It would take something more than thunder and lightning coming down from Sinai to make Brother BURTON and these other gentlemen who want to stand with the Wall Street fellows, say anything for the poor farmer of the country. He is the man who fights our country's battles in time of war. He is the man who maintains the pulpits and keeps up our churches and schools. It is from the farms that we get the big men and the real heads of business enterprises of this country. It is from the farms that we get the high practical-class women who keep up the high standard of civilization of this country. Let us do our part to give them justice, so that they can not only make a bare existence on the farm, but so that they can actually prosper and lay some money aside. Do you know, my friends, that there are hundreds of thousands of farmers who work in this country, not only themselves, but their wives and children, six days out of the week, who wear nothing more than the cheapest kind of clothing and go barefooted in the hot weather?

Those people are the ones who wear homemade galluses, who have on their heads 10-cent hats, who wake to the music of the birds, who have the grace of God in their hearts, who

[2] If cost of Dam No. 3 exceeds this amount Mr. Ford still agrees to pay 4 per cent on its full cost.

[4] See Secretary of War's report on Ford offer (House hearings, p. 7).

[5] Data from Nitrate Division, Ordnance Department, United States Army. The maintenance and depreciation of the nitrate plant (No. 2) are provided for at the expense of Mr. Ford or his company, but in the power companies' offer it is specified that the cost of maintaining nitrate plant No. 2 for war purposes shall be charged either against the farmer or against the Government. Since this expense for national defense manifestly is not chargeable against fertilizer production, it is proper to show it as a credit on the Ford side and to omit it from the power companies' side of the comparison.

[6] Hearing before Senate Agriculture Committee on Muscle Shoals, June 22, 1922, p. 932.

believe everybody is honest and that it is the Congressmen's duty to stand up for the interests of the poor men and women of this country who have no friends in high places. Whenever the time comes that some big enterprise is put before this Congress you can tell the men who stand up with their stentorian voices pronouncing how wise and good it is to loot and rob the taxpayers of the United States under some special-privileged legislation; yet they come up under the guise of being a friend to the taxpayer and say that we must not let Henry Ford have this great plant down there at Muscle Shoals because it will be a subsidy that he is getting for nothing. Do you believe that is good faith? He is the only man in the United States who has offered this much for it. He is the only man in the United States who has guaranteed to carry out the act of Congress which provides that that plant shall always be kept up. Yet they stand up and tell us to look out for Henry Ford. [Applause.]

Mr. MORIN. Mr. Chairman, I yield eight minutes to the gentleman from Maine [Mr. HERSEY].

Mr. HERSEY. Mr. Chairman, I represent an agricultural people who are interested in Muscle Shoals and especially in the manufacture of fertilizers that will reduce the price of that necessity of the farmer. They would prefer that any contract or lease of that valuable public asset should be made or given to Henry Ford. The reason they favor Ford is that he has been successful in the manufacture of his Ford car and because he is reputed to be "the richest man in the world." They believe he would be financially responsible in the execution and performance of any lease or contract he might make with the United States.

If there is any reasonable or practical way to make a contract or give a lease for 50 years to Mr. Ford of Muscle Shoals whereby his millions will stand behind an honest effort to destroy the great monopoly of the 53 fertilizer companies of America who are organized into a great international trust to evade the Sherman law, then I want to support it. If, on the other hand, this bill, for an inadequate and insufficient consideration, will give over to a small and unknown corporation the most priceless water power in the Nation, without any safeguards, security, or protection to the people, then I am against it. The people back home have never investigated this so-called "Ford offer"; we, their Representatives, are supposed to know the facts; we are expected to investigate and protect the United States. In the making of a contract between the people and a corporation like that provided in the bill we are attorneys for the people, and we ought to be very careful in the making of this contract that gives away for a hundred years to an unknown corporation the finest water power of the Nation.

The gentleman from Illinois [Mr. MCKENZIE], who made the majority report in favor of this bill, said last Monday:

> Finally, my colleagues, this is not an ordinary bill which can be amended by the House at will. True, we have the power, but you must remember that this is a proposal for a contract unique in its character and made possible only by one occupying the unique position of Mr. Ford.
>
> When he submitted his proposal, which all must concede was made in good faith, he said:
>
> "The above proposals are submitted for acceptance as a whole and not in part."
>
> Now, my colleagues, it is up to you to accept this proposal or reject it as it stands, and an amendment to alter its terms is a motion to reject it as a whole.

The issue is plain. Mr. Ford will stand for no amendment to this bill. We must "accept it or reject it as it stands." He has said hitherto that "we must take it or leave it." After a careful examination of this so-called "Ford offer" I am ready "to leave it."

Whoever drew this bill was an artist in his ability to cover up the facts and to put a worthless corporation of straw in the place of Henry Ford and his millions.

The very title of this bill starts out to deceive you. It says that this is "a bill to authorize and direct the Secretary of War to sell to Henry Ford nitrate plant No. 1," and so forth.

Some member of the committee must have been a little ashamed of this deception, for an amendment of the title is proposed on page 19 which reads:

> Amend the title so as to read: "A bill to authorize and direct the Secretary of War, for national defense in time of war and for the production of fertilizers and other useful products in time of peace, to sell to Henry Ford, or a corporation to be incorporated by him, nitrate plant No. 1.

The only thing this bill says that Henry Ford promises to do is to form a corporation with a capital stock of $10,000,000 or more, to be controlled by Henry Ford, which means, of course, that Ford will control a majority of the stock, and this corporation—not Henry Ford—promises after it has organized that it will enter into and execute all necessary or appropriate instruments of contract to effectuate this agreement. Henry Ford enters into no contract. He executes no necessary or appropriate instruments of contract and nowhere becomes a party to the contract between this unknown corporation and the United States.

The editor of the Manufacturers' Record, December 5, 1923, wrote a letter to Mr. Ford, in which he said:

> The situation, therefore, is an entirely different one from the development of an individual business. The Tennessee River and Muscle Shoals are national assets over which the National Government alone has control. In making to the Nation a proposition that Muscle Shoals be turned over to a company to be organized by you, you do not, as I understand it, back this proposition with an individual guaranty or contract to be signed by yourself protecting the Nation in every respect that the rights of the public may be safeguarded to the extreme. I do not think any company having only $10,000,000 capital, even if every dollar of that be paid in, should be granted a privilege so great, for this would instantly, whenever such a contract was signed, make the value of that scheme worth many times its par, increasing from year to year during all the time of its life.
>
> I am taking the liberty of raising these questions because they are, I think, of very vital interest to the welfare of the entire country, for they concern not merely Muscle Shoals but in the large bear on many problems of the utilization of natural resources controlled by the Nation for the Nation's welfare.

And the same editor, on January 17, said:

> From Mr. Ford we have received no reply, which we much regret, as we would appreciate the opportunity of having from him a full statement as to what he is or is not willing to do in connection with Muscle Shoals.

Ford signs no contract. He promises nothing. He signs no guaranties. This unknown corporation can not bind Henry Ford by saying what he will or will not do. Ford's promise, if he has made any, is without consideration, not in writing, and absolutely void under the statute of frauds.

The Washington Post of this morning publishes the following news item:

> PINCHOT OFFERS SEVEN POINTS OPPOSING FORD PROPOSAL.
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> HARRISBURG, PA., March 5.—Henry Ford's offer for the Muscle Shoals project, which is now before Congress, "should not be accepted unless and until it is amended to conform to the principles of the Federal water power act," Governor Pinchot declared in a statement to-day. He set forth seven points of the act which he said safeguarded the public and asserted the Ford offer and the bill to accept it sacrifices all but one, that insuring complete development.
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> These seven points were set forth as:
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> "First, insure complete development; second, limit the lease to not more than 50 years; third, insure to the public at the end of the lease a free hand to take back the site and works on terms fair both to the public and the lessee; fourth, provide for the regulation of service, prices, and security issues if the lessee is engaged in public service; fifth, secure for the public all profits in excess of a fair return on the lessee's actual net investment; sixth, insure a fair return to the public on Government money invested; seventh, require the lessee to pay his fair share of the cost of storage reservoirs built above his works up to the amount of the benefit he gets from them."
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> The governor said he had "no objection" to Ford getting Muscle Shoals, "provided the terms on which he gets it are in line with the Roosevelt conservation policies, and provided they secure for the public what the rights granted are worth."

I stand with Governor Pinchot that any bill that comes before Congress shall save these valuable and precious water powers forever to the coming generations, and that they shall be so preserved and used for the benefit of the whole people and ring out wealth and prosperity to the Nation. [Applause.]

Mr. MORIN. Mr. Chairman, I yield 15 minutes to the gentleman from Pennsylvania [Mr. GRAHAM].

Mr. GRAHAM of Pennsylvania. Mr. Chairman, I see no occasion for excitement or extraordinary earnestness in the discussion of a purely business proposition such as is involved in this measure. So far as I may, I propose to give to my fellow Members by way of suggestion reasons which appeal to my mind why I should not vote for the measure reported by the majority of the Committee on Military Affairs. In doing this I want to speak dispassionately and refer only to things that are apparent on the face of this whole proposition. I have no objection to Henry Ford acquiring this property.

Henry Ford has been an industrial success. He deserves to have the admiration of his fellow citizens for what in the line of industry he has accomplished. If the terms of the offer are made so that they will protect my Government and my country, it matters not to me whether it is Henry Ford, the Alabama Power Co. and their associates, or the three gentlemen who have made a proffer of a third proposition. I am opposed to Government ownership, and therefore feel that the Government sooner or later ought to be rid of the terrible responsibility of this enormous plant, which is a legacy from the late war. It is a burden, but because it is a burden we ought to see to it that when we part company from it proper safeguards are introduced to protect the country, the citizen, and also the person who acquires it in their rights.

This has cost the Government, as I understand the proposition, $140,000,000 plus. That is an enormous investment. The Government will be required to spend $60,000,000 or more additional to complete the dam and works called No. 2, the Wilson Dam, and also to complete Dam No. 3. Hence you will have the people of this country making an investment of two hundred and odd million dollars on this job. That presents a profound business proposition for our consideration. What shall we do with it? Is the Ford proposition acceptable? Is the Alabama Power Co.'s offer acceptable? Or is the third proposition one that would be acceptable? In fact, it is our duty to inquire whether any one of these three propositions contains all of the elements that are necessary for the protection of the Government and the people. The question naturally is, How can the Government dispose of this property to the best advantage and still conserve the two great objects that we all confess are the objects of acquiring and completing this plant; that is, primarily, to provide means of defense in case of war, and, secondarily, in time of peace to provide cheap fertilizer for the agricultural people of our country? We all admit that those are the two objects in view in the acquisition and construction of this plant. We must act in this matter in order to avoid as much loss as possible and also incur the least further expenditure of public money. Is not that true? How can this be done?

Three plans are offered, one of which has been approved by the Committee on Military Affairs. Quite a respectable number of that committee have filed a disapproving or minority report. The only plan submitted to us for action is the Ford plan, and you are shut off from voting upon either one of the other two plans. This bill should be referred back to the committee for further consideration.

These three plans have similar arrangements in some respects. All agree that the nitrogen plant shall be maintained ready for use as a defensive war measure. All agree that the maximum production of fertilizer by the cheapest process and with the least expenditure of money shall be obtained. At the same time electric energy is to be developed and used for the good of the surrounding country. This last, however, the Ford plan does not assure. All three plans contemplate the completion of Dam No. 3. Hence they all involve the same amount of expenditure by the Government to carry through any one of these proposals. Two of these plans agree in one respect. I refer to the leases. Under these two plans the dams, nitrogen plants, steam plants, and other properties shall be returned to the Government after the expiration of approximately 50 years. The Ford proposal before us differs from all of these in certain respects. First, it requires a deed in fee simple for the nitrate plants with their steam auxiliaries and one additional plant to be built by the Government. I refer to the Madden amendment to the bill. The Gorgas plant on the Warrior River has been sold, and, as it had been included previously in Mr. Ford's offer, it must be replaced; and out of the Treasury $3,500,000 is to be taken for the purpose of restoring that plant. Where is that plant to be located? On the property for which Mr. Ford or his company under this proposition would acquire a deed in fee simple.

Mr. Ford's plan overrides the fixed policy of this Government as announced in its legislation concerning the control of water power in that it leases for 100 years instead of 50, and none of the very valuable restrictions which Congress has enacted for controlling the dispensation of water power and its management will be found in the contract by which Mr. Ford acquires leases which are to be executed for power in this proposal. Now, I have tried to analyze for my own guidance this proposition, taking the Ford plan and the existing conditions at the plant. Dam No. 2 is partially constructed. Dam No. 3 is proposed to be constructed. Dam No. 1 has not been constructed. That would mean either a dam or a channel cut through the rocks to make navigation possible for a distance of about 15 miles. If Dam No. 3 is completed, navigation will be extended nearly up to Chattanooga, or a distance of 175 miles. Now, let us look for a moment at the terms. I am looking only at the salient features of the Ford plan. He agrees to organize a corporation with a capital of $10,000,000. That $10,000,000 is to be divided into two parts. Five million dollars is to be used for the purchase of this property—excepting the dams—the nitrate plant, the auxiliary steam plant; and the other $5,000,000, I presume, will remain as working capital for fertilizer and other things which he proposes to make. What does the first $5,000,000 purchase? It purchases what cost the Government $81,500,000, including the rebuilding in lieu of the Gorgas plant of another auxiliary steam plant. What does he get? He gets one of these steam plants now in existence for which the Alabama Power Co. has made a specific offer of purchase at $4,500,000. Deducting that from the $5,000,000 which Ford pays, it leaves only a half million. Consider that half——

Mr. ALLGOOD. Will the gentleman yield?

Mr. GRAHAM of Pennsylvania. No; I have not the time. In connection with the expenditure of $3,500,000 to build the second auxiliary steam plant Mr. Ford is in pocket $2,000,000. He has this property. He has a deed to it in fee simple, and you will note when you read the bill, as I have done, trying to be fair and at the same time critical of its terms, that you have no strings upon this plant at the time the deed in fee simple is made on these conditions until the end of his lease, and not any then. He acquires this property, and let us read on page 5 of the minority report an enumeration of what he gets and then think of the pitiful consideration——

The CHAIRMAN. The time of the gentleman has expired.

Mr. GRAHAM of Pennsylvania. May I have just a minute or two to make a closing remark?

Mr. MORIN. I yield the gentleman one minute.

Mr. GRAHAM of Pennsylvania. Turn your thought to another feature by calculating what the Government gets back from these three offers; in one case Mr. Ford gets seventy or seventy-five millions back, say, at the end of a 50-year lease. Under the Alabama Power Co. the Government would get back, say, $160,000,000 at the end of the 50-year lease. Under the Hooker-Atterbury-White proposition they would get over $300,000,000 back at the end of the 50-year lease. What business man would give away for a $75,000,000 return and a paltry $5,000,000 cash consideration this enormous property, when by accepting another proposition you can get a return of $300,000,000 out of it in 50 years?

I want to say in conclusion that another important thing that a business man would consider is the question of the people who make these proposals. Ford has money, but has he experience in reference to these plans? Here are men who make the third offer, one of whom is a member of a reputable concern of which I have knowledge, no connection with it, scarcely an acquaintance with anybody connected with it, but they have experience in this work, having built No. 1 hydraulic plant and also built a successful plant at Syracuse, and there is a guarantee that is worth more than money with General Atterbury at the helm, with the White Construction Co. and Mr. Hooker, one of the ablest of chemists. You farmers will get your fertilizers. [Applause.]

There is no guaranty on the part of Ford to make fertilizer. There is nothing in the nature of a personal obligation behind his proposal except to see that a company shall be organized to take over the contract. The fee simple to plants and land goes to that company. If he or the company fails, there is nothing in the bill which will enable the United States to get back the property conveyed in fee simple to the company. The third proposition appeals to my mind as in every way the better one. I will explain——

The CHAIRMAN. The time of the gentleman has expired.

Mr. MORIN. Mr. Chairman, I yield 15 minutes to the gentleman from Indiana [Mr. Wood]. [Applause.]

Mr. WOOD. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. The gentleman from Indiana asks unanimous consent to revise and extend his remarks. Is there objection? [After a pause.] The Chair hears none.

Mr. WOOD. Mr. Chairman and gentlemen of the committee, I am opposed to the proposal approved by the majority of the committee, and I wish briefly and as succinctly as I can to state the reasons for my opposition.

The bill giving the Muscle Shoals development, which cost the Government with its nitrate and steam plants approximately $100,000,000, to Henry Ford is purely sectional. But few Democrats in the House would favor the offer if Muscle Shoals was located in Maine or New York instead of being located in Alabama.

It is urged that Congress give this property to Henry Ford practically without compensation in order that the farmer may

have cheaper fertilizer. For the sake of argument let us grant that this result would follow, notwithstanding the fact that the bill contains no such guaranty; how would this act affect agriculture? Let us look at it from a national standpoint. What is the trouble with agriculture to-day? Why the dissatisfaction in the wheat, oat, and corn raising sections of our country? That dissatisfaction is answered in just one word—overproduction. Our farmers learned to produce larger quantities during the war and have not as yet gotten out of the practice. At present we buy the cotton and the sugar raised in the Southern States, and in exchange for that we sell them our corn, our wheat, our oats, and our meat products. That is a fairly reasonable exchange. This product that is exchanged for cotton and for sugar is grown upon land that has been well improved and highly cultivated, land that is reasonably worth between two and three hundred dollars per acre. That land is largely fertilized, not by commercial fertilizer but by rotation of crops. For example, according to the American Fertilizer book, Iowa purchased, in 1920, 5,000 tons of commercial fertilizer. This would be less than a handful of fertilizer for every acre of land which is cultivated in that State. Indiana purchased a considerable amount of commercial fertilizer which comes largely from the stockyards in Chicago, and the price of that fertilizer to the farmer would not be affected in the slightest by this tremendous subsidy which will benefit only the farmers living within a radius of 150 to 200 miles from Muscle Shoals.

Granted that this subsidy of $100,000,000 to Mr. Ford will result in cheaper fertilizer to the farmers living within 200 miles of Muscle Shoals, what would be the result? The cheap lands within that radius covering an area about the size of Indiana would be brought into open competition for the production of corn, of wheat, and of oats, with the high-priced cultivated lands of Indiana, Ohio, Illinois, Iowa, and the Northwest. There can be no objection on the part of the Federal Government to Alabama and the territory within a radius of 200 miles of Muscle Shoals taxing themselves to build a fertilizer plant that will produce cheaper fertilizer and make the $10 and the $20 acre land in that territory compete with the high-priced lands of my State, but I submit it is unfair and un-American to tax the people of Indiana, of Ohio, of Illinois, of Iowa, and other Middle Western States in order to have cheaper fertilizer for the farmers of Alabama and bring their cheap lands in open competition with the high-priced lands of other States and thus add to the serious condition of overproduction which is almost bankrupting the farmers of those States. What would the Representatives of Alabama say if there was a proposition here to build a fertilizer plant in Minnesota or one of the Dakotas and to tax the American people $100,000,000 to build it in order that the farmers of those States could raise cheap sugar beets or a substitute for cotton to take the place of the product they are now obtaining from the South? Every Democrat from the Southern States would vote against that proposition, and yet these same Representatives are asking the farmers of the great agricultural-producing sections of our country to vote for a bill under the blind and misleading statement that it will benefit the farmer.

Mr. ALMON. Will the gentleman yield?

Mr. WOOD. No; I have not time to yield.

It may benefit the farmer of Alabama and some of the adjoining States, but it will be to the everlasting injury of the farmers in the Northwestern and Central States. Why do I say that the farmers will only be benefited within a radius of 200 miles of the location of this plant? I have before me the report on transportation made by the Joint Commission of Agricultural Inquiry, and, if I read that report correctly and other information at hand, I am persuaded that it is impossible, because of high freight rates, to ship commercial fertilizer for a distance of over 200 miles, and even for a shipment of 200 miles the freight rates will amount to from 30 to 40 per cent of the total cost of fertilizer. It was demonstrated at the hearings before the Committee on Agriculture of the House of Representatives—page 29, "Nitrate" hearing—that freight rates amounted to 40 per cent of the cost of fertilizer. It is perfectly apparent, therefore, that this bill is merely to levy a tax to benefit one section of the country to the positive detriment of other sections.

Let us examine this bill and the hearings before the committee that reported it. It proposes to grant to Henry Ford property that cost the Government almost $100,000,000 and to build a steam plant and a transmission line that will cost the taxpayers approximately $5,000,000 more, and give it to Henry Ford for the small sum of $5,000,000, and the Government must then take care of and guarantee the maintenance of the dams of Muscle Shoals for all time; and this property is given to Henry Ford not under the water power act but for a period of 100 years. It has practically the unanimous support of every Democrat in the House, I am told, notwithstanding the fact that Henry Ford never appeared before the committee, but refused to come before the committee, and there is not a single guaranty in the bill that Henry Ford will produce fertilizer at a reduced cost. Why this unbounded faith in Henry Ford on the part of the Democratic Party? They tell us that Henry Ford is a wizard, that he is a man of wonderful capacity in reducing the costs of the things he produces in his factories, and that he is a man of unerring judgment. Is he a superman? Does he possess an occult power that enables him to strike a barren rock and have to flow therefrom whatever he may desire for his further enrichment and the benefaction of mankind? If he is such a seer, if he is possessed of such remarkable wisdom, and his judgment is so unerring, I ask you why are you not willing to follow him in November? Already he has stated to the world that Calvin Coolidge should be elected President of the United States; but how many of you on this side are willing to take this advice? He has also declared in language unequivocal that the Mellon plan for the reduction of taxes, if enacted into law, would be the greatest boon that could befall all of the people of this country. How many of you on this side heeded that advice? Not one.

You are following him with reference to this Muscle Shoals proposition because it is a subsidy for a portion of the South; and if you succeed in having this measure enacted into law the purpose of your faith in the superior wisdom of Henry Ford will have been accomplished.

The position of the Democratic Party in this respect is a repetition of the history of that party to reverse itself on every issue that is presented to the American people. My memory takes me back to the Taft administration—yes; to the Roosevelt administration. What was the big issue raised by the Democrats in the Taft administration, raised apparently for political purposes? The issue raised then was conservation, an issue on a principle which we all thought was thoroughly established by that great President, Theodore Roosevelt. Less than 20 years ago, during the Taft administration, we had scenes in Washington that are only comparable to the scenes that are taking place here this very day. You did not raise the issue then of Teapot Dome but you kicked up a mess over conservation. Ballinger, according to your statement then, was giving away the water supplies of the United States. He was not looking after the interests of all the people to see to it that our water supplies were conserved for all time to come. What is your attitude now on conservation? Is it that the water supplies shall be preserved for all the people under that law which Congress enacted after several years of study? Oh, no! You have abandoned that theory entirely, and this bill absolutely grants to one man a monopoly on the hydroelectric development in America for 100 years to do with it as he pleases and to handle it contrary to the provisions of the general water power act. Your position is now that Henry Ford shall be given Muscle Shoals. This great development that has cost the American people $100,000,000 and thus to lose a potential power to furnish light and power at reasonable prices, regulated by State and national commissions, to hundreds of thousands of people.

Mr. McDUFFIE. Mr. Chairman, will the gentleman yield?

Mr. WOOD. I do not yield.

You propose to give it away. If we pass this bill to-day, then admit that you were playing politics in 1913. Admit that the fight on Ballinger then was a farce; admit that your Teapot Dome investigation is a farce and is made for political purposes alone, for if this law passes it will become the Teapot Dome of water power and hydroelectric development in America. When the Representatives in Congress voted for the water power act it voted for an act that was to be applied to the South, to the East, to the West, and to the North. It did not vote for a bill that was to have only a sectional application. It voted for the law because it believed that these great water-power sacks should be preserved for all time for the benefit of God's chosen people. It was a Roosevelt policy, not a McAdoo policy, not a sectional policy; but if you pass this bill you simply demonstrate that your only interest in the water power of the United States is to grab it for selfish and sectional purposes. Pass this bill and then introduce another giving Bowlder Dam to Rockefeller and the American Falls to Morgan. Pass this bill and make yourselves ridiculous, as you ought to appear, because of your advocacy of it before the American people.

What should be our attitude on this great question? Should we legislate to-day and back one part of our people to advance the interests of a small section and crush the farmers of the Middle and Northwestern States who are already struggling

under a load of overproduction and burdens of taxation that are almost unbearable, or rather should we not stand here as the guardians of the men and women back home and see to it that their property is protected and that they are not taxed in order to bring into being an instrumentality that will crush them and make their loads still heavier.

We should stand here to-day and protest against this repeal of the Federal water power, and protest against taking this great hydroelectric development and giving it to one man.

I have no fight with Henry Ford. He has my admiration. I do not blame him one bit for wanting this great water-power development that is worth to any man hundreds of millions of dollars, but I do assert with all the power I can command that my duty under my oath of office is to protect this great interest for the people of the United States.

I can not believe that the farmers of this country understand what this gift of $100,000,000 worth of property to Henry Ford means. Propaganda in the hands of a few energetic southern farmer Representatives has been spread all over the farming sections of the North and West, taking advantage of the distressed condition in which the farmer has been placed for the last few years to make him believe that his only salvation for the future depends upon the establishment of this Muscle Shoals plant for the purpose of furnishing him cheap fertilizer.

Mr. ALLGOOD. Will the gentleman yield?

Mr. WOOD. No; I do not yield.

The farmers of this country, in my opinion, do not realize that in addition to the 850,000 horsepower that is to be given to Henry Ford, that there is also given to him one nitrate plant representing an investment of more than $12,000,000, including 1,900 acres of land, with a great number of large, permanent, substantial buildings for various kinds of manufacturing purposes; also 125 permanent residences, all of modern improvements; also 9 miles of Macadam road, 8 miles of sewers, 4 miles of standard-guage railroad, with all necessary locomotives, cars, and equipment, shops, and so forth, with which to conduct the same; that he is also to be given nitrate plant No. 2 representing an investment of $67,000,000, including 2,300 acres of land, on which are located 186 permanent residences with all modern equipment, including bathrooms, electric lights, water supply, sewers, and so forth. In connection with this plant there is a completely furnished and fully equipped hotel, modern in every particular, with more than 100 rooms. In addition there are 24 miles of improved roads, cement sidewalks and streets, 40 miles of standard-guage railroad track, 20 miles of sewers, complete waterworks and sewerage system, and a plant for the generation of electricity, which alone cost more than $12,000,000.

If this contract proposed in the pending measure is carried out in addition to all of this property, there will be handed over to Henry Ford $500,000 worth of platinum in storage in the subtreasury in New York belonging to the nitrate plants. There is also cash in the United States Treasury amounting to more than $3,400,000, mainly received by the Government for the Gorgas plant which, under the Madden amendment, is to be spent in behalf of Mr. Henry Ford for the construction of an auxiliary steam plant for his benefit.

I wish that the farmers of this country could see this picture as it is actually presented upon the ground. It is hard, indeed, to visualize its vastness from spoken words, but if they were to see it as it is, in my opinion they would hesitate long before they would consent to give to any one man all of this property to have and to hold for 100 years, and possibly longer. And all that is to be received in return is a doubtful promise to manufacture 40,000 tons of nitrate per annum, and with this doubtful promise must be considered the statement made by Henry Ford in his communication to the Secretary of War, that if he can not make fertilizer at a profit he will quit. At most he does not even pretend to undertake to manufacture to exceed 40,000 tons of nitrate a year, and to do this only requires 100,000 horsepower. Then he will have an excess of 750,000 horsepower to do with as he chooses, to sell as he pleases at whatever price he desires.

To my mind this is a monstrous proposition. Who can tell what the needs for water power may be in 100 years from now. We are just entering upon an era of water-power development. In my opinion, within less than 100 years, yes, within less than half of that time, it will be the great moving power for the manufacturing industries of the land. It may be worth ten times what it is to-day, but whether it is or is not, it is not the part of wisdom to grant such a stupendous power to any man, or any set of men. We have no moral right to do it, and in my opinion we have no legal right to do it. It is a violation of the Federal power act, and if this bill is passed it amounts to a virtual repeal of that act.

The Federal power act was passed for the control of all the water power in the United States, for the control of all the people of the United States with reference to the use of that power, and yet here to-day we are proposing, out of 110,000,000 people, to select one man, and say to him that you are to be made the favorite to the exclusion of all the rest of our citizens, and you are to continue in this favor for 100 years. It is morally wrong because we are bartering away, or giving away if you please, as a largess not only the right we who are living have in this thing, but the right that the generations yet to be have in it.

In my opinion there can be no justification for the passage of this measure. There are two other proposals, either of which to my mind is more advantageous to the Government than the Ford proposal. If I had my way about it none of these proposals would be accepted. This whole matter should either be referred to the Secretary of War or to a commission with instructions to inquire into the facts and to ascertain what is best not only for the present but for the future with reference to the disposition of this property. So, if we discharge our duty to the fullest, we will defeat this measure. [Applause.]

Mr. MORIN. Mr. Chairman, I yield the balance of my time to the gentleman from Illinois [Mr. GRAHAM]. [Applause.]

Mr. GRAHAM of Illinois. Mr. Chairman, in the time allotted me I shall not have opportunity to do more than allude to some of the main points involved in this matter.

The bill presented by my colleague, Mr. MCKENZIE, seeks to direct the Secretary of War to enter into a contract with Mr. Henry Ford, for the purchase of nitrate plants Nos. 1 and 2, and the power produced at Muscle Shoals, on the Tennessee River. The only question, therefore, is whether the contract set out in the bill is wise and provident or not. In discussing this matter I shall try to free my mind, so far as I can, of many impressions and perhaps prejudices, which I have heretofore had, and view the matter simply from its economic and legislative standpoint.

I have come to the conclusion, after an inspection of the contract submitted, taken with the knowledge I have of the subject gained through about one year's investigation on this very subject matter, that the contract presented ought not to be approved in its present form, and that unless it is modified in certain essential particulars, it ought to be unhesitatingly rejected by the Congress. My reasons for this attitude I want to briefly state.

First. It must be manifest to anyone who views the matter in any way dispassionately that the compensation to be paid by Mr. Ford for the property in question is entirely inadequate and out of reason. He proposes to pay $5,000,000 in cash, to be paid $1,000,000 a year for five years. In addition to this, he proposes to pay certain sums as interest on the investment of the United States in Dam No. 2, now being erected, and in Dam No. 3, to be hereafter erected, which interest will constitute interest on but a small portion of the sum invested by the Government, and much less than 4 per cent on this proportion. The Government will also be obliged to keep up both dams and insufficient payments are to be made by Ford for that purpose. As a matter of fact, therefore, the compensation to be paid is inconsequential and, aside from the $5,000,000, means a poor repayment to the Government of what it is compelled to invest.

In the first place, let us for a moment consider just exactly what Mr. Ford, and his corporation to come after him, gets by this transfer. First, he gets nitrate plant No. 1, costing approximately $13,000,000, and which was originally built for the production of atmospheric nitrogen by a modification of the Haber process. This plant was built in the most elaborate fashion. One thousand seven hundred acres of land surround it, purchased at prices from $60 to $70 an acre. One hundred and twelve permanent houses, costing from $6,000 to $19,000 each, are built there for the residences of officers, in an elegantly parked reservation. There is a clubhouse of a most durable and substantial nature, built at an expense of $120,000, and barracks for workmen and laborers to accommodate a very large number. At this point there are many large fireproof buildings, admirably adapted for all sorts of manufacturing enterprises, and a steam plant of superior design of 5,000 kilowatt-hours capacity.

At plant No. 2 there are 2,300 acres of ground, purchased at a similar cost. There are 137 permanent houses, which cost from $2,500 to $4,600 apiece. One hundred semipermanent

houses, 300 negro houses, barracks for 15,000 workingmen. There is a clubhouse at this place which cost $341,000—most elaborate and well fitted. Forty miles of railroads are in and about the plant; 70 miles of sewers and water pipes. A water capacity of 222,000,000 gallons, and 21 miles of hard roads.

During the latter part of the war the Government built the Old Hickory powder plant at Nashville, Tenn. When this was afterwards about to be sold, the sulphuric-acid plants at this place were taken to Muscle Shoals and stored there and are now ready to be set up and operated, and all of which cost great sums of money. The idea of the ordnance officers was that by taking them to this plant they could have them ready for the making of ammonium sulphate, for which the No. 2 plant was not adapted, this being the preferable form of nitrogen to be used for fertilizer purposes.

At Dam No. 2, which is now being constructed, there are a large number of permanent houses, built at an expense of not less than $5,000 apiece in a beautiful circle on a terraced hillside. There are barracks and houses for laboring men to house at least 4,000 men. There are 15¼ miles of railroad, and 608.56 acres of land.

After the armistice was signed and the war over the Ordnance Department purchased a quarry, called the Waco Quarry, about 35 miles from Muscle Shoals, and proceeded to open up this quarry with funds not originally appropriated for that purpose, but so that the quarry might be so connected with the plant that there would be no opportunity afterwards of separating it from the nitrate plant. This quarry comprises 450 acres of land, 2 miles of railroad, many permanent houses, and a large number of drills, steam shovels, crushing plants, and other necessary apparatus.

Again, it is proposed in this bill to purchase on the Black Warrior River a location and build a 30,000-kilowatt generator plant, with a transmission line and right of way from this plant to Muscle Shoals, 60 miles, and donate the same to Mr. Ford, the cost to be defrayed by the Government, but to be not more than $3,472,487.25.

For all this Mr. Ford and those who come after him are to pay $5,000,000, a very small percentage of the value of the plant if it was wrecked and sold for junk. When the powder plant at Nitro, W. Va., was sold for junk, and this plant was not as good a plant as the nitrate plant No. 2, it sold for $8,500,000, and I am advised its purchasers made large profits out of it.

In all the great transactions in buying and selling which the United States Government has had since the World War began and since its conclusion there can be none found anywhere which evidences so scandalous a disregard of values as this, nor one in which the United States has made a poorer bargain. I can not understand how men of reason and common sense can come to the conclusion that such an offer is at all advantageous.

Second. But it is said the proposition should be accepted because the matter involved is not the matter of selling a plant for what we can get out of it, but that we must have in mind the ultimate good to the country and its people occasioned by such sale. In this connection several propositions are made, as follows: Mr. Ford will so handle this matter as to build up this particular section of country, and from his record heretofore will encourage proper social conditions and betterment among those employed by him; that to establish such an institution at Muscle Shoals will be to the vast benefit of that section of the country and all the people of the country generally; that he proposes to carry on the business of making fertilizers; and that this will make it possible for farmers to have cheap fertilizer for a long period to come.

Let us examine these propositions briefly: First, as to Mr. Henry Ford personally. Mr. Ford has thus far proven himself to be a skilled manufacturer of automobiles and has become vastly wealthy, and is perhaps the wealthiest man in the world. He has introduced good social working conditions among the workers at his various plants. But Henry Ford is an elderly man. His span of life can not be much longer prolonged. The grant being made here is not to Henry Ford, but to a corporation to be formed and to live after him. When Henry Ford passes from the stage we may expect his son, Edsel, and other members of his family to continue in the business, but with the changes of years control will gradually vest in a corporation, with all the ordinary proclivities of a corporation, the principal one of which is to make dividends for stockholders; and, as a matter of fact, so far as any particular desire to contribute to the welfare of the general public is concerned, Mr. Henry Ford and his son, Edsel, have been nothing extraordinary and out of the way. What Mr. Ford has made he has made for himself and still has it. Any contemplation of this matter we have, therefore, must be in view of the fact that in the future it will be conducted by a corporation.

Second. It is argued that this contract will carry out the proposition of section 124 of the national defense act and perpetuate for us a supply of cheap nitrogen for fertilizer purposes. An examination of the contract submitted shows the fallacy of this contention.

Under the contract Mr. Ford agrees that he—section 14—will manufacture at nitrate plant No. 2 "or its equivalent," at least 40,000 tons of fixed nitrogen a year, if there is a demand for it. He does not agree to manufacture this nitrogen at plant No. 2, but may manufacture it at some "equivalent" plant. Again, he does not agree to manufacture this fixed nitrogen from atmospheric sources, or from any other sources, but to manufacture it by any process or in any way he desires. Thus he may manufacture it as sulphate of ammonia from by-product coke ovens or by any new process which may be discovered. All he is obliged to do is to manufacture the equivalent of 40,000 tons of fixed nitrogen, or, if sulphate of ammonia is in greatest demand, 200,000 tons of this material, which is easily manufactured in many industrial chemical processes.

It can therefore be at once seen that Mr. Ford can use not only plant No. 1 for private manufacturing purposes, but plant No. 2 for the same purposes, if he desires, and where he has prepared for him cities into which he can move and power which he can use for 100 years in the manufacture of anything that the market demands. All he has to do is to prepare 40,000 tons of fixed nitrogen, and he or his successors have done all they are required to do.

I am talking now not about what he ought to do but what his successors will do. Leave Henry Ford out of the question and consider it as it will be when he is gone and his successors, intent on the accumulation of wealth, are viewing the matter from a cold, calculating business standpoint.

How far will 40,000 tons of fixed nitrogen go to supply the needs of the American farmer? In 1919 the American farmer used 190,000 tons of fixed nitrogen. This was composed of Chilean nitrates, fish scrap, commercial wastes, and ammonium sulphate. It will thus be seen that 40,000 tons of fixed nitrogen will supply, at this time, about one-fifth of the needs of the American farmer. It has been estimated that the demand for commercial fertilizers will double in 10 years. This being true, and the production of 40,000 tons continuing through the 100-year term, it will be readily appreciated that before this term has lasted long the amount of nitrogen produced by Mr. Ford's company will be negligible. If anyone expects the company he leaves after him to do more than it is obliged to do, it expects to see a miracle in the business world. Any corporation which he forms will make more fertilizers than it is required to make only when it can find a market at favorable terms, and if this company is restricted to an 8 per cent earning, if it can make more than 8 per cent at something else, it will do something else. That has been the universal experience of mankind.

Bear in mind Ford's company is only obligated to make 40,000 tons of fixed nitrogen in a year. Industrial chemistry is just in its infancy. It will be borne in mind that we have never used in this country the true Haber process, a process which made Germany absolutely independent of Chilean nitrates during the World War and by which process she to-day makes vast quantities of fixed atmospheric nitrogen.

The principal trouble with plant No. 1 at Muscle Shoals was in the process and the poor catalyst that was used. Recent discoveries have shown beyond question that with an improved catalyst that process can be greatly cheapened and improved. I have not the slightest doubt that within 20 years from this time we will be able to extract nitrogen from the air in any needed quantity with a very small expenditure of power. There is every indication of this, and no one can doubt it. Therefore the manufacture of 40,000 tons of atmospheric fixed nitrogen in 10 years may be a task such as will only require a small amount of the power produced at Muscle Shoals. At best, and if no improvements were to be made, it would not require more than 100,000 horsepower. No one to-day believes the cyanamid process is economical or the correct process, and if Henry Ford obtains Muscle Shoals he will not use it. He can not produce fertilizer there by the cyanamid process that can sell on the market at a reasonable price, and repeated demonstration has shown this to be true.

Having gone thus far, I want now to call your attention to the gravity of conveying to any person or corporation one of our great national assets for 100 years, with the privilege to carry it on beyond 10 years. Any nation that will so dispose of its national assets without reserving to itself the right to cancel such grant is unwise and improvident. I prophesy here

and now that, if this bill becomes the law and this grant is made, even in our own generation those of us who favored it will have visited upon us the wrath and just condemnation of the people of the country. We have no right to disregard the policy which we have adopted for any individual or corporation. The water power act was wise and a piece of legislation of which we may well be proud. We ought to stand by it. It has been said this is a special case, and that this location of this plant was determined by section 124 of the national defense act, and therefore is not within a general rule. This also is a fallacy. Its location was determined, not because of the choice of Congress or because of the advice of those who passed upon the matter as advisers but was determined solely and alone by President Wilson, and was not in any way a war necessity.

We are looking at this matter with too small an horizon. Let us look ahead 50 years. The Muscle Shoals, in the Tennessee River, lies in a portion of the country and within about 200 miles of the following cities, with the following populations:

Birmingham, Ala	178,806
Memphis, Tenn	162,351
Nashville, Tenn	118,342
Chattanooga, Tenn	57,895
Knoxville, Tenn	77,818
Atlanta, Ga	200,616

Within the immediate circle of influence of this power are the States of Alabama, Georgia, Tennessee, and Mississippi, with a total present population of 9,372,509. The Creator, who wisely contrived all things, placed in the center of this district this great source of power for the use of the people who would live there in the centuries to come. Now, let us step ahead 50 years. Henry Ford is dead. Edsel Ford, his son, is gone. The Ford Co. has its directors located in New York or elsewhere. The cities I have mentioned have risen in population until they have from 500,000 to a million population in each. The population of the States of Alabama, Georgia, Tennessee, and Mississippi has doubled, and 20,000,000 people live there. The price of coal, already mounting to the sky in 1924, has advanced, and the supply has diminished until it is hardly available for power purposes. Oil has practically disappeared. In all the surrounding country are growing industries, requiring large amounts of power, and the ordinary demands of the people for heat and light and power have greatly increased. Everything is changed, and a thousand new inventions have come to more complicate the lives of the people and their struggle for existence. But located at Muscle Shoals, and controlling all the available natural power in this country, is a company with nonresident directors, who have probably available for sale 500,000 or 600,000 kilowatt-hours of electricity, which the company either uses for its own purposes or sells to this country. There is no other natural source of power in that locality. This company, controlling this vast power, is under no regulatory supervision, and can charge any rates for its power it desires, while at the same time the Government of the United States keeps up and maintains the very instruments by which it gets this power. The people, needing this power, and having a right to it by nature and by their citizenship, find themselves absolutely in the control of an institution that goes on for 100 years and then with a lease of life beyond that period, and with no power anywhere to regulate or control its extortionate charges.

What do you believe our grandchildren, who have to deal with these conditions, will think about our action then? What right have we to give away their just inheritance. You say this will be for the good of all the people. I say to you, the good of all the people requires that this be kept for them, and that any other course is unwise, unjust, and an act of utter folly on our part.

Just one more suggestion: It is said the best part of this contract is that plant No. 2 can be recovered by the Government for use in times of war. Does anyone know any institution in the United States which can not be taken over by the Government when war threatens? Everything we have is in this situation, and hence no special right goes to the Government by this provision. Again, let me call your attention to the fact that this contract does not provide that nitrate plant No. 2 shall be kept in its present state of readiness for immediate operation in time of war, but specifies that the plant "or its equivalent" shall be so kept. This means that if Mr. Ford, or his successor, prepares somewhere a plant which will produce 40,000 tons of fixed nitrogen in a year and tenders such a plant to the Government when war comes, this is all he needs to do. So it may be that if, by improved process he finds he can manufacture this amount of fixed nitrogen in some small auxiliary plant, he has the whole of nitrate plant No. 2 for such purposes as he may care to use it for. Again, there will be produced at this plant, if this contract is signed, as primary horsepower in Dam No. 2, 100,000; in Dam No. 3, 80,000; in the steam plant No. 2, 55,000 kilowatt hours; at the Black Warrior station 30,000 kilowatt hours; and at No. 1 steam plant, 5,000 kilowatt hours. With all of this primary power he may do as he pleases. In addition, he has a large part of the year a great amount of additional horsepower, amounting to possibly 800,000 in all. The lowest available estimate of the value of this electric energy at 4 mills per kilowatt hour for primary power and 1 mill per kilowatt hour for secondary power, will produce, running 80 per cent of the time, almost $7,000,000 a year. Of course, anyone understands that the value of this power will increase by leaps and bounds as years go by.

My suggestions are these, if this bill is to be considered at all favorably: First, let it be provided that the plant at No. 2 shall be used for the manufacture of fertilizers to its full capacity now and hereafter. Second, let the period of leasing be 50 years. Third, either place this project within the full jurisdiction of the Federal Power Commission, under the water power act, or reserve in the bill itself the right of the Government to regulate rates and distribution of electric power produced at this plant.

I am not opposed to the leasing of this plant, but I am opposed to giving it away, and I am most seriously opposed to putting the people of the southeastern United States in the position where they will have no control and no protection against exactions for 100 years to come in the use of a power to which they are justly entitled and which was created by the Almighty for the welfare of our people. [Prolonged applause.]

Mr. McKENZIE. Mr. Chairman, I yield 40 minutes to the gentleman from Illinois [Mr. MADDEN]. [Applause.]

Mr. MADDEN. Mr. Chairman, I wish to announce that I will not yield for interruptions.

Mr. Chairman and gentlemen, we have heard a great deal about the dangers to future generations if the contract is consummated under the Ford proposal. It is rather singular that so many dire things happen in connection with every proposal that comes before this House for consideration, and I am always amazed when I realize that notwithstanding all these weird stories about what is going to happen the Nation still lives. I am as much interested in the proper protection of every American interest as any other man can be. I have no obligation to any man who bids for the right to use the power at Muscle Shoals. I never saw Ford. I never had any conversation with anybody who represents Ford. Some year or more ago, I promised to make a study of the Muscle Shoals problem. I made an exhaustive study of it, without prejudice. I brought to the House the results of that study and my conclusions. I presented that study to you. I am under no obligations to follow out the conclusions I then reached, but I was thoroughly convinced that no better disposition could be made of the problem before us than the solution submitted by Henry Ford in his proposal.

For more than two years the proposals of Henry Ford have been in the possession of the Government. Under instructions from the Secretary of War, the Chief of Engineers wandered all over the face of the Nation pleading with people who might be qualified to undertake to operate this plant at Muscle Shoals. Not a bid was received from any source except the bid from Henry Ford. This bid has been before the American people now for more than two years. During all that period no attempt was made from any source to make a better offer than Mr. Ford had made, until the time arrived when it looked as if Congress was about to take action. Then this horde of men interested in water power and the transmission of electric energy, for sale at a profit, realizing that they could not get Muscle Shoals themselves on any bids they were willing to make, proposed to embarrass those who had made legitimate proposals. We have heard a lot in the last two or three days about the inadequacy of the proposals made by Mr. Ford. We are told that he is about to receive property that cost the Government more than $80,000,000 for the paltry sum of $5,000,000. We are told that he is about to get title to land, that upon this land there are paved streets, and under the streets are sewers, all of which were paid for out of the Treasury of the United States.

We have not been told that there were other plants constructed during the war, one at Nitro, W. Va., that cost $60,000,000, and one at Old Hickory that cost $85,000,000, and at each of these plants they had paved streets, sidewalks, houses, sewers, water supply, everything that goes to make up an inhabitable community. Yet when this property was sold after the war, not longer needed by the Government, how much did we receive for it? Twelve and one-half million dollars for property that cost the Government $145,000,000, and the bidders who received this property made no proposal to the Govern-

ment of any kind either in the present or future to do any valuable thing in return for the people of America. [Applause.]

Oh, yes, Mr. Ford is, if this contract is entered upon, to receive property that cost the Government $84,000,000, and is to receive it for $5,000,000. But what is the value of the property? What is its cash value to-day? Nobody, not even the most optimistic of those who believe in higher values would suggest that it is more than $16,000,000 in value, and I wish to suggest that it is not worth half of that sum for any purpose except its use for a going concern in connection with the operation of Muscle Shoals. [Applause.]

I think it is fair that when Congress undertakes to deal with a great problem like this, national in its character, that every man in Congress should do the best he can to produce the best results, not only for the time being but for the future, and we ought to analyze who it is that we are proposing to deal with. Let us find out who these men are that have made the proposal. What is the character of the proposal that they have made. Are they worthy of any sort of reasonable consideration? Were they in earnest? Have they the ability? Have they the integrity? Have they the patriotism? Have they been loyal throughout the years in the development of problems of the Nation, so that when Congress comes to decide in whom they shall put their faith it can do so with a knowledge of all the facts? It is necessary to inquire most carefully into the bidders, their integrity, as to whether they are worthy to be intrusted with Government property at Muscle Shoals involving the national safety of the country in time of war and the manufacture of a cheaper supply of fertilizer for farmers of the Nation in time of peace.

We have been told by the distinguished gentleman from Ohio [Mr. BURTON], in the wonderful speech made yesterday, that the farmers' organizations of the Nation are not committed to the adoption of the Ford proposal at Muscle Shoals. I care not what the farmers' organizations may be committed to, the responsibility lies with us, and whether organizations that they say represent the farmers of the Nation are committed to this proposal or not, the question is, What is best for the real farmers of the Nation? [Applause.] That is the question with which we are called upon to deal. Whether anybody operating a farm anywhere within the confines of continental America has committed himself to the Ford proposal or against it, if I believe that what we are considering here is the best in the ultimate long run for the farmers of the Nation, I am for it regardless of what their attitude may be to-day. [Applause.]

I say that I come to you thoroughly committed to the belief that the best interests for the present-day farmer and the present-day citizen of the United States is in the adoption of the plan before us authorizing the Secretary of War to enter into a contract under the proposal submitted to the Nation by Henry Ford. [Applause.] Now it is necessary for us to scrutinize the pedigree of people making the proposal, and of those making a proposal antagonistic to this proposition here.

Let us look up the pedigree of the Alabama Power Co., the Tennessee Power Co., and the Memphis Power & Light Co. Who are they and what do they stand for? What do they propose? Who do these men that write the minority report say that this contract shall be let to? They have not had the courage to recommend anybody for anything. They criticize and let it go at that. They have made no recommendation that the contract shall be let to the people whom they write the report for, but they are opposed to letting the contract to Henry Ford. You can not run a great institution like this Nation on a mere negative recommendation. [Applause.] You must have supreme constructive force somewhere, and somebody must assume the responsibility for the constructive genius that makes for the wheels of progress in a great country like this, and it is because in the early days and from then on down to the present day that we have had men of courage, genius and integrity and ability that we have made the march of progress which has been the wonder of the world. [Applause.] We must not stop because somebody criticizes another great act which is now before us, and I do not propose to be driven away from my attitude toward this problem because, forsooth, one or two men without any knowledge of the facts in the case criticise the proposal. I am not afraid to place in the hands of a man who has succeeded in everything which he has undertaken a great problem for the benefit of the human race on the American continent, and that is what we propose to do in this. [Applause.]

Where is the Alabama Power Co.? When we search the record what do we find about them? At a mass meeting held in Montgomery, Ala., the capital of the State, on March 1, 1922, the people of Alabama declared the Alabama Power Co. to be a monopoly and they memorialized the Congress of the United States to save them from this Alabama Power Co. monopoly. They said among other things:

> With these considerations in view, and having in mind the freedom of our own people from a galling and oppressive water-power monopoly, the freedom of the American farmer from a burdensome and grinding fertilizer monopoly, the opening of a great river to navigation and the security of the country in the event of war, we urge the President and the Congress of the United States to accept the offer of Henry Ford, whom we verily believe seeks through his offer to dedicate to the American people and especially to the farmers of America his genius and fortune.

That is what I believe. If I did not believe it with all my soul I would not be standing here advocating the adoption of his proposal. Henry Ford made his great fortune because of the patronage given him by the people engaged in agriculture, both in the purchase of his automobile and his tractor. He owes the farmers of America an obligation it will be hard to repay.

I believe that he wants to leave a monument to his success, and he wants the monument to be a utilization of his fortune made out of the farmers of the Nation, the prosperity of the farmer, by placing in his hands the opportunity for a cheaper fertilizer than under any other condition he could buy it. [Applause.]

Mr. CONNALLY of Texas. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. Yes.

Mr. CONNALLY of Texas. I have very great respect for the gentleman's judgment and am very much impressed by his argument, but in connection with the petition from Alabama what has the gentleman to say in reply to the other gentleman from Illinois [Mr. GRAHAM] a moment ago, that there is absolutely nothing, according to his contention, in this contract to limit the charges for electric power under the contract?

Mr. MADDEN. The States have the power to regulate charges, and we can not take that right away from the States.

Mr. HULL of Iowa rose.

Mr. MADDEN. I do not yield any further. The States have the power to regulate the charges, and anything we do here can not take that right away. There is no one who can sell electric current to the consumers of a State without selling it at the rates fixed by the States. That answers that question.

We find the Alabama Power Co. repudiated by its neighbors, the people of Alabama, and condemned by the records of Congress, and by the Department of Justice, and if these indictments of the integrity of the Alabama Power Co. are unjust, why do we not find at least one man rising and defending the Alabama Power Co.? Is anybody here willing to do that? If not, I shall pass on.

But let us examine another part of the record—

We find that the Alabama Power Co., through a subsidiary company, made an offer to the Government for the power at Muscle Shoals in 1913. But when the Chief of Engineers of the United States Army, under direction of the Secretary of War, in 1921, invited the Alabama Power Co. along with other companies to make a proposal to the Government of a reasonable return from the investment of the United States at Muscle Shoals, what reply did the Alabama Power Co. make? This company made an evasive reply and, in the light of subsequent events and subsequent proposals made by the Alabama Power Co., the reply of the Alabama Power Co. to the Chief of Engineers in 1921 was one of duplicity and deception.

Now, let us look into the pedigree of the Tennessee Electric Power Co., one of the three companies signing the proposal of the power companies for the power at Muscle Shoals and their so-called offer to make fertilizers. It is disclosed in the recent hearings of the Committee on Military Affairs that the Tennessee Electric Power Co., along with other companies, is now defending in the Supreme Court of Tennessee an antitrust suit brought by the State of Tennessee against the Tennessee Electric Power Co. and allied interlocking companies, and in this suit the Tennessee Electric Power Co. is the controlling corporation in the group of defendant concerns. So we find the Tennessee Electric Power Co. in the Supreme Court of Tennessee defending a suit for the cancellation of its charter, because it is a monopoly violating the antitrust laws and the common law of the State of Tennessee.

And what answer does the record show that the Tennessee Electric Power Co.—then the Tennessee Power Co.—made to General Beach to the invitation of the Chief of Engineers in 1921 for a proposal to the Government on Muscle Shoals? The record shows that this company, along with three other companies, the Columbus Power Co., the Georgia Railway & Power Co., and the Central Georgia Power Co., all signing a joint

statement addressed to the Chief of Engineers, declared that from a strictly business and commercial standpoint, and considering the cost of production of power at Muscle Shoals, private capital could not afford to undertake the Muscle Shoals water-power development, nor make investments to use its output; and further declared that the United States could not afford to invest additional public money to build the dam and hydroelectric plant at Muscle Shoals on the Tennessee River.

So they were there trying to persuade the public functionaries of the country that it was even unwise for the Government itself to invest, and under no circumstances could private capital hope to succeed.

Yet this very same Tennessee Electric Power Co., which signed these statements in 1921, on January 15, 1924, signs a proposal for this very power at Muscle Shoals, offering to pay, as they claim, $2,000,000 annually for this power. With this record, can this company, the Tennessee Electric Power Co., be intrusted with the people's property at Muscle Shoals?

Now, as to the Memphis Power & Light Co., the third company signing the power companies' proposals for the power and the manufacture of fertilizers at Muscle Shoals. This company can be dismissed from the attention of the House as having no reliable and dependable business standing, because this company has only recently come out of a receivership.

The closely knit connection between these three companies signing this power offer and this so-called fertilizer offer for Muscle Shoals is more intimately revealed by an examination of Moody's Manual, Poor's Manual, and the Directory of Directors. From this information we find that le. ling members of the boards of directors of both the Alabama Power Co. and the Memphis Power & Light Co. are also officers or directors of the Electric Bond & Share Co., which is a subsidiary holding company of the General Electric Co. We also find that W. M. Flook, who signs the fertilizer offer of the power companies, was the president of the Memphis Gas & Electric Co., which was reorganized in 1922 to form the present Memphis Power & Light Co.

So here we have the trio of power companies in discredit. Here are the triplets who have broadcast in the press of the country that they have made a better offer for Muscle Shoals than Henry Ford, in whom the American people have faith and who stands out as one of the world's greatest manufacturers, and whose financial credit no one questions.

Now, the power offer and the so-called fertilizer offer of these three companies clearly show in the record that what these companies want to get at Muscle Shoals is the power at Muscle Shoals, and they made an offer only in order to get this power. They look upon Muscle Shoals simply as a power proposition, and all they seek at Muscle Shoals is the power that is available there.

Now, in contrast, what does Henry Ford say? On October 11 he said:

> The Ford Motor Co. never has needed Muscle Shoals. We have water power sufficient for all our purposes. The only thing I could do at Muscle Shoals which I am not now able to do elsewhere would be to make fertilizer for the farmer.

Is there any wonder that the fertilizer-using farmers of this country appeal to this House to accept the Ford offer? And can it be wondered at that the farmers of the United States justly complain at the delay of Congress in accepting the Ford offer? Can any Member of the House justly and fairly say and honestly contend that the farmers' interest in Muscle Shoals should be placed in the hands of the Alabama Power Co. and its allies? If there is one Member of the House who contends that the Alabama Power Co. should have Muscle Shoals, this company's record in another instance will remove any doubt on the subject.

When the Alabama Power Co. at the eleventh hour made an offer for the power at Muscle Shoals under date of February 15, 1922, they proposed to allot 100,000 secondary horsepower free of cost for the operation of nitrate plant No. 2; but this same Alabama Power Co., true to its course of deception and its ever flagrant disregard of every principle of square dealing in its power offer of January 15, 1924, proposes that the farmer shall pay cost for the power furnished to the Alabama Power Co.'s fertilizer corporation. When the Alabama Power Co. in 1922 made an offer of free power for nitrate plant No. 2 as a cheap bait to the farmers and to Congress, knowing that nobody would take No. 2 plant and run it without controlling the power at Muscle Shoals, with one grand burst of generosity to the farmers they said, "We will furnish you power without cost to make your fertilizer"; but when this same Alabama Power Co. in 1924 is so pinched by Henry Ford's offer that the Alabama Power Co. found itself forced to make some kind of a fertilizer offer it forgets its tender feelings of 1922 for the farmers of the country, and says, "We will charge you farmers cost."

Now let us take the entire group of nine power companies signing the letter of January 8, 1924, to Secretary Merrill, of the Federal Power Commission. These companies operate in the southeastern States, in North and South Carolina, Georgia, Tennessee, and Alabama, and is there a single Member of the House from any of these States who will stand up and defend these power monopolies? And is there a single Member of the House from any of these States who will tell the House that these companies should have Muscle Shoals, and that Henry Ford should not have Muscle Shoals? And, finally, is there a Member of the House from any Southern State who will rise and say that he is ready to cast his vote in favor of this power group having Muscle Shoals against Henry Ford's offer for Muscle Shoals?

Now, since we find that not a single Member of the House from the South is in favor of these power companies located in the South and doing business in the South, then upon what pretext or excuse can the Members of the House from the Eastern States, from the Middle States, from the Lake States, from the Mississippi Valley States, from the Mountain States, or from the Pacific States say that these power companies should have Muscle Shoals and that Henry Ford should not have Muscle Shoals?

Now last, but not least, the stock of the Alabama Power Co., is controlled by a foreign corporation, a Canadian company, and the stock of this Canadian company is controlled by British owners. Whatever may be the differing views among all of the Members of the House, since every Member of the House is an American, no Member of the House will fail to approve section 22 of the McKenzie bill as reported by the Committee on Military Affairs, which provides that no stock or bonds issued by any company or subsidiary company in connection with the Government's Muscle Shoals property shall be owned or controlled by any foreign corporation, citizen, or subject. This provision in the bill excludes, and rightfully excludes, the Alabama Power Co., and as for the power companies allied with the Alabama Power Co. they are merely stool pigeons.

When Members of the House read the views of the majority of the House Committee on Military Affairs as set down in its report to the House on the McKenzie bill for acceptance of the Ford offer for Muscle Shoals, all those who realize that we are dealing with a national problem of far-reaching importance will be in hearty accord with the views of the majority, because they propose a policy at Muscle Shoals founded on the national defense act of 1916, and they have wisely measured the proposals made for the people's property at Muscle Shoals by the service which the people's property at Muscle Shoals will render to the Nation in time of war, and by the service which Muscle Shoals will render to the farmers of the country in times of peace.

The report of the majority of the committee, and its recommendations, will be approved by all fair-minded people who read the report, and there will be full agreement with the committee that there is but one proposal which is sufficiently comprehensive and satisfactory in its terms to be accepted by Congress.

That proposal which the committee finds acceptable has been before Congress for more than two years. Other proposals have imitated its form and copied its terms as nearly as they dared, but none of the bidders have squarely faced the responsibilities at Muscle Shoals except one—a bidder whose remarkable success in everything he has undertaken has excited the admiration and confidence of the Nation.

I stated last year that I looked upon this proposal simply as a business proposition. When we passed section 124 of the national defense act in 1916 we undertook a nitrogen program in this country.

Brought down to June 30, 1923, our expenditures under this program have reached a total of $111,741,369, and adding to this the $5,564,090 expended on the Wilson Dam from June 30, 1923, to the present time, we have a grand total investment of $117,305,459 at Muscle Shoals. The expenditures to June 30, 1923, are as follows:

Investment to June 30, 1923.

Construction cost:	
Nitrate plant No. 1	$12,887,941
Nitrate plant No. 2 (including $1,392,962.88 on account of Waco Quarry)	67,555,355
Gorgas-Warrior plant and transmission line	4,979,782
Dam No. 2 (Wilson Dam) (including commitments under contracts)	20,145,715
	105,568,793

Maintenance cost (including experimental operations at nitrate plants and research laboratory):		
Dam No. 2		$359,593
Nitrate plants:		
No. 1	$923,765	
No. 2	3,823,272	
		4,747,037
Research laboratory		1,065,946
		6,172,576
Total		111,741,369

Except for increased appropriations and expenditures the situation to-day is not different from that of a year ago, and I can do no better than quote from the statement made by me on the floor of the House February 3, 1923, and revise this statement to bring the figures down to June 30, 1923:

1. Dam No. 2—Wilson Dam—is incomplete, and Dam No. 3 has not even been started. So we have no water power.

2. Nitrate plant No. 1, originally designed to produce 9,000 tons of fixed nitrogen in the form of ammonium nitrate, employing a modification of the Haber process, has been completed only up to one-fourth of its capacity; was purely an experimental venture, and up to this time has not proven successful. The experiment has cost $12,887,941, and an additional outlay for new machinery costing in the neighborhood of $2,000,000 would be necessary if further experiments are to be undertaken. Furthermore, the employment of this method is fraught with great danger from explosion of the high-pressure tanks in which nitrogen and hydrogen are impounded. To put the plant on a production basis employing the latest approved methods would cost approximately another $4,000,000.

3. Nitrate plant No. 2, employing the cyanamide process, has been completed to its designed capacity of 40,000 tons of fixed nitrogen in the form of ammonium nitrate and was operated successfully during a two weeks' trial run, but the cyanamide process is considered by the experts to be obsolete as a fertilizer process, which most probably will make it necessary to replace the machinery and to some extent the buildings.

That is a rather doleful picture after an expenditure of $117,000,000; but if you will take the time to delve into the mass of data bearing on the subject, you will find that I have given you the actual facts. Now, having gone this far, what is the best way out? We have an obligation to discharge to the American people. We are responsible for there having been used well over $100,000,000 of their money, and they expect and we owe them a proper return on it. Shall we go on in the face of what we have experienced and make renewed efforts to make a go of the thing ourselves, irrespective of what the ultimate cost might be? Let us examine carefully what this course would quite certainly mean.

In the first place we would have to complete the Wilson Dam—Dam No. 2—estimated to cost from June 30, 1923, an additional $23,289,284. And then, to make up for the defects or shortcomings of the present layout, so as to put the plants on a going basis that fertilizer of a suitable type, in adequate quantities and marketable at a reasonable price may be produced and that facilities at all times may be available for the manufacture of explosives and other war materials, we would find it necessary to appropriate approximately these additional sums:

1. Auxiliary or reserve water supply to stabilize the flow of the Tennessee River that a uniform amount of power would be available the year around	$20,000,000
2. For remodeling nitrate plant No. 1	4,000,000
3. For remodeling nitrate plant No. 2	10,000,000
4. For a phosphoric acid plant to meet the demand for a mixed fertilizer	15,000,000
5. Operating fund	10,000,000
Total	59,000,000

These make a total of $59,000,000. Add to that the $23,289,000 to complete the Wilson Dam and the $117,000,000 already invested and our total outlay will have amounted to $199,594,000. In other words, we will have to sink another $82,289,000 into the venture before we can function on an economical business basis, excluding, of course, let me emphasize, any return whatever on the investment. I seriously doubt if under Government operation we could even include in the selling price of the fertilizer other usual items of overhead and keep the price at a figure which the farmer could afford to pay. What is the alternative? We can not stop. We owe it to the Nation to see the thing through.

The farmer needs nitrates, and the very life of the Nation may at some time hinge upon our ability to supply this necessary munitions ingredient to the Army and Navy. The answer is to go ahead at all hazards, or, I should say, in spite of all hazards, or to let private enterprise step in and do the job for us.

Now, let us see what private enterprise has to offer. I refer to the Ford offer.

In the first place we must put up, according to current estimates, $48,289,000, dating from June 30, 1923, to complete the Wilson Dam and to build Dam No. 3, to be located about 15 miles upstream from Dam No. 2, the work on both dams to be prosecuted by Mr. Ford at actual cost. That would end the demands upon the Federal Treasury. We would then have invested $160,000,000, instead of the $200,000,000 that would be necessary if the Government should determine to finish and operate the plants, and, of course, it should be borne in mind that the $200,000,000 does not include any money whatever for Dam No. 3, estimated to cost $25,000,000.

Congress having provided the money for the two dams, to complete one and to build in its entirety another, Mr. Ford then agrees—

First. To operate nitrate plant No. 2 in the manufacture of nitrates at its full present capacity, namely, 40,000 tons of fixed nitrogen per annum, for a period of 100 years.

Second. To maintain nitrate plant No. 2 at all times in efficient modernized operating condition for the use of the Government in time of war.

Third. To provide fertilizer to the full capacity of nitrate plant No. 2, with profit, if any, limited to 8 per cent above the fair actual cost of production.

Fourth. To supply such quantity of fertilizers, mixed or unmixed. An agreement to furnish mixed fertilizer composed of nitrogen, phosphoric acid, and potash will necessitate the erection by Mr. Ford at his own expense of a phosphoric acid plant at Muscle Shoals, estimated to cost $15,000,000, which the Government would have to do if we should decide to operate ourselves.

Fifth. To research fertilizer production and to employ such improved methods as may be found successful.

Sixth. That the capital of $10,000,000 of the company to be formed shall be liable for the fulfillment of the contract, backed up—please note this—by Mr. Ford's entire personal estate and that of his heirs and assigns.

I do not think any of you entertain any question but that the purposes for which the undertaking was authorized will be entirely fulfilled under this offer, and I think you will all agree that the guaranties are wholly adequate. So assuming, I will now address myself to the consideration proposed by Mr. Ford.

In the first place, he offers to purchase nitrate plant No. 1, nitrate plant No. 2, the Waco Quarry, and a steam power plant and transmission line to be built by Mr. Ford or a company incorporated by him to take the place of the Gorgas steam plant and transmission line, sold since his offer of May 31, 1922, all for $5,000,000 in cash, and, in addition, agrees to valuable contract obligations. Let us analyze this for a moment. I have already told you of the contract obligations. We have invested in these four units $85,423,078, but, as I have shown you, they are practically valueless unless we sink another $82,289,000 into the entire venture, or $107,000,000 if, under Government control, it should be decided to build Dam No. 3; and I do not think there is any question but that this dam must not only be built but an auxiliary water flow provided besides, if sufficient power is to be generated at all times to make it possible to meet the demand for fertilizer. If this be true as to Government operation, it applies with equal force to Mr. Ford. He will incur no immediate expense on account of the dams, but he will have to put out $59,000,000 to get the plants on a going basis, the same as the Government would have to do. So he is not getting such a wonderful bargain after all. He agrees to pay $5,000,000 for what we have paid $85,000,000, but to use which he will have to expend another $59,000,00; and we must not forget that the $85,000,000 represents Government construction costs, and war-time costs at that.

That disposes of everything but the dams. To June 30, 1923, we had invested in the Wilson Dam, including maintenance costs, $20,505,308. Under Mr. Ford's offer we must commit ourselves to a further outlay for the Wilson Dam and Dam No. 3 of $48,289,284 from June 30, 1923. Let us see what his proposition is as to these. After their completion, which he is to do, he agrees to lease the water power derived therefrom for a period of 100 years on the following terms:

1. To maintain at his own expense the power houses and all equipment incident thereto, returning the same at the end of the lease unimpaired.

2. To pay $35,000 annually for repairs, maintenance, and operation of Dam No. 2, its gates and locks, and $20,000 per annum for repairs, maintenance, and operation of Dam No. 3, its gates and locks, during the life of the lease. The sum of $55,000 has been estimated as sufficient for these purposes.

3. To pay $200,000 annually as rental for the first six years on Dam No. 2, and thereafter during the life of the lease 4 per cent interest on the sum necessary to be expended for the completion of said dam, power house, and machinery, and for completing the acquiring of lands and flowage rights.

4. To pay as rental for Dam No. 3, $160,000 per annum for the first three years, and thereafter 4 per cent interest on the entire cost of constructing said dam, power house, and machinery, including cost of lands and flowage rights.

5. To establish a sinking fund by the semiannual payment of $23,373, which sum, if compounded at 4 per cent semiannually, will amount to $49,071,935 at the end of the lease, and if compounded at 4½ per

cent interest will amount at the end of the lease to $58,570,003. It has been claimed, and it is probably true, that this fund could be handled by the Federal reserve banks to accomplish this result, and practically without expense.

6. To furnish free 200 horsepower for operating locks at Dam No. 2 and 100 horsepower for operating locks at Dam No. 3. This would save the Government the cost of operating the locks on the Muscle Shoals Canal, estimated to range from $35,000 to $85,000 per annum.

When you analyze it, that is not a bad proposition at all. For a period of 100 years the Government is freed of any expense in connection with these dams, locks, and power houses and machinery; it receives a fairly substantial return on approximately two-thirds of its investment in the dams, and in the end has repaid to it practically the whole of such investment. And, gentlemen, remember that throughout that period the farmer will have been getting his fertilizer and the Government will have had at its disposal a plant fully and modernly equipped and ready to produce explosives and other war materials.

The Government will have been freed from all the hazards attendant upon such a vast enterprise, it will have been saved the expense of research and experimentation, and the burden will have fallen upon others to keep these plants equipped to conform with the march of progress.

Now, it is not my purpose to urge you to align yourselves on one side or the other of this proposition. I have striven to give you the plain unvarnished facts as I have found them so that you might be the better equipped to determine the matter for yourselves. It is a business proposition with me, purely and simply. I feel that we owe it to the taxpayer, to the farmer, and to the Nation to finish the undertaking and get it into operation at the earliest date practicable, and, so believing, my chief aim has been to get for you the facts so that you would be the better able to determine upon that course which will work out to the greatest advantage of the Federal Treasury, not just at this time, but throughout the years. I have no concern, if we choose to let others act for us, as to who they are, what section they hail from, or what their politics may be, other than to be certain that their past business record is beyond reproach and that satisfactory guaranties are given. I am perfectly frank to say that I know of no person or group of persons who have demonstrated a bigger capacity to handle a large undertaking of this character than Mr. Ford. Therefore, gentlemen, it resolves itself into just this: Do you wish to sink another $107,000,000 into this Muscle Shoals project, in the light of your experience thus far, to incur all the hazards incident to the conduct of the business, to commit the Government to the continual expense of upkeep of such a vast project, a large portion of which has only potential value, and to the expense of keeping the entire plant in a modern productive state, or do you think the wiser course would be to accept Mr. Ford's offer, put only enough additional in the venture to complete both dams, and sell and lease under the terms that he has proposed? My own conviction is that we should accept the Ford offer and get out of the business. I feel that by so doing we will have acted so as better to provide for the common defense and for the promotion of the general welfare.

The question to answer with regard to the Ford proposal and the Federal power act is: Will the House fail to protect the public welfare, fail to protect the consumers of the power at Muscle Shoals, if the House accepts the Ford offer and leaves him free of the Federal power act?

The Federal Power Commission has no authority to control or regulate rates of power. The regulation and control of such rates are conceded to the various States which have regulatory bodies.

The Federal Power Commission has no authority under the Federal power act to require Mr. Ford to distribute power to any particular service or to any particular territory, and if they did still the commission could not control or regulate the rates at which the power was furnished, since this regulation is wholly within the States.

It seems, therefore, as respecting the cost of power to consumers and the rates charged, to bring Mr. Ford under the Federal Power Commission will merely give the commission the opportunity under the power act to increase the cost of power to the consumer by charging under its rules and regulations 25 cents per installed horsepower, which would be at Muscle Shoals $218,500 annually.

On the other hand, there are some economic features of the Ford offer which are very fundamental:

First, Mr. Ford proposes to amortize the cost of the dams, locks, and power-house facilities, and it is most probable that the power companies and their brokers and bankers opposing and fighting the Ford offer do so more on account of this principle than anything else.

When the capital invested in a power project is amortized, the cost of power is reduced to maintenance and operation, but this economic principle is not found in the power act, nor are power companies expected or required to make rates based upon the cost of maintenance and operation, even though they might be required to amortize their bonds.

There is one other phase of the Ford offer that is new, and that is that the cost to the United States of the navigation improvements at Muscle Shoals is entirely paid for by Mr. Ford under the Ford proposal. This is a great contrast with the millions upon millions that Congress is annually appropriating for navigation improvements, with not 1 cent repaid.

There is still another thing in Mr. Ford's offer that is strikingly new and fundamentally sound, and that is that he does propose to manufacture fertilizers at a profit not to exceed 8 per cent on the fair actual annual cost of production thereof. No power company receiving a license from the Federal Power Commission has ever offered, nor has the commission required—not having the authority to so require—any power company to fix its maximum profits. This establishes a new economic precedent that should be applied to other of our great water-power resources when leased by the Federal Government.

The value of Chilean nitrates imported into this country for the fiscal years 1922 and 1923 and seven months of the fiscal year 1924 is in excess of $80,000,000, and the export duty paid to Chile on the importation of this Chilean nitrate is in excess of $24,000,000.

When we consider this bill for nitrates for this period and the export tax paid to Chile, is it more important to the country to take the first step to put an end to this Chilean nitrate tax upon the farmers of the country and other users of Chilean nitrate by accepting the Ford offer or to reject it by bringing the Ford offer under the Federal power act and Federal Power Commission? And if the Federal Power Commission is given all the control under the Federal power act at Muscle Shoals, will it be worth what we have paid to Chile in the fiscal years 1922 and 1923 and seven months of the fiscal year 1924?

I want to say in conclusion that the call back to the farm is stronger to-day in the minds and the hearts of the American people than ever before. There is more need for the conservation of agriculture for the future of our people than there has ever been before. We should never fail to utilize every facility that may be placed at our disposal in order that the prosperity of America may be assured. We are here assured by the proposal of Henry Ford that he will operate nitrate plant No. 2 to its full capacity during all the period of its control. Here is what he said when he appeared upon the acceptance of the proposal:

> Upon the acceptance of the Ford proposal the promises, undertakings, and obligations shall be binding upon the United States and jointly and severally upon Henry Ford, his heirs, representatives, and assigns, and the company, its successors and assigns, and all the necessary contracts, leases, deeds, and other instruments necessary or appropriate to effect the purposes of this proposal shall be duly executed and delivered by the respective parties above mentioned.

Section 23 as it appears in the bill before you has a provision with reference to this. My judgment is that it covers every word that is carried in this language that I have just read, but if there is any doubt or to obviate any doubt that may be in the minds of anyone I propose to offer as a substitute for the language now in the bill the language of this Ford proposal. [Applause.] I want to see agriculture prosper. I want to see America and its people happy; I want in time of peace to furnish every facility for the prosperity and happiness of the fundamental industry of the land, agriculture, and in time of war I want these great facilities at Muscle Shoals to be so preserved and protected in the intervening years that we will be able in a moment's notice to take control of them and utilize them to the fullest extent of our capacity in the interest of the safeguarding of America and her institutions. I want, in short, for this House before we complete the work now before us to lay a foundation for a great national conservation of agricultural forces and hand this conservation policy down to the generations who are to people this continent in the ages to come. [Applause.] Gentlemen, you can not do any more patriotic thing than to vote for the Ford proposal, ignoring the arguments which have been made here against it. There is nothing to them; they have no merit, no worth. [Applause.]

The CHAIRMAN. The time of the gentleman from Illinois has expired. All time has expired. The Clerk will read.

The Clerk read as follows:

> *Be it enacted, etc.*, That the Secretary of War is hereby authorized and directed, for and in behalf of the United States of America, to execute the following contracts:
>
> For the purpose of carrying out the terms of this agreement, Henry Ford will form a corporation (hereinafter referred to as the company) with a capital stock of $10,000,000, or more, of which at least $10,-

000,000 shall be paid in, in cash, to be controlled by Henry Ford, which company will immediately enter into and execute all necessary or appropriate instruments of contract to effectuate this agreement.

Mr. BURTON. Mr. Chairman, I desire to introduce an amendment.

The CHAIRMAN. The gentleman from Ohio offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment proposed by Mr. BURTON: Line 5, on page 2, strike out the words "to be controlled by Henry Ford."

Mr. BURTON. Mr. Chairman, I have introduced this amendment not because of any objection to the control by Henry Ford of this corporation. I am convinced that if this contract should be made, it would be well to have the corporation controlled by a man of his very marked business ability and of his large capital. I make this proposition in the way of an amendment, which possibly I may withdraw, because I am convinced that this proposed requirement is not legally binding. It is another instance of provisions in this bill which "Keep the word of promise to the ear and break it to the hope."

The general principle in regard to corporations is that the ownership of stock not only carries with it rights, but responsibilities as well; and from both of these standpoints this provision is not valid, nor is it in accordance with public policy to provide that one person should have control of a corporation.

We may begin at the very beginning. Under the laws of the respective States incorporators file letters of incorporation. These are deposited with the secretary of state or some similar official, and then books are opened for subscriptions to the stock. The privilege of subscribing is free and open to anyone who will come forward. Perhaps Mr. Ford might be the first to present his name as a subscriber. But you could not compel the incorporators or others having the books in charge to refuse subscriptions from anyone else. That, however, is but incidental.

Now, when it comes to the ownership of stock, it carries a right. That right is not only to have ownership, but disposition as well. In the antitrust decisions it was repeatedly held that an arrangement by which the stockholders of a corporation turned over their stock to a trustee—the name "Trust" was derived from those arrangements under which the holders of stock in a variety of corporations turned over the right of voting and of controlling the respective corporations—was contrary to public policy.

The courts, whenever the question was brought before them, decided that those agreements were invalid. And so the courts must decide that in the case of any agreement like this, an agreement that the stock of a corporation shall be owned or controlled by one individual, thereby restraining the right of disposition, thereby restraining those incidents which belong to the management of corporations, is invalid.

Now, there is another provision in this bill as to which I think there might be some doubt, and that is the requirement that a majority of the stock, or perhaps all of the stock, shall be owned by American citizens. I am inclined to think that would be held valid, because a question of national policy is involved, and that question is peculiarly acute in view of the fact that this corporation agrees to turn over its work to the Government in time of war or emergency for the manufacture of explosives.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. BEGG. Mr. Chairman, I have an amendment that I want to have read for information only.

Mr. HILL of Maryland. Mr. Chairman, I would like to speak on the pending amendment offered by the gentleman from Ohio [Mr. BURTON], which is before the House now, is it not?

Mr. BEGG. There is nothing that I shall say that will keep the gentleman from speaking on that amendment.

The CHAIRMAN. The amendment will be read in the gentleman's time.

The Clerk read as follows:

Amendment offered by Mr. BEGG: Page 11, line 11, after the word "explosives," strike out the period and insert a semicolon and add the following: "*Provided*, That if Henry Ford, his heirs, successors, or assigns, or the 'company' so to be organized, its successors or assigns, fail for three consecutive years to manufacture annually not less than 40,000 tons of fixed nitrogen for exclusive use as fertilizer, then, and in that event, every contract of sale or lease made by the said United States with said Henry Ford, his heirs, successors, or assigns, or with said 'company' named in section 1, its successors or assigns, shall be void, and all property, real or personal, leases, rights, and other privileges held by any of the above-named persons at said Muscle Shoals shall revert to and become the property of the Government of the United States. No contracts shall be entered into pursuant to the provisions hereof unless they embody as a part thereof these provisions. The conditions herein provided shall become operative on and after six years from the date such contracts are entered into."

Mr. BEGG. Now, Mr. Chairman and gentlemen of the committee, I should like to find myself in a position to support this bill. I have made an honest effort to study this bill with that in view, and I have listened to practically all the debates for and against the bill, and I have convinced myself that there is only one excuse for voting for this proposition, and that excuse would be that it is for the purpose of getting cheaper fertilizer for the American farmer. Now, if the bill does not do that, every one of us would be condemned by the results following our vote if we voted for it; and if the bill does that, and if the proponents of the contract and of the bill are absolutely sincere in their motive, namely, to produce fertilizer for the American farmer, there is not a line or word in this amendment that will hurt the proposed bill or that the signers of the proposed contract will refuse to sign or accept.

There has been much argument about what this bill binds and what it does not, and there has been much argument and many statements about whom the other propositions come from. All of that, gentlemen, I submit to you, is irrelevant. Either we are prompted to do this thing because we want to produce fertilizer or else there must be some other motive. I take it that the only argument that is worth a fig in favor of the bill is the fertilizer argument.

Mr. McSWAIN. Will the gentleman yield?

Mr. BEGG. I can not yield at this time.

The CHAIRMAN. The gentleman declines to yield.

Mr. BEGG. And if that is true, then every man before he casts his vote ought to satisfy himself that the Government, or the people through the Government, will receive fertilizer.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BEGG. Mr. Chairman, I ask for five minutes more.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to proceed for five additional minutes. Is there objection?

There was no objection.

Mr. BEGG. Now, gentlemen, let us come right down to the point. We are not lawyers but we are business men. Why a contract at all between men? The only reason for a contract between men—and I am talking about a contract in writing setting forth the articles to which there has been a common or mutual agreement—is to compel both parties thereto to perform the provisions of the contract.

Now, I submit to you that if I were going to be a signer of this contract, undertaking to manufacture fertilizer, and if I wanted to evade the fulfillment of that contract, I can find at least three ways out of it, and I am not a lawyer. There are three gates that are just as wide open as it is possible for a hole to be left in a written instrument. But, my friends—and I am talking to you men who are sincerely for the Ford proposition—if you will incorporate this provision I will take my chances on Mr. Ford, or his successors or his assigns, ever escaping with the property of Muscle Shoals without producing to the country 40,000 tons of fixed nitrogen for the sole manufacture and use in commercial fertilizer.

Now, this amendment provides that—

If Henry Ford, his heirs, successors, or assigns, or the company so to be organized, its successors or assigns, fail for three consecutive years to manufacture annually not less than 40,000 tons of fixed nitrogen for exclusive use as fertilizer, then and in that event every contract of sale or lease made by the said United States with said Henry Ford, his heirs, successors, or assigns, or with said company named in section 1, its successors or assigns, shall be void, and all property, real or personal, leases, rights, and other privileges held by any of the above-named persons at said Muscle Shoals shall revert to and become the property of the Government of the United States.

Mr. OLIVER of Alabama. Will the gentleman yield?

Mr. BEGG. I can not yield, as I will not have time enough. Is that fair to Mr. Ford? There is a provision in the amendment which I did not read, to the effect that it does not become effective until six years after the signing of the contract, and then if he fails for three consecutive years, or nine years, the Government ought to get the property back and the Government ought not to be compelled to go into court and stand a lawsuit for 100 years, because, as I said in the beginning, the only excuse I can find for voting for the Ford Muscle Shoals proposition, to my way of thinking, is so as to produce nitrates, and if this production of nitrates is a certainty then this amendment would not hurt anything.

Mr. OLIVER of Alabama. Will the gentleman yield?

Mr. BEGG. Yes.

Mr. OLIVER of Alabama. I appreciate the sincerity of the gentleman, and I take it the gentleman believes, after studying the hearings, that the section with reference to the production of fertilizer really means what his amendment states, but out of an abundance of precaution the gentleman has offered the amendment.

Mr. BEGG. Who has written this amendment?

Mr. OLIVER of Alabama. The gentleman from Ohio; the one you are offering. I say that amendment in substance and in letter is what you understand the friends of Henry Ford claim this section means.

Mr. BEGG. Absolutely; but there is this difference, I will say to my good friend from Alabama——

Mr. OLIVER of Alabama. My position is that it in no sense changes the meaning.

Mr. BEGG. Then it will not hurt it.

Mr. OLIVER of Alabama. If it does not change the meaning of the section and, if accepted, I assume the gentleman's position is that he would vote for this bill.

Mr. BEGG. Absolutely; and I will say there are lots of other gentlemen who will vote with me.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. BEGG. Mr. Chairman, having yielded so much, I would like to ask for three more minutes. I have not taken any time in general debate and I will not take any more time than that.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to proceed for three additional minutes. Is there objection?

There was no objection.

Mr. BEGG. Now, in answer to the gentleman from Alabama [Mr. OLIVER] there is this difference: What is in the hearings is absolutely of no effect and is not binding as against what is in the contract, and if you gentlemen are wise you will put in the contract what you think the hearings mean, and that is only what I have tried to do. I want to vote for this bill, but I can not vote for it unless it is amended. I have to answer to my conscience for my vote and to nobody else, and I am not at all interested in who the other bidders are or whether there are one or more.

Mr. BURTNESS. Will the gentleman yield?

Mr. BEGG. I will yield, although I hate to do so.

Mr. BURTNESS. I take it the gentleman really attempts to set out a legislative guide for the court in determining whether or not a breach of the contract has occurred, rather than to leave that matter solely to the judgment of the court.

Mr. BEGG. No; I do more than that. I provide that no contract shall be entered into pursuant to the provisions hereof unless they embody these provisions as a part thereof. In other words, if this is adopted into law the Secretary of War, whosoever he may be, can not write a contract without this particular section of the law being written into the contract. It is nothing more or less than a forfeiture of all the rights and privileges and the personal and real property acquired at Muscle Shoals if he fails for three consecutive years to perform that part of the contract.

I want to ask my friend from Illinois [Mr. MCKENZIE] if he is willing to state before the House that he will accept this amendment? I think that is important and I would like to have everybody hear his reply to that question.

Mr. McKENZIE. I did not catch the gentleman's question.

Mr. BEGG. I want to ask the gentleman point-blank whether he, as the leader for the bill on the Republican side, will accept this amendment?

Mr. McKENZIE. If the gentleman will pardon me for taking half a minute of his time, I will make a statement.

Mr. BEGG. I will.

Mr. McKENZIE. I want to say to my good friend from Ohio, and to all others in the House who hold the same views as the gentleman from Ohio, that there has been only one purpose, so far as the chairman of this committee is concerned and the members working with him, and the other members, too, for that matter, and that was to bring into the House a proposal in language so specific that there could be no question about Mr. Ford having to perform the contract.

The CHAIRMAN. The time of the gentleman from Ohio has again expired.

Mr. HILL of Maryland. Mr. Chairman, I ask unanimous consent that the gentleman from Ohio have five minutes more.

The CHAIRMAN. The gentleman from Maryland asks unanimous consent that the gentleman from Ohio may proceed for five additional minutes. Is there objection?

There was no objection.

Mr. McKENZIE. I want to say to the gentleman from Ohio that our committee spent days on this particular language, and after we adopted it we felt it was absolutely specific and certain. I feel we have it so written, but I want to say to my good friend from Ohio, and to every man in this House, that as one of the men who have stood consistently for the Ford offer, that I want nitrates made at Muscle Shoals for the farmer. I want nitrates made at Muscle Shoals for the farmers, and I want Henry Ford bound to do that, and I am sure that Henry Ford means to be bound, and has been frank about it, and I have no objection to the amendment of the gentleman from Ohio. [Applause.]

Mr. BEGG. I would like to ask the gentleman from Mississippi [Mr. QUIN], representing the minority side, if he will accept it?

Mr. WINGO. If the gentleman will permit, I would like to suggest to the gentleman from Illinois——

The CHAIRMAN. The gentleman from Ohio has the floor.

Mr. WINGO. Mr. Chairman, will the gentleman from Ohio yield?

Mr. BEGG. I will yield for a question; yes.

Mr. WINGO. You are trying to get an agreement, and I want to make a suggestion.

Mr. BEGG. I am not trying to get an agreement other than if the leaders of the bill are willing to say they will accept this amendment I think we can gain a lot of time in getting on.

Mr. WINGO. I want to say to the gentleman that whenever we come to that provision of the bill——

Mr. BEGG. There is no reason why you can not oppose it then, if you want to.

Mr. WINGO. Those who are careful to protect the rights of the United States Government along the very line the gentleman is striving to protect them are going to protest very vociferously against the gentleman's amendment.

Mr. BEGG. That is your perfect right.

Mr. WINGO. I want to do just what the gentleman does, but I think the gentleman's amendment destroys the very thing we are trying to do.

Mr. BEGG. I want to ask the gentleman from Mississippi if he will accept the amendment?

Mr. QUIN. My judgment of it is that the language the gentleman is employing there does not hurt this bill.

Mr. BEGG. Not a bit, if you are sincere.

Mr. QUIN. My judgment is the language which the gentleman has employed does not hurt this bill. There is provided in the bill everything that the gentleman's amendment proposes to carry out, and, so far as I am concerned, I would be willing to accept that amendment, as long as the gentleman from Illinois [Mr. MCKENZIE], the author of the bill and the leader on the majority side, has accepted it.

Mr. BEGG. That is all I ask for.

Mr. O'CONNELL of Rhode Island. Does not your amendment still leave a loophole? I note you say for three successive years.

Mr. BEGG. If he fails for three successive years.

Mr. O'CONNELL of Rhode Island. Yes. The first and second year he might not manufacture any, and he might manufacture 40,000 tons the third year, and then the fourth and fifth year nothing.

Mr. BEGG. Absolutely; that is correct.

Mr. O'CONNELL of Rhode Island. And in nine years he might fail to manufacture six years out of the nine.

Mr. BEGG. You are absolutely correct.

Mr. HULL of Iowa. Will the gentleman yield?

Mr. BEGG. Yes.

Mr. HULL of Iowa. I asked the gentleman to yield because I want to call the attention of the gentleman from Alabama——

Mr. BEGG. Ask your question, because I have another statement I want to make.

Mr. HULL of Iowa. I will ask for more time for you. This is a very interesting point in this subject, and I want to call the attention of the gentleman from Alabama [Mr. OLIVER] to this fact: He read from the original proposal of Henry Ford, if I understood it correctly. Is not the one you had in your hand the original proposal? I want to call the attention of the committee to the fact that the original proposal is a much stronger and more binding proposal than the one that is now in the bill as section 14.

Mr. OLIVER of Alabama. No; I am reading from the last proposal of Henry Ford, dated May 31, 1922. This is the last and final proposal.

Mr. HULL of Iowa. That is not the same thing, because it has been changed.

Mr. MURPHY. Will the gentleman yield? I will ask for five minutes more for the gentleman, because this is an important matter.

Mr. BEGG. I have a little more time, and I will yield to the gentleman for a question.

Mr. MURPHY. There is quite a debate going on up here as to the real meaning of your amendment.

The CHAIRMAN. The time of the gentleman from Ohio has again expired.

Mr. MURPHY. Mr. Chairman, I ask that the gentleman be allowed five additional minutes.

Mr. GARRETT of Tennessee. Mr. Chairman, reserving the right to object, is the gentleman's amendment offered to the section which has been read?

Mr. BEGG. I will say to the gentleman that it is not, but it is the crux of all the other amendments, perhaps, on the passage of the bill, and it was only read for information, and I believe the gentleman would gain time if we could thrash this question out at this particular time. I am not anxious to take up more of your time, but I would like to have one more minute in order to make a statement.

Mr. GARRETT of Tennessee. Of course, it is very desirable to have time to examine the gentleman's amendment.

Mr. BEGG. Certainly; and the vote will not come until to-morrow, anyway, and some of us had no opportunity in general debate. I apologize for taking as much of your time as I have, but I have consumed at least half of it by yielding.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. MURPHY. I would like to ask my colleague what would be the effect if Mr. Ford, under the amendment of the gentleman from Ohio, were to fail to produce for two years, and on the third year produced according to his contract; and then for two years should fail again and produce again on the third year; in other words, if he should produce only two years out of six?

Mr. BEGG. All right; he could hold his property under my amendment if that condition prevailed.

Mr. MURPHY. Do you not think it ought to be made a little stronger?

Mr. BEGG. I would be perfectly willing. Every man in the House will have a chance to study this amendment to-morrow and I would be perfectly willing to make that impossible. I was trying to draft it in such a way that it would be absolutely fair to Mr. Ford and yet the people would be absolutely sure that they were going to get the fertilizer.

Mr. MURPHY. I want to say to my colleague it ought to be made to apply to every year. There is absolutely no excuse for this bill except the one that it is going to produce nitrates for the farmers.

Mr. BEGG. We all agree on that.

Mr. MURPHY. Then it should be every year.

Mr. JONES. Does not the gentleman think that this being a material provision in the contract, if Mr. Ford violates one of the terms of the contract he would forfeit the entire contract?

Mr. BEGG. No; because there is not anything in the bill which authorizes the Government to do anything other than to go into the Federal courts for the northern district of Alabama, in a court of equity, for redress.

Mr. JONES. But being bound by his contract, if he violates a material provision of the contract he forfeits his contract.

Mr. BEGG. But there are many loopholes, to my way of thinking, in the contract. For instance, it says if he is reconstructing his plant, and suppose he found at the end of three years it was not profitable, that it was not good business, and that he could make 10 times as much money out of something else, and he was inclined to avoid the contract, all he would have to do would be to tear down the plant and then take 50 or 60 years to reconstruct it and in that way avoid it.

Mr. JONES. Does not the gentleman think that as to the gentleman's amendment giving him three years, it would act as a limitation?

Mr. BEGG. No; it would not. Now, I yield to the gentleman from North Dakota [Mr. BURTNESS].

Mr. BURTNESS. In connection with the question asked by the gentleman from Ohio, I want to suggest that as I heard the amendment read, it adds to the rights the Government already has under the bill, and in the event the company should fail to provide fertilizer for one or two years the Government would still have the same right to proceed under the general terms of this bill and would have the right to proceed under section 18. If by any chance your amendment deprives the Government of the general rights under the bill as drawn, it would be dangerous and vicious.

Mr. BEGG. It does not. That is a good point, my friend brings out the point. My amendment does not take away any right to go into the court that the Government has under the bill. It simply provides a reversion clause; in the event the operator of this plant fails for three years this reversion takes place without court action.

Mr. JONES. Does not the gentleman think it would act as a limitation?

Mr. BEGG. No; it does not.

Mr. McKENZIE. Mr. Chairman, I call for the regular order. This amendment is not in order at this time.

Mr. WINGO. Mr. Chairman, I think the gentleman from Illinois is correct. This discussion should not come in until the amendment is read in connection with section 14, but in view of the fact that some gentlemen here are inclined to accept this, I think that we might discuss it now, because I think it is important. For that reason I am going to confine what I say to the amendment which the gentleman from Ohio [Mr. BEGG] intends to propose.

Now, let us see, what do you change? Section 14 of the bill provides, among other things, and it is the major language to be considered in the light of this amendment—I read from line 3, page 10, section 14:

> Since the manufacture, sale, and distribution of commercial fertilizers to farmers and other users thereof constitute one of the principal considerations of this offer, the company expressly agrees that continuously throughout the leased period, except as it may be prevented by reconstruction of the plant itself, or by war, strikes, accidents, fires, or other causes beyond its control, it will manufacture nitrogen and other commercial fertilizer, mixed or unmixed, and with or without filler, according to demand—

And so forth.

Now, what does the gentleman from Ohio offer to do? To leave this language in the bill, and over at the end of section 14 he proposes to insert a provision which provides that if this company—because that is the thing we have to consider—if it was simply Henry Ford, I would not object to the amendment—if they shall fail to do what? For three consecutive years to manufacture annually not less than 40,000 tons of fixed nitrogen for the exclusive use of fertilizer, and so forth, then it voids the lease. Now, gentlemen, let us see where you are in law. First, when you come to adopt a provision under which the Government might recapture the property, you are confronted with the fact that you must forever bear in mind that it is not for 2 years or 3 years but for 100 years. Nobody can say to-day what might be the need or what might be the minimum capacity of that plant 25 years from now.

Suppose you put the gentleman's provision in there, and as the years go by there is a wonderful development there, so that this 40,000 tons will be a mere bagatelle, not alone as to the need but to the minimum capacity of the plant, and then, with Henry Ford in his grave, with cold-blooded business men running the plant, they will say to the United States Government in the time of dispute that may arise as to whether or not they had carried out the contract—they would say that Congress itself was not content to rely upon a statement of what the principal purposes are and rely upon the court of equity in the light of development to determine, as it must, whether there is a breach, but that Congress has undertaken to look into the future and arbitrarily fix the minimum productive capacity as a basis for voiding the lease, and if we keep up to that we can defy the Government even though that minimum fixed by law is a mere bagatelle, not only as to need but the very capacity of the plant itself.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. WINGO. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BEGG. Mr. Chairman, will the gentleman yield?

Mr. WINGO. Yes.

Mr. BEGG. If the gentleman be correct, that if my amendment be adopted it would give some one in 20 or 40 years an excuse for not making more, I should like to have the gentleman differentiate between the two words of the bill in section 14, where it says "at least 40,000" and my amendment wherein it says "not less than."

Mr. WINGO. I anticipated that argument, and was about to come to it. I was about to say, but you may contend that you have already put a minimum of 40,000 tons; yes, but that minimum of 40,000, which you find in lines 14 and 15, page 10, is not the sole consideration upon the question of whether

or not there has been a breach. The principal purpose is stated before that, and what is that main purpose? That main purpose is to manufacture, sell, and distribute commercial fertilizer to the farmers, and so forth; and it being one of the principal considerations of the lease, it must be met or the Government in equity may declare the lease voided and recapture the plant. In other words, under the provisions which you have, a court of equity, if we adopted this amendment, would turn to the debates here, would turn to the language of the bill as you have it here, and would say that evidently Congress intended to put either a restriction, or else Congress intended to make it more liberal, and the court would have to give some meaning to the language of the gentleman's amendment. The court would say that you already had a valid 40,000-ton provision in the bill and would ask what was meant by putting in this amendment. Nowhere else in the bill will you find one specific provision for the violation of which there can be a forfeiture of the rights of the corporation. I want to warn you again that you are dealing with a hundred-year proposition.

You gentlemen are familiar with the rule which will apply to exceptions and provisions under the contingencies upon which you may forfeit this lease. That rule is that the inclusion of one is the exclusion of all others, and if you put one specific provision in here and say that you may cancel the lease and recapture the property upon one contingency, and you say upon no other contingency, then you can anticipate what the attorneys for a corporation might argue when they get into a court of equity.

Mr. STRONG of Kansas. Mr. Chairman, will the gentleman yield?

Mr. WINGO. Yes.

Mr. STRONG of Kansas. Does not the gentleman think that the words "according to demand" refer to the preceding words, "with or without filler"?

Mr. STEVENSON. But the word "continuously" does not refer to the words "with or without filler."

Mr. WINGO. If the gentleman be correct, and he is, this provision, then, is not a limitation, and you are left with a bald statement just as when you write a contract and you say that time is the essence of it. You say here that the manufacture of fertilizer is of the essence of this contract. Then, in the light of conditions existing 20 years from now, if the case goes into court; in the light of the possibilities of this plant, in the light of the development of these processes, you may say that they are not doing what they continuously agreed to do, which is one of the principal purposes of the act—namely, the manufacture of fertilizer for the farmers of the United States—and then the Government would not be hamstrung by a little technical provision which may not have been violated.

The CHAIRMAN. The time of the gentleman from Arkansas has again expired.

Mr. HILL of Maryland. Mr. Chairman, I ask for recognition on the amendment offered by the gentleman from Ohio [Mr. BURTON], and I ask unanimous consent that the amendment be again reported.

The CHAIRMAN. Without objection, the Clerk will again report the amendment of the gentleman from Ohio.

The Clerk read as follows:

Amendment proposed by Mr. BURTON: In line 5, on page 2, strike out the words "to be controlled by Henry Ford."

Mr. HILL of Maryland. Mr. Chairman and gentlemen of the committee, if every member of this committee, which means every Member of the House, had yesterday heard the remarks of the gentleman from Ohio [Mr. BURTON] on this whole Muscle Shoals proposition, there would be no need to further debate the Ford offer. I wish to say a few words upon the amendment which Mr. BURTON has offered, an amendment which goes deep down to the foundation of this whole Muscle Shoals question.

The first paragraph of the McKenzie bill reads as follows:

For the purpose of carrying out the terms of this agreement, Henry Ford will form a corporation (hereinafter referred to as the company) with a capital stock of $10,000,000, or more, of which at least $10,000,000 shall be paid in, in cash, to be controlled by Henry Ford, which company will immediately enter into and execute all necessary or appropriate instruments of contract to effectuate this agreement.

What do those words mean—"to be controlled by Henry Ford"? You are asked here to create a monopoly of the greatest water power in this Nation for 100 years, and you are asked in the contract to give prior rights for another hundred years to the same interests. What do the words "to be controlled by Henry Ford" mean? Suppose those words were "to be controlled by John D. Rockefeller." Mr. Rockefeller has been a most successful business man. Would any of you dare vote for this bill in that event? Suppose these words were "to be controlled by J. Pierpont Morgan." Mr. Morgan has also been a most successful business man. Would any of you dare vote for this bill if that were the case? Yet some gentlemen come in here and seriously attempt to put Henry Ford in a sacrosanct preferred class. Mr. Ford is 61 years of age. He may live for 20 years more, but who comes after Henry Ford?

Who will control the Ford Muscle Shoals corporation 25 years from now? Fifty years from now? One hundred years from now? Under the priority clause in the McKenzie bill who will control the proposed Ford corporation 150 years from now? Who, 200 years from now?

Who is it we are proposing to turn over the nitrate defense of this country to for the next 100 years, perhaps 200 years? You are proposing to turn it over to a corporation controlled by Henry Ford and by his heirs, or whom he decides. Who are his heirs, my friends?

I want to read this to you. I dislike to read the word "democratic" in it, because there is no politics in this, but I want you to hear it. You would not do this, no one of you, with the name "John D. Rockefeller" in place of Henry Ford; you would not do it if it contained the name of J. Pierpont Morgan. Why should you create in the heirs of Henry Ford a control of what the Secretary of War says is the greatest necessity for national defense?

I read here from volume 59, part 2, of the CONGRESSIONAL RECORD of February 19, 1920, on page 3111. There is no partisanship and there is no politics in this present discussion, but when gentlemen on the floor of the House say that we should turn over this proposition of national defense to a corporation to be controlled for 100 years by Henry Ford and his heirs, meaning thereby Edsel Ford, I want to quote what was said on the floor of the Senate on February 19, 1920, and then at a later opportunity in the debate I want to call to your attention what Secretary Weeks has said in reference to the nitrate situation as it relates to national defense. If it were to be controlled by Morgan or Rockefeller you would not touch it. Why should you prefer Henry or Edsel Ford? I will ask the Clerk in my time to read the marked section on page 3111.

Mr. McSWAIN. Will the gentleman yield?

Mr. HILL of Maryland. I regret I can not yield to my colleague on the Military Affairs Committee at this time.

The CHAIRMAN. Without objection the Clerk will read.

The Clerk read from the statement made in the Senate by Senator Sherman as follows:

The Democratic State central committee of the State of Michigan spent as much or more money in the same campaign for Henry Ford, the sire of the distinguished military slacker, the scion and $150,000 a year official of the Ford Motor Co. It was spent on his behalf by the State central committee, and Henry Ford knew as much about it as the Senator from Michigan who has been indicted because it is alleged, and must be proven, that he had guilty knowledge of the excess above that authorized by law. Mr. Ford knew as much of the activities and expenses of the Democratic State committee as Mr. Newberry. Why is Ford undisturbed? This administration indicts those who do not comply with its orders. Mr. Ford likewise indicts those who do not meekly obey his wishes.

If the amendment is intended to secure to the general public knowledge of Edsel Ford's exemption and his shameless dodging of his military service, then why ought it not to be had? It was an issue in the autumn of 1918 in the Michigan campaign. Mr. Ford was defeated upon that issue and not by the unlawful use of money.

"To be controlled by Henry Ford!" Why should we discard the Federal water power act? Why should we sell nitrate plant No. 2 and the Waco Quarry, which can now make nitrate for two field armies of 1,000,000 men? Why should we put the national nitrate defense in the "control" of Edsel Ford?

The CHAIRMAN. The time of the gentleman has expired.

Mr. HILL of Maryland. I ask for two minutes additional?

The CHAIRMAN. Is there objection?

Mr. HOWARD of Nebraska. Reserving the right to object, I want to plead with my colleague not to bring in the ghost of Newberry before the House again. [Laughter.]

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. HILL of Maryland. I will say to my colleague from Nebraska that I do not want to bring in the ghost of Mr. Newberry, but I am trying to keep out the skeleton of Edsel Ford. [Laughter.] Now, I desire to call the attention of the committee also—you can read it at your leisure—to volume 58, part 3, of the CONGRESSIONAL RECORD, page 2618, to Senator

Sherman's remarks on the "Edsel Ford exemption case." I shall not take your time by reading it.

The amendment offered by the gentleman from Ohio [Mr. BURTON] is to strike out the words "controlled by Henry Ford." If those words were "to be controlled by Rockefeller," you would not put them in, and you would not consider them at all. I say to you that when you tie up the greatest national defense project in the United States for 100 years to be controlled by Henry Ford and Edsel Ford, you do not do well for the national defense.

Mr. McSWAIN. If the gentleman will permit, I believe he stated yesterday that he personally is in favor of the bill of the gentleman from Iowa [Mr. HULL] to turn this proposition over to the Alabama Power Co. by lease, the Alabama Power Co. being controlled by foreign capital.

Mr. HILL of Maryland. The gentleman is indorsing a bill which provides for leasing the dams to a $15,000,000 corporation for 50 years under the water power act to be controlled by Americans, and which does not sell any of the needed nitrate plants. I am against leasing the Wilson Dam to anybody for 100 years with prior right of renewal, and I am against selling nitrate plant No. 2 and the Waco quarry and all the rest to a corporation "to be controlled by Henry Ford." [Applause.]

Mr. BURTON. Mr. Chairman, I desire to ask unanimous consent to proceed for a minute. I desire to withdraw my amendment. My objection to the provision, as I stated, was not to Mr. Ford but because I believe a provision that a single individual shall own and control the stock of the corporation, or having a controlling interest in it, is an unlawful restraint on the powers of alienation and contrary to public policy. Personally I do not care whether it stays in or not.

Mr. LOZIER. Will the gentleman yield for a question?

Mr. BURTON. I will.

Mr. LOZIER. I will ask the gentleman if this sentence or language would not be absolutely meaningless if it ran counter to the laws of the State in which this corporation is organized? If it is organized under the laws of a certain State, the laws of that State will determine in reference to the divertment, management, and so forth, of the property.

Mr. BURTON. Yes. The law is uniform, I think, upon the right to alienate or transfer stock ownership.

Mr. McKENZIE. Mr. Chairman, I move that the committee do now rise.

Mr. MADDEN. Before the gentleman makes that motion I would like to offer an amendment and have it pending.

The CHAIRMAN. Without objection, the amendment of the gentleman from Ohio will be withdrawn.

There was no objection.

The CHAIRMAN. The gentleman from Illinois [Mr. MADDEN] offers an amendment to be printed for the information of the committee. Without objection, the Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. MADDEN: On page 18, amend section 23 by striking out, after the figures "23," all of the section and substituting in lieu thereof the following:

"Upon the acceptance of the Ford proposal, the promises, undertakings, and obligations shall be binding upon the United States and jointly and severally upon Henry Ford, his heirs, representatives, and assigns, and the company, its successors and assigns; and all the necessary contracts, leases, deeds, and other instruments necessary or appropriate to effect the purposes of this proposal shall be duly executed and delivered by the respective parties above mentioned."

Mr. WILLIAMS of Michigan. Mr. Chairman, I ask unanimous consent to have an amendment to section 4 placed in the RECORD and be considered as pending in view of the amendment offered by the gentleman from Ohio [Mr. BEGG]. It has to do with another part of section 14.

The CHAIRMAN. The gentleman desires to have it read at this time?

Mr. WILLIAMS of Michigan. Yes.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent to have an amendment read and printed in the RECORD for information. Is there objection?

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. WILLIAMS of Michigan: Page 10, line 9, after the word "will," strike out the words "manufacture nitrogen and other commercial fertilizers, mixed or unmixed, and with or without filler, according to demand," and insert in lieu thereof the words "each year manufacture nitrogen and other commercial fertilizers, mixed or unmixed, and with or without filler, containing in the aggregate, at least, the amount of fixed nitrogen hereinafter stated, and supply and offer the same for sale in accordance with the demand that may from time to time exist for the various kinds of fertilizer, whether mixed or unmixed, and with or without filler."

Mr. BURTON. Mr. Chairman, I desire to introduce an amendment, and ask unanimous consent that it be read and printed in the RECORD.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent that his amendment be read and printed in the RECORD. Is there objection?

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. BURTON: Section 3, page 2, line 23, after the words "United States," insert the words "under the terms of the Federal water power act"; on page 3, line 2, strike out the words "one hundred" and insert the word "fifty."

Mr. CHINDBLOM. Mr. Chairman, I desire to ask unanimous consent to have printed in the RECORD an amendment which I expect to propose at the end of section 23.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to print in the RECORD an amendment which he proposes to introduce at the end of section 23. Is there objection?

There was no objection.

Mr. GARRETT of Tennessee. Mr. Chairman, I thought it was to be read.

The CHAIRMAN. The gentleman did not ask to have it read.

Mr. CHINDBLOM. I will ask to have it read. It is a very important amendment.

Mr. BARKLEY. If all these amendments are going to be read, I shall object.

Mr. GARRETT of Tennessee. In order that it may be clearly understood, these amendments are not now being offered so that points of order are not necessary to be reserved at this time?

The CHAIRMAN. That is correct.

Mr. CHINDBLOM. Mr. Chairman, was leave granted to print my amendment?

The CHAIRMAN. Yes.

Following is the amendment referred to:

Amendment offered by Mr. CHINDBLOM: Page 18, line 19, add a new section, as follows:

"That in the exercise and enjoyment of all rights acquired under this act, Henry Ford, his heirs, representatives, and assigns, and the company, its successors and assigns, shall, so far as applicable, be subject, except as herein specifically otherwise provided, to all the terms, provisions, obligations, restrictions, and limitations of the Federal power act of June 10, 1920."

Mr. WILLIAMSON. Mr. Chairman, I ask unanimous consent to submit an amendment, for the information of the House, to section 23 of the bill, and ask that it may be printed in the RECORD.

The CHAIRMAN. The gentleman from South Dakota asks unanimous consent to print in the RECORD an amendment which he proposes to introduce at the proper place. Is there objection?

There was no objection.

Following is the amendment referred to:

Amendment offered by Mr. WILLIAMSON: Page 18, line 16, after the word "offer," insert "and to carry out the purposes of this act"; and after the word "assigns," in line 19 on same page, strike out the period, insert a comma, and add: "it being the intent hereof to bind Henry Ford, his heirs, representatives, and assigns, upon all contracts, leases, deeds, transfers, and conveyances executed by said company as fully and completely as though he had personally executed such instruments," so that the section will read:

"SEC. 23. All of the contracts, leases, deeds, transfers, and conveyances necessary to effectuate the acceptance of said offer and to carry out the purposes of this act shall be binding upon the United States, and jointly and severally upon Henry Ford, his heirs, representatives, and assigns, and the company to be incorporated by him, its successors, and assigns, it being the intent hereof to bind Henry Ford, his heirs, representatives, and assigns upon all contracts, leases, deeds, transfers, and conveyances executed by said company as fully and completely as though he had personally executed such instruments."

Mr. McKENZIE. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. MAPES, Chairman of the Committee of the Whole House on the state of the Union, reported that that

committee having had under consideration the bill (H. R. 518) to authorize and direct the Secretary of War to sell to Henry Ford nitrate plant No. 1, at Sheffield, Ala.; nitrate plant No. 2, at Muscle Shoals, Ala.; Waco Quarry, near Russellville, Ala.; and to lease to the corporation to be incorporated by him Dam No. 2 and Dam No. 3 (as designated in H. Doc. 1262, 64th Cong., 1st sess.), including power stations when constructed as provided herein, and for other purposes, and had come to no resolution thereon.

INVESTIGATION OF THE SHIPPING BOARD.

The SPEAKER. The Chair appoints the following committee authorized by the House for the investigation of the Shipping Board: Mr. WHITE of Maine, Mr. COOPER of Wisconsin, Mr. LEHLBACH, Mr. LINEBERGER, Mr. DAVIS of Tennessee, Mr. BANKHEAD, and Mr. CONNALLY of Texas.

Mr. GREEN of Iowa. Mr. Speaker, I desire to call up a privileged bill, which was unanimously reported by the Committee on Ways and Means. It will take only a few minutes.

The SPEAKER. Was it done by agreement with the gentleman from New York?

Mr. GREEN of Iowa. I will withdraw it for the present.

THE LATE EX-PRESIDENT WILSON.

Mr. CULLEN. Mr. Speaker, I ask unanimous consent that a memorial address delivered by the Hon. Joseph P. Tumulty in regard to the late ex-President Wilson, at the Academy of Music in Brooklyn, be printed in the RECORD.

The SPEAKER. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD by inserting a memorial address delivered upon ex-President Wilson by Mr. Tumulty. Is there objection?

There was no objection.

Mr. CULLEN. Mr. Speaker, under the leave granted me, I insert the following:

ADDRESS BY JOSEPH P. TUMULTY AT THE MEMORIAL EXERCISES FOR WOODROW WILSON, UNDER THE AUSPICES OF THE BROOKLYN WOODROW WILSON MEMORIAL COMMITTEE, HELD AT THE ACADEMY OF MUSIC, BROOKLYN, N. Y., FEBRUARY 24, 1924.

Mr. Chairman, Judge Garvin, my friends, it is with deep-felt emotion that I find myself your speaker this afternoon, for I come to eulogize a devoted friend, a world leader, a preeminent statesman, a Christian gentleman, and a martyr to the cause of humanity.

This solemn, impressive memorial service for one who loved all mankind, renews tender and affectionate ties of friendship, ties that recall heroic days of martial strife, passion, devotion, consecration, and religious fervor to do right and justice by all—days when, in preparation for the mightiest conflict in the history of civilization, we saw the spirit of a free and knightly Nation express itself with a patriotic intensity and zeal equaled only by the medieval crusaders.

But, my friends, although the leader of this mighty outpouring of nationalistic earnestness and fervency be dead, let this be not a day of grief but a day of triumph and dedication.

Verily a mighty figure has fallen, but the indomitable and unconquerable spirit of Woodrow Wilson is still with us, an invisible and welcome guest of a world in which it struggled—not vainly—to free mankind from the thralldom, the bitterness, the rancour, the enslavement, and the hatreds of war.

And so, we are here to-day resolved that the dead shall not have died in vain and with burning hope in our hearts that the valorous cause of peace for which he ordained his life, fought, suffered, and gave the last full measure of devotion, shall, in the Providence of God, working through the efforts of those he left behind, be brought closer to ultimate realization. No ideal like that of peace can be blotted out any more than the everlasting hills can be destroyed. God does not permit waste.

Yes, my friends, Woodrow Wilson is as great and as noble in death as in life. With the shroud drawn, partisan rancor, personal hatred, and the envy of little men are held at bay and forever silenced, and now with bared heads we stand in reverential awe before the tomb to honor him who gave his body, his mind, his soul—yes, his very all for the sacred truths upon which our own Magna Charta was founded; and for the saving of a world from the cruel and blighting plague of war.

With Woodrow Wilson, "right was more precious than peace." With him as our leader and inspiration, "we fought for the things we have always carried nearest our hearts, for democracy, for the right of those who submit to authority to have a voice in their own government, for the rights and liberties of small nations, for a universal dominance of right by such a concert of free peoples as shall bring peace and safety to all nations and make the world itself, at last, free."

Woodrow Wilson, with a vision clear, saw the broad horizons of life and sought to interpret the feeling and aspiration of peace that came to him, hot and bloody, out of the trenches, that spirit that has cried down through the centuries for peace, for everlasting peace, the cry that he seemed to hear above the hiss of shrapnel and the roar of the cannonading. Who shall say that the seed of peace, planted by him, freshened by his sacrifices, vitalized by his sorrows, is not again to be renewed by his pains, his sufferings, his death, and will not in God's good time come to real fruition? His vision seemed to see the things that to us were unseen. With unflinching courage he trod the hard, stony way with the hope in his heart that in his deathless struggle for peace humanity could be saved from a renewal of this barbarous, savage, bloody thing called war. Yes, he not only sought to save the world, but he died to preserve inviolate the landmarks of Christianity and civilization.

And now that this courageous figure has passed from its temporal stage, with charity in our hearts for those whose malice and perfidy conceived unjust attacks upon him, we recall that his enemies laughed his statesmanship to scorn, called it impotent, futile, and without result; said there was no use appealing to moral force in a world in which the forces of civilization were engaged in a veritable death grapple; and yet it requires neither the vision of a seer nor that of a philosopher to understand that the mightiest blows struck at German morale and prestige were those found in the immortal preachments of Woodrow Wilson—preachments that went like shot and shell to destroy what appeared to be the impregnable fortress of German power. Von Tirpitz, in his memoirs, stressed the effect of Wilson's submarine notes. Ludendorff declares in his book that "'the Wilson propaganda' that found root in Berlin and finally grew there eventually convinced the German people that it was not they themselves but the Government and militarism that the United States was warring against. This was the seed of dissension that ruined morale at home." Von Tirpitz further states that "Only the transmitting to Germany of the threatening notes of President Wilson, when he inveighed against 'my submarine campaign' during the latter stages of the war, prevented Japan from coming to us in a great Germano-Japanese alliance, which would have ended the war at once." The persistent note writing of Woodrow Wilson, so often the subject of song and jest, was as mighty a force in winning the war as the consummate strategy of Joffre and Foch. You recall how the javelins of political slander were hurled at what was called the miserable, puerile policy of watchful waiting. The President's traducers said it was weak, vacillating, contemptible, and yet, my friends, when Abraham Lincoln, the great emancipator, faced a crisis in Mexico similar to that which confronted Woodrow Wilson, his policy was essentially the same. This is proved by Government records recently brought to light by Prof. Walter L. Davis, of the history department of the College of Puget Sound. Lincoln, according to these records, watchfully waited and indicated his aversion to aggressive action by appointing as minister to Mexico the very man who had bitterly opposed American interference 15 years before. He also issued the following instructions to his new minister:

> "For a few years past the condition of Mexico has been so unsettled as to raise the question on both sides of the Atlantic whether the time has not come when some foreign power ought, in the general interest of society, to intervene, to establish a protectorate or some other form of government in that country and guarantee its continuance there.
>
> "You will not fail," continues Lincoln, "to assure the Government of Mexico that the President neither has, nor can ever have, any sympathy with such designs in whatever quarter they may arise or whatever character they take on." * * *

You will find in the public utterances of Woodrow Wilson on Mexico the same breadth of vision, the same human sympathy, the same magnanimity, as are found in the utterances of Lincoln.

Let me read what Woodrow Wilson said on Mexico when a great crisis in that country confronted him:

> "The situation in Mexico," he said, "must be given a little more time to work itself out in the new circumstances. I believe that only a little while will be necessary. * * * We must exercise the self-restraint of a really great nation which realizes its own strength and scorns to misuse it. I am more interested in the fortunes of oppressed men, women, and children than in property rights whatever. * * * The people of Mexico are striving for the rights that are fundamental to their lives and happiness—15,000,000 oppressed men, overburdened women, and pitiful children in virtual bondage in their own home of fertile lands and inexhaustible treasure."

But in spite of this magnanimity of purpose his enemies smugly shrugged their shoulders and said with disdain:

> "Well, what's the use? What can you expect from a dreamer of dreams, a mere doctrinaire? Doesn't Wilson, the historian, know that force and force alone can bring that grizzly old warrior, Huerta, to his senses?"

Ah, my friends, it was disheartening to find bitter criticism of this policy from the outside and depressing to find the enemies of watchful waiting "boring from within" through certain of his Cabinet officers.

> "And one denies, and one forsakes, and still unquestioning he goes, who has his lonely thoughts."

The critics of his broad, humanitarian policy in Mexico said that the only antidote for what was happening there was force and intervention, and they honorably urged this view upon the President, but without succeeding in bringing about the consummation so dear to their hearts.

But, little by little, the usurper, Huerta, was being isolated. By moral pressure every day his power and prestige were perceptibly crumbling. His collapse was not far away when the President declared, "We shall not, I believe, be obliged to alter our policy of watchful waiting."

And the campaign of Woodrow Wilson to force Huerta finally triumphed. On July 15, 1913, Huerta resigned and departed from Mexico. Wilson's humanity and broad statesmanship had won over the system of cruel oppression for which the "unspeakable Huerta" had stood. You recall, do you not, that when Lincoln announced his doctrine of a house divided against itself, his friends were bitter in their criticism; they said it was a foolish utterance; others said it was ahead of its time, that it would drive away a good many voters from the Republican ranks, and that it would mean his defeat.

Lincoln was adamant, and in replying to his critics said:

> "I would rather be defeated with this expression in the speech and uphold it and discuss it before the people than be victorious without it."

When Woodrow Wilson advocated a League of Nations people called him a dreamer, idealist, an altruist, "ahead of his time." But he was indifferent to criticism and in one of his western speeches said, "If I felt that I personally stood in the way of this settlement, I would be glad to die that it might be consummated." In an admirable speech on the western trip, broken in health but indomitable in spirit, calling upon God to strengthen his hand in the battle he was making for peace, Woodrow Wilson said, "I believe in God. If I did not, I would go crazy. If I thought the direction of the disordered affairs of this world depended upon our finite intelligence, I should not know how to reason my way to sanity, and I do not believe there is any body of men, however they concert their power or their influence, that can defeat this great enterprise, which is the enterprise of divine mercy and peace and good will."

Woodrow Wilson hated war and dreaded it in all the fibers of his soul—hated it and dreaded it because he had an imagination and a heart; an imagination which showed his senstive perception of the anguish and the dying which war entails, a heart which yearned and ached over every dying soldier and bleeded afresh with each new-made wound.

He understood better than his critics the basis of the Nation's impatience for war, but that in no way hurried him into rash or precipitate action. At a private dinner in Washington he took cognizance of this critical situation and, addressing a group of Senators and Congressmen and high dignitaries of state, he spoke of the impatience of the country which then manifested itself, saying:

> "I wish that whenever an impulse of impatience comes upon us, whenever an impulse to settle a thing some short way tempts us, we might close the door and take down some old stories of what American idealists and statesmen did in the past and not let any counsel in that does not sound in the authentic voice of American tradition. Then we shall be certain what the lines of the future are, because we shall know we are steering by the lines of the past. We shall know that no temporary convenience, no temporary expediency, will lead us either to be rash or to be cowardly. I would be just as much ashamed to be rash as I would to be a coward. Valor is self-respecting. Valor is circumspect. Valor strikes only when it is right to strike. Valor withholds itself from all small implications and entanglements and waits for the great opportunity when the sword will flash as if it carried the light of heaven upon its blade."

They said he was cold; that he was aloof. Yes, like Lincoln, "that brooding spirit had no familiars." It never spoke out in complete "self-revelation." "It was a very lonely spirit that comprehended men without fully communing with them, as if, in spite of all its genial efforts at comradeship, it dwelt apart, saw its visions of duty where no man looked on."

Yes; there was an aloofness and an aloneness about Woodrow Wilson, but it was the aloofness and the aloneness of the mountain peak looking down upon the valleys and seeing humanity, not as a thing of shreds and patches, a thing divided into races, religions, clans, and blocs, but a big, pulsating whole, made up of struggling men, women, and children of all races and creeds. That great heart of Woodrow Wilson sought to comprehend the interests of these heterogeneous elements and understand their lives and their tragedies far, far away from those artificial lines that divide men.

Woodrow Wilson was not only great but he was human. But this humanness was made out of too fine a fiber to be used for self-exploitation, nor would he ever permit himself to be so used. The trouble with his peculiar kind of humanness was this: It did not bubble, it did not effervesce, it did not sparkle; and so they called him cold when he was only shy; they mistook his gentility for austerity. But that kind of a man will live in the hearts and thoughts of men forever.

You remember Lincoln's statement that God must have loved the poor because he made so many of them. I am reminded of the passionate devotion and love of the average man which seemed to set on fire every utterance Woodrow Wilson made. Many of you will recall his visit to this very city on May 11, 1914, to make an address at the service held in memory of those who lost their lives at Vera Cruz, Mexico.

On that occasion he said:

> "When I look at you, I feel as if I also and we all were enlisted men—not enlisted in your particular branch of the service, but enlisted to serve the country, no matter what may come, even though we may sacrifice our lives in the arduous endeavor. We are expected to put the utmost energy of every power that we have into the service of our fellow men, never sparing ourselves, not condescending to think of what is going to happen to ourselves, but ready, if need be, to go to the utter length of complete self-sacrifice. As I stand and look at you to-day and think of these spirits that have gone from us, I know that the road is clearer for the future. These boys have shown us the way, and it is easier to walk on it because they have gone before and shown us how. May God grant to all of us that vision of patriotic service which here in solemnity and grief is borne in upon our hearts and consciences!"

And then again, in the following lines, Woodrow Wilson's devotion and understanding of the problems of the average man radiates the altruism of the passionate Democrat:

> "Life, gentlemen—the life of society, the life of the world—has constantly to be fed from the bottom. It has to be fed by those great sources of strength which are constantly rising in new generations. Red blood has to be pumped into it. New fiber has to be supplied. That is the reason I have always said that I believed in popular institutions. If you can guess beforehand whom your rulers are going to be, you can guess with a very great certainty that most of them will not be fit to rule. The beauty of popular institutions is that you do not know where the man is going to come from, and you do not care, so he is the right man. You do not know whether he will come from the avenue or from the alley. You do not know whether he will come from the city or the farm. You do not know whether you will ever have heard that name before or not. Therefore you do not limit at any point your supply of new strength. You do not say it has got to come through the blood of a particular family or through the processes of a particular training, or by anything except the native impulse and genius of the man himself.
>
> "The humblest hovel, therefore, may produce your greatest man. A very humble hovel did produce one of your greatest men. That is the process of life, this constant surging up of the new strength of unnamed, unrecognized, uncatalogued men who are just getting into the running, who are just coming up from the masses of the unrecognized multitude. You do not know when you will see above the level masses of the crowd some great stature lifted head and shoulders above the rest, shouldering its way, not violently but gently, to the front and saying, 'Here am I; follow me.' And his voice will be your voice, his thought will be your thought, and you will follow him as if you were following the best things in yourselves."

And so, my friends, who shall say that these struggles and efforts for peace of Woodrow Wilson are in vain? How beautifully and artistically does God manipulate the scenes of life and thus weave His immortal spell!

Those who execrated Woodrow Wilson, those who knocked, knocked, knocked at the door of his sick room, spying upon a weary President, pursuing him like a deer set upon by snarling hounds, are now in the shadow of exile and disgrace, resting under the blight and stigma of a Nation's shame and reproach, while the great spirit of Woodrow Wilson takes flight.

> "O death, where is thy sting? O grave, where is thy victory?"

From his lofty eminence of fame and everlasting glory we seem to see him looking down upon us through wistful eyes and saying:

> "We have begun a fight that, it may be, will take many a generation to complete, the fight against special privilege; but you know that men are not put into this world to go the path of ease. They are put into this world to go the path of pain and struggle. There are men who have fallen by the wayside; blood without stint has been shed; men have sacrificed everything in this sometimes blind but always instinctive and constant struggle; America has undertaken to lead the way; America has undertaken to be the haven of hope, the opportunity for all men. Don't look forward too much. Don't look at the road ahead of you in dismay. Look at the road behind you. Don't you see how far up the hill we have come? Don't you see what those low and damp miasmatic levels were from which we have slowly led the way? Don't you see the rows of men come, not upon the lower level but upon the upper, like the rays of the rising sun? Don't you see the light starting and don't you see the light illuminating

all nations? Don't you know that you are coming more and more into the beauty of its radiance? And then trust your guides, imperfect as they are, and some day, when we are dead, men will come and point at the distant upland with a great shout of joy and triumph and thank God that there were men who undertook to lead in the struggle. What difference does it make if we ourselves do not reach the uplands? We have given our lives to the enterprise. The world is made happier and humankind better because we have lived."

And now the end, the tragic end, the thrilling end; and as the great soul of Woodrow Wilson took flight we were reminded of the words of Paul the Apostle to Timothy:

"For I am now ready to be offered, and the time of my departure is at hand."

"I have fought a good fight; I have finished my course; I have kept the faith."

Mr. SNELL. Mr. Speaker, I present a resolution and ask unanimous consent for its immediate consideration.

The SPEAKER. The gentleman from New York presents a resolution and asks for its immediate consideration. The Clerk will report it.

The Clerk read as follows:

ALLEGED CHARGES AGAINST TWO MEMBERS OF CONGRESS.

House Resolution 211.

Whereas a grand jury of the district court of the United States for the northern district of Illinois, eastern division, impaneled at the February term, 1924, has reported to that court that certain evidence had been submitted to them involving the payment of sums of money to two Members of Congress:

Resolved, That the Attorney General be directed to transmit to the House of Representatives, if not incompatible with the public interest, the names of the two Members of Congress and the nature of the charges made against them.

The SPEAKER. Is there objection to the present consideration of this resolution?

There was no objection.

Mr. SNELL. Mr. Speaker, the words of the resolution fully explain its intent and purpose, and need no further explanation from me at this time.

There is a general feeling among Members of the House that on account of various rumors that are being spread broadcast throughout the land at the present time, seriously reflecting on the integrity and honesty of Members of Congress, we can not longer sit idly by and not give these rumors consideration by the House. [Applause].

The Committee on Rules have given this matter careful consideration. They fully appreciate the importance of the whole proposition and the seriousness of it, and they have directed me to report this resolution to the House and ask for a vote on the same.

I yield five minutes to the gentleman from Ohio [Mr. LONGWORTH].

The SPEAKER. The gentleman from Ohio is recognized for five minutes.

Mr. LONGWORTH. Mr. Speaker, as the gentleman from New York has just stated, in the past few days rumors have been flitting about this Capitol which cast serious reflection upon two Members of Congress and virtually upon the honor of this entire body. These rumors are based upon a report of a grand jury made to the court something like a week ago. The grand jury was engaged in the investigation of the Veterans' Bureau, but in the report made to the court it went very far afield in recommending that attention be given to certain other matters brought out during the course of the investigation. I will not read the whole report but only the part which relates to the resolution before us. The grand jury said:

Incidental to the investigation of matters of which this grand jury had jurisdiction certain other facts not directly pertaining to the Veterans' Bureau were developed by counsel for the Government which we regard of great importance.

Observe, gentlemen, that the rumors which we have heard reflecting on any Members of Congress were merely incidental to the investigation of the Veterans' Bureau case, and the grand jury admitted it had no jurisdiction in the premises. The report goes on to say:

There is no jurisdiction of them in the northern district of Illinois, but we are assured by Mr. Crim—

Who was the prosecutor retained by the Department of Justice—

that he will lay them before the Attorney General and the President for consideration. We do not feel that it would subserve the best interests of the Government for this jury to make public at this time the details of these transactions. This jury feels it will suffice to report to your honor that they involve—

Then come a number of accusations against persons in Government employ and out, among them the following:

That certain sums of money were paid to two Members of Congress.

This morning two gentlemen connected with the Department of Justice, Mr. Crim and Mr. Seymour, now Acting Attorney General, requested an interview with the Speaker, the gentleman from Tennessee [Mr. GARRETT], and myself, in which they explained how this whole thing had arisen. Mr. Crim stated that a very large part of the evidence used in investigating the War Veterans' Bureau case came from crooks and criminals who were turning State's evidence, and that in asking them questions their answers frequently led far afield and that he was compelled to follow those clues as far as they went. So that on the statement of the grand jury itself this particular charge, involving two Members of Congress, is based upon the testimony of crooks and criminals.

The whole thing would not be so bad, gentlemen, if the Department of Justice had its case ready for immediate presentation, but Mr. Crim and Mr. Seymour were unable to assure us of any trial of these two Members of Congress for weeks to come, because the matter must be brought before a grand jury impaneled in the District of Columbia; their evidence is not ready and many of their witnesses, being crooks and criminals, are not immediately available because they do not know where they are or whether they can get them.

Gentlemen, that is the position this House is in to-day, with these gross slurs and insinuations cast upon Members of our body and no assurance whatever that anything is going to be done within months from now. We thought this morning, the Speaker, the gentleman from Tennessee [Mr. GARRETT] and I, that we ought to take action at once. Here is a grand jury that presents to a court a statement which is made public and that among other persons suspected are two Members of Congress, but they decline to reveal their names.

Mr. MADDEN. Will the gentleman yield for a question?

Mr. LONGWORTH. Yes.

Mr. MADDEN. Did the gentleman from Ohio, the gentleman from Tennessee, and the Speaker have any assurance that the names will be revealed on request under the resolution?

Mr. LONGWORTH. I will say to the gentleman that we had no such assurance.

Mr. MADDEN. I hope there will not be any hidden reasons why they should not be revealed.

Mr. UNDERHILL. Will the gentleman yield?

Mr. LONGWORTH. I will yield.

Mr. UNDERHILL. Suppose the names are given? What are you going to do with them then?

Mr. LONGWORTH. That will be for the House, in its wisdom, to decide; but that can not come until later. I am talking about what we ought to do here and now in order to purge the House of these charges. [Applause.]

Mr. STEAGALL. Would not the gentleman be willing to amend the resolution so as to strike out the clause in language like this, "if incompatible with the public interest"?

Mr. LONGWORTH. Well, that is the usual form.

Mr. STEAGALL. I want to offer a motion at the proper time to strike that out, because I think, if the gentleman will permit, that this case is entirely different from an ordinary case. The Constitution puts the power in the Congress to deal with a man who has been corrupted while a Member of this body, and anything a grand jury might do is trivial compared with the importance of driving out of this House any man who may have been guilty of such offenses; and if he is not guilty, the men who have made the charges ought to be held to strict accountability.

Mr. GARNER of Texas. If the gentleman from Ohio will permit, I think the gentleman is in error about saying that this is in the usual form. The usual form, when directed to the President, is to use the words "if not incompatible with the public interest," but the House or Senate either has the right to direct a Cabinet officer to make reports on such matters.

Mr. LONGWORTH. Personally, I would have no objection to demand this information forthwith.

Mr. GARNER of Texas. That is the custom. The custom is to direct a Cabinet officer and to request the President, if not incompatible with the public interest.

Mr. NEWTON of Minnesota. Will the gentleman yield?

Mr. LONGWORTH. I think I can perhaps make the situation clearer if you will allow me to proceed, but I yield to the gentleman.

Mr. NEWTON of Minnesota. In view of what the gentlemen has said in reference to the nature of the evidence offered

and the character of the witnesses, I would like to make this suggestion: The request is for the names of the two Members and "the nature of the charges" made against them, and it seems to me that that would only mean whether it was bribery or larceny or something of that kind. It seems to me we should also inquire something about the nature and substance of the evidence that accompanies it. [Applause.]

Mr. LONGWORTH. If the gentlemen had permitted me to proceed, perhaps none of these questions would have been asked. This is the situation. As I say, I do not want to comment now upon whose fault it was in bringing this stuff before the public. The grand jury had no jurisdiction over these matters. They were not involved in the trial of the Veterans' Bureau case and had nothing to do with it. Whether it is the fault of officials in the Department of Justice solely or of the grand jury solely I am not prepared to comment upon at this time, but the fact is that a week ago this statement was made public in the court that two Members of Congress had received money. Did anybody suppose for a moment there would not be a leak there? Did not every member of the grand jury who supported this report know that this would leak out and that names would be freely bandied about? And the worst of it all is it will be a month at least before the prosecution will even be initiated. In the meantime are we to sit here complacently and let these vile rumors fly all over the country and not compel the Department of Justice to reveal the names of these people whom they propose to indict and convict, if they can?

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. SNELL. I yield to the gentleman from Ohio five additional minutes.

Mr. LONGWORTH. I will only take a very short time, because the discussion of this subject revolts me. Suppose the department reveals to us to-morrow these two names and the charges. It is then possible for the gentleman so charged to arise to a question of privilege and defend themselves and show the unfounded nature of these charges, if they are unfounded. [Applause.] If they do not do that, then we have to do one of two things—either undertake the investigation of the case ourselves or leave it all to the Department of Justice. In either case, by passing this resolution we will have done the one thing that men of honor ought to do when the membership and the honor of their body is assailed. [Applause.]

Mr. O'CONNOR of Louisiana. Will the gentleman yield for a question?

Mr. LONGWORTH. I yield to the gentleman.

Mr. O'CONNOR of Louisiana. Would it not be well to telegraph the foreman of that grand jury and ask him for the names of the two alleged Congressmen and the evidence which the grand jury may have ascertained?

Mr. LONGWORTH. Of course that information is already in the hands of the Department of Justice. The Department of Justice intends, so they say, to indict these two men and, if possible, to convict them; but so far they have declined to reveal who they are.

Mr. SUMNERS of Texas. Will the gentleman yield?

Mr. LONGWORTH. I yield.

Mr. SUMNERS of Texas. I want to make, with the gentleman's permission, a very brief suggestion, and that is, in proceeding with this matter, whatever may be done, from the beginning until the conclusion, ought to be done in such a temper and with such a purpose manifested as to disclose the facts and punish the guilty, if there are any guilty, and to protect the innocent, that there can be no question about the sincerity of our purpose to see that the innocent are protected and the guilty are punished. We not only owe the duty to have that purpose, but we owe the duty so to proceed that regardless of results that purpose and its execution can not be questioned.

Mr. LONGWORTH. The gentleman is exactly right, and he echoes my sentiments.

It is our solemn duty to bring to justice any and all who are guilty of corruption. Equally we must see that the reputations of innocent men are not blasted by the wild statements of irresponsible sensationalists.

I append hereto the report of the grand jury:

In the District Court of the United States of America for the Northern District of Illinois, Eastern Division,

Special report of the United States grand jury impaneled at the February term, 1924, to inquire into certain matters pertaining to the operation of the United States Veterans' Bureau.

FREDERICK N. MASON,
Foreman.

In addition to the matters in which indictments have been returned this grand jury heard a great deal of testimony pertaining to other transactions having to do with the United States Veterans' Bureau, and it feels that it should say to your honor with respect to the contracts between the Veterans' Bureau and the Continental Chemical Co., known as the floor wax contract, and the contract between the bureau and the Society for Visual Education, that it has not found anything criminal with respect to these matters. It feels that bad judgment was used by the bureau in entering into these contracts, but it does not find anything in connection with them which justifies a formal accusation in the form of an indictment.

It heard a great deal of evidence with respect to transactions known as "Perryville," "Tupper Lake," and "Livermore." It found no basis for this grand jury prosecuting an inquiry concerning these transactions to the extent which it feels desirable for the reason that no act concerning them was committed in the jurisdiction of this court. It does believe, however, that those transactions should have further investigation by the Government, and similarly we feel the so-called subsistence contract should have further scrutiny.

Incidental to the investigation of matters of which this grand jury had jurisdiction certain other facts not directly pertaining to the Veterans' Bureau were developed by counsel for the Government which we regard of great importance. There is no jurisdiction of them in the northern district of Illinois, but we are assured by Mr. Crim that he will lay them before the Attorney General and the President for consideration. We do not feel that it would subserve the best interests of the Government for this jury to make public at this time the details of these transactions. This jury feels it will suffice to report to your honor that they involve (1) speculation by one or more officials of the Government wherein it has been asserted that official information was used for purposes of speculation; (2) that certain sums of money were paid to two Members of Congress; (3) that possession of a file of one of the departments for about a month was had by persons having no official connection with such department; (4) that money was accepted by certain individuals (not attorneys) for the purpose of obtaining clemency for prisoners through their intimacy with officials; (5) that money was collected by certain individuals (not attorneys) for obtaining through such intimacy permits for intoxicating liquor.

This jury has sat 15 days, with rare exceptions holding two sessions per day. It has heard the testimony of 44 witnesses; it wishes to commend Mr. Crim and his assistants for their work, and it feels that in the interest of justice it ought to say to your honor that the compensation of $3 per day and the present legal mileage allowed to grand jurors place a burden on jurors, particularly those who come long distances, which it feels should be relieved by appropriate legislation.

Respectfully,

——— ———, *Foreman.*

Mr. GARRETT of Tennessee. Mr. Speaker, the gentleman from Ohio [Mr. LONGWORTH] has stated concisely and accurately the situation which exists relative to this very delicate matter as it appeared to, I think I may say, the Speaker, the gentleman from Ohio, and myself and to the members of the Committee on Rules. It is a very peculiar situation. I know of no precedent. A grand jury sitting in a distant city, engaged in an investigation along a particular line, obtains incidental allegations, apparently not of matters connected with the particular subject which it is investigating, and thereupon makes a report to the court which becomes public. That report is carried throughout the United States. It is carried, or has been carried, in a garbled form. On Tuesday last, after having read in various papers of the country how this story was being carried, I felt it proper to present a resolution to create a committee to investigate the matter. I would not ordinarily present a resolution based upon press reports, but bear in mind that the press reports concerning this matter were based on a grand jury report; therefore it seemed to me not only proper but extremely necessary that there should be a resolution presented and investigation had as to any allegations that might involve Members of the House of Representatives. It is an extremely delicate matter with which we are dealing. Such information as I have is that the Department of Justice is not sure of its ground as regards any Member of the House——

Mr. OLIVER of Alabama. Will the gentleman yield?

Mr. GARRETT of Tennessee. I will.

Mr. OLIVER of Alabama. The gentleman properly stated that the reason why he introduced the resolution was that it was predicated on the grand jury report. It is also usual that the grand jury report has the indorsement of the district attorney when sent out, which likewise gives to this rumor even greater force than the mere handing out of a grand jury report.

Mr. GARRETT of Tennessee. I will say that I do not know the custom in that regard, but it is proper to say that the dis-

trict attorney of the Chicago district apparently had nothing to do with this matter. This investigation before the grand jury was conducted by a special attorney of the Department of Justice and the district attorney in Chicago has had, from the record, nothing to do with the matter so far as I know.

Mr. CLARK of Florida. Will the gentleman yield?

Mr. GARRETT of Tennessee. I yield to the gentleman from Florida.

Mr. CLARK of Florida. I desire to say to the gentleman that in my opinion the grand jury is absolutely supreme in the matter of its reports. The district attorney or the prosecuting attorney has no control over it whatever.

The SPEAKER. The time of the gentleman from Tennessee has expired.

Mr. GARRETT of Tennessee. I ask for five minutes more.

Mr. SNELL. I yield five minutes more to the gentleman.

Mr. GARRETT of Tennessee. I do not know the practice as regards the grand jury procedure in the Federal court. The gentleman from Florida states that the district attorney has no control over it, and the grand jury is entitled to make its report, and of course that statement I accept. But the fact is that the grand jury has made the report and has undertaken to involve Members of Congress, so it is necessary for us to do something.

Mr. BLANTON. Will the gentleman yield?

Mr. GARRETT of Tennessee. I will.

Mr. BLANTON. Of course there are exceptions, but is not it the general rule that the prosecuting attorney who conducts investigations before the grand jury, does prepare the report for the grand jury, and suggests to the grand jury what shall go into it?

Mr. GARRETT of Tennessee. I can not tell the gentleman because I never have been a district attorney or a special prosecutor.

Mr. OLIVER of Alabama. Will the gentleman further yield?

Mr. GARRETT of Tennessee. I will.

Mr. OLIVER of Alabama. The gentleman from Ohio [Mr. LONGWORTH] stated a few moments ago that the special agent or assistant of the Department of Justice stated that he intended to impanel a grand jury and prosecute the cases. So evidently the report on which the gentleman has properly based a recommendation has the sanction of this special attorney.

Mr. NEWTON of Minnesota. Will the gentleman yield?

Mr. GARRETT of Tennessee. I will yield.

Mr. NEWTON of Minnesota. My recollection of the statement of the gentleman from Ohio [Mr. LONGWORTH] was that the special prosecutor stated that it would be some weeks and perhaps months before this could be brought into court, due to the fact that there was not now a grand jury sitting in the District of Columbia. It is my understanding that the Federal grand jury is almost in continuous session in the District of Columbia.

Mr. LONGWORTH. If the gentleman from Minnesota will pardon me, I did not make exactly that statement.

Mr. NEWTON of Minnesota. I do not want to misquote the gentleman, but I got the impression that the gentleman said there was no grand jury in session and would not be for some time.

Mr. LONGWORTH. I said that there would be some delay and that the delay was occasioned by the fact that they did not know where the witnesses were and did not have the papers and evidence.

Mr. NEWTON of Minnesota. Then it resolves itself into this, that what the Department of Justice now has in its possession is not legal evidence which they feel warranted in submitting to a Federal grand jury here or they would submit it now and there would be no delay. Apparently they feel that before they can make a prima facie case additional evidence must be obtained. Is not that correct?

Mr. GARRETT of Tennessee. I do not like to interpret the words of the Attorney, Mr. Crim. I do not like to draw even conclusions from what he said. I would prefer not to. What I think is this. If we were to appoint a special committee, that special committee would necessarily have to go to Mr. Crim or somebody else to get a beginning of its investigation, because the whole thing hinges around this report of the grand jury in Chicago. Therefore, it seems to me that we might just as well pass this resolution.

Mr. NEWTON of Minnesota. I heartily agree with the gentleman as to that.

Mr. COOPER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. GARRETT of Tennessee. Certainly.

Mr. COOPER of Wisconsin. I want to suggest to the gentleman from Tennessee my understanding of the facts. Mr. Crim, whom the gentleman from Tennessee has called the special prosecutor, was until very recently on the staff of the present Attorney General of the United States. He resigned from that position, if newspaper rumor is true.

Mr. GARRETT of Tennessee. Did he resign, or was he fired?

Mr. COOPER of Wisconsin. Neither he nor the Attorney General has told me, and I do not know. He left his position. Then when this exposé of the corruption in the Veterans' Bureau was made, he was appointed special attorney to conduct an investigation before the grand jury at Chicago. He, an attorney specially appointed by the Department of Justice, now comes back to Washington with the finding of the grand jury that two members of the House, our fellow members, are corrupt. That is what it means. According to newspaper statements he took the names of those two members to the President of the United States in secret conference. As a result, the good name of every Member of this House, including the gentleman's and mine, is besmirched. As for me I wish here to announce that I want no technicalities invoked. And I wish that there be no expression of opinion here as to whether there is or is not evidence, but that we all now demand an investigation of the whole House. [Applause.] The matter ought not to be delayed a minute. This is no time for us to quibble as to the authority of Mr. Crim, or his lack of authority. Neither an attorney appointed in that capacity, nor a United States District Attorney, has any authority whatever over the grand jury except to present evidence and to instruct in the law when they request it. He is absolutely prohibited from expressing any opinion to the grand jury as to what their findings ought to be. I presume he has obeyed the law—and we have no right to assume that he has not. He now comes back here with the names of two Members of this House who are said to be corrupt, and now is the time for us to demand an investigation, without a minute's delay.

The SPEAKER. The time of the gentleman from Tennessee has expired.

Mr. SNELL. I yield two minutes more to the gentleman from Tennessee.

Mr. GARRETT of Tennessee. I do not quite follow the logic of the gentleman from Wisconsin [Mr. COOPER], especially at the end of what he says. He says that the special prosecutor is prevented by law from having any authority over the grand jury, and then at the same time he states that the special prosecutor has come back with the names of two Members of the House and has given them out.

Mr. COOPER of Wisconsin. They are not names that he selected. They are the names of Members of this House selected by the grand jury in Chicago.

Mr. GARRETT of Tennessee. Precisely.

Mr. COOPER of Wisconsin. He has simply come back and reported their names.

Mr. HASTINGS. Mr. Chairman, will the gentleman yield?

Mr. GARRETT of Tennessee. Yes.

Mr. HASTINGS. In view of the statement of the gentleman from Wisconsin [Mr. COOPER], what does the gentleman from Tennessee think of the advisability of directing this resolution to the President rather than to the Attorney General, in view of the fact that the President has the information?

Mr. GARRETT of Tennessee. If the President has the information, he has it only by hearsay, and his statement to the House would be a "second-hand" statement.

Mr. HASTINGS. Why not direct it to this man Crim?

Mr. GARRETT of Tennessee. Of course the House is as much entitled to have it as the President is.

Mr. HASTINGS. Why not direct it to Mr. Crim, the special prosecutor?

Mr. GARRETT of Tennessee. We are entitled to have it from the Department of Justice, the same source from which the President is said to have obtained it. Why should we have to take second-hand statements? Legally, I doubt if Crim had any right to go to the President and give him information as to grand jury action, but since he chose to do so it would seem that he might recognize the fact that—I understand he is a very good lawyer—Congress itself has the right to inquire of him concerning charges to its own membership. I do not want to call upon the President for the names. We are entitled to them as a matter of right, certainly much more than the President is entitled to have them. [Applause.]

Mr. LONGWORTH. I certainly never said and I have no knowledge that Mr. Crim communicated the names to the President of the United States, and I do not think anybody has.

Mr. GARRETT of Tennessee. I have no knowledge of that, except such statements as the newspapers cover.

Mr. LONGWORTH. It is purely a rumor.

Mr. GARNER of Texas. Mr. Speaker, will the gentleman yield?

Mr. GARRETT of Tennessee. Yes.

Mr. GARNER of Texas. The gentleman has just made the statement, and I think correctly, that this House is entitled to the information requested in this resolution. Then why put the words in the resolution "if not incompatible with the public interest"? Let me call the attention of the gentleman to this: I have fought this out here a number of times on committees on which I have served. You never see any such language in Senate resolutions. A Cabinet officer is a creature of this House. Why should we insert that language in respect to information desired of a Cabinet officer? With the President we do use it. If we vote down the previous question, to be moved by the gentleman from New York [Mr. SNELL], we can then strike them out.

Mr. LONGWORTH. I rather hope the amendment will be offered before the previous question is ordered.

Mr. STEAGALL. I have such an amendment at the desk now, if the gentleman from New York will allow the amendment to be offered.

Mr. JONES. Mr. Speaker, will the gentleman yield?

Mr. GARRETT of Tennessee. If the gentleman will grant me two more minutes.

Mr. SNELL. I yield the gentleman from Tennessee two more minutes.

Mr. JONES. I suggest that according to the rules of the House this resolution should contain the word "direct" instead of the word "request."

Mr. GARRETT of Tennessee. It does say "direct."

Mr. SNELL. In answer to some inquiries made here I desire to say that I am credibly informed that Mr. Crim has not given these names to the President of the United States. I now yield two minutes to the gentleman from Alabama [Mr. BANKHEAD].

Mr. BANKHEAD. Mr. Speaker, I do not desire to take up the time of the House in undertaking to elaborate the statements already made. Of course this is a matter of supreme importance to the membership of the House itself and to the country, and I simply desire to suggest to the chairman of the committee that, although I do not want to be put in the attitude of appearing to object or opposing the resolution agreed to in committee, there has developed here a strong sentiment upon the floor of the House for the privilege of offering an amendment to the resolution which would strike out the words "if not incompatible with the public interest" and make it a direct demand upon the Attorney General.

Mr. STEAGALL. I have that amendment.

Mr. BANKHEAD. And I trust the chairman of the committee, before he moves the previous question, will give my colleague from Alabama [Mr. STEAGALL] an opportunity to offer that amendment.

Mr. BURTNESS. Will the gentleman yield?

Mr. SNELL. I will.

Mr. BURTNESS. The question is along the line suggested by the gentleman from Minnesota [Mr. NEWTON]. As I heard the resolution read it called for two things, namely, the names of the persons who are under suspicion, and secondly, the nature of the charges. That resolution could, therefore, properly be obeyed by simply sending in the report such as John Doe, bribery; Richard Roe, some other offense. The question in my mind is this, whether it might not be advisable to amend the resolution so as to ask not the nature of the charges, but the nature of the evidence or information upon which the report of the grand jury was made.

Mr. SNELL. If we tried to write in too many technicalities we may not get anywhere. We wanted to get something that is plain and direct. [Cries of "Vote!"]

Mr. STEAGALL. Will the gentleman yield me two minutes?

Mr. FRENCH. Mr. Speaker, will the gentleman yield?

Mr. SNELL. I will.

Mr. FRENCH. It has been stated that this procedure is new. It has not been brought out here just what would be done. Suppose the evidence indicated first the two names, and second, the nature of the charges, such statements may be wholly irresponsible and wholly false and they might blight the life of any man however upright. It would seem that we ought to define at this time something of the nature of the procedure, and it would seem that would be in the way of a committee to take charge of this matter rather than calling for names and the nature of evidence. This is not the finding and report of the grand jury.

Mr. SNELL. We have considered that very carefully, and it is impossible for us to go any further at this time until we know where we are at as provided for in this resolution.

Mr. FRENCH. What procedure would be had?

Mr. SNELL. I can not tell the gentleman until we get the information. It will have to be left to the judgment of the House. I yield two minutes to the gentleman from Alabama [Mr. STEAGALL].

Mr. STEAGALL. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk and ask that it be read.

The Clerk read as follows:

Amendment by Mr. STEAGALL: Strike out of the resolution the words "if not incompatible with the public interest."

Mr. STEAGALL. Mr. Speaker, I desire to consume only a few moments' time in discussing this matter. It was my intention when we met this morning to call the attention of the House to the situation in which we find ourselves, but I learned that the Rules Committee had the matter under consideration and would make some sort of report during the day. I think my amendment should be adopted and the special assistant in the Department of Justice should be required immediately to present to the House the names of the two Members at whom the Chicago grand jury report was directed. This House should be the judge of whether or not it is compatible with the public interest for the Department of Justice to furnish us with this information. These charges concern the House of Representatives above everybody else in this country. Nothing that can be done elsewhere or by any other body can be so important as the right of this House to deal with these charges. The Constitution empowers this House to expel a Member found guilty of corruption. No other action can compare to this in importance; no other punishment means so much to the public welfare as proper punishment administered by the House. The special attorney for the Department of Justice, according to newspaper reports, has given out a statement to the effect that he is not going to furnish this House with the names of the two Members against whom charges of corruption have been made, but that he is going to proceed elsewhere to investigate those charges, intimating that they would probably be the subject of grand jury investigation.

The President, according to the newspapers, issued a statement of very similar import. The power which the Constitution lodges in this House is put there for the purpose of protecting the country and the membership of this House against having its action influenced and legislation controlled by Members known to be corrupt. The important thing for this House and for the country is that we shall exercise the power intrusted to us under the Constitution and act for the public welfare. Are we to sit here for six months, or a year, or two years, or until the terms of every Member of this House shall expire, while a grand jury is dragging out an investigation of these charges, and the House be denied the informaton necessary to enable us to ascertan whether Members of the House are guilty of these charges which the press has carried from one end of the land to the other? It is our right, it is our prerogative, it is our duty to act for ourselves in this matter.

The Constitution gives us the power, and we ought to assert it by calling on the Assistant Attorney General or the special assistant in the Attorney General's office to give us this information immediately. He should be required to furnish it now and not left to decide whether he thinks it wise or best to do so. Nothing else the House can do can possibly approach this matter in importance both to the body and to the country. We ought not to lose a day or an hour in having this matter brought to the full understanding of this House and proper action taken on it. [Applause.]

The SPEAKER. The question is on agreeing to the amendment offered by the gentleman from Alabama.

The amendment was agreed to.

The SPEAKER. The question is on agreeing to the resolution as amended.

The resolution as amended was agreed to.

INTERIOR DEPARTMENT APPROPRIATION BILL.

Mr. CRAMTON, from the Committee on Appropriations, submitted for printing under the rule the conference report on the bill and accompanying statement (H. R. 5078) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1925, and for other purposes.

SOLDIERS' ADJUSTED COMPENSATION.

Mr. GRIFFIN. Mr. Speaker, I want to offer a suggestion in the nature of a real adjusted compensation proposal.

We agreed to pay the soldier who fought our battles $30 per month. This is how we carried out our part of the contract:

First. We practically compelled him to insure his life—a life dedicated to his country—and deducted out of his meager pay the cost of the insurance. In other words, we made him pay for the risk he was taking in his country's cause. It is almost unbelievable that a sane country could ever have imposed such a penalty on patriotism.

The country insured its ships, its food and supplies, its munitions, its cannon and its shells, but the men of blood and flesh, who were to use them, were taxed heavily because they wore their country's uniform and were risking their lives in defense of the Nation's honor.

That was a foolish and unjust course to pursue. It has long been the practice of employers all over the country to carry the insurance of their employees—the theory being that the risk of the employee is the risk of the employer. How much greater was this true where the employer was the Government of the United States and the employees were the soldiers and sailors who were to offer their lives in the defense of their country?

But it is not too late to right the wrong, and we ought to do that first of all before we talk of a bonus.

Then we made our patriotic soldiers and sailors make allotments for the benefit of their dependents. Of course, we should never have drafted men with dependents. There never was any necessity for it. But we did it.

Now, the net result of these two mistakes was to reduce the pay of the soldiers at the front and in the camps by $20 per month.

If we are honest about this talk of adjusted compensation; if we really mean what we say about adjusting their pay, let us return to every one of them the $20 per month by which their agreed pay was unjustly diminished. That would be real adjusted compensation.

I do not say that that is enough. I do not say that we ought not later to go further; but before we do anything else we should first accord to them this measure of justice.

What will it amount to? On the average, $270 to every enlisted man.

How will we do it?

By issuing to them certificates of indebtedness for the amount due them, with 4 per cent interest from November 30, 1918.

And I would not tag any strings on it. I would let them do whatever they damn please with it—negotiate, pledge, keep, or spend it.

What will it cost the Government?

Not a cent to-day except for the printing and distribution.

One year from the passage of this bill it will cost us about $21,000,000 for interest and $50,000,000 to go into a sinking fund for amortization. In 10 years the burden will have faded into nothingness.

I have had the proposal before Congress since March 29, 1920, as appears by the following summary:

House bills introduced by Hon. Anthony J. Griffin, Member of Congress, of New York.

Congress.	Number of bill.	Date of introduction.	Features.
Sixty-sixth.....	H. R. 13333...	Mar. 29, 1920	Return of war-risk insurance premiums and allotments.
Sixty-seventh..	H. R. 257.....	Apr. 11, 1921	Return of war-risk insurance premiums and allotments.
Sixty-seventh..	H. R. 10276...	Feb. 3, 1922	Return of war-risk insurance premiums and paid-up insurance.
Sixty-eighth...	H. R. 764.....	Dec. 5, 1923	Return of war-risk insurance premiums and allotments.
Sixty-eighth...	H. R. 7701....	Mar. 6, 1924	Return of war-risk insurance premiums and allotments with interest.
Sixty-eighth...	H. R. 7702....	Mar. 6, 1924	Return of war-risk insurance premiums and allotments with interest and paid-up insurance.

In the last two bills introduced to-day I have added interest from November 30, 1918, as a feature which will augment the average amount coming to the ex-service men by about $40. Under my plan, therefore, the average payment will be about $270 to each beneficiary.

I have also restored the insurance feature contained in my bill of February 3, 1922 (H. R. 10276). This is purely elective, but the offer is made attractive by increasing the face of the policy by 25 per cent.

But the vital and distinguishing factor in my bills has been the logical purpose to adjust the compensation of the ex-service men by restoring to them what was improperly deducted from their pay. If we owe them at all, as is so often stressed as though it were a mere business proposition, we owe them the whole of the $30 a month which we agreed to give them; and the only logical and strictly just way of paying that obligation is to restore to them the war-risk insurance premiums and the allotments deducted from their pay, with interest at 4 per cent from November 30, 1918.

MUSCLE SHOALS.

Mr. ALLEN. Mr. Speaker and gentlemen of the House, while the admirers of nature stand in awe and watch the many and wonderful developments take place in this great country others stand in fear and trembling that all the natural resources may be transferred to private interests for undue consideration.

Civilization is merely a product of cooperation, and cooperation grows out of contact—the contact of men with men and with the facts, forces, laws, and resources of nature.

When humanity first made its start along the winding and ever-widening pathway which we call history it attracted but little attention.

Compared with his surroundings man was of but little concern and placed in rather an embarrassing position to achieve mere existence. However, he had some advantages that the lower animals did not possess. He possessed reason and had a creative instinct.

He possessed the same thought that his descendants of to-day have, and achieved the same ambition to do something, get ahead. By bringing his mind and muscles in cooperation he began to progress.

When the great Creator fashioned this universe He formed the surface of this earth rather uneven, and purposely so, in order to meet all the requirements which it took to satisfy the many curiosities of man. He made the mountain peaks with descending slopes that sediment might automatically be delivered to the plains below; the streams to be a drainage system for the water which might be collected in the valleys; these peculiar formations were not especially adapted to any one continent or country, but found in all countries; thus it so happened that Muscle Shoals appears on the map to bring about so much argument and contention.

This disposition of nature has come into prominence and is destined to be of very great use to man unless selfishness and jealousy predominate and retard its progress.

It takes a man quite a while to ascertain what is placed at his command and convenience, and after this is discovered it still takes time to develop and place at the service of the public what nature intended for all to enjoy. And then often such circumstances so prevail as to allow special privileges to predominate over equal rights. Will it be so with Muscle Shoals, which, if properly developed, equitably utilized, will be of vast importance to all the people of the Government; fertilizer will be manufactured and delivered to every State in the Union for the use and benefit of the farmer and grower at half the present cost. Moreover, many other articles of usefulness in every home will be manufactured.

This great plant if carried on to completion will not only be a benefit to all who live in a radius of 500 miles, but will be an example and model for many other similar projects to be started on other waterways in the country.

When some great genius appears and places his ideas in operation in some form of usefulness, the ideas released are immediately put in operation by other persons in other places, thus everybody receiving a benefit thereby.

Now, this great project of nature's own design which is partially developed and the completion of which is creating more or less contention and criticism is far from having reached a conclusion.

The Muscle Shoals properly crystallized and a definite conclusion ascertained such as would meet with universal approval and prove in the end to have been the right conclusion would mean a great profit to a large number of people.

The question before the House is whether or not Mr. Ford, a person who has clearly demonstrated to the world that he has made, so far as wealth is concerned, the greatest success of any living person, is clearly capable and able to take this proposition of Muscle Shoals, bring it to a completion, set it in operation, render it productive and very useful, should be granted the rights and privileges to do so. We will admit it is a very large responsibility for us to turn over to anyone that gigantic proposition, to turn over the power which belongs to 110,000,000 people to a single individual, or a corporation to be controlled by an individual; but if there is no other person or body of persons who will accept it and take the same responsibility, what other course is there open to us?

The question naturally arises, Why do not other concerns or other private individuals make investigation and come in com-

petition with Mr. Ford? It seems that the great and paramount difficulty is that it is beyond the power of most concerns, and then there are others who would like to see the Government continue to own, complete, and operate the plant, with hope that it would not be successful in its operation and the production of fertilizer, which, if produced and placed on the market, would be very harmful to other nitrate and fertilizer concerns.

The contract seems to be a fair and equitable one and not open to or subject to fraud, and if not accepted the only alternative is Government ownership and operation, which, in view of the character of the project, would be, in the minds of many, not only a failure but disaster and disappointment to the hopes of the farmers and other users of commercial fertilizers.

The proper course, in my opinion, is to sell this tangible project to private individuals or to some corporation on such conditions as Congress has prescribed, lease the power for a reasonable and equitable rental, give American capital and ingenuity an opportunity to work for the benefit and welfare of humanity, where a great water power can be developed, reserving such rights and privileges as the Government thinks would be useful to it in time of need, and at the same time giving an opportunity for relief, not only to this great Southland but to the entire country, by making a high grade of fertilizer at a reasonable price.

Inasmuch as a number of other speakers have vividly presented facts in the way of figures to show the cost of the equipment and the terms of the lease, I will not consume the time to make a restatement of that which has been so clearly set forth.

In conclusion, may we be permitted to view the situation from an unselfish and unbiased mind. This great enterprise, Muscle Shoals, on which the vision of this entire country is focused, is on and is a part of one of our great inland waterways, the Tennessee River, many miles in length, flowing through a wonderful farming country, the draining system for millions of acres of fertile land, which comprise a portion of the great Cotton Belt, which has not only clothed America but inhabitants of other countries for many years, and the long-continued use of this once fertile soil has greatly weakened it in fertility. In other portions of the country, for hundreds of miles in every direction, the lands which have been cultivated for, lo, these many years have, also, become very greatly weakened and badly in need of rehabilitation. The virgin plains of the great West are rapidly losing their strength and failing in production and are much in need of high-class fertilizer to replenish them and again bring them back to their own former strength.

Looking at the situation from an unselfish angle and in the manner thus presented, we are considering only the welfare of the entire people of this Government, and trusting that whatever is done will be done in a patriotic spirit and to accomplish a substantial relief for all who are engaged in agriculture or in a position to be a user of the products of agriculture.

It seems to me that, considering the situation as a whole, the greatest amount of good will be rendered to the largest number of people by passing the bill or resolution which is now under consideration, and I therefore urge its passage. [Applause.]

AMENDMENT OF THE REVENUE ACT OF 1921.

Mr. GREEN of Iowa. Mr. Speaker, I call up a privileged bill, H. R. 6901, with reference to credits and refunds of taxes.

The SPEAKER. The gentleman from Iowa calls up for consideration the bill H. R. 6901, claiming that it is privileged. The Clerk will report it by title.

Mr. HOWARD of Nebraska. Mr. Speaker, let us hear what it is.

The SPEAKER. The Chair does not know. The gentleman from Iowa claims it is privileged.

Mr. GARNER of Texas. Mr. Speaker, it is a unanimous report from the Committee on Ways and Means, and it merely seeks to extend the present law respecting the claims of the taxpayers. It has to come in by the 15th of March in order to be of any value.

The SPEAKER. The Clerk will report it.

The Clerk read as follows:

A bill (H. R. 6901) to amend the revenue act of 1921.

Be it enacted, etc., That the time within which a taxpayer, who, at the time of the passage of this act, is entitled to file a claim for refund under section 252 of the revenue act of 1921, as amended by the act of March 4, 1923, is hereby extended to and including April 1, 1925: *Provided*, That such taxpayer has filed, prior to filing such claim, or shall file therewith, a waiver extending to and including April 1, 1926, the time for the Commissioner of Internal Revenue to make an additional assessment for the year or years to which the claim for refund relates: *Provided further*, That nothing herein shall in any way abridge or affect the right of a taxpayer under the first proviso of the said section 252 of the revenue act of 1921 as amended by the act of March 4, 1923, to file a refund claim before the expiration of two years from the time the tax was paid.

With a committee amendment, as follows:

Strike out all after the enacting clause, and insert:

"That the second proviso of subdivision (a) of section 252 of the revenue act of 1921 as amended by the act entitled 'An act to amend the revenue act of 1921 in respect to credits and refunds,' approved March 4, 1923, is amended to read as follows: '*Provided further*, That if the taxpayer has, within five years from the time the return for the taxable year 1917 was due, filed a waiver of his right to have the taxes due for such taxable year determined and assessed within five years after the return was filed, or if he has, on or before June 15, 1924, filed such a waiver in respect of the taxes due for the taxable year 1918, then such credit or refund relating to the taxes for the year in respect of which the waiver was filed shall be allowed or made if claim therefor is filed either on or before April 1, 1925, or within two years from the time the tax was paid.'"

The SPEAKER. Without objection, the bill will be considered in the House as in Committee of the Whole.

There was no objection.

The SPEAKER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill as amended.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER. Without objection, the title will be amended so as to read: "A bill to amend section 252 of the revenue act of 1921 in respect of credits and refunds."

There was no objection.

On motion of Mr. GREEN of Iowa, a motion to reconsider the vote whereby the bill was passed was laid on the table.

THE CUSTOMS SERVICE.

Mr. MACGREGOR. Mr. Speaker, when the great American subject of the tariff is being discussed by the people in political campaigns, and the arguments pro and con are being made as to a low or high tariff and the effect upon American prosperity, little thought is given to the matter of the machinery to make the tariff effective either as a matter of protection for American industry or as a source of revenue for the carrying on of the Government.

It is appreciated in a general way that the tariff or duty must be collected, but as to the manner and means of doing it that is a matter of detail that the general taxpayer thinks little about.

The administration of a tariff act involves great detail. The effective administration of it can only be accomplished by men of intelligence, honesty, and energy. It is not a simple task. The men who do the real work must have a thorough knowledge of the provisions of the law; they must have wide knowledge of merchandise; they must be painstaking; their integrity must be beyond reproach, and they must be imbued with the zeal of service.

Outside of the receipts from income taxes, the receipts from the duties upon imported merchandise constitute the largest source of revenue for the carrying on of the Government.

Customs receipts.

	Receipts.	Expenses of collection.	Per cent.	Imports.
1911	$314,497,071.24	$11,015,254.24	3.50	$1,532,359,160.00
1912	311,321,672.22	10,804,979.15	3.47	1,818,073,055.00
1913	318,891,395.86	10,285,613.95	3.23	1,792,596,480.00
1914	292,330,044.51	9,804,771.72	3.35	1,789,276,001.00
1915	209,786,672.21	9,268,403.56	4.42	1,778,596,695.00
1916	213,185,845.63	9,074,471.95	4.26	2,391,635,335.00
1917	225,962,393.36	9,850,189.63	4.36	2,952,467,955.00
1918	182,758,988.71	9,836,325.53	5.38	3,031,212,710.00
1919	183,428,624.78	10,020,851.28	5.46	3,904,364,932.00
1920	323,536,559.00	10,023,315.00	3.09	5,278,451,490.00
1921	308,025,102.00	10,813,748.00	3.51	2,509,147,570.00
1922	357,544,712.00	11,174,359.00	3.12	2,608,069,008.00
1923	562,189,039.00	11,651,166.00	2.07	3,781,259,144.00

It will be noted that the customs receipts for the fiscal year 1923 were the largest collected during any fiscal year and exceeded the receipts of the previous year by approximately $204,644,000.

The imports during the year 1923 were valued at approximately $3,781,000,000, an increase of $1,173,000,000 over the value of the imports during the preceding year.

The maintenance of the service, notwithstanding the tremendous increase in amount of work, was increased only $493,579.

The cost of collection of duties was reduced from 347 mills per dollar to 231 mills.

Notwithstanding the enormous increase in value of imports and the amount of duties collected, the number of employees in the customs service has been decreased since 1911:

Fiscal year.	Number of employees.	Imports.	Receipts.
1911	8,089	$1,527,226,105.00	$314,497,071.24
1914	7,577	1,893,925,657.00	292,320,014.51
1922	6,659	2,608,009,008.00	357,544,712.00
1923	7,171	3,781,259,114.00	562,189,039.00

The efficiency and morale of the customs service is rapidly deteriorating. The pay is not sufficient to maintain a family upon. There has not been an increase in salary to meet the competition with other lines of effort.

The rate at present is as follows:

Rates of compensation and number of employees.

$301–$999	249
$1,000–$1,199	844
$1,200–$1,399	1,292
$1,400–$1,599	1,203
$1,600–$1,799	805
$1,800–$1,999	789
$2,000–$2,199	760
$2,200–$2,399	170
$2,400–$2,599	313
$2,600–$2,799	23
$2,800–$2,999	88
$3,000–$3,199	93
$3,200–$3,399	30
$3,400–$3,599	49
$3,600–$3,799	29
$3,800–$3,999	1
$4,000–$4,199	26
$4,200–$4,399	16
$4,400, etc.	18
Total	6,754

In the Buffalo district, which I represent, there are 106 full-time customs employees. Of these, there are 22 at $1,640 per year, three at $1,600, 39 at $1,460, 1 at $1,380, 17 at $1,277.50, 2 at $1,200, 1 at $900, and 2 at $840. The average salary is $1,376 per year. Most of these men are required to be men of ability and wide knowledge.

The collector of the port of Buffalo, in writing to me upon the subject, says:

Let me impress upon you that the customs service is made up of a body of highly trained and conscientious men. I make bold to say that the customs laws and other laws and regulations which the customs officer is required to know—and know accurately—are quite as complicated, quite as technical as are those of the legal profession, the medical profession, or the scientific profession, and the judgment required of the ordinary customs officer is quite equal to that of the successful business man.

Understand further that the customs force in this district, at least, is required to work seven days in the week, much of this being night work; fully one-third of the work is night work.

Rarely is the customs man able to take his Thanksgiving dinner, his Christmas dinner, or his New Year's dinner with his family. His Fourth of July fireworks are enjoyed in a railroad yard far removed from his wife and children. Lucky, indeed, is the customs man if he is able to accompany his family to church on Sunday.

* * * * * * *

Let me add finally that if something is not done the whole morale will be broken down, because we are finding it more difficult every day to maintain our force on our present average compensation of $1,376.

Compare the scale of pay of customs employees with the scale in other employment. The following table appeared in the New York Times in December, 1923:

Wage increases in 9 years.

Classification of worker.	Daily wage.		Per cent increases.
	1914	1923	
Claziers	$3.14	$10.00	218.5
Electrical workers' helpers	2.20	6.50	195.4
Cement masons' laborers	2.62	7.50	186.2

Wage increases in 9 years—Continued.

Classification of worker.	Daily wage.		Per cent increases.
	1914	1923	
House shorers	$3.68	$10.00	171.7
Bricklayers' laborers	3.00	8.00	166.6
Steam fitters' helpers	3.00	8.00	166.6
Asbestos workers' helpers	3.00	8.00	166.6
Plasterers' laborers	3.25	8.50	161.5
Composition roofers	3.50	9.00	157.1
Stone-bed rubbers, large side	3.50	9.00	157.1
Carpenters (Richmond)	4.00	10.00	150.0
Stonemasons	4.80	12.00	150.0
Painters and decorators	4.00	10.00	150.0
Stonehand rubbers, etc.	2.75	6.80	147.2
Mosaic helpers	3.25	8.00	146.1
Derrickmen and riggers	4.00	9.50	137.5
Stone, crane operators, etc.	3.00	7.10	136.6
Art-glass workers	3.82	9.00	135.6
Elevator constructors' helpers	3.40	8.00	135.3
Tile layers' helpers	3.00	7.00	133.3
Marble workers' helpers	3.80	8.00	128.5
Housesmith finishers' helpers	3.50	8.00	128.5
Stone-bed rubbers, rear side	3.50	8.00	128.5
Carpenters (Bronx, Brooklyn, Queens)	4.50	10.00	122.2
Mosaic workers	4.50	10.00	122.2
Roofers, slate	5.50	12.00	118.1
Plasterers	5.50	12.00	118.1
Marble polishers	4.40	9.50	115.9
Stone sawyers	3.50	7.45	112.8
Asbestos workers	4.75	10.00	110.5
Electrical workers	4.80	10.00	108.3
Marble sawyers	4.68	9.50	102.9
Housesmiths, structural	5.00	10.00	100.0
Housesmiths, finishers	5.00	10.00	100.0
Cement masons	5.00	10.00	100.0
Carpenters (Manhattan)	5.00	10.00	100.0
Metallic lathers	5.00	10.00	100.0
Sheet-metal workers	5.00	10.00	100.0
Engineers, hoisting	6.00	12.00	100.0
Bricklayers	6.00	12.00	100.0
Stone setters	6.00	12.00	100.0
Marble carvers	6.00	12.00	100.0
Stone planermen	4.25	8.35	96.4
Marble-bed rubbers	4.95	9.50	91.9
Marble cutters and setters	5.50	10.50	90.9
Elevator constructors	5.28	10.00	89.3
Plumbers	5.50	10.00	81.8
Steam fitters	5.50	10.00	81.8
Stonecutters	5.50	10.00	81.8
Tile layers	5.50	10.00	81.8

The entrance salary for clerks in the customs service in the New York district is $1,000. It is upon men of the type who are willing to work for that pay that the service rests. Under the law when there is a vacancy in a higher grade, the vacancy must be filled from those in the lower grade if certified by the Civil Service Commission.

It is not possible to go out and pick up men who are capable of doing the work in the service. They should be men trained in the service. If the foundation upon which the service rests is not solid it is not difficult to appreciate what is going to happen unless an adequate compensation is given to call competent men into the service.

It has been reported to me that men are leaving the service every day, and that it is not possible to secure men equipped to take their places.

A statement recently submitted by Assistant Secretary of the Treasury Moss is instructive:

The comparative outside commercial salary scale runs from 40 to 200 per cent higher for these places. For illustration, guards, checkers, and inspectors get from $5 to $10 per diem, as compared with our $3 to $6 scale. Liquidators, withdrawal clerks, and entry clerks get at least 50 per cent more in commercial life. Merchandise examiners, with a salary range here of $1,500 to $3,500, are receiving outside salaries from $3,000 to $15,000. Many of our best examiners have left the customs service because of outside bidding for their service.

As examples of the gains customs employees have obtained by going into private business may be mentioned:

D. W., an examiner of oriental merchandise, receiving maximum compensation of $3,500 per annum; now customs adviser of an established oriental importing firm at a salary of $15,000 per annum and participation in profits.

A. M., a clerk to an examiner, receiving $1,800 per annum, resigned to accept $3,000 per annum with D. W., and now receiving $3,000 per annum.

D. L., formerly examiner of silk wearing apparel at maximum Government salary, $3,500 per annum; now head of glove department of large manufacturing and importing concern, at $15,000 per annum.

P. McG., formerly examiner of silk fabrics at $3,000 per annum, now customs broker, netted in 1923, $18,000.

G. F. L., formerly law clerk and assistant attorney, at $3,500 per annum, now member of established law firm; net earnings 1923, $14,000, plus participation in profits.

The situation is summarized by Secretary Mellon:

> The more I have looked into this question of the compensation in the customs service the more I have been impressed with the absolute necessity of relief. It is a highly technical service. It requires men of considerable education. They have to understand the laws and the regulations, and the amount of revenue collected depends very largely on their knowledge. The employment of incompetent men there may make a great deal of difference in the actual collection of the revenue. The salaries for a number of years have been very much below the salaries of similar occupations. They are about one-half of the salaries paid to people alongside who are doing work of a similar character; and the men have been looking forward to an increase and have been led to believe that there would be an increase. The consequence of all that is that the morale of the service is going down and has been going down for several years, and it is cumulative, and it has now reached a point where it is really serious.
>
> The men are going out and, of course, getting very much better compensation; and it has come to this, too, that it is impossible to recruit from a class of people capable of performing the duties of the service. The lists given to us are not eligibles at all; and why? Because it is impossible to get people there at the beginning rates who are at all capable. We can not get the talent that is necessary at the salaries paid.

The situation is absurd. An incompetent man in such a service is a financial loss to the Government and to the taxpayers. A competent man can justify proper pay. In the business world it is almost axiomatic that it is good business to pay good salaries. Why should the Government be so loathe to apply business principles to the conduct of its business?

The Budget Bureau seems to be set upon awaiting the report of the reclassification board. Over a year has elapsed and that matter is still in the air. From the present outlook the customs service will have been totally demoralized before results are obtained from the reclassification act. Unless the reclassification proposition is settled in this Congress and appropriations made accordingly, no increases will probably be available until the fiscal year 1926.

The Secretary of the Treasury was authorized by chapter 251, signed March 4, 1923, to increase the pay of customs employees 30 per cent, but he can not do it unless funds are provided by Congress. He has worked out a proposal that the pay of the employees be increased 40 per cent for the lowest paid and working down to 10 per cent for the highest paid. The total amount of the increase for 6,754 employees would be $3,313,075. The Senate has added $2,500,000 to the pending appropriation bill covering the Treasury Department. This will go far toward relieving the situation.

Standing upon a technicality of the failure of the Reclassification Board to reclassify as to the field service, the Budget Bureau seems willing to stand by and see the customs service demoralized. It is unwilling to approve appropriations that the morale of that service may be maintained but is perfectly willing to approve the expenditure of millions upon millions additional for the attempted enforcement of the unpopular prohibition amendment, that has brought disaster and blight upon our land.

The deficiency bill that is shortly to come before the House carries an item of appropriation of approximately $13,000,000 to provide a Coast Guard navy to engage in warfare against the enemy, rum.

The men in the customs service may go without bread, they may be obliged to live in hovels, their children may be denied education, their wives may not enjoy the ordinary pleasures and comforts of life, the collection of the customs to relieve the burdens of taxation upon the people and to protect the workingmen of the country from foreign competition may be abandoned or inefficiently done, but we must, regardless of any other consideration of sensible government, see to it that our people be protected against the Demon.

We will raise a new navy, to conduct open warfare with shot and shell, with destroyers and torpedo boats and mine sweepers, with a large personnel of officers and enlisted men. Our shores will reverberate with the sound of battle.

One item in the deficiency bill amounting to $12,194,900 is for boats. Another item is for pay and allowances for officers and enlisted men, amounting to $945,179.

It is proposed to transfer from the Navy to the Coast Guard 2 mine sweepers and 20 destroyers.

It is also proposed to construct 223 cabin cruiser motor boats.

The appropriation also provides for 149 additional commanders and lieutenant commanders, 419 additional warrant officers, and 3,789 enlisted men.

After they have spent this money the cost of maintenance estimated for each year is $10,500,000.

Thus comes to pass that the prohibition department has an army and navy of its own.

> Should once the world resolve to abolish
> All that's ridiculous and foolish,
> It would have nothing left to do.
>
> —Butler.

Let us retain some semblance of common sense and not devote all of the taxpayers' money to endeavoring to prevent somebody from getting a drink. We have got the prohibition proposition upon our backs, and it is proper that while it is here that it be enforced, but why let the whole Government go to pot in doing it. It is much more important at the present moment to appropriate sufficient moneys to prevent the customs service from going to pieces. This is also true with reference to other branches of the Government service.

ADJOURNMENT.

Mr. LONGWORTH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 23 minutes p. m.) the House adjourned until to-morrow, Friday, March 7, 1924, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. GRAHAM of Pennsylvania: Committee on the Judiciary. H. Res. 153. A resolution requesting information from the Attorney General regarding special attorneys appointed during the year 1923, and for other purposes; with amendments (Rept. No. 266). Referred to the House Calendar.

Mr. GRAHAM of Pennsylvania: Committee on the Judiciary. H. Res. 162. A resolution requesting the Attorney General to furnish to the House of Representatives certain information regarding the $500,000 appropriated by Congress to prosecute war frauds, and for other purposes; with amendments (Rept. No. 267). Referred to the House Calendar.

Mr. GARBER: Committee on Indian Affairs. H. R. 2887. A bill to authorize the extension of the period of restriction against alienation on the homestead allotments made to members of the Kansas or Kaw Tribe of Indians in Oklahoma; with an amendment (Rept. No. 269). Referred to the Committee of the Whole House on the state of the Union.

Mr. LEAVITT: Committee on Indian Affairs. H. R. 4835. A bill to pay tuition of Indian children in public schools; with an amendment (Rept. No. 270). Referred to the Committee of the Whole House on the state of the Union.

Mr. HOWARD of Oklahoma: Committee on Indian Affairs. H. R. 7077. A bill to amend an act entitled "An act to amend an act entitled 'An act making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending June 30, 1914,' approved June 30, 1913," approved May 26, 1920; with amendments (Rept. No. 271). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. QUIN: Committee on Military Affairs. H. J. Res. 171. A resolution authorizing the Secretary of War to lease New Orleans quartermaster depot No. 2 to the New Orleans Association of Commerce; without amendment (Rept. No. 262). Referred to the Committee of the Whole House.

Mr. HILL of Alabama: Committee on Military Affairs. H. R. 3030. A bill to allow and credit the accounts of Albert J. Capron, formerly captain, Quartermaster Corps, United States Army, the sum of $84.52, disallowed by the Comptroller General, United States; without amendment (Rept. No. 263). Referred to the Committee of the Whole House.

Mr. McLEOD: Committee on the District of Columbia. H. R. 4122. A bill to amend an act entitled "An act to revive, with amendments, an act to incorporate the Medical Society of the District of Columbia," approved July 7, 1838, as amended; with amendments (Rept. No. 264). Referred to the Committee of the Whole House.

Mr. WURZBACH: Committee on Military Affairs. H. R. 3453. A bill for the relief of the widow of Warren V. Howard; without amendment (Rept. No. 265). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. ANDREW: A bill (H. R. 7681) for the extension of the present site, if deemed advisable, or for the purchase of a new site and the erection of a Federal building at Gloucester, Mass.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 7682) to authorize the acquisition of a site and the erection of a Federal building at Salem, Mass.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 7683) to authorize the acquisition of a site and the erection of a Federal building at Haverhill, Mass.; to the Committee on Public Buildings and Grounds.

By Mr. ASWELL: A bill (H. R. 7684) to limit, select, and regulate the immigration of aliens into the United States; to the Committee on Immigration and Naturalization.

By Mr. EDMONDS: A bill (H. R. 7685) to amend and supplement the merchant marine act of 1920, and for other purposes; to the Committee on the Merchant Marine and Fisheries.

By Mr. JOHNSON of Washington: A bill (H. R. 7686) to amend the third paragraph of the second subdivision of section 4 of the act entitled "An act to establish a Bureau of Immigration and Naturalization, and to provide for a uniform rule for the naturalization of aliens throughout the United States," approved June 29, 1906, and for other purposes; to the Committee on Immigration and Naturalization.

By Mr. LEAVITT: A bill (H. R. 7687) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Assiniboine Indians may have against the United States, and for other purposes; to the Committee on Indian Affairs.

By Mr. McREYNOLDS: A bill (H. R. 7688) to provide for the acquisition of a site and the erection thereon of a public building at South Pittsburg, Marion County, Tenn.; to the Committee on Public Buildings and Grounds.

By Mr. WELLER: A bill (H. R. 7689) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. WILLIAMSON: A bill (H. R. 7690) for the exchange of lands adjacent to national forests in South Dakota; to the Committee on the Public Lands.

By Mr. ANDREW: A bill (H. R. 7691) increasing the limit of cost of the Federal building at Newburyport, Mass.; to the Committee on Public Buildings and Grounds.

By Mr. HASTINGS: A bill (H. R. 7692) to amend section 15 of the act of Congress approved July 17, 1916, known as the Federal farm loan act; to the Committee on Banking and Currency.

By Mr. JACOBSTEIN: A bill (H. R. 7693) to provide adjusted compensation for veterans of the World War, and for other purposes; to the Committee on Ways and Means.

By Mr. SABATH: A bill (H. R. 7694) to facilitate commerce by prescribing overtime rates to be paid by transportation lines for inspection of arriving passengers and crews; to the Committee on Interstate and Foreign Commerce.

By Mr. SANDERS of Texas: A bill (H. R. 7695) to prevent the sale of cotton in future markets; to the Committee on Agriculture.

By Mr. SUTHERLAND: A bill (H. R. 7696) to amend section 11 of the act of Congress approved May 14, 1898 (30 Stats. L. pp. 409–415); to the Committee on the Public Lands.

By Mr. LINEBERGER: A bill (H. R. 7697) to amend section 7 of the act of February 9, 1909, as amended January 17, 1914, and for other purposes; to the Committee on Ways and Means.

By Mr. WOLFF: A bill (H. R. 7698) to regulate the transportation and importation of labor from one State to any point in another State where a labor disturbance or strike is then in progress; to the Committee on Labor.

By Mr. GIFFORD: A bill (H. R. 7699) providing for the conveyance to the town of Fairhaven, in the Commonwealth of Massachusetts, of a tract of land known as Fort Phoenix, for public use; to the Committee on Military Affairs.

By Mr. KAHN: A bill (H. R. 7700) authorizing and directing the Secretary of War to transfer to the Treasury Department for quarantine purposes that portion of La Costa Island, Fla., occupied by the Treasury Department as a quarantine station under revocable license from the War Department, dated January 27, 1903; to the Committee on Military Affairs.

By Mr. GRIFFIN: A bill (H. R. 7701) to provide for the return to soldiers, sailors, marines, and others serving in the United States forces during the World War the premiums deducted from their pay for war-risk insurance, and refunding of all allotments deducted from their pay, with interest from November 30, 1918, and the issuance of paid-up policies of insurance; to the Committee on Ways and Means.

Also, a bill (H. R. 7702) to provide for the return to soldiers, sailors, marines, and others serving in the United States forces during the World War the premiums deducted from their pay for war-risk insurance, and the refunding of all allotments for dependents deducted from their pay with interest from November 30, 1918; to the Committee on Ways and Means.

By Mr. RATHBONE: A bill (H. R. 7703) to authorize the remodeling and repairing of the building in which President Lincoln died, the erection of a monument or tablet to mark such building, and the purchase of the Oldroyd collection of Lincoln relics; to the Committee on Public Buildings and Grounds.

By Mr. ABERNETHY: A bill (H. R. 7704) to provide for an examination and survey of the channels from the inland waterway, Beaufort, N. C., beginning at a point where Gallants Channel connects with the inland waterway (PS to BI Channel) and via Gallants Channel and in front of the town of Beaufort and through Bulkhead Shoal to the main inlet, with a view of securing a depth of 12 feet of water in said channels; to the Committee on Rivers and Harbors.

By Mr. ANDREW: Concurrent resolution (H. Con. Res. 15) recommending durable markers for American military graves in Europe, resemblent in design to the war-time markers; to the Committee on Military Affairs.

By Mr. MOREHEAD: Resolution (H. Res. 209) to investigate the expenditure of Federal aid to construction of good roads; to the Committee on Rules.

By Mr. CRISP: Resolution (H. Res. 210) requesting the President to furnish to the House of Representatives the names of the two Members of Congress referred to in the report of the Federal grand jury in Chicago; to the Committee on the Judiciary.

By Mr. ANDREW: Memorial of the legislature of the State of Massachusetts favoring an amendment to the Constitution of the United States authorizing Congress to enact a uniform child labor law; to the Committee on the Judiciary.

Also, memorial of the legislature of the State of Massachusetts favoring the passage by Congress of legislation relative to the retirement of disabled emergency officers of the United States Army; to the Committee on Military Affairs.

By Mr. O'CONNOR of New York: Memorial of the Legislature of the State of New York urging Congress to speedily enact legislation calculated to equalize disability pay to veterans of all wars; to the Committee on Pensions.

Also, memorial of the Legislature of the State of New York petitioning Congress to enact legislation calculated to equalize disability pay to veterans of all wars; to the Committee on Pensions.

By Mr. CULLEN: Memorial of the Legislature of the State of New York urging the Congress of the United States to enact legislation calculated to equalize disability pay to veterans of all wars, whereas there is a considerable difference under the provisions of various Federal statutes in the payment of disability awards made to veterans of various wars, such difference being especially noticeable in the case of the veterans of the Spanish-American War; to the Committee on Pensions.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ARNOLD: A bill (H. R. 7705) granting a pension to Mary Guy; to the Committee on Invalid Pensions.

By Mr. CORNING: A bill (H. R. 7706) granting a pension to Amy E. Sagendorf; to the Committee on Invalid Pensions.

By Mr. DALLINGER: A bill (H. R. 7707) granting a pension to Mary L. Young; to the Committee on Invalid Pensions.

By Mr. DENISON: A bill (H. R. 7708) to provide for an examination and survey of the Big Muddy River in Illinois; to the Committee on Rivers and Harbors.

By Mr. DYER: A bill (H. R. 7709) granting a pension to Wilhelmina Weiss Dietrich; to the Committee on Invalid Pensions.

By Mr. FROTHINGHAM: A bill (H. R. 7710) authorizing the President to issue an appropriate commission and honorable discharge to Joseph B. Maccabe; to the Committee on Military Affairs.

By Mr. GARDNER of Indiana: A bill (H. R. 7711) granting a pension to Alfred Tillery; to the Committee on Invalid Pensions.

By Mr. LEA of California: A bill (H. R. 7712) for the relief of Charles Wall; to the Committee on Naval Affairs.

By Mr. McREYNOLDS: A bill (H. R. 7713) for the relief of Walter L. Watkins, alias Harry Austin; to the Committee on Military Affairs.

By Mr. MAPES: A bill (H. R. 7714) granting a pension to Tiena Grunst; to the Committee on Pensions.

By Mr. PARKER: A bill (H. R. 7715) authorizing the War Department to donate a trophy cannon to be placed in a park in Waterford, N. Y.; to the Committee on Military Affairs.

By Mr. RAMSEYER: A bill (H. R. 7716) granting a pension to Frances R. Swails; to the Committee on Invalid Pensions.

By Mr. SCHALL: A bill (H. R. 7717) granting a pension to James M. Arnold; to the Committee on Pensions.

By Mr. SHERWOOD: A bill (H. R. 7718) granting a pension to Barbara Schlatter; to the Committee on Invalid Pensions.

By Mr. STEPHENS: A bill (H. R. 7719) granting a pension to Kate Rudicill; to the Committee on Invalid Pensions.

By Mr. THOMAS of Oklahoma: A bill (H. R. 7720) for the relief of Ivy L. Merrill; to the Committee on Claims.

By Mr. VAILE: A bill (H. R. 7721) granting an increase of pension to Annie M. Ware; to the Committee on Invalid Pensions.

By Mr. WILSON of Indiana: A bill (H. R. 7722) granting an increase of pension to Sopha Brown; to the Committee on Invalid Pensions.

By Mr. WOLFF: A bill (H. R. 7723) to make a preliminary survey of the Mississippi River between Kimmswick and Wittenberg, Mo., with a view to the control of the floods; to the Committee on Flood Control.

By Mr. WOOD: A bill (H. R. 7724) granting a pension to Sarah F. Williams; to the Committee on Pensions.

Also, a bill (H. R. 7725) granting an increase of pension to Richie Arvilla Holmes; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7726) granting a pension to Daisy F. Mosier; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1540. By the SPEAKER (by request): Petition of adult Indians on the Colville Indian Reservation, protesting against patented Indians receiving money from the tribal funds; to the Committee on Indian Affairs.

1541. Also (by request), petition of citizens of Logan County, Ky., favoring the passage of the adjusted compensation bill; to the Committee on Ways and Means.

1542. By Mr. ALDRICH: Petition of Loggia Prata Sannita, No. 888, Order Sons of Italy, of Providence, R. I., protesting against passage of Johnson immigration bill; to the Committee on Immigration and Naturalization.

1543. Also, petition of Roosevelt Lodge, Order of Sons of Italy, Providence, R. I., protesting against the passage of the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1544. By Mr. BRIGGS: Petition of Judge DuVal West, United States district judge, San Antonio, Tex., relative to court relief in the western district of Texas; to the Committee on the Judiciary.

1545. Also, petition of Texas Carnegie Steel Association, Galveston, Tex., urging passage of House bill 6058; to the Committee on Interstate and Foreign Commerce.

1546. Also, petition of Mr. D. J. Pruett and others, of Galveston, Tex., asking support of measure prohibiting any taxation or charge for broadcasting of music from radio broadcasting stations; to the Committee on Ways and Means.

1547. By Mr. CONNERY: Petition of the Gold Star Association of America, that Congress be asked to make necessary appropriation to meet the expense of allowing fathers, mothers, or wives of deceased soldiers buried in France to visit the last resting place of their dead; to the Committee on Military Affairs.

1548. Also, petition of convention of Sportsmen's Club of Massachusetts, indorsing game refuge-public shooting ground bill (H. R. 745); to the Committee on Agriculture.

1549. By Mr. CULLEN: Petition of Jewish veterans of the wars of the Republic, New York City, N. Y., requesting Members of Congress to place no further restrictions upon the entry of the unfortunate people who are seeking the opportunity of participating in these liberties which they have fought to help preserve; to the Committee on Immigration and Naturalization.

1550. Also, petition of the community councils of the city of New York, desiring to be recorded as being heartily in favor of increases in salary for the employees of the Postal Service; to the Committee on the Post Office and Post Roads.

1551. Also, petition of the board of aldermen of the city of New York, resolving that the Congress be, and hereby is, respectfully memorialized to defeat the Johnson immigration restriction bill, and in its stead to enact such provision of law as will liberalize the policy of the Government in respect to immigrants; to the Committee on Immigration and Naturalization.

1552. Also, petition of the American Association for the Recognition of the Irish Republic, who, in commemoration of the anniversary of Ireland's immortal hero, Robert Emmet, respectfully protest against any entertainment by our National Government of proposals for the recognition of a diplomatic representative from the so-called Irish Free State government—a provincial assembly deliberately set up by England to partition the small but ancient nation of Ireland; and call upon the President to demand, through the Secretary of State, from Premier MacDonald, of England, a definition of the citizenship status of the Hon. Eamon De Valera, who, though born in New York and a freeman of many American cities, is detained, untried, and in solitary confinement in one of the Irish prisons of King George V; to the Committee on Foreign Affairs.

1553. By Mr. FENN: Petition of the American Legion, Department of Connecticut, opposing the fixing of any time limit for the filing of mental cases arising from service in the late World War; to the Committee on World War Veterans' Legislation.

1554. Also, petition of the American Legion, Department of Connecticut, favoring a five-year limit in the proving of service origin of all tubercular cases; to the Committee on World War Veterans' Legislation.

1555. By Mr. GARBER: Petition of W. I. Drummond, chairman board of governors International Farm Congress of America, Kansas City, Mo., presenting data showing the majority of the farmers of the country are against the Ford offer for Muscle Shoals; to the Committee on Military Affairs.

1556. By Mr. GALLIVAN: Petition of Amos Lodge, No. 27, Independent Order of B'nai Brith, Boston, Mass., protesting against the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1557. By Mr. JARRETT: Petition of the White Cross Society of Seattle, Wash., adopted by the board of directors of the Chamber of Commerce of Honolulu, Hawaii, approving the results secured by the special commission on narcotics; to the Committee on Foreign Affairs.

1558. By Mr. LEAVITT: Petition of representatives of 502 National Farm Loan Associations in Montana, Washington, Idaho, and Oregon, urging passage of the McNary-Haugen export corporation bill; to the Committee on Agriculture.

1559. By Mr. MOONEY: Petition of mass meeting of Lithuanians held in the Lithuanian Societies Hall, Cleveland, Ohio, urging the United States Government to take steps to see that the Memel district continues to remain an integral part of Lithuania; to the Committee on Foreign Affairs.

1560. By Mr. NEWTON of Minnesota: Petition of Clinton R. Hunt on behalf of members of the tenth division of Railway Mail Association, urging support and passage of the Kelly-Edge bill and Senate bill 1898; to the Committee on the Post Office and Post Roads.

1561. By Mr. O'CONNELL of Rhode Island: Petition of members of the Roosevelt Lodge, No. 1270, Sons of Italy in America, of Rhode Island, opposing the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1562. Also, petition of members of the Loggia Prata Sannita, No. 888, of Providence, R. I., opposing the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1563. By Mr. ROBINSON of Iowa: Petition of citizens of Dubuque, Iowa, favoring the enactment into law of the Brookhart-Hull bill (S. 742 and H. R. 2702); to the Committee on Naval Affairs.

1564. By Mr. SABATH: Petition of the city council of the city of Chicago, urging Congress to give favorable consideration to legislation providing for a flow of 10,000 cubic feet per second through the main channel of the sanitary district canal; to the Committee on Rivers and Harbors.

1565. Also, petition of the city council of the city of Chicago, Ill., favoring an amendment to the transportation act of 1920 as will divest the Interstate Commerce Commission of any jurisdiction over rates of depreciation to be charged by local telephone companies; to the Committee on Interstate and Foreign Commerce.

1566. By Mr. STRONG of Pennsylvania: Petition of members of the American Legion Auxiliary, Unit No. 454, Rimersburg, Pa., and Unit 621, Marion Center, Pa., in favor of the adjusted compensation bill sponsored by the American Legion; to the Committee on Ways and Means.

1567. By Mr. TILSON: Petition of Connecticut Department, American Legion, for amendment of the war risk insurance act to remove the time limit for filing claims in mental disease cases; to the Committee on World War Veterans' Legislation.

1568. Also, petition of Connecticut Department, American Legion, for amendment to the war risk insurance act to extend the time limit for filing claims in tubercular cases; to the Committee on World War Veterans' Legislation.

1569. By Mr. TINKHAM: Petition of Amos Lodge, No. 27, I. O. B. B., Brookline, Mass., opposing the Johnson immigration bill; to the Committee on Immigration and Naturalization.

SENATE.

FRIDAY, *March 7, 1924.*

(Legislative day of Thursday, March 6, 1924.)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

NAMING A PRESIDING OFFICER.

The reading clerk (John C. Crockett) read the following communication:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., March 7, 1924.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. CHARLES CURTIS, a Senator from the State of Kansas, to perform the duties of the Chair this legislative day.

ALBERT B. CUMMINS,
President pro tempore.

Mr. CURTIS thereupon took the chair as Presiding Officer.

CALL OF THE ROLL.

Mr. OVERMAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The principal legislative clerk called the roll, and the following Senators answered to their names:

Adams	Edge	King	Shipstead
Ashurst	Ernst	Ladd	Shortridge
Ball	Ferris	Lodge	Simmons
Bayard	Fess	McKellar	Smoot
Borah	Fletcher	McLean	Stanfield
Brandegee	Frazier	McNary	Stanley
Brookhart	George	Mayfield	Stephens
Broussard	Gerry	Moses	Swanson
Bruce	Glass	Neely	Trammell
Bursum	Gooding	Norris	Wadsworth
Cameron	Hale	Oddie	Walsh, Mass.
Capper	Harreld	Overman	Walsh, Mont.
Caraway	Harris	Pepper	Warren
Colt	Harrison	Phipps	Watson
Copeland	Heflin	Pittman	Weller
Couzens	Howell	Ralston	Wheeler
Curtis	Johnson, Minn.	Ransdell	Willis
Dale	Jones, Wash.	Reed, Pa.	
Dial	Kendrick	Sheppard	
Dill	Keyes	Shields	

The PRESIDING OFFICER. Seventy-seven Senators have answered to their names. A quorum is present. The Senate resumes the consideration of House bill 6349, the pending appropriation bill.

MESSAGE FROM THE HOUSE—ENROLLED JOINT RESOLUTION SIGNED.

A message from the House of Representatives, by Mr. Haltigan, one of its reading clerks, announced that the Speaker of the House had signed the enrolled joint resolution (S. J. Res. 57) authorizing the erection on public grounds in the District of Columbia of a statue by Jose Clara personifying "Serenity," and it was thereupon signed by the Presiding Officer [Mr. CURTIS] as Acting President pro tempore.

M'NEIL ISLAND PENITENTIARY.

Mr. DIAL. Mr. President, a few months ago a man was tried in the United States court in South Carolina and was sentenced to the McNeil Island Penitentiary on the coast of the Pacific Ocean. I criticized the Government officials for sending that man so far away from the place of trial. I did that for the purpose of finding out whether there was any law requiring such a sentence and to ascertain why he was not sentenced to a penitentiary nearer the place of trial. I took up the matter with the Attorney General's office and I am glad to have received a letter this morning which explains the matter and shows that it was not necessary to have entailed that expense upon the Government. I ask that the letter may be printed in the RECORD. I had intended to propose an amendment to the law, but under the circumstances it is not now necessary to do so.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF JUSTICE,
OFFICE OF THE ATTORNEY GENERAL,
Washington, D. C., March 1, 1924.

Hon. N. B. DIAL,
United States Senate, Washington, D. C.

DEAR SENATOR DIAL: The necessary information to enable the department to make a satisfactory reply to your letter of January 15, 1924, written with respect to the case of a prisoner who was sentenced by the United States judge for the eastern district of South Carolina to imprisonment in the United States penitentiary at McNeil Island, has very recently been received.

Careful investigation shows that the United States attorney for the eastern district of South Carolina held the erroneous impression that the McNeil Island Penitentiary had been designated for military prisoners sentenced to a term of more than 10 years. No record of such a designation can be found in the department. That no such designation was ever made is evident from the fact that the McNeil Island Penitentiary is not as well adapted for the incarceration of dangerous characters as either the Atlanta Penitentiary or the Leavenworth Penitentiary, since it has only a barbed-wire inclosure instead of a permanent wall. The district attorney evidently advised the court of the impression that he had, and the prisoner was sentenced without the department knowing of the action taken by the court.

It is the fixed policy of the department to incarcerate prisoners in the penitentiary nearest to the place of conviction.

Yours very truly,

A. T. SEYMOUR,
Acting Attorney General.

BRIGHT ANGEL TRAIL, GRAND CANYON NATIONAL PARK.

Mr. McNARY. Mr. President, I ask leave to have printed in the RECORD a letter dated March 5, 1924, from Hon. RALPH H. CAMERON, addressed to Hon. REED SMOOT, chairman Senate conferees on House bill 5078, the Interior Department appropriation bill, relative to an item appropriating $100,000 for the purchase of the Bright Angel Trail, Grand Canyon National Park, Ariz.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The letter is as follows:

MARCH 5, 1924.

In re item appropriating $100,000 for the purchase of the Bright Angel Trail, Grand Canyon National Park.

Hon. REED SMOOT,
Chairman Senate Conferees on H. R. 5078,
United States Senate, Washington, D. C.

MY DEAR SENATOR: Section 2418 of the Revised Statutes of Arizona (1913), providing for the jurisdiction and powers of the board of supervisors, subsection 10, provides that the board shall have power to—

> "sell at public auction at the courthouse door, after 30 days' previous notice given by publication in a newspaper in the county, and convey to the highest bidder for cash any property, real or personal, belonging to the county, paying the proceeds into the county treasury for the use of the county."

The proposed item in this bill provides that the said sum of $100,000 if appropriated—

> "to be available until expended for payment to the county of Coconino, State of Arizona, for the construction, under the supervision of the National Park Service, of a road from Maine, Ariz., to the south boundary of the Grand Canyon National Park," etc.

It will be seen, therefore, that the proposed item of $100,000 if appropriated will not be paid over to the county of Coconino and deposited in the county treasury. In other words, the consideration proposed to the county of Coconino for this toll road and trail is a remote promise to expend $100,000 on a road almost wholly within forest areas.

Senator ASHURST in his remarks on this item on February 25, 1924, CONGRESSIONAL RECORD, page 3053, says:

> "In other words, the $100,000 proposed to be appropriated is not to be paid into the treasury of the county to become cash assets of the county; the $100,000 will be expended, I repeat, under the supervision of the National Park Service for the construction of a road some 62 to 63 miles in length to the national park, from the great artery of auto traffic, the Santa Fe Trail, to the Grand Canyon."

Under the statutes of Arizona before the board of supervisors can sell real property—for instance, a road or trail—the same must under appropriate proceedings be declared no longer of a public use, be condemned, and then sold. According to the figures of the Department of the Interior, from October, 1922, to September 30, 1923, the number of persons who used this trail was 7,130, and the source of net revenue to the county was more than $4,000. Can it be said, therefore, that this trail has no public use in order to come within the statute for condemnation?

It is a question in my mind, should the Board of Supervisors of Coconino County transfer this toll road and trail contrary to the statute, and in doing so not receive and place in the county treasury the consideration therefor, whether they would not be liable to indictment.

It has been stated that I have some interest in certain mining claims within the Grand Canyon National Park which have been the subject of litigation. I reiterate that I have not at the present time, and have not had for many years prior to the date of the creation of the Grand Canyon National Park in 1919, any interest in claims title to which is being litigated by the Government of the United States.

It has also been said that the water from two springs on the Bright Angel Trail has been polluted with typhoid germs. Title to one of these springs is in the county of Coconino, Ariz.; the other in a mining location in which I have had no interest for many years.

I wish to add, further, should the $100,000 be paid to the county of Coconino, as proposed by this legislation, the whole amount thereof could not be applied to the building of the proposed road under the laws of the State of Arizonia.

Therefore, in view of the law, it is my opinion if this proposed legislation is enacted it can not be consummated, and is illegal.

With kind personal regards, I am,

Sincerely yours,

RALPH H. CAMERON.

PETITIONS AND MEMORIALS.

Mr. WARREN presented a telegram in the nature of a petition from the Rawlins (Wyo.) Board of Trade, praying for the passage of the so-called truth-in-fabric bill, which was referred to the Committee on Interstate Commerce.

He also presented a petition, numerously signed, of sundry citizens of Lander, Wyo., praying for the passage of House bill 745, the so-called game refuge and public shooting ground bill, which was referred to the Committee on Agriculture and Forestry.

Mr. JONES of Washington presented a petition of sundry rural mail carriers of Spokane County, Wash., praying for the passage of legislation granting increased compensation to rural mail carriers, which was referred to the Committee on Post Offices and Post Roads.

He also presented a petition of members of the Women's Club, of Satsop, Wash., praying for the passage of the so-called Johnson immigration bill, which was referred to the Committee on Immigration.

Mr. KEYES presented a resolution of the Progressive Club, of Peterboro, N. H., favoring the participation of the United States in the Permanent Court of International Justice, which was referred to the Committee on Foreign Relations.

He also presented the petition of the congregation of the Union Congregational Church, of Peterboro, N. H., praying an amendment to the Constitution regulating child labor, which was referred to the Committee on the Judiciary.

Mr. SHORTRIDGE presented a petition of members of the faculty of the McClymonde High School, of Oakland, Calif., praying for the participation of the United States in an international conference to suppress the narcotic traffic, which was referred to the Committee on Foreign Relations.

He also presented resolutions of the Exchange Club, of Glendale, and the Central Labor Council, of Long Beach, both in the State of California, favoring the participation of the United States in an international conference to suppress the narcotic traffic, which were referred to the Committee on Foreign Relations.

He also presented resolutions of the Centerville Chamber of Commerce, of Centerville, and the California Development Association, in the State of California, opposing any amendment at the present time to the transportation act of 1920, which were referred to the Committee on Interstate Commerce.

He also presented memorials, numerously signed, of members of the various railroad shop organizations connected with the Atchison, Topeka & Santa Fe Railway system, at Bakersfield, Barstow, Needles, Fresno and vicinity, Los Angeles, Richmond, Oakland, Berkeley and vicinity, Riverbank, Stockton, Modesto and vicinity, San Francisco, and San Bernardino and vicinity, all in the State of California, remonstrating against the making of any substantial change in the transportation act of 1920, which were referred to the Committee on Interstate Commerce.

Mr. NEELY presented the petition of H. L. McDonle, of Huntington, and sundry other citizens in the State of West Virginia, praying for the passage of legislation similar to or identical with the so-called Brookhart-Hull bill, requiring all strictly military supplies to be manufactured in Government-owned navy yards and arsenals, etc., which was referred to the Committee on Military Affairs.

REPORTS OF COMMITTEES.

Mr. CAMERON, from the Committee on Military Affairs, to which was referred the bill (S. 589) for the relief of James Moran, reported it without amendment and submitted a report (No. 209) thereon.

Mr. BAYARD, from the Committee on Claims, to which was referred the bill (S. 349) for the relief of sufferers in New Mexico from the flood due to the overflow of the Rio Grande and its tributaries, reported it without amendment and submitted a report (No. 210) thereon.

Mr. WADSWORTH, from the Committee on Military Affairs, to which were referred the following bills and joint resolution, reported them severally without amendment and submitted reports thereon:

A bill (S. 2745) to authorize the Secretary of War to convey to the States in which located Government owned or controlled approach roads to national cemeteries and national military parks, and for other purposes (Rept. No. 211);

A bill (S. 2746) regulating the recovery of allotments and allowances heretofore paid to designated beneficiaries (Rept. No. 212); and

A joint resolution (S. J. Res. 72) authorizing the Secretary of War to lease to the New Orleans Association of Commerce, New Orleans quartermaster intermediate depot unit No. 2 (Rept. No. 213).

REPORT OF THE NATIONAL FORESTRY COMMISSION (S. DOC. NO. 59).

Mr. MOSES. From the Committee on Printing I report a resolution, and I ask unanimous consent for its immediate consideration.

The resolution (S. Res. 186) was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the report of the National Forestry Commission for the year ending June 30, 1923, be printed as a Senate document.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BALL:

A bill (S. 2776) to further regulate certain public-service corporations operating within the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. RANSDELL:

A bill (S. 2777) to authorize the establishment of a Coast Guard station on Lake Ponchartrain at New Orleans; to the Committee on Commerce.

By Mr. SHEPPARD:

A bill (S. 2778) for the relief of R. E. Swartz, W. J. Collier, and others; to the Committee on Claims.

By Mr. EDGE:

A bill (S. 2779) authorizing the owners of the steamship *Malta Maru* to bring suit against the United States of America; to the Committee on Claims.

By Mr. CAMERON:

A bill (S. 2780) for the relief of William Wooster; to the Committee on Claims.

By Mr. PHIPPS:

A bill (S. 2781) to amend the act entitled "An act to provide for agricultural entry of lands withdrawn, classified, or reported as containing phosphate, nitrate, potash, oil, gas, or asphaltic minerals," approved July 17, 1914, so as to protect owners of lands, the patent to which contains a reservation of the mineral rights in the United States, against injuries and damages accruing by reason of mineral development thereon, without retarding or injuring the development of such mineral resources;

A bill (S. 2782) to amend the act entitled "An act to provide for agricultural entries on coal lands," approved June 22, 1910, as amended, so as to protect owners of lands, the patent to which contains a reservation of the coal rights in the United States, against injuries and damages accruing by reason of coal development thereon, without retarding or injuring the development of such coal resources; and

A bill (S. 2783) to amend the act entitled "An act to provide for stock-raising homesteads, and for other purposes," approved December 29, 1916, so as to protect owners of lands, the patent to which contains a reservation of the coal and other mineral rights in the United States, against injuries and damages accruing by reason of mineral development thereon, without retarding or injuring the development of such mineral resources; to the Committee on Public Lands and Surveys.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Farrell, one of its clerks, announced that the House had passed a bill

(H. R. 6901) to amend section 252 of the revenue act of 1921 in respect of credits and refunds, in which it requested the concurrence of the Senate.

INVESTIGATION OF INTERNAL REVENUE BUREAU.

Mr. KING. Mr. President, Senate Resolution 168 was offered to the Committee to Audit and Control the Contingent Expenses of the Senate. A similar resolution is pending before the Finance Committee. The Committee to Audit and Control the Contingent Expenses of the Senate have reported back favorably Senate Resolution 168, and I ask, with the consent of the Senator from Michigan [Mr. COUZENS], who is the author of the resolution, that it may be referred to the Committee on Finance. I have the assurance of that committee that tomorrow it will be considered, and that action will be taken.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Utah? The Chair hears none, and the resolution is so referred.

PRESIDENTIAL APPROVAL.

A message from the President of the United States, by Mr. Latta, one of his secretaries, announced that on the 4th instant the President had approved and signed the bill (S. 2583) granting a franking privilege to Edith Bolling Wilson.

HOUSE BILL REFERRED.

The bill (H. R. 6901) to amend section 252 of the revenue act of 1921 in respect of credits and refunds, was read twice by its title and referred to the Committee on Finance.

INTERNATIONAL INSTITUTE OF AGRICULTURE (S. DOC. NO. 58).

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was read and, with the accompanying papers, referred to the Committee on Foreign Relations and ordered to be printed:

To the Congress of the United States:

I invite the attention of the Congress to the accompanying report of the Secretary of State concerning requests made by the Secretary of Agriculture that legislation be obtained that will enable an appropriation of $10,045 to be made for the expenses of nine delegates to the meeting of the General Assembly of the International Institute of Agriculture at Rome in May next, and an appropriation of $5,000 to enable the United States to meet the obligation which would be incurred in requesting the admission to the institute of Hawaii, the Philippines, Porto Rico, and the Virgin Islands.

I quite agree with the views of the Secretary of State and the Secretary of Agriculture that it is important to the agricultural interests of the United States that this country should be adequately represented in the general assembly of the institute, and that the United States should have in the assembly a voting strength and influence equal to that of any other country. I therefore commend the requests to the favorable consideration of the Congress.

CALVIN COOLIDGE.

THE WHITE HOUSE, *March 7, 1924.*

TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATIONS.

The Senate, as in Committee of the Whole, resumed consideration of the bill (H. R. 6349) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1925, and for other purposes.

The PRESIDING OFFICER. The question is upon agreeing to the amendment of the committee on page 15, which the Secretary will report.

The READING CLERK. On page 15, line 8, the committee proposes to strike out "$13,680,140" and insert "$16,180,140," so as to read:

For collecting the revenue from customs and for the detection and prevention of frauds upon the customs revenue, including not to exceed $15,000 for the hire of motor-propelled, passenger-carrying vehicles, $16,180,140—

And so forth.

Mr. OVERMAN. Mr. President, in the consideration of a bill which appropriates $700,000,000, we have arrived at an item which I feel I ought to oppose, and to save, if possible, the taxpayers of the country $2,500,000. It seems that when we consider the question of saving $2,000,000 to the taxpayers of the country the Senate does not care anything about it. This is a small amount of money—only $2,000,000.

I want to take up the item to show that we are now appropriating $4,000,000 more that was appropriated during the Democratic administration and during the last administration for this purpose. The appropriation last year was $12,000,000 for the collection of customs. The House, I suppose, because of the difficulty in getting good men to serve, on account of the salaries, increased the appropriation to $13,000,000, an increase over last year of $1,500,000. When the bill came to the Senate the Senate Committee on Appropriations concluded they would go two better and so increased it $2,500,000.

I happened to be present when Mr. Mellon came before the committee. I said, "Mr. Mellon, this has not been estimated for." He said he thought he could get an estimate for it and that it would come down later. I was not present when he returned, as I had business on the floor of the Senate at that time, but when he came back he came without the estimate. He could not get an estimate. He could not get the Budget to increase the estimate from $13,000,000 to $16,000,000, although he tried to do so. Why? Because the Budget and the President, I suppose, thought that $13,000,000 was sufficient.

Now, let us look at the history of this matter. Senators talk about reducing expenses. Let us see. Under the Democratic administration in 1915 it cost $10,000,000 for the collection of customs of the Government; in 1916 it was $10,150,000; in 1917 it was $10,000,000; in 1918 it was $9,800,000, with a deficiency of $300,000, which made a little over $10,000,000; in 1919 it was $10,500,000; in 1920 it was $10,000,000; in 1921 it was $11,300,000; in 1922 it was $11,320,000; in 1923 it was $11,323,000; and in 1924 it was $12,000,000. That was for last year.

Mr. WARREN. Mr. President, will the Senator permit me to ask him a question?

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Wyoming?

Mr. OVERMAN. Certainly.

Mr. WARREN. Has the Senator from North Carolina the figures before him showing the total receipts from customs during the years he has named, in order that we may properly make the comparison?

Mr. OVERMAN. I do not think it makes any difference about the amount of receipts from customs. Of course, under the present high tariff law those receipts have increased greatly; but it does not cost any more to collect $500 than it costs to collect $1.

Mr. WARREN. I think the Senator will admit that there is a difference between the present situation and that which formerly existed, arising from the fact that there are many thousands of dollars' worth of merchandise which now comes in upon which customs are collected which formerly came in free. The absolutely necessary work involved in handling the shipments of merchandise which has to be examined and passed upon is more than ten times what it formerly was.

Mr. OVERMAN. Of course, there is no handling necessary as to the merchandise which comes in free.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Tennessee?

Mr. OVERMAN. I yield.

Mr. McKELLAR. If there has been no estimate by the Budget Bureau for this appropriation, is it not subject to a point of order?

Mr. OVERMAN. Yes; and I am going to make the point of order, because it is not estimated for.

Mr. President, though I do not think the present chairman of the Committee on Appropriations would be subject to the criticism, I have found in my long service in the Senate that the rules do not amount to very much. If the chairman of a committee is in favor of a proposition, and has a majority back of him, what does a rule amount to? The present chairman of the committee knows the rules of the Senate, for he has been on the Rules Committee, and I know he is one of the best parliamentarians of the body. This item of appropriation has not been estimated for. The department estimated for $13,680,140 and the House of Representatives gave them $13,680,140. The Committee on Appropriations of the Senate now proposes to increase the item to $16,180,140, making an increase over the appropriation of last year of more than $4,000,000 for the collection of customs and revenues, and $2,500,000 over the amount proposed by the House, and $2,500,000 more than the sum estimated for by the Budget Bureau. Is the Senate going to approve of that? The Senate does not seem to care much about spending money. We provided for an appropriation of $500,000 here the other day for an institution in this city, but the House of Representatives would not for a minute agree to that appropriation, and they rejected it.

Mr. President, I think we ought to consider the taxpayers of the country. I do not want the Republicans this year to go before the people and say, "We are saving money and reducing expenses," as was contended here on yesterday, when, as a matter of fact, in this one item the expenditures have been increased from $11,300,000 in 1921 to $16,180,140 for this

year, making an increase larger than ever before, and it is proposed to appropriate $16,180,000, notwithstanding the estimates of all the officials concerned except Mr. Mellon himself, who comes down and tries to get this increased allowance, and does get it against the Budget Bureau estimate.

So I express the hope that the Senate will consider the matter. Let us try to save the taxpayers of this country this enormous amount of money, which the Budget Bureau has stated is not needed. That statement is proven by the fact that the Secretary of the Treasury tried to get the appropriation estimated for as a supplemental estimate, but could not do so, with all his power and influence, for the President and General Lord knew that $13,680,000 was sufficient.

Therefore, Mr. President, the appropriation not being estimated for, I make the point of order against it.

The PRESIDING OFFICER. The Chair is ready to rule. The rule prohibits the offering of amendments increasing the amount of an appropriation if they have not been estimated for, but it applies to such amendments only when offered by individual Senators. The first paragraph of Rule XVI permits any standing committee to propose such amendments. The Chair, therefore, overrules the point of order.

Mr. WARREN. Mr. President, it is true, as stated by the Senator from North Carolina [Mr. OVERMAN], that the appropriation here proposed by the committee for the purpose of collecting customs duties is larger than formerly; that it has been increased. However, it must be remembered that the work required to be done is very great, much greater than it has been heretofore. The Government is now collecting many millions a month from customs duties, whereas formerly it collected hardly a fraction of the amount now collected. All imported merchandise has to be handled by laborers and clerks in order to see that the Government receives the amounts which are properly due upon the various character of imports. It is due to the importers at this end of the line who have purchased the goods, and it is due to those who ship them, as well as to the Government of the United States, to see that there shall be a fair and correct collection of the customs duties on all imported merchandise under the law.

The present condition may be stated to be this: There have been for some years past—I should say for as many as four or five years—very strong pleas made before the Committee on Appropriations for an increase of the salaries of the employees in the New York Customhouse. Those employees have made heart-rending appeals and, in my judgment, they have given good reasons for their complaints, because the wages which the department has been permitted to pay to the employees of that service are below those which are paid to persons similarly employed in the Post Office Department and in other lines of business which are conducted by private corporations and by private individuals.

Under the law the Post Office Department arranged the pay of its own employees after meetings and action by committees of both Houses and after action by Congress itself. Yet bills have been introduced on the other side to increase the pay of the postal employees. The postal employees working along the same lines and, in fact, even intermixed with the employees of the customs service, receive about $250 more per annum than has been allowed to the customs laborers.

Every year there have been very strong arguments presented to increase the compensation of customs employees, but we have not felt, in view of the work of classifying the Government employees which is carried on and the law for that purpose which is being applied to the compensation of labor under all the departments, that we should raise the salaries of the customs employees. So they have waited from day to day and year to year, as others have done.

Last year on the 4th of March Congress passed what is called the Calder Act. The distress was such that it seemed necessary to give customs employees some relief, and so that bill was passed allowing an increase of wages not to exceed in any case 30 per cent. The law, however, became almost inapplicable because the appropriation which had been made prior to that time was not sufficient to provide the necessary funds, and consequently the Calder law could not be put into effect. Besides this the number of employees needed to be very greatly increased to take care of the expanding business. The complaint before us was that not only would the salaries and wages be too small after July, but in the meantime the deficiency appropriation that had already been determined upon by the House under the law was too small to provide for the necessary payments up to the first of next July.

The distinguished Senator from North Carolina, I think, stepped out of the room just previous to the time when the consideration of this bill was completed, and I wish to say that the Senator from Tennessee was absent because of other public business; so that they may well be unacquainted with the argument that was presented by the collectors of the ports of Seattle, San Francisco, and New York and their assistants who have to deal with the matter of labor.

Mr. OVERMAN. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from North Carolina?

Mr. WARREN. I yield.

Mr. OVERMAN. Is it not provided by the Budget law that no chief clerk or head of a department shall be permitted to come before a committee and ask for a greater appropriation than has been estimated for? Is not that the law, and is it not a crime to act contrary to that provision of the law?

Mr. WARREN. The Senator has the law before him, and I will let him answer that question; but if we send for officers of the Government to give evidence and furnish information, are they to be blamed for appearing before the committee?

Mr. OVERMAN. If we send for them they probably have to come down.

Mr. WARREN. If the Senator will look at the law again he will find that Cabinet officers and the employees to whom he has referred may not come before the committee and undertake to override the Budget, but it is not denied to the Senate and the House of Representatives to send for any one or all of them and question them.

Mr. OVERMAN. If we send for the customs officers that is another question, and the Secretary of the Treasury, I presume, would have the right to come if he wanted to, but the heads of the various bureaus and divisions have no right to come and it is a crime for them to do so to seek for increased appropriations unless we send for them.

Mr. WARREN. The Senator will remember that he did not favor the Budget law and I did not vote for it, but we take shelter under it, as the Senator is now doing.

Mr. OVERMAN. I am trying to take shelter under a law which has been enacted by Congress.

Mr. WARREN. That is all right, but is the Senator ready to forfeit our right to send for whatever officials of the Government we may wish to hear? Secretary Mellon did not come before the committee without an invitation. Pressure in regard to the situation in the customs service as well as the situation in the Internal Revenue Bureau comes to the Committee on Appropriations from all directions and all sides. Hence information is asked for, and the committee through its clerk invites the proper officials to come before it to give evidence. I do not know whether it is true that Secretary Mellon went to the Budget and made a plea for this additional appropriation, but the Senator is right in saying that we have not an estimate of the Budget for that particular part of the appropriation.

The PRESIDING OFFICER. The question is on the amendment reported by the committee.

Mr. McKELLAR. Mr. President, the facts about this matter are that when the bill was under consideration before the Appropriations Committee Secretary Mellon appeared and this occurred, as shown on pages 22 and 23 of the hearings:

Secretary MELLON. There is another matter which does not come in under any communication as yet from the department, and that is relating to the customs service. It is a matter primarily for the Director of the Budget, but it has been taken up with the Director of the Budget and with the President lately; and as it is hardly appropriate for the Secretary of the Treasury to bring it before your committee, I should like to ask whether there may be an opportunity for the Director of the Budget and myself to appear on the question of an additional appropriation for the customs service.

I call the attention of the Chair to this because of a motion which I intend to make in a few moments.

The CHAIRMAN. What time would you suggest?

Secretary MELLON. We can arrange it for whatever time may be convenient for you.

Senator OVERMAN. It depends upon when the Budget sends down the estimate. The estimate from the Budget has not yet come in.

Secretary MELLON. This was not included in the estimate of the Budget at all.

I call especial attention to the testimony of the Secretary.

Mr. OVERMAN. He did not get General Lord to come with him, did he?

Mr. McKELLAR. I am reading the testimony just as it appears, and will come to that question in a moment, I think:

Senator OVERMAN. You want to have them make a supplemental estimate?

Secretary MELLON. It is of that nature.

Senator OVERMAN. We should like to get it down before this bill is reported out.

Secretary MELLON. How soon may that be?

The CHAIRMAN. Can you come to-morrow morning at 10.30 or some time to-morrow morning?

Secretary MELLON. I will see. I am not entirely sure.

The CHAIRMAN. Suppose you come to-morrow, if it is convenient; if not, not later than the next day. We want to push the bill along.

Secretary MELLON. Very well. I will advise you as to that. I am not sure whether the Director of the Budget can be here then or not. He may possibly be out of town.

I need not read further.

Again, on page 149 of the record, Secretary Mellon appeared again. Neither Secretary Mellon nor the Director of the Budget ever estimated for this item. There is no Budget recommendation for it.

If the Chair will look at page 15 of the bill, this is the committee amendment increasing the appropriation for this purpose from $13,680,140 to $16,180,140. The rule of the Senate on the subject, Rule XVI, reads in part as follows:

All general appropriation bills shall be referred to the Committee on Appropriations, and no amendments shall be received to any general appropriation bill the effect of which will be to increase an appropriation already contained in the bill, or to add a new item of appropriation—

And this is both; this is specifically for the Customs Service—

unless it be made to carry out the provisions of some existing law—

And there is no law for it—

or treaty stipulation, or act—

And there is no treaty stipulation or act for it—

or resolution previously passed by the Senate during that session—

And there is no resolution previously passed by the Senate during this session—

or unless the same be moved by direction of a standing or select committee of the Senate—

And that has not been done—

or proposed in pursuance of an estimate submitted in accordance with law.

There is no estimate for it.

The PRESIDING OFFICER. Will the Senator from Tennessee tell the Chair what the status of the Committee on Appropriations of the Senate is, if it is not a standing committee of the Senate?

Mr. McKELLAR. It is a standing committee, but it is not within the provision of this rule. If that were so, then the Appropriations Committee could report any amendment of any kind to any bill, and I do not think that was ever intended. Frequently, I know, the Chair has held that it could not do it. Of course, if the Chair takes that position, it could be done.

Mr. President, I want to say that I agree entirely with the Senator from North Carolina that this is an unnecessary appropriation. It is an increase of over $2,000,000 without any justifiable reasons being given—they are not to be found in the hearings—except the ipse dixit of the Secretary of the Treasury, and perhaps some clerk told him that it was necessary to increase the amount $2,000,000.

If we want to legislate in that way and if the Chair holds that the Committee on Appropriations is all powerful under the rules and can add any amendment increasing any appropriation that it desires, if that is the true meaning of the rule, the amendment is in order; but surely the Senate ought not to agree to it if it is in order. It ought to vote it down. There is no ground stated in the hearings anywhere that is sufficient upon which to predicate an enormous increase of this appropriation such as the one suggested here.

Mr. SMOOT. Mr. President, I have known for the last three years, at least, that the Government of the United States was losing millions of dollars by not having the proper help to examine in detail the merchandise entering into the United States on which duties are to be paid; not $1,000,000 but millions of dollars every year. The last time I was in New York I went through the customhouse there, and it was so jammed and crowded with merchandise that it was almost impossible to get through. Merchandise coming into the port of New York had been there for nearly 30 days, and the importers were asking and pleading that some help should be secured in order that they could pay their custom dues upon the merchandise and allow it to enter into commerce. So, Mr. President, I favored this appropriation, because I knew that it meant money to the United States Treasury. Senators complain about the increase of $1,000,000, as compared with the year 1919. What are the results? During the year 1919 the percentage of expense of collecting money for the Treasury of the United States on imports was 5.46 per cent, while the cost of collection for 1923 was only 2.07 per cent. In other words, the cost of collecting each dollar on goods coming into this country in the year 1923 was less than half what it was in the year 1919.

Mr. WADSWORTH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from New York?

Mr. SMOOT. I do.

Mr. WADSWORTH. The Senator, I assume, is quoting figures for the entire country, for all the customhouses.

Mr. SMOOT. I am quoting figures for the entire country; and while I speak of New York, and I will admit that is the most congested place in the United States, nearly every customhouse has asked for additional help—it will be found in the House hearings beginning on page 658—showing that it is necessary to have 1,178 more employees in the service if the service is to be run in the proper way.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Tennessee?

Mr. SMOOT. I yield.

Mr. McKELLAR. Will the Senator permit me here to read what Secretary Mellon said this money was going to be used for, and then let me ask a question about it?

Mr. SMOOT. I will come to that, if the Senator will allow me.

Mr. McKELLAR. I want to call the Senator's attention to this now. Secretary Mellon says it is to increase salaries. Now, does not the present reclassification act increase the salaries of these employees? Is it possible that we are going to make a lump-sum appropriation to increase the compensation of these particular employees and at the same time give them the increases of salary that are provided for in the reclassification act? Does the Senator think that is right?

Mr. SMOOT. Mr. President, I want to say again that this year there will be a bonus of $240 for the field service. It is true that all the employees in the District of Columbia have been classified and allocated under the reclassification act, but that has not been done in the case of the field service.

Mr. McKELLAR. When will we get to the field service, in the opinion of the Senator?

Mr. SMOOT. I will say to the Senator that they are at it now.

Mr. McKELLAR. Can we get the result of their work by July 1?

Mr. SMOOT. No; it can not be done.

Mr. McKELLAR. In all the other bills we are appropriating on the assumption that we will get on the new basis by the 1st of July, and provision is made in this bill for the payment of salaries according to the reclassification act.

Mr. SMOOT. Why, certainly.

Mr. McKELLAR. We are raising their salaries in that way and now we come along and propose to give the Secretary of the Treasury $2,000,000 more for further salary increases to the same employees.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Idaho?

Mr. SMOOT. Yes.

Mr. BORAH. Do I understand that this increased sum is in the nature of a bonus to the employees?

Mr. SMOOT. No, Mr. President; I spoke of the bonus because of the fact that for the last four or five years all employees in the field service have received the $240 bonus. There will be no bonus for the employees in the District of Columbia this year, and the provision in the bill specifically states that they shall be paid under the reclassification act; but the field service has not been reclassified, and therefore we can not make that provision for the field service. Before this session of Congress adjourns, therefore, there will be presented a bill, applying to the field service, carrying a general bonus of $240. That, however, does not change at all the salaries of these employees.

Mr. BORAH. I do not understand this yet. Do I understand that this amount—whether we call it a bonus, or an increase of salary, or whatever it is called—is to cover an increase of salary?

Mr. McKELLAR. It covers increases of salary.

Mr. SMOOT. A part of it is to increase the salaries, and I will tell the Senator why; but the great bulk of it is to provide additional employees that are absolutely necessary.

Mr. OVERMAN. I deny that, Mr. President.

Mr. SMOOT. The Senator can deny it all he pleases. I say it is true.

Mr. OVERMAN. I am quoting the Secretary of the Treasury.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Tennessee?

Mr. SMOOT. I do.

Mr. McKELLAR. Let us clear this up by quoting just what Secretary Mellon says about it. It will take only a moment. He says:

> The more I have looked into this question of the compensation in the customs service the more I have been impressed with the absolute necessity of relief. It is a highly technical service. It requires men of considerable education. They have to understand the laws and the regulations, and the amount of revenue collected depends very largely on their knowledge. The employment of incompetent men there may make a great deal of difference in the actual collection of the revenue. The salaries for a number of years have been very much below the salaries of similar occupations. They are about one-half of the salaries paid to people alongside who are doing work of a similar character, and the men have been looking forward to an increase and have been led to believe that there would be an increase. The consequence of all that is that the morale of the service is going down and has been going down for several years; and it is cumulative, and it has now reached a point where it is really serious.

So it is perfectly clear that this appropriation is intended for an increase of salaries, and at the same time we have passed a law providing for reclassification, which will take care of that very thing.

Mr. EDGE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from New Jersey?

Mr. SMOOT. If the Senate will just let me state the facts in the case, I shall be glad to do it.

Mr. McKELLAR. Does not Mr. Mellon state the facts?

Mr. SMOOT. If the Senate will give me a chance, I will do it.

Mr. President, the appropriation act for the current fiscal year, ending June 30, 1924, carried an appropriation of $12,100,000. The House in this bill increased that appropriation to $13,680,140. That increase was for the increase of salaries. The House provided that. The Senate committee provides that there shall be an increase of employees in this service, because it is absolutely necessary.

Mr. OVERMAN. To the extent of $2,500,000.

Mr. GLASS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Virginia?

Mr. SMOOT. I do.

Mr. GLASS. So that in the last analysis, then, one part of the appropriation is for the increase of employees and the other part, and perhaps the greater part, is for the increase of salaries?

Mr. SMOOT. Mr. President, the whole amount of the increase asked for was $3,664,555. That was the amount of the increase that was asked for. The House gave $1,580,140 increase for the increase of salaries. The Senate committee added to that.

Mr. OVERMAN. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from North Carolina?

Mr. SMOOT. Yes.

Mr. OVERMAN. How does the Senator know that?

Mr. SMOOT. I know it because of the fact that it was so stated before the committee.

Mr. OVERMAN. Before our committee?

Mr. SMOOT. Before the Appropriations Committee.

Mr. OVERMAN. I never heard any such statement.

Mr. SMOOT. The Senator was not present.

Mr. OVERMAN. Who stated it?

Mr. SMOOT. It was stated on the second visit of a man whose name I will give to the Senator in just a minute.

Mr. President, as I stated, the increase in the number of employees was 1,178, distributed through all of the offices in the United States.

Instead of giving them the full amount we said, "We will not give you the $3,665,560, but we will give you $2,500,000," as stated by the Senator. What do we find? We find that men enter this service at an entrance salary of $1,000, whereas in some of the other departments of the Government they are entering at $1,400; and, mind you, the man who enters at $1,400 has to pass an examination only as a second-class clerk, while in this service the beginners must pass as first class. Not only that, but men are entering this service who will have to value merchandise to the amount of millions of dollars, upon which duties are imposed, and no human being can tell what the United States Government is losing.

Mr. President, as I stated, it is a physical impossibility for the present force of employees of these offices to handle the merchandise which comes to them, and I am told that there are cases by the thousands going through the customhouse at New York which are never opened because of the fact that there are not enough employees there to attend to the business.

As far as the question of the appropriation is concerned, if I owned the Government, had the payment of all the expenses of the Government, and collected all of the revenues of the Government, I would do just exactly as the committee is doing, except that I would go farther.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Tennessee?

Mr. SMOOT. Yes; I yield.

Mr. McKELLAR. If that is the case, why did our very able Secretary of the Treasury fail to disclose that situation to the Budget, and why did our very excellent Director of the Budget fail to see the situation as the Senator sees it? Is it possible that the Secretary of the Treasury did not know until the last minute what the necessities of his department were? Is it possible that the Director of the Budget, whom the Senator and other Senators have so often commended here, knew nothing about the business of the customs service? Why is it there is not a recommendation from the Director of the Budget?

Mr. SMOOT. I am not speaking now for the Secretary of the Treasury or for General Lord, the Director of the Budget. All the Senator can possibly say of General Lord by way of commendation I indorse with all my heart. I do not know whether this was submitted to him in time for the estimate or not. It may have been, and it may not have been; but I do know this, that if the Government of the United States wants to collect what is due, particularly at this time, when goods from all over the world are coming into the country undervalued, we had better have some men who know something about the business, and we had better have employees enough so that when the goods enter this country they can be properly valued and the man who purchases the goods from abroad can put them into the channels of trade.

Mr. OVERMAN. Mr. President, if the Senator will yield to me, I understand that the Senator's argument is that the House appropriated $1,800,000 for increases in salaries and the Senate committee recommended $2,500,000 for an increase in the number of officials.

Mr. SMOOT. No——

Mr. GLASS. Mr. President, I think about the reverse of that is the fact. The House put on an item to increase the force, and our committee put on several million dollars for increases in pay. I do not want to be understood as opposing the increases in pay, because I am in favor of them. The testimony before the committee clearly indicated that the customs service was losing some of its most valuable men every day because they could not live on the salaries they were receiving, and they would go out and get other employment; but it is well to understand what the facts are.

Mr. SMOOT. Mr. President, the facts are these, that the Government of the United States is paying its employees in the customs service in New York $1,000 a year, with a $240 bonus, and the very men who work alongside of them at daily labor at the docks get 50 per cent more than they do.

Mr. COUZENS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Michigan?

Mr. SMOOT. I yield.

Mr. COUZENS. I want to say that I had occasion twice during the present fiscal year to pass through the New York customhouse, and I want to indorse everything the Senator from Utah has said about the conditions at the New York customs office. The most ridiculous piece of alleged economy ever heard of is the attempt to deny this appropriation. Not only have I observed the conditions there, but I know of the wages, and I know of the losses in appraisals because of lack of appropriations for more help, and also because of inability to get competent men to do the work.

Mr. SMOOT. I thank the Senator. I do not want to bring into this discussion any distinction between a white man and a colored man, but I want to say now that about the only man

we can get to enter for certain work in the customs service is the colored man. Is there any man who would follow this method if it were his own business? Some colored men are just as bright as white men for this service, and I only speak of it as existing. It is not because men are not interested in this work. Mr. President, whenever they enter this service they advance, through the education given them in the positions under their Government, until they become men of importance in the service.

I suppose most of the Senators here know Mr. Fix and Mr. Davis, and I could go on down the list. They were young men who entered the service at $1,000, without any bonus. Are they still in the Government service? No; the Government does not pay that class of men half what they can get elsewhere, and we are losing them.

I want to say, Mr. President, that if something is not done, and done quickly, the whole service will go to pieces.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). Does the Senator from Utah yield to the Senator from Nebraska?

Mr. SMOOT. I yield.

Mr. NORRIS. The only object I have in interrupting the Senator is to get information, for I want to be able to vote intelligently on this amendment. It is stated by the Senator that a certain amount of the appropriation is to be used to increase salaries and that a certain other amount is to be used to increase the force; but there is nothing in the language of the bill which indicates that.

Mr. SMOOT. No, Mr. President; I suppose we could not show that. This is a general appropriation.

Mr. NORRIS. I know it is; but does the law limit the number of employees?

Mr. SMOOT. No; it does not. The appropriation limits the number of employees.

Mr. NORRIS. There is no limit stated here.

Mr. SMOOT. But the amount limits the number.

Mr. NORRIS. I understand that; but there is nothing in this language in the bill which would prohibit the person in charge from using it all for increases in salaries or using it all for increasing the force. It seems to me, therefore, it is not an intelligent way of legislating. We ought to designate how much the force should be increased and how much of the appropriation could be used in increases in salaries.

Mr. GLASS. If I may interrupt, I will say to the Senator that the Secretary of the Treasury presented a detailed statement to the committee showing just what increases of force the service required, and at what points, all the way through; but very much the greater part of this amount, it may as well be stated plainly, is for increases of salaries.

Mr. NORRIS. That is all edifying and gives me what I want to know; but, at the same time, that provision does not go into the law. I do not understand why we should not stipulate in the appropriation act itself the increases in the number of employees and the increases in salaries.

Mr. SMOOT. Just as soon as the field service is classified and the allocations made under the classification law, then the appropriations will be made in the way the Senator suggests. The appropriation has always been made in this way in the past.

Mr. NORRIS. When a person comes to enforce this law, he will look at the law and he will not be bound by what the Secretary of the Treasury said before the committee. The present Secretary of the Treasury may be out of office and some other man may be in that office who may have a different idea from that of the one who is there now.

Mr. GLASS. It is a lump-sum appropriation, to be paid out by the Secretary of the Treasury.

Mr. SMOOT. I will say to the Senator that the only law found on the statute books affecting the salaries of these employees is what is known as the Calder law, and the Calder law authorizes increases in salaries, but in no case to exceed 30 per cent. I have a copy of the law here.

Mr. NORRIS. That would not rectify what I think is a wrong method of legislating.

Mr. SMOOT. It would not answer the Senator's question; but, as I said, just as soon as the reclassification is made in the field service the appropriations will be made for so many clerks in grade 1, 2, 3, 4, 5, or 6, in class 1, 2, 3, 4, or 5, or whatever the case may be.

Mr. NORRIS. That provision ought to be in this bill, it seems to me.

Mr. SMOOT. That will be put into the law just as soon as the reclassification is made.

Mr. WADSWORTH. Mr. President, I want to present to the Senate certain aspects of this situation which have not yet been laid before it in any detail, because I have come to believe that the situation in our customhouses has reached the stage where we are facing a very grave danger. I have looked into this matter with the help of the collector of the port of New York, a gentleman whom I know intimately, and in whom I have entire confidence. He has a level, businesslike head on his shoulders, and when he describes the situation he knows what he is talking about.

I have had furnished to me a copy of a special report made by two officials of the Treasury Department, a Mr. Emmett S. Kyte, special agent, and Mr. Joseph W. Wheatley, a customs agent at large, who made an exhaustive investigation of the conditions in the customhouse. That report is long, and I shall attempt to read but a very small portion of it. I will pick out portions here and there, and endeavor to portray the situation which exists there.

As Senators know, these men start in in the customs service at $1,000 a year, plus the bonus of $240, which makes a total of $1,240. They start in at a lower salary than is paid employees in any other department of the Government; $1,400 being the minimum in other departments, such as the Post Office Department, for similar work.

Mr. NORRIS. May I interrupt the Senator?

Mr. WADSWORTH. Certainly.

Mr. NORRIS. Why is that so?

Mr. WADSWORTH. Because the law was never amended, until the passage of the Calder bill last year. That bill authorized the Secretary of the Treasury to lift the limit of pay for laborers and others in the lower classifications; but no appropriation was made to permit the lifting of the limit, so they are drawing to-day just what they have drawn for a generation.

Mr. NORRIS. Is the law applying to the Treasury Department different from the law applying to other departments?

Mr. WADSWORTH. The law puts a maximum limit on the salaries the employees shall receive.

Mr. NORRIS. What I am asking about in particular is this: I do not quite understand why the beginner is compelled to start in the customs service at $1,000 a year, whereas in every other department he starts in at $1,400.

Mr. WADSWORTH. The law does it. Just now it is lack of appropriations that prevents the beginner from getting any more.

Mr. NORRIS. I can not see how the lack of appropriation would affect the law. If we have a different law about a beginner in the Treasury Department from the law applying to the beginner in the Interior Department, we ought to rectify that.

Mr. WADSWORTH. As I said a moment ago, prior to the passage of the Calder bill last year, the Secretary of the Treasury was limited to a certain designated maximum in fixing the salaries of those in the lower grades in the customs service. The Calder bill authorized the Secretary of the Treasury to lift that maximum fixed figure not to exceed 30 per cent.

Mr. WARREN. Will the Senator allow me to say that the Calder law passed on the 4th day of March, weeks after the appropriation bills had passed?

Mr. WADSWORTH. Yes. No appropriation has ever been made to meet the spirit and intent of the Calder law, so the men are still subject in effect to the old limitation.

Mr. NORRIS. Let me ask the Senator another question. Do the appraisers, whose salaries this particular item covers, necessarily have to be of the lower grade?

Mr. WADSWORTH. They have to start at the bottom as laborers and clerks and move up through the channel of promotion to higher salaries as assistant appraisers, appraisers, inspectors, and various other positions. It is a professional, technical service requiring experience and skill and, most of all, character.

Mr. SMOOT. In other words, I will say to the Senator, there are 3,339 employees that fall within the salary grade of $1,200 and below.

Mr. WADSWORTH. Let me quote portions of this report.

Mr. McKELLAR. Oh, Mr. President——

Mr. WADSWORTH. I have not yielded. I ask permission to do this in such fashion as that the facts will come out in sequence.

The man who sweeps the street in front of the customhouse is paid $5 per day.

The customhouse employee with his bonus gets about $4 a day, and with usual overtime and double-time the man who

sweeps the street gets $42 a week. The customhouse employee will make about $24 a week.

The casual laborer, recruited mainly from the floating population, for emergency work like snow removal, is paid at the same rate.

The longshoremen who work alongside the customs laborers, with similar tasks—

That is, handling packing boxes, shifting them about, opening them, showing them to appraisers who come along and examine the goods, and then packing them up and shoving them about, along with the longshoremen employed by the steamship companies—

draw 80 cents an hour and $1.20 per hour overtime.

Eighty cents an hour for an 8-hour day is $6.40 a day, or $2.40 more than the Government employees working right alongside of him in overalls and doing the same work receive. I shall not go into the other classes of employees in the city of New York. Here is what the men say about conditions in the service to-day:

Many men with initiative, courage, and ability have regretfully left the customs service for employment more justly compensated and more plentiful in opportunity for advancement. Each loss of this character was an economic waste to the Government, as time and money must both be expended to fit each successor with a special knowledge essential to the conduct of operations in the customs. Promotions to do this are progressively made through the service, leaving eventually a minor vacancy to be filled, and at this point a deplorable situation exists. The present entrance salary in the customhouse is $1,000. The most that can be offered by resort to any expedient is $1,240.

Now listen to this:

In view of the wages and salaries paid in industrial and commercial pursuits this does not attract the caliber of men the customs service requires. The eligible list of the civil service from which certifications are made for employment in the customs produces mainly individuals of alien races with small knowledge of English, and others who are deficient in mental, moral, and physical qualities, which make them inadaptable to customs work. In some of the divisions the executives have grown weary of attempting to fill vacancies because of the character of eligibles willing to accept employment, and, though their personnel is below normal and their work in arrears, they go along as best they can. In some of them eligibles are accepted who are known to be deficient because none better are obtainable. To meet the "peak" stresses in the work of the various divisions temporary transfers from division to division are resorted to, each to the detriment of the specialized work from which employees are taken. The liquidating division in particular is complaining of the numerous details of liquidators to other work while that of the liquidating division is far behind.

Now, listen with care to this:

The importing public has long known of this situation, and it is a safe assumption that the dishonest importers are taking advantage of it to the great loss of the revenue. We are convinced that at this one point the Government is losing in revenue a sum of money largely in excess of any that would be required to restore the service to a normal basis.

With the steady and continuous loss of efficient, honorable, and self-respecting employees, and the absorption into the service of incapable and subnormal individuals, the customs service is withering in its branches and rotting at its roots.

If there is to be a protest against this increase in the appropriation, let it be done in the face of this official report by the two investigators sent to New York to examine into the situation. If the Senate wants this service to rot at its roots, let it deny this increase, for that is what is going on. The report continues:

This condition of decadence is a serious menace not only to governmental interests but to private interests dependent upon the integrity of the customs administration.

I am going to read just a portion of the testimony given before the Committee on Appropriations by a Mr. Levett, representing the Merchants' Association of New York. He said the Merchants' Association had received many, many letters from both importers and exporters in the city. As a result the Merchants' Association made an investigation of its own. They went through the customhouse and on the piers where the packing boxes are handled. He makes this observation:

I might instance one matter that came right before us, where we saw the examiner at work, the appraisers' assistant, and I said to him—and I might say that at that time I had a representative from General Lord's office with me—I said, "I suppose you verify that case?" He had a sense of humor, and he said:

"Sure. This is a case of hosiery. You see the box measures 3 feet by 2 feet by 4 feet, and those little boxes inside are 4 inches by 6 inches by 1 inch. All I have to do is to calculate the number of inches in the boxes and count them, and if the case is full it verifies the invoice, and I have verified the case."

And he had not looked at a piece of hosiery!

That went on right under the eyes of the representatives of the New York Merchant's Association. Why was it so? The man did not have time to do the work. There are not enough of them.

We went into another office, where we saw an examiner with a pile of invoices 13 or 14 inches high. I said, "What are those?" He said:

"Those are things we ought to look into. We are somewhat suspicious as to the correctness of them. But I have made up my mind we will have to push them along. We have not time."

That is the kind of supervision to which the imports of our country are subjected when they reach the customhouse or piers in the city of New York. Everybody knows that knows anything at all that that kind of supervision or lack of it means the loss of millions of dollars and is an open invitation to corruption.

Now, let us see whether the service is being operated economically. I have here the figures of the imports and exports from the port of New York, the number of vessels, the cost of collection, and the number of employees, tabulated from 1914 to 1923, inclusive. Let us see how the business has grown and see how the service has shrunk at the same time. In 1914 the value of the imports was $1,029,600,000. The number of employees in 1914—and this may be interesting to the Senator from Tennessee [Mr. McKELLAR], because I want to paint this picture to him as it actually exists—the number of employees in the New York customs service in 1914 was 3,186. To-day there are 2,864; that is, 200 less than there were 10 years ago. The business in imports, however, has increased from $1,029,000,000 to $1,770,000,000. It has increased in value of imports about 75 per cent. The number of employees has decreased in that period. The cost of collection back in 1914 was $0.0227. The cost of collection in 1923 was $0.0165. The cost of collection in 1923 is by far lower than any year since 1914. The cost of collection has gone up to as high as 4 cents in 1918 and 1919. It is down to 1¾ cents now. So that no charge of extravagance can be made. It is the lowest cost of collection in the history of the customhouse. It has fewer employees than it had 10 years ago. The business has increased 80 per cent in the value of imports alone.

Mr. LODGE. Mr. President, the Senator is referring to New York?

Mr. WADSWORTH. Yes.

Mr. LODGE. If he will pardon me for saying just one word, those figures are substantially the same as the reductions in the Boston customhouse.

Mr. WADSWORTH. Yes; they have been reduced everywhere.

Mr. LODGE. They have been brought away down. There has been no increase, as the Senator knows, for many years.

Mr. WADSWORTH. Not since away back in the early seventies. These men are still straining along under that old pay.

Mr. LODGE. They are miserably paid, and the amendment ought to be agreed to.

Mr. WADSWORTH. Every Senator knows that since 1914 the cost of living has increased 66 per cent. The Bureau of Labor Statistics, in the Department of Labor, produces those figures for us in reliable form, and yet apparently there are Senators here who will say not one more penny shall be paid to these men, and are fighting any increase. My contention is that if we are to treat these men decently——

Mr. OVERMAN. Oh, the Senator must not misrepresent those of us who are fighting the increase. We vote for the $1,800,000 increase.

Mr. WADSWORTH. And there should be more employees.

Mr. OVERMAN. I do not think so. But the Senator said we did not want to pay them one more penny. I do, and voted for it.

Mr. WADSWORTH. I am glad the Senator thinks so, but judging from the general tenor of the observations made apparently the item is attacked in its entirety.

Mr. COPELAND. Mr. President, has my colleague called attention to the difficulty in getting new employees?

Mr. WADSWORTH. Yes; I read from this report that they can not get people except those who speak broken English. I myself have seen the eligible list furnished to the clerk of the

port at New York, and it looks like a roll call of the army of the Soviet Republic.

Mr. COPELAND. My experience in the administrative department of New York is that it is because of the low basis of beginners' salaries. It is most important to start in the service men who are going to be qualified when they reach their promotion. To my mind it is very important that provision be made for ample salary at the start, so that we can have the right kind of employees in the department.

Mr. WADSWORTH. I ask to have inserted in the RECORD the tabulation from which I quoted a few figures.

The PRESIDING OFFICER. Without objection it will be printed in the RECORD.

The tabulation is as follows:

Comparative statement of transactions at port of New York.

Fiscal year.	Vessels entered and cleared.	Documents issued to vessels.	Entries of merchandise.	Value of imports.	Value of exports.	Total receipts.	Drawbacks paid.	Protests filed.	Number employed.	Cost to collect.
1914	14,616	4,124	978,465	$1,029,606,089	$881,852,009	$202,413,979	$2,316,548	65,156	3,186	$0.0227
1915	15,589	5,466	630,532	929,642,470	1,195,548,905	148,535,426	6,542,461	52,466	3,007	.0295
1916	16,594	4,522	509,443	1,181,704,616	2,343,521,601	152,550,487	12,234,713	36,572	2,937	.0285
1917	16,330	4,803	465,570	1,324,854,411	3,050,125,492	155,452,294	14,419,641	33,804	2,876	.0883
1918	14,427	4,647	330,422	1,257,859,789	2,708,959,121	116,604,722	8,223,828	11,122	2,833	.0406
1919	15,883	4,610	385,158	1,413,292,265	3,207,995,712	117,549,209	4,530,079	6,084	[1]3,014	.0406
1920	14,590	4,828	683,794	2,887,664,147	3,382,885,066	229,325,368	12,635,414	13,599	2,578	.0224
1921	15,721	4,854	807,181	1,905,748,507	2,534,150,263	200,885,555	8,662,119	13,122	2,645	.024
1922	15,694	5,055	943,832	1,348,591,201	1,313,437,505	229,548,758	21,065,217	21,993	2,651	.022
1923	18,320	5,316	1,081,847	1,750,238,680	1,424,789,554	319,717,546	14,575,296	28,137	[2]2,864	.0165
1923 [3]	18,459	5,213	1,119,601	1,807,025,874	1,524,849,767	331,930,230	8,779,531	42,572	[2]2,953	.0171

[1] Increase 282 searchers.

[2] Increase of 89 in average number of employees is occasioned by change in status of 51 extra or temporary laborers to permanent, and the addition of 43 employees in the four principal offices, 39 being openers and packers in the appraiser's department.

[3] Transactions for calendar year ended Dec. 31, 1923.

Mr. McKELLAR. Mr. President, of course, the Members of the Senate know that I am very heartily in favor of fair and just compensation for all employees of the Government. My uniform course here has been to vote in favor of increases whenever and wherever they were right and proper. In taking the position I have about this item to-day I have not changed that course in the slightest. It is a question of how it should be done, and the facts are so plain that I do not see how the amendment can be successfully defended. It may be that the salaries of those employees are too small. I am quite convinced that that is so, but the first thing I want to say about that is that we have already provided for that very thing in the reclassification act.

Mr. WADSWORTH. Mr. President, will the Senator yield at that point?

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from New York?

Mr. McKELLAR. I yield.

Mr. WADSWORTH. The reclassification act will not increase salaries until it goes into effect. Then it operates automatically, and the money now proposed to be given by way of increase in a lump sum then becomes applicable to the new set-up; that is all.

Mr. McKELLAR. I understand that.

Mr. WADSWORTH. We would not be twice raising the salaries.

Mr. McKELLAR. I wish to submit the very highest authority, as it seems to me, on such matters in this body. For now more than seven years I have served in the Senate with the distinguished Senator from Wyoming [Mr. WARREN], who has been here longer than has any of us. He is one the most competent and efficient Senators of whom I know. He understands the workings of the Government in all of its departments as well as does any man in the Senate. In taking the position I am taking in reference to the reclassification act, and the increase of salaries proposed by it, I am taking precisely the same position which was taken in the committee by the distinguished chairman of the committee. I will read from page 161 of the record of the committee hearings what the chairman of the committee then said.

The CHAIRMAN. Mr. Secretary—

The chairman of the committee was addressing the Secretary of the Treasury—

The CHAIRMAN. Mr. Secretary, there is one feature that perhaps I ought not to mention, and yet I will. The classification that is now under way intends in its provisions to cut down nobody's salary, and to pay the salaries that the employees are receiving now or more. If a 30 per cent raise of salary or a 50 per cent raise of salary is made right down through, say, in the Treasury, the question will come up later in the classification, if they are not classified in the meantime, as to just where those will go; so that care ought to be taken, if we raise these salaries, to see that they do not exceed the amount that may be fixed under the most liberal terms of classification, or we will have trouble with every department of the Government. You realize what would happen if you undertook to raise salaries 30 per cent or 50 per cent right through, and we consented to it, and then adopted the classification for all the other departments. I agree with you that the salaries probably are too low.

Mr. WADSWORTH rose.

Mr. McKELLAR. Just one moment. That is precisely what I have stated here. The reclassification act will take effect in all human probability by the 1st of July next, when the pending bill will go into effect; and yet we are taking a recommendation which comes from the Treasury Department without the backing of the Budget Bureau, instead of first considering the effect of the classification act.

I say that to adopt a provision of this kind, permitting a lump-sum appropriation——

Mr. WARREN rose.

Mr. McKELLAR. Just one moment—which will increase salaries on an average of 30 per cent——

Mr. WADSWORTH. Oh, no.

Mr. McKELLAR. I will give the percentages to the Senator in a moment. To increase the salaries by from 10 to 40 per cent, or an average of about 30 per cent, would be unwise legislation. I do not believe in lump-sum appropriations anyway. It is bad legislation whenever we indulge in it. It is a willful waste of the people's money in many instances.

Mr. WARREN. Mr. President——

Mr. McKELLAR. I will pause to yield to the chairman of the committee, if he desires me to do so.

Mr. WARREN. Mr. President, the Senator from Tennessee is correct in his quotation from my statement in the committee. As to the classification law, in the first place it will not become effective until the 1st day of July next. It covers employees in the District of Columbia only, because the classifications as to those employees have been made. It is different, however, with employees in the field service and the employees in the customs service, including the service at San Francisco, Seattle, Boston, and other cities, who are covered by this appropriation. They are all in the same category, in a way. The classification act can not operate so as to become effective during the next fiscal year as to the field-service men. The consequence is that the only relief which may be afforded to them will be through the understanding which we have already had, namely, that they shall have a bonus after the 1st of July.

Now comes this particular case, which in New York and perhaps in the other cities is somewhat problematical, and is different from the others, because those employees are still receiving the salaries which they received back probably 100 years ago plus the bonus only; so that one, for instance, whose basic salary is $900 receives $1,140. Such an employee would have to suffer from now until some time probably 18 months from now before he would be able to secure the advantages of the classification which would then be in force. In the meantime here is a law which was passed on the 4th day of last March giving the employees the right to an increase of salary, except as to laborers, not exceeding 30 per cent of the wages that they have been receiving. That gave us the law governing the matter.

Then, what the Senator from Tennessee has read—and I thank him for his kindly compliments addressed to me, and appreciate them very much——

Mr. McKELLAR. They are deserved or I would not have paid them.

Mr. WARREN. We put the department on their guard, advising them that they must not increase the salaries of any of these men more than 30 per cent, and, probably, not so much; otherwise it would be necessary to go back and decrease salaries, and to decrease a man's salary after a year would disrupt his business very much more than it would to pay too small a salary in the meantime.

Mr. WADSWORTH. That is, as I understand the Senator from Wyoming, in the event that the classification act should provide salaries somewhat lower than those allowed under this temporary increase?

Mr. WARREN. Yes. I gave them notice, and in a sotto voce conversation, after some of them had left the room, I stated that that danger was one as to which the committee trusted to their honor to see that they did not go beyond the amount proposed by the classification act. I then turned to the Senator from Utah [Mr. SMOOT], who was present, and who was a member of the committee which reported the classification measure, and, as I understood, he indorsed what I had said.

Mr. McKELLAR. I was just going to quote from the record of hearings before the committee to show that the Senator from Utah [Mr. SMOOT] took exactly the opposite position when the hearings were held which he now takes before the Senate.

Mr. SMOOT. Mr. President——

Mr. McKELLAR. I will read what the Senator from Utah said.

Mr. SMOOT. I desire that the Senator shall do it now, because I have not taken the position which he suggests.

Mr. McKELLAR. I will read what the Senator said and let him see.

Mr. SMOOT. I will explain it.

Mr. McKELLAR. I read now——

Mr. WARREN. I was about to read what the Senator from Utah stated, because, as I understand, the Senator from Utah indorses what I have said.

Mr. McKELLAR. Let me read what the Senator from Utah said. The Senator from Wyoming had argued that the reclassification act was to go into effect and that the adoption of this amendment would bring about an unequal adjustment of salaries. Here is what the Senator from Utah said about it:

> And just as Senator WARREN says, if you now arbitrarily raise a salary, we will say, 50 per cent, and that 50 per cent is higher than the classification bill will allow the employee to receive after it is in force, then you will have trouble with the employees.

Mr. SMOOT. There certainly would be trouble with the employees.

Mr. McKELLAR. I can imagine the Senator from Utah taking issue with the Secretary of the Treasury, saying, "It will not do for us to do that; we must follow the reclassification act, which is intended to put all employees on an equal, fair, and just basis, and we ought not to pass this kind of legislation for one bureau of your department."

Mr. SMOOT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Utah?

Mr. McKELLAR. I am delighted to yield to my friend from Utah.

Mr. SMOOT. Mr. President, my statement was, as the Senator has quoted:

> And just as Senator WARREN says, if you now arbitrarily raise a salary, we will say, 50 per cent, and that 50 per cent is higher than the classification bill will allow the employee to receive after it is in force, then you will have trouble with the employees.

There is not any doubt about that.

Mr. McKELLAR. Not a particle; and that is why we ought not to adopt this amendment.

Mr. SMOOT. There was not a solitary word spoken to indicate that there was going to be a 50 per cent increase. I merely wished to emphasize in an exaggerated way what the Senator from Wyoming had said, so as to demonstrate beyond question that those who were to raise the salaries were not to raise them above what the classification act would provide.

I will say to the Senator that when the classification is made and the allocation is brought about under the act there will not be one of the employees whose entrance salary falls under $1,000 but whose salary will be increased beyond the salary which will be provided for in this appropriation.

Mr. McKELLAR. Then, why not leave it to the classification act? There ought not to be unequal increases at this time out of a lump-sum appropriation which gives to the department carte blanche to increase the salary of this man and leave the other man without an increase or to increase the salary of one woman and leave another woman without an increase. What we ought to do is to have uniform salaries for all the employees of the Government doing similar work.

Mr. SMOOT. Mr. President, the proposed increases in the salaries of customs employees are given in a list in the House hearings.

Mr. McKELLAR. They are in the Senate hearings also.

Mr. SMOOT. I believe I did have them put in the Senate hearings.

Mr. McKELLAR. Now, let me make a further suggestion. Much has been said about salaries. Let us see whether the salaries of the customs service employees are so unequal and inadequate and so different from salaries of other employees of the Government. The Secretary gave the salaries as they are now, and from his statement it appears that there are 249 who get from $301 to $999—I suppose those are largely charwomen and others who work only part time—there are 844 who get from $1,000 to $1,199—and, of course, all these figures are with the bonus—there are 1,292 that get from $1,200 to $1,399; there are 1,203 who get from $1,400 to $1,599; there are 805 who get from $1,600 to $1,799; there are 789 who get from $1,800 to $1,999; there are 760 who get from $2,000 to $2,199; there are 170 who get from $2,200 to $2,399; there are 313 who get from $2,400 to $2,599; there are 23 who get from $2,600 to $2,799; there are 38 who get from $2,800 to $2,999; there are 93 who get from $3,000 to $3,199; there are 36 who get from $3,200 to $3,399; there are 49 who get from $3,400 to $3,599; there are 29 who get from $3,600 to $3,799; there is one in the class drawing a salary of from $3,800 to $3,999; there are 26 who get from $4,000 to $4,199; there are 16 who get from $4,200 to $4,399; and there are 18 who get from $4,400 up.

Now, what are the percentages of proposed increases in those various grades? In the first grade the increase is 40 per cent, in the second it is 40 per cent, in the third and fourth classes it is 35 per cent, in the fifth class it is 30 per cent, in the sixth class it is 30 per cent, in the seventh class it is 27 per cent, in the eighth class it is 25 per cent, in the ninth class it is 25 per cent, in the tenth class it is 20 per cent, in the eleventh class it is 20 per cent, in the twelfth class it is 15 per cent, in the thirteenth and fourteenth classes it is 15 per cent, in the last five classes it is 10 per cent. So that the average increase is considerably over 30 per cent and the total increase is $3,319,075.

Mr. President, if we are going to increase the salaries of these employees under a lump-sum appropriation, if we are going merely to single out from all the clerks and the employees of the Government these particular employees and give them a lump-sum increase of over $3,000,000, will that be fair to the other clerks of the Government, especially when Congress has already passed a reclassification act that will go into effect presumably on the 1st day of July of this year? Why not leave it to that reclassification act? It ought to be left to that act.

Then, there is another matter. Senators know that I did not vote for the Budget act. I think the Budget Bureau is a useless piece of machinery. I have never seen a better illustration of its being a completely useless piece of machinery than the present amendment. Here we have a Director of the Budget, and we have a Secretary of the Treasury, and he went before the Director of the Budget, and the Director of the Budget fixed the compensation and salaries of these employees. The matter went to the House, and the bill was passed according to the Budget's estimate; but when the bill came to the Senate, what did the Senate committee do? They said, "Can you not go and get the approval of the Director of the Budget for this increase?" That is the law. That is what the Republican Party has stood for. We have told the people of the United States that we have an efficient administration. We have told them that we have a Budget system that saves the country millions of dollars a year. We ought to stand by it. The committee, however, said: "Mr. Secretary, you must get an approval by the Budget of this increase and have it sent down here." He said yes; he realized that it was not proper to bring it up without the approval of the Budget, and said: "I will get the approval of the Budget. The Director of the Budget will come down and give you a revised estimate, including this item of over $2,000,000"; but did he do it? No. Evidently the Director of the Budget had an eye single to his duty, and he de-

clined to come before the committee or to give an additional estimate, and this appropriation is made by the committee without the approval of the Director of the Budget; and, in fact, in defiance of the recommendation of the Director of the Budget.

Mr. WARREN. Mr. President, may I interrupt the Senator for just a moment?

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Wyoming?

Mr. McKELLAR. Surely.

Mr. WARREN. At the time the Senator is speaking of the Director of the Budget was out of town. He was out of town for several days; so I imagine that the Secretary of the Treasury did not have an opportunity to communicate with him in time for him to get up here before the committee concluded its consideration of the bill.

Mr. McKELLAR. Surely, however, he is not the only one connected with that great office who could have done this. He has his assistants. He has an assistant director. There is no reason in the world why the Budget Bureau could not have come here by one of its officers and approved this increase, if it was sound. You Republicans are swearing by the Budget, but whenever you want to increase an appropriation you disregard the Director of the Budget.

I agree with what the Senator from Wyoming [Mr. WARREN] said about the present Director of the Budget. He is an honest, conscientious, fair-minded man, trying to do his duty. You Republicans, who put him in his place, ought to stand by him. I am not under obligations to stand by him, one way or another. I voted against the Budget system.

Mr. FESS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Ohio?

Mr. McKELLAR. Surely.

Mr. FESS. I appreciate what the Senator is saying from almost every angle from which he has spoken——

Mr. McKELLAR. I am glad the Senator does.

Mr. FESS. But I want to ask the Senator whether he does not agree that there can not be a uniform scale of salary which will work equitably all over the country, making the compensation in all the localities just the same?

Mr. McKELLAR. Why, of course I do. That is why I voted for the reclassification bill, by which we established a Reclassification Commission and directed that commission to take into consideration all the facts and circumstances, to get all the facts before it, and to report upon a fair and a just classification of the employees of the Government, taking all these facts into consideration, and not permitting them to be paid in a haphazard manner, such as is provided in this bill. If the Senator believes in the reclassification act—I believe he voted for it; and if so, I am sure he believes in it—he ought to stand by it. If it was good enough to be voted for, it is good enough to stand by. We ought not to violate it before it is put into effect.

Mr. FESS. If the Senator will permit me, I do not mean to have it understood that I am supporting the amendment.

Mr. McKELLAR. I hope the Senator will not support it.

Mr. FESS. I mean simply to say that it is more difficult to live in one city than in other cities, and consequently I recognize that one customhouse in which I was not long ago is very much crippled because it has not efficient men. It can get the men, but it can not get the proper type of men. It seems to me that a fact we ought to take into consideration is the difference in the requirements of various localities.

Mr. McKELLAR. Does not the Senator know that the Director of the Budget, as the law commands him to do, has looked into all these things and has made a report on the matter; and does not the Senator feel that having done so, and having declined to make this recommendation, we ought to stand by him; and especially ought we not to stand by him when there can not be any injustice done, because the reclassification will take place in the summer time, when this bill will go into effect, and whatever salaries may be fixed upon or may have been fixed upon already as just and fair salaries for this class of employees will be paid them and ought to be paid them? I am in favor of paying them a fair wage.

Mr. FESS. If the Senator will permit me, I will state to him that I have always stood by the recommendation of the Director of the Budget except when I wanted to reduce the estimate.

Mr. McKELLAR. This is to increase it by over $2,000,000.

Mr. FESS. I do not now recall having voted at any time to increase the appropriation over the recommendation of the director, but I did vote several times to reduce the appropriation.

Mr. McKELLAR. I will say to the Senator that if he sits here while these appropriation bills are being handled he will hear the Director of the Budget overruled more times probably than he can count. We overrule him whenever we want an appropriation. Last year—not, perhaps, when this bill was being considered, but when some other appropriation bill was being considered—I asked the Senator from Utah [Mr. SMOOT] time and again, "Does not that overrule your Director of the Budget?" He replied, "Yes"; and it is in the RECORD. My recollection is that there were some 65 occasions in a very short space of time when the Director of the Budget had been overruled and an increase in the appropriation made.

Mind you, I never have been in favor of turning over to the Director of the Budget the right to legislate on the question of salaries. I was opposed to it. I believe it is an incubus, and I believe it is not the way to legislate. It just gives the heads of departments and the heads of bureaus another avenue to get greater appropriations, according to my judgment, because they first go to the Director of the Budget and get everything possible out of him, and if they do not get all they want they then go to the Appropriations Committee of the House and get everything in the world they can get there, and what they can not get there they come to the Appropriations Committee of the Senate for; and both the House committee and the Senate committee, I am sorry to say, overrule the Director of the Budget.

Mr. President, this is unwise legislation. It is unnecessary legislation. There is no reason in the world why these employees, just like all the other employees of the Government, can not wait until the reclassification act takes effect. I want to say in this connection that the chairman of the committee, as I read his language, and the Senator from Utah [Mr. SMOOT], as I read his language, had exactly the same view about it when the testimony was taken. They suggested that view to the Secretary of the Treasury, and since that time for some reason it has been changed.

Mr. President, the increased appropriation ought not to be made. The amendment ought to be defeated.

Mr. EDGE. Mr. President, I desire to speak very briefly on the pending amendment.

I happen to represent, in part, a State the limits of which are in close proximity to two of the large customhouses of the country; that is, those located at the port of New York and the port of Philadelphia. While I am not prepared to defend entirely the system through which we are attempting to secure this needed relief—there may be some weaknesses in it, and I believe there are—we are facing facts and not dealing with theories.

I did not have the opportunity of being in the Chamber when the Senator from New York [Mr. WADSWORTH] was speaking, and I hope I will not repeat his argument. I believe he outlined the fact that at the present time, when civil-service examinations are called for in order to fill vacancies existing in these two great offices—and I do not doubt that the same condition prevails in other ports, because practically all ports are necessarily located near large producing centers—it is impossible to get men to take the examination in sufficient numbers to fill the vacancies; and when, through unusual efforts, they succeed in getting them to go before the commission, and they in turn succeed in receiving marks sufficient to qualify, they last only a very short time in the service. They recognize immediately, by their contact with men in private service working by their sides, as it were, that the inequality of the salaries is such that they simply can not be retained in the service.

I very much prefer the system of raising salaries through classification, or through a definite bill such as has been provided for the postal employees. As I said at the outset, however, this is a condition and not a theory. We are facing, I hope, a year of big imports, and a great volume of merchandise is now lying at the port of Philadelphia and the port of New York without sufficient help to take care of it. Business men are appealing to the Senators from those States, at least—perhaps the Senators from interior States do not hear so much about it—for some relief so that they can get their imports from the customshouse, and we are undoubtedly losing hundreds of thousands of dollars in income, and the business interests of the country likewise are losing a great deal of money.

The Congress has already gone on record as indorsing an increase in salaries in this department. The Calder Act provided, as I recall, for a 30 per cent increase. I agree that that is not the wisest type of legislation. As I said a moment ago, I think increases should be provided by definite classifications, although usually private business does not adopt that method. I have every confidence, and I am sure every other Senator has, that the Secretary of the Treasury will use whatever increase is allowed by Congress in such a way

that it will improve the service. Why, in the name of Heaven, would he use it for any other purpose?

When we recognize that to-day the entering salary of a clerk in the customhouse is $1,000, and that if the appropriation would permit the maximum increase permitted by law of 30 per cent it would allow an increase of only $300, which would mean a salary of $1,300, certainly no one can claim that such a salary is a high salary in these days. As a matter of fact, as I understand from computation, the amount provided by the amendment will allow an increase of only approximately 20 per cent, so that the 30 per cent would not be provided under the appropriation in any event.

The Senator from Tennessee [Mr. MCKELLAR] suggested, in answer to a question of the Senator from Ohio [Mr. FESS], that he agreed at least that it was almost impossible to provide a code of salaries which would be relatively proper for different sections of the country. As the chairman of the Joint Committee on Post Offices and Post Roads, which is now considering prospective salary increases throughout the country, or bills providing for them, at least, no fact has become more apparent to me than that fact. It is absolutely impossible to provide proper compensation by giving to a Government employee in the city of New York the same salary that is given to a Government employee in some other section of the country.

I think this is a matter in which we must reach a solution which will to some extent remove the present inequalities. It is all very well to talk about the classification act; I believe it is undoubtedly a step in the right direction; but a classification act has not yet been presented to provide for the force outside of the District of Columbia, and from all the information we can get it is entirely uncertain when it will be ready. In the meantime, we are facing this situation.

When it is provided, if it is founded on any fair consideration of expenses and of Government salaries as compared with other salaries, it must provide for a remuneration along the lines made possible by the amendment we are now considering. The only point in adopting the amendment is to make sure that we provide for somewhere near a fair salary, which will be provided anyhow when the classification act is finally presented and adopted, so that it can apply to the field force.

While this situation can be attacked on questions of Budget procedure, as I recognize, and may possibly be subject to points of order to be decided by the Chair, on the question of not being estimated for or on some other ground under our rules, when we are facing a situation such as has been laid before us we must meet the situation as it is. I will read only one paragraph from the report of the hearings before the committee. Mr. Freed, the representative of the Treasury Department, stated that—

> We have this situation right in New York in our weighers' department: We have weighers' laborers that are employed by the Government getting $840 a year and the bonus of $240, which makes their pay a little less than $3 a day. Working right alongside of them are laborers employed by the contracting weighers who are getting between $5 and $6 a day. The result is that every time a contracting weigher has a vacancy he takes one of our best weighers, and we have to take on a new man who does not know anything about the game, and a poor man at that, because all the good laborers are working for private concerns. We have a lot of broken-down laborers working for us.

How could the result be any different than is laid out by the representative of the Treasury Department?

Mr. KING. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Jersey yield to the Senator from Utah?

Mr. EDGE. I yield.

Mr. KING. The Senator from New Jersey, as I understand his observations, is appealing for an increase in the compensation to be allowed to employees in the customs service, particularly in the city of New York.

Mr. EDGE. Not particularly in any city, Mr. President, but covering the entire service.

Mr. KING. And is also making an appeal for an increase in the salaries of substantially all the employees of the Government. Does the Senator appreciate the fact that in the States and under the Federal Government we have materially increased the compensation of the employees during the past three years, and that now about 6½ per cent of all the earnings of the people of the United States are required to pay the compensation of those who hold public office, and that approximately 17 per cent of all the earnings of all the people of the United States are required to meet the taxes which annually are levied against the people of the United States?

Does the Senator appreciate the fact that the farmers of the United States—and there are more engaged in agriculture than in any other occupation—earn on an average less than $500 per annum; that in private life there are millions of clerks, stenographers, and various other employees whose earnings are from $50 to $75 and $100 a month? Does the Senator appreciate the fact that for most vacancies in the Government service there are large numbers of applicants? The Senator must be aware of the fact that if in his own State there is a vacancy in the Rural Delivery Service, or in the post office, there would be a multitude of applicants for the position; at least that is the case in many States with which I am familiar.

Mr. EDGE. Mr. President——

Mr. KING. If the Senator will pardon me——

Mr. EDGE. I thought the Senator was propounding a question.

Mr. KING. It is more than a question; and the good nature of the Senator, of course, will forgive my trespassing.

I am in sympathy with high wages. I believe better service can be gotten from employees who receive adequate compensation, as a rule. I should like to see greater compensation paid in all activities of life. Yet we must bear in mind this fact, that if we raise wages and salaries to a higher level all over the United States, it reacts in an increase in the prices of all commodities, so that much of the advance in wages is lost in the increased price of commodities.

The Senator, from his practical life and experience, realizes that a few years ago $100 a month would purchase far more than $200 a month will purchase now, and the man who was making $50 to $75 a month in a rural community felt that he was quite opulent, because of the great purchasing power of the dollar.

I realize the fact that the purchasing power of the dollar has been reduced, but if we would bring about better conditions and remove the disparity which now exists between commodities and labor, it seems to me we must adopt a rather comprehensive plan, rather than go at it in piecemeal style.

We must remember, moreover, that we are guardians of the Treasury; we impose taxes upon the people. There is a demand for a diminution in taxes, and we have bills before Congress which call for the appropriation of between five and six billion dollars. Instead of diminishing taxes, if we meet the demands of the able Senator from New Jersey and a number of other Senators and Representatives, we will be compelled to lay taxes upon the American people in excess of the present levy by from one to two billion dollars.

Mr. EDGE. Mr. President, if the Senator will permit me, I desire to speak only about one minute more, and then he can have the floor to make a tax speech, and I will be entirely satisfied to yield the floor.

I am glad the Senator appreciates the lessening in the purchasing power of the dollar. Some of us, recognizing that fact, are trying in some fair and equitable manner to bring it into practical effect, so that the employees of the Government at least will know that we recognize that fact.

I am just as strongly in favor of equitable tax reduction as can be the Senator from Utah, but I am not in favor of it, I want it clearly understood, to the extent of reducing taxes at the expense of failing to recognize the services of the employees of the Government.

I not only contend, but I am quite sure I am right in the statement, that, generally speaking, the employees of the Government receive smaller salaries than are paid to employees in any other activities in the country doing like work. I see no reason for that. We can save money in many directions; we can cut down many expenditures; we can cut down the $50,000,000 deficit for the maintenance of the merchant marine, in which I think the Senator from Utah probably to an extent agrees with me; but it is absolutely unfair, in my judgment, and beyond justification, not to recognize that the employees of the Government are entitled to a fair living wage, and when we are starting employees at $840 a year in these days, or even a thousand dollars for clerks, who must have a certain amount of education, of course, before they can qualify as clerks, spending a certain length of time in order to acquire the knowledge necessary, it is unappreciative, in my judgment, on the part of the Government to attempt to deny a proper increase to meet the very point the Senator from Utah makes—the lessened purchasing power of the dollar.

Mr. FESS. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Jersey yield to the Senator from Ohio?

Mr. EDGE. I yield to the Senator.

Mr. FESS. The situation in the customhouse at New York has been apparent for some time. Why is it that this additional relief was not recommended by the Budget Director?

Mr. EDGE. Mr. President, I can not answer that in detail. As the Senator says, I believe the condition has been recognized. I can not speak for the Budget Director, of course, but it is my general impression that there had been a willingness evinced to allow the increases, but in some way the estimate was put in without this having been given full consideration. I am only saying that in a general way, because I am not entirely sure of my ground.

Mr. FESS. I am asking purely to get information. I have wondered whether under the present law the Director of the Budget is free to make a recommendation where there is any provision for it. In other words, I believe in the Budget system and I want that we shall adhere to it as best we can, and I always hesitate to vote for anything which does not appear to have been sufficiently valuable to be recommended by the Director of the Budget.

Mr. EDGE. I am afraid I can not answer the Senator in detail as to just what happened when the matter was presented to the Director of the Budget.

Mr. OVERMAN. Mr. President, I do not want my position in this matter to be misunderstood. I voted for an increase of $1,800,000 in the salaries of the customs employees in New York about whom we are talking. But when it is sought to increase the appropriation by $4,000,000, I think that is unreasonable.

What are the facts in the case? The arguments made by the Senator from New Jersey [Mr. EDGE] and the arguments made by the Senator from New York [Mr. WADSWORTH] have all been heard by the Budget. The Budget turned the increase down. Those arguments have been heard by the President, who sent the Budget estimate to Congress, and the President turned it down. The matter was brought before the House of Representatives, and for days and days this argument was made before the committee in the House; but it was turned down and they were given only $1,500,000, which I voted for in the committee of the Senate.

Mr. EDGE. Mr. President, will the Senator yield?

Mr. OVERMAN. I yield.

Mr. EDGE. The Congress did not turn it down when it passed the so-called Calder bill, permitting a 30 per cent increase.

Mr. OVERMAN. I am talking about this appropriation, this very bill, in the consideration of which all of the arguments the Senator from New Jersey has made and those the Senator from New York has made were presented. The inspectors of the service, who had been sent out to investigate, were also heard.

The Budget people are honorable people. The President is an honorable man. He investigated the facts. He sent the estimate to Congress, saying that $1,800,000 was a sufficient increase, and the House gave that. But when the bill came to the Senate, the Secretary of the Treasury came before the Senate Committee on Appropriation, and his testimony was read to the Senate this morning. I asked him a few questions. I asked him how it happened that the bill came from the Budget without an estimate for this appropriation. He said he expected to get such an estimate. I said, "That is all right, Mr. Secretary; go and get your supplementary estimate and send it to us." He went, and in a few days he came back without any estimate. I take it for granted the Budget Bureau refused to give it. It was said that Mr. Lord was out of the city. What difference does that make? There are four men there who could pass on it. The others could have made the estimate without Mr. Lord being there. Mr. Lord was out of the city, and he had refused before to send the estimate to Congress for $16,000,000, and refused this time to send the estimate to Congress for $16,000,000. The Senate committee, after hearing all these facts, which are admitted, and after the matter was turned down by the President and turned down by the Budget and turned down by the House, are asking the Senate to increase the appropriation by the enormous amount of $4,000,000 of honest taxpayers' money.

The senior Senator from New York [Mr. WADSWORTH] read an inspector's report this morning. I am glad he did read it, because that inspector's report was before the Budget. The Senator said that I am not in favor of increasing these salaries, but I am. I want to pay these laborers what is due them. I know the conditions under which they work. I voted for the increase of $1,500,000, but I am not going to vote to increase it out of all proportion, beyond anything suggested, except by Senators upon the floor of the Senate. They are the ones who say it ought to be increased to $16,000,000, not the men in authority whose duty it is to investigate and pass upon the question. Shall we take the testimony of the Senator from Utah [Mr. SMOOT], who knows very little about it, as he shows by his statement? He says part of it is for increased salaries, and part of it for increase in the number of employees. Is that for the purpose of election? Is it the intention just before the election to have 100,000 new employees or 10,000 added? No; I do not charge that. I say it is for the purpose of making a lump-sum appropriation, which we have all been preaching against, so that no one in authority will be in a position to grant a salary of $10,000 or $25,000, or whatever he might please.

The lump-sum principle is all wrong. Let us stand by the Budget in this case. Let us stand by the President. Let us stand by the House of Representatives and not go to these extremes in increasing appropriations from $10,000,000 or $12,000,000, as they were several years ago, to $16,000,000, an increase of approximately $6,000,000. How can Senators face their constituents if they do that? How can you appear before your constituents if you do that, my countrymen? What are you going to say when you are trying to tell the poor farmers, who are getting only $500 a year, that you have voted for an appropriation to increase these employees' salaries and pay some of them $5,000 or $10,000 or $15,000 a year? Is that your policy? Do not talk any more, Senators, about economy and reform and decreasing expenses when I have shown that there is to be an increase of $2,500,000, and when the bills have all passed I will show that you have increased the expenses during your Republican administration over $200,000,000. Now, you can do as you please. I am trying to save the taxpayers $2,500,000, which the President says you ought to do, the Budget says you ought to do, and the House of Representatives says you ought to do. I am standing by them.

Mr. KING. Mr. President, will the Senator yield?

Mr. OVERMAN. Certainly.

Mr. KING. For information I would like to know whether, if this large increased appropriation is made, there is any provision in the bill allocating it to any particular individuals or group of individuals, or is it in lump-sum form so that the administrator may pay large salaries of $5,000 or $6,000 to whomsoever he may please and to such individuals as he may please?

Mr. OVERMAN. It is the same old lump-sum proposition we have been trying for 10 years to knock out and against which the Senator from Wyoming [Mr. WARREN] and the Senator from Utah [Mr. SMOOT] have been arrayed that allows an official to make salaries just what he pleases and to show favoritism to whomever he pleases. That is what it means and that is what it is.

Mr. WARREN. Mr. President, I think I ought to say that probably the junior Senator from Utah [Mr. KING] did not hear me when I said——

Mr. WALSH of Massachusetts. Will the Senator speak a little louder so we may hear him?

Mr. WARREN. I will undertake it. What I was about to say was that this appropriation comes under the law enacted on the 4th day of March of last year, known as the Calder law. That law positively forbids an increase of more than 30 per cent in any salary. This appropriation will not allow 30 per cent to be added, but it might reach about 15 or 18 per cent. That is the only safeguard that we have.

The Senator from North Carolina [Mr. OVERMAN] says it is a lump sum; but it has been such for a great many years. There is a law that has been alluded to by the senior Senator from New York [Mr. WADSWORTH], and it is under that law of more than 50 years ago that it is provided that certain positions are confined, for instance, to $1,000 as the limit for a lot of men in other lines, as has been so well explained. Laborers who work for the Government around and in front of and with those men get more than 30 per cent more than do these particular men who are working for this branch of the Government, because of the old law which prohibits liberal salaries. The classification act is not yet effective and probably will not be made effective until more than a year from now, so that the appropriation for the coming fiscal year must be made upon the best information we can get as to the present salaries and such conditions as we may make which come under the Calder Act.

Mr. WALSH of Massachusetts. Mr. President, I am very much impressed with the argument made by the Senator from North Carolina [Mr. OVERMAN] about the unwisdom of lump-sum appropriations. I would prefer a specific appropriation increasing the salaries of the customs employees. I do not care who is responsible for failure to increase these salaries, whether it is the President or the Budget or the Congress, we

are confronted with a situation here that gives us an opportunity to remove a great injustice to faithful employees. The Senator from New York [Mr. WADSWORTH] has disclosed a deplorable situation among customs employees in New York. The information that has come to me from Boston confirms what he has described. It is not New York alone, but Boston, San Francisco, Seattle, in fact every port where customs employees are employed, discloses the same experience.

I for one do not intend by my vote to prevent or delay for one day the paying of a living wage to customs employees in New York, Boston, San Francisco, or anywhere else.

I have received several communications on this subject from the collector of customs in Boston. They are most enlightening. Since 1913 the average increase in the salary of customs employees has been 33 per cent, which is less than any other class of private employees in the whole country. The increase to the class of employees next ranking those of customs, the compositors and typesetting-machine operators in newspaper offices, has been about 65 per cent. The increase in the cost of living in the period since 1913 has been 60 to 70 per cent. So that the customs employees, during the time that there has been an increase of nearly 70 per cent in the cost of living in this country, have had only an increase of 33 per cent in their wages. All classes of private employees have had their wages increased since 1913 over 65 per cent, and many of them in excess of 100 per cent.

I do not care to be responsible for denying these men a living wage.

Let us bear in mind that these employees are not mere clerks, are not engaged in doing manual labor, but men who must have character, men of integrity, of sound judgment, of ability, and possessed with patience, intelligence, and personality. I think it is a very shortsighted policy to deny these men the increases which they long ago deserved. I do not care who is responsible, I am not going to share the responsibility any longer. The conditions are such that capable and ambitious young men will not enter the service. We are responsible if the very serious impairment continues. We should seize this opportunity to remedy conditions by voting for this appropriation.

I confess that I am very much impressed with the argument of the Senator from Tennessee [Mr. MCKELLAR] and the argument of the Senator from North Carolina [Mr. OVERMAN] that this may be a somewhat irregular procedure, but the situation is so critical and it is so certain that this branch of the service is being impaired—and it is an important branch of the public service and increasingly important as we increase these duties—that I shall vote without any hesitancy for this appropriation. I do not propose to let technicalities interfere with speedily granting these employees a fair wage.

I think that the Government ought to lead in giving its employees the best possible living and working conditions. In many respects we do surpass conditions provided and wages paid by private employers. In the matter of hours of labor our Government has usually led, but in the matter of wages to certain employees—I mean outside of the mere clerical positions, that class of employees where character is necessary, where integrity is important, where efficiency is highly desirable—we have lagged behind and we are now far behind what private employers are paying to employees in corresponding positions. Among those employees that are grossly and shamefully underpaid I include chiefly the postal and the customs employees. Their work is exacting, their responsibility serious; they must be honest and upright, and we ought not by giving them miserable salaries subject them and their families to the discomforts and want against which their stations in the public service should be a guaranty. Indeed, we ought not to subject them to the temptation of crass indifference, if not worse, that underpayment invites.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Tennessee?

Mr. WALSH of Massachusetts. Certainly.

Mr. McKELLAR. All of that statement I approve fully——

Mr. WALSH of Massachusetts. I know the Senator does.

Mr. McKELLAR. The Senator understands that I not only have been favorable to salary increases, but have stood for them and worked for them and voted for them in committee and on the floor of the Senate at all times. But recently we enacted a law providing for reclassification of all the employees of the Government, so as to give them a fair and just and even liberal wage. That law is being put into operation now. It is expected to be put into operation in every department of the Government, both here in Washington and in the field service, by the 1st of July.

Mr. WALSH of Massachusetts. The Senator from Wyoming [Mr. WARREN] said it would be another year before it could be put into operation.

Mr. McKELLAR. That is not in accordance with the proof before the committee. My recollection of the proof before the committee is that in the field service it was expected to be completed by the 1st day of July. Now, if that is correct, ought we not to stand by the law which we ourselves have made for the increase of salaries? The Senator said these men are worthy of an increase. Let us assume that they are. Then let us take the Postal Service. Why should we not raise them in like manner and give them a lump sum of three or four million dollars or ten or fifteen million dollars, and have them raised just before the reclassification act takes effect? Take the rural carriers—their salaries are not adequate, perhaps. Why should not we raise them by a lump-sum appropriation before the reclassification act takes effect? If we are going to do it for one class of our employees, why not do it for every class, so as to let them all be treated alike?

That is my reason for opposing this particular increase, and that is intensified by the particular situation that our good friends, who usually stand by the Budget, are now repudiating the Budget. The Budget does not provide for this increase in appropriation. I have no doubt that General Lord takes the same view of it that some of us take; that it is a matter of reclassification of the employees, so that all will be treated alike. That is my position, not because I am opposed to increased salaries or to fair and just salaries. I am very much in favor of them, but we ought to accomplish that purpose to all alike.

Mr. WALSH of Massachusetts. It is regrettable that the proposition is put before us in this manner of a lump-sum appropriation, but the information which the Senator from Wyoming conveys to me is that the reclassification law will not be operative for another year.

Mr. WARREN. That is as to the field service. As it applies to Government employees in the District of Columbia, it will be effective the 1st of July, but the field service reclassification, which covers these particular items, has hardly been commenced so far as the reclassification is concerned.

Mr. WALSH of Massachusetts. If the amendment should be defeated is there any provision in the reclassification law to give these customs employees an increased salary?

Mr. WARREN. No.

Mr. WALSH of Massachusetts. So that we are confronted with the alternative that if we are going to increase the wages of these employees we must accept this amendment or let the matter go without any increase until some indefinite time?

Mr. WARREN. Until the reclassification is made.

Mr. McKELLAR. Will not that be true of all other departments in the field service? In other words, we are taking this one out from among them all and raising these particular men's salaries, but we are leaving every other department of the field service out. I do not think that is fair.

Mr. WARREN. The Senator, however, overlooks one important point. The employees in all other services have had their salaries increased from time to time, but we are now discussing a service the employees of which have not had an advancement in their compensation since the Senator from Tennessee [Mr. MCKELLAR] was born, young as he is, or old as he might be, and as I hope he will be, at some time in the distant future. It is the lack of having received a just increase of compensation which concerns this particular service. These men, especially in the lower grades, have never yet had an advance of their salary, so far, the law has provided.

Mr. WALSH of Massachusetts. Mr. President, I refuse to delay action until some indefinite time when reclassification is possible, for I am sincerely impressed with the fact that these employees deserve an immediate increase of salary. I am convinced of that by the argument not only of the Senator from New York [Mr. WADSWORTH] and the information which he has submitted here, but also from reports which have been sent to me by the collector of customs at Boston, and from the statements of the men themselves who have waited upon me and disclosed the shameful wage scales. I do know that these men have been penalized and that they and their families are suffering and in real need as a result of the inadequate wage which is paid by this Government to these men of unusual capacity, of character, of efficiency, and of ability. It is about time for the Government to pay decent wages to men whom it expects to be honest and to handle its money and goods with safety if we expect to maintain good service.

Mr. BAYARD. Mr. President——

Mr. WALSH of Massachusetts. I yield to the Senator from Delaware.

Mr. BAYARD. Mr. President, I desire to suggest to the Senator from Massachusetts one other element which he omitted to state, and that is the tremendous increase in the physical operations at the port of Boston and at the port of New York, where the importations are so greatly in excess of former years that the actual physical labors have increased very materially. I do not know what the exact percentage is.

Mr. WALSH of Massachusetts. I thank the Senator for his suggestion. The figures show that the cost of the collection of custom duties in Boston has been reduced in the last year from $4\frac{7}{10}$ cents to $1\frac{4}{10}$ cents. The same thing is also true as to New York. Thus the figures show that about the same number of employees have been doing the very large amount of extra work which has been required.

Mr. BAYARD. And that they have been doing far more than their individual share.

Mr. SMOOT. Mr. President——

Mr. WALSH of Massachusetts. I yield to the Senator from Utah.

Mr. SMOOT. When I spoke upon the pending matter some time ago I called attention to the fact that a law, known as the Calder Act, had been passed authorizing an increase of 30 per cent in the wages of these employees. I will say to the Senator from Massachusetts that as to this class of employees every one admits that the reclassification law will afford to every one of them an increase of salary. In some of the departments of the Government the employees are now drawing salaries pretty nearly as high as they will receive under the classification law. That is not true, however, as to the customs service. This service is the poorest paid service in the Government of the United States.

Mr. WALSH of Massachusetts. Mr. President, I supported in the Finance Committee the Calder bill, and I certainly agree with all that has been said about the poor salaries paid customs employees. I will also say while I am on my feet that I think the long delay by Congress and all concerned in reclassifying Government employees is a disgrace. The matter should have been done long ago. It is the old story of procrastination, delay, and inefficiency in handling the business of the Government, and Congress is the worst offender and sets the bad example easily followed by the departments. We are now confronted with another case of postponement if we oppose this amendment. I do not intend to be a party to it. I purpose to see that faithful servants who work for the people of the United States are paid a decent wage, and I will therefore help to bring that about by voting for the pending amendment.

I ask that I may be permitted to have inserted in the RECORD two letters from the collector of customs of Boston and a chart which illustrates the point he has set out in the information referred to about increases in wages among different classes of employees.

The PRESIDING OFFICER. Without objection, it is so ordered.

The letters and chart are as follows:

TREASURY DEPARTMENT,
UNITED STATES CUSTOMS SERVICE,
OFFICE OF THE COLLECTOR, DISTRICT NO. 4,
Boston, Mass., December 17, 1923.

Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

MY DEAR SENATOR: In continuance of our conversation in your office the other day in regard to the increase in business at this port, the increase in the cost of living in Boston and in Massachusetts, and the lack of increase in the compensation of Government employees in this service, I beg to inclose you two charts prepared by one of the clerks in my force. The first chart explains rather graphically the abnormal increase in the amount of business which the present force have been called upon to perform. You will observe that the increase in revenues of the last fiscal year amounts to nearly 350 per cent, whereas the cost of collecting a dollar at this port was reduced from $4\frac{7}{10}$ to $1\frac{4}{10}$ cents, a figure lower even than the cost at the port of New York. The second chart shows increases in the cost of living in Boston and in Massachusetts during the last 10 years as compared to the increased compensation of Government employees in the customs service, including the bonus of $240, during the same period. I do not suppose it would be possible to have these charts printed in the CONGRESSIONAL RECORD, but I believe it would be extremely useful to the movement now on foot if by any chance this could be done.

With best wishes, I am

Sincerely yours, W. W. LUFKIN,
(Inclosures.) *Collector.*

TREASURY DEPARTMENT,
UNITED STATES CUSTOMS SERVICE,
OFFICE OF THE COLLECTOR, DISTRICT NO. 4,
Boston, Mass., January 8, 1924.

Hon. DAVID I. WALSH,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I am taking the liberty of submitting to you under another cover a brief and inclosures prepared by the committee on personnel of the employees of the customs service in the district of Massachusetts, and beg to ask your indulgence in giving the petition of these men and women your consideration.

I do not think I was ever considered, while a Member of Congress, a spendthrift or an enthusiastic champion of general increases in Government salaries. Two years' experience here, however, has convinced me that the employees as a whole in the customs service at this port are grossly underpaid and are finding it almost impossible to make both ends meet. This result can have but one effect, to wit, dissatisfaction and a spirit of unrest among the members of our force. This is particularly lamentable at this time with the increased business and resulting responsibility which these employees must shoulder. The inclosed charts tell the story pretty generally, but I desire to call attention particularly to the following points:

1. The increased compensation of the various skilled trades in the city of Boston since the year 1913 as compared with the increased compensation of the employees of the customs service.

2. The increase in the cost of living in Boston and in Massachusetts during the past 10 years as compared with the increased compensation of customs employees.

3. The increase in the amount of business at the port of Boston for the fiscal year 1923 over the fiscal year 1922, showing an increase in the value of imports of almost 100 per cent and an increase in the amount of money collected of over 300 per cent.

4. In spite of the magnitude of business conducted during the fiscal year 1923, our personnel was only increased a total of 22 people and the cost of collecting a dollar was decreased from $4\frac{7}{10}$ cents to $1\frac{4}{10}$ cents. This latter figure, I am informed, is the lowest of any large port in the United States.

In view of these facts, I am firmly of the opinion that if the efficiency and morale of the personnel at this port are to be maintained some recognition must be made of the employees in the way of increased compensation. These men and women have been led to believe for a number of years that the so-called reclassification bill would cure all these ills. Unfortunately, this legislation seems destined to further postponement, with the result that some other means of relief is necessary.

With apologies for troubling you in this matter, I am,

Sincerely yours,

W. W. LUFKIN, *Collector.*

BOSTON, MASS., *January 4, 1924.*

To Members of Congress:

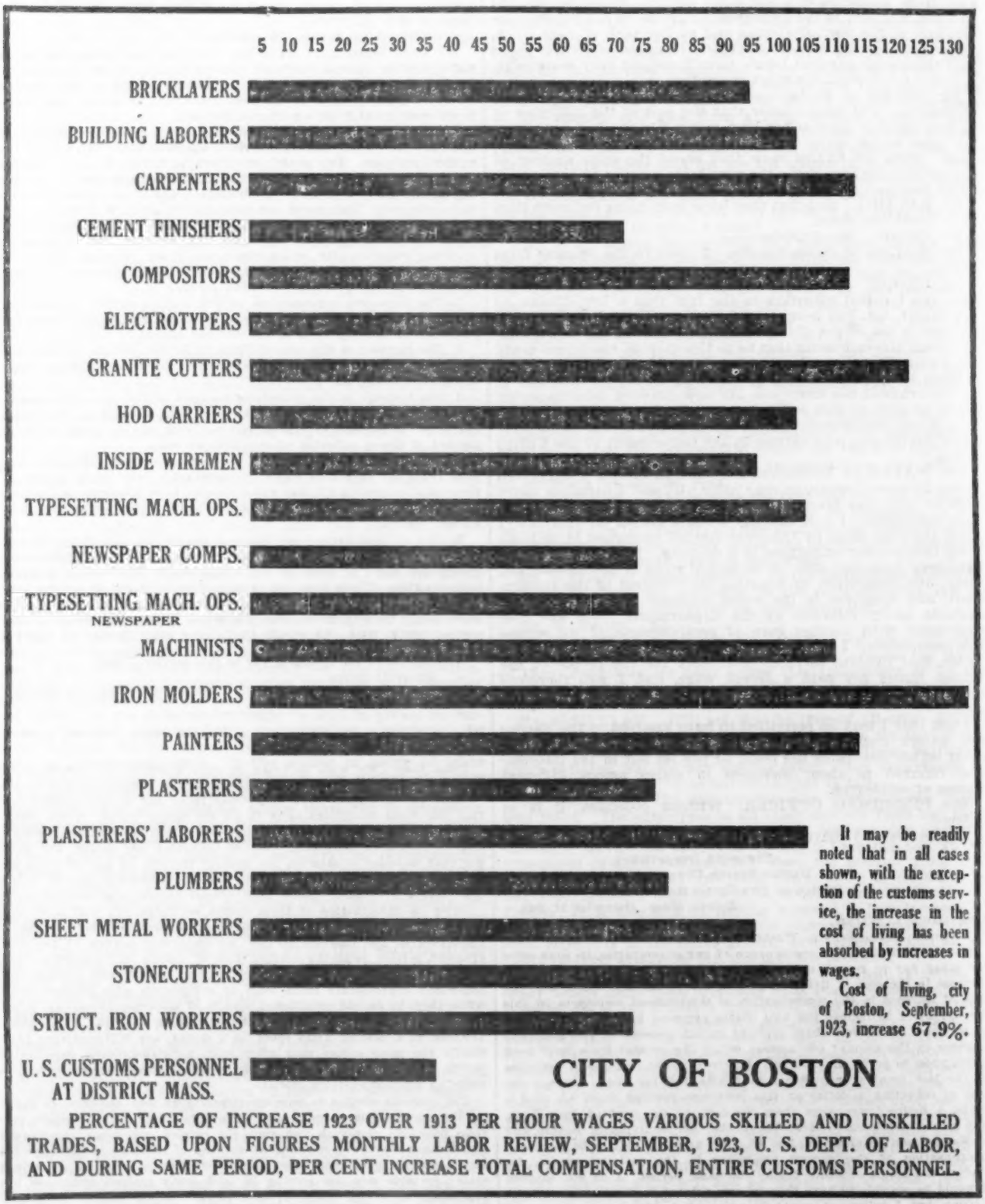
DEAR SIRS: We wish to bring to your attention by means of the attached charts the conditions existing in the customs service to-day.

Some of the charts show local conditions, but it is evidently true that the same conditions exist in all the larger ports. These charts in general graphically depict the increase of customs business, receipts, and expenditures, personnel, cost of collection per dollar, the small per cent increase of salaries, the general increase of pay of those employed in 21 representative trades, and the increased cost of living. The figures are taken wholly from official records and are authentic.

After an examination of these charts we think you will agree that something should be done immediately to increase the salaries of employees in the customs service, an important branch of the Government service requiring trained men of ability and integrity. Our employees have seen salaries in other more recent and perhaps less important departments made more in accordance with present needs, while they, in an old established branch of Government service, bringing into the Treasury of the United States in the year 1923, $562,189,039, at a cost of 2.034 cents on a dollar, are still receiving practically the same salary year after year, notwithstanding complicated tariffs, increased cost of living, or years of experience necessary to make an efficient customs official.

The customs service is now unattractive to men qualified to carry on the work, while formerly men of ability and integrity sought customs positions now such men shun the service, and many experienced and trained men have resigned on account of inability to exist on the small salaries paid, with the result that service is in a precarious state; no able men are coming in, and many trained employees are resigning.

An investigation into the conditions existing in our service will show how urgently money is needed to carry on efficiently, and the heroic measures taken by collectors and other officials to keep the imports and exports moving with the small amount of money available for this purpose, imposing many times double service of em-


5 10 15 20 25 30 35 40 45 50 55 60 65 70 75 80 85 90 95 100 105 110 115 120 125 130
BRICKLAYERS
BUILDING LABORERS
CARPENTERS
CEMENT FINISHERS
COMPOSITORS
ELECTROTYPERS
GRANITE CUTTERS
HOD CARRIERS
INSIDE WIREMEN
TYPESETTING MACH. OPS.
NEWSPAPER COMPS.
TYPESETTING MACH. OPS. NEWSPAPER
MACHINISTS
IRON MOLDERS
PAINTERS
PLASTERERS
PLASTERERS' LABORERS
PLUMBERS
SHEET METAL WORKERS
STONECUTTERS
STRUCT. IRON WORKERS
U. S. CUSTOMS PERSONNEL AT DISTRICT MASS.
It may be readily noted that in all cases shown, with the exception of the customs service, the increase in the cost of living has been absorbed by increases in wages.
Cost of living, city of Boston, September, 1923, increase 67.9%.
CITY OF BOSTON
PERCENTAGE OF INCREASE 1923 OVER 1913 PER HOUR WAGES VARIOUS SKILLED AND UNSKILLED TRADES, BASED UPON FIGURES MONTHLY LABOR REVIEW, SEPTEMBER, 1923, U. S. DEPT. OF LABOR, AND DURING SAME PERIOD, PER CENT INCREASE TOTAL COMPENSATION, ENTIRE CUSTOMS PERSONNEL.

ployees, and shifting about from one branch to another in order to accomplish the end sought and allow the importer to receive his goods without undue delay.

May we ask that you study the situation and give it your attention, to the end that proper recognition be given our service to restore it to its former standing as one of the important branches of Government service?

Very respectfully, COMMITTEE OF PERSONNEL.

BOSTON, *January 4, 1924.*

This report has been carefully examined by us. It meets with our approval and is commended to Congress for favorable consideration.

W. W. LUFKIN,
Collector of Customs.
HERMAN HORMEL,
Surveyor of Customs.
HARRY W. SPAULDING,
Comptroller of Customs.

The PRESIDING OFFICER. The question is on the amendment reported by the Committee on Appropriations proposing to increase the appropriation for collecting the revenue from customs, for the detection and prevention of frauds, and so forth, from $13,680,140 to $16,180,140.

Mr. OVERMAN. I call for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. LODGE (when his name was called). I have a general pair with the Senator from Alabama [Mr. UNDERWOOD]. I transfer that pair to the Senator from Vermont [Mr. GREENE] and vote "yea."

Mr. McKELLAR (when his name was called). I have a pair for the day with the senior Senator from Ohio [Mr. WILLIS]. I transfer my pair with that Senator to the senior Senator from Missouri [Mr. REED] and vote "nay."

Mr. OVERMAN (when Mr. SIMMONS's name was called). My colleague [Mr. SIMMONS] is unavoidably absent. He has a general pair with the junior Senator from Oklahoma [Mr. HARRELD].

The roll call was concluded.

Mr. ADAMS. I have a pair for the day with the junior Senator from Missouri [Mr. SPENCER]. Not knowing how he would vote if present, I withhold my vote.

Mr. JONES of New Mexico. I have a general pair with the Senator from Maine [Mr. FERNALD], but I am advised that on this question he would vote as I intend to vote if he were present. I therefore vote "yea."

Mr. EDGE. I wish to announce that if my colleague [Mr. EDWARDS] were present he would be recorded in the affirmative.

Mr. ERNST. I transfer my general pair with the senior Senator from Kentucky [Mr. STANLEY] to the junior Senator from Illinois [Mr. McKINLEY] and vote "yea."

Mr. WALSH of Massachusetts. The Senator from Rhode Island [Mr. GERRY] is unavoidably absent. If present, he would vote "yea."

Mr. CURTIS. I desire to announce that the Senator from Illinois [Mr. McCORMICK] has a general pair with the Senator from Oklahoma [Mr. OWEN].

I also desire to announce that the Senator from South Dakota [Mr. STERLING] has a general pair with the Senator from South Carolina [Mr. SMITH].

The result was announced—yeas 51, nays 15, as follows:

YEAS—51.

Bayard	Dill	Ladd	Shipstead
Brandegee	Edge	Lodge	Shortridge
Brookhart	Ernst	McLean	Smoot
Broussard	Ferris	McNary	Stanfield
Bruce	Frazier	Moses	Swanson
Bursum	George	Neely	Trammell
Cameron	Glass	Norris	Wadsworth
Capper	Hale	Pepper	Walsh, Mass.
Colt	Johnson, Minn.	Phipps	Walsh, Mont.
Copeland	Jones, N. Mex.	Pittman	Warren
Couzens	Jones, Wash.	Ransdell	Watson
Curtis	Kendrick	Reed, Pa.	Wheeler
Dale	Keyes	Sheppard	

NAYS—15.

Borah	Fletcher	Howell	Ralston
Caraway	Harris	King	Shields
Dial	Harrison	McKellar	Stephens
Fess	Heflin	Overman	

NOT VOTING—30.

Adams	Gooding	Mayfield	Spencer
Ashurst	Greene	Norbeck	Stanley
Ball	Harreld	Oddie	Sterling
Cummins	Johnson, Calif.	Owen	Underwood
Edwards	La Follette	Reed, Mo.	Weller
Elkins	Lenroot	Robinson	Willis
Fernald	McCormick	Simmons	
Gerry	McKinley	Smith	

So the amendment of the committee was agreed to.

The PRESIDING OFFICER. The Secretary will continue the reading of the bill.

The reading of the bill was resumed, and the reading clerk read as follows:

FEDERAL FARM LOAN BUREAU.

Salaries: For six members of the board, at $10,000 each; for personal services in the District of Columbia in accordance with the classification act of 1923, and for personal services in the field, $137,000; in all, $197,000, payable from assessments upon Federal and joint-stock land banks;

For salaries of four reviewing appraisers at not to exceed $5,000 each per annum, and the traveling expenses of such reviewing appraisers, $15,000, in all, $35,000, payable from assessments upon Federal and joint-stock land banks;

For traveling expenses of the members of the board and its officers and employees; per diem in lieu of subsistence, not exceeding $4; and contingent and miscellaneous expenses, including books of reference and maps, and exclusive of stationery and printing and binding; and for the examination of national farm loan associations, including personal services and traveling expenses; $122,040, payable from assessments upon Federal and joint-stock land banks: *Provided*, That no person shall be employed hereunder at a rate of compensation exceeding $2,500 per annum: *Provided further*, That $2,500 of this sum may be expended for clerk hire in the District of Columbia;

In all, Federal Farm Loan Bureau, $354,040.

Mr. BORAH. Mr. President, I notice in the bill these items with reference to the Farm Loan Board. I have a bill pending to reduce the number of members of this board, and also to reduce their salaries. If this appropriation should be made, and if that bill should pass, I presume that the entire appropriation would not be used?

Mr. SMOOT. Certainly not. If the bill referred to by the Senator from Idaho becomes a law, of course the whole of this appropriation would not be used.

Mr. McKELLAR. Mr. President, I intended to ask the Senator from Utah [Mr. SMOOT] and the Senator from Wyoming [Mr. WARREN] with reference to this matter. Does this $197,000 in the first paragraph provide for the $25,000 paid to Mr. Lobdell?

Mr. SMOOT. No; that is paid by the 12 regional banks, as I understand. There is no appropriation for that.

Mr. McKELLAR. Is there another appropriation for it?

Mr. SMOOT. No; there is no appropriation for that. That is paid by the banks themselves.

Mr. McKELLAR. What authority of law have these 12 banks to pay a financial agent $25,000, or any other salary?

Mr. SMOOT. I can not say offhand just what the law is, nor do I know, really, whether there is any specific law for it.

Mr. McKELLAR. I am inclined to think that there is not, but it is a matter that we ought to look into, because, in the first place, I think such an office is wholly unnecessary. The work was done by the Farm Loan Board before Mr. Lobdell took it over, and there ought to be some provision about it. Of course it will not come in here. It is not included in this appropriation.

Mr. SMOOT. No; it is not included in this appropriation, and I will say to the Senator that the only reason I can assign for the banks having employed Mr. Lobdell or any other man for the purposes for which he was employed is that all of the banks had to have some agency whereby they could sell their bonds, and I think there was an understanding between all of the banks that they would have Mr. Lobdell attend to that for all of them. There is no need, however, of going into that question at this time.

Mr. McKELLAR. Mr. President, while I am on that subject I will say that my information is that Mr. Lobdell did the work as a member of the board before he resigned.

Mr. SMOOT. That is true. He was chairman of the board.

Mr. McKELLAR. He was chairman of the board, and did this work. Then he resigned as a member of the board, and became an employee of the several banks at a greatly increased salary. If Mr. Lobdell, as chairman of the board, could do that work and did do it, then his successor as chairman of the board should do that work, and in that way the $25,000 that is now being paid to Mr. Lobdell would be saved.

While I am still on that subject I want to say this: The Senator knows that while the loans of the farm loan banks have increased in a very small percentage in the last four years, the expenses of running that department have increased several hundred per cent.

Mr. SMOOT. The Senator is wrong when he says that Mr. Lobdell as chairman of the board had anything whatever to do with selling the bonds for these individual banks. That was done by the banks themselves; but after he left the

board the banks did hire him for the purpose of selling the bonds, and the present chairman of the board—the man holding the position which Mr. Lobdell occupied for a time—has no authority to sell and is not called upon to sell these bonds.

Mr. McKELLAR. Can the Senator, without trouble, tell us under just what appropriation the matter connected with Mr. Lobdell can be dealt with?

Mr. SMOOT. We have nothing to do with that.

Mr. WARREN. Let me say to the Senator that there will be no appropriation of that kind.

Mr. SMOOT. That comes from the business of the banks themselves.

Mr. McKELLAR. The banks are a governmental agency and we control them, and there must be some way of preventing that work being transferred from the banks to this agent at $25,000 a year.

Here is what I want to say: We are talking about doing good for the farmers, and yet we are allowing the expenses of the Farm Loan Board to be increased several hundred per cent. I am going to bring here the figures—I have them in my office and I am going to bring them here—showing that their expenses have increased several hundred per cent in the last few years; but there is no corresponding increase of business. In that way money that was intended for the farmers is being in part dissipated, and it ought not to be done.

Mr. SMOOT. I do not think this is the proper time to go into a detailed discussion of that matter, but when the time comes I think the Senate and the country ought to know everything connected with it.

Mr. HARRISON. Mr. President, it may be that the matter I am about to mention was discussed when I was not in the Chamber. It is on page 2. It is the provision about "the average of the salaries of the total number of persons under any grade," and so forth. Was that discussed?

Mr. SMOOT. I will say to the Senator that the Senator from Tennessee [Mr. McKELLAR] asked that that go over until the committee amendments were agreed to, and then, at the request of the Senator, I shall make a complete statement of the reasons for this provision.

Mr. McKELLAR. I hope the Senator in his statement will say whether or not in his judgment it is subject to a point of order, because, if it is subject to a point of order, I want to make the point of order against it. I think it is new legislation.

Mr. SMOOT. I will say to the Senator that this provision passed the House, and I am quite sure a point of order will not lie against it.

Mr. McKELLAR. I shall raise the question, however.

Mr. KING. Mr. President, I want to take occasion to make one observation in view of what my colleague [Mr. SMOOT] has stated respecting the appropriations carried in the bill for the Farm Loan Board.

If these appropriations are too large, or if compensation is paid to any one individual under this appropriation in excess of what we think is right, it seems to me that it would be subject to emendation.

Mr. SMOOT. But Mr. Lobdell is employed by the banks themselves, not by the Federal Farm Loan Board. The Federal Farm Loan Board has nothing whatever to do with hiring him or paying him. He acts as an agent for these banks; and while I do not know how much each bank pays, the total payment is $25,000 per annum.

Mr. KING. I did not have in mind alone the case of Mr. Lobdell, who, as we all know, served with a great deal of ability as a member—and, indeed, as I recall now, as the chairman—of this very important Federal agency. I had in mind the criticisms which have been leveled for some time against the entire organization. An echo of that criticism comes now from my distinguished friend from Tennessee [Mr. McKELLAR] when he states in substance that the operating expenses of the Farm Loan Board have been materially increased. He has stated the percentage. It seems to me rather higher than what I recollected, so I refrain from stating what the percentage is; but it is a fact that there have been serious criticisms against the Farm Loan Board by reason of the large increase, it is alleged, in the personnel not only in Washington but in various parts of the United States where its operations carry it; and there was a great deal of criticism growing out of the employment of Mr. Lobdell either by the board or by banks, as my colleague has stated, or agencies who dealt in the securities of the farm-loan organization, that criticism resting upon the statement that Mr. Lobdell retired from a position where he received $10,000 a year and accepted employment at a compensation of $25,000 a year.

It is obvious that Mr. Lobdell has some place in this organization which would subject him to some control by the Federal Government. Whether or not the compensation which he has obtained is too great, measured by the value and importance of his services, I now express no opinion; but it would seem to me that if it is too great Congress in this appropriation bill could make provision for a limitation of any compensation which is paid, directly or indirectly, by the Federal Government. Of course if his compensation is paid exclusively by outside agencies and the Federal Government is not directly or indirectly responsible therefor, Congress could not control that compensation; but it could provide, by way of a limitation upon the funds carried in the item now under consideration, that no association should be had by an agent who was receiving compensation in excess of a certain amount.

Mr. SMOOT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to his colleague?

Mr. KING. I do.

Mr. SMOOT. I think my colleague is right in stating that such a law could be passed; but there seems to be an understanding here that this item of $197,000 is to come out of the Treasury of the United States. Not a dollar of it will come out of the Treasury of the United States. This is to be payable from the assessments on Federal and joint-stock land banks.

Mr. WARREN. That is correct.

Mr. SMOOT. In other words, the joint-stock land banks pay every cent of this, and not a penny is taken out of the Treasury of the United States.

I was going to say, in answer to the Senator from Tennessee [Mr. McKELLAR], that if he will look at the amount of loans made and the amount of bond sales and compare it with the amount of appropriations and the examinations that are being undertaken now, I am quite sure he will not say that the increase is more than the business that is undertaken and being accomplished by the employees of these banks.

Mr. KING. Mr. President, in any observations I have made I have not expressed any opinion which I may have relative to the salaries, compensation, and costs of operation of this Federal agency. I do not know whether the salaries paid are too high or whether the cost of operation is too great. I only know that there have been a great many criticisms and many publications of an adverse nature which have provoked considerable criticism throughout the country; and I have felt, particularly since the Senator from Idaho [Mr. BORAH] invited the attention of the Senate to this matter some months ago, that it would be wise if it were to be fully considered by some committee of the Senate, so that if these criticisms are unmerited the full facts might be disclosed as a complete answer to the criticisms, and thus obviate the irritation which results therefrom.

Just one other observation: I am well aware, as was stated by my colleague, that these expenses are to be paid, not as a direct appropriation from the Treasury but in the manner indicated by the senior Senator from Utah. Nevertheless there is power in Congress to determine what those appropriations shall be and to limit the purposes for which they shall be made.

Otherwise, it would be a foolish and a futile thing to incorporate in this bill, or in any act of Congress, provisions with respect to the expenses of this organization. So, whether we appropriate directly from the Treasury, or appropriate indirectly through the treasuries and agencies of this great Federal organization, it is immaterial so far as the principle is concerned, and I only hope that when the bill which I am advised is pending, dealing with these organizations and with the cost of administration, is brought before the Senate for consideration the whole matter will be canvassed, to the end that the public and the Senate may be fully advised as to the facts.

Mr. HOWELL. Mr. President, Congress has provided that the maximum salary that shall be paid to a member of the Farm Loan Board shall be $10,000 a year, and that was the salary paid to Mr. Lobdell, who was formerly chairman. No salary can be paid to any employee of the Farm Loan Bureau without the approval of the Farm Loan Board.

The Farm Loan Board has approved the payment of a salary of $25,000 to its fiscal agent. It seems to me it would be proper to insert in the bill a limitation providing that no salary shall be approved in excess of $10,000 a year. I have not an amendment prepared, but I should like to prepare such an amendment.

Mr. WARREN. Mr. President, the amendment could not be inserted in this bill, because it is legislation.

Mr. SMOOT. Let me suggest to the Senator from Nebraska that offhand I do not believe it would be wise to accept an amendment of that kind. If legislation is necessary, let us enact the legislation and fix the salary by legislation, rather than try to put such provisions in an appropriation bill.

Mr. HOWELL. Very well.

Mr. NORRIS. Mr. President, with regard to what my colleague has said, and with respect to the statement of the chairman of the Committee on Appropriations, it strikes me that an amendment limiting the use of this appropriation for the payment of a salary above any sum named would be in order on an appropriation bill.

Mr. WARREN. We are not appropriating for that. This appropriation is for other employees.

Mr. NORRIS. That salary comes from the board?

Mr. WARREN. It does.

Mr. NORRIS. Then the Senator from Wyoming is right about it.

The PRESIDING OFFICER. The Secretary will continue the reading.

The reading was resumed, the next amendment being under the subhead "Office of Treasurer of the United States," on page 17, at the end of line 10, to increase the appropriation for salaries for personal services in the District of Columbia in accordance with "The classification act of 1923," from $1,072,000 to $1,084,000.

Mr. KING. I notice an increase here, as in other items. The House had before it full information respecting these various items. The Budget Bureau, I have no doubt, recommends the amount passed by the House. The Senate committee has increased this item, as it has many others. What is the reason of that?

Mr. WARREN. The reason for that was presented to the committee. It is because of an arrangement of salaries of employees transferred from one department to another. It would not cost any more in the long run.

Mr. KING. It takes care of transfers from what other branches of the service?

Mr. WARREN. They are all in the Treasury Department, but various clerks are engaged in different activities. Of course, sometimes clerks are detailed from different departments, and we have sought to cut that out so far as we can, and make every tub stand on its own bottom.

Mr. KING. Let me ask the Senator if in the aggregate appropriation there is not an increase corresponding with this increase in the item now under consideration? If it is a mere transfer from one branch of the service to another, and the other branch of the service was recognized by the Budget Bureau, then the aggregate would not be increased to the extent of $12,000, which increase this item carries. I think the Senator will find that this is a new item entirely.

Mr. SMOOT. The Senator is wrong there.

Mr. WARREN. It may be an increase.

Mr. SMOOT. No; it is not an increase; it is a decrease.

Mr. WARREN. In the long run it is. The Senator seems to make the point that the Committee on Appropriations has no right to increase any appropriation a matter of six or eight or ten thousand dollars. I want to say that it is often shown, as in this case, that the increase is needed.

Mr. KING. I disclaim that limitation which the Chairman's statement would imply. I wish we could restrict this mighty committee, and limit its authority in increasing appropriations granted by the House; but, of course, I recognize the right of the committee, and if they believe that the House has not appropriated a sufficient sum for any matter referred to in the bill, the committee has the right to increase it, subject to the approval of the Senate, of course.

Mr. SMOOT. Mr. President, the estimate of the Budget was $1,092,000, and the House cut that down to $1,072,000.

Mr. FLETCHER. The increase is from $1,072,000 to $1,084,000. That means an increase of $12,000. Is that for an additional salary or an additional employee or does it cover a number of employees?

Mr. SMOOT. In the daily check balance division there was a decrease of 25 people; in other words, as they left the service, no others were put in their places. It develops that in order to keep up the daily check balances they have to have 6 more people. The Budget allowed them the 6 people, or $12,000, and they estimated $1,092,000, just exactly the same the Senate committee has given them. But the House did not allow them $12,000 for the 6 people they had to have in order to keep their daily check balances up, and Mr. Tate, of the department, said:

Those daily check balances have to be kept up every day, and we can not possibly keep them up with 19 people less than we had last year.

That is all there is to it. We gave them 6 additional employees.

The amendment was agreed to.

The next amendment was, on page 17, at the end of line 11, to increase the total appropriation for salaries in the office of the Treasurer of the United States from $1,080,000 to $1,092,000.

The amendment was agreed to.

The next amendment was, on page 18, at the end of line 23, to strike out "$3,800,000" and to insert "$3,900,000," so as to read:

For salaries and expenses of collectors of internal revenue, deputy collectors, gaugers, storekeepers, and storekeeper-gaugers, clerks, messengers, and janitors in internal-revenue offices, rent of offices outside of the District of Columbia, telephone service, injuries to horses not exceeding $250 for any horse crippled or killed, expenses of seizure and sale, and other necessary miscellaneous expenses in collecting internal-revenue taxes, $3,900,000.

The amendment was agreed to.

The next amendment was, on page 20, line 1, after the word "districts," to strike out "$31,235,000" and to insert "$32,235,000," so as to read:

For expenses of assessing and collecting the internal-revenue taxes, including the employment of the necessary officers, attorneys, experts, agents, accountants, inspectors, deputy collectors, clerks, janitors, and messengers in the District of Columbia and the several collection districts, to be appointed as provided by law, telegraph and telephone service, rental of quarters outside the District of Columbia, postage, freight, express, and other necessary miscellaneous expenses, and the purchase of such supplies, equipment, furniture, mechanical devices, law books and books of reference, and such other articles as may be necessary for use in the District of Columbia and the several collection districts, $32,235,000.

The amendment was agreed to.

The next amendment was, on page 21, line 12, after the word "notwithstanding," to strike out the additional proviso in the following words:

Provided further, That no money herein appropriated for the enforcement of the national prohibition act shall be used to pay for storage in any private warehouse of intoxicating liquors or other property seized pursuant to said act, where there is available for that purpose space in a Government warehouse in the judicial district wherein such property was seized or in an adjacent judicial district; and when such seized property is stored in an adjacent district, the jurisdiction over such property in the district wherein it was seized shall not be affected thereby—

And in lieu thereof to insert the following additional proviso:

Provided further, That no money herein appropriated for the enforcement of the national prohibition act, the customs laws, or internal revenue laws shall be used to pay for storage in any private warehouse of intoxicating liquors or other property in connection therewith, seized pursuant to said act, where there is available for that purpose space in a Government warehouse or other suitable Government property in the judicial district wherein such property was seized or in an adjacent judicial district, and when such seized property is stored in an adjacent district the jurisdiction over such property in the district wherein it was seized shall not be affected thereby. No charges for storing such liquors or other property in a private warehouse shall be disallowed when the seizing officers have approved the same.

The amendment was agreed to.

The reading was continued to page 25, line 6, the last paragraph read being as follows:

Total, Coast Guard, exclusive of commandant's office, $10,516,944.

Mr. WADSWORTH. May I ask the Senator in charge of the bill if there is an item in the bill for the construction of motor vessels for the Coast Guard, to be used in the prevention of smuggling?

Mr. WARREN. I assume the Senator's inquiry is with relation to the so-called rum running?

Mr. WADSWORTH. It is.

Mr. WARREN. That appropriation is in the deficiency bill, which has not yet passed the House.

The next amendment was, under the subhead "Secret Service," on page 28, at the end of line 19, to increase the appropriation for suppressing counterfeiting and other crimes, etc., from $425,000 to $433,800.

The amendment was agreed to.

The next amendment was, under the subhead "Public Health Service," on page 33, line 7, to increase the appropriation for the maintenance and expenses of the Division of Venereal Diseases, established by sections 3 and 4, Chapter XV, of the act approved July 9, 1918, including personal and other services in the field and in the District of Columbia, from $25,000 to $149,000.

The amendment was agreed to.

Mr. WARREN. Mr. President, there should be a committee amendment inserted on page 33, after line 7. It does not increase the appropriation, but it makes the bill as it was as it passed the House. It was intended to be included here, but was left out through error.

The PRESIDING OFFICER (Mr. CURTIS in the chair). The Secretary will state the amendment.

The READING CLERK. On page 33, line 7, after the numerals "$149,000," insert a comma and the following:

of which sum $25,000 shall be allotted to the States for cooperative work in the prevention and control of such diseases.

The amendment was agreed to.

Mr. FLETCHER. Mr. President, that is a considerable increase, from $25,000 to $149,000.

Mr. WARREN. It is not an increase.

Mr. FLETCHER. I am speaking about the amendment as printed. The committee proposes to increase from $25,000 to $149,000. Can the committee give any reason for that?

Mr. WARREN. There are a great many reasons which seem to show that it is necessary. We had an abundance of testimony, both oral and in letters. The appropriation is going down very fast. Last year it was between two and three hundred thousand dollars.

Mr. FLETCHER. Is it within the estimate?

Mr. WARREN. Oh, yes; it was estimated for.

The next amendment was, under the subhead "New Orleans, La., mint," on page 35, line 2, to increase the appropriation for wages of workmen and other employees, from $3,720 to $5,000.

The amendment was agreed to.

The next amendment was, under the subhead "Public buildings, Office of Supervising Architect," on page 38, line 18, to increase the appropriation for the completion of the Carville, La., National Leper Home, from $145,000 to $150,000.

The amendment was agreed to.

The next amendment was, in the item for New York Subtreasury, on page 39, after line 9, to insert:

For construction of underground passageway from assay office building to subtreasury basement vaults, and changes incident thereto in assay office and subtreasury buildings, $20,000.

The amendment was agreed to.

The next amendment was, on page 39, at the end of line 25, to strike out "$350,000" and insert "$400,000," so as to make the paragraph read:

Remodeling, etc., public buildings: For remodeling, enlarging, and extending completed and occupied public buildings, including any necessary and incidental additions to or changes in mechanical equipment thereof, so as to provide or make available additional space in emergent cases, not to exceed an aggregate of $20,000 at any one building, $400,000.

The amendment was agreed to.

The next amendment was, under the subhead "Marine hospitals," on page 40, at the end of line 6, to increase the appropriation for improving existing facilities at Carville, La., Marine Hospital No. 66, from $25,000 to $31,000.

The amendment was agreed to.

The next amendment was, on page 40, after line 10, to insert:

Boston, Mass., Marine Hospital No. 2: For additional facilities and improving existing facilities, etc., $31,000.

The amendment was agreed to.

The next amendment was, on page 40, after line 13, to insert:

Chicago, Ill., Marine Hospital No. 5: For additional facilities and improving existing facilities, etc., $60,000.

The amendment was agreed to.

The next amendment was, on page 40, after line 16, to insert:

Fort Stanton, N. Mex., Marine Hospital No. 9: For tent houses, deep wells, incinerator, toilets and baths, silo, smokehouse, bake oven and shelter, repair and painting of existing facilities, $50,000.

The amendment was agreed to.

The next amendment was, on page 40, after line 20, to insert:

New Orleans, La., Marine Hospital No. 14: For improving existing facilities, $15,000.

The amendment was agreed to.

The next amendment was, on page 40, after line 22, to insert:

Portland, Me., Marine Hospital No. 16: For inclosing verandas; installation of bedside lighting system, $6,000.

The amendment was agreed to.

The next amendment was, at the top of page 41, to insert:

San Francisco, Calif.: Marine Hospital No. 19: For improving existing facilities, $12,000.

Mr. WARREN. There is a change in punctuation in the San Francisco item which should be made. I send the amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 41, line 1, after the word "California," change the colon to a comma.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The next amendment was, on page 41, after line 11, under the heading "Quarantine stations," to insert:

Astoria, Oreg., quarantine station: For new kitchen; materials for improvements to electric light plant, including extensions to the bulk Concord, $4,000.

The amendment was agreed to.

The next amendment was, on page 41, after line 14, to insert:

Galveston, Tex., quarantine station: For improving existing facilities, etc., $7,350.

The amendment was agreed to.

The next amendment was, on page 41, after line 16, to insert:

Gulf (Ship Island), Miss., Quarantine Station: For refrigerating plant and materials for the installation of electric generator and electric wiring of station; wrecking of hurricane tower; repairs to emergency hospital, water tower, etc., $8,250.

The amendment was agreed to.

The next amendment was, on page 41, after line 21, to insert:

Reedy Island, Delaware River, Delaware Quarantine Station: For improving existing facilities, etc., $3,500.

The amendment was agreed to.

The next amendment was, at the top of page 42, to insert:

San Francisco, Calif., Quarantine Station: For additional facilities and improving existing facilities, etc., $3,000.

The amendment was agreed to.

The next amendment was, on page 42, after line 3, to insert:

San Juan (P. R.) Quarantine Station: For new refrigerating plant, $3,500.

The amendment was agreed to.

Mr. FLETCHER. Mr. President, I notice on page 16, line 25, if the chairman of the committee in charge of the bill will look at it, there is an error in punctuation. The semicolon should be stricken out and a comma inserted, and the comma after the numeral should be stricken out and a semicolon inserted. The punctuation is just reversed. It is a mere matter of punctuation.

The PRESIDING OFFICER. Without objecton, the error in punctuation will be corrected.

The next amendment was, on page 45, at the end of line 7, to strike out "$75,000" and insert "$85,000," so as to make the paragraph read:

Vaults and safes: For vaults and lock-box equipments and repairs thereto in all completed and occupied public buildings under the control of the Treasury Department, and for the necessary safe equipments and repairs thereto in all public buildings under the control of the Treasury Department, whether completed and occupied or in course of construction, exclusive of personal services, except for work done by contract or for temporary job labor under exigency not exceeding at one time the sum of $50 at any one building, $85,000.

The amendment was agreed to.

Mr. WARREN. Mr. President, I am instructed by the committee to offer an amendment which I will send to the desk. I want to say in explanation that it provides for a fiscal secretary, Secretary of the Treasury, in place of what has been known as "Undersecretary." I ask that the amendment may be read.

The PRESIDING OFFICER. The Secretary will report the amendment.

The READING CLERK. On page 1, line 9, after the numerals "$12,000," insert the following:

Fiscal Assistant Secretary of the Treasury, to be nominated by the President and appointed by him, by and with the advice and consent of the Senate, who shall hereafter receive compensation at the rate of $10,000 per annum, and shall perform such duties in the office

of the Secretary of the Treasury as may be prescribed by the Secretary or by law, and under the provisions of section 177, Revised Statutes, in case of the death, resignation, absence, or sickness of the Secretary of the Treasury, shall perform the duties of the Secretary until a successor is appointed or such absence or sickness shall cease, $10,000."

Mr. FLETCHER. Mr. President, is that in addition to the three assistants that are provided for?

Mr. WARREN. It leaves the three as they are, and the other one was stricken out; that is, "undersecretary" was stricken out, because "undersecretary" is not considered a good term.

Mr. McKELLAR. The amendment gives the title of fiscal secretary?

Mr. WARREN. Fiscal Assistant Secretary of the Treasury.

Mr. FLETCHER. It is not adding a new position?

Mr. SMOOT. No; he is one of the four already in existence.

The amendment was agreed to.

Mr. WARREN. I have a small amendment that I wish to offer at this point.

The PRESIDING OFFICER. The Senator from Wyoming offers the following amendment, which the Secretary will report.

The READING CLERK. On page 32, line 2, after the figures "$332,910," insert:

including the purchase of newspapers and clippings from newspapers containing information relating to the prevalence of disease and the public health.

Mr. McKELLAR. What is the purpose of the amendment?

Mr. WARREN. It is a mere matter of providing that out of the contingent fund they are allowed to buy clippings from newspapers without having to advertise. It is a matter mainly for the Health Service. It is a very trifling matter.

The amendment was agreed to.

Mr. WARREN. Mr. President, may I say that the Senator from Tennessee [Mr. McKELLAR] asked that the proviso on page 2 be passed over, and that we should take it up now, as it is a part of the bill which should be disposed of before we proceed further. We have reached the end of the Treasury Department part of the bill and I wish to settle that matter now.

Mr. McKELLAR. Very well. In order that the matter be brought up, I move to strike out——

Mr. WARREN. Perhaps I should say before proceeding further that the Senator from Utah [Mr. SMOOT], who is chairman of the reclassification committee, will explain the matter, except that I may say that the language in this bill is the same that was employed in the Interior Department appropriation bill just passed, and is the same as in all the other bills that have been prepared, and has been adopted by the House, and, of course, becomes a part of the action transferring from the old lines into the new lines of classification.

Mr. McKELLAR. It is an amendment, in effect, to the classification act, and in order that it may be properly before the Senate I make the point of order against the language contained on page 2 of the bill, in line 6, after the numerals "1923," down to and including the end of line 19, in the following words:

the average of the salaries of the total number of persons under any grade or class thereof in any bureau, office, or other appropriation unit, shall not at any time exceed the average of the compensation rates specified for the grade by such act: *Provided*, That this restriction shall not apply (1) to grades 1, 2, 3, and 4 of the clerical-mechanical service, or (2) to require the reduction in salary of any person whose compensation is fixed, as of July 1, 1924, in accordance with the rules of section 6 of such act, or (3) to prevent the payment of a salary under any grade at a rate higher than the maximum rate of the grade when such higher rate is permitted by "the classification act of 1923," and is specifically authorized by other law.

Mr. SMOOT. Mr. President, I think the Senator makes the point of order in order to allow me to explain the provisions of that part of the bill. With the consent of the Chair, I shall do so.

On March 4, 1923, the closing day of the last session of Congress, the act known as the classification act became a law. At that time it was hoped that following the appointment of the Classification Board, which consisted of three persons—one the Director of the Budget, one from the Civil Service Commission, and one from the Bureau of Efficiency—that the reclassification of employees in the District of Columbia would soon be made. The allocations under the bill were made. The pending provision is the result of that allocation under the reclassification law, and provides appropriations to cover every employee in the District of Columbia.

I want the Senate to understand that the Appropriations Committee have spent not days, not weeks, but I may say months almost in arriving at the salary due every employee in the District of Columbia according to the classification act and the allocation made under that act by your board. I hold in my hand that work. In this document every employee in the District of Columbia in the Government service is set forth, some 64,000 of them, who fall within the grades of the classes according to the classification law. So careful were we that the head of every department, the head of every bureau, and the head of every division reported the number of employees in every grade in every class, and the committee have taken those reports and added them up and made an appropriation to cover every person in the Government service in the District of Columbia according to the reclassification act.

I want to say to the Senate that this provision covers the work:

That in expending appropriations or portions of appropriations contained in this act for the payment for personal services in the District of Columbia in accordance with "the classification act of 1923," the average of the salaries of the total number of persons under any grade or class thereof in any bureau, office, or other appropriation unit shall not at any time exceed the average of the compensation rates specified for the grade by such act.

In other words, we have taken, for instance, class 6, and I think that is about the only class that any of the Senators have been importuned about, and I shall also tell the reasons, if my information is correct, why many employees have appealed to certain Senators and Congressmen in opposition to the provision of the bill under discussion. In class 6, for instance, we have taken every employee in grades 1, 2, 3, 4, 5, 6, and 7. We have made the appropriation for every cent for all the employees in class 6 according to the number of employees there are in class 6 in every one of the seven grades.

In view of the act and in order to carry its provisions, we have here provided that the appropriations are made upon the average of the grade within the class; in other words, if it were not so provided we should not know the exact amount that would be necessary to appropriate. In class 6, for instance, there are seven grades. The law is effective the 1st day of July next, with so many employees in the Government service in the District of Columbia in class 6, with seven grades and a certain number of employees in each grade. If there is a vacancy in the seventh grade there can be a promotion in grade 1 to grade 2, from grade 2 to grade 3, from grade 3 to grade 4, from grade 4 to grade 5, from grade 5 to grade 6, and from grade 6 to grade 7. If there is a vacancy caused for any reason in grade 2 in class 6, there can be only one advance; that is, an employee in grade 1. So, Mr. President, the appropriation was made to cover the number of persons there were in the grades of every class and every grade in every class.

Complaints have come from members of the income-tax unit. I do not say that the letter of Mr. Bright to the employees in that department——

Mr. ASHURST. The letter of whom?

Mr. SMOOT. Of Mr. Bright. He is the deputy commissioner. I do not say that his letter is altogether accurate in that statement that the classification law will prevent him from making promotions. Congress has provided how increases in salary may be made, but some of those employees have told me that their salaries will be decreased. The salaries can not be decreased unless ratings under the classification law bring the employees into a class the salary of which is not equal to the salary which they are to-day receiving. The income-tax unit is the only unit from which I have had any complaint. I have been told, though I do not know that it is true, that the salaries in that unit are higher than any other salaries for similar work in the departments. I do not say that is true; but I do say that there is no employee in the District of Columbia covered by this appropriation bill who is not provided for according to classification and the allocation of every other employee in the District under the reclassificatin act.

Mr. FLETCHER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Florida?

Mr. SMOOT. I yield.

Mr. FLETCHER. May I ask the Senator what are the salaries in class 6? The salary I take it depends on the grade.

Mr. SMOOT. There are seven grades in class 6.

Mr. FLETCHER. And how do the salaries run in class 6? The classification act refers to compensation in grades and not according to classes.

Mr. SMOOT. It refers to classes also. The rates of compensation in the grades of class 6 are as follows:

The annual rate of compensation for the positions in this grade shall be, first, $1,500; second, $1,560; third, $1,620; fourth, $1,680; fifth, $1,740; sixth, $1,800; and seventh, $1,860.

While I am on this subject, I will say to the Senate that in a consolidated report covering every employee in the District of Columbia, as classified and as allocated under the classification act, we have a complete statement showing the increases of salaries as compared with the salaries they are now receiving plus the $240 bonus.

I may add here that the average increase is a little over 4 per cent; that is, over and above the basic salary provided for in past appropriations, and the $240 bonus added, there is an excess of a little over 4 per cent. The pending bill provides for the basic salaries as drawn to-day, plus the $240 bonus, and, on the average, something more than 4 per cent.

Mr. FLETCHER. Do I understand the Senator from Utah to say that the bonus will not be carried hereafter as a bonus?

Mr. SMOOT. Not in the case of Government employees in the District.

Mr. FLETCHER. But it is figured in as a part of the basic salary?

Mr. SMOOT. Yes. We can show to the Senator as to any of the bureaus just what the classification law adds to the salaries of its employees. Some of the increases of salary found in the pending bill are due to the fact that the House of Representatives did not take that into consideration. Under the classification act, the appropriations for some of the bureaus have been increased $11,000; some of them have been increased $13,000; some of them have been increased $23,000; and, I think, one has been increased $35,000.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Tennessee?

Mr. SMOOT. I yield.

Mr. McKELLAR. Do I understand the Senator to say that all of the clerks in all of the departments get at least their present salary, including the bonus, and the 4 per cent increase under the classification act?

Mr. SMOOT. The average increase is 4 per cent, I will say to the Senator. As to some of them, it is more than 4 per cent, and as to some of them, it is less than 4 per cent.

Mr. McKELLAR. But they all get some increase?

Mr. SMOOT. I think there are a few who will not get the increase.

Mr. McKELLAR. But they all would get the increase under the classification act as it stands now and necessarily so?

Mr. SMOOT. I think there are a few of them who would not do so, because they could not qualify for a position necessary.

Mr. McKELLAR. This provision would prevent a great many of them getting the increase?

Mr. SMOOT. Oh, no, Mr. President; this proposed provision of the law will give every single solitary Government employee in the District of Columbia just what he is entitled to under the classification act. I see the Senator from Tennessee has the same circular letter from Mr. Bright to which I referred. I do know that not a person in that division or in any other division or bureau or department of the Government will receive any other salary than that which is provided by the classification act and the allocations under that act.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield further to the Senator from Tennessee?

Mr. SMOOT. I yield.

Mr. McKELLAR. I will give the Senator the case of a constituent of mine from Tennessee as it was given to me. I read from a letter I have received:

I entered the Treasury Department on August 10, 1922, at a salary of $1,000, plus the $240 bonus, after several years' service in the War Department at a higher salary. It was understood, however, that an increase would be granted at the end of the six months' period, if warranted. In March, 1923, raises were received by the clerks in my office performing duties identical with mine and whose salaries ranged from $200 to $300 higher. On February 16, 1924, certain salary adjustments in grade 9 and up were made, discriminations being shown against the lower-paid clerks, although there is known to be a surplus of $150,000 on hand in the Treasury appropriations for the fiscal year ending June 30, 1924.

The attached letter places the failure of promotion in the lower grades on the appropriations bill created by the Congress for the fiscal year ending June 30, 1925. Inasmuch as the act is not effective until July 1, 1924, and the work performed by me has been allocated to grade 7, the minimum salary of which is $1,500, an increase of at least $260 at this time is the only equitable adjustment to be made.

Mr. SMOOT. I will say to the Senator that under the provisions of this bill if the employee passes and falls into class 7 with the rate of pay as stated in the letter, this bill provides money to pay it.

Mr. McKELLAR. But here is a letter from Mr. Bright, the deputy commissioner, saying—the employee happens to be a lady in this case—that she will not get it. Of course, I agree with the Senator that she ought to get it, and if it were not for this provision in this bill she would get it; but this provision of the bill will prevent her from getting that adjustment of her salary which she would get with this provision out of it.

Mr. SMOOT. Mr. President——

Mr. McKELLAR. I will ask the Senator to yield to me for a moment further if I may interrupt him.

Mr. SMOOT. Certainly.

Mr. McKELLAR. I am told by others that it brings about this kind of condition in the bureau: Frequently the head of a section will be getting $200 or $300 less than the employee under him in that section.

Mr. SMOOT. That can not happen after July 1, 1924.

Mr. McKELLAR. It does happen. It is like the man in jail; he is there.

Mr. SMOOT. But the classification bill will not take effect until July 1, and every employee in the income-tax unit—and the circular letter from Mr. Bright is the only one that, so far as I know, has been written, and I do not know by what authority or for what reason he wrote the letter——

Mr. McKELLAR. It is perfectly apparent why it was written. Under the provisions of this amendment it is really left to the department to fix the salaries.

Mr. SMOOT. Oh, no.

Mr. McKELLAR. When it comes to promotions it is.

Mr. SMOOT. Oh, no.

Mr. McKELLAR. They can promote from one position to another, and the result is that some of the clerks under this provision will be promoted to good places while others will be kept where they are. That is all there is to it. That is what is happening to the employees who are complaining. They know absolutely about it; they know better than either the Senator or I because they are there and are not getting the money.

Mr. SMOOT. The classification act has never been in force, and that can not happen, I will say to the Senator, under the classification act.

Mr. McKELLAR. Not under the classification act, but it can happen under this provision of the bill.

Mr. SMOOT. No; the provision carries out the classification act.

Mr. McKELLAR. If it is a part of the classification act, why put it in this appropriation bill?

Mr. SMOOT. If we did not put it in here in these words we would have to make a direct appropriation for every grade and every class and for the number of employees in each grade and in each class, and that, of course, would be out of the question.

Mr. McKELLAR. The classification act will make uniform promotions, while this provision will enable the chief of a bureau to single out employees and promote them as and when he likes to places that he likes. Some will receive their old salaries while others will go up. Now, that was not the intention of the classification act, as I understand it.

Mr. SMOOT. Just the contrary, and that would be a violation of the law if ever undertaken. There can be no advances under the classification act from one grade or class to another until there is a vacancy in a higher grade or class.

Mr. McKELLAR. Let me ask the Senator a question. The provision reads:

That in expending appropriations, or portions of appropriations, contained in this act for the payment for personal services in the District of Columbia in accordance with the classification act of 1923, the average of the salaries of the total number of persons under any grade or class thereof in any bureau, office, or other appropriation unit shall not at any time exceed the average of the compensation rates specified for the grade by such act.

Suppose the salaries run from $1,200 to $1,800—let us take that—then everyone is bound by the average, which is $1,500?

Mr. SMOOT. Oh, no!

Mr. McKELLAR. That is what it says.

Mr. SMOOT. I can not help what that letter says; the law does not provide so.

Mr. McKELLAR. That is what Mr. Bright, the deputy commissioner, thinks it means, because he is writing to the employees, in advance of the passage of the law, saying that that is what it means.

Mr. SMOOT. If that were what it meant, then there would be only one salary in the whole unit.

Mr. McKELLAR. I am giving the Senator just what he says.

Mr. SMOOT. But it is not right. This is what the provision says: There has been appropriated, I will say, in class 6—because the letter refers largely to class 6—a certain amount of money. It is appropriated for every employee in class 6 in the District of Columbia falling under grades 1, 2, 3, 4, 5, 6, and 7.

We know the number of employees that there are in each of those grades. We have added the employees at the grades to which they were allocated under the classification act, and we have appropriated for that unit every dollar necessary to pay all of the employees in the unit. Now, we say that there shall not be paid more than the average of all of the grades within the class because of the fact that we have taken the number of the employees; there are so many in grade 1, so many in grade 2, so many in grade 3, and the average of that is the amount that we appropriate, not by way of promotions, and the law specifically provides how the promotions shall be made.

If there is a vacancy in grade 2 of class 6, there is only one way of filling it, and that is by taking an employee from grade 1 in class 6 and filling it and then filling the vacancy in grade 1. If there is a vacancy in grade 7 of class 6, then 6 goes to 7, 5 goes to 6, 4 goes to 5, 3 goes to 4, and so on all the way down the line; and there never would be any change in it until there is an appropriation made, and there is an appropriation made for every employee in the Government service in the District of Columbia.

Mr. McKELLAR. Now, if the Senator will yield for a moment, the language means something. There is not any doubt about that. I am frank to say that it is very difficult for me to understand what it does mean. I doubt if the Senator knows what it means, as learned and as astute as he is and as much knowledge as he has about these things; and I very frankly say that I think the Senator is well informed on this subject. Mr. Bright does not think it means what the Senator says, because here is what he says. Listen to this:

> On February 16, 1924, certain salary adjustments became effective. In arriving at these adjustments it has not been possible to make all of the promotions which the bureau had hoped to make. In order that there may be no misunderstanding, I assure you that the failure of many deserving employees to receive promotions contemplated at this time has been due entirely to the unavoidable conditions created by an act of Congress.

That act of Congress had not been passed when that was written, because these employees would have all had those promotions if the act of Congress had been carried out.

Mr. SMOOT. Oh, no; that is not what it says.

Mr. McKELLAR. But Mr. Bright is undertaking now to put the blame upon the Congress before the Congress actually authorized the legislation which he desires, or which the department desires, to be put into this bill.

Now I come to the practical question.

Mr. SMOOT. Let me answer that first.

Mr. McKELLAR. Just one moment and then I will. The practical question is this:

The Senator and Mr. Bright evidently differ about this matter. So far as I am concerned, if it will help the matter along I will frankly say that I am not well enough advised to be certain about it myself. Surely when the head of a department or the real head of a department and a man who knows as much about it as the Senator from Utah differ, an ordinary wayfaring man like myself can not be presumed to know the true meaning of the language. Why does not the Senator let this go out, and frame in conference a provision that the Senator will understand and Mr. Bright will understand and all will understand? That is the way to handle it. It ought to go out.

Mr. SMOOT. No; this is the only way to handle it, and this is the only way we can ever make an appropriation to cover every employee of the Government. If Mr. Bright refers to the reclassification act of Congress, there may be cases of employees in his department who, following the examination and the allocation, will fall into a lower grade, the salary of which is less than they are being paid to-day. It can not be any other way. There may be some employees in his unit who have been advanced before any reclassification bill was passed and who are receiving more than they are entitled to receive under the reclassification act. I have not heard of a single other department of the Government where that is the case, and I am told that that is the very unit where that has been true in the past. They are bound to receive an increase of pay from what they are getting to-day if their examination under the reclassification act and the allocations lets them fall into a grade or a class that receives an amount higher than they are receiving to-day.

The Senator knows that when the reclassification bill was under consideration here the Senate committee reported a provision in the reclassification bill that there should be at no time a decrease of any employee from the amount he is now receiving. That was rejected on the floor of the Senate. It was objected to by the Senate, and was taken out; and, if Senators will remember, a number of cases were pointed to at the time where employees were drawing salaries and doing very little work. Some of the employees here were being paid not for the amount of work they did but because of the fact that they were old soldiers, for one thing. Then I have in mind two or three cases where women, widows of soldiers, were drawing salaries higher than the work would justify.

The Senate thought at the time the provision just referred to was not right, and that if any employee in the Government service could not take an examination and fall within the class and grade that would give him the salary he is now receiving he ought, in justice to every other employee in the Government service, to go to the grade to which his ability carried him. Furthermore, Mr. President, I will say that this provision will go into every one of the appropriation bills, and no employee of the Government in the District of Columbia can ever find fault with the appropriations that will be made, for we will make them according to the classification and the allocation that is made in every division, in every bureau, in every department of the Government.

Mr. HARRISON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Mississippi?

Mr. SMOOT. Yes.

Mr. HARRISON. Of course, the Senator realizes that this is a very important proviso. We have passed the reclassification bill. It is now the law. Various employees will come within this class or that class, and each class will get so much money, and so on. The Senator construes this language to mean one thing. The departments up here construe it, according to the Senator from Tennessee [Mr. McKELLAR], to mean something else. At least, there is some doubt about it. I have had delegations of employees come to me, and I know that they place the same construction on it, and, as the Senator from Tennessee has pointed out, they have been led by the head officers in these departments to believe that that construction was correct.

That not being true, and the language not being plain even to the distinguished Senator from Tennessee and myself—which is not saying very much for it so far as I am concerned——

Mr. McKELLAR. Nor I.

Mr. HARRISON. Anyway, if the Senate adopts this proposition the provision can not go into conference. Does not the Senator think that if there is any doubt about it it might be well just to strike out this provision and let the matter go to conference? The Senator from Utah will be one of the conferees, and then it can be worked out so as to remove all doubt about the matter.

Mr. SMOOT. We have passed one appropriation bill now with this identical language in it.

Mr. McKELLAR. But, Mr. President, that was overlooked. Attention was not brought to it.

Mr. SMOOT. Oh, no; it was not overlooked.

Mr. McKELLAR. A Member of the House—a very able and distinguished Republican Member from the State of Missouri, one of the most accomplished men in the Congress—was over here just a few moments ago, and he said that the provision in the Interior Department appropriation bill had entirely escaped his attention and that of other Members of the House of Representatives, and that he thought the matter ought to go to conference and be straightened out. We ought to be careful to treat these employees fairly and justly. We ought not to put in a provision here simply because we have made a mistake, possibly, in another case. If that has been done, we ought not to make the same mistake here, because this one refers to a large class of employees.

I will say that I have seen dozens of employees from my own State who were affected by this act. To use the description of one of them, the department had virtually divided the employees in that particular bureau or section or division into the sheep and the goats. The sheep are those that got increases

of salary under the reclassification act; the goats are those who did not, and there are a lot of them in the goat faction. That was not the intention of the act at all. It can all be ironed out in conference; and I suggested before the Senator from Mississippi [Mr. HARRISON] came in that we strike out this provision and let it go to conference.

Mr. SMOOT. I want to say to the Senator that when the first bill, the appropriation bill for the Interior Department, was before the House of Representatives, Mr. MADDEN spent over an hour explaining to the House just exactly what this provision meant.

Mr. McKELLAR. It was not argued here in the Senate at all, as I remember.

Mr. SMOOT. No; it was not, because nobody asked the question, and I thought it was so simple that nobody would want an explanation of it.

Mr. HARRISON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Mississippi?

Mr. SMOOT. I do.

Mr. HARRISON. The Senator's explanation is splendid. I do not see how anybody could complain about that. He says that these parties are going to be placed and given pay according to their classification and that when some one drops out in the higher grade they will be promoted, and so forth; but the employees have a different idea about it, and they gathered that impression from the higher ups.

Mr. McKELLAR. From Mr. Bright, the deputy commissioner.

Mr. HARRISON. If there is any doubt about the language of the proposition, it does seem to me that it could be stricken out and the Senators could get together in conference, because they are going to write what they want anyhow, and they could have these people before them and come to the same conclusion that the Senator from Utah has reached.

Mr. SMOOT. Mr. Bright was in my office with about 30 of the employees from his unit. I think Mr. Bright's opinion is changed since that conference. It may not be, however. The first part of that letter must refer to the reclassification act.

Mr. McKELLAR. Oh, no; it says here that he had expected to do the contrary, but that it can not be done owing to a provision in the appropriation bill. He is referring to this appropriation bill that is not yet passed.

Mr. SMOOT. Mr. President, he had no right to promise any employee in his unit that he would increase his salary unless the employee's rating under the reclassification act carried him there.

Mr. McKELLAR. Oh, he had not promised them at all to increase their salaries.

Mr. SMOOT. The only person that can be harmed, or whose salary will be reduced under this provision, is one that is drawing more money to-day than he is entitled to under the reclassification and the allocation given him. It can not apply to any other employee in the District of Columbia.

Mr. McKELLAR. I have just read Mr. Bright's letter——

Mr. SMOOT. I do not care what Mr. Bright says in his letter.

Mr. McKELLAR. And I have just read from the employee who says that she is not getting what she ought to get.

Mr. SMOOT. Then she will get it after July 1, because she is appropriated for according to the class and grade for which she passed her examination.

Mr. McKELLAR. Mr. President, there can not be any doubt about what Mr. Bright was referring to——

Mr. SMOOT. I do not care what he is referring to.

Mr. McKELLAR. Because he says in his letter that the act referred to is the bill making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1925.

Mr. SMOOT. I am not going to take the time to call attention to the debate in the House, but there are pages and pages of it, because of the fact that the House wanted to know just exactly what the provision was and how it was arrived at.

Mr. WARREN. Mr. President, will the Senators in the meantime allow me one moment? Taking this amendment on page 2, starting on line 11:

That this restriction shall not apply (1) to grades 1, 2, 3, and 4 of the clerical-mechanical service, or (2) to require the reduction in salary of any person whose compensation is fixed as of July 1, 1924.

Here in the classification act is a plain statement of what shall be done:

1. In computing the existing compensation of an employee, any bonus which the employee receives shall be included.

2. If the employee is receiving compensation less than the minimum rate of the grade or class thereof in which his duties fall, the compensation shall be increased to that minimum grade.

3. If the employee is receiving compensation within the range of salary prescribed for the appropriate grade at one of the rates fixed therein, no change shall be made in the existing compensation.

4. If the employee is receiving compensation within the range of salary prescribed for the appropriate grade, but not at one of the rates fixed therein, the compensation shall be increased to the next higher rate.

Mr. McKELLAR. If that is the law, why not leave that the law? Why amend it by this?

Mr. SMOOT. In order to arrive at some amount we can appropriate; and the only way we can arrive at the exact amount is exactly in the way in which we have arrived at it. This is what the law provides:

The head of each department shall allocate all positions in his department in the District of Columbia to their appropriate grades in the compensation schedules and shall fix the rate of compensation of each employee thereunder, in accordance with the rules prescribed in section 6 herein.

What is section 6? Section 6 provides:

All new appointments shall be made at the minimum rate of the appropriate grade or class thereof.

If the Senate will remember, I called particular attention to that. I said at the time that I thought there should be elasticity in the act; that if a position were allocated in class 6, grade 1, if you please, and the person taking it was exceptionally good, developed rapidly in the work which she was called upon to do, even more rapidly than perhaps others who were in that grade, I thought it would be proper that there should be a reexamination for a reclassification and that she should take the place to which she was entitled under that reexamination. But that is not the law.

Mr. McKELLAR. May I ask the Senator a question?

Mr. SMOOT. Certainly.

Mr. McKELLAR. I am informed that the gist of this matter is that the allocations for each grade or division, instead of having been made under the reclassification law, have been made according to a rule laid down by the Bureau of Efficiency.

Mr. SMOOT. That is what the law says shall be done.

Mr. McKELLAR. No; the law says how it shall be done; but the Bureau of Efficiency has adopted a different method from that fixed in the law, and that method is found in the language which is here complained of, which virtually changes the law to conform to an opinion of the Bureau of Efficiency. If that is true, that ought not to be done in the bill.

Mr. SMOOT. I will say to the Senator that that is not an accurate statement of the situation.

Mr. McKELLAR. I have the authority of a Member of the House who has discussed this matter, and who knows, I think, what he is talking about. If it were not for some change of the reclassification law it would not be in here. In other words, if it was for the purpose of carrying out the reclassification law why put it in this appropriation bill? It ought not to be in this bill.

Mr. SMOOT. That is just its object—to carry out the reclassification law.

Mr. McKELLAR. We do not need another bill. We do not have to pass another bill here to carry out the provisions of a law already in existence.

Mr. SMOOT. No, Mr. President, but we have to make an appropriation in order to pay the employees who have been classified under the reclassification act, and we are making the appropriation here to carry that law out. If the appropriation were not made, of course there would not be any employment given as provided in the reclassification act.

Mr. SHIPSTEAD. What is this reclassification act? I do not mean this provision; but has there not been proposed a measure providing for reclassification?

Mr. SMOOT. The field service has not been reclassified, and we will have to make our appropriations direct, as we have in the past, plus the bonus, for paying the field service; but every employee in the District of Columbia has been classified. Not only that, but under the law if any employee of the Government is dissatisfied with her classification she has a perfect right to appeal to the board.

While I am on this question I want to take up another question, because I have been asked to do so. There have been criticisms leveled at the board because of the fact that the field employees have not been classified. Mr. Wittner, an employee of the Government, appears in the public print

very often. He seems to be leading the criticism against the board. I care not whether the opposition comes from Mr. Wittner or some one else, I know that the law has been carried out as near as it could be in the time allowed.

I have here a tentative compensation schedule for estimate purposes which was put out by the board for the field service. What is the law in relation to the field service? This is what the law provides:

> The board shall make a survey of the field service, and shall report to Congress at the first regular session following the passage of this act schedules of positions and grades and salaries for such services, which shall follow the principles and rules of the compensation schedules herein contained, in so far as these are applicable to the field service.

No such words as these are used as to the employees of the District of Columbia. The provision as to the employees in the District of Columbia is found in the same section.

Mr. BROOKHART. Mr. President, I can not quite understand why this provision on page 2 is necessary to bring this under the reclassification act, notwithstanding what the Senator has just said. In some way the employees in the District of Columbia are to be reclassified in that act, are they not?

Mr. SMOOT. Every employee in the District of Columbia is classified, and they are set forth in this document which I have in my hand. It shows just what grades each and all fall into.

Mr. BROOKHART. In some particulars this language from lines 3 to 19 changes the provision of the reclassification act.

Mr. SMOOT. Not in the least as to the District of Columbia, and that is all we are appropriating for.

Mr. BROOKHART. It will not hurt anything to strike it out, then.

Mr. SMOOT. It will, because we say that the amount of money shall be the average of each grade in each class as allocated by the reclassification board. If that language were not there, as I said before, we would have to take up all the different classes and every grade in a class and have so many of grade 1, 2, 3, 4, 5, 6, and 7 in each of the classes.

Mr. BROOKHART. Is all this language for the sole purpose of fixing the amount of money paid to employees in the District?

Mr. SMOOT. For the employees in the District of Columbia.

Mr. BROOKHART. It has no reference whatever to fixing the grade of pay or promotion?

Mr. SMOOT. No. They have had their examinations, and each one of them falls within a particular grade or class, and for that grade or class the compensation is specifically stated, the employees will get the compensation specified, and we are now appropriating for it.

Mr. McKELLAR. I think the language of the amendment itself and the letter of the deputy commissioner who has charge of the matter makes it perfectly apparent that there is something wrong about this matter.

Mr. SMOOT. Charge of what?

Mr. McKELLAR. Saying——

Mr. SMOOT. What has he charge of?

Mr. McKELLAR. He is in charge of all the employees in the Internal Revenue Department.

Mr. SMOOT. Oh, no; just in the income-tax unit.

Mr. McKELLAR. The commissioner in charge of the income-tax unit. That is commonly called the revenue department. The other is called the customs department. We have just had some discussion about that.

Mr. SMOOT. Mr. President, we are not hearing from any of the other departments, and I have given the reason already why we hear from the one to which the Senator refers.

I will say to the Senator from Iowa that no employee, unless he is receiving more money than he is entitled to under the reclassification act, can complain of this provision. If he is receiving more than his examination would entitle him to, of course under the reclassification act he will be demoted.

Mr. BROOKHART. I think the Senator is seeking to accomplish the same purpose I have in view, but some way or other I have not been able to figure it out of this language.

Mr. SMOOT. I will show the Senator that the language will appropriate the money for every single employee in the District of Columbia according to the reclassification act and according to the examination taken by every employee.

Mr. Wittner has had a great deal to say about violation of the reclassification act and takes it upon himself to speak for the Government employees. I do not want to go into the qualifications of this man, or his character even, but I did take occasion to inquire into his qualifications and as to who he was, because he had so much adverse criticism in the press about men who were working sometimes 16 hours out of the 24 and worked every Sunday and every night for months to secure a workable classification act that would do justice to every employee. I will content myself by simply saying that every one of the five men to whom he asked the Civil Service Commission to write to testify as to his character reports against the man, and I have copies of their reports.

Mr. McKELLAR. Mr. President, that has no connection with this particular matter.

Mr. SMOOT. No; but I am now taking up the question of the field service.

Mr. McKELLAR. I never heard of the matter, so I have no objection in the world to the Senator putting it in.

Mr. SMOOT. Congressman MADDEN, Senator WARREN, and myself, members of the Appropriations Committees of the two Houses, were in Washington in July and this tentative compensation schedule for estimate purposes was placed in my hands. Just as soon as this was issued protests were received from the State Department, from the Commerce Department, from the War Department, and from the Navy Department calling attention to what the result would be if the tentative rates were put into operation and what it would do to employees of the Government and to those employed outside of the Government in certain localities. Let me call attention to only one of the many, many things. For instance, the tentative rate as to a cook was as follows: The entrance rate is $1,320; grade 2 is $1,380; grade 3, $1,440; grade 4, $1,500; grade 5, $1,560; grade 6, $1,620; grade 7, $1,680. When I called attention to that fact to a member of the civil service he said, "No; that only applies to a head cook." I said, "No; it does not. Turn to the next page and you will find the head cook provided for." And what provision was made for the head cook? He starts in at $1,500 and winds up at $1,860.

Take the employees in the Philippine Islands; in fact, take the employees anywhere outside of the United States proper, and under this tentative schedule they would be paid wages that would upset all the salary schedules in force. I heard one of the southern Senators say, "Suppose they put this rate into effect in the South to pay a cook $1,320, what would it do to us there?"

So the members of the Appropriations Committee who were in Washington went to General Lord and called his attention to the tentative schedules. It was concluded that this schedule could not be put in force, and the time for the Budget to make a report to Congress, as provided by law, would not give time to make the field classification of all the Government employees, no matter where located. What was to be done?

A classification of all the Government employees in the District of Columbia could be made in time and that was done as required by the reclassification act. Every examination paper of every employee of the Government in the District of Columbia was examined and allocation made for every employee, and I have here the result. Appropriations for every Government employee in the District of Columbia will be made and every dollar they are entitled to under their examinations and the allocations made under the reclassification act.

I do not know what could be done more than has been done. The pending amendment simply appropriates the necessary funds to carry out the law. I am the last person in the world to want low wages.

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Iowa?

Mr. SMOOT. I will yield in just a moment. I want the employees of the Government to be the best paid employees in all the world. I want their conditions and their surroundings to be the best in all the world. But I want the employees, on the other hand, to give the best that is in them to the Government. I want every employee to be classified and when that classification is made and the employee comes within a class the only thing the committee can do is to appropriate the money to pay for the position he is entitled to through his examination.

I now yield to the Senator from Iowa.

Mr. BROOKHART. I would like to inquire of the Senator what the particular reasons are for excepting grades 1, 2, 3, and 4 of the clerical mechanical service?

Mr. SMOOT. That, I will say to the Senator, is on account of the per diem pay. They are paid so much per day. There is quite a number of them in the District of Columbia. For instance, a few are hired just a few days in the year for cleaning the snow off the streets, and so forth. They are not classified, but they are paid per diem.

Mr. McKELLAR. Mr. President, upon more careful examination I am convinced that the point of order is not well taken, and I therefore withdraw it.

The PRESIDING OFFICER. Without objection the point of order is withdrawn.

Mr. McKELLAR. I now move to strike out, on page 2, line 6, the words following the figures "1923" down to the end of line 19, being the language against which I made the point of order just withdrawn.

The PRESIDING OFFICER. Is there objection to the present consideration of the amendment? The Chair hears none. The question is on agreeing to the amendment offered by the Senator from Tennessee.

Mr. TRAMMELL. Mr. President, from the explanation that has been made here this afternoon by the Senator from Utah [Mr. SMOOT] it would seem that the reclassification act, in many instances, has produced probably different results from what I understood it would. I do not know that we can remedy the situation at the present time. From information which I have received from different sources, it appears that under the reclassification act those who have been unfortunate enough to have received the smaller salaries have had their misfortunes doubly increased under the administration of the reclassification act.

For instance, I had brought to my attention the case of one person who entered the service at a salary of $1,100. This person was in another branch of the service receiving a salary of some $1,500 or $1,600 per annum. They were curtailing the force within that particular department, and properly so. This person received a transfer and under the rules had to enter the new department at the minimum salary of $1,100 a year. That person had been in the service some two years and had made an excellent record and had a splendid grade, but under the administration of the reclassification act other persons who were more fortunate in getting promotions within that time are drawing $1,400 or $1,500 a year and instead of being reclassified and put upon a just basis they are getting three or four hundred dollars a year more.

Mr. SMOOT. No matter who told the Senator that, it is not possible under the reclassification act. That woman, if the person to whom the Senator refers is a woman, took the examination and would be classified according to the examination that she herself passed. She will be paid under the classification act in the grade of the class in which she passes. There is no head of any department and there is no one on earth who can keep her out of it. The appropriation bill carries the money to pay her on that basis.

Mr. TRAMMELL. How was the grade ascertained?

Mr. SMOOT. It was ascertained by her own examination.

Mr. TRAMMELL. Does the Senator mean on the part of the unit head or the board assembled by the unit?

Mr. SMOOT. Certainly, under the law. I want to say to the Senator that that woman has a perfect right to appeal to the board if she does not think her allocation is right under the classification.

Mr. TRAMMELL. I heartily agree with the Senator on that, but I say that a number of instances have come to my attention where it seems that because they were unfortunate enough to be on a minimum salary, they are retained at the minimum salary regardless of their record, regardless of the fact that they execute as much work and do their work as capably and efficiently as other clerks who get $300 or $400 a year more salary. I supposed that reclassification meant that we were going to exercise some spirit of fairness and justice, and that we were not going to keep all salaries at the minimum for those who were unfortunate enough to be drawing the minimum salary for the service they were performing, when they were performing the same work and just as efficiently as others who had been fortunate enough heretofore to get an increase of probably $300 or $400 a year.

We can say whatever we please about the question of classification and promotion, but in almost a majority of the instances, from my observation of the situation in Washington, it is a result of favoritism and not the result of efficiency and competency. I was in hopes that we would get away from favoritism and have justice extended to the employees. My impression has been from the information I have received that the same old policy of favoritism has followed through the classes of reclassification. I wish there was some way to stop it, so that all could be treated fairly and justly.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Tennessee [Mr. McKELLAR].

On a division the amendment was rejected.

The reading of the bill was resumed.

The next amendment of the Committee on Appropriations was, under the subhead "Office of the Postmaster General," on page 51, at the beginning of line 13, to strike out "$201,740; in all, $213,740," and to insert "$207,740; in all, $219,740," so as to make the paragraph read:

Postmaster General, $12,000; for personal services in the office of the Postmaster General in the District of Columbia in accordance with "the classification act of 1923," $207,740; in all, $219,740.

The amendment was agreed to.

The next amendment was, under the subhead "Salaries in bureaus and offices," on page 52, line 2, to increase the appropriation for personal services in the District of Columbia, in accordance with the classification act of 1923, in the office of the First Assistant Postmaster General from $387,500 to $396,500.

The amendment was agreed to.

The next amendment was, on page 52, after line 13, to strike out:

In expending appropriations in the foregoing paragraphs under this title for personal services in the District of Columbia, in accordance with "the classification act of 1923," the number of persons in grades of the professional and scientific service above grade 2 shall not exceed 10 in the aggregate, and the number of persons in grades of the clerical, administrative, and fiscal service above grade 7 shall not exceed 56 in the aggregate.

The amendment was agreed to.

The next amendment was, on page 56, at the end of line 8, to strike out "$445,000" and to insert "$455,000," so as to make the paragraph read:

For traveling expenses of inspectors, inspectors in charge, and the chief post-office inspector, and for the traveling expenses of four clerks performing stenographic and clerical assistance to post-office inspectors in the investigation of important fraud cases, $455,000.

The amendment was agreed to.

The next amendment was, under the subhead "Office of the First Assistant Postmaster General," on page 57, at the end of line 13, to increase the appropriation for compensation to watchmen, messengers, and laborers from $5,600,000 to $5,759,150.

The amendment was agreed to.

The next amendment was, on page 57, at the end of line 20, to increase the appropriation for allowances to third-class post offices to cover the cost of clerical services from $4,400,000 to $4,500,000.

The amendment was agreed to.

The next amendment was, on page 57, at the end of line 22, to increase the appropriation for rent, light, and fuel for first, second, and third class post offices from $14,000,000 to $14,416,600.

The amendment was agreed to.

The next amendment was, on page 57, at the end of line 24, to increase the appropriation for miscellaneous items necessary and incidental to post offices of the first and second classes from $900,000 to $935,000.

The amendment was agreed to.

The next amendment was, on page 58, at the end of line 6, to increase the appropriation for car fare and bicycle allowance, including special-delivery car fare, from $950,000 to $980,000.

The amendment was agreed to.

The next amendment was, under the subhead "Office of the Second Assistant Postmaster General," on page 59, after line 18, to insert:

For the operation and maintenance of the airplane mail service between New York, N. Y., and San Francisco, Calif., via Chicago, Ill., and Omaha, Nebr., including necessary incidental expenses and employment of necessary personnel, $1,500,000.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. McKELLAR. Mr. President, if it is in order, I should like to propose to amend the amendment by inserting the sum of $3,000,000 instead of $1,500,000. My reason for that is that the air mail service——

Mr. WARREN. May I say to the Senator from Tennessee that an amendment has been prepared which carries into effect a suggestion which has been adopted by the committee, and it has been agreed that it shall be offered by the Senator from Colorado [Mr. PHIPPS]?

Mr. PHIPPS rose.

Mr. McKELLAR. I did not know that, and I yield to the Senator from Colorado.

Mr. PHIPPS. I propose to offer the amendment later. It was presented by me some time ago and has been printed.

Mr. WARREN. The amendment intended to be proposed by the Senator from Colorado comes by consent of the full committee, I wish to say to the Senator from Tennessee.

Mr. McKELLAR. I understand. The idea is to permit the committee amendment to be agreed to, and that then the amendment providing for the night air mail service shall afterwards be offered by the Senator from Colorado.

Mr. PHIPPS. That amendment will be offered in its proper order.

Mr. WARREN. It has already been agreed to by the committee.

Mr. McKELLAR. The amendment has not been adopted by the Senate, though it has been agreed to by the committee.

Mr. WARREN. I understand that the amendment providing for the appropriation of the first half of the $3,000,000 has been adopted.

Mr. McKELLAR. No; it has not as yet been adopted; and I thought the same result could be reached by inserting "$3,000,000," instead of "$1,500,000" as provided in the pending amendment. However, I am perfectly willing that the procedure shall take the course suggested by the Senator from Wyoming.

The PRESIDING OFFICER. Without objection, the committee amendment is agreed to.

The reading of the bill was resumed. The next amendment of the Committee on Appropriations was, on page 61, line 3, to increase the appropriation for transportation of foreign mails by steamship, aircraft, or otherwise from $7,500,000 to $7,800,000.

The amendment was agreed to.

The next amendment was, under the subhead "Office of the Fourth Assistant Postmaster General," on page 64, line 24, to strike out "$500,000" and to insert "and for operating expenses of engineering and technical personnel engaged in experimental and research activities, $600,000," so as to make the paragraph read:

For rental, purchase, exchange, and repair of canceling machines and motors, mechanical mail-handling apparatus and other labor-saving devices, including cost of power in rented buildings and miscellaneous expenses of installation and operation of same, including salaries of five traveling mechanicians and for per diem allowance of traveling mechanicians while actually traveling on official business away from their homes and their official domiciles, at a rate to be fixed by the Postmaster General, not to exceed $4 per day, and for operating expenses of engineering and technical personnel engaged in experimental and research activities, $600,000.

The amendment was agreed to.

The next amendment was, on page 65, line 12, after the name "District of Columbia," to strike out "$1,750,000" and to insert "$1,960,000," so as to read:

For the purchase, manufacture, and repair of mail bags and other mail containers and attachments, mail locks, keys, chains, tools, machinery, and material necessary for same, and for incidental expenses pertaining thereto, also material, machinery, and tools necessary for the manufacture and repair in the equipment shops at Washington, D. C., of such other equipment for the Postal Service as may be deemed expedient; for compensation to labor employed in the equipment shops at Washington, D. C., $1,960,000.

The amendment was agreed to.

The next amendment was, on page 66, at the beginning of line 2, to strike out "$500,000" and to insert "$300,000," so as to make the paragraph read:

For pay of rural carriers, substitutes for rural carriers on annual and sick leave, clerks in charge of rural stations, and tolls and ferriage, Rural Delivery Service, and for the incidental expenses thereof, $89,250,000, of which amount $300,000, or so much thereof as may be necessary, shall be immediately available for the establishment of new routes recommended and approved by the department.

The amendment was agreed to.

The reading of the bill was concluded.

The PRESIDING OFFICER. The committee amendments have been completed. The bill is before the Senate as in Committee of the Whole, and is still open to amendment.

Mr. PHIPPS. I now desire to offer the amendment which I send to the desk, and ask that it may be read.

The PRESIDING OFFICER. The amendment proposed by the Senator from Colorado will be stated.

The READING CLERK. On page 59, after line 23, it is proposed to insert the following:

For an additional amount for the installation, equipment, and operation of the airplane mail service by night flying, and to enable the department to make the additional charges for both night and day service on first-class mail matter, in accordance with existing law, $1,500,000.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Colorado.

The amendment was agreed to.

Mr. DILL. I desire to know whether the adoption of this amendment increases the total appropriation to $3,000,000?

Mr. PHIPPS. The adoption of the amendment increases the total appropriation to $3,000,000, and will also enable the department to charge additional rates for mail matter transportation by the Air Service.

Mr. BROUSSARD. I desire to inquire if there is any fund in the appropriation to take care of a route between New Orleans and the quarantine station where the airplanes meet ships that are detained there for 24 hours.

Mr. WARREN. That is provided for by the post-office service.

Mr. PHIPPS. It comes under different items and is cared for.

Mr. BROUSSARD. If it is cared for, I am satisfied.

Mr. SHIPSTEAD. On page 39, line 1, I move that the numerals "$10,000" be stricken out and that "$15,000" be substituted therefor.

The PRESIDING OFFICER. The amendment proposed by the Senator from Minnesota will be stated.

The READING CLERK. On page 39, line 1, after the word "exceeding," it is proposed to strike out "$10,000" and to insert "$15,000," so as to make the clause read:

Fairmount, Minn., post office: The Secretary of the Treasury is authorized to pay from amounts heretofore appropriated for the purchase of a site and construction of a building for post-office purposes at Fairmount, Minn., a sum not exceeding $15,000 for the purchase of a suitable site.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. WARREN. As I understand, that does not at all exceed the limit which has been heretofore fixed by law, and I have no objection to the amendment.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. WARREN. I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment proposed by the Senator from Wyoming will be stated.

The READING CLERK. On page 61, line 18, after the words "Postmaster General," it is proposed to insert:

and to be accounted for on his certificate, which certificate shall be conclusive on the accounting officers of the United States.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. McKELLAR. Mr. President, will the Senator from Wyoming, in a word, state what the amendment proposes?

Mr. WARREN. I ask that the amendment may again be read.

Mr. McKELLAR. After that shall have been done, I should like to have the Senator from Wyoming give an explanation of it.

The PRESIDING OFFICER. The amendment proposed by the Senator from Wyoming will again be stated.

The reading clerk again read the amendment.

Mr. McKELLAR. As I understand, the amendment refers to the appropriation for the expenses of delegates to the Universal Postal Congress at Stockholm?

Mr. WARREN. Yes.

Mr. McKELLAR. That is entirely satisfactory to me.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. WARREN. I offer another amendment, which I send to the desk.

The PRESIDING OFFICER. The amendment proposed by the Senator from Wyoming will be stated.

The READING CLERK. On page 57, line 22, after the numerals "$14,416,600," it is proposed to insert the following proviso:

Provided, That hereafter rental of post-office premises under lease may be paid monthly.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. BROUSSARD. I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment proposed by the Senator from Louisiana will be stated.

The SECRETARY. On page 21, line 12, after the word "notwithstanding," it is proposed to insert the following proviso:

Provided further, That none of the money here appropriated shall be expended in the commission of acts which are in violation of the national prohibition act nor for inducing others to violate the provisions of said national prohibition act.

Mr. BROUSSARD. I hope the chairman of the committee will have no objection to accepting the amendment.

The PRESIDING OFFICER. Without objection, the amendment will be agreed to.

Mr. McKELLAR. May I ask that the amendment be again stated? My attention was temporarily diverted to another matter.

Mr. BROUSSARD. I understand that the Chair has stated that the amendment was agreed to.

Mr. McKELLAR. But the Senator would not object to letting it again be read?

The PRESIDING OFFICER. The Senator from Tennessee was on his feet when the Chair made the announcement.

Mr. McKELLAR. My attention was temporarily diverted.

The PRESIDING OFFICER. The amendment proposed by the Senator from Louisiana will be stated.

The reading clerk again read the amendment.

Mr. WARREN. Mr. President, in the House of Representatives that amendment, perhaps, would come under the Holman rule, but I think it transgresses our rule as to legislation on an appropriation bill.

The PRESIDING OFFICER. Does the Senator from Wyoming make a point of order against the amendment?

Mr. WARREN. I will not make a point of order, as the amendment may be considered in conference.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Louisiana.

The amendment was agreed to.

Mr. WARREN. Mr. President, I desire to bring to the attention of the Senate an amendment which was considered in the committee and was unanimously agreed to, so far as those present were concerned, although one or two Senators were absent, and the chairman of the committee was instructed to offer it on the floor of the Senate.

Some years ago there was installed from time to time in certain of the post offices in the larger cities in the United States what is known as the pneumatic tube service. That service was suspended for a time and then, later, was reinstalled in one or two of the cities. After a hearing we decided to present the recommendation of the committee in behalf of the transmission of mail by such tubes in the cities of Philadelphia and Boston at a total cost of $245,000, the expenditure in Boston for this purpose to be limited to $20,000. I send the amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 58, after line 13, it is proposed to insert the following:

For the transmission of mail by pneumatic tubes or other similar devices in the cities of Philadelphia, Pa., and Boston, Mass., at an annual rate of expenditure not in excess of $18,500 per mile of double lines of tubes, including power, labor, and all other operating expenses, $245,000, of which not more than $20,000 shall be available for expenditure in the city of Boston: *Provided*, That the provisions not inconsistent herewith of the acts of April 21, 1902, and May 27, 1908, relating to the transmission of mail by pneumatic tubes or other similar devices shall be applicable hereto.

Mr. McKELLAR. Mr. President, I am compelled to make a point of order against the amendment. It is clearly new legislation and is subject to the point of order.

The PRESIDING OFFICER. The Chair sustains the point of order.

Mr. LODGE. Mr. President, I do not wish to discuss the point of order. I merely wish to say that I think the amendment ought to be incorporated in the bill, and also an amendment which was left with me by the Senator from Missouri [Mr. SPENCER], making similar provision for St. Louis. I ask that the amendment which I send to the desk may be read. It can be disposed of at the same time as the amendment offered by the Senator from Wyoming.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 58, line 13, after the numerals "$526,373.25," it is proposed to insert:

And for the city of St. Louis, Mo., $80,000.

Mr. McKELLAR. I make the same point of order against that amendment.

The PRESIDING OFFICER. The Chair sustains the point of order.

Mr. WARREN. I ask unanimous consent that the Secretary be authorized to correct all totals in the bill.

The PRESIDING OFFICER. Without objection, the Secretary will be authorized to correct the totals in the bill.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

HOUR OF MEETING ON SUNDAY.

Mr. PHIPPS. Mr. President, when the Senate agreed to set aside Sunday next, March 9, on which to hold memorial services for the late Senators NELSON and NICHOLSON the hour was fixed for 12 o'clock. I ask unanimous consent that the hour may be changed so that the Senate may meet at 11 o'clock on Sunday morning next.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Colorado. The Chair hears none, and it is so ordered.

EXECUTIVE SESSION.

Mr. LODGE. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 10 minutes spent in executive session the doors were reopened.

ADJOURNMENT TO SUNDAY.

Mr. LODGE. I move that the Senate adjourn until 11 o'clock a. m. on Sunday, when memorial exercises will be held on the late Senators NELSON and NICHOLSON.

The motion was agreed to; and (at 4 o'clock and 40 minutes p. m.) the Senate adjourned until Sunday, March 9, 1924, at 11 o'clock a. m.

NOMINATIONS.

Executive nominations received by the Senate March 7 (legislative day of March 6), 1924.

PROMOTIONS IN THE REGULAR ARMY.

To be colonel.

Lieut. Col. Ernest Eddy Haskell, Infantry, from March 1, 1924.

To be lieutenant colonels.

Maj. Emmet Roland Harris, Cavalry, from February 28, 1924.

Maj. Avery John Cooper, Coast Artillery Corps, from March 1, 1924.

To be majors.

Capt. Clinton Wilbur Howard, Air Service, from February 28, 1924.

Capt. Charles Manly Busbee, Field Artillery, from March 1, 1924.

To be captains.

First Lieut. Samuel Rivington Goodwin, Cavalry, from February 28, 1924.

First Lieut. George Walcott Ames, Coast Artillery Corps, from March 1, 1924.

First Lieut. Arthur Wellington Brock, jr., Air Service, from March 1, 1924.

To be first lieutenants.

Second Lieut. Thomas Llewellyn Waters, Coast Artillery Corps, from February 28, 1924.

Second Lieut. Urban Niblo, Field Artillery, from March 1, 1924.

Second Lieut. Kenneth Sharp Olson, Infantry, from March 1, 1924.

APPOINTMENTS IN THE REGULAR ARMY.

TO BE SECOND LIEUTENANT IN THE AIR SERVICE WITH RANK FROM FEBRUARY 26, 1924.

Daniel Allen Terry, second lieutenant, Air Service, Officers' Reserve Corps.

APPOINTMENTS BY TRANSFER IN THE REGULAR ARMY.

ADJUTANT GENERAL'S DEPARTMENT.

Capt. Iverson Brooks Summers, jr., Coast Artillery Corps (detailed in Adjutant General's Department), with rank as prescribed by the act of June 30, 1922.

COAST ARTILLERY CORPS.

Second Lieut. John Hensel Pitzer, Air Service, with rank from June 12, 1923.

PROMOTIONS IN THE NAVY.

Capt. Frank H. Schofield to be a rear admiral in the Navy from the 4th day of February, 1924.

Commander Henry N. Jenson to be a captain in the Navy from the 29th day of December, 1923.

Commander Percy W. Foote to be a captain in the Navy from the 1st day of January, 1924.

Lieut. Commander Henry C. Gearing, jr., to be a commander in the Navy from the 1st day of January, 1924.

Lieut. Lloyd R. Gray to be a lieutenant commander in the Navy from the 25th day of July, 1923.

Lieut. Elroy L. Vanderkloot to be a lieutenant commander in the Navy from the 22d day of January, 1924.

Lieut. (Junior Grade) Michael Macdonald to be a lieutenant in the Navy from the 1st day of October, 1922.

Ensign Walter M. Blumenkranz to be a lieutenant (junior grade) in the Navy from the 31st day of December, 1921.

Lieut. (Junior Grade) John O. Jenkins to be a lieutenant in the Navy from the 13th day of June, 1923.

Ensign Frank W. Rasch to be a lieutenant (junior grade) in the Navy from the 30th day of June, 1922.

Ensign Albert McL Wright to be a lieutenant (junior grade) in the Navy from the 22d day of April, 1922.

The following-named ensigns to be lieutenants (junior grade) in the Navy from the 5th day of June, 1923:

George Van Deurs.
Wilbur A. Wiedman.
Edwin D. Graves, jr.
De Long Mills.

The following-named gunners to be chief gunners in the Navy, to rank with but after ensign, from the 2d day of July, 1923:

Glen R. Ogg.
James R. Fallon.

The following-named machinists to be chief machinists in the Navy, to rank with but after ensign, from the 24th day of September, 1923:

James E. Graham.
James R. Nolan.

The following-named carpenters to be chief carpenters in the Navy, to rank with but after ensign, from the 2d day of July, 1923:

William Finlay.
Samuel D. Moyer.
Edward T. Cafferkey.
John A. Nicol.
Leonard H. Lyon.
George A. Sipzer.
Elmer L. Harding.
John P. Paul.
James J. Sullivan.

The following-named carpenters to be chief carpenters in the Navy, to rank with but after ensign, from the 24th day of September, 1923:

Giles E. Quillin.
Leo M. Hull.
James J. Maune.
William English.
John A. Kemmler.
George Murphy.
Albert E. Rue.

Carpenter William E. McDonough to be a chief carpenter in the Navy, to rank with but after ensign, from the 29th day of October, 1923.

Pay Clerk Charles H. Brandenburgh to be a chief pay clerk in the Navy, to rank with but after ensign, from the 24th day of September, 1923.

CONFIRMATIONS.

Executive nominations confirmed by the Senate March 7 (legislative day of March 6), 1924.

UNDERSECRETARY OF STATE.

Joseph C. Grew to be Undersecretary of State.

POSTMASTERS.

CALIFORNIA.

Jesse D. Myers, Arlington.
John W. Calvert, jr., Azusa.
William B. Higgins, Baypoint.
Purley O. Van Deren, Broderick.
Frank T. Hawes, Centerville.
Floyd F. Howard, Courtland.
Katherine H. McLernon, Culver City.
Anthon G. Heerman, Dinuba.
Wesley A. Hill, Eureka.
Carrie I. Pfau, Fairfield.
S. Glen Andrus, Fairoaks.
Nettie Fausel, Independence.
Samuel W. Green, Isleton.
Frances E. Bennett, Mills College.
Belle Kornelissen, Newhall.
Lewis E. Leavell, Novata.
John F. Conners, Oakland.
Winfield S. Buchner, Olidale.
Manuel S. Trigueiro, San Miguel.
William E. Edwards, Westmoreland.
M. Elizabeth Woods, Wilmington.

DELAWARE.

James M. Montgomery, Edgemoor.

IDAHO.

Aruthur B. Bean, Pocatello.
Peter W. McRoberts, Twin Falls.

MASSCHUSETT.

Isabelle Crocker, Cotuit.
Chestina B. Robbins, East Templeton.

OKLAHOMA.

Ada M. Thompson, Mannford.

OREGON.

David S. Young, Defur.
Don Ellis, Garibaldi.
Fred C. Holznagel, Hillsboro.
Thomas G. Hawley, Multnomah.
George W. Trommlitz, Toledo.

PENNSYLVANIA.

Calvin E. Cook, Dillsburg.
George M. Johnson, Laceyville.
Harry E. Pote, Marcus Hook.

PORTO RICO.

Nicolas Oritz Lebron, Aibonito.
Gasper R. Ferran, Barceloneta.
Jose E. Guenard, Mayaguez.
Roque Rodriguez, Ponce.
Juan Vissepo Hernandez, San Sebastian.
L. Castro Gelpi, Vieques.

HOUSE OF REPRESENTATIVES.

FRIDAY, *March 7, 1924.*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our Father in heaven, Thou who art our refuge and strength and always near, continue the blessings of Thy wisdom and mercy unto us, unto our homes, and unto our country. In all that we are and do, O may we prove ourselves worthy of Thy bountiful gifts. Prepare us with fortitude, self-possession, and great faith for whatever may come to us. In sunshine and in shadow; in victory and in defeat; in the defense of the right; and in condemnation of the wrong, help us to be true Christian men who are seeking to do Thy will and to do of Thy good pleasure. Amen.

The Journal of the proceedings of yesterday was read and approved.

QUESTION OF PRIVILEGE OF THE HOUSE.

Mr. BLANTON. Mr. Chairman, I rise to a question of privilege of the whole House.

The SPEAKER. The gentleman will state it.

Mr. BLANTON. Mr. Speaker, I am sending to the Speaker's table a copy of this morning's Post, and of yesterday afternoon's Star, Times, and News, in all four of which papers is the allegation that a man named B. F. Dorsey is an employee of the House Office Building, or, in other words, an employee of the House of Representatives. That when arrested he had in his possession a jug of whisky which he claimed he procured for and was then taking to a Congressman in the House Office Building. I present them, Mr. Speaker, as a privilege of the whole House, and I desire to be heard.

The SPEAKER. The gentleman is not in order. A Member rising to a question of privilege of the House must present a resolution.

Mr. BLANTON. I present a resolution, Mr. Speaker.

Mr. BANKHEAD. Mr. Speaker, I think this is a very important matter, and I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Alabama makes the point that no quorum is present. Evidently there is no quorum present.

Mr. LONGWORTH. Mr. Speaker, I move a call of the House.

The motion was agreed to.

Accordingly the doors were closed, the Sergeant at Arms was directed to bring in absent Members, and the Clerk called the roll.

The following Members failed to answer to their names:

Anderson	Fairchild	McFadden	Snyder
Anthony	Fairfield	McLaughlin, Nebr.	Sproul, Ill.
Beedy	French	Michaelson	Sullivan
Berger	Fuller	Mills	Sweet
Black, Tex.	Fulmer	Nelson, Me.	Tague
Black, N. Y.	Gallivan	Nolan	Taylor, Colo.
Brand, Ohio	Gifford	O'Brien	Thomas, Ky.
Britten	Graham, Pa.	O'Connor, La.	Tincher
Buchanan	Greene, Mass.	Quayle	Vare
Canfield	Hull, Morton D.	Rainey	Ward, N. Y.
Connolly, Pa.	Johnson, S. Dak.	Reed, N. Y.	Wefald
Corning	Jost	Reed, W. Va.	Wertz
Curry	Kahn	Sanders, Ind.	Wilson, Miss.
Dallinger	Kelly	Scott	Winslow
Darrow	Kendall	Sears, Fla.	Wood
Davey	Kent	Shreve	Woodruff
Dempsey	Kvale	Sites	
Edmonds	Lehlbach	Snell	

The SPEAKER. Three hundred and sixty-one Members have answered to their names. A quorum is present.

Mr. LONGWORTH. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were opened.

The SPEAKER. The gentleman from Texas offers a resolution, which the Clerk will report.

The Clerk read as follows:

Whereas the Star, Times, and News, published in Washington, D. C., yesterday afternoon, and the Post, published this morning, all state that when arrested near the House Office Building one B. F. Dorsey had in his possession a half-gallon jug of whisky which he claimed he had procured for and was taking to a Congressman in said House Office Building, where he claimed to be employed: Therefore be it

Resolved, That the said B. F. Dorsey be directed to transmit to the House of Representatives the name of the Congressman whom he alleges he procured said whisky for, and instructions, if any, that were given him by such Congressman.

Mr. BLANTON. Mr. Speaker, I ask unanimous consent to amend the resolution. After the word "Resolved" strike out the balance of the resolution and insert in lieu thereof the following:

That a committee of five Members of the House be appointed by the Speaker——

Mr. LONGWORTH. Mr. Speaker, I object to the modification of the resolution. The gentleman asked unanimous consent and I object.

Mr. BLANTON. Then, Mr. Speaker, I move——

The SPEAKER. The Chair thinks the gentleman has a right to withdraw his resolution and offer a modification of it.

Mr. BLANTON. Mr. Speaker, after the word "Resolved" strike out the balance of the resolution and insert in lieu thereof the following:

That the Speaker appoint a special committee of five Members of the House to investigate——

Mr. LONGWORTH. Mr. Speaker, I object to the form in which the amendment is made.

Mr. BLANTON (continuing)—

to investigate as to the truth or falsity of these charges, and report back to the House at the earliest possible moment.

Mr. SNELL. Mr. Speaker, I make a point of order against the resolution.

The SPEAKER. The gentleman from Ohio [Mr. LONGWORTH] objected, but the Chair thinks the gentleman is entitled to modify his resolution in any way he pleases.

The gentleman from New York will state his point of order.

Mr. SNELL. In the first place, that it is not a privileged resolution. In paragraph 655 of the Manual the Chair will find this language:

But vague charges in newspaper articles, criticisms, or even misrepresentations of the Members' speeches or acts have not been entertained——

Mr. BLANTON. Mr. Speaker, before the gentleman makes his point of order I would like to state the basis of the privilege claimed.

The SPEAKER. The gentleman is entitled to make his point of order.

Mr. LONGWORTH. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. LONGWORTH. Without the consent of the House, has the gentleman the right to modify his amendment?

The SPEAKER. In committee he has not, but in the House the gentleman has the right to modify his resolution.

Mr. SNELL. Has the gentleman's resolution been reduced to writing?

The SPEAKER. The Clerk will report the modified resolution.

The Clerk read as follows:

Resolved, That the Speaker appoint a special committee of five Members of the House to investigate as to the truth or falsity of these charges and report back to the House at the earliest possible moment.

Mr. SNELL. Mr. Speaker, I desire to call the Chair's attention to paragraph 655 of the Manual. Here we find that vague charges in newspaper articles, criticisms, or even misrepresentations of the Members' speeches or acts have not been entertained as privileged matter.

There are several decisions in Hinds' Precedents that are absolutely in line with, and exactly on a parallel with, the question now before us. I will not take the time to read them to the House, but they are in Volume III, Nos. 2711–2714. In each one of these rulings vague newspaper charges were held by the Speaker not to possess privilege status, and in each case the point of order was sustained against them. Now, what do we have here, as presented by the gentleman from Texas [Mr. BLANTON]?

This does not have even the responsibility of the newspapers back of it; it is simply the careless and irresponsible statement of a bootlegger. It is the statement of a confessed crook and criminal, who is simply trying to free himself by turning attention to some one else. He is doing it for self-protection. Who would believe him even if he did give his name to the House? [Applause.]

It is perfectly evident he was doing this to shield his own wrongdoings, and if he did give a name to the House it would be a fictitious one.

Therefore, Mr. Speaker, I maintain it is beneath the dignity of this House to give any attention or consideration to such a vague and irresponsible rumor as the gentleman from Texas [Mr. BLANTON] has presented, and has been printed in certain newspapers.

Furthermore, I am definitely informed by the Clerk of the House, the Sergeant at Arms, the Doorkeeper, and the Architect of the Capitol that no such man in recent years has been an employee around the Capitol Building.

Therefore, Mr. Speaker, I am very sure this is not a privileged resolution and a point of order should lie against it.

Mr. BLANTON. Mr. Speaker, I want to be heard. I do not believe there is a Member in this House, whether there are any who are addicted to drink or not, who would buy liquor from a bootlegger; I do not believe it. [Laughter.] But there is a newspaper charge here in four Washington newspapers that an employee of the House of Representatives, in the House Office Building, was caught over here next to the House Office Building night before last with a half gallon jug of whisky under his arm, which he alleged he was taking to a Congressman.

Mr. SNELL. Will the gentleman yield right there for a moment?

Mr. BLANTON. In just a moment. The papers allege that he was taking it to a Congressman in the House Office Building; that he had procured it for a Congressman in the House Office Building, and that they had better turn him loose or the Congressman would come down there and cause them trouble.

Mr. SNELL. Did the man make the statement he was an employee of the House?

Mr. BLANTON. The papers allege that he said he is an employee of the House.

Mr. SNELL. I am officially informed that he is not an employee of the House.

Mr. BLANTON. I am asking for a House committee to investigate and report to this House as to whether this charge is true. I submit, Mr. Speaker, that this is a reflection upon every Member of the House of Representatives. [Laughter.] Well, newspapers in your district and mine will report that we are shielding somebody that we ought not to shield. They will report, Mr. Speaker, that there was somebody there who ordered a half gallon jug of whisky, and when an employee of our body is caught, he flaunts the law and says, "Turn me loose, because the man I am buying this for will make you do it." I say, Mr. Speaker, that does reflect upon the integrity of the House and that does raise a question of privilege, and I submit, Mr. Speaker, the resolution is in order.

The SPEAKER. The paper, which the gentleman has placed before me, states that the man was arrested, and that he protested his arrest on the ground that the liquid burden was intended for a Representative of the House. Of course, the

Chair always wishes, as the membership undoubtedly wishes, to protect the privileges of the House, but the Chair is disposed to think that the citations made by the gentleman from New York [Mr. SNELL], stating that vague rumors or accusations against the House do not constitute privilege, are applicable here. This is simply a statement by an individual whom the gentleman from New York says is not an employee of the House endeavoring to excuse himself from a breach of the law by implicating a Member of the House. Obviously, the language used was to exonerate himself. The Chair does not think this is such a charge against the dignity of the House as to make it privileged. The Chair sustains the point of order. [Applause.]

QUESTION OF PERSONAL PRIVILEGE.

Mr. LANGLEY. Mr. Speaker, I rise to a question of personal privilege. [Applause.]

The SPEAKER. The gentleman from Kentucky rises to a question of personal privilege, which the gentleman will state.

Mr. LANGLEY. Mr. Speaker, for some days it has come to my knowledge, in one way and another, that my name was being connected with the report recently made by the Chicago grand jury. My own inclination was to immediately rise and tell my fellow Members that it was not true so far as I was concerned. [Applause.] One reason I did not do so was that no specific charge had been made against me. I had assumed that in response to the resolution of the House of yesterday that by this time we would know who of this House is accused of violating the law and his official trust, but that information has not yet been received. However, a reputable morning paper contains my name and, in substance, the statement that I was one of those who would be accused.

My fellow Members, I am acting against the advice of some of my best friends in speaking now in advance of such report, but I can not longer remain silent under these statements. [Applause.]

I have served this Government in an official capacity for more than 30 years, nearly 18 of which have been as a Member of this great body. My life has been an open book. I have gone in and out among my people and among the membership of this House during these years, and this is the first time that any aspersions have ever been cast upon my personal or official integrity. Coming as I do from a Kentucky mountain district, where the people value honor higher even than human life, it is but natural that I should feel shocked at such an accusation, and while no report has yet been received, if the newspaper stories are correct and such a report does come to this House and that report should contain my name, I ask of my colleagues that a forum be immediately created wherein I can at least exercise the right established at Runnymede to stand face to face with my accusers [applause], and where the truth can be speedily disclosed.

Without any specific information I can, of course, enter into no specific denial, but I have this to say here and now. In the presence of Almighty God and these witnesses I have committed no crime. [Applause.] I have done no wrong, and I confidently rely upon a speedy vindication at the hands of my colleagues of this House.

Not only am I anxious if such a report comes in, but I insist upon an immediate investigation of any charge that may be made. Conscious as I am of the uprightness of my personal and official conduct I shall ask, yea, I shall demand, as a Member of this House the appointment by the Speaker of a committee which shall be given full power to summon and swear witnesses, to send for persons and papers, and take such action as will bring the truth to light. God helping me, I want the truth, the whole truth, and nothing but the truth. I want at least in the meanwhile to have in the minds of my friends and in the minds of my constituents and in the minds of my countrymen at least as much right as the criminal and the crook have of being presumed innocent until proven guilty. I thank you. [Applause.]

Mr. UPSHAW. Mr. Speaker, I ask unanimous consent to address the House for three minutes.

The SPEAKER. The gentleman from Georgia asks unanimous consent to address the House for three minutes. Is there objection?

Mr. KNUTSON. Reserving the right to object, what is the gentleman going to speak about?

Mr. UPSHAW. Concerning the matter before the House, in support of the brave speech of the gentleman from Kentucky.

Mr. KNUTSON. I withdraw the objection.

Mr. UPSHAW. Mr. Speaker and gentlemen, I simply want to say that all of our hearts have been stirred by the brave and manly words of our colleague from Kentucky [Mr. LANGLEY], and I feel that I would be recreant to every impulse of loyalty to the honor of this House and loyalty to a long friendship if I did not indict from my own standpoint as a citizen and as a Member of Congress the reckless way in which the Department of Justice has given publicity concerning Members of this House. [Applause.]

The gentleman from Ohio [Mr. LONGWORTH] said a striking thing yesterday when he brought out the fact that in an interview concerning this matter a representative of the Department of Justice had confessed that this testimony and these insinuations were made by men who were generally believed to be criminals and crooks. [Applause.]

Listen. It would have been the ethical act of a careful representative of the Department of Justice to have kept from the public any aspersion whatever concerning a Member of this House until they were ready to substantiate that charge. [Applause.] I feel constrained to say that as a Member of this Congress, as a loyal friend of the gentleman from Kentucky, but more than all as a friend of the honor of every Member of this House—yea, and I may say that as a known friend and defender of the cause of personal and national sobriety—I want to protest that never again shall any department of this Government broadcast any kind of aspersions against the honor of this House until they are ready to deliver the goods. [Applause.] The first word should not be spoken until the last word is ready. I indict the reckless and half-baked way in which the honor of our colleagues has been attacked, and I rejoice to give my hand to the gentleman from Kentucky [Mr. LANGLEY] and the gentleman from Maryland [Mr. ZIHLMAN], whose names have been mentioned, and say to them in this presence that I have full faith in their honor as patriots and gentlemen. [Applause.]

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had passed bills of the following titles, in which the concurrence of the House of Representatives was requested:

S. 2236. An act to designate the time and place of holding terms of the United States district court in the first division of the district at Kansas City;

S. 684. An act to authorize the coinage of 50-cent pieces in commemoration of the commencement on June 18, 1923, of the work of carving on Stone Mountain, in the State of Georgia, a monument to the valor of the soldiers of the South, which was the inspiration of their sons and daughters and grandsons and granddaughters in the Spanish-American and World Wars, and in memory of Warren G. Harding, President of the United States of America, in whose administration the work was begun; and

S. J. Res. 91. Joint resolution to authorize the National Society United States Daughters of 1812 to place a marble tablet on the Francis Scott Key Bridge.

The message also announced that the Senate had passed with amendment the bill of the following title, in which the concurrence of the House of Representatives was requested:

H. R. 7039. An act to amend section 72 of chapter 23, printing act approved January 12, 1895.

The message also announced that the Senate had passed without amendment bills of the following titles:

H. R. 5557. An act to authorize the settlement of the indebtedness of the Republic of Finland to the United States of America; and

H. R. 4577. An act providing for the examination and survey of Mill Cut and Clubfoot Creek, N. C.

SENATE BILL REFERRED.

Under clause 2 of Rule XXIV, Senate bill of the following title was taken from the Speaker's table and referred to its appropriate committee, as indicated below:

S. 2236. An act to designate the time and place of holding terms of the United States district court in the first division of the district at Kansas City; to the Committee on the Judiciary.

ENROLLED BILL PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States for his approval the following bill:

H. R. 4121. An act to extend the provisions of certain laws to the Territory of Hawaii.

ENROLLED BILL SIGNED.

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

H. R. 8444. An act for the relief of certain nations or tribes of Indians in Montana, Idaho, and Washington.

MUSCLE SHOALS.

Mr. McKENZIE. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 518, relating to Muscle Shoals.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. MAPES in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the bill, of which the Clerk will read the title.

The Clerk read the title, as follows:

The bill (H. R. 518) to authorize and direct the Secretary of War to sell to Henry Ford nitrate plant No. 1, at Sheffield, Ala.; nitrate plant No. 2, at Muscle Shoals, Ala.; Waco Quarry, near Russellville, Ala.; and to lease to the corporation to be incorporated by him Dam No. 2 and Dam No. 3 (as designated in H. Doc. 1262, 64th Cong., 1st sess.), including power stations when constructed as provided herein, and for other purposes.

Mr. McLAUGHLIN of Michigan rose.

Mr. BURTON. Mr. Chairman, I understand the gentleman from Michigan desires to introduce an amendment to be pending before the House for consideration, and I will yield to him.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, during discussion in the House yesterday the bill was criticized because it contains no provision relating to the control of the service to be rendered by the company, or regulation of the rates or charges to be made for power or electric current. In answer to that criticism friends of the bill said that the State in which the service is performed will have control. That is mere expression of opinion. It is an important matter which ought to be made clear and free from all doubt now and in years to come. The amendment I offer would make it clear that a State in which service is rendered will have jurisdiction and control over service and rates of charges. My amendment will meet the suggestions of those who have said that the State ought to have such authority.

In preparing the amendment I have made use of some of the language of sections 19 and 20 of the Federal water power act as far as I believe they are applicable to the present situation. It will give the Federal Power Commisson authority to function in the matter of service, rates, and charges only in case the State is unable to act. I am not entirely clear as to the place in the bill to which the amendment should be offered, but I have prepared it to be offered at page 16, at the end of line 2, as a new section. I ask that the amendment may be now read. It is not offered in a spirit of criticism of or opposition to the bill. If adopted it will make the bill what its warmest advocates say it means now. It should be promptly accepted by them.

Mr. SNELL. Then the gentleman admits that the bill can be amended and Mr. Ford will accept it?

Mr. McLAUGHLIN of Michigan. I believe that the amendment is proper and necessary. I believe it is not such an amendment as Mr. Ford will object to or that he would be justified in objecting to it. At least, I wish it to be before the House for consideration.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent that the amendment that he proposes to offer to page 16 of the bill may be read by the Clerk for information.

Mr. GARRETT of Tennessee. Mr. Chairman, reserving the right to object, there was some reason for having amendments read in advance of the point at which they would be offered yesterday because we would have a chance to see them in the RECORD this morning. I do not see the advantage of having an amendment read now unless it should develop that we will not reach it this afternoon.

I shall not object to this request, but I hope it will not become a practice of gentlemen to give notice now of amendments they propose to offer later in the same day.

The CHAIRMAN. Is there objection?

Mr. STENGLE. Mr. Chairman, I object unless the gentleman can show why it should be read at this time.

The CHAIRMAN. The gentleman from New York objects.

Mr. BURTON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. STENGLE. Mr. Chairman, I withdraw my objection to the request of the gentleman from Michigan. I understand his purpose now.

The CHAIRMAN. The gentleman from New York withdraws his objection to the request of the gentleman from Michigan that his proposed amendment be now read for the information of the committee. Is there objection to the request of the gentleman from Michigan? [After a pause.] The Chair hears none, and the Clerk will read the amendment.

The Clerk read as follows:

Amendment offered by Mr. McLAUGHLIN of Michigan: Page 16, at the end of line 2, add a new section:

"Whenever the company shall render or supply any public service by way of developing, distributing, or supplying electric current or power for any use or purpose for sale to customers or consumers thereof it shall abide by such reasonable regulation of such service and of rates and charges of payment therefor as may from time to time be prescribed by any duly constituted agency of the State in which the service is rendered or the rate charged, and in case such development, transmission, or distribution, or other service within a State which has not authorized or empowered a commission or other agency or agencies within said State to regulate and control the service to be rendered or the rates and charges of payment therefor, jurisdiction is hereby conferred upon the Federal Power Commission, to be exercised under the provisions of the Federal water power act approved June 10, 1920, or as the same may hereafter be amended as to the regulation and control of service and as to rates and charges to be made therefor, upon the complaint of any person, as defined in said act, or upon the initiative of said commission, to exercise such regulation and control until such time as the State shall have provided a commission or other authority for such regulation and control. When any service herein mentioned or any part thereof shall enter into interstate or foreign commerce the service rendered and the rates and charges therefor shall be reasonable, nondiscriminatory, and just to the customers and consumers, and all unreasonable, discriminatory, and unjust rates and charges are hereby prohibited and declared to be unlawful; and whenever any of the States directly concerned has not provided a commission or other authority to enforce the requirements of this section within such State, or such States are unable to agree through their properly constituted authorities on the service to be rendered or on the rates or charges of payment therefor jurisdiction is hereby conferred upon said Federal Power Commission, upon complaint of any person aggrieved, on the request of any State concerned, or upon its own initiative, to enforce the provisions of this section to regulate and control so much of such service rendered and of the rates and charges or payment therefor as constitute interstate or foreign commerce. The administration of the provisions of this section, as far as applicable, shall be according to the procedure and practice in fixing and regulating the rates, charges, and practices of railroad companies, as provided in the act to regulate commerce, approved February 4, 1887, as amended, and the parties subject to such regulation and control shall have the same rights of hearing, defense, and review as said companies in such cases."

Mr. BYRNS of Tennessee. Mr. Chairman, I move to strike out the last word. I shall ask the indulgence of the committee for only a few moments. Before I state the object of my request for recognition, let me say by way of preface that I am quite sure that every Member of the House knows that I have been a very ardent supporter of the offer of Henry Ford since it was first made, and that I am to-day very heartily in favor of the acceptance of Mr. Ford's offer. I may say that I do not believe that any material or fundamental amendment should be proposed to the bill or adopted because the bill is founded upon a contract, and should either be accepted or rejected as it comes before us; and so far as I am concerned, I do not think that I shall support any amendment unless, perhaps, the amendment which the gentleman from Illinois [Mr. MADDEN] announced yesterday that he proposed to offer, and which embodies the actual language of the proposal. Amendments to the bill, as a rule—and I say this without impugning the motives of any of those who may offer them—can not be considered in any other way except as having the effect of defeating the object of the legislation. The power companies and others opposing Henry Ford have been trying for two years, and have succeeded up to this time, to delay consideration of the proposition for the sole purpose, of course, of finally defeating it; and as I view it—and, I repeat, without impuguing the motives of any of those who may offer amendments—acceptance of amendments to this legislation now, which is based upon a contract, will amount to nothing less than its defeat.

It was stated yesterday that one of the power companies which is in this combine making an offer—the Tennessee Electric Power Co.—had been attacked in the courts of Tennessee for violation of the State antitrust laws. I have a telegram here from Judge J. M. Anderson and Mr. W. E. Norvell, jr., two of the most prominent and ablest attorneys in Nashville and citizens of the highest standing in the State, which they have asked me to present and read to the House. These gentlemen are the attorneys representing the Tennessee Power Co. in the suit referred to. The telegram is as follows:

NASHVILLE, TENN., *March 6, 1924.*

Hon. JOSEPH W. BYRNS,
Washington, D. C.:

We have been informed that it has been charged on the floor of the House that the Tennessee Electric Power Co. was organized and is being operated in violation of the antitrust laws of the State and has no legal status in Tennessee. A bill was filed by the attorney general some time ago seeking to oust this company from the State upon the grounds that it was organized and operated in violation of both the antitrust statute of the State and of the common law. About three weeks ago Chancellor Newman, after a full hearing on the pleading and proof, held that neither its organization nor its operation was unlawful, and the bill filed to oust the company from the State was by the chancellor dismissed. So far no appeal has been fixed. If our information as to the charge having been made is correct, will you please see that the same publicity that was given the charge be given the chancellor's decision.

J. M. ANDERSON.
W. E. NORVELL, Jr.

I felt that in all fairness it was proper to present the facts stated in this telegram to the House.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. CHINDBLOM. In view of what the gentleman said about the effect of offering amendments, will the gentleman say that Members of the House who believe that the substantial features of the water power act should be applied in this case, who believe that to be a condition precedent, a sine qua non of their support of this bill, should not have the privilege to freely offer amendments to that effect, in the hope that Mr. Ford himself may accept such provision?

Mr. BYRNS of Tennessee. Oh, no; I do not contend that they should not, and as I said, I impugn the motives of no Member who offers an amendment, and I do not question the sincerity of those gentlemen who may offer an amendment, but as I view this proposition, based as it is upon a contract, material and fundamental amendments can have no other result than that of defeating the legislation, and, in my judgment, Members of this House should be courageous enough in voting on this proposition to vote it up or vote it down, and not afford an opportunity to its opponents to indirectly defeat it by amendment.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. NEWTON of Minnesota. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. NEWTON of Minnesota: Page 1, line 5, strike out the words "the following contracts" and insert in lieu thereof the words "a contract or contracts containing the following provisions:"

Mr. NEWTON of Minnesota. Mr. Chairman, I merely want to direct the attention of the chairman of the Committee on Military Affairs to the language of the last line on the first page. It says "that the Secretary of War is hereby authorized and directed, for and in behalf of the United States of America, to execute the following contracts."

Now, turn the page and what is before you? It is not a contract, but certain provisions that the Secretary of War is later to set forth in the contract or contracts. Now, it seems to me, in the interest of good bill drafting and statute writing that the language of the bill before us should be so far modified as to say just exactly what is meant, I hope that this rule against the amendment to this bill does not go to the extent of preventing the perfecting of its phraseology.

Mr. McKENZIE. Will the gentleman yield?

Mr. NEWTON of Minnesota. I will.

Mr. McKENZIE. Does the gentleman think this is drawn in such a way that there is danger they can not carry out the proposals of this bill?

Mr. NEWTON of Minnesota. No; but the gentleman likes to have bills pass the House in such form so that they really say what the House intends to say and what the gentleman intends to say. We have certain provisions here that the Secretary is authorized to embody in a contract.

Mr. McKENZIE. I might say to the gentleman from Minnesota that, so far as the chairman is concerned, I take it that the amendment is offered as a friendly amendment and not an unfriendly one——

Mr. NEWTON of Minnesota. It is.

Mr. McKENZIE. And intended to make it more specific. We might have framed that in a little better language in this section of the bill, but if that is true, so far as I am personally concerned, I have no objection to the amendment. If anyone else has an objection, all right; but if not——

Mr. HILL of Maryland. Will the gentleman yield?

Mr. NEWTON of Minnesota. I yield to the gentleman from Maryland.

Mr. HILL of Maryland. I am much impressed by what the gentleman says, and I want to ask a question. On page 1 the last word is "contracts." In reading this bill, how many contracts does the gentleman contemplate are to be made by the Secretary of War embodying this offer? I would like to ask the chairman of the committee that question.

Mr. NEWTON of Minnesota. It is my idea there is to be but one contract, and that is between the Government and Henry Ford. It occurs to me possibly it might be advisable and necessary to have more than one contract, and that is the reason in the amendment I use the term "contract" or "contracts."

Mr. HILL of Maryland. Well, the bill itself says "contracts."

Mr. NEWTON of Minnesota. Yes.

Mr. STEVENSON. Mr. Chairman, I have not taken any time on this measure and very little on others, but there are a few things about this suggested by the gentleman from Tennessee that I want to talk about a little and in connection with the amendment proposed yesterday by the gentleman from Ohio [Mr. BEGG]. Now, the gentleman from Tennessee is correct, that amending the substantial terms of an agreement proposed between Ford and the Government would be an amendment to a proposition which might make it such a different proposition as it might defeat the whole thing. But amendments which look to the guarding of the rights of the Government and the enforcement of the contract after the contract is made are absolutely necessary and do not destroy the agreement which is proposed by Mr. Ford, and such amendments as necessary should be made. Now, there is one that ought to be made. It is following the line of the gentleman from Ohio, but his amendment would put us in a worse condition than we are now.

This act provides that the contract may be enforced in any court and in the court of equity of the United States District Court. That provision is made, but there is no provision to provide for the forfeiture or reversion of the property in case of a failure to comply. Now, you ought to have both remedies. You ought to have the right in case of a failure to the Government either to elect to recapture and take possession of the property or go into court and force specific performance. You want them both, and the amendment of the gentleman from Ohio proposed yesterday was looking to that——

Mr. BEGG. Will the gentleman yield right there?

Mr. STEVENSON. I have not the time now. I will yield when I finish my statement. But his amendment is dangerous in this respect—but before I come to that I want to state the reason I say we ought to have a forfeiture clause in it. My State has been through this same experience we are preparing for the United States. In 1888 we were constructing a canal which had not been completed and the State was unable to complete. The State conveyed it to a corporation which contracted to complete the canal and furnish the water power with which to operate certain institutions. They completed it to a point where it was available for the generation of water power and stopped and for 25 years it stayed there and has done nothing except generate some water power, the State demanding all the time that it go on and complete it so as to furnish navigation? What is the result? The State went into court to recover possession of the canal and the property on the ground of failure to complete the canal and asked for a reversion of the property to the State on the ground that it had the right to recover because the contract had not been completed. The Supreme Court of the United States less than a year ago decided against the State because it had no recapture clause in it and that it had no right except to enforce specific performance, and consequently the State got kicked out of court and had to start an action for specific performance.

Now, I say that the amendment offered by the gentleman from Ohio [Mr. BEGG] yesterday is looking to guard against that very difficulty. Something of that kind ought to go in, but not just what he offered.

Mr. WINGO. Mr. Chairman, will the gentleman yield?

Mr. STEVENSON. In a moment. I ask to be allowed to finish my statement, and then I will yield to gentlemen. The proposition which the gentleman from Ohio offered on yesterday is dangerous from this standpoint. You have to provide for these forfeitures and for the right to demand specific performance. If you do not look out and guard the right of election, you will have a court saying, "Well, you provided for the forfeiture, and therefore you can not have specific performance."

Mr. BEGG. The gentleman is talking about something that is not in the amendment at all.

Mr. STEVENSON. I am talking about the amendment that is printed in the RECORD. The amendment there does not give election to the Government to pursue either course, and when you get into court you will be met with the proposition that you provided for the forfeiture and therefore you have not the right to demand performance. I hope the gentleman from Ohio will redraft his amendment so as to guard the proposition that the Government will have election to do either. That amendment ought to be adopted. Is that what the gentleman wants?

Mr. BEGG. Yes.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. STEVENSON. Mr. Chairman, I ask unanimous consent to proceed for five minutes. I have not talked much at this session.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. STEVENSON. I asked for that in order to yield to the gentleman who asked me to yield. I yield to the gentleman from Arkansas.

Mr. WINGO. I agree with the gentleman that we ought, of course, to have the right of the Government to recapture made clear. Could we not avoid the dangers he pointed out by having that recapture proposition put in to this effect: That a failure to carry out the terms shall be considered ground for forfeiture, and in that case the Government could recapture? That is a general recapture law and not a piecemeal bit of legislation.

Mr. STEVENSON. Yes. There ought to be a provision written in here to the effect that the failure to carry out the substantial terms of this contract shall be ground for the forfeiture of the right, and the Government, on the proclamation of the President, has the right to enter and recapture, and in case that is not done, the Government shall have the right to elect whether to enter and recapture or require the specific performance of the contract.

Mr. BEGG. Mr. Chairman, will the gentleman yield?

Mr. STEVENSON. Yes.

Mr. BEGG. The gentleman is talking exactly along the line of my amendment.

Mr. STEVENSON. If the gentleman is talking about some other matter, very well.

Mr. BEGG. I am talking about what you are talking about, but you do not know what you are talking about. [Laughter.]

Mr. STEVENSON. I am very much humiliated if that is true.

Mr. BEGG. I will convince the gentleman. What does Mr. Ford undertake to do other than to manufacture fertilizer?

Mr. STEVENSON. He undertakes to pay rent, 4 per cent, a considerable amount.

Mr. BEGG. That is something we agree to do, for him to pay 4 per cent on the cost.

Mr. STEVENSON. The gentleman admits that I am right, although he says I do not know what I am talking about.

This is the proposition: The gentleman's amendment offered yesterday did two things: It provided that Henry Ford could default for three years and lie down and get out of the whole thing. It provided that he could default four years out of six, and not make a pound of fertilizer, and still hold his position and hold his property. That is not right. It ought to be that he has got to make it continuously and every year. And the act ought to say that he can either be kicked out or specific performance brought against him. That ought to be written in here.

Mr. KEARNS. Mr. Chairman, will the gentleman yield?

Mr. STEVENSON. Yes.

Mr. KEARNS. I understand the gentleman from South Carolina believes that there ought to be an amendment by which Mr. Ford will be compelled to make fertilizer or else the property reverts to the Government?

Mr. STEVENSON. I believe he should be compelled to make fertilizer and live up to the other terms of the contract or the Government shall have the right to elect either to take the property back without suit or process or go into court and compel performance.

Mr. KEARNS. The gentleman believes that this is not yet written into the contract?

Mr. STEVENSON. It is not in the bill as it is now, but this does not affect the terms of the agreement which have been offered. The substantial terms of the agreement are not affected by that. That is really provision for the proper enforcement of the right growing out of the contract, and therefore it would not destroy the contract, as has been suggested.

Mr. MONTAGUE. Mr. Chairman, I have an amendment which I wish to offer.

The CHAIRMAN. Is it an amendment to the pending amendment?

Mr. MONTAGUE. Yes, sir. I offer an amendment as a substitute for the amendment offered by the gentleman from Minnesota [Mr. NEWTON]. My amendment is in these words——

The CHAIRMAN. Will the gentleman send it to the Clerk's desk?

Mr. MONTAGUE. I beg leave to read it, and then I will send it.

The CHAIRMAN. The gentleman from Virginia offers an amendment, which the Clerk will report.

The Clerk read as follows:

Substitute amendment to the Newton amendment offered by Mr. MONTAGUE: Page 1, line 4, after the word "execute," insert "a." In line 5, strike out the words "the following contracts" and insert "contract or contracts" and before the colon insert "within and pursuant of the authorization, powers, and limitations contained in this act," so that as amended the paragraph will read: "That the Secretary of War is hereby authorized and directed for and in behalf of the United States of America to execute a contract or contracts within and in pursuance of the authorization, powers, and limitations contained in this act."

Mr. NEWTON of Minnesota. I have no objection to that substitute, and I ask for a vote.

Mr. MONTAGUE. I have no desire to debate it.

Mr. NEWTON of Minnesota. I will gladly accept it as a substitute for the amendment which I have offered.

The CHAIRMAN. The question is on agreeing to the substitute offered by the gentleman from Virginia [Mr. MONTAGUE] to the amendment offered by the gentleman from Minnesota [Mr. NEWTON].

The question was taken, and the substitute was agreed to.

The CHAIRMAN. The question is now on the amendment offered by the gentleman from Minnesota [Mr. NEWTON] as amended by the substitute offered by the gentleman from Virginia [Mr. MONTAGUE].

The question was taken, and the amendment as amended was agreed to.

The CHAIRMAN. The gentleman from Missouri [Mr. LOZIER] is recognized.

Mr. LOZIER. Mr. Chairman and gentlemen of the committee, it is very evident to anyone who has observed the proceedings of this House yesterday and to-day that this bill is in danger of being mutilated beyond recognition by the adoption of amendments. Let us see what the situation is. The bill, as reported by the committee, requires the Ford Co. to manufacture "continuously" throughout the lease period, "annually," at least 40,000 tons of fixed nitrogen for the use of the American farmers. The only exception is in case of war, strikes, accidents, fires, or other causes beyond control. The Ford Co. must furnish this quantity of fertilizer each and every year.

Take the amendment offered by the gentleman from Ohio [Mr. BEGG], which swept the House off its feet yesterday afternoon to such an extent that the gentleman from Illinois [Mr. MCKENZIE] and the gentleman from Mississippi [Mr. QUIN], sponsoring this bill, controlling the time and supposed to speak for and reflect the purposes of those who favor the measure, without examining the Begg amendment, and without analyzing its provisions or weighing its effects, impulsively and injudiciously, on the floor of the House, expressed their approval of this "half-baked" amendment that will absolutely emasculate and destroy the very purpose and object which this legislation is intended to promote.

What is the amendment offered by the gentleman from Ohio [Mr. BEGG]? It provides, in substance, that if the Ford Co. fails for "three consecutive years to manufacture annually not less than 40,000 tons of fixed nitrogen for exclusive use as fertilizer, then and in that event" the contract and lease between the Government and the Ford Co. shall be forfeited. In other words, instead of benefiting the farmer and instead of effectuating the purpose of this act, the amendment offered by the gentleman from Ohio does exactly the contrary and is a legislative limitation and a legislative construction of the contract and a legislative declaration to Henry Ford and to his company and to the world that all that the Ford Co. is required to do is to produce 40,000 tons of fixed nitrogen one year out of three, two years out of six, and so on.

Under the bill as it was reported by the committee Mr. Ford is under legal obligation to produce "each year" 40,000 tons of

fertilizer for the farmers. Please observe that the words "continuously" and "annual production" are used in the bill, and by this language the Ford Co. agrees to produce that amount of fertilizer "continuously" and "annually" throughout the lease period, not one year out of three, not two years out of three, and not two years out of six, but "continuously" and "annually," which means uninterruptedly and without intermission or cessation. The Ford Co. is required by the terms of the bill as reported by the committee to produce at least 40,000 tons of fixed nitrogen annually.

But the gentleman from Ohio [Mr. BEGG] comes along and in substance proposes to relieve the Ford Co. of that burden and that obligation, and in effect proposes to write into this bill and contract a legislative declaration that the company will only be compelled to produce this quantity of fertilizer one year out of three.

Mr. BEGG. Will the gentleman yield?

Mr. LOZIER. I will.

Mr. BEGG. In the first place, the gentleman is entirely in error about what the amendment offered by the "gentleman from Ohio" does. It does not strike out anything; it only adds to; and the gentleman is in error, further, when he says that the bill as drawn is positive——

Mr. LOZIER. Does the gentleman wish to ask me a question?

Mr. BEGG. Yes.

Mr. LOZIER. I will answer the gentleman's question, if he has one to propound.

Mr. BEGG. I have one.

Mr. LOZIER. Then propound it.

Mr. BEGG. Suppose Mr. Ford should tear down the building and then take 25 years to build it? What are you going to do?

Mr. LOZIER. The gentleman "speaks an infinite deal of nothing."

Mr. BEGG. No; that is nothing, because that is common practice.

Mr. LOZIER. "His reasons are as two grains of wheat hid in two bushels of chaff." Now, I am going to use the remainder of my time and not yield further unless my time is extended.

Mr. BURTNESS. Will the gentleman yield?

Mr. LOZIER. I will not.

Mr. BURTNESS. I thought the gentleman said a minute ago he would yield to me.

Mr. LOZIER. The gentleman is mistaken. I will not yield now.

Now, take section 14. It provides as follows:

Since the manufacture, sale, and distribution of commercial fertilizers to farmers and other users thereof constitute one of the principal considerations of this offer, the company expressly agrees that, continuously throughout the lease period, except as it may be prevented by reconstruction of the plant itself or by war, strikes, accidents, fires, or other causes beyond its control, it will manufacture nitrogen and other commercial fertilizers, mixed or unmixed, and with or without filler, according to demand, at nitrate plant No. 2 or its equivalent, or at such other plant or plants adjacent or near thereto as it may construct, using the most economic source of power available. The annual production of these fertilizers shall have a nitrogen content of at least 40,000 tons of fixed nitrogen, which is the present annual capacity of nitrate plan No. 2. If during the lease period said nitrate plant No. 2 is destroyed or damaged from any cause, the company agrees to restore such plant within a reasonable time to its former capacity, etc.

Now we turn to section 18. While without regard to any remedies reserved or created by this bill, the law of the land and the principles of equity jurisprudence unquestionably give the Government of the United States the right to enforce the provisions of this contract and to decree a rescission or forfeiture on the failure of the Ford Co. to comply with the terms and conditions of this contract, and to recover the property because of such default. In addition to the remedies available to the Government, as to every other litigant or party to a contract, section 18 of the pending bill provides:

In addition to any other remedies that may be possessed by the United States, and as a further method of procedure in the event of the violation of any of the terms of this proposal or any contracts made in furtherance of its terms, the company agrees that the Attorney General may, upon the request of the Secretary of War, institute proceedings in equity in the district court of the United States for the northern district of Alabama for the purpose of canceling and terminating the lease of Dam No. 2 or Dam No. 3, or both of them, because of such violation or for the purpose of remedying or correcting by injunction, mandamus, or other process, any act of commission or omission in violation of the terms of this proposal or any contract made in furtherance thereof.

While this language is very specific and comprehensive it does not in reality give the United States Government any additional remedy or new method of procedure by which to enforce compliance with the terms and conditions of this contract. It is merely declaratory of the rights which the Government as a contracting party would have should there be a failure on the part of the Ford Co. to carry out the terms and conditions of this contract; however, by section 18 the Ford Co. concedes to the Government the right and recognizes the power of the Government to institute proceedings in equity for the cancellation and forfeiture of the contract and for the recovery of the leased property should the Ford Co. default and fail to carry out, in good faith, its agreement with the United States. In other words, in the absence of section 18, the Government would have, under the law, the same rights as any litigant who sought the abrogation or rescission of a contract because of the default or abandonment of the contract by the other contracting party.

There is no question as to the right of the Government to have this contract rescinded and to recover the Muscle Shoals property and to recoup its losses in the event the Ford Co. violates the terms and provisions of this bill or fails to carry out the contract and lease made thereunder.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. LOZIER. Yes.

Mr. LAGUARDIA. Does the gentleman believe that an action for the specific performance would lie in the event that Mr. Ford failed to produce fertilizer for a year?

Mr. LOZIER. Undoubtedly under the bill as reported by the committee, but not if the Begg amendment is adopted. Courts of equity and courts of law, since we have had a judicial system in America, have given to litigants complete and effective relief in cases of this character. Courts of equity have exceedingly long arms and can reach out and enforce a literal compliance with the terms and conditions of this act. A court of equity can vitiate and forfeit this contract and restore the property to the Government, in the event of the failure of Mr. Ford and his company to observe and perform in good faith the letter and spirit of this contract. And courts of law can, in effect, accomplish the same result, by assessing damages for breach of contract, subjecting the property to a lien for the payment of such damages, and may decree recovery of chattels or lands, although nothing is said in the pleadings or judgment with reference to a rescission or forfeiture of the contract. Such recovery of possession in an action at law is based on the fact that possession of such property can not be restored to the Government unless there has been a rescission of the contract. This recovery of property in an action at law may be granted where there is a failure of consideration or for substantial violations of contractual obligations, or where there has been an abandonment of the contract by one of the parties thereto.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LOZIER. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

Mr. BURTNESS. Reserving the right to object, will the gentleman answer questions?

Mr. LOZIER. I most certainly will if I am given additional time.

Mr. McKENZIE. Mr. Chairman, reserving the right to object, and I will not object to this request, I want to say I hope when the gentleman is through we shall proceed with the bill. The debate which is now going on is all out of order and will be in place when we reach that section of the bill. So, when the gentleman is through, I will object to the extension of time for others and demand the regular order.

Mr. MADDEN. Mr. Chairman, reserving the right to object, I wish to make a statement in connection with the gentleman's request. We have a large number of appropriation bills pending, one a deficiency bill carrying $157,000,000, or something like that. Nearly every dollar in the bill is urgently needed by people whose claims have been filed and approved, and every day we postpone the consideration of that bill it is costing the country a lot of money for interest, so I hope this bill will be disposed of to-day in order that we may proceed with the appropriation bills. [Applause.]

Mr. LAGUARDIA. Reserving the right to object, I want to say that this bill is on the floor of the House by reason of a special rule; and if the deficiency bill was so important, and if delay in considering that bill is costing the Government

money, it should have been here instead of this bill. But this bill being before the House, it must be discussed in full.

Mr. BEGG. Mr. Chairman, I want to reserve the right to object in order to make one statement. Several men who are competent lawyers have worked with me on the amendment which seems to have created such a turmoil, and I believe that all of this trouble could be obviated and eliminated if there would be any way by which I could get an opportunity to get the amendment before the committee.

Mr. BUTLER. Mr. Chairman, I would like to ask the Chair to what part of this bill these remarks are directed? I have been hunting through it, but can not find it. [Cries of "Regular order!"]

The CHAIRMAN. The regular order is demanded. The gentleman from Missouri [Mr. LOZIER] asks unanimous consent to proceed for five additional minutes. Is there objection?

There was no objection.

Mr. BURTNESS. Now, will the gentleman yield?

Mr. LOZIER. Yes; I will yield for a question.

Mr. BURTNESS. I am asking this for information: Assuming there was a breach of the contract after it is entered into, under the bill as originally drawn, a breach in the failure to manufacture fertilizer, then just what would be the remedy which the Government would seek and what would be the measure of damages, if any, that either a court of law or a court of equity would give to the Government?

Mr. LOZIER. I will be very glad to answer the gentleman. The Government has two or more remedies. One is an action at law for breach of the contract and for damages and to recover the leased property because of an abandonment of the contract or because of failure of consideration. The other is an action in equity, having for its object and purpose an abrogation, rescission, or forfeiture of the contract because of the failure of the Ford Co. to comply with its terms. Or the Government would have a right to ask the court for a mandatory order compelling compliance with the terms of this contract, or to enforce specific performance of contract, in default of which the contract and all rights thereunder would be forfeited and the leased property restored to the Government.

Mr. BURTNESS. In either case would there be a reverter to the Government of the property conveyed to the company?

Mr. LOZIER. Undoubtedly, just the same as under any other contract, the consideration for which has not passed or the conditions and terms of which have not been performed. The Government would have the same right to recapture its property just like a landlord could recover possession of his property on failure of the tenant to pay rent, and just like a vendor of land can recover the land if the vendee fails and refuses to pay the consideration or otherwise abandons the contract of sale.

Mr. KEARNS and Mr. BOYCE rose.

Mr. LOZIER. I promised to yield to the gentleman from Delaware.

Mr. BOYCE. The gentleman has already called attention to section 14 and to section 18 of the bill, and stated the specific terms of those sections as applying to this proposed contract.

Mr. LOZIER. Yes, sir.

Mr. BOYCE. I would ask what effect, in the judgment of the gentleman, has section 23 in connection with the proposed contract and its enforcement in law and equity?

Mr. LOZIER. Section 23 is a recognition by the Ford Co. of the rights which the Government, as one of the contracting parties, would have if that section had not been inserted. Every obligation imposed by this bill on Henry Ford is binding on his heirs, representatives, and assigns, and on the company to be incorporated by him to take over this property, and in like manner binding upon the successors and assigns of said company.

Mr. BOYCE. Just another word; would not the proposed amendment of the gentleman from Ohio [Mr. BEGG] tend to weaken the purpose and intendment of these sections?

Mr. LOZIER. Undoubtedly. The amendment of the gentleman from Ohio [Mr. BEGG] limits, circumscribes, and emasculates the provisions of section 14, because we would by the adoption of the Begg amendment in effect and by a legislative act construe that section as not meaning continuously, nor annually, but one year in three, two years in six, three years in nine, and so forth.

The Congress of the United States by the adoption of that amendment would solemnly declare that continuously does not mean continuously; that it does not mean without cessation; that it does not mean without intermission; that it does not mean without interruption; that it does not mean every year. But this House by the adoption of that amendment would declare by a solemn legislative act that the Ford Co. may skip one or two years in three without furnishing the 40,000 tons of fertilizer annually, provided the required amount was furnished the third year. In other words, the amendment avoids a forfeiture just so long as the Ford Co. does not "fail for three consecutive years" to furnish the required 40,000 tons of fertilizer annually.

This amendment amounts to a solemn legislative declaration and legislative construction of the contract and will permit the Ford Co. to skip two years in three, four years in six, six years in nine, and so forth. And the plain meaning of the term "continuously" is destroyed as well as the real purpose of this act.

Mr. SPROUL of Kansas. Will the gentleman yield?

Mr. LOZIER. If I have any time left, I will be glad to yield.

Mr. SPROUL of Kansas. I wish to ask if it is not necessary before a forfeiture can be declared by a court of equity that the contract contain conditions of forfeiture?

Mr. LOZIER. Yes, sir; and no. It must contain conditions the violation of which furnishes grounds on which a forfeiture can be decreed.

Mr. SPROUL of Kansas. And whether forfeitures are not confined and limited to courts of equity exclusively?

Mr. LOZIER. Not necessarily. That may be the rule in some but not all jurisdictions. As I have stated, in actions at law where there has been a failure of consideration, courts of law may ascertain damages for breach or abandonment of a contract, impress property with a lien, and decree its return for failure of consideration or the other causes mentioned; although nothing may be said in the pleadings and judgment about a rescission or forfeiture of the contract, courts of law nevertheless in effect do cancel contracts.

Mr. SPROUL of Kansas. Never; the gentleman is wrong.

Mr. LOZIER. I do not accept your construction of the law, nor do the authorities sustain your position.

Mr. SPROUL of Kansas. Suppose an action for damages were begun. Who would be the parties in interest?

Mr. LOZIER. The Government of the United States and Henry Ford and——

Mr. SPROUL of Kansas. Would it not be the farmers who had been denied this fertilizer? Would it not be the farmers, and no one else but the farmers?

Mr. LOZIER. This is a contract made between the Government of the United States and Henry Ford and his company for the use and benefit of the Government, and incidentally for the use and benefit of the agricultural classes, and it is enforceable like any other contract made by the Government of the United States. But the action to enforce its provisions or to decree its forfeiture must be brought in the name of the United States. It is fundamental that where two parties make a contract for the use and benefit of a third party, such third party can not sue for breach of the contract, because privity of contract is necessary to any action founded on a breach of contract. The action must be brought by one of the parties to the contract.

The CHAIRMAN. The time of the gentleman has expired. The pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

SEC. 2. The company shall complete for the United States, subject to the approval of the Chief of Engineers, United States Army, Dam No. 2, its locks, power house, and all necessary equipment, all in accordance with the plans and specifications prepared, or to be prepared, or approved by the Chief of Engineers, United States Army, and progressively install the hydroelectric equipment in said power house adequate for generating approximately 600,000 horsepower, all the work aforesaid to be performed as speedily as possible at actual cost and without profit to the company. It is understood that the necessary lands and flowage rights, including lands for railway and terminal connections, have been or will be acquired by the United States.

Mr. BLANTON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Texas [Mr. BLANTON] offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered my Mr. BLANTON: Page 2, line 10, after the word "States" insert the following: At a cost to the United States not to exceed $28,000,000 additional to the amount already expended when the contract becomes finally executed, and costs of completion, additional to such $28,000,000, if any, are to be paid by said company.

Mr. HILL of Maryland. Mr. Chairman, there was so much disorder, I ask unanimous consent that the amendment be again reported and that it not be taken out of the gentleman's time.

The amendment was again reported.

Mr. BLANTON. Mr. Chairman and gentlemen, there is not a man in this House who is more anxious than I am to see Henry Ford develop and operate this plant. But Henry Ford has specially prepared this contract through skillful lawyers. His interests have been particularly represented and protected in this contract that we are now considering, and the 110,000,000 people of the United States are looking to Congress—to you and to me—as their attorneys and agents to see that their interests are properly represented, safeguarded, and protected when this contract is closed in their behalf. We are the people's only attorneys and agents, and if a bad contract is made on the part of the people of the United States it will be because of our action taken here in the House of Representatives in not properly framing this bill, for if passed without amendment it will surely become a contract.

I have asked members of the committee to tell me what it is going to cost the United States to complete this Dam No. 2. I have tried in every possible way to get definite information. I went to the gentleman from Illinois [Mr. MADDEN], who seems to be one of the best-posted men on the proposition, and he states it will cost $28,000,000. I am willing to take the estimate of the gentleman from Illinois [Mr. MADDEN], who is chairman of the Committee on Appropriations. I am willing for the Government to spend $28,000,000 more to get the plant in operation, but I do not want to pass a measure which may result in causing the Government to spend $100,000,000 more. I am one of those who helped pass laws hurriedly during the war Congress when cantonments and other Government projects, upon demand of the War Department, were built on the outrageous 10 per cent cost-plus contracts, and thereafter I witnessed millions of dollars of the people's money wasted by contractors who ought to have been put in the penitentiary, and I made up my mind then that I would never vote, as long as I was in Congress, for another contract of that kind. [Applause.]

I want to say to my friends on both sides of the aisle, you place in this contract no limitation whatever upon Henry Ford as to the amount he is to expend for you on Dam No. 2. You give him the blue sky as the limit. You merely say he shall make no profit out of it, and that is all you provide. You merely say he and his company are to make no profit out of it, but you say he shall rebuild it for the people at our expense, but you place no limit whatever upon the kind of contracts he and his company are to make with the contractors who do the work in completing the dam or how much they shall be paid for themselves and their laborers who will do the work.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. BLANTON. In just a moment. I want to use my time and I do not want to ask for any more extra time.

Mr. LAGUARDIA. I just wanted to give the gentleman the accurate figures.

Mr. BLANTON. If I had the time I would gladly yield. I want to see that even Henry Ford is limited in the expense, and if you do not limit him, as much as I want to see him operate this plant, I am going to vote against it. [Applause.] Why, over here on page 3, see what you are turning over to him and what you are obligating the Government to do for 100 years. Let me read it to you. This concerns Dam No. 2, and not the dam merely but the gates and locks as well—

> it being understood that all necessary repairs, maintenance, and operation thereof shall be under the direction, care, and responsibility of the United States during the said 100-year-lease period.

You colleagues who are lawyers know just what that language means, that this Government, in addition to the half a hundred million dollars already wasted on this project, is to spend from $28,000,000 to $40,000,000 more in completing it, and then for 100 years binds itself to keep this dam, locks, and gates in repair, and to maintain and operate them at Government expense.

That is what you are doing. You are saying that this Government shall repair, shall maintain, and shall operate this Dam No. 2, its locks and gates, for 100 years at the expense of the Public Treasury. And that could cost $100,000,000 more.

Mr. HUDSPETH. Will the gentleman yield?

Mr. BLANTON. Certainly.

Mr. HUDSPETH. If the dam washes away is it the duty of the Government of the United States to replace it?

Mr. BLANTON. That is just what I was going to discuss. My colleague from Texas, who was a former distinguished senator of Texas, who served his State ably and faithfully, knows that the big dam on the Colorado River, at Austin, the capital of Texas, washed out twice and almost bankrupted the good people there.

Mr. HUDSPETH. And it cost $5,000,000 to replace it.

Mr. BLANTON. This dam might wash out once, twice, or thrice in the next 100 years, and could cost the Government of the United States $50,000,000 each time to replace it. I am not going to overlook this feature of the contract from the practical standpoint of the people of this country. I am going to watch it, and if you do not amend the bill so as to require the Ford company to repair, maintain, and operate same I am going to be compelled to vote against the bill, although I would regret exceedingly to do it.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BYRNS of Tennessee. Mr. Chairman, I ask unanimous consent that the gentleman may have three minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. BURTNESS. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. BURTNESS. I want to see if the gentleman's construction of section 2 is the same as mine. Under section 2 Mr. Ford or his company simply lets out the contract and then comes in and says that was the cost.

Mr. BLANTON. Yes; he could let out every different part of the structure at 10 per cent plus or even 20 per cent plus contracts, because neither he nor his company would be making a dollar profit, and would come within the terms of the bill, but the contractors actually doing the work for him could make millions, and the Government would have to pay it.

Mr. BURTNESS. He could let out 100 contracts.

Mr. BLANTON. Yes; without limitation or restriction, for all he contracts to do is not to make a profit on such construction for himself or his company; he does not say in this bill that there shall be no profit to the laborers and contractors who actually perform the construction work for him.

Mr. BYRNS of Tennessee. Will the gentleman yield?

Mr. BLANTON. I will.

Mr. BYRNS of Tennessee. Regarding the gentleman's amendment limiting the cost, does not the gentleman think that is a different proposition than the statement he made about other matters. As I understand it, the work is to be done by Ford under the supervision of the United States, and I am sure the gentleman will agree with me that Mr. Ford can do the work cheaper than the United States.

Mr. BLANTON. He could, but would he?

Mr. BYRNS of Tennessee. Why would he not? Because he is to pay 4 per cent on the money actually expended for 100 years.

Mr. BLANTON. I want to state to my friend from Tennessee, who is usually careful in expenditures, that these same Army engineers overlooked and superintended the same 10 per cent plus contracts that were made for the building of the cantonments during the war, where millions of dollars of the people's money was wasted. What do they know or care about economy? Why, from the day they first start in the Government school at West Point and are then put on the pay roll until they become generals in the Army money comes freely and easily to them and they learn to spend Government money freely.

Mr. CLARKE of New York. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. CLARKE of New York. Is there any guaranty in the bill that Mr. Ford will continue to live until the dam is completed?

Mr. BLANTON. Why, no; he may die the next day after it is started. There will be 100 years for this contract to run, and there will be many other men in our places during this hundred years called upon to appropriate the huge sums of money necessary under this contract to repair, maintain, and operate this dam, locks, and gates, who will stand on the floor and damn us because of the contract we made unless we safeguard the people's rights. I ask my friend from Mississippi, I ask my friends from Alabama, to pause here and scrutinize this contract closely from a lawyer's standpoint and see if the Government's rights are properly protected and safeguarded in this proposition. I ask both sides to do that before we vote finally on the bill. This is the only time and opportunity we will have to correct the evils in it.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. McKENZIE. Mr. Chairman, I shall not take the time to reply to the argument of the gentleman from Texas on his amendment. In my own judgment the bill protects the interests of the taxpayers of this country when it says that this shall not be a cost-plus contract but shall be built by the man who is going to use it and who is going to pay 4 per cent interest on the cost of it for the period of 100 years. He is to build it under the plans and specifications and under the supervision of the Board of Engineers of the United States Army. In my judgment no stronger protection can be given to the people of this country in the matter of expenditure than to say that the man who is expending the money shall pay 4 per cent on the amount of that expenditure for 100 years.

In my humble judgment the gentleman from Texas is undoubtedly sincere, but he made the statement to the House in which he said that "unless I can have this thing put into the bill to suit me I shall vote against the bill and fight against the bill."

Mr. BUTLER. Will the gentleman yield for a question?

Mr. McKENZIE. Let me call to your attention that the only reason the provision is in the bill is to keep down the overhead expenses of fertilizer which is to be sold to the farmers; another thing, to let you gentlemen know how little information my friend from Texas had about the matter when he said that Ford's attorney helped to draw up the proposition. Mr. Ford had no attorneys here. This proposition was worked out in the office of the Judge Advocate General of the United States in company with the Secretary of War, Mr. John W. Weeks, both of whom have the interests of the United States at heart.

Mr. BEGG. Mr. Chairman, will the gentleman yield?

Mr. McKENZIE. Yes.

Mr. BEGG. As a safeguard against the gentleman's suggestion of the possibility in subletting the building of this, the higher the actual cost to the Government the more rent Mr. Ford has to pay, because he pays 4 per cent upon the cost.

Mr. McKENZIE. Absolutely.

Mr. BEGG. Therefore he is interested as much as we in getting it built cheaply.

Mr. McKENZIE. Yes.

Mr. BUTLER. Mr. Chairman, will the gentleman yield?

Mr. McKENZIE. Yes.

Mr. BUTLER. I am one of the Members of the House who doubts what is the right thing to do. I am willing to accept the gentleman's statement, which will be made, I am sure, in all sincerity. How much will this improvement cost? Did the gentleman have an estimate, and is there any real reason why we should not put a limitation upon it? I have come to a period in my official life when I believe in putting the strings on, if they are strong enough to hold.

Mr. McKENZIE. What stronger limitation could you put on than to require a man to pay 4 per cent interest upon it for a hundred years?

Mr. BUTLER. That will increase the cost of the fertilizer.

Mr. McKENZIE. No.

Mr. BURTNESS. Mr. Chairman, will the gentleman yield?

Mr. McKENZIE. Yes.

Mr. BURTNESS. I was wondering whether it is contemplated that this company which Mr. Ford is going to form is going to be a construction company, and that that company itself will build this dam.

Mr. McKENZIE. No.

Mr. BURTNESS. That not being the case, this company which Mr. Ford is going to form will of necessity have to let the proper kind of contracts to other concerns; and is there anything by which you can be assured that the profits of those other concerns will not be unduly large?

Mr. McKENZIE. Of course the gentleman and I will agree that the man who is going to pay for the job in the end and to pay interest on the investment will naturally be interested in the amount of the cost, which is the best safeguard, in my judgment, that we could put around it. I want to say that the committee has not, in my judgment, tried to bring in a bill for Mr. Ford, but to bring in a bill in the interest of the people of the country. If it be necessary that every man must amend the bill so as to suit himself or he will not vote upon it, you may as well quit now and proceed to vote. I ask for a vote on this amendment.

Mr. HILL of Maryland. Mr. Chairman, I rise to support the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

Mr. HILL of Maryland. But I ask recognition in favor of the amendment, as a member of the committee.

Mr. McSWAIN. The gentleman has no right to be heard. Under the rule only one can be heard in support of an amendment and one in opposition thereto.

Mr. HILL of Maryland. Then, Mr. Chairman, I move to strike out the last word of the amendment.

The CHAIRMAN. The gentleman from Maryland is recognized.

Mr. HILL of Maryland. Mr. Chairman and gentlemen of the committee, I want to say that the gentleman from Texas [Mr. BLANTON] is very alert to the rights of the American people, and I am for his amendment. I intend to vote for it because I have the same point of view on the limitation of cost to the United States on Dam No. 2. I am not interested in Mr. Ford or anybody who has or will make offers for Muscle Shoals, but I am interested in "fertilizer in time of peace and nitrates in time of war." If the amendment of the gentleman from Texas does not prevail, then I propose, in the interest of limitation of cost of the dams, to offer the following amendment suggested by the gentleman from Texas, on page 2, line 19, after the words "to be performed as speedily as possible at actual cost and without profit to the company," to insert the words "or any other person or corporation."

Mr. LaGUARDIA. Mr. Chairman, will the gentleman yield?

Mr. HILL of Maryland. Yes.

Mr. LaGUARDIA. Does not the statement made by the gentleman from Illinois [Mr. McKENZIE] bear out the fact that the purchasers of fertilizer will pay in the overhead cost of production the entire cost of this plant and 8 per cent profit besides?

Mr. HILL of Maryland. I say to the gentleman that it does. This contract which we are considering, and which is so sacred that we can not even suggest amendments to it according to the gentlemen who favor it, provides that the Ford company may make a maximum profit of 8 per cent on fertilizer.

Mr. LaGUARDIA. And not on their capitalization, but on the turnover?

Mr. HILL of Maryland. Absolutely; and there is nothing in this bill to prevent the Ford company from capitalizing those portions of the expenditure of the United States which they have not paid back and do not have to pay back.

Mr. LaGUARDIA. And according to the gentleman from Illinois [Mr. McKENZIE], who is the sponsor of this bill, the 4 per cent sinking fund which the Ford company will contribute each year will be included in the price of fertilizer?

Mr. HILL of Maryland. Absolutely; and I hope the House will vote for the amendment of the gentleman from Texas. I withdraw the pro forma amendment.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn, and the question is on the amendment of the gentleman from Texas [Mr. BLANTON].

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 34, noes 60.

So the amendment was rejected.

Mr. HILL of Maryland. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. HILL of Maryland: Page 2, line 19, after the word "company" strike out the period and insert a comma and the language "or any other person or corporation."

Mr. HILL of Maryland. Mr. Chairman, I shall not enter into any protracted discussion of this amendment. We are told by the proponents of this bill that Mr. Ford and his associates are actuated purely by the altruistic motives of furnishing fertilizer to the farmers of the United States. This section 2 of the McKenzie bill assumes that there will be no profit under the Ford offer to anybody in the completion of the dams. The language provides that there shall be no profit to the Ford company, but does not provide that there shall be no profit to some subcontractor. I ask that the amendment which I have offered be adopted in order that there shall be no profit to anybody, and that the United States shall pay only the actual cost of building the dam.

In this debate the Alabama Power Co., the Tennessee Electric Power Co., and the Memphis Power & Light Co. have been attacked as being capitalistic and monopolistic, while Mr. Ford, his heirs (Edsel Ford) and assigns, have been lauded as patriotic philanthropists. I know nothing of any of them, except from the hearings in this case, but here is a chance to make sure there will be no profit in the building of the dams. If the Ford offer is based solely on patriotic fertilizer philanthropy, adopt my amendment.

A few years ago the Secretary of War, Mr. Baker, considered the Alabama Power Co. "generous and public spirited."

To-day it is attacked as a greedy corporation by some of those who have advocated the Ford offer. I wonder how Ford will be regarded five years from now if you accept his offer with a possible 8 per cent profit on fertilizer alone?

I believe in a square deal for all parties who make offers for Muscle Shoals, and I call your attention to the following extracts from the hearings before the Military Affairs Committee Friday, February 24, 1922, at page 669 of the hearings during the Sixty-seventh Congress, and especially to the letter of Secretary Baker, which was read at my request, although introduced by some one else, and I had never heard of it before. In the interest of farmers note the following:

Mr. KEARNS. Then, if Congress should authorize the Secretary of War to accept the Ford offer, then it would be transferring to Ford a part of your property for which the Government never had any kind of a contract.

Mr. MARTIN. That is correct, Mr. Kearns. We did convey to the Government, in fee simple, several years ago, the site at which the Wilson Dam is being erected. We also owned that and we conveyed that to the Government in 1918 for $1.

Mr. KEARNS. But that does not include these other properties?

Mr. MARTIN. No, sir; that land which constituted the abutment sites of Dam No. 2, the Wilson Dam, we had expended upward of $500,000 on its development, and at the inception of the war we were asked to hasten the whole program, and we conveyed that title to the Government for $1.

Mr. KEARNS. Was there a provision in the contract or in this conveyance whereby the Government was to return it to you?

Mr. MARTIN. No, sir; we practically donated it to the Government.

Mr. KEARNS. You donated $500,000 worth of property to the Government for $1?

Mr. MARTIN. Yes, sir. I have in my hands the letter, if you care to know about it, to the Government officers tendering it, giving our reasons for it, and the answer of the Secretary of War acknowledging it with thanks and appreciation; if you would like to hear it, I would be glad to read it.

Mr. KEARNS. You can put that in the record.

Mr. HILL. May he not read that, Mr. Chairman? I would like very much to hear it.

The CHAIRMAN. Is it very long, Mr. Martin?

Mr. MARTIN. No, sir.

The CHAIRMAN. Then you might read both the letter transmitting the offer and also the letter accepting it.

Mr. MARTIN. I am reading from a letter dated February 18, 1918:

ALABAMA POWER CO.,
Birmingham, Ala., February 18, 1918.

Col. C. KELLER,
Corps of Engineers,
Office of the Chief of Engineers,
United States Army, Washington, D. C.

SIR: Following the several interviews which I have had with you recently on the subject of the desire of the Government to acquire from the Muscle Shoals Hydroelectric Power Co. the dam site and certain other properties at Muscle Shoals, I have conferred fully not only with the directors of that company but also with the representatives of the security holders of the Alabama Traction, Light & Power Co. (Ltd.). As I believe I explained to you, the last-mentioned company is interested by reason of its stock holdings in Alabama Power Co., which latter company owns the stock of the Muscle Shoals Hydroelectric Power Co.

The properties in question represent a very heavy investment by our company, and have occupied an important position in our plans for securing power for the future. For several years we have worked on plans for ultimately developing these water powers as an integral part of the hydroelectric system which will be required by our companies to meet the needs of the communities which they serve. Much of this work was done by us in collaboration with the Army engineers, looking toward a development in cooperation with the Government on some such plan as was favorably reported on by the Army engineers in House Document No. 1262, Sixty-fourth Congress, first session.

I am adverting very briefly to these features, as I judge from the several interviews which I have had with you and with other representatives of the Government that you are fully aware of what the company has done in preparation for the ultimate development of this water power, and I believe you appreciate that it should receive consideration in the disposition of any surplus power not required for the needs of the Government.

From our recent interviews it is obvious that our respective views as to the value of our property and the price which you would agree to pay are quite irreconcilable. As directors of a large public-service corporation, we have always believed that in addition to the development of our water powers at Muscle Shoals being a very valuable and necessary complement to our system throughout the State, the large industrial community which would grow up at Muscle Shoals would add a special value to that power plant. In times like these, however, such considerations must be secondary to the urgent needs of the Nation to secure these properties immediately for the carrying out of the Government project for the production of war nitrates, and we have accordingly determined to donate our lands to the Government for this purpose. I have already given instructions to the company's attorneys for the preparation of the necessary deeds of conveyance.

It is our understanding from you that the Government only desires to acquire the site at Dam No. 2 and adjacent properties, with flowage easement on such of our other properties as may be affected by this development.

I need hardly assure you of the desire of the company to cooperate with the War Department to the fullest extent in placing at your disposition the benefit of all our engineering studies and records relating to the projected development.

I trust that this disposition of the matter meets with your views.

Yours very truly,

JAMES MITCHELL, *President.*

Then, on the 20th of February, 1918, a letter from the Secretary of War:

WAR DEPARTMENT,
Washington, February 20, 1918.

Mr. JAMES MITCHELL,
President Alabama Power Co., Birmingham, Ala.

DEAR SIR: Referring to your letter of the 18th instant, addressed to Colonel Keller, in which you express the willingness of your company to donate to the United States certain properties and flowage easements needed for the proposed Federal power development at Muscle Shoals, I beg to acknowledge with thanks the company's generous and public-spirited action.

The further steps necessary in regard to the matter will be given immediate attention.

Very truly yours,

NEWTON D. BAKER,
Secretary of War.

Then, I have in my hand a photograph of the check which we received from the United States in the sum of $1 in payment for these lands.

Mr. KEARNS. And that was land connected with Dam No. 2?

Mr. MARTIN. Dam No. 2, the Wilson Dam.

Mr. KEARNS. Which had cost your company $500,000?

Mr. MARTIN. Yes, sir; slightly less than $500,000 we had expended in connection with that development.

I never saw Mr. Martin before he came before our committee. I have never seen him except in relation to hearings on Muscle Shoals. I do not know whether he claims to be a philantropist or not, but here are the thanks of Secretary Baker to his company. This is a pure business proposition, gentlemen. If you really want to take the profit out of the building of the dams, adopt my proposed amendment. If Mr. Ford is really a philanthropist, his advocates here will vote for it. [Applause.]

Mr. McDUFFIE. Mr. Chairman, I rise in opposition to the amendment. Mr. Chairman and gentlemen of the committee, of course it is impossible to discuss this question at length in five minutes. I dislike to impose upon the time of the committee, but being unable to get time under the general debate on the bill, I feel I can not let an opportunity pass without adding my enthusiastic indorsement to the action of the majority of the members of the Committee on Military Affairs in presenting this bill in its present form to the House. For two years the Congress and this great Committee on Military Affairs have been considering the Ford offer and during those two years, despite the interest and opposition shown to the Ford offer by practically all the hydroelectric power companies of the country, no better offer has been made. Indeed, no offer has been made that can compare favorably with the Ford offer, having in view the carrying out of the policy of the Government as expressed in the act of Congress in 1916.

The Committee on Military Affairs of this House, which has always been a nonpartisan committee and which must necessarily be nonpartisan as to matters pertaining to our national defense, has studied this problem from alpha to omega and has carefully considered every offer submitted. That committee has faithfully safeguarded the interests of the Government at every turn under the provisions of this bill, and a very large majority of its members have presented the bill here for our consideration. In doing this they have responded to an urgent demand of a vast majority of the people of this country for immediate action by Congress as to the disposition of Muscle Shoals. There is no question in my mind but that a very substantial majority of the people demand that this Congress accept the offer of Mr. Ford. And yet gentle-

men are here presenting amendment after amendment to the bill containing the Ford offer, or a proposal to accept that offer, for this great water-power project. I agree with the chairman of the committee, if we must adopt amendments to the Ford proposal in order to meet the views of every man, especially those of men who have not studied this proposition, why we may as well say so and stop this proceeding.

Mr. DAVIS of Tennessee. Will the gentleman yield?

Mr. McDUFFIE. I will.

Mr. DAVIS of Tennessee. And the amendments are offered by men who will not support the bill even if their amendments are accepted.

Mr. McDUFFIE. I would not say that applies to all who wish to amend the bill. Of course, there are those who wish to defeat the Ford offer in any way possible.

Mr. HILL of Maryland. Will the gentleman yield?

Mr. McDUFFIE. Not now; I do not wish to be discourteous. I think there are gentlemen on this floor who are perfectly sincere in feeling that probably additional safeguards should be put in this bill in order to properly protect the rights of the people and the Government in the years to come. I can but believe, however, if they will carefully study all the provisions of the bill they will agree that it needs no amendment in that regard. For myself, I believe those gentlemen who have made it their business to study this Ford offer know more about it than anyone else who has not given to it a great deal of study and attention. Therefore I think we should accept the bill as it is written and pass it without amendment. Personally I can but believe that those who are really for the Ford offer will prefer to see it passed without any change whatsoever.

Mr. WURZBACH. Will the gentleman yield?

Mr. McDUFFIE. I regret I can not now, as I wish to make some further remarks and my time is very limited. I hope the gentleman will excuse me.

Now, gentlemen, I submit that no one can view this question as a sectional or partisan problem, but every man here must realize that it is a matter of a great national policy. I confess I was surprised and disappointed that the distinguished gentleman from Indiana [Mr. WOOD], for whose industry and intellect I have always had the greatest respect, should stand here and say, if Muscle Shoals were in some other section of the country, we who happen to have a local interest in it, would not vote for it.

I do not believe the gentleman from Indiana speaks the sentiment of a dozen Members on this floor. I am exceedingly glad that the membership of this House have not come to the point where they will refuse to approve any legislation that does not bring some peculiar benefit to their respective districts or sections of the country. Let me remind you, gentlemen, that often, and time after time, we have heartily supported your great irrigation and reclamation projects of the West. Time after time we have stood, and will continue to stand, shoulder to shoulder with you who have advocated great national projects carrying out our national policy of conservation and development. I need not tell you again that to-day we are dealing with a national problem, and not a local one. This bill involves a question of national defense and the carrying out of the policy of the Government as set forth in an act of Congress in 1916, when the first dollar was spent at Muscle Shoals. We are not dealing with an ordinary water-power site, such as would ordinarily be subjected to the provisions of the Federal water power act. In my opinion the Congress has a different policy specifically as to Muscle Shoals; at least, it has not been the intention that the power site at Muscle Shoals should come under the jurisdiction of the Federal Power Commission. This bill contains a proposal to accept the only offer or proposal ever made to the Government that in any appreciable manner meets the fixed policy of the Government in dealing with this national project.

There is no reason for us to be swept away from the issue by the cry that is raised against a vast expenditure of public money by Henry Ford in the completion of Dam No. 2 and the construction of Dam No. 3. What better safeguard could be provided against the useless expenditure of this money than to provide, as the bill does, that he pay 4 per cent interest on the money required for this work? Do you believe he will make the expenditures as large as possible just for the privilege of paying 4 per cent interest on it for 100 years?

This is not a proposition to make money, though we like to be assured that the Government will be reimbursed. Under the offer of Mr. Ford, I am informed the Government will receive annually approximately $300,000 more than it would receive under any other offer, including the last and best offer of the power companies. We built the Alaskan railroad at public expense of many millions and it has not begun to pay any interest on the money. I supported an appropriation for it because a great national policy was involved. The same may be said of the Panama Canal, though it has begun to show returns. How much money have we expected or received for our investment in irrigation and reclamation projects? Yet in this Ford offer it seems assured that the Government will have returned to its Treasury every dollar to be expended with interest at 4 per cent. I submit it is not such a bad business deal after all.

There are only two courses open for us to follow. The one is Government ownership and operation and the other is to sell or lease to some private enterprise that will carry out the national policies involved. I can not believe this Congress is quite ready for Government operation. It has been suggested by a very few in the course of this debate. We all know that our Uncle Sam is a very poor business man. Therefore we should lease or sell, and we should make the best bargain possible. This bill represents the best we can do.

I am sure the gentleman from Texas [Mr. BLANTON] is thoroughly earnest and sincere in his contentions, but let me beg you gentlemen, if you really wish to settle this problem for the American people, not to urge these amendments that will destroy this bill and defeat the very purpose of this legislation which evidently a majority of the American people are demanding. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. McDUFFIE. I desire to revise and extend my remarks if permission has not already been granted.

The CHAIRMAN. The gentleman has that permission.

Mr. KEARNS. Mr. Chairman, I move to strike out the last word. Mr. Chairman and members of the committee, I am one of the Members of those who are opposed to the Ford offer for Muscle Shoals ever since I have studied it and listened to the testimony two years ago. I am opposed to this bill because I believe it is open to legitimate criticism in a great number of places. I am opposed to it because I do not believe that its terms grant the thing that the proponents of this bill claim that it will give to the people of this country. As to the fertilizer clause contained in this offer I am of the opinion that it does not compel Mr. Ford at all times and under all circumstances to furnish fertilizers to the farmers of this country. And let me say to you without this bait we are holding out to the farmers of the United States that there would not be a handful of the membership of this House who would vote for this bill. Therefore the gentleman from Ohio [Mr. BEGG] recognized the truthfulness of the statement I am making, and has already offered an amendment to this bill that will make it compulsory upon the part of Mr. Ford to make 40,000 tons of nitrate per annum or in the event that he fails for two years to do this to reconvey the property that he has gotten for nothing from the United States back to the Government. Now you say he is going to do this. Then why object to this amendment. If you say that the terms of the bill, which are rather crude, are intended to do this, why object to the amendment he now offers that would make it compulsory upon his part beyond peradventure of a doubt to furnish this, because that is what every farmer of the country——

Mr. BANKHEAD. Will the gentleman yield?

Mr. KEARNS. For a brief question.

Mr. BANKHEAD. The gentleman is a member of the Committee on Military Affairs?

Mr. KEARNS. No; I used to be but I am not now.

Mr. BANKHEAD. Did the gentleman offer this amendment in committee when the matter was up before the committee?

Mr. KEARNS. I did not offer it because I could not get such an amendment accepted by the committee at that time.

Mr. BANKHEAD. Did the gentleman——

Mr. KEARNS. I have answered the gentleman's question and I desire to be entirely courteous to the gentleman, and I assert this was discussed in the committee two years ago, and the only reason it was not written in the provisions of this bill was because it was thought if it was tied up too much Mr. Ford would not accept——

Mr. HUDSPETH. Will the gentleman yield?

Mr. KEARNS. I will.

Mr. HUDSPETH. The gentleman has made a study of the bill which I have not had the opportunity. I want to ask my friend from Ohio with section 14 of this bill as it is written will it not compel Mr. Ford or his company to manufacture 40,000 tons of nitrate every year instead of one year out of three?

Mr. KEARNS. I thank my good friend from Texas for asking me that question, and I shall be glad indeed to give him the benefit of my opinion, if it is worth anything. I am going to read:

The company expressly agrees that, continuously throughout the lease period, except as it may be prevented by reconstruction of the

plant itself, or by war, strikes, accidents, fires, or other causes beyond its control, it will manufacture nitrogen and other commercial fertilizers, mixed or unmixed, and with or without filler, according to demand.

Now, he is allowed to charge 8 per cent on the investment. Will the gentleman from Texas listen to this: Suppose the 8 per cent that he is allowed to charge should make the cost of manufacturing this fertilizer there so expensive that the farmers can not buy it? Therefore there is no demand.

Mr. HUDSPETH. Then there will be no necessity for manufacturing 40,000 tons, if there is no demand.

Mr. KEARNS. Yes. Make him manufacture 40,000 tons year after year, and he will be compelled to sell it, regardless of cost and at a price that will enable the farmers to buy it.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. HUDSPETH. Mr. Chairman, I ask that my friend from Ohio may have two minutes more.

The CHAIRMAN. The gentleman from Texas asks unanimous consent that the gentleman from Ohio may have two minutes more. Is there objection?

Mr. GARRETT of Texas. Mr. Chairman, we can never get through this bill section by section if under section 2 we can discuss section 14. I am not going to object to my friend from Ohio getting two minutes' more time, but hereafter when gentlemen want to discuss the fertilizer section they should wait until we get to that. We shall never get through if gentlemen can discuss section 14 under section 2.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. KEARNS. If my fears should prove to be true, then if you will adopt the Begg amendment, regardless of whether there is a demand or not, Mr. Ford must make this fertilizer, 40,000 tons of nitrate each year, and must sell it at a price at which the farmers will demand it; consequently you will get cheap fertilizer. If he is going to make it anyhow, this amendment can do no harm. I advocate that because I want to see the farmers get what they are told they will get. There is much said here about those opposing this bill and——

Mr. HUDSPETH. It permits him to lie idle two years out of three in the manufacture of fertilizer under the Begg amendment. That is the harm I anticipate will follow the adoption of the Begg amendment.

Mr. KEARNS. If the Begg amendment is open to that objection it ought to be cured.

There has been much talk here, I say, to the effect that the membership of this House that is opposed to the Ford offer for Muscle Shoals was linked up with some combine or with Wall Street. I want to say to the gentleman from Alabama that I never knew but one man who was interested in the water-power business in all my life, and that is his own neighbor, Mr. MARTIN, the only man I ever saw who was interested in it. I do not know of one man who is interested in the manufacture of fertilizer, either as an employee or as a manufacturer. I do not know any of these men. I am opposed to this bill because I want to do for the farmer the thing you claim this bill will do. I want to ask the gentleman from Mississippi [Mr. QUIN], who yesterday made the statement that if Mr. Ford got this great water power down there he was going to send out this power in every direction from Muscle Shoals and sell it to the small industries down there and to the farmers. I see the gentleman from Mississippi [Mr. QUIN] is not listening. I want to know where he gets the authority for this statement. He does not get it from the hearings. He does not get the authority for that statement from the bill itself. Where does the gentleman get authority for saying that Mr. Ford is going to sell this power?

Mr. QUIN. From the statement of his representative in October.

Mr. KEARNS. Are you going to rely on that statement? I recall that a representative of Mr. Ford said positively he was going to use that power for his own purposes and would not use a kilowatt of power for the manufacture of fertilizer. If Mr. Ford or his representative has made that pledge, why not write it in the bill? Why, a member of the Farm Bureau who is lobbying for this bill has had the audacity to make the statement to the farmers of this country that Mr. Ford was going to sell the power to run the machinery of the farms, and was going to light villages, towns, and cities with his electricity, when there is not an iota of testimony upon which to base such a statement as that.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. KEARNS. I wish I had more time. I would like to know. [Applause.]

Mr. McKENZIE. Mr. Chairman, I shall not take the time of the House to debate the amendment offered by my good friend from Maryland [Mr. HILL]. It is wholly an unnecessary amendment, in my judgment.

The CHAIRMAN. The pro forma amendment offered by the gentleman from Ohio [Mr. KEARNS] is withdrawn, and the question is on agreeing to the amendment offered by the gentleman from Maryland [Mr. HILL].

The question was taken, and the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 8. The company will lease from the United States Dam No. 2, its power house, and all of its hydroelectric operating appurtenances, except the locks, together with all lands and buildings owned or to be acquired by the United States connected with or adjacent to either end of the said dam, for a period of 100 years from the date when structures and equipment of a capacity of 100,000 horsepower are constructed and installed and ready for service, and will pay to the United States as annual rental therefor, 4 per cent of the actual cost of acquiring land and flowage rights, and of completing the locks, dam, and power-house facilities (but not including expenditures and obligations incurred prior to approval of this proposal by Congress, payable annually at the end of each lease year, except that during and for the first six years of the lease period, the rentals shall be in the following amounts and payable at the following times, to wit: Two hundred thousand dollars one year from the date when 100,000 horsepower is installed and ready for service, and thereafter $200,000 annually at the end of each year for five years.

With a committee amendment as follows:

Page 3, line 9, strike out the words "approval of this proposal by Congress" and insert "May 31, 1922."

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. BURTON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Ohio offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BURTON: Section 8, page 2, line 23, after the words "United States" insert the words "under the terms of the Federal water power act." Page 3, line 2, strike out the words "one hundred" and insert the word "fifty."

Mr. BURTON. Mr. Chairman, the discussion and disposition of this amendment, I think, will save a great deal of desultory debate, because it goes right to the substance of the questions that have been brought forward here.

I favor this amendment, in the first place, because it is in accordance with the policy of the United States Government established by a statute passed in 1920, and because after the thought of the best minds in the country had been brought to bear upon this problem, even those who were seeking to exploit water power and desired special privilege, nearly all of them, as represented by electrical engineers and promoters, agreed that this was right.

In the next place, it is utterly unfair to those who have been developing water power and who have accepted licenses under this act of 1920 to give to another person a privilege denied to them. They have, some of them—yes, many of them—gone out into the wilderness; they have gone into communities where there was no industrial development, no considerable population, and ventured their capital in sums small and large for the development of this country.

But here what do you have? You have the Government building two dams at an expense of over $75,000,000; you have a bill by which the Government shall maintain those dams on the allowance of a mere pittance; you have a form of privilege under which the Government takes all the risk and the party who exploits it takes all the gain. I say that is grossly unfair to others who have taken up this water power in quantities surpassing that at Muscle Shoals. It is unfair to the Government as well.

There is an analogy between this and some other things—oil, gas, forests. This is the best and most effective statute of any of them. This is the best policy; this is the one best adjusted.

Now, I went over this subject two days ago, but at the risk of repetition I shall show some respects in which this discriminates against all others, and in which the Ford offer is alto-

gether out of keeping with the policy of conservation, by which those who are opposed to waste and to monopoly will stand and stand right here, and if defeated now we will stand by that policy in the future, appealing to a more-informed sentiment upon the subject.

I believe in the conservation of forest, mine, and water power. I believe in looking forward to the future. No one knows what will happen in 100 years nor in 50 years. Science by its developments, thick and fast, is revolutionizing methods, oftentimes every year, and we can not afford to tie up this water power.

I will call attention to only a few of the things in which this is a departure from the policy of the Government.

PROVISIONS OF FEDERAL WATER POWER ACT VIOLATED OR IGNORED BY THE FORD OFFER.

COMPREHENSIVE SCHEME OF DEVELOPMENT REQUIRED.

1. As a part and condition of any license issued to develop water power, the project adopted, its plans and specifications must be such in the judgment of the power commission as are—

best adapted to a comprehensive scheme of improvement and utilization for the purposes of navigation, of water-power development, and of other beneficial public uses. (Sec. 10 (a).)

EXCESS PROFITS APPROPRIATED.

2. Excess profits of the licensee from the water must be paid to the United States, whether they are profits of a public utility or a private user. (Reg. 18, sec. 106.)

LIMITATION OF TERM AND RECAPTURE.

3. The franchise is limited to 50 years, conditioned upon acceptance of all the terms and conditions of the act. (Sec. 6.)

At the end of the 50 years, the right is reserved to the Government to take over the project upon payment of the net investment by the licensee, but not to exceed its fair value, and excluding any consideration for good will, going value, or prospective revenues, or rights granted by the franchise. (Sec. 14.)

At the end of 50 years, in the event the Government does not exercise the right to take over the project, preference by section 7 is given to applications by States or municipalities.

The right of the United States or any State or municipality is expressly reserved to take over by condemnation proceedings and maintain and operate the project at any time during the 50 years license period upon payment of just compensation to the licensee therefor. (Sec. 14.)

That is, during the 50 years there is the right reserved in the United States to take over the property on paying just compensation.

RENEWAL.

No preference right for renewal of the franchise or any proprietary claim for power is secured to the licensee. If a license is renewed, it must be under the then existing law and conditions. (Sec. 15.)

NO TRANSFER WITHOUT APPROVAL.

4. The licensee can not execute a transfer of any right secured under the license or of property under the license without written approval of the power commission. All transfers or assignments, whether by judicial sale or foreclosure, must be subject to the conditions of the act. This provision is construed by the present power commission to extend to a lease of any property under license. (Sec. 8.)

MAINTENANCE AND OPERATION.

5. The licensee is required, at its own expense, under supervision of the power commission, at all times to maintain the project adequately for purposes of navigation and efficient operation in the development and transmission of power, must make all necessary renewals and replacements, and must maintain adequate depreciation reserve. (Sec. 10c.)

POWER FOR NAVIGATION FACILITIES.

6. The licensee is required to provide, free of cost, power for operation of all navigation facilities (sec. 11c), and authority is reserved in the Government at all times to prescribe regulations in the interest of navigation, including control of the pool level and installation of necessary lights and signals. (Sec. 18.)

REGULATION OF RATES, SERVICE, AND SECURITY ISSUES.

7. A licensee which is a public utility corporation must abide by such reasonable regulation regarding the services rendered its customers and its rates and charges of payment therefor as may be prescribed by the State; and if there be no laws of the State regulating rates, services, or security issues, then the Federal Power Commission exercises such regulation (sec. 19); and if the power enter into interstate commerce and the States can not agree, then the Federal Power Commission makes such regulations. (Sec. 20.)

8. All rates for power sold in public service entering into interstate commerce must be "reasonable, nondiscriminatory, and just to the customer, and all unreasonable discrimination and unjust rates or services are hereby prohibited and declared to be unlawful." (Sec. 20.)

Even where the licensee sells to another company for resale to the public, the act undertakes to regulate rates, service, and security issues of that purchaser from the licensee in the event there is no local regulation. (Sec. 19.)

AMORTIZATION PAYMENTS.

9. After 20 years of operation amortization reserves are required out of surplus earned thereafter, if any, in excess of a specified reasonable rate of return upon the actual legitimate investment, to be held until the termination of the license or applied, in the discretion of the power commission, in reduction of the net investment of the licensee. (Sec. 10d.)

HEADWATER IMPROVEMENTS.

10. The licensee is required to make equitable contribution for benefits accruing to it from headwater improvements, either by storage reservoirs or otherwise, whether done by other licensees or by the Government. (Sec. 10f.)

COMBINATIONS PROHIBITED.

11. "Combinations, agreements, * * * or understandings, express or implied, to limit the output of electrical energy, to restrain trade, or to fix, maintain, or increase prices for electrical energy or service, are hereby prohibited." (Sec. 10h.)

USE FOR NATIONAL DEFENSE.

12. The right is expressly reserved to the United States at any time to take over a project when in the opinion of the President the safety of the United States demands for manufacturing nitrates, explosives, or munitions of war, or for any other purpose involving the safety of the United States, involving a liability only for just and fair compensation for use of the property taken, to be determined by the power commission upon a basis of a reasonable profit to the licensee in peace time, plus the cost of restoring the property to as good condition as when taken, less a reasonable value for improvements made by the United States that are serviceable and valuable to the licensee.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BURTON. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes, although I may desire more than that, because my convictions on this subject are so strong that I want to present them fully to the committee.

Mr. OLIVER of Alabama. Mr. Chairman, I ask unanimous consent that the gentleman from Ohio be allowed to proceed for 10 additional minutes.

Mr. MORIN. Mr. Chairman, reserving the right to object, I ask unanimous consent that the gentleman from Ohio be permitted to proceed until he completes his statement on this amendment.

Mr. BURTON. I should not wish to ask that, because I think in 10 minutes I can finish.

Mr. MORIN. Then, Mr. Chairman, I withdraw my objection and my request.

The CHAIRMAN. The gentleman from Alabama [Mr. OLIVER] asks unanimous consent that the gentleman from Ohio may proceed for 10 additional minutes. Is there objection?

There was no objection.

Mr. BURTON. This statute evoked most careful consideration during three or four administrations. I give credit to President Roosevelt for having initiated the general idea; President Taft also promoted it; President Wilson and Secretary Baker, from whom a letter will be read during the course of this discussion, rendered excellent service upon it; and I ought not to omit Secretary Lane, Secretary Houston, and others. But this Congress is asked to cast down the result of all their labors and to destroy this policy.

Oh, but we are told by the gentleman from Tennessee, for whose judgment I have the highest respect, that this is a contract, and that you must not vary from it. Why, Mr. Chairman, there have been several contracts made within the last few years that we should have amended very decidedly; and that is not confined to any one administration. [Applause.]

What was the excuse for the Teapot Dome contract? And the contract in itself is not such a dreadfully bad thing. It was intended that the Government should retain the oil reserves; but along came some persons who said, "The oil supply is being depleted. More than that, we must dig out the oil for

the Navy; we must put it in tanks, and so we will make a modification of the laws and regulations." I do not care to express an opinion here as to whether that contract was legal or not; but I do say this, that the contract was an unusually favorable one for the Government. Instead of the usual royalty of 10 per cent or, at the outside, 20 per cent, turned over to the lessor, it provided that from 12½ per cent for the least-producing wells up to 50 per cent for the best wells should go as royalty to the Government—an unprecedented proposition.

It also provided that storage tanks should be built and that a pipe line be constructed at a cost of $9,000,000, but universal condemnation has rested upon that contract, or, at least, condemnation has rested upon one person, the Secretary of the Interior, because of his affiliations with the parties and because of secretive methods. But that is not as bad as the contract you are proposing here, that is not as wide a variation from settled policy as this, nor does this promise such advantages.

You have established a policy by the water power act which makes these resources available for the future, it authorizes such changes as time and development may require, and it does away with discrimination. But monopoly and discrimination abide in every section of this bill, and I shall call attention to them as we go along.

Now, Mr. Chairman and gentlemen, Mr. Ford ought not to object to submitting to the same regulations which others have met. I repeat, he is very much more favorably treated than others who go out and risk their own capital. The dams are to be built for him, and the steam power plant, for which $4,500,000 is offered and which rents for $350,000 a year, is there. He asks that of the $5,000,000 he pays, $3,500,000 shall be set aside for replacing a plant with 40,000 more horsepower. I can not understand how gentlemen can think they can grant such privileges and so give away Government property.

I do not wish to see this project delayed. I hope to see something done about it. There has been occasion for criticism from the other side about the delay. I have not a bit of doubt but that some of the water-power users and developers thought, "Oh, that whole expense there will amount to nothing and it will go into scrap and we can get it for a song." They were standing by and thinking they would buy for little or nothing. Along came Mr. Ford and took advantage of that situation and made an offer. If he will submit to the regulations to which every other citizen and to which every one of us would have to submit, and if he will pay a fair price for the property, I would like to see Mr. Ford have it, but this Congress is not here to grant special privileges to Mr. Ford or to any other great capitalist of the country.

Mr. BLANTON. Mr. Ford makes us a proposition. If, in the interest of the Government, we see fit to change it a little and say to Mr. Ford, "Here is our proposition," can Mr. Ford take any offense at that?

Mr. BURTON. I think if it should be one of us and we were dealing with a person and made a proposition, we would hardly expect that the exact words of our proposition would be accepted by somebody else.

A few days ago very bitter complaint was made because a Government official, a responsible Secretary of the Treasury, had sent in a bill here, and it was said that we must not take that, but to-day we are told we must swallow Mr. Ford's offer as a contract or we can not carry it through. [Applause.] The question is, are you going to swallow it?

Mr. McSWAIN. Will the gentleman yield?

Mr. BURTON. I yield to the gentleman from South Carolina.

Mr. McSWAIN. The gentleman having already spoken for more than 60 minutes on this bill and not having once mentioned the matter of national defense, let me ask him if these other persons and companies that have developed water power against whom he says there would be a discrimination, have obligated themselves to maintain a nitrate plant ready at all times, for 100 years, to provide nitrates for this Government in the event of war and ready to instantly go into the manufacture of it.

Mr. BURTON. Now, that seems like a poser. The gentleman omitted to hear what I said the other day, and I read the provision. I will not read it again, but every man and every corporation that has a license under the water power act, which I am seeking to have binding here, must agree that he will turn over the property to the Government for the purpose of making explosives at any time.

Mr. McSWAIN. If the gentleman will yield, I will say that I not only listened to every word he said, but I have read the Federal water power act many times and I will ask him whether in a single case where a concern got a license under the Federal water power act they agreed to maintain their plant for the fixation of nitrogen from the air so it could be converted into manufacturing explosives within five days.

Mr. BURTON. See how easy an answer calls that down. There is already the nitrate plant there constructed by the Government. Mr. Ford does not have to construct it. It is there ready to be maintained. That absolutely forecloses your question and makes that idea of no account whatever.

Mr. McSWAIN. What about these other people at Keokuk?

Mr. BURTON. That is merely sentimental, whether they offer to do it or not. The plant is there, and it has been constructed at the expense of the United States Government, and Mr. Ford does not have to pay a nickel to construct it. Why, the idea of giving him credit for turning over to the Government something that he gets for practically nothing, that he did not build, and that he had nothing to do with, but which was built by the Government of the United States at the expense of the Government.

Mr. McSWAIN. Does the gentleman assume it would cost nothing to maintain it and to keep it in condition for 100 years so it can, on five days' notice, begin the making of explosives?

Mr. BURTON. Whatever is available for the manufacture of nitrates is available for explosives, and there is provision in the bill for maintaining this plant, and the Government itself must provide for the repair, maintenance, and operation of Dam No. 2. This shows how Mr. Ford has the advantage.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. HILL of Maryland. Mr. Chairman, I ask unanimous consent that the gentleman from Ohio be granted five additional minutes.

Mr. BURTON. I do not wish that, gentlemen. I may say, Mr. Chairman, that I am intending to be heard later on some other amendments and am afraid the committee will be tired of hearing me before I get through.

Mr. BEGG. Mr. Chairman and members of the committee, it is not at all a delightful task to differ so radically with my genial and learned colleague from my State, whom every man loves and respects. However, I find myself in this bill on the directly opposite side from him on the 50-year and 100-year proposition, with the understanding, of course, that the amendment, revised, which I suggested yesterday, will be adopted. And I am going to say I believe it will be adopted, and if it is adopted then there is not a possible chance for Henry Ford or any other man ever coming into control of this water power and failing to make 40,000 tons of fixed nitrogen or more annually or over 2,000,000 tons of actual commercial fertilizer. It is on that basis I want to argue in favor of 100 years as against 50 years. My good colleague from Ohio [Mr. BURTON] argues that we should not stray away from the Federal water power act and its 50-year provision; but, my colleagues, I want to call your attention to this difference. There has never been a license issued under the Federal water power act that was not issued for the selfish interests of the man obtaining the license [applause], and I maintain and argue that instead of straying away from the policy of Roosevelt of conservation of national resources we are only holding fast to that policy if we can tie up any man or set of men to produce a minimum of 40,000 tons of fixed nitrogen for the constant upkeep and improvement of the fertility of the soil. If that is true, that is conservation. That is not wastage, and, added to that, there is a commission provided in this bill, which is a Government commission, to regulate the price at which this fertilizer can be sold.

Mr. ALMON. And the distribution?

Mr. BEGG. And the distribution.

Mr. MADDEN. Will the gentleman yield? And the States regulate the price at which the current will be sold.

Mr. GRAHAM of Illinois. Where does anybody get that impression? I say that is not the law.

Mr. BEGG. I will not admit that is the law, because I am one who does not believe they intend to sell the current. I believe they are going to use it for manufacturing; still I am for it on a 50-year basis. Now, men, as business men let me call your attention to another vital proposition as against any proposition under the Federal water power act.

I am going to assume that I get a lease under the Federal water power act, and I care not what the purpose is or what I manufacture. The United States does not make it its business at all as to what price I am going to sell that commodity. The Government is not interested in that, and I go ahead and include in the cost of the product that I am going to manufacture and market a return on the capital invested; regardless of whether I have amortized my capital in a bank account, I

still continue to charge so much earning power on my capital. There is not an industry in the United States that does not do it now. I am charging an earning power on my capital even though my dividends have exceeded my capital ten times. In this bill it is decidedly different. We do not give Mr. Ford or the corporation that power. Here is what we do give them: We give them the power to amortize the capital stock, or the cost of it, in 100 years, and from the time of the 100 years thereafter every ton of fertilizer made at Muscle Shoals will be sold on the basis of cost less the capital stock charge.

Now, if that is true—and I challenge anybody who opposes the 100-year proposition to prove that it is not true—the Government has it within its power at all times to compel the sale of nitrate at the actual cost of the labor and material with no capital stock charge against that. And in 100 years from now who knows how many people will have to be fed off the fertile fields of the United States, because fertilizer may be one of the big factors included in the consumption cost and will affect every man, woman, and child, whether he lives in a city or on a farm.

And because this is different in that respect than any contract made under the Federal water power act, I maintain it is justification enough to make it 100 years instead of 50 years. [Applause.]

Mr. HULL of Iowa was recognized.

Mr. McKENZIE. Mr. Chairman, before proceeding further I would like to see if we can not arrange as to the limit of time to be consumed in the discussion of this section. I would like to ask the gentleman from Iowa what he thinks about a time limit.

Mr. HULL of Iowa. I think it would be advisable for us to allow the discussion to run along for 30 minutes or so and then perhaps we can come to some agreement.

Mr. McKENZIE. It has now been running 20 or 25 minutes.

Mr. HULL of Iowa. There is an important amendment pending and an important amendment to be suggested. The real merits of the bill are contained in this section.

Mr. McKENZIE. I suggest to the gentleman from Iowa that we have one hour for debate, to be equally divided between those opposing and those in favor. Will that satisfy the gentleman?

Mr. HULL of Iowa. On this amendment?

Mr. McKENZIE. On this section and all amendments thereto.

Mr. HULL of Iowa. No; because there are two or three other amendments to be offered to this section. Let us go on for half an hour.

Mr. MILLER of Washington. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Iowa has been recognized and has the floor.

Mr. HULL of Iowa. Mr. Chairman, I send a letter to the Clerk's desk and ask to have it read in my time.

The Clerk read as follows:

UNION TRUST BUILDING,
Cleveland, Ohio, March 4, 1924.

MY DEAR MR. HULL: Through your kindness I have just received a copy of the minority report from the Committee on Military Affairs, dated February 8, with reference to the proposed disposition of the Government's interests and properties at Muscle Shoals. The discussion of the several "offers" made for the purchase or lease of these properties is most informing, and I congratulate you upon the wisdom and farsighted patriotism with which the report is infused. I have always thought and continue to think that it would be a public calamity to have this great national asset come into private hands upon any terms now possible to be secured. The progress of invention can not be foretold, but it is wholly within the bounds of reasonable likelihood that within a very few years the production of synthetic nitrogen compounds, without great power consumption, will be cheap and easy and that in such event it would be wasteful to devote any substantial part of the available power at Muscle Shoals to that use. But it is certain that with every passing day in the United States the population and their transportation and industrial needs grow greater and the stocks of unmined coal and unpumped oil grow less, and it inevitably follows that in relatively few years the possession of this immense source of power means dominance over the lives and fortunes of a rich and populous section of our country. Muscle Shoals is an inexhaustible national asset. It is too large and too vital an element in our national economy, whether in peace or war, to be privately owned, either by an individual or a corporation. Impatience to recover a few million dollars in money and modest prospects of benefits to farmers are blinding us. The real interests of the farmers and of everybody else, for the hundred years in question, are identical with the national interest. The water power act is framed to induce the development of doubtful projects by unusual rewards. So far from abating its provisions in any lease at Muscle Shoals they should be strengthened. This is not a doubtful project but a palpable gold mine.

Thank you heartily for your fine public service.

Cordially yours,

NEWTON D. BAKER.

Mr. HULL of Iowa. Mr. Chairman and gentlemen, the letter that has just been read was from the ex-Secretary of War, who unquestionably had more to do with Muscle Shoals than anyone else. I think you will all admit that. I myself had many conversations with Secretary Baker before the war and during the war in regard to Muscle Shoals. I perhaps received from him some of the inspiration that caused me to side with you gentlemen on this side of the House in demanding that we should develop Muscle Shoals, and now I, like the Secretary of War at that time, want to keep Muscle Shoals for the people of this country and not for the selfish private interests of anybody.

Mr. BANKHEAD. Will the gentleman yield for a question?

Mr. HULL of Iowa. I hope no one will interfere with me, because I was interfered with the other day and tried to answer everyone that came along, and it took up nearly all my time.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HULL of Iowa. I ask unanimous consent for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BANKHEAD. Will the gentleman yield for a brief question?

Mr. HULL of Iowa. Yes.

Mr. BANKHEAD. Does not the gentleman think that he is very inconsistent in reading a letter from ex-Secretary of War Baker, protesting private ownership, when he himself is sponsor for a bill directly violating that policy?

Mr. HULL of Iowa. I will explain—I sponsor nothing of the kind. I am beginning to believe, as the Secretary of War says, that this is too big to trust to any selfish private interest. I think that unquestionably, when you get through, that will be the final decision of the people of this country.

Now I hope that gentlemen understand it. I tried for two years to find out from Henry Ford and from others what Henry Ford proposed to do with Muscle Shoals—the second largest national enterprise you have. I have been unable to find out. The gentleman from Michigan [Mr. JAMES] the other day said that I had met Henry Ford. I did, and it was not for four or five hours. I was told that Henry Ford would come here to explain everything. I want to tell you about that visit. It was at the Union Depot. I was taken there, I think, by Judge ALMON, and on Henry Ford's car I met Mr. Ford. I asked Mr. Ford this question: "Mr. Ford, I would like to ask you a few questions in regard to what you propose to do at Muscle Shoals." Mr. Ford immediately said to me, "Mr. HULL, I have important business, and I want you to see somebody else about that. I know nothing about it."

That is as near as I have ever found out from Henry Ford or anyone else what he proposes to do. I have asked the committee for two years to have Henry Ford come before us and let us sit down as gentlemen should and talk about this great business proposition. I was told at first that that was what would happen. They have purposely, as I look at it, kept Henry Ford away. I was told that I could go to Detroit and they would make an appointment with him. I wanted to see him before I voted on that proposition. The appointment never was made, and Henry Ford, so far as I know, is just as far away as he ever was from the men who ought to be able to talk to him.

Mr. Chairman, this is an offer made by Henry Ford. The gentleman from Texas [Mr. BLANTON] stated it properly. It is now up to you gentlemen to say what you will offer to Henry Ford, and you have a perfect right to amend this bill as you see fit. You can change it. It is your offer to Henry Ford. It is idle to waste words and say that the great House of Representatives, representing the American people, can not change a contract. So far as I know this is the first time in legislative history that a contract like this has come before the House of Representatives. Usually it is a bill which we authorize, and then immediately afterwards we usually criticize the bill. To-day, to-morrow, or whenever you pass this bill, it will be you, and you alone, who are responsible for it.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. WINGO. When was it that the gentleman saw Henry Ford?

Mr. HULL of Iowa. At the very inception of this thing, about two years ago.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. OLIVER of Alabama. Mr. Chairman, I wish to discuss for a few minutes the amendment offered by the gentleman from Ohio [Mr. BURTON]. This is a vital amendment, and if accepted by the committee and by the House must be construed as a rejection of Henry Ford's offer for Muscle Shoals. The gentleman from Ohio [Mr. BURTON], a few days ago, on Wednesday, I think, spoke for 45 minutes on the pending bill, during which time he paid a glowing tribute to what he called our comprehensive national water power act, and he made bold to assert that Congress in passing that act in 1920 had established a definite and well-defined policy which, it was intended, should obtain and be applied to all future grants of hydroelectric development on the navigable streams of our country. The gentleman was in error, I think, in assuming that Congress had declared so comprehensive a policy as he outlined, because the very act of which he speaks carries limitations, and very wise limitations, on the powers of the commission appointed thereunder, and the project at Muscle Shoals falls clearly within the limitations so imposed on the commission.

There are two provisions of the act that limit the authority of the commission in the granting of licenses on navigable rivers. The first is found in the third proviso under subdivision "E" and reads as follows:

Provided further, That in case the commission shall find that any Government dam may be advantageously used by the United States for public purposes, in addition to navigation, no license therefor shall be issued until after two years after it shall have reported to Congress the facts and conditions relating thereto.

Then again, under section 7 of the power act, reading from the second paragraph, we find:

That whenever in the judgment of the commission the development of any project should be undertaken by the United States itself, the commission shall not approve any application for such project by any citizen, association, corporation, State, or municipality, but shall cause to be made such examinations, surveys, reports, plans, etc., and shall submit its findings to Congress.

Mr. BURTON. Mr. Chairman, will the gentleman yield?

Mr. OLIVER of Alabama. Let me continue, please, for a moment. The Secretary of War, a member of the commission, recognized the limitations thus imposed by the power act on the authority of the commission, and very properly, in calling for bids through the Chief of Engineers, gave notice that if any bids were submitted offering a fair return on what the Government had or might be required to expend in the completion of the project, he would refer the same to Congress. This he was compelled to do by the very terms of the act to which I refer. Congress in passing the act clearly recognized that there would be developments of such magnitude on our navigable streams as to far exceed in importance either navigation or power development—these purposes, though important, being mere incidents to the chief objectives sought. The project at Muscle Shoals presents an exceptionally good illustration of exactly what Congress had in mind in imposing these limitations on the authority of the commission. Certainly no one will contend that the commission under the power act is clothed with authority to carry out the broad and clearly defined purpose of Congress as set out in the national defense act of 1916, and which we are now endeavoring to provide for at Muscle Shoals. In the act of 1916 Congress was primarily providing for national defense in time of the Nation's need and for agriculture in times of peace—navigation and power development being simply incidental to these two great outstanding purposes.

An initial fund of $20,000,000 was provided to carry out the purposes of the act. The President, in the exercise of his authority under the act, selected Muscle Shoals as the site for the building of a nitrate plant and providing water and steam power for its operation. It was intended to provide here explosives for the Nation in time of war and fertilizer for agriculture in time of peace.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. OLIVER of Alabama. Mr. Chairman, I ask unanimous consent to proceed for five minutes longer.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BURTON. Mr. Chairman, will the gentleman yield?

Mr. OLIVER of Alabama. I gladly yield to the gentleman from Ohio.

Mr. BURTON. Does not the argument of my good friend from Alabama absolutely destroy any claim for licensing this to a private corporation or individual? The reservation on the power of the commission is to be made when they find that the United States should do the work.

Mr. OLIVER of Alabama. The very fact that Congress denied to the commission the right to act, and the matter has now been properly referred by the Secretary of War to Congress, certainly clothes Congress with full authority to do what it may determine is best to conserve and carry out the original purposes that Congress had in establishing this nitrate plant at Muscle Shoals. Now, what does this proposal of Henry Ford offer to do, and which the power commission is without the slightest authority to provide or carry out? The offer, if accepted, will provide for the continuous operation of nitrate plant No. 2 for 100 years, and a guaranty to produce annually at such plant at least 40,000 tons of nitrogen—this being the maximum capacity of the plant—to maintain at all times during this period of 100 years this plant in efficient operating condition, and to turn it over to the Government on short notice, if required, with an adequate working force.

The offer further provides for the payment of interest on all expenditures incurred after a certain date, in the construction of Dams Nos. 2 and 3, and for the purchase of necessary lands, flowage rights, and the installation of power plants, and further, for the amortization of this entire expenditure during the lease term. Other valuable promises, obligations, and undertakings are set out in the offer we are now considering, and adequate provision is made to guarantee and insure the faithful performance of all conditions, promises, and undertakings made the Government. Certainly, no one will claim that the power commission, under the power act, is clothed with any authority as to matters of this kind.

Now, passing on, the gentleman from Ohio says that his amendment seeks to shorten the lease term from 100 to 50 years, and claims that failure to adopt the amendment would be an unjust discrimination against power developments made by other companies pursuant to the power act since the date of its passage in 1920. Others with more time will discuss at length this feature of the amendment; but I wish in passing to say if you reduce the term to 50 years you will impose a heavy burden on those for whom the bill is seeking to provide cheap fertilizer. To amortize the indebtedness which this bill provides in 50 instead of 100 years would require that the annual payments by the lessee be seven times larger than such payments would be under a hundred-year term.

Adverting now to the question of discrimination which the gentleman from Ohio charges if a hundred-year lease is given to Henry Ford, he fails to take into account that in the immediate section where this power is to be developed the very companies which he claims would be discriminated against by a hundred-year lease to Henry Ford now enjoy extensive water-power rights in perpetuity on both navigable and nonnavigable streams. The nonnavigable streams on which these companies hold large power rights in perpetuity should be defined and classed according to the gentleman's argument on Wednesday last as navigable streams. These numerous green circles on the map I now exhibit to the committee in the States of Georgia, North and South Carolina, and the circles in red in Georgia and Alabama show perpetual leases to companies that Mr. Ford and his company, if this bill is passed, must compete with. This circle on the map in red on the Tennessee is Hales Bar, where the lease was for 99 years. Now, I submit that the gentleman's argument that a hundred-year lease to Henry Ford, with the large benefits that his offer will bring to the Government and to agriculture, is not a discrimination against companies in that section which hold the perpetual leases this map discloses.

The CHAIRMAN. The time of the gentleman has expired.

Mr. OLIVER of Alabama. I ask that I may have five minutes additional.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama for five additional minutes? [After a pause.] The Chair hears none.

Mr. OLIVER of Alabama. I repeat, what foundation is there for the claim made by the gentleman from Ohio that this 100-year lease would be unjust to companies coming in competition with Mr. Ford in the distribution of power? Now, these upper stretches of the Tennessee, classed as nonnavigable under the definition of "navigable streams" given in the power act, should be hereafter classed, in my judgment, as navigable. As authority for this I refer to a statement made by the gentle-

man from Ohio in his speech on last Wednesday, where in referring to the case of The United States v. Chandler-Dunbar Water Co. (229 U. S. p. 53), he says:

This sweeping decision establishes the principle that the Federal Government has full control of the development of water power in navigable streams, and it should be added that a river or stream is to be taken as an entirety, and the fact that it is not navigable in one portion, while navigable in another, does not take away the quality of navigability for the whole extent of the stream or river. Indeed, this principle might also be extended to tributaries. For a time there was no especial interest in the development of water power.

Here, then, is the Aluminum Co. of America enjoying water-power rights in perpetuity which approximate one-half million horsepower at the headwaters of the Tennessee. The gentleman has referred us to a decision of the Supreme Court showing that Congress has the right to change the definition of navigable streams as defined in the power act so as to include in that definition the upper stretches and tributaries of the Tennessee. We can not change the perpetual grants of power, but if Congress should later deem it wise to adopt the suggestion of the gentleman from Ohio, so as to declare the little and upper Tennessee navigable streams and thus bring all the water-power grants in that section now held in perpetuity under the jurisdiction of the power commission, there might then be some equity in the position taken by the gentleman that this lease for 100 years to Henry Ford should be brought under the power act.

Mr. HERSEY. Will the gentleman yield?

Mr. OLIVER of Alabama. I must decline.

Mr. HERSEY. Right in that connection, for information.

Mr. OLIVER of Alabama. I have but a few minutes, but I will yield.

Mr. HERSEY. I want to know when these companies got their grants of perpetuity, whether it was before the water power act was passed or later?

Mr. OLIVER of Alabama. It was before the passage of the power act. However, the decision cited by the gentleman from Ohio, as he interprets it, holds that the Government still has the power to bring all of these companies under the power act by treating and declaring the headwaters of the Tennessee as parts of a navigable stream. Now, the gentleman from Ohio called attention to a provision found in the power act which he asserts is most important, and which he claims will be ignored unless his amendment is adopted. Here is the provision:

The project adopted must be such as in the judgment of the commission will be best adapted for a comprehensive scheme of improvement and utilization for the purpose of navigation, water-power development, and other beneficial uses.

Let us see what Henry Ford's offer contemplates. Certainly, far more than any offer that has been submitted to the Military Affairs Committee, both for navigation and power development at Muscle Shoals. His offer looks to the completion of Dam No. 2, and the early completion of Dam No. 3, and he offers not only to pay 4 per cent interest for 100 years on the total amount expended in the completion of these dams, but to pay an additional sum semiannually sufficient to amortize the entire amount so expended during the term of the 100-year lease. His offer contemplates the installation of power plants, a large part of which must remain idle until storage dams on the Tennessee above Knoxville are built. This idle power installation awaiting the building of storage dams will represent more than $7,000,000 in money, on which Mr. Ford will be required to pay 4 per cent. You can see what an incentive it will be, if his offer is accepted, to promptly—at his own expense—provide storage dams so as to make this idle power machinery available. Certainly, this is a most comprehensive plan for both power development and navigation. How different, in fact, from the plan the gentleman from Ohio seems to favor, because we find this sentence in his speech of Wednesday last: "I want to say in this connection that I don't think it is best to build Dam No. 3 at this time." Yet in another part of that same speech he admits that Dam No. 3 will not only develop large additional power but will open up the Tennessee River to navigation almost to Chattanooga.

Now, if Henry Ford's proposal is accepted, it means the continuous operation at maximum capacity of nitrate plant No. 2, the sale of cheaper fertilizer to farmers, the building of Dams Nos. 2 and 3, storage dams, and the opening of the river to navigation. Is not this "a comprehensive scheme of improvement, and utilization for the purpose of navigation, water-power development, and other beneficial uses"?

I submit that the reasons are most compelling why the amendment offered by the gentleman from Ohio should be defeated. [Applause.]

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. OLIVER of Alabama. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. The gentleman from Alabama asks unanimous consent to revise and extend his remarks. Is there objection?

There was no objection.

Mr. HILL of Maryland. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HILL of Maryland. Has the House decided that every gentleman has leave to extend and revise his remarks without further request? The House so decided yesterday, I believe.

The CHAIRMAN. Yes.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

The committee informally rose; and Mr. KETCHAM having taken the chair as Speaker pro tempore, a message, in writing, from the President of the United States was communicated to the House of Representatives by Mr. Latta, one of his secretaries.

MUSCLE SHOALS.

The committee again resumed its session.

Mr. HUDDLESTON. Mr. Chairman, the proposed amendment to apply the terms of the Federal water power act to Henry Ford's control of Muscle Shoals is for the purpose of terminating the contract at the end of 50 years, so that the works will then revert to the Government.

LEASE FOR 50 YEARS NOT LONG ENOUGH.

To fully utilize the water power at Muscle Shoals will require an expenditure of from $300,000,000 to $500,000,000, and will take from 25 to 40 years.

Most people make the mistake of thinking of electricity only in terms of power. It should also be thought of in terms of heat. Men think of electricity and visualize it in the form of lights, street cars, and revolving wheels. It should be visualized in the electric furnace.

To understand what electricity means to industry, we should study the situation at Niagara Falls, where it is demonstrated that electric energy is sometimes too valuable to be used for power purposes. Buffalo, 30 miles away, is forced to rely for power and lights upon a fuel plant burning coal brought hundreds of miles from the Pennsylvania coal fields, while the bulk of the Niagara electric energy is used for the production of aluminum, carbide, carborundum, cyanimid, quick steel, and the other alloys necessary to American industry, particularly in the manufacture of tools and automobiles. To produce these materials the high-temperatured electric furnace is required.

There is a limit to the heat which may be produced by combustion. Temperatures above 1,000 to 1,500 degrees are quite difficult to produce from fuel. It is almost impossible to produce these high temperatures on a large scale by combustion. Yet the production of the materials which I have named requires temperatures of from 2,500 to 3,500 degrees. Where large units of energy are available, such temperatures may be obtained by the electric furnace without great difficulty. For this reason Niagara Falls has become the greatest center in the world for the production of aluminum, carbide, and the other products of the electric furnace. Niagara Falls is no longer a mere tourist resort, a goal for wedding journeys. It has jumped within a few years from a village of 10,000 to a busy industrial center of some 200,000 people, all because of the electric furnace and its possibilities in connection with modern industry.

MUSCLE SHOALS AND THE ELECTRIC FURNACE.

If Muscle Shoals were adjacent to great cities and populous industrial centers, with large demands for power, Ford might well accept a lease for 50 years; but such is not a fact. There is no substantial demand for power in that section, beyond the supply now developed or which will be available upon the completion of developments now under way. Nashville, Chattanooga, Birmingham, and Montgomery are already served with water-generated power. The Alabama Power Co., which has a monopoly in Alabama, is building additional plants on the Coosa and the Tallapoosa. Already it serves almost every town and village in Alabama except Mobile, which will no doubt be served by its Tallapoosa plant. The fact is that there is even now in sight a surplus of water-generated power in that section, and there are numerous additional water powers which might be harnessed. The Alabama Power Co. has no use for Muscle Shoals. They are in no position to use it.

They have no demand for its power. They can not afford to develop it.

If it were Ford's proposal to use Muscle Shoals for the production of power with the expectation of selling it to the surrounding territory, I should call him foolish indeed. The great use for Muscle Shoals, with its expensive development but tremendous possibilities, is through the electric furnace in the production of fertilizer, aluminum, carbide, and the steel alloys so essential to industry. To utilize its energy is not merely a matter of constructing a dam, turbines, and distributing cables, but the much more difficult and expensive task of building vast plants for the use of the electric furnace. A capital investment of hundreds of millions is involved—skilled employees by thousands must be assembled, a city of homes must be built. But even all of this is not sufficient. A market must be found or developed for the materials which will be produced. Yea, more. Sources of raw materials must be located, railroads constructed, and the means found for assembling the materials at the Muscle Shoals plants.

Take the case of aluminum. The Aluminum Trust, which at present has a monopoly in the production of this metal, obtains the bauxite ore from its Arkansas mines, carries the ore to East St. Louis, where the first steps in reduction are taken, then carries the product to Niagara, where it is finally smelted. It is said that the production of aluminum on a large scale is practically impossible except by the electric furnace. The Aluminum Trust owns all known to be available deposits of ore. To produce aluminum at Muscle Shoals Ford must find a satisfactory supply of bauxite. There is said to be much of this in certain sections of Georgia and Alabama, also in Tennessee. It is known to exist in small quantity near Leeds, in Jefferson County, Alabama. Ford must hunt out these deposits. He must test them to see whether they may be worked economically. He must assemble the ore and other materials at Muscle Shoals.

To utilize Muscle Shoals, Ford must produce hundreds of millions in capital. He must build railroads, assemble scientists and skilled workers from every quarter and organize his working forces, make investigations, and carry on operations such as have never before been attempted by any one man, and he must seek in the industrial centers of the world a market for his productions. This is not a matter for a few years, but will require from 25 to 40 years, perhaps even longer, for its full consummation. There would be no hope for Ford to earn his investment back in 50 years. He could not afford to accept any lease short of 100 years. A vote for 50 years is a vote to reject his offer.

THE LABOR ASPECT.

I desire now to speak of the labor aspect of Ford at Muscle Shoals. It has tremendous importance to the workers in my district and throughout the South. It is largely because of my interest in them that I feel such deep anxiety that Ford's offer should be accepted.

Labor in the South as a rule is underpaid. Wages in the Birmingham mineral district range from 10 per cent to 50 per cent less than in other industrial centers of the country. The more skilled the worker the more nearly will his wage compare with wages in Gary, Pittsburgh, and Bethlehem. The common laborer receives, roughly speaking, about 50 per cent of what the same class of labor would be paid in northern industrial centers. Skilled men, such as mechanics in the building trades and foundries, get from 75 per cent to 90 per cent of what such workers receive in northern and eastern cities. The Alabama coal miner is the poorest paid in America.

The chief factor in this wage situation is the remoteness of the district from other labor markets. The Steel Corporation dominates the Birmingham labor situation. It is the largest and best employer; other large employers follow the Steel Corporation, and as a rule pay slightly less and give less attention to welfare work. There is no real competition among the great employers, and there is small choice to the worker among them. He is forced to choose between the wages and conditions which they dictate and removing himself and family for hundreds of miles into some other labor center. The great corporations which dominate Birmingham are able to control labor because there is no real competition among them or between them and employers in the large labor centers. They are able to dictate to labor because the workers have no alternative. They are able to destroy the workers' unions and to drive from the district any worker whose activities may be objectionable to them.

FORD WILL COMPETE FOR LABOR.

With Ford at Muscle Shoals there will not only be industrial competition with the Aluminum Trust, the Cyanamid Co., the Union Carbide Co., and the other monopolists who, by reason of their favorable position as users of Niagara electric energy, hold their hands at the throat of American industry, but there will be labor competition with the Steel Corporation, the Republic Co., the Sloss Co., and the other great employers of the Birmingham district.

It will mean much to the workingmen of my city and section. It will mean for every one of them a few additional dollars in his pay envelope—better food and clothing for his wife and children, and a better house to live in. More than that, it will mean for the men who toil a certain measure of industrial independence—a choice whether they will work for the Steel Corporation and its imitators or may seek employment from a more humane and enlightened employer.

I do not wish to be misunderstood. I do not approve Henry Ford's labor policies. I find his statements concerning labor organizations utterly lacking in understanding, not only of the human element in labor, but of certain sound considerations of labor policy. I do approve in Henry Ford of his recognition of the fact that the way to get good work is to give good pay. At least he has sense enough not to stint the horse that he drives—sense enough not to attempt to buy his labor for the least possible wage that he can force the worker to accept.

The great labor significance of Ford at Muscle Shoals is well understood, not only by the laboring people themselves, but by the employers with whom he would compete for labor. The wage earners of my district are unanimous for the acceptance of Ford's offer. The large employers are practically 100 per cent against it. The latter have not had much to say publicly, but they have dealt with the situation in their customary under-cover way. Do not be misled. The large employer interests of Alabama are not for Ford's offer and never have been.

A very good evidence of this was the appearance of Mr. Ingalls, president of the Birmingham Chamber of Commerce, before the committee in opposition to Ford's offer. Mr. Ingalls is himself head of the Ingalls Iron Works and a large employer of labor. It will cost him more money for labor with Ford at Muscle Shoals. His pay rolls will be larger. He sees only the direct result, and though Ford might add half a billion to Alabama tax values and increase our population by 250,000 intelligent white people, Ingalls looks at the effect on his pay roll and not upon the secondary effect of a larger business and in the end a more profitable enterprise.

The American Federation of Labor at its Denver convention in 1922 adopted a resolution indorsing Ford's offer and urging its acceptance. Since he gave the *Collier's* interview expressing such amazing and half-baked opinions on politics and labor, the Federation has not renewed its efforts. However, while those who are authorized to speak for labor do not approve his ideas, it remains that Ford's methods are much to be preferred above those of Gary and other great employers.

BIRMINGHAM EATS OFF THE WAGE EARNER.

The Birmingham district is essentially a labor district. The great industrial concerns have their local officials, but few of their stockholders live in my city. The community is supported by the wage earners. The great bulk of the money spent there originates in the pay envelopes. Birmingham eats off the wage earner. He is the source of whatever prosperity we may have. Back to his industry may be traced the dollars which constructed our palatial residences, our business blocks, and which lie in the coffers of our banks.

It makes little difference to Birmingham what the profit of the man who owns the works may be. He lives in a distant city and has no local interests. Perhaps he is merely a bondholder who cashes his coupons and never saw Alabama and does not know that Birmingham is on the map.

But every dollar that a wage earner receives is spent at home. It goes to his landlord or his grocer or for other necessaries. Those who receive it from him pass it on to the professional classes and to the banks and larger business interests, who are bound by this indissoluble economic tie to the humble workers in the mines and in the mills.

For instance, one of our foundries sells a trainload of pipe to a customer overseas for, we will say, $20,000. The profit on the sale stops in New York or some other financial center. A small percentage of the cost goes to local company officials, but the bulk is handed to grimy workers in their pay envelopes on Saturday night, and through them my city draws all of the benefit which comes to it from the transaction.

In such a situation local business and commercial interests would be expected to be in full harmony with the wage earners. However, strange to say, in any dispute over wages between the workers and the great concerns which employ them, usually the more important merchants and business men line up solidly

with the nonresident employer. They fight against themselves and their own best economic interests, and this not because merit is on the employer's side, for they make no inquiry as to the merits of the dispute. Impelled by irresistible social and class consciousness, they line up on the employer's side without regard to the righteousness of his position.

While usually elements identified closely neither with labor nor with employers side with the latter in all matters in conflict, this rule does not obtain as to Ford's offer for Muscle Shoals. Practically every business man in my district who is not a large employer recognizes the desirability, from the standpoint of his own interest as well as of the general public welfare, of accepting Ford's offer.

EFFECT ON ALABAMA POLITICS.

I have discussed the labor aspect of Ford's offer for Muscle Shoals from the standpoint of a citizen of Alabama. There is another local slant which this subject has which perhaps may escape those not acquainted with conditions in Alabama. The subject has a local political aspect of high importance.

Alabama in many respects is highly progressive—politically our State is decidedly reactionary. I will not now take the time to state the genesis nor the factors which have produced existing political conditions. It is enough to say that my beloved State is dominated by political influences of a highly reactionary kind. The Alabama Power Co., and other industrial concerns, in combination with reactionaries and selfish politicians, hold Alabama in the hollow of their hands. Life to a public man in Alabama is uncertain and in most cases brief unless he is willing to "listen to reason" with these interests. The Alabaman who aspires to serve his State and country will find his way a path of thorns and his hold on public life precarious if he dares to antagonize the great corporations and the ringsters who are their political partners.

The masses of my State are progressive. They suffer for want of leaders and lack of means to make themselves felt and heard.

The right of suffrage is denied in practical effect to thousands of native-born white persons. In my own county there are probably 100,000 native whites above 21 years of age. Yet the largest vote ever cast was less than 27,000. This is not because of lack of interest, but because our laws are contrived to deny the vote to the poor, the transient, the thoughtless, and those who are too busy in the fields, mines, and shops to qualify. A voter must live two years in the State and one year in the county. He must have paid his poll tax for every year since 1901; a default of a single year disqualifies him. Payment of poll tax is purely voluntary. No one asks it of him. He must hunt up the collector and tender it. It must be paid before February 1 or will not be accepted. He must be duly registered, and the facilities for registration are inadequate. The result is that a majority even of eligible whites are disqualified. I am informed that the congressional district which I represent, among its native-born white population, has the smallest percentage of qualified voters of any district in the United States.

REACTIONARIES THWART PROGRESSIVE MASSES.

Alabama is in urgent need of civic reforms—reforms which can not be achieved under existing political conditions and without more liberal election laws. Despite Ford's "queer" political opinions, he can not join with the Steel Corporation, the Alabama Power Co., and other elements now in control. He can not "lie in the same bed" with them. He will constitute a third angle to the political situation, and on him the progressive masses may rely for help.

But apart from the personal influence of Mr. Ford, the thousands of intelligent operatives which he will assemble at his Muscle Shoals plants will constitute a splendid reenforcement for the progressive elements of my State. Our masses may look to them for help in solving our political problems and making of our State that which as of right, because of its resources and the quality of its people, it ought to be—the greatest State in the Union.

The CHAIRMAN. The gentleman from Iowa [Mr. DICKINSON] is recognized.

Mr. DICKINSON of Iowa. Mr. Chairman, I am in favor of the Burton amendment, putting this project under the Federal water power act, and I expect to vote for it. I do not take any stock in the argument that a vote for this amendment is a vote against Muscle Shoals, against cheap nitrates, or against the interests of the farmer.

If you will put this project under the Federal water power act, you can then make whatever terms you want or whatever conditions you want with reference to the use of power for the manufacture of fertilizer. You can then control, under the terms of the Federal water power act, the other power that is there developed; and under those conditions the Government can see that the people of that section of the country are protected in the sale of that power and that it is not monopolized, which would be the result if it were put in the hands of one man.

I was greatly interested in the argument of the gentleman from Alabama as to the exceptions or provisos in the Federal water power act. One of them was a stipulation for Government purposes. If this is given to Henry Ford, can it be interpreted as being for Government purposes under any construction of the law? Certainly it can not.

Mr. QUIN. Will the gentleman yield?

Mr. DICKINSON of Iowa. I can not yield, as I have only a short time. I am not going to take up the time of the committee by yielding for questions; I am going to give my views. Gentlemen have been talking for two or three days, and now I want to express myself. Another point was that it was for the development of Government property. No one can say that this Government wants to retain that property and develop it for any purpose other than the use of nitrates during war, and for that purpose it can be acquired at any time, regardless of who has it or under what conditions it may be had.

I was greatly amazed the other day when I read the speech of the gentleman from Illinois [Mr. MCKENZIE] in which he referred to the opposition to this bill and that that opposition existed in this little bureau, which was a creature of Congress, and that this bureau is desirous of maintaining its own control over the water-power development of the country. And then he called them a little bureaucratic bureau. Well now, gentlemen, the whole purpose of the water power act was the preservation of the water power of this country which can be used for the benefit of the people, and tell me how you are going to use the power that is created down there for the benefit of the people if you are going to turn it all over to one man to use as he sees fit?

Oh, you are stipulating here for a certain use of this power; that it is to be used for the making of fertilizer, but that is only a small part of the chapter that is to be played down there. The main thing is water power. A little of it will be used for fertilizer, but not nearly all of it. And I want to say to you that whenever you pass this bill with its present provisions, and if you do not amend it so as to put it under the provisions of the water power act, you are going to practically destroy the water power act, for which able men, interested in the preservation of the natural resources of this country, fought for 15 years.

Now, if the act is not perfect, amend it; if it does not contain the proper provisions or put on proper restrictions let us amend it, but we should not follow the suggestion of the gentleman from Alabama in which he says, "Let us give this project to this man and then in due time let us pass a law bringing them all within the provisions of the water power act." I want to say to you that you can not take away from Henry Ford, or his estate or the corporation, he is to organize to carry out the provisions of this contract, one vested right that is put in this contract—not one. Do not think of that theory in the years that are to come, for that can not be done.

The Federal Water Power Commission is not a little bureaucratic commission. It is composed of the Secretay of War, the Secretary of the Interior, and the Secretary of Agriculture, three broad-minded, strong men. I do not believe we want to call them little bureaucrats here on the floor of the House. They are entitled, if you please, to have the provisions of that act carried out in the way that the original act was intended to be carried out.

The Interstate Commerce Commission has control of transportation and the Federal Water Power Commission is going to have control of the distribution of power and the rights thereunder, and that is the only thing we are asking you gentlemen to do here to-day.

I believe you can sell the farmer fertilizer as cheap, and even cheaper, if you will put this bill under the provisions of the water power act, as you can under the provisions of your present bill; and not only that, but then you can say to Henry Ford, "Bring down all of your aluminum factories, bring down all of these other factories, and we will let you have power according to the provisions of this act, and you can then develop your industries."

The CHAIRMAN. The time of the gentleman has expired. The gentleman from Tennessee [Mr. FISHER] is recognized.

Mr. FISHER. Mr. Chairman, this is a contract we are discussing to-day, and the provision in the contract which relates to 100 years ought not to be stricken from it. The Fed-

eral water power act has nothing to do with it. The President of the United States specifically designated, under the authority which was given to him in 1914 in the national defense act, that water power should be used in the nitrate program, and it was an essential part of the program. In the nitrate program there was also included the fertilizer program. They knew they could not go on with the fertilizer program in peace time without having water power, because coal was too expensive.

When the war came on we found that the activities which related to the dam, and related to the nitrate program, were tremendously increased. Water power was always a vital part of that program, and the only reason they built other power houses which furnished power made by coal was because the dam was slower, but it was always in mind that this water power should be used for the manufacture of nitrates for ammunition if we happened to have war, and in peace time for fertilizers.

When the war broke down and the armistice came, the Government was left with over $100,000,000 worth of property, and this raised the question as to what was to be done with it. As all know there is and has been great opposition to the Government operating the big nitrate plant and carrying out the program to manufacture nitrates there. That property stood idle, and it has cost the Government over $1,000,000 in upkeep and maintenance since the armistice.

We know that this Congress would never consent to the Government—if this contract should not be accepted—going down there and making and selling fertilizers and making fixed nitrogen at plant No. 2. If the contract is not accepted, think of the cost of maintenance to the Government, because every officer in the Ordnance Department who has testified has said that each year the cost of upkeep, maintenance, and replacement would be approximately $400,000.

It is the maintenance of the big plant No. 2 in a going condition which we would have to keep for nitrate preparedness, and over a period of 50 years the cost would be over $20,000,000. Think of the huge amount that would have to be paid by the Government.

Mr. MAYO. The point is if the offer is accepted we will have such a very large investment at Muscle Shoals in the course of the next 10 or 15 years that we could not afford to risk that much of an investment there and run the risk of having the power end of it cut from under your feet at the end of 50 years. (p. 243.)

* * * * * * *

Mr. MAYO. * * * On account of the size of the project and the immense amount of capital necessary to develop it to such an extent that we can use all the power, Mr. Ford felt that in 50 years he would perhaps only have made a good start. (p. 296.)

The War Department, through the Secretary of War, the Chief of Engineers, and other high officials in the Army, sought broadcast throughout the United States for a great captain of industry to come to the rescue of the United States and make them an offer to take these great projects. They found none. No one wanted to take this heavy burden that was caused by the war off of the shoulders of the United States, and the waste and expense continued. The Government, through its agents and representatives, sought this great man, Henry Ford, who here to-day offers to take this burden off of the shoulders of the Government and develop this country as has never been dreamed of before. We find he came down here, and in conference with the War Department and in the Judge Advocate General's department his representatives and officers of our Army drew up a tentative contract, or a tentative offer, and there the question was discussed of how long the lease should run; and right then and there the Government, through its representatives, wrote into the contract, as Mr. Ford had said he would have to have it if he made an offer at all, 100 years, which was to be the life of the lease; and when that contract was redrafted and sent to our committee it had in it the same 100-year clause; and when the hearings were held before the committee Mr. Ford's representatives came before it, and I have the statements that were made by Mr. Mayo, his representative, which I will insert in the RECORD, in which he said that if the offer was accepted, the plans of the company were so immense that 50 years would not give them time; that they expected to spend $40,000,000 or $50,000,000 on the development of that country. Think what that means. He said 50 years would not give them sufficient time. They want to develop water reservoirs in the mountains of east Tennessee, so that the water power which is now more or less limited may be doubled in capacity.

The CHAIRMAN. The time of the gentleman has expired.

Mr. McKENZIE and Mr. CHINDBLOM rose.

The CHAIRMAN. The gentleman from Illinois [Mr. McKENZIE] is recognized.

Mr. McKENZIE. Mr. Chairman, I ask unanimous consent that debate on the pending amendment close in 25 minutes, 10 minutes for the gentlemen favoring the amendment and 15 minutes for those opposing the amendment. Mr. Chairman, the opposition has had more time than we have had on this amendment, and I do not want to take any more time than necessary.

Mr. GARRETT of Tennessee. Mr. Chairman, I want to say to the gentleman that I have some remarks I want to make upon the proposition, and I doubt if I am going to be able to conclude in five minutes. I rather think it will take seven or eight minutes, although I will try to get along with five minutes.

Mr. McKENZIE. Mr. Chairman, I ask unanimous consent to modify that request by making it 35 minutes, 15 minutes to be used by those opposed and 15 minutes by those in favor of the amendment, and that I have 5 minutes to close the discussion.

Mr. GARRETT of Texas. Will the gentleman make his request apply to the section and all amendments thereto?

Mr. McKENZIE. No; we can not do that.

Mr. HILL of Maryland. Mr. Chairman, reserving the right to object, that makes 20 minutes against the amendment and 15 minutes in favor of the amendment.

Mr. McKENZIE. Mr. Chairman, I would be glad to give the gentlemen 20 hours on each side if there was nothing to it but time, but I realize that the membership of the House is getting somewhat weary of this discussion and I would like to hurry along with the bill.

Mr. BYRNS of Tennessee. Reserving the right to object, does the gentleman's request apply only to the amendment or to the paragraph?

Mr. MORIN. To the pending amendment.

Mr. McKENZIE. To the pending amendment, which is the Burton amendment.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent that all debate on the pending amendment close in 35 minutes. Is there objection?

Mr. HILL of Maryland. Mr. Chairman, reserving the right to object, I shall not object if the request is 20 minutes, to be controlled by the gentleman from Illinois [Mr. McKENZIE] and 15 minutes by the gentleman from Iowa [Mr. HULL].

Mr. LONGWORTH. You can not do that in Committee of the Whole.

Mr. McKENZIE. That is understood, however.

The CHAIRMAN. The gentleman from Illinois modifies his request and asks unanimous consent that all debate on the pending amendment be closed in 35 minutes, 20 minutes to be controlled by the gentleman from Illinois and 15 minutes by the gentleman from Iowa [Mr. HULL].

Mr. HOWARD of Nebraska. Mr. Chairman, reserving the right to object, I would like to ask the gentleman in charge if I may have an opportunity to move to strike out, maybe, the next to the last word and get a chance for my white alley here?

Mr. McKENZIE. I will say to the gentleman that after we vote on the pending amendment he can then offer another amendment.

Mr. HOWARD of Nebraska. But, perhaps, I may like to speak to the amendment. I do not object, Mr. Chairman.

Mr. LONGWORTH. Mr. Chairman, a parliamentary inquiry. I doubt whether it is in the power of the committee to assign control of time in Committee of the Whole. I think the request should be that the debate should close at a certain time, and gentlemen will take the floor in their own right.

Mr. McKENZIE. In order that there may be no misunderstanding, I desire 5 minutes for the gentleman from Washington [Mr. MILLER], 10 minutes for the gentleman from Tennessee [Mr. GARRETT], and 5 minutes for myself; and 15 minutes to be divided, 8 minutes to the gentleman from Maryland [Mr. HILL] and 7 minutes to the gentleman from Illinois [Mr. CHINDBLOM].

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois that debate on the pending amendment be closed in 35 minutes? [After a pause.] The Chair hears none.

Mr. McKENZIE. Mr. Chairman, I yield five minutes to the gentleman from Washington [Mr. MILLER].

Mr. MILLER of Washington. Mr. Chairman and gentlemen of the committee, I was a member of the Military Affairs Committee during the consideration of the Ford offer. I come from the most remote corner of the United States and have as little personal interest in the disposition of the United States properties at Muscle Shoals as any Member on the floor of the House. I went into this investigation of the Ford offer last

year with something of an opposition to the offer, but the further I pursued the matter and the more interest I took in it, the more I became convinced that it was to the interest of the United States Government to accept the offer of Henry Ford. [Applause.]

The Tennessee River where this power plant is situated falls 132 feet in 37 miles. There are two dams 17 miles apart. The Tennessee River has been there since the beginning and no private capital in America has ever thought for one instant of going into the improvement of it at this point because the expense is so enormous.

The river there is a mile wide and it flows over a limestone ledge. You and I could walk across that river in an ordinary flow of the water. The expense is so great to build this enormous dam that private capital would never touch it and would not touch it to this day. Henry Ford's offer was made last year. In 1920 the water power act was passed. Nobody has applied to the United States Government under the national water power act to improve the Tennessee River at Muscle Shoals for the generation of hydroelectric power up to this good hour. They will not touch it. The United States Government is hooked good and hard at Muscle Shoals. It has $140,000,000 invested there. You can not apply the enterprise of the Government at Muscle Shoals with any water-power site in America.

If you strip this offer and limit it to 50 years, make it under the national water power act, you will kill the Henry Ford offer that quick. [Applause.] I would rather see the Henry Ford offer turned down as a whole than to see it butchered piecemeal and put in such a condition that Ford and his associates would not accept it.

I fear that some Members who have spoken on this subject fail to appreciate the enormous interest involved in this project, and I am almost afraid that some of them have never had to do with great, substantial interests in the country. There have been various amendments proposed putting in a forfeiture clause. Whoever heard of a $10,000,000 proposition with a forfeiture clause in it? Nobody in the world would put such a sum of money into any enterprise with a forfeiture clause tacked onto it.

Mr. SPROUL of Kansas. Will the gentleman yield?

Mr. MILLER of Washington. No; I can not yield; I have too little time. My idea is that if the Government is ever going to dispose of the Muscle Shoals enterprise, Henry Ford is the only man in the United States who will take it. None of these gentlemen talking about this great water power have made a proposition in good faith to handle and develop it, except they leave the maintenance of the great cyanamide plant at the expense of the United States Government. [Applause.]

The water power is not the only feature of the Ford offer; it is not the only element. Up to the time Mr. Ford made his offer, not a man or a company, either water-power companies or fertilizer companies, would touch the Muscle Shoals proposition. For months the Secretary of War and the Chief of Engineers sought in vain for some one, somebody, to submit an offer. The water-power interests were as silent as a grave; the fertilizer interests equally quiet. After Ford came in with his offer, the power companies and the fertilizer companies began to stir themselves, with the result that one power company submitted a sort of an offer that no man could for a moment consider. When the last Congress adjourned, without taking any definite action on the Ford offer, and everyone thought he had dropped the matter, the power company sank back into its silence. When, to their surprise, the offer was again taken up at this Congress, the power company and the fertilizers came back to life. An amalgamation of several power companies was formed recently, and this combination has put in a tentative bid. But this bid contains no promises of possible advantage to the Government. In my judgment, it is submitted only for the purpose of undertaking to delay, if not to ultimately defeat, the Ford offer. This is the reason I say no private capital will touch the Muscle Shoals proposition. This combination of power companies do not want the property, but they do not want Ford to have it. The reason is obvious.

The CHAIRMAN. The time of the gentleman from Washington has expired.

Mr. CHINDBLOM. Mr. Chairman, I apprehend that I find myself in pretty much the same position on this bill as most of those Members of this House who have not had the good fortune to study the subject specifically in a committee of which they are members, or by gentlemen who find themselves interested by reason of the locality of the vicinity in which Muscle Shoals is located. I say that without any intention of reflecting on those who have a local interest. We all have local interests. I have an interest in my community and you have a right to have an interest in the locality where you live and in the development with which you are concerned.

To the average Member of this House, to the average citizen, this proposition will appear, it seems to me, about in this fashion: Here is an enormous water power which is more than a natural resource. It is not entirely a natural resource. Water-power development there is artificial; it has been created by an expenditure of $100,000,000 of the people's money. There are no natural falls at Muscle Shoals which will produce water power. We are artificially creating a water power. There are two dams 17 miles apart, and the fall in the river is only 132 feet in a distance of 37 miles, and this water-power project has been developed at a cost of over $100,000,000, and we are now to turn it over to a very distinguished gentleman, a very worthy gentleman, under very extraordinary conditions. We are to reverse the policy which this Government announced, which this Congress announced, after many years of labor in the matter of natural resources—we are to reverse the policy established by the water power act of June, 1920, and give a lease of the property upon extraordinarily liberal terms for a period of 100 years. For myself, I can reach no other conclusion than that it becomes my duty to support the proposition of the gentleman from Ohio [Mr. BURTON], and, in fact, I gave notice last evening, immediately prior to adjournment, that I proposed to offer an amendment, on page 18, reading very much like the proposal of the gentleman from Ohio, except that it goes some distance further. The amendment I propose is this:

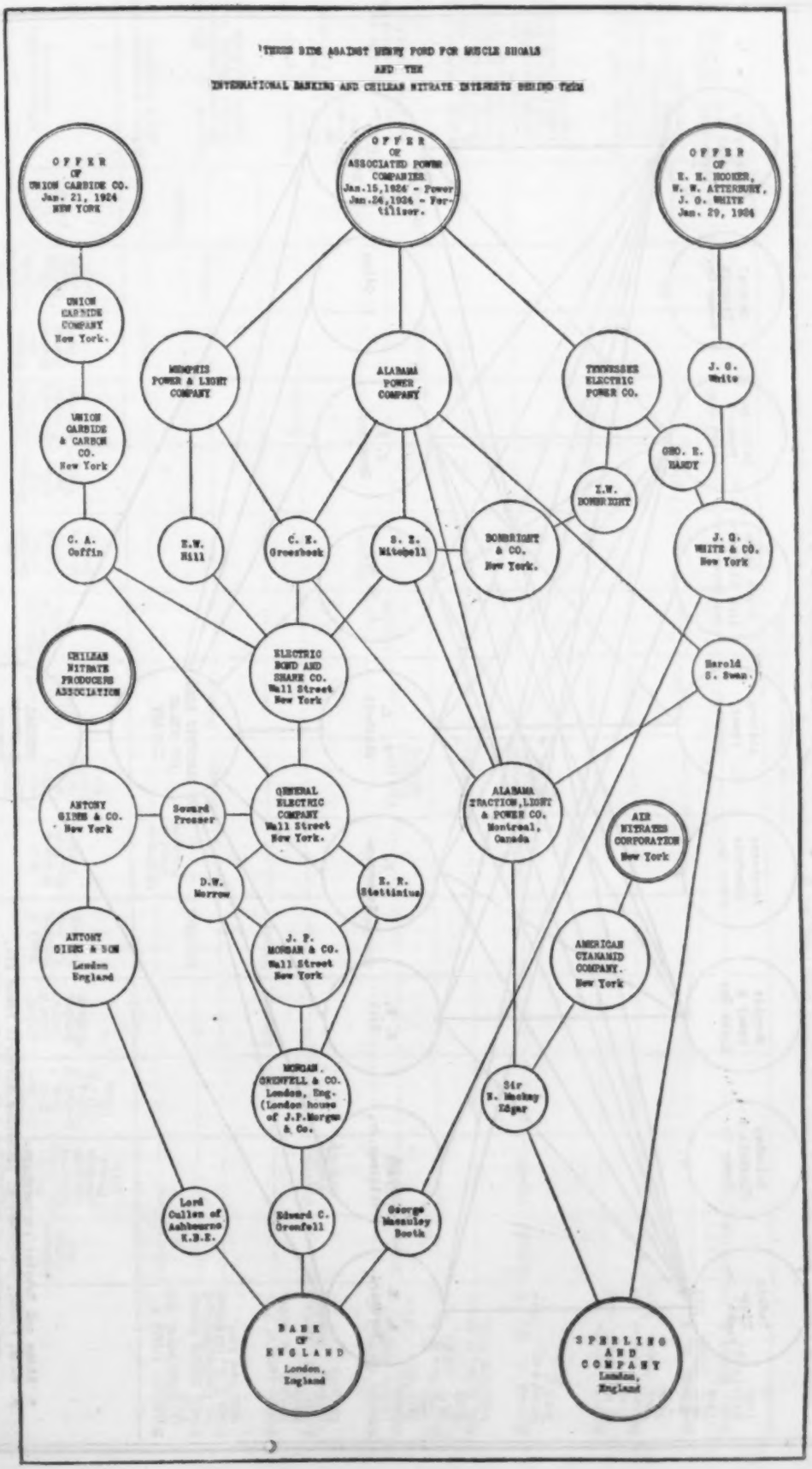
Page 18, line 19, add a new section, as follows:

"That in the exercise and enjoyment of all rights acquired under this act, Henry Ford, his heirs, representatives, and assigns, and the company, its successors and assigns, shall, so far as applicable, be subject, except as herein specifically otherwise provided, to all the terms, provisions, obligations, restrictions, and limitations of the Federal power act of June 10, 1920."

We heard some rather persuasive arguments a moment ago to which, perhaps, some further attention might be given. One was that we ought to support this proposition because it would be antagonistic to a certain monopolistic situation in the State of Alabama; because it would tend to alleviate and relieve the labor situation of Alabama; because it would give power to those who desire to make a successful battle against the domination of a vicious political machine in the State of Alabama.

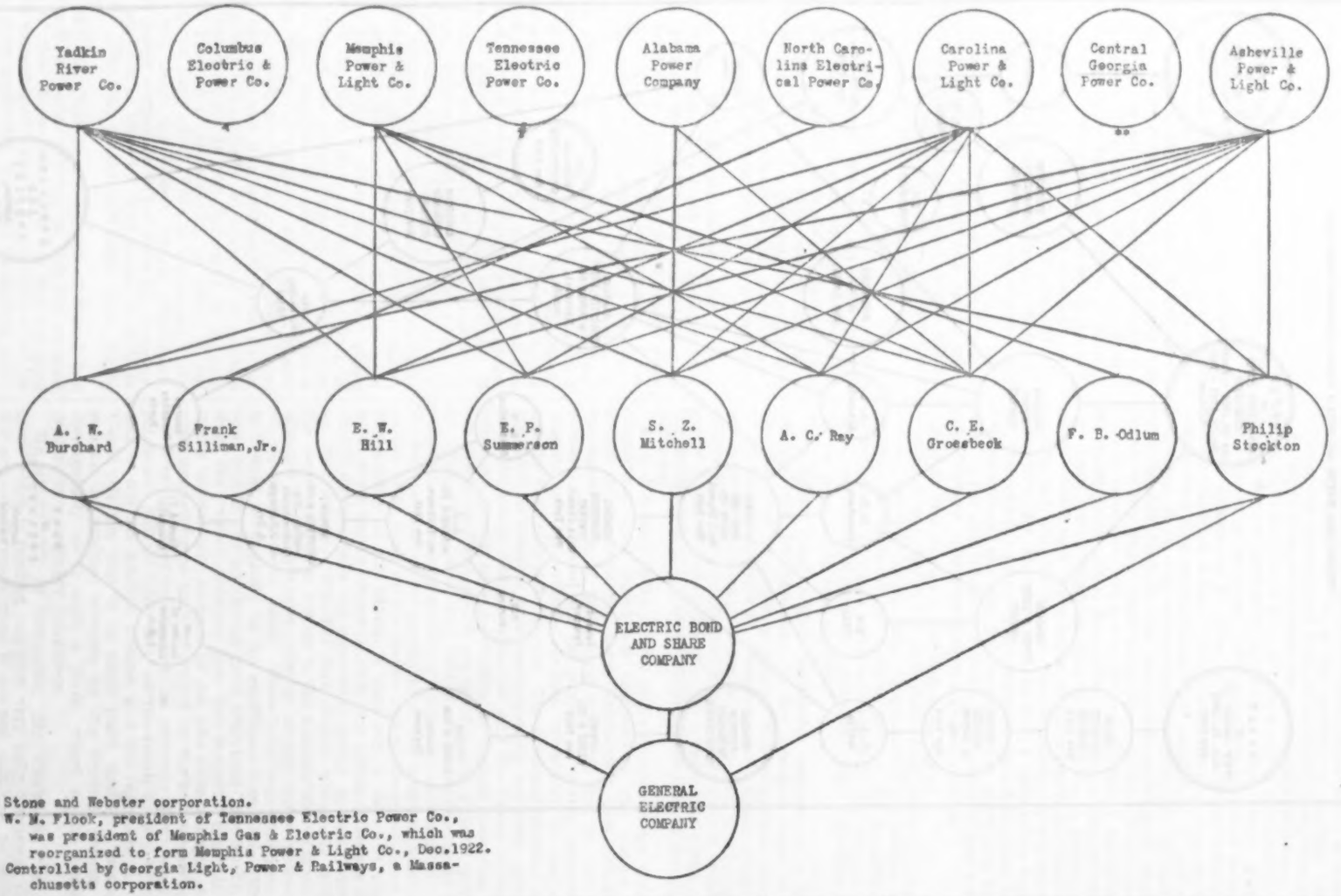
Now, I submit in all candor and earnestness, are those considerations upon which the Congress of the United States should recede from the policy established with reference to the conservation of its natural resources and go into a particular neighborhood for the purpose of giving extraordinary benefits and opportunities to men of capital, no matter how capable they may be? Ah, no. The principal question here, to my mind, is whether sufficient argument has been adduced to vary the policy and the principle and the theory of the Government's policy of conservation of natural resources which we proclaimed and which we fixed in the Federal power act of June, 1920. You may find it easy, gentlemen, to satisfy your own consciences and your own judgments that this should be done because of the proximity of the interests involved, but to the great mass of the people and to the great mass of the membership of this House, I dare say, a sufficient argument has not yet been adduced to show any adequate reason why we should deviate from the established policy of this Government on that subject. Whether this project ultimately will serve the issue of national defense in the manufacture of atmospheric nitrogen by the fixation process or any other process is a matter of very grave doubt. There have been statements made in debate, particularly by the gentleman from Ohio [Mr. BURTON] and by the gentleman from Maryland [Mr. HILL], which show the present situation upon that subject. I had an opportunity myself last summer to get into close contact and intimate acquaintance with a project in Norway where nitrogen has been produced by the fixation process. They have a perpendicular fall of 1,500 feet, as the result of which they are able to use the fixation process, and the engineers in the Old World tell you that in no other place, probably, would it be possible to produce nitrogen by the fixation process so advantageously as in such a place, where nature herself has created extraordinary conditions.

Mr. GARRETT of Tennessee. Mr. Chairman, the amendment which is pending has been very fully discussed, although the arguments made upon it are not sufficient to satisfy my friend from Illinois [Mr. CHINDBLOM], who has just left the floor. There is really nothing that can be added to the statements touching this tenure that have been made heretofore by the gentleman from Illinois [Mr. MCKENZIE], the gentleman


'THOSE DIES AGAINST HENRY FORD FOR MUSCLE SHOALS
AND THE
INTERNATIONAL BANKING AND CHILEAN NITRATE INTERESTS BEHIND THEM
OFFER OF UNION CARBIDE CO. Jan. 21, 1924 NEW YORK
OFFER OF ASSOCIATED POWER COMPANIES Jan.15,1924 - Power Jan.26,1924 - Fertilizer.
OFFER OF E. H. HOOKER, W. W. ATTERBURY, J. G. WHITE Jan. 29, 1924
UNION CARBIDE COMPANY New York.
UNION CARBIDE & CARBON CO. New York
C. A. Coffin
MEMPHIS POWER & LIGHT COMPANY
E.W. Hill
ALABAMA POWER COMPANY
C. E. Groesbeck
S. Z. Mitchell
TENNESSEE ELECTRIC POWER CO.
J. G. White
GEO. E. HARDY
J.W. BONBRIGHT
BONBRIGHT & CO. New York.
J. G. WHITE & CO. New York
CHILEAN NITRATE PRODUCERS ASSOCIATION
ELECTRIC BOND AND SHARE CO. Wall Street New York
Harold S. Swan.
ANTONY GIBBS & CO. New York
Seward Prosser
GENERAL ELECTRIC COMPANY Wall Street New York.
ALABAMA TRACTION, LIGHT & POWER CO. Montreal, Canada
AIR NITRATES CORPORATION New York
D.W. Morrow
E. R. Stettinius
ANTONY GIBBS & SON London England
J. P. MORGAN & CO. Wall Street New York
AMERICAN CYANAMID COMPANY. New York
MORGAN, GRENFELL & CO. London, Eng. (London house of J.P.Morgan & Co.
Sir W. Mackay Edgar
Lord Cullen of Ashbourne K.B.E.
Edward C. Grenfell
George Macaulay Booth
BANK OF ENGLAND London, England
SPERLING AND COMPANY London, England

INTERLOCKING DIRECTORATES OF POWER COMPANIES OPPOSING HENRY FORD

These Nine Companies, in a letter to O. C. Merrill, Executive Secretary of the Federal Power Commission, proposed that one or more of them would make an offer for Muscle Shoals. Three of them did make an offer for the group. These were the Alabama Power Co., the Tennessee Electric Power Co., and the Memphis Power & Light Co. Their offer is found in the Hull Bill, H. R. 6781, introduced Feb. 8, 1924.



* Stone and Webster corporation.
‡ W. W. Flook, president of Tennessee Electric Power Co., was president of Memphis Gas & Electric Co., which was reorganized to form Memphis Power & Light Co., Dec. 1922.
** Controlled by Georgia Light, Power & Railways, a Massachusetts corporation.

Recapitulation sheet to accompany graphic entitled "Three bids against Henry Ford for Muscle Shoals and the international banking and Chilean nitrate interests behind them"

[This information has been gathered from Poor's and Moody's Manual of Public Utilities, Directory of Directors for New York, Stock Exchange Official Intelligence of London, and Directory of Directors for the United Kingdom]

	Alabama Power Co.	Alabama Traction, Light & Power Co., (Ltd.), Montreal (controls Alabama Power Co.).	Antony Gibbs & Co., New York (controlled by Antony Gibbs & Sons).	Antony Gibbs & Sons, London, England.	Bank of England, London, England.	Bonbright & Co., New York.	Electric Bond & Share Co. (subsidiary of General Electric Co.).	General Electric Co., New York.	Memphis Power & Light Co.	Morgan Grenfell & Co., London (J. P. Morgan house).	Morgan, J. P., & Co., New York.	Sperling & Co. (bankers), London, England.	Tennessee Electric Power Co.	Union Carbide & Carbon Co. (controls Union Carbide Co.).	White, J. G., companies.	Other interesting connections.
Bonbright, Irving W., 25 Nassau Street, New York.						Chairman board of directors.							Director			Director in numerous small power companies.
Booth, George Macauley, London, England.					Director										Director	
Coffin, C. A., 120 Broadway, New York.							Director	Director						Director		Director in Thomson-Houston connections of General Electric Co., at London and Paris.
Cullen, Lord of Ashbourne, London, England.				Director	Director											
Edgar, Sir Edward Mackay, London, England.		Chairman board of directors.										Director				Director Mississippi River Power Co. (of which Hugh L. Cooper is vice president); American Cyanamid Co.
Grenfell, Edward C., London, England.					Director					Partner						
Groesbeck, C. E., 71 Broadway, New York.	Director	Director					Vice president and director.		Director							Director Asheville Power & Light Co., and of Yadkin River Power Co.
Hardy, George E., 14 Wall Street, New York.													Director		Director	
Hill, E. W., 71 Broadway, New York.							Director		Director							Director Asheville Power & Light Co., Carolina Power & Light Co., and Yadkin River Power Co.
Mitchell, S. Z., 71 Broadway, New York.	Director	Director				Director	President and director.									President Electric Utilities Corporation (General Electric subsidiary); director Asheville Power & Light Co., Yadkin River Power Co.
Morrow, Dwight W., 23 Wall Street, New York.								Director		Partner	Partner					
Prosser, Seward, 16 Wall Street, New York.			Director					Director								Chairman board of directors, Bankers Trust Co., director General Motors Corporation.
Stettinius, E. R., 23 Wall Street, New York.								Director		Partner	Partner					Director General Motors Corporation.
Swan, Harold S., 120 Broadway, New York.	Director	Director										Director				Director Southern Manganese Corporation.

NOTE ON ANTONY GIBBS & SONS

Report by Charles J. Brand, of the Department of Agriculture, issued June, 1923, on a special investigation of the position of Great Britain in the Chilean nitrate of soda trade, contains the following:

"In the merchant group the most important in order of their importance of those located in London are Antony Gibbs & Sons," etc.

"In theory, the actual fixing of prices is done by a committee of 16 members, elected from the important operators who conduct the oficinas in Chile. In addition to these producers' representatives, the Chilean Government designates four members of the committee. The governmental members, in fact, have very little voice in the fixing of the price.

"The larger committee, thus composed of 20 members, has a subcommittee which is resident in London and is made up of selected representatives of the British nitrate houses. * * * Practically, the London subcommittee, known as the Chilean Nitrate Committee, recommends to the whole committee in Chile what prices shall be, and its recommendation is almost invariably adopted. This is an interesting situation from an American standpoint, as the United States purchases about 50 per cent of all the nitrate exported from Chile and has no voice whatever in the fixing of prices."

(A report from the American consulate general, Santiago, Chile, Aug. 11, 1922, states H. C. Gibbs of Antony Gibbs & Sons, London, was the representative of the London committee who went to Chile and negotiated with the producers and the Chilean Government for an agreement to relieve the nitrate distress in Chile in 1922.)

from Illinois [Mr. MADDEN], the gentleman from Michigan [Mr. JAMES], the gentleman from Alabama [Mr. OLIVER], and other gentlemen who have discussed the question. I do not criticize the gentleman from Ohio [Mr. BURTON] for presenting the amendment. He is perfectly within his rights, and he did a very logical thing. He is opposed absolutely to the proposition, and therefore he takes the method of presenting an amendment which he understands and which every other Member of the House should understand means, if it be adopted, the defeat of the proposition. We need not deceive ourselves about that. Therefore it seems proper that at this time there should be laid before the committee certain conditions that exist, that have not yet been fully presented, so far as I have heard, in the course of the argument.

The head and front of the opposition to the Ford offer is the Alabama Power Co.; not that it is conducting the fight alone, but because it has been put in the lead to undertake to destroy the proposition. That company is the company which during the days of the war took advantage of the Government's necessities and in the hour of the country's trial and tribulation forced upon the Government an unconscionable contract. That company is controlled by its common stock, and that common stock is owned by a Canadian corporation. I have before me a chart, which I see is being distributed among the members of the committee, and I hope gentlemen will glance at it for a moment. The first sheet shows the interlocking connections between the several power companies that made the last offer, or alleged offer, on the Muscle Shoals project, the Alabama Power Co. and the associated companies, and gentlemen who will follow the lines on that chart will see how these companies are interlocked and how they lead down finally through the Electric Bond & Share Co. to the General Electric Co. If gentlemen will then turn to the second chart they will find three firms, each occupying a larger circle, which have made offers, the central circle being occupied by the Associated Power Cos., of which the head and front, as I have said, is the Alabama Power Co. The offer upon the right is that of E. H. Hooker, W. W. Atterbury, and J. G. White. That upon the left is the offer of the Union Carbide Co. If gentlemen will follow the lines of those various offers through the different circles and through the individual names that are mentioned in the circles they will observe the way by which, through this system of interlocking directorates, the Alabama Power Co. leads back through this Canadian corporation to the Bank of England and to Sperling & Co., of England. Then if gentlemen will look to the middle of the left-hand side they observe the Chilean Nitrate Producers' Association. That has made no offer, but that is the concern from which this country is buying all of the nitrates used in fertilizer.

If gentlemen will follow the lines of that they will find that it goes through Antony Gibbs & Co., of New York, Antony Gibbs & Son, of London, England, Lord Cullen, of Ashbourne, back to the Bank of England. So you have the united power companies of the United States and the concern from which we obtain all of the nitrates that we now use, both in time of peace and time of war, leading back to two English concerns.

Mr. MORGAN. Mr. Chairman, will the gentleman yield?

Mr. GARRETT of Tennessee. It seems to me, therefore, gentlemen of the House, that it is about time to have an American firm upon this American matter. I yield to the gentleman from Ohio.

Mr. MORGAN. Is it not a further fact that this English corporation controls the transportation of this product, the nitrate of Chile, through William R. Grace & Co., of New York?

Mr. GARRETT of Tennessee. I can not say about the control of the transportation through the concern the gentleman mentions, but it is undoubtedly true that now, since Germany became independent herself as to nitrates during the war, there has been left to England the great control over all Chilean nitrates so far as production and marketing of it are concerned.

The gentleman from Iowa [Mr. HULL] referred to the fact that he had never been able to talk to Mr. Ford about this proposition. One of the things that has struck me with very great favor about this matter is that so far as I know no Member of Congress has ever had an opportunity to talk with Mr. Ford about the proposition, and he has never sought an opportunity to confer with any Member of Congress concerning it. I wish that these other companies that are fighting it could be in as favorable a situation in so far as keeping their hands off as Mr. Ford is. [Applause.]

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. GARRETT of Tennessee. Then, under the leave granted for extension, I insert the charts with certain explanatory statements.

THE INTERNATIONAL NITRATE TRUST

Antony Gibbs & Sons, who have a direct connection with the General Electric Co., as shown in the accompanying diagram, are named in a special report of the Department of Agriculture issued in June, 1923, as the most important of the London members of the international group interested in nitrate of soda. Not only are they the most important of the great London nitrate firms, but they are the most important firm supplying the French trade and own outright one of the principal distributers of nitrate in this country—the American firm of H. J. Baker & Bro.

In 1919 Antony Gibbs & Sons took the leadership in the organization of the Chilean Nitrate Producers' Association, an international trust whose principal purpose is to fix the price at which nitrates may be sold.

Quoting from the report:

In theory the actual fixing of prices is done by a committee of 16 members elected from the important operators who conduct the "oficinas" (nitrate factories) in Chile. In addition to these producers' representatives the Chilean Government designates four members of the committee. The governmental members, in fact, have very little voice in the fixing of the price.

The larger committee, thus composed of 20 members, has a subcommittee which is resident in London and is made up of selected representatives of the British nitrate houses. * * * practically the London subcommittee, known as the Chilean Nitrate Committee, recommends to the whole committee in Chile what prices shall be, and its recommendation is almost invariably adopted. This is an interesting situation from an American standpoint, as the United States purchases about 50 per cent of all the nitrate exported from Chile and has no voice whatever in the fixing of prices. (Report of Charles J. Brand, consulting specialist in marketing, United States Department of Agriculture, entitled "The Position of Great Britain in the Chilean Nitrate of Soda Trade.")

Mr. HILL of Maryland. Mr. Chairman, I ask unanimous consent that the pending amendment be again reported.

The CHAIRMAN. Without objection, the amendment will be again reported in the gentleman's time.

The Clerk read as follows:

Amendment by Mr. BURTON:

Page 2, line 23, after the words "United States" insert the words "under the terms of the Federal water power act."

Page 3, line 2, strike out the words "one hundred" and insert in lieu thereof the word "fifty."

Mr. HILL of Maryland. Mr. Chairman and gentlemen of the committee, neither the Committee on Military Affairs, the Members supporting the Ford offer, nor those opposing the Ford offer have had an opportunity to investigate the facts so graphically set forth in the charts which were just distributed throughout this Chamber and which purport to show the interrelations of the Tennessee Electric Power Co., the Memphis Power & Light Co., the Alabama Power Co., and various other corporations. As far as I am concerned I know nothing about the interlocking of these various corporations or about the corporations themselves except what appears in the hearings before the Military Affairs Committee; but it might be well for me to say, so far as I know, neither one of the members of the Committee on Military Affairs by the name of HILL, neither the gentleman from Alabama nor myself, know anything about nor have ever had anything to do with Mr. E. W. Hill, whose name appears on these papers as interested in one of these companies.

The gentleman from Tennessee [Mr. GARRETT] said it was well known that the acceptance of this particular amendment, the amendment offered by the gentleman from Ohio [Mr. BURTON] to place this project under the Federal water power act, would mean the defeat of the Ford proposition. If the adoption of this amendment and adherence thereby to the deliberately accepted policy of the United States, accepted after mature consideration, for the conservation of the national resources, should result in a defeat of the Ford proposition, it ought to result in that defeat. [Applause.]

I knew nothing of any of these companies, neither the Alabama Power Co. nor any of them, until the Committee on Military Affairs took up for consideration this offer; but for over two years this committee has studied this question. I do not in any way attempt to depreciate the extraordinary enthusiasm of the gentlemen who favor the Ford offer. I speak merely as a member of the committee who for two years made

a study of the question. At the end of the last Congress the views of the minority were expressed in a very able report submitted by the gentleman from Ohio [Mr. KEARNS]. Our views are practically the same to-day—that neither nitrate plant No. 1 nor nitrate plant No. 2 should be sold. They cost the taxpayers of this country too much money. They ought to be leased, together with the hydraulic electric power created by Dam No. 2, and this lease ought to be made under the Federal water power act. Now, the gentleman from Tennessee states that if you adopt the Burton amendment you defeat the Ford offer.

I have heard that suggestion raised, not by the gentleman from Tennessee but by certain members of the Committee on Military Affairs, in the last two years in reference to every proposal for change in the Ford offer that has been made. In spite, however, of this repeated protest we have caused from time to time changes or modifications of the Ford offer, and I can here show you the hearings and suggest to you that in spite of what has been repeatedly stated we still have the Ford offer with us, and to predict that even if the Burton amendment is adopted and you put this project under the Federal water power act Henry Ford and his interests will still jump at and grab at Muscle Shoals.

I desire to call to your attention the fact that there have been several Ford offers. There was the Ford offer on the 25th day of January, 1922, that we considered seriously and which itself was a modification of a previous offer. That offer was abandoned in certain particulars after hearings before our committee, and there was afterwards substituted the offer of the 31st of May, 1922, which we now have under consideration. Now, gentlemen, please mark this: As a direct result of the criticism and antagonism of the Committee on Military Affairs, as shown in the hearings on this proposition, Mr. Ford, through his agent, Mr. Mayo, abandoned the provisions contained in section 17 of his 25th of January offer by which he attempted to secure a perpetual extra right after the first 100 years. I ask you to direct your attention to page 16 of the original hearings.

Section 17 of the offer of January 25, 1922, provided:

17. In order that said company may be supplied with electric power and the farmers with fertilizers after the termination of the said 100-year leases, should the United States elect not to operate said power plants but determine to lease or dispose of same, the company shall have the preferred right to negotiate with the United States for such lease or purchase and upon such terms as may then be agreed upon. If the said leases are not renewed or the property covered thereby is not sold to said company, its successors or assigns, any operation or disposal thereof shall not deprive the company, its successors or assigns, of the right to be supplied with electric power at reasonable rates and in amount equal to its needs, but not in excess of the average amount used by it annually during the previous 10 years.

Note the second paragraph of this section. The Ford representative at first insisted upon it, as they did at the same time in the 100-year original term, but they dropped it. They dropped it because of the following opposition in the Committee on Military Affairs. Mr. Mayo said Mr. Ford would not consider a 50-year franchise. He also said Mr. Ford wanted the "preferred" claim after the 100 years. He dropped the latter, and if you make the term 50 years under the Federal water power act Mr. Ford will accept it.

I ask your careful consideration of the following questions I asked Mr. Mayo when he appeared before the Military Affairs Committee as agent for Mr. Ford on February 14, 1922:

Mr. FIELDS. Do you care to express a positive opinion, Mr. Mayo, as to whether Mr. Ford would consider the Muscle Shoals proposition under a 50-year franchise?

Mr. MAYO. No, sir; Mr. Ford would not consider it.

Mr. HILL. Mr. Mayo, this question depends particularly on the duration of this franchise. Will you please turn to paragraph 17 of Mr. Ford's amended offer, at the top of page 18? That paragraph reads as follows:

> "In order that said company may be supplied with electric power and the farmers with fertilizers after the termination of the said 100-year leases, should the United States elect not to operate said power plants but determine to lease or dispose of same, the company shall have the preferred right to negotiate with the United States for such lease or purchase and upon such terms as may then be agreed upon."

As I understand it, that means at the end of the 100-year period?

Mr. MAYO. Yes, sir.

Mr. HILL. And it is your opinion that Mr. Ford would not make this proposition except on a 100-year period basis?

Mr. MAYO. Yes, sir; that is correct.

Mr. HILL. Paragraph 17 continues:

> "If the said leases are not renewed or the property covered thereby is not sold to said company, its successors, or assigns, any operation or disposal thereof shall not deprive the company, its successors, or assigns of the right to be supplied with electric power at reasonable rates and in amount equal to its needs but not in excess of the average amount used by it annually during the previous 10 years."

As I read that it looks to me as if after the 100-year period, should this proposition be accepted, there is a perpetual right on the part of the company or its successors or assigns to be provided with an amount of power equal to its needs, not in excess of the average amount used by it annually during the previous 10 years. My construction is that beyond the 100-year period there is an absolutely perpetual, prior claim by this company on the United States Government to be furnished with that amount of power. What is your view on that?

Mr. MAYO. The thought in framing that paragraph was that we would have a very large investment built up around the dams, and that it would not be fair to the company to take the power from under their feet and give it to some one else; but they should have a preferred claim, everything else being equal.

Mr. HILL. Now, then, that paragraph, according to Mr. Ford's intention, means that after the 100-year period, if it is not arranged that his interests or the successors of his company shall buy the property, he will have a perpetual right to get indefinitely and have a first lien on the power that is produced there, not to exceed the average amount used annually in the previous 10 years.

Mr. MAYO. He thought he ought to have it, everything else being equal.

Mr. HILL. That is a very unusual arrangement; it is one I had not noticed before. Here is the proposition which he puts up, as I understand it: It does not make any difference what the ultimate disposition is, his company has a perpetual first claim on the plant after the 100-year period; is that not right?

Mr. MAYO. Yes, sir.

Mr. HILL. Do you think it is a proper thing for the United States Government to tie itself up in reference to this plant forever?

Mr. MAYO. I think so. I do not see that they can lose anything by doing so. They can always exact of him whatever they could get from anybody else.

Mr. HILL. Does Mr. Ford put very much stress on this clause relating to after the 100-year period?

Mr. MAYO. I think so. He will have built up a plant to absorb all the power, and if you took the power away from him the plants would have no value.

Mr. HILL. As I understand this proposition, if at the end of 100 years Mr. Ford's company is not allowed to purchase this plant they have still in perpetuum a prior lien on the output of this plant up to its full capacity, not in excess of the average annual amount which he has taken for the previous 10 years.

Mr. MAYO. Yes, sir.

Mr. HILL. In other words, it is indefinite, forever.

Mr. MAYO. Yes; but the terms are to be agreed upon.

Mr. HILL. This clause does not say so.

Mr. MAYO. I thought it did. It says "upon such terms as may then be agreed upon."

Mr. HILL. No; it says——

Mr. MAYO (interposing). The thought was that he should get the power at the going rate which anybody else would pay for it at that time.

Mr. HILL. But it gives him a prior lien.

Mr. MAYO. As I read it, it only gives him a preference, at a rate to be agreed upon.

Mr. HILL. My thought was that Mr. Ford did not intend to tie the United States Government up forever.

Mr. MAYO. It was not meant to tie them up. He figured he had a very large investment there and that he ought to have a preference at an equal rate.

Mr. HILL. Let me read this clause to you: "If the said leases are not renewed or the property covered thereby is not sold to such company, its successors or assigns, any operation or disposal thereof shall not deprive the company, its successors, or assigns, of the right to be supplied with electric power at reasonable rates and in amount equal to its needs, but not in excess of the average amount used by it annually during the previous 10 years."

Suppose in the previous 10 years the company used every ounce of power, and then suppose that the 100-year lease terminates, and suppose the United States wants to use this plant for its own purposes. As I read that provision of the lease the United States is bound forever to continue to give to this company this prior right on that amount, so that the United States could not use it for any other purpose; is that not your understanding?

Mr. MAYO. On the basis of reasonable terms.

Mr. HILL. I am not talking about the terms; I am talking about the amount. There is no option as to the amount.

Mr. MAYO. I understand exactly what you mean. That paragraph was put in there in fairness only. If we were using 100 per cent of the power when the 100-year period lapsed, although we had used only 75 per cent during the prior 10 years, we would have the right to ask for only 75 per cent of it.

Mr. HILL. It seems to me this is rather important, and I would like to get it clear. If, say, in the previous 10 years of the contract, from the ninetieth to the one-hundredth year, this company or its successors or assigns uses every kilowatt of power, and then, after that, if the United States decides not to sell to them, then that company or its successors or assigns has a prior claim on the output of the plant; is that not right?

Mr. MAYO. It says "reasonable rates" to be made at that time.

Mr. HILL. Subject to rates, but not as to amount.

Mr. MAYO. It would cover the whole amount, if we had used the whole amount the last 10 years.

Mr. HILL. Is not that, then, a virtual disposition in perpetuity of this property to that company?

Mr. MAYO. At reasonable rates; yes, sir.

Mr. HILL. Forever?

Mr. MAYO. At reasonable rates.

Mr. HILL. Leave the rates out.

Mr. MAYO. Oh, but the rates come in.

Mr. HILL. No; they do not.

Mr. MAYO. I think they do.

Mr. HILL. Does this not contemplate an agreement that whether at the end of the 100 years or not the United States decides not to sell to this company, that company, under certain conditions, shall be entitled to all the output forever, irrespective of anything except the fixing of rates? Is that clear? My own thought was that this particular paragraph did not mean what it appears to mean, because that had not been raised before.

Mr. MAYO. The intent is that after the 100-year period has lapsed the company has the right to get the same amount of power that they have been using the last preceding 10 years at a reasonable rate.

Mr. HILL. Forever?

Mr. MAYO. Yes; subject to agreement.

Mr. HILL. I do not see anything like that here; I see the absolute grant of a perpetual first lien on the purchase of this company, and I want to ask if that is the intention of this offer?

Mr. MAYO. In the third line of the paragraph it says, "the preferred right to negotiate."

Mr. HILL. Yes; I see that. Paragraph 17 is made up of two parts, and the first part takes up the possible sale to this company.

Mr. MAYO. And upon such terms as may then be agreed upon.

Mr. HILL. That is the sale.

Mr. MAYO. It says "for the lease or purchase."

Mr. HILL. That ends with the word "upon." I invite your attention to the following words: "If the said leases are not renewed or the property covered thereby is not sold to said company, its successors or assigns, any operation or disposal thereof shall not deprive the company, its successors or assigns, of the right to be supplied with electric power at reasonable rates and in amount equal to its needs, but not in excess of the average amount used by it annually during the previous 10 years."

The point I have especially in mind in connection with that is this: Suppose at the end of this 100-year period it has become obvious to the people of the United States that the United States should own all its great water powers and control them itself, and dispose of them itself, in its own way, dispose of the products of them. That is not an inconceivable thing?

Mr. MAYO. No, sir.

Mr. HILL. As I read the second part of paragraph 17, there is conveyed there an absolute right, the taking away of which would be a violation of the guaranties of the Constitution, which gives this company a prior claim on the output of this particular project. I want to ask if that is the intention? It seems to me it is.

Mr. MAYO. The Government is the owner of this dam for the 100 years, is it not?

Mr. HILL. The Government would be the owner after the 100 years?

Mr. MAYO. No, sir; they are always the owner.

Mr. HILL. Oh, yes; but there is a lease up to the 100-year period?

Mr. MAYO. Yes, sir.

Mr. HILL. What I mean to say is that although this appears to be only a lease up to 100 years, it is practically a grant in perpetuity, absolutely, without the 100-year period?

Mr. MAYO. But in that time, if it should be decided that the Government should own its water powers, it always owns this one, and it seems to me this would be subject to the same rules and regulations under which they would sell their power from other dams.

Mr. HILL. But you would have a preferred claim on the output?

Mr. MAYO. We think we should have.

Mr. HILL. You think that under this contract this company which Mr. Ford proposes to create should have forever a preferred claim on all the output of this plant; is that right?

Mr. MAYO. Oh, yes, sir; at reasonable terms. If the Government is selling all of its own power, controlling all of its own power, we should get it at the going rate.

Mr. HILL. On reasonable terms, as to terms, but not as to output. You would acquire a perpetual exclusive right to use the output; is that not right?

Mr. MAYO. Not all the output, but the average amount we had used for the last 10 years. It was taken for granted that in that time the thing would become stabilized, and we would be using a certain amount of power and that we would have the right to use that power. There are indefinite grants of power rights on navigable streams. The Mississippi River Power Co. has one at Keokuk, Iowa; the Alabama Power Co. has one at Lock 12 on the Coosa River. There are a number of others. The idea is nothing new.

Mr. HILL. If you had used all the power, you would have the right to all of the output?

Mr. MAYO. Yes, sir.

In the foregoing hearings Mr. Mayo insisted on prior and perpetual rights after the termination of 100 years, just as to-day his friends insist on the 100-year term. After the above hearing Mr. Ford dropped this claim.

I ask you to direct your attention to section 18 of the later offer of May 31, 1922, and section 17 of the McKenzie bill, and then to refer back to section 17 of the original Ford offer, which I have just quoted. The hearings show my questions.

The amended offer of Mr. Ford drops the quite untenable claim for priority after the 100 years. Mr. Ford evidently decided that he had better drop this demand. Note section 18 of the May 31 offer:

SEC. 18. In order that said company may be supplied with electric power and the farmers and other users with fertilizers after the termination of the said 100-year leases, should the United States elect not to operate said power plants but determine to lease or dispose of same, the company shall have the preferred right to negotiate with the United States for such lease or purchase and upon such terms as may then be prescribed by Congress.

Nor does the McKenzie bill revive the old demand of January 25, 1922. Here is the section of the pending McKenzie bill:

SEC. 17. In order that said company may be supplied with electric power and the farmers and other users with fertilizers after the termination of the said 100-year lease, should the United States elect not to operate said power plants but determine to lease or dispose of same, the company shall have the preferred right to negotiate with the United States for such lease or purchase and upon such terms as may then be prescribed by Congress.

Mr. Mayo said in 1922 that if we did not give Mr. Ford priority after the original 100 years he would not continue his offer. The committee protested against it in the numerous hearings before the committee, and Mr. Ford cut that clause from his present offer, and it does not appear in the McKenzie bill.

Gentlemen, we stand here responsible only to the American people for the disposition of the greatest nitrate plant in this country, a nitrate plant that the Secretary of War says at the present time, with the Waco Quarry and plant No. 2 in connection, will turn out enough nitrate to take care of two field armies of 1,000,000 men. I am not against the leasing of these dams or the leasing of these nitrate plants, and so forth, for a reasonable period of time. The gentleman from Tennessee [Mr. GARRETT] says if you make the term 50 years you will kill the Ford offer. I say to you that Mr. Ford's agents said they would not submit their proposition again if they did not have a prior option to continue their contract at the end of the 100 years. When that was cut out by the committee the Ford agents still made their offer. The question you will vote on is whether we will stand by the Federal water power act—and I hope you will vote in favor of it, as expressed by the amendment of the gentleman from Ohio. [Applause.]

Mr. McKENZIE. Mr. Chairman, when we first took up this matter for consideration two years ago the Secretary of War appeared before us as a witness, and I asked him this question:

Mr. MCKENZIE. Mr. Secretary, I will be very brief. If we should adopt your suggestion to change this plan from a 100-year term to a 50-year franchise, it would simply be a refusal to accept the offer

made by Mr. Ford and would necessitate the submission of an entirely new proposition, would it not?

Secretary WEEKS. It would, unless Mr. Ford agreed to it.

Mr. Ford declined to agree to it. Now, my friends, we are up to a point of casting a very important vote.

The amendment is offered by the gentleman from Ohio [Mr. BURTON] in all good faith, and I want to say to him and to all other gentlemen like my friend from Iowa [Mr. DICKINSON], who are so conscientious about the water power act, do not deceive yourselves, my good friends; gentlemen, do not deceive yourselves with the idea that by voting through any such amendment as that it will be possible to settle this great question in the interest of the American people. The water power act is all right in its place. I voted for it. It embodies an agency for the Government to do certain things for us. But when we created that commission and when I voted for it I did not surrender my rights as a Member of the Congress of the United States, nor did Congress surrender its sovereignty over the agency which it had created. It is simply an agency, and to come in now and say that the Congress of the United States shall not have the right in its majesty to take hold of a great proposition like this and determine it, to my mind, is a very poor argument to make. The man that is making it from a conscientious standpoint I do not criticize, but whence comes the demand? As the gentleman from Tennessee pointed out, it does not come from the toiling millions of this country. I want to say to my colleague from Illinois [Mr. GRAHAM], who spoke here yesterday afternoon in favor of this proposition and for the defeat of the Ford offer, that the farmers of America are not asking him to do that; the workingmen of Rock Island and Moline and the hundreds of thousands of workingmen elsewhere and railroad men everywhere are not asking us to do this. The great business interests of our country outside of the corporate powers that are now interested in transmitting this current are not interested in defeating this proposition.

I want to say to you, my friends, and especially you on this side of the House, the old 157 standpatters, of whom I was one, who marched down to defeat here a few days ago while holding up the banner of Andrew Mellon to reduce further the surtaxes of certain of our citizens, I believed then, as it was alleged, and I believe now that it is a sound economic policy; but you, my friends, who have followed the banner of the Republican Party as I have from my boyhood days, proud of its achievements, and who have stood before thousands of people and boasted how we had protected the rights of the people, how we had stood for the interests of the common workingman, and how we had stood for the farmers, and how we had stood for big business and for giving big business a square deal, let me appeal to you, my friends. We are in power. We are responsible for action in this House. And in God's name, are you going to permit a great measure like this, that is fraught with more potential good to this country than any measure I have ever had the pleasure to support, are you going to quibble and find fault and try to find a little subterranean passage to get out and let it go to the country that the Republicans are opposed to this measure? I hope you are not going to do it. [Applause.]

The CHAIRMAN. The time of the gentleman from Illinois has expired. The question is on agreeing to the amendment offered by the gentleman from Ohio [Mr. BURTON].

The question was taken, and the Chairman announced that the noes appeared to have it.

Mr. BURTON. A division, Mr. Chairman.

The CHAIRMAN. The gentleman from Ohio asks for a division.

The committee divided; and there were—ayes 79, noes 169.

Mr. MORIN. Mr. Chairman, I ask for tellers.

The CHAIRMAN. Tellers are demanded.

Tellers were ordered, and the Chairman appointed Mr. MCKENZIE and Mr. BURTON to act as tellers.

The committee again divided; and the tellers reported—ayes 104, noes 182.

So the amendment was rejected.

Mr. WILLIAMSON. Mr. Chairman, I desire to offer an amendment.

The CHAIRMAN. The gentleman from South Dakota offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. WILLIAMSON: Page 3, line 8, strike out all of line 8 after the word "facilities," all of line 9, and all of line 10 appearing before the word "payable."

Mr. McKENZIE. Mr. Chairman, I ask unanimous consent that the amendment be again reported. We could not hear it.

The CHAIRMAN. Without objection, the amendment will be again reported.

The amendment was again read.

Mr. WILLIAMSON. Mr. Chairman and gentlemen of the House, under the offer as it now stands and as it is embodied in this bill, Henry Ford will only pay interest in the way of rental upon what is expended on Dam No. 2 after May 31, 1922. Prior to that time this Government had expended more than $17,000,000 upon Dam No. 2. Every dollar of this money went into construction work and not into improvements. The $17,000,000 spent is just as much a part of the cost of Dam No. 2 as the additional millions that we have spent since May 31, 1922, and the further millions that we will expend before the dam shall have been completed. There is no more justification in exempting Henry Ford from the payment of interest upon the first $17,000,000 than there is for exempting him on the millions spent subsequently upon this dam. We have already, under this proposal, agreed to give to Henry Ford $80,000,000 worth of property for $1,500,000. He proposes to give us $5,000,000 in payment for $85,000,000 worth of property. This included the Gorgas steam plant which cost $5,000,000. Under this bill we are giving him back $3,472,481 we received for this plant for the construction of another steam plant in lieu of the Gorgas plant. It is the most munificent gift ever given to mortal man, and that this Congress should ever think of handing over an additional gift in the way of an exemption from the payment of interest upon the first $17,000,000 put into this dam is quite inconceivable, yet the advocates of this bill seem determined to do that very thing.

It has been said here that Henry Ford proposes to amortize the entire cost of these two dams in 100 years; but, my friends, this proposed amortization does not include interest upon the $17,000,000. Not only that but his total payments to this Government in 100 years' time only amounts to $4,368,378 under the amortization paragraph, an infinitesimal sum when compared with what he gets. If we were to amortize the interest paid, together with the sinking fund, we should, indeed, have a pyramid of striking dimensions at the end of the 100-year period. But, on the other hand, if we were to amortize the loss to the Government as the result of turning over this vast plant to Henry Ford on the same basis we should have another beside which the first would be a mere pigmy. Our losses, with interest compounded at 4 per cent annually, would amount to $1,470,000,000. If it is fair to figure that way on behalf of Mr. Ford, it is equaly fair to figure upon the same basis on behalf of the American people, whom we are supposed to represent.

As I said to this House the other day, this Government, by retaining possession of its own plant, can manufacture fertilizers as cheaply as Henry Ford, and by disposing of the surplus current can retire the entire cost of the plant in 50 years' time. Capital cost will then be eliminated and it can manufacture fertilizer and sell current at actual cost of operation.

Much has been said about the Alabama Power Co. But, gentlemen, the Alabama Power Co. is not concerned here, and, so far as I am concerned, I have never seen a representative of the Alabama Power Co. since I came to Congress. There has not been any kind of propaganda that I know anything about by this company for more than 18 months. Constant reference to this and other companies here is ridiculous, and is put forward in order to befog the issue.

The fact is, gentlemen, that this offer can not be defended upon any principle of justice or with any regard to the rights of the American people. Indeed, its proponents have practically ceased to defend it, but are determined to put it across regardless of the American taxpayers. We are told to follow the Republicans. Who are the Republicans? A mere handful of them just voted against the Burton amendment, which would have compelled Ford to come under the water power act. The Republican supporters of this bill are working with the Democrats, not with the big majority on their side of the House. It is not, gentlemen, a party issue; I concede that; it is not a southern issue; it is not a northern issue; it is a national issue, and we ought to stand up and see to it that every last dollar in the American Treasury is not given to Henry Ford. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Dakota [Mr. WILLIAMSON].

The question was taken; and on a division (demanded by Mr. WILLIAMSON) there were—ayes 44, noes 110.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 4. The company will further pay to the United States during the period of the lease of Dam No. 2, $35,000 annually, in installments quarterly in advance, for repairs, maintenance, and operation of Dam No. 2, its gates and locks; it being understood that all necessary repairs, maintenance, and operation thereof shall be under the direction, care, and responsibility of the United States during the said 100-year lease period; and the company, at its own expense, will make all necessary renewals and repairs incident to efficient maintenance of the power house, substructures, superstructures, machinery, and appliances appurtenant to said power house, and will maintain the same in efficient operating condition.

Mr. BURTON. Mr. Chairman, I desire to offer an amendment.

The CHAIRMAN. The gentleman from Ohio offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BURTON: Page 3, in section 4, strike out lines 18 to 25, inclusive, and insert in lieu thereof the following: "The company, during the period of this lease, shall, at its own expense, provide for the necessary repairs, maintenance, and operation of Dam No. 2, its gates and locks."

Mr. BURTON. Mr. Chairman, the purport of this amendment is perfectly clear. It is to compel the grantee under this license to do what every other licensee must do and what is done in every other business transaction, namely, pay the expense of maintenance.

There is here provision for a ridiculously small amount. These dams are to cost, one of them probably between $50,000,000 and $60,000,000, the other $25,000,000. The first is to be leased for 100 years and the amount that is to be paid by this company is $35,000 a year, much less than 1 per cent.

Mr. STRONG of Kansas. Will the gentleman yield?

Mr. BURTON. Yes.

Mr. STRONG of Kansas. Would it not take more than $35,000 to operate the locks, as there are two of them 60 feet wide and 300 feet long?

Mr. BURTON. Yes; that is a very good suggestion. It will probably require four to six men in three shifts, and the mere operation of the locks will cost more than $35,000 a year.

Now, I am keenly disappointed in the vote that was just taken, but I want to be a good sport and be good-natured about it. I have been defeated before, but I repeat what I said day before yesterday, that I have had some experience with this very Tennessee River. A measure was passed here and I was very much attacked because I opposed granting the right to construct dams at any place in the river along by Muscle Shoals. The newspapers especially were somewhat bitter about it, but within eight months, beginning with a telegram from the mayor of Huntsville and signed by the leading citizens, they asked me to defeat that very bill that had been passed, and I did defeat it by inserting a provision in the river and harbor bill of 1907.

History sometimes repeats itself. It may not be so soon as that, but I think this House will hear from the country; I think it will hear from the farmers of the country, and I desire in this connection, as it has been very generally supposed that the farmers were all in favor of this, to repeat what I said the other day, that it is only one of about half dozen such organizations that is in favor of the Ford plan.

Why should it be considered that there is only one man who can carry out this proposition? Why should we kotow to Henry Ford? I deplore the amount of dust that has been scattered in the air about the Alabama Power Co. That is all aside from the question. I do not care for any of them, but I do care for seeing the rights of the Government and of the people of the United States preserved as they would be preserved by the act of 1920. [Applause.]

Now, gentlemen, if you wish to vote down this amendment, understand just what you are doing. You are imposing upon the Government of the United States the obligation of maintaining a dam costing $60,000,000, which, as the gentleman from Texas has said, might wash away at any time, for the beggarly pittance of $35,000 a year. Vote that way if you wish to, but I wish to have it understood, while you are voting on this subject, the kind of support there is behind this bill.

Mr. BLANTON. Mr. Chairman, I offer a substitute.

Mr. BURTON. Mr. Chairman, I ask unanimous consent to have this paper inserted in the RECORD.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to have a paper inserted in the RECORD as part of his remarks. Is there objection? [After a pause.] The Chair hears none.

The matter referred to is as follows:

NATIONAL GRANGE, P. OF H.,
Washington, D. C., March 5, 1924.

Hon. THEODORE E. BURTON,
House Office Building, Washington, D. C.

DEAR SIR: Your letter of March 5 just to hand, and in reply will say that the National Grange has never at any time specifically indorsed the Henry Ford Muscle Shoals proposition, but at each session of the National Grange has for the last three years passed some kind of a resolution with reference to Muscle Shoals.

I am inclosing a copy of the resolution adopted at its last session at Pittsburgh last November. An identical resolution was adopted the year before, and in somewhat modified form similar resolutions had been previously adopted.

Trusting that this satisfactorily answers your inquiry, I am,

Yours sincerely,

T. C. ATKESON,
Washington Representative.

MUSCLE SHOALS.

We repeat our former declaration that that great development of natural resources at Muscle Shoals should be leased or sold by the Government to the highest bidder on such terms as will best safeguard and protect the interests of the public, or that it be operated by the Government at once. To do this effectively, measures should be enacted into law which guarantee, first, that nitrate and fertilizer production to the capacity of the project will be continually carried on; second, that the entire project be made available for military uses in times of war; third, that experimental and research work be established to develop and to discover new and approved methods for fixing nitrogen and manufacturing fertilizers; fourth, that sufficient power shall be guaranteed in times of peace to operate the project at its full capacity; fifth, that provision be made for reimbursing the Government the additional money required to complete the project.

Mr. McKENZIE. Mr. Chairman——

The CHAIRMAN. The gentleman from Illinois, the chairman of the committee, is recognized.

Mr. McKENZIE. Mr. Chairman and gentlemen of the committee, I am not going to take your time to discuss this amendment further than to say that I do not put my judgment up against the judgment of my distinguished friend from Ohio. The gentleman has had more experience than I have had, but I rely on a friend of his, Gen. Lansing H. Beach, the Chief of the Corps of Engineers of the United States Army, who stated to our committee that $50,000 would take care of this work on the two dams. General Beach wrote a letter to the Secretary of War stating that $50,000 would do it, and therefore I am bound to believe the Chief of Engineers of our Army, and I ask for a vote.

Mr. FROTHINGHAM. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Mr. Chairman, I offer a substitute.

Mr. FROTHINGHAM. I merely wanted to bring out the fact that anything General Beach said——

Mr. BLANTON. Mr. Chairman, I have offered a substitute which is in order under the rules and I ask that it be read.

Mr. FROTHINGHAM. Mr. Chairman, have I the floor?

Mr. BLANTON. I presume we are working under the rules of the House.

The CHAIRMAN. If the gentleman from Texas will subside until we get order, the gentleman will be recognized.

Mr. CLARK of Florida. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. Did the gentleman from Illinois yield the floor?

Mr. FROTHINGHAM. The gentleman yielded to me for a question.

Mr. CLARK of Florida. Mr. Chairman, a parliamentary inquiry. Who has the floor?

Mr. McKENZIE. Mr. Chairman, I move that the committee do now rise.

Mr. FROTHINGHAM. Will the gentleman yield to me for a question?

Mr. McKENZIE. Yes; I yield to the gentleman for a question.

Mr. FROTHINGHAM. I wanted to ask the gentleman if what he said about General Beach included putting up the dam again if it was swept away. General Beach merely covered the upkeep and not replacing it in case it was destroyed by earthquake or in some other way.

Mr. McKENZIE. Certainly, and if the Government was operating the dams and they were washed away they would have to replace them.

Mr. McKENZIE. Mr. Chairman, I move the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. MAPES, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having had under consideration the bill (H. R. 518) to authorize and direct the Secretary of War to sell to Henry Ford nitrate plant No. 1, at Sheffield, Ala.; nitrate plant No. 2, at Muscle Shoals, Ala.; Waco Quarry, near Russellville, Ala.; and to lease to the corporation to be incorporated by him Dam No. 2 and Dam No. 3 (as designated in H. Doc. 262, 64th Cong., 1st sess.), including power stations when constructed as provided herein, and for other purposes, had come to no resolution thereon.

INTERNATIONAL INSTITUTE OF AGRICULTURE AT ROME (S. DOC. NO. 58).

The SPEAKER laid before the House the following message from the President which, with the accompanying papers, was read and referred to the Committee on Foreign Affairs.

To the Congress of the United States:

I invite the attention of the Congress to the accompanying report of the Secretary of State concerning requests made by the Secretary of Agriculture that legislation be obtained that will enable an appropriation of $10,045 to be made for the expenses of nine delegates to the meeting of the General Assembly of the International Institute of Agriculture at Rome in May next, and an appropriation of $5,000 to enable the United States to meet the obligation which would be incurred in requesting the admission to the institute of Hawaii, the Philippines, Porto Rico, and the Virgin Islands.

I quite agree with the views of the Secretary of State and the Secretary of Agriculture that it is important to the agricultural interests of the United States that this country should be adequately represented in the General Assembly of the institute, and that the United States should have in the assembly a voting strength and influence equal to that of any other country. I therefore commend the requests to the favorable consideration of the Congress.

CALVIN COOLIDGE.

THE WHITE HOUSE, *March 7, 1924.*

HOUR OF MEETING TO-MORROW.

Mr. LONGWORTH. Mr. Speaker, at the suggestion of the gentleman from Illinois, I ask unanimous consent that when the House adjourns to-day it adjourn to meet at 11 o'clock a. m. to-morrow.

The SPEAKER. The gentleman from Ohio asks unanimous consent that when the House adjourns to-day it adjourn to meet at 11 a. m. to-morrow. Is there objection?

Mr. BLANTON. Mr. Speaker, reserving the right to object, there are committee meetings to-morrow morning, and all of us are interested in this bill.

The SPEAKER. Is there objection?

Mr. BLANTON. I object.

ADJOURNMENT.

Mr. LONGWORTH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 50 minutes p. m.) the House adjourned until to-morrow, Saturday, March 8, 1924, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

390. Under clause 2 of Rule XXIV, a letter from the Secretary of Agriculture, transmitting a detailed statement of expenditures of the Department of Agriculture for the fiscal year ended June 30, 1923, was taken from the Speaker's table and referred to the Committee on Expenditures in the Department of Agriculture.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. HUDSON: Committee on Indian Affairs. H. R. 26. A bill to compensate the Chippewa Indians of Minnesota for lands disposed of under the provisions of the free homestead act; without amendment (Rept. No. 272). Referred to the Committee of the Whole House on the state of the Union.

Mr. HUDSON: Committee on Indian Affairs. H. R. 694. A bill to amend an act entitled "An act for the relief of the Saginaw, Swan Creek, and Black River Band of Chippewa Indians in the State of Michigan, and for other purposes," approved June 25, 1910; without amendment (Rept. No. 273). Referred to the Committee of the Whole House on the state of the Union.

Mr. HUDSON: Committee on Indian Affairs. H. R. 4460. A bill authorizing payment to certain Red Lake Indians, out of Chippewa Indian funds, for garden plats surrendered for school-farm use; with an amendment (Rept. No. 274). Referred to the Committee on the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. HUDSON: Committee on Indian Affairs. H. R. 4461. A bill to provide for the payment of certain claims against the Chippewa Indians of Minnesota; without amendment (Rept. No. 275). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. CASEY: A bill (H. R. 7727) to increase the limit of cost of the public building at Pittston, Pa.; to the Committee on Public Buildings and Grounds.

By Mr. LITTLE: A bill (H. R. 7728) to relieve Fort Scott, Kans., of repair, maintenance, and care of 1 mile of the old Government roadway from the national soldiers' cemetery into Fort Scott, known as National Avenue; to the Committee on Military Affairs.

By Mr. WOLFF: A bill (H. R. 7729) adjusting the pay of students of officers' training camps; to the Committee on Military Affairs.

By Mr. REED of West Virginia: A bill (H. R. 7730) to further regulate certain public-service corporations operating within the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. KAHN: A bill (H. R. 7731) authorizing the Secretary of War to sell a portion of the Carlisle Barracks Reservation; to the Committee on Military Affairs.

By Mr. SABATH: A bill (H. R. 7732) to provide adjusted compensation for veterans of the World War, and for other purposes; to the Committee on Ways and Means.

By Mr. MILLER of Illinois: A bill (H. R. 7733) transferring the counties of Madison and Bond, in the State of Illinois, from the southern judicial district to the eastern judicial district of Illinois; to the Committee on the Judiciary.

By Mr. WATSON: A bill (H. R. 7734) for the purchase of a site and the erection of a public building at Jenkintown, Montgomery County, Pa.; to the Committee on Public Buildings and Grounds.

By Mr. WHITE of Maine: Resolution (H. Res. 212) authorizing the select committee appointed under House Resolution 186 to employ stenographic and other assistance, and for other purposes; to the Committee on Accounts.

By Mr. KENT: Resolution (H. Res. 213) providing for investigation of district No. 3, United States Veterans' Bureau; to the Committee on Rules.

By Mr. CONNERY: Memorial of the Legislature of the State of Massachusetts, proposing amendment to the Constitution authorizing Congress to enact legislation as to child labor; to the Committee on the Judiciary.

By Mr. TAGUE: Memorial of the Legislature of the State of Massachusetts, favoring enactment of uniform legislation as to child labor throughout the United States; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Massachusetts, relative to retirement of disabled emergency officers of the United States Army; to the Committee on Military Affairs.

By Mr. PATTERSON: Memorial of the Legislature of the State of New Jersey, protesting against the enactment into law of the Johnson immigration bill because it is injurious and inquitous to the Italian people; to the Committee on Immigration and Naturalization.

By Mr. ROGERS of Massachusetts: Memorial of the Legislature of the State of Massachusetts, favoring legislation relative to the retirement of disabled emergency officers of the United States Army; to the Committee on Military Affairs.

Also, memorial of the Legislature of the State of Massachusetts, favoring a child labor amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. TREADWAY: Memorial of the Legislature of the State of Massachusetts, in favor of an amendment to the Con-

stitution of the United States authorizing Congress to enact a uniform child labor law; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Massachusetts favoring the passage by Congress of legislation relative to the retirement of disabled emergency officers of the United States Army; to the Committee on Military Affairs.

By Mr. CONNERY: Memorial of the Legislature of the State of Massachusetts favoring the passage by Congress of legislation relative to the retirement of disabled emergency officers of the United States Army; to the Committee on Military Affairs.

By Mr. GALLIVAN: Memorial of the Legislature of the State of Massachusetts recommending favorable consideration of an amendment to the Constitution of the United States authorizing Congress to enact a uniform child labor law; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Massachusetts favoring the passage by Congress of legislation relative to the retirement of disabled emergency officers of the United States Army; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CONNERY: A bill (H. R. 7735) granting a pension to Jennie E. Polhemus; to the Committee on Pensions.

By Mr. FREAR: A bill (H. R. 7736) for the relief of May Dorwin; to the Committee on Claims.

By Mr. GERAN: A bill (H. R. 7737) for the relief of Wilhelmina D. Holman and the estate of M. Samuel; to the Committee on Claims.

Also, a bill (H. R. 7738) for the relief of the estate of Farnham Z. Tucker, deceased; to the Committee on Claims.

By Mr. GLATFELTER: A bill (H. R. 7739) granting an increase of pension to Mary M. Perago; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7740) granting an increase of pension to Susan Wagener; to the Committee on Invalid Pensions.

By Mr. HICKEY: A bill (H. R. 7741) for the relief of David A. Wolfe; to the Committee on Claims.

By Mr. KING: A bill (H. R. 7742) granting an increase of pension to Jorus S. Dickinson; to the Committee on Pensions.

By Mr. SALMON: A bill (H. R. 7743) granting an increase of pension to William Weaver; to the Committee on Invalid Pensions.

By Mr. SANDLIN: A bill (H. R. 7744) for the relief of Wesley T. Eastep; to the Committee on Claims.

By Mr. TAYLOR of Tennessee: A bill (H. R. 7745) for the relief of Drum Major John Sullivan; to the Committee on Military Affairs.

Also, a bill (H. R. 7746) granting a pension to Mary D. Walls; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7747) granting an increase of pension to Mary A. Rogers; to the Committee on Invalid Pensions.

By Mr. WARD of North Carolina: A bill (H. R. 7748) to provide for an examination and survey of Edenton Harbor, Edenton, Chowan County, N. C.; to the Committee on Rivers and Harbors.

By Mr. WELLER: A bill (H. R. 7749) for the relief of Henry F. Downing; to the Committee on Military Affairs.

By Mr. WURZBACH: A bill (H. R. 7750) for the relief of Webster Flanagan; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1570. By Mr. ALDRICH: Petition of the Board of Aldermen of the city of Newport, R. I., urging that Coddington Point, with the buildings and appurtenances thereof, be retained and kept in condition as part of the United States navy training station at Newport; to the Committee on Naval Affairs.

1571. By Mr. CONNERY: Petition of city council, city of Lynn, Mass., protesting the so-called Johnson immigration bill; to the Committee on Immigration and Naturalization.

1572. By Mr. COOK: Petition of Marion Council, No. 3, Junior Order United American Mechanics, Marion, Ind., in support of the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1573. By Mr. CORNING: Petition of the last meeting of the board of directors of the Albany Chamber of Commerce, relative to the appointment by the President of a Federal tax appeal board; to the Committee on Ways and Means.

1574. By Mr. FENN: Petition of Court Spinoza, No. 102, Foresters of America, New Britain, Conn., protesting against the so-called Johnson immigration bill; to the Committee on Immigration and Naturalization.

1575. By Mr. KELLER: Petition of veterans of Spanish-American War, Philippine insurrection, and China relief expedition, now residents of the Minnesota Soldiers' Home, urging enactment of House bill 5934; to the Committee on Pensions.

1576. By Mr. KIESS: Petition of citizens of Jersey Shore, Pa., relative to the repeal of war-excise taxes, including motor vehicles; to the Committee on Ways and Means.

1577. By Mr. KINDRED: Petition of citizens of New York, assembled at the Academy of Music, Brooklyn, N. Y., protesting against the entertainment by the President of the United States of proposals for the recognition of a diplomatic representative from the so-called Irish Free State government; to the Committee on Foreign Affairs.

1578. By Mr. LINDSAY: Petition of members of Gloucester Camp, No. 5, United Spanish War Veterans, Department of New York, Brooklyn, N. Y., favoring an increase of compensation being granted to post-office employees; to the Committee on the Post Office and Post Roads.

1579. Also, petition of W. P. Conway, vice president Guaranty Trust Co., New York City, N. Y., favoring the enactment into law of House bill 745, or the game refuge bill; to the Committee on Agriculture.

1580. Also, petition of the adjutant general of the State of New York, favoring Senate bills 1974 and 2169 and House bill 4820; to the Committee on Military Affairs.

1581. Also, petition of members of the Gloucester Camp, No. 5, United States Spanish War Veterans, of the Department of New York, Brooklyn, N. Y., favoring the adjusted compensation bill; to the Committee on Ways and Means.

1582. Also, petition of Kings County District Council, No. 3, of the Steuben Society of America, urging the passage of House Joint Resolution 180 for the relief of the present distress in Germany; to the Committee on Foreign Affairs.

1583. By Mr. MAJOR of Missouri: Petition of 18 citizens of Springfield, Mo., urging the enactment into law of legislation similar to or identical with the Brookhart-Hull bill; to the Committee on Naval Affairs.

1584. Also, petition of the citizens of Slater, Mo., urging the passage of the immigration bill; to the Committee on Immigration and Naturalization.

1585. By Mr. MERRITT: Petition of the American Legion, Department of Connecticut, favoring an amendment to the war risk insurance act to extend the time limit for proving service origin of tubercular cases to five years; to the Committee on World War Veterans' Legislation.

1586. Also, petition of the American Legion, Department of Connecticut, favoring an amendment to the war risk insurance act to remove the time limit for filing claims in mental cases; to the Committee on World War Veterans' Legislation.

1587. By Mr. MORROW: Petition of members of the Shop Associations of Las Vegas, N. Mex., opposing amendments to the transportation act; to the Committee on Interstate and Foreign Commerce.

1588. By Mr. O'CONNELL of Rhode Island: Petition of the board of aldermen of the city of Newport, R. I., protesting against the dismantling and sale of buildings at Coddington Point, R. I.; to the Committee on Naval Affairs.

1589. Also, petition of members of the Young Women's Hebrew Association of Newport, R. I., opposing the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1590. By Mr. ROUSE: Petition of citizens of Kenton County, Ky., indorsing the passage of the immigration bill; to the Committee on Immigration and Naturalization.

1591. By Mr. SHREVE: Petition by the city council of Erie, Pa., opposing passage of House bill 7044, known as the Chicago Drainage Canal bill; to the Committee on Rivers and Harbors.

1592. By Mr. SPEAKS: Petition of 24 citizens of Columbus, Ohio, urging enactment of legislation requiring that all strictly military supplies be manufactured in the Government-owned navy yards and arsenals; to the Committee on Naval Affairs.

1593. By Mr. TAGUE: Petition of Master House Painters and Decorators Association, of Somerville, Mass., advocating increase in second-class postage rates; to the Committee on the Post Office and Post Roads.

1594. By Mr. TEMPLE: Petition of a number of women of Washington, Pa., in support of the adjusted compensation bill; to the Committee on Ways and Means.

1595. By Mr. YATES: Petition of Hon. William H. Conkling, postmaster, Springfield, Ill., favoring giving full rights of the retirement act to supervisory employees of the Postal Service; to the Committee on the Post Office and Post Roads.

HOUSE OF REPRESENTATIVES.

SATURDAY, *March 8, 1924.*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Who is like unto Thee, O Lord? Thou art the author of life, death, and immortality. Lift us to the height of our noblest love and our finest convictions. Clothe us with great decision of character that gives vital guidance and without which human strength is weakness and human wisdom a perplexity. Deliver us from the power and strife of sin. Let us know Him who said "I am the truth," and thus find a solution for all the spiritual problems of life. Persuade us that peace of mind and rest of soul come with the "Prince of Peace." This season set apart for reflection, meditation, and prayer—may it be helpful to all and direct us to look into our lives and feel deeply the necessity of redeeming and preserving grace. In the name of Jesus. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had passed, with amendments, the bill (H. R. 6349) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1925, and for other purposes, in which the concurrence of the House of Representatives was requested.

MARBLE TABLET ON FRANCIS SCOTT KEY BRIDGE.

Mr. LUCE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table Senate Joint Resolution 91, to authorize the National Society United States Daughters of 1812 to place a marble tablet on the Francis Scott Key Bridge, and to consider the same at this time.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent to take from the Speaker's table and consider at this time Senate Joint Resolution No. 91. Is there objection?

There was no objection.

The Clerk read the joint resolution, as follows:

Joint resolution (S. J. Res. 91) to authorize the National Society United States Daughters of 1812 to place a marble tablet on the Francis Scott Key Bridge.

Resolved, etc., That the National Society United States Daughters of 1812 is authorized to place on the Francis Scott Key Bridge across the Potomac River a marble tablet inscribed with the insignia of such society and with the last verse of The Star-Spangled Banner, after the plans and specifications for such tablet have been submitted to and approved by the Commission of Fine Arts on such plans and specifications.

SEC. 2. Such tablet shall be erected without expense to the Government of the United States.

The SPEAKER. The question is on the third reading of the Senate joint resolution.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed.

ALLEGED CHARGES AGAINST TWO MEMBERS OF CONGRESS—REPLY OF THE ATTORNEY GENERAL.

The SPEAKER laid before the House the following communication:

DEPARTMENT OF JUSTICE,
OFFICE OF THE ATTORNEY GENERAL,
March 7, 1924.

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: Resolution No. 211 of the House of Representatives of the United States passed March 6, 1924, directing me to transmit the names of the two Members of Congress mentioned in the report of the grand jury of the district court of the United States for the northern district of Illinois, eastern division, and the nature of the charges made against such Members of Congress can not be complied with by me for the reasons—

First. I am unwilling to make public the name of any man against whom any criminal charge has been made until the evidence in my possession convinces me that there is reasonable ground to believe that the person is guilty as charged and until proper legal steps shall have been taken to protect the public interests.

Second. To transmit to you the nature of the charges made against any persons under investigation in the Department of Justice is incompatible with the public interest and will tend to defeat the ends of justice.

If, however, the House of Representatives of the United States, acting within its constitutional power (under Article I) to punish its Members for disorderly behavior or to expel such Member, requests that all the evidence now in the possession of anyone connected with the Department of Justice shall be turned over to the House of Representatives to enable it to determine what action should be taken by the House in reference to the conduct of any of its Members, I will direct all such evidence, statements, and information obtainable to be immediately turned over to you or to such committee as may be designated by the House and will await the complete investigation of the facts of the House before continuing the investigation now being made by the Department of Justice. To have two tribunals attempting to act upon the same facts and to hear the same witnesses at the same time will result in confusion and embarrassment and will defeat the ends of justice.

Until I am requested by a resolution of the House of Representatives to submit these matters to the jurisdiction of the House the investigation now being conducted of the matters referred to in said resolution will continue in accordance with the usual rules of the department.

Respectfully, H. M. DAUGHERTY, *Attorney General.*

Mr. LONGWORTH. Mr. Speaker, I move that the communication of the Attorney General be referred to the Committee on the Judiciary, with instructions to report at the earliest possible moment its conclusions and such recommendations as it may see fit to make.

Mr. CLARK of Florida. Mr. Speaker, will the gentleman yield to me for five minutes?

Mr. LONGWORTH. I yield five minutes to the gentleman from Florida.

Mr. CLARK of Florida. Mr. Speaker, the day before yesterday this House passed a resolution directing, commanding I may say, the Department of Justice to report to this House the names of the two Members charged with the commission of crime, and the nature of the accusation against them. This reply of the Attorney General which has just been read is mere quibbling. It is an outrage upon the dignity of this House and upon the integrity of its membership for the Attorney General to say now that he can not give the names. [Applause.] I do not know whether the honored occupant of the chair of the Speakership of this House, the majority leader, the minority leader, or who may be under suspicion. We ought to know. This man, the Attorney General, who is a creature of ours, ought to be made to tell us who these suspected Members are and ought to be made to submit the evidence to this House so that we may purge ourselves if there are those among us who have been guilty of crime.

Mr. BYRNS of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. CLARK of Florida. Yes.

Mr. BYRNS of Tennessee. Can the gentleman possibly imagine how it can interfere with the ends of justice if the names and the evidence and the nature of the offense charged be given us?

Mr. CLARK of Florida. I can not. No Member of this House will flee justice if his name be given. He could not do it; he could not get away. The processes of the Government could reach him. Why this secrecy? Why this casting of suspicion upon all the membership of the House of Representatives?

Mr. LINEBERGER. Mr. Speaker, will the gentleman yield?

Mr. CLARK of Florida. In a moment. Mr. Speaker, I have been here for 19 years, and I have seen this House gradually give away its prerogatives and its powers and privileges, gradually desert its ancient privileges, until now the press of the country, the bureaucrats in the departments, look upon us with contempt, and we ought to assert ourselves as one of the branches of the legislative departments of this Government, the main one, in fact, in the estimation of the framers of the Constitution, and let these creatures of ours understand that they can not malign all of us with impunity.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. CLARK of Florida. Yes.

Mr. BLANTON. If we should pass a second resolution, as the Attorney General suggests, would it be any more compelling upon him than the one we have already passed?

Mr. CLARK of Florida. I am in favor of bringing the Attorney General before the bar of this House and punishing him for contempt because of his defiance of the order of this House. [Applause.]

That is where he ought to be brought, and I am not his enemy; but he ought to be brought here and made to answer to this House why he defies and refuses to obey a plain resolution of the House.

Mr. LINEBERGER. Will the gentleman yield?

Mr. CLARK of Florida. Yes.

Mr. LINEBERGER. Why should the Attorney General or his department give these names to the newspapers of the country and then refuse to give them to the House?

Mr. CLARK of Florida. The newspapers do not say that he gave them.

Mr. LINEBERGER. Where did they get them?

Mr. CLARK of Florida. I do not know, but floating out around this Capitol and over the Nation is the statement that two Members of this House have been guilty of violation of their oaths of office and accepting bribes. Let the Attorney General come here, our creature, and be made to answer, and if he does not answer, let us commit him for contempt of this House.

Mr. STEAGALL. Will the gentleman yield?

Mr. CLARK of Florida. I will.

Mr. STEAGALL. Does not the Attorney General say in his reply that he will submit the information to the House in response to a resolution if the House will permit him to dictate the resolutions? Is not that what his letter means?

Mr. CLARK of Florida. I think so; yes; but he can not dictate anything to the House of Representatives. Gentlemen, let us now stand here and assert our rights under the Constitution and make these people do what we say they ought to do. [Applause.]

The SPEAKER. The time of the gentleman has expired.

Mr. GARNER of Texas. Will the gentleman yield for a question?

Mr. LONGWORTH. I will yield to the gentleman.

Mr. GARNER of Texas. My recollection is that the precedents, so far as Congress is concerned, are that when either House of the Congress directs a Cabinet officer to report certain facts and that officer finds it incompatible to the public interest to do so, the President sends such message to the Congress, and not the Cabinet officer. Now, I wonder why in this instance the Cabinet officer took upon himself the responsibility of saying to the Congress that it was incompatible with the public interest. That has been done by the President under the precedents for at least 100 years.

Mr. LONGWORTH. I will say frankly there are a number of doubts arising in my mind as to the precise effect of this message in reference to the rights of the House and the proprieties of the situation, and that is the reason I think it is the wise and safe thing to refer this matter to the Judiciary Committee for its report.

Mr. CLARK of Florida. If the gentleman will yield, will the gentleman accept an amendment to the resolution, and if so, I desire to offer an amendment, Mr. Speaker, that the Attorney General be required to appear before the bar of this House and submit the names of the Members and the nature of the charge against them.

Mr. LONGWORTH. Mr. Speaker, I will not yield to the gentleman for the purpose of offering an amendment.

Mr. CLARK of Florida. Mr. Speaker——

Mr. LONGWORTH. I hope the gentleman will not insist on going any further than a reference of this matter to the Committee on the Judiciary and let them consider this question.

Mr. CLARK of Florida. Then, if the gentleman will pardon me, are we all to remain under suspicion for weeks and maybe months.

Mr. LONGWORTH. I anticipate a report of the Committee on the Judiciary by Monday. I think it will come Monday or Tuesday at the latest.

Mr. DYER. If the gentleman will yield, I will state to the gentleman from Ohio that the chairman of the Committee on the Judiciary is not here to-day, but I am acting chairman and I will say that the committee will be called Monday morning to give consideration——

Mr. LONGWORTH. Could not the gentleman find it possible to get the committee together immediately? I think it would be wise to do so.

Mr. DYER. At the suggestion of the leader I will ask the clerk to call a meeting of the committee this afternoon.

Mr. CLARK of Florida. Will the gentleman yield for a moment?

Mr. LONGWORTH. For a question.

Mr. CLARK of Florida. Will the gentleman amend the resolution so as to require the Committee on the Judiciary to report instanter?

Mr. LONGWORTH. I used the words "at the earliest possible moment," and I think we can trust the Committee on the Judiciary to do everything that can be done.

Mr. DYER. Mr. Chairman, I will say to the gentleman from Florida that I will personally call the committee for 2.30 this afternoon to take up this matter.

Mr. LONGWORTH. So that we will have speedy action.

Mr. ZIHLMAN. Mr. Speaker, I ask for recognition. [Applause.]

Mr. LONGWORTH. I will yield the gentleman five minutes.

Mr. ZIHLMAN. Mr. Speaker and gentlemen of the House, you can well understand the humiliation that I have felt at the insinuations and defamations which have been made against my name and character. Those of you who have served here with me know that I am no master of eloquence, and it would be absolutely impossible for me to attempt to move you by an eloquent appeal, and, further, it is not my purpose to endeavor to do so at this time. But I want to make the statement that there is no reason given in the letter of the Attorney General of the United States in response to the resolution of this House refusing to disclose the names of the Members accused of wrongdoing, which is worthy of recognition by the House [applause], because I have it from reliable and authentic authority that immediately upon the arrival of Mr. Crim—formerly from Virginia, but who was appointed from New York—the special attorney in charge of the case in this city, he telephoned the name of another distinguished Member of Congress and myself all over the city.

I want to say that if this matter is taken up by a grand jury that I am prepared to waive my constitutional rights of immunity and submit myself to the fullest examination by Mr. Crim or by Mr. Daugherty, or by each and every member of the grand jury. [Applause.] I court the fullest investigation, and I have no fear but that I will be able to clear my name of every charge and every insinuation that has been made or is reported to have been made and which is claimed to be a part of the evidence laid before the Chicago grand jury. I want and ask the fullest investigation of every charge made, and I am confident that I can demonstrate to this House and to the country that I have been guilty of no wrongdoing [applause], and I here again, as I have elsewhere done, deny the imputations made against me, and with conscience clear I have abiding faith in my complete vindication.

Mr. LONGWORTH. Mr. Speaker, I yield one minute to the gentleman from Maryland [Mr. HILL].

The SPEAKER. The gentleman from Maryland is recognized for one minute.

Mr. HILL of Maryland. Mr. Speaker and gentlemen of the House, as a member of the Maryland delegation and a Member of this House, as one of you on whom all of these reflections and unwarranted assertions fall, I want to say that we in Maryland, having known our colleague for many years, feel that he is absolutely speaking with the utmost sincerity when he demands your immediate investigation, and that we have absolute confidence in him.

I want to say one more thing, Members of the House. For five years I was United States district attorney, and I can say to you that if all the baseless rumors, all the unfounded and untrue allegations against important people that were made in and out of the grand jury room had been published, there would have been very few of us in the city of Baltimore who would have escaped slander. [Applause.]

The SPEAKER. The time of the gentleman from Maryland has expired.

TREASURY AND POST OFFICE APPROPRIATION BILL.

Mr. MADDEN. Mr. Speaker, I ask unanimous consent that the bill H. R. 6349, the Treasury and Post Office appropriation bill, just messaged over from the Senate, be taken from the Speaker's table, the Senate amendments disagreed to, and the bill sent to conference.

The SPEAKER. The gentleman from Illinois asks unanimous consent that the Treasury and Post Office appropriation bill be taken from the Speaker's table, the Senate amendments disagreed to, and the bill sent to conference. The Clerk will report it.

The Clerk read as follows:

A bill (H. R. 6349) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1925, and for other purposes.

The SPEAKER. Is there objection?

Mr. GARRETT of Tennessee. Reserving the right to object, Mr. Speaker, is that agreeable to the gentleman from Tennessee [Mr. BYRNS]?

Mr. MADDEN. Yes, indeed.

Mr. BLANTON. Reserving the right to object, Mr. Speaker, the gentleman will give us a right to pass on the additions of importance made by the Senate?

Mr. MADDEN. On anything that is subject to agreement under the rules of the House, of course, we are going to act as the representatives of the House.

Mr. BLANTON. Where the appropriations have been increased to a large amount, even where they do not violate the rules of order in the House, the gentleman would give us a right to pass upon them?

Mr. MADDEN. The gentleman would not want us to bring it back if we were going to cut it out?

Mr. BLANTON. No.

Mr. MADDEN. I think the gentleman can trust us to bring it back if it is important enough to warrant its being brought back.

The SPEAKER. Is there objection?

There was no objection.

ALLEGED CHARGES AGAINST TWO MEMBERS OF CONGRESS—REPLY OF THE ATTORNEY GENERAL.

Mr. LONGWORTH. Mr. Speaker, I yield five minutes to the gentleman from Tennessee [Mr. GARRETT].

The SPEAKER. The gentleman from Tennessee is recognized for five minutes.

Mr. GARRETT of Tennessee. Mr. Speaker, the Speaker of the House and the majority leader did me the courtesy of submitting the letter of the Attorney General just a few moments before the House met, and, as I understood it, as quickly after the receipt as they could get in touch with me, and there was a discussion as to what procedure ought to be taken under the terms of the reply. I confess that I was troubled in my own mind as to what should be done. None of us had time to think it over very much after its receipt, but I am of the opinion that probably the very best thing to be done is to adopt the motion of the gentleman from Ohio [Mr. LONGWORTH] and refer the matter to the Committee on the Judiciary of the House, which is the law committee, with the instruction contained in his motion, that they report their conclusions as promptly as is possible.

Therefore I am prepared to support the motion of the gentleman from Ohio, and I believe that all of us here had best support that proposition. [Applause.]

Mr. LONGWORTH. Mr. Speaker, I yield two minutes to the gentleman from Illinois [Mr. KING].

The SPEAKER. The gentleman from Illinois is recognized for two minutes.

Mr. KING. Mr. Speaker and gentlemen of the House——

Mr. HOWARD of Nebraska rose.

The SPEAKER. For what purpose does the gentleman from Nebraska rise?

Mr. HOWARD of Nebraska. For the purpose of saying something about this resolution.

Mr. KING. Mr. Speaker, I believe I have the floor.

Mr. HOWARD of Nebraska. I beg the gentleman's pardon.

Mr. KING. Mr. Speaker, I had not expected to say anything on this subject, but I have just heard our colleague from Maryland [Mr. ZIHLMAN], who has the respect of every man in the House, and I believe in the honesty of his statement, that this man Crim came from Chicago and immediately on his arrival in Washington telephoned this information about these two Members all over the city of Washington.

I believe this man Crim is a crook. This man Crim went to Chicago for the purpose of seeing if he could not dig up something. He knows that there is a resolution pending in this House pertaining to the Department of Justice and another department, and this man Crim is the man who sold out the Government's case against the harness grafters. [Applause.]

Do you know what he did after the evidence was secured by Mr. Crim in the suit and everything was in order? Those cases were taken up somewhere in West Virginia. It was a conspiracy case, a conspiracy between Army officers and civilians to graft money off the Government. What did this man do? He indicted the civilians, but failed to indict the Army officers. The result was that the Government's case fell to the ground and the Government was defeated. I say this man Crim is a crook. [Applause.]

Mr. HOWARD of Nebraska rose.

Mr. LONGWORTH. Does the gentleman desire some time?

Mr. HOWARD of Nebraska. Yes. I would be very grateful to the gentleman if he will grant me but a moment.

Mr. LONGWORTH. I will yield the gentleman two minutes.

Mr. HOWARD of Nebraska. The information I desire to convey to the gentleman, in the hope that it may induce him to make his resolution just a little bit stronger, is the fact that within 24 hours I heard the statement made by a Member of this House that an error had been made by this man Crim; that he had given the name of the wrong man; and that another Member of this House was intended to be named rather than one of the two who have been named. Now, under the circumstances, it would seem to me that instant action ought to be taken as to those supposed to have the true facts regarding these two names, and I sincerely trust the gentleman from Ohio, exercising that vast power which is his, and is so often beautifully exercised [laughter], will do something that will really put a cocklebur under the official tail of the Attorney General and make him obey the orders of this House. [Applause and laughter.]

The SPEAKER. The question is on the motion of the gentleman from Ohio.

The motion was agreed to.

REPORT OF SECRETARY OF NAVY RELATIVE TO NAVAL OIL LEASES.

Mr. BRITTEN. Mr. Speaker, I desire to make a unanimous-consent request. On March 3 a resolution was introduced into the House calling for certain information and facts from the Secretary of the Navy; that information and the facts have been presented to the Committee on Naval Affairs and the resolution has been unanimously reported to the House in proper form. I desire to make the unanimous request that the resolution and the reply thereto may be entered in the CONGRESSIONAL RECORD.

The SPEAKER. The gentleman from Illinois asks unanimous consent to extend his remarks in the RECORD for the purpose indicated. Is there objection?

There was no objection.

Mr. BRITTEN. Mr. Speaker, when I introduced the resolution, House Resolution 204, on last Tuesday I did so for the sole purpose of clarifying the atmosphere surrounding the oil scandals and to bring out the really good side of this national calamity which would surely destroy confidence in our present form of government unless counteracted.

The hearings before the Committee on Naval Affairs have convinced me that both Secretary Daniels and Secretary Denby were headed in the same direction for the protection of Navy oil, and the fact that Daniels and John Barton Payne, then Secretary of the Interior, leased without public advertisement the drilling of new wells in the naval petroleum reserves is the best evidence that this was then considered to be the only real method of conservation.

Mr. Speaker, complying with that resolution, Secretary Denby to-day presented to the Committee on Naval Affairs of the House a detailed reply to the 23 requests for facts and information concerning the leasing and drilling of Navy oil preserves.

Notwithstanding the oft-repeated statements of former Secretary Daniels that his principal desire was to preserve the Navy oil in the ground, it now develops that on August 16, 1920, John Barton Payne, then Secretary of the Interior, transmitted to Secretary Daniels copies of leases providing for the drilling of five new wells on the California naval reserve No. 2, and on August 21, 1920, Daniels approved these leases, and in a letter to Payne indicated that the Navy Department had been in conference with the Boston-Pacific Oil Co. for that specific purpose.

The new drilling was considered necessary because of drainage by owners of contiguous territory, and the royalty accruing to the Government under the lease was 25 per cent, while the Doheny lease of December, 1922, has provided an actual net royalty averaging more than 27 per cent—a more favorable rate.

It is noteworthy that the Daniels-Payne leases were negotiated without competition, but I am certain that they were made in the interest of Navy oil conservation.

On December 6, 1920, Secretary Payne wrote the President that—

> to offset the draining of the land by wells drilled upon adjoining tracts the Secretary of the Navy and myself are of the opinion that the company—Boston-Pacific Oil Co.—should be allowed to drill five additional wells, paying to the United States a royalty of 25 per cent of the value of all oil * * *, or, on demand, to turn over to the Government the percentage named of the products of the wells. If this suggestion meets with your approval, leases will be issued and delivered accordingly.

This letter is "approved December, 1920, Woodrow Wilson, President."

It is quite evident that all the Daniels and Denby oil leases were drawn in the very best interest of the Navy, and that the Government was protected in every possible manner.

Mr. Speaker, I present a favorable report from the Committee on Naval Affairs, together with a copy of the resolution and the reply to same by Secretary Denby:

AUTHORIZING AND DIRECTING THE SECRETARY OF THE NAVY TO FURNISH TO THE HOUSE OF REPRESENTATIVES CERTAIN INFORMATION RELATIVE TO CERTAIN OIL LEASES.

Mr. BRITTEN, from the Committee on Naval Affairs, submitted the following report (to accompany H. Res. 204):

The Committee on Naval Affairs of the House of Representatives, to whom was referred the resolution (H. Res. 204) authorizing the Secre-

tary of the Navy to furnish to the House of Representatives certain information relative to naval oil leases, having had the same under consideration, report the same back to the House without amendment and recommend that the resolution do pass.

House Resolution 204.

IN THE HOUSE OF REPRESENTATIVES,
March 3, 1924.

Mr. BRITTEN submitted the following resolution; which was referred to the Committee on Naval Affairs and ordered to be printed:

Resolved, That the Secretary of the Navy be, and he is hereby, authorized and directed, if not incompatible with the public interest, to furnish to the House of Representatives at the earliest date possible such data and information as he may have concerning the following questions:

1. Is it a fact that the then Secretary of the Navy, the Hon. Josephus Daniels, sent similar letters to the chairman of the Committee on Naval Affairs of the Senate and of the House of Representatives, dated, respectively, March 29, 1920, and March 5, 1920, stating:

(a) It therefore becomes imperative "when viewed from an economic standpoint only that machinery be provided whereby wells may be drilled for protection against drainage from adjacent lands, or to supply oil for the Government's needs."

(b) And that excess oil from protective wells may be sold or storage provided for excess oil if considered advisable.

2. Is it a fact that in the above-referred-to letters dated March 5, 1920, and March 29, 1920, Secretary Daniels suggested legislation as follows:

> "That the Secretary of the Navy is directed to take possession of all properties within the naval petroleum reserves as are or may become vested in the United States; to conserve, develop, use, and operate the same in his discretion, directly or by contract, lease, or otherwise, and to use, store, exchange, refine, sell, or otherwise dispose of the oil and gas products thereof and those from all royalty oil for the benefit of the United States."

3. Is it a fact that language practically as suggested by these two letters was enacted into law on June 4, 1920?

4. Is it a fact that had it been the policy of Secretary Daniels at the time these letters were written to retain the oil in the naval petroleum reserves in the ground no legislation of this character was necessary?

5. Is it a fact that Secretary Daniels approved the leasing without public advertisement by the Hon. John Barton Payne, then Secretary of the Interior, and drilling of new wells on naval oil reserves?

6. Is it a fact that it has been the practice for many years for one executive department to perform services for another executive department, and that this practice has been recognized by the Congress in the act of May 21, 1920, providing that the funds of one department for which the services are performed may be placed subject to the requisition of the department performing the service?

7. Is it a fact that at the time the "administration and conservation" of the naval oil reserves were transferred to the Interior Department that department had under lease or permit over 3,500,000 acres of public oil land, and has now under lease or permit over 17,500,000 acres of such land, while the total acreage of the naval oil reserves being operated is less than 52,000 acres?

8. Is it a fact that proposals from three companies were entertained for leasing the Teapot Dome reserve and that five companies were asked to bid on royalty oil from the California naval reserve?

9. Is it a fact that the Government received over $3,000,000 premium on its royalty oil from the Salt Creek district in 1923 as a result of the competition promoted by the leasing of Teapot Dome naval reserve?

10. Is it a fact that under its contract for the leasing of Teapot Dome naval reserve the Navy received, for the calendar year 1923, 41 cents more per barrel for its royalty oil than the selling price of all other producers in that district?

11. Is it a fact that had the production from the Teapot Dome naval reserve reached even the minimum of production anticipated the amount received by the Government on its royalty oil above the daily market price would have been more than $16,000,000 and would have exceeded by many millions of dollars all of the cash bonuses ever received from the sale of Government leases in the entire Salt Creek field?

12. Is it a fact that on the minimum production now anticipated the sum that will be received from the Teapot Dome naval reserve above the daily market price will exceed the cash bonuses received by the Government from the sale of all Salt Creek leases?

13. Is it a fact that royalties fixed in the Teapot Dome naval reserve lease exceed the ruling royalties for wells of the same size on other Government leases in the same direction?

14. Is it a fact that the Navy received a large bonus for the lease in the California reserve in the form of high royalties, free storage for its royalty oil, free pipe-line transportation, advance supply of fuel oil in storage, option to purchase at a discount all petroleum products, construction of storage facilities without profit, etc.?

15. Is it a fact that the average royalties so far accruing under the contract and lease of the Pan American Petroleum & Transport Co. on naval oil reserve No. 1 in California amount to over 28.50 per cent as compared to 18.14 per cent received under the leases in reserve No. 2, where the royalties were established in accordance with the general leasing act passed by the Congress?

16. Is it a fact that the leases and contracts on naval oil reserves Nos. 1, 2, and 3 with the Mammoth Oil Co. and the Pan American Petroleum & Transport Co. provide that oil shall remain in the ground in these reserves in the only large area under naval jurisdiction not subject to drainage?

17. Is it a fact that in May, 1922, before any development work was undertaken under the contracts with either the Mammoth Oil Co. or the Pan American Petroleum & Transport Co., Secretary Denby informed a committee of the Senate that such leases had been made, and of the transfer of the administration and conservation of the naval oil reserves to the Department of the Interior, and of the storage tanks to be built, so that the Congress had full authority to impose any restrictions or regulations desired before any work was undertaken under these contracts?

18. Is it a fact that by the leasing act of February 25, 1920, the Department of the Interior is charged with the leasing and administration of all then existing producing wells on naval oil reserves?

19. Is it a fact that there is now actually in the ground more oil in the naval petroleum reserves than there would have been had the leases above referred to not been negotiated?

20. Is it a fact that up to July 1, 1923, there has been turned into the Treasury from royalties received from the naval oil reserves more than $5,000,000?

21. Is it a fact that no officer of the Navy was retired or ordered away from his station of duty in Washington because of his disagreement with Secretary Denby's policy?

22. Is it a fact that none of the officers ever on duty in connection with the naval petroleum reserves had any prior training or experience in connection with the oil-production industry?

23. Is it a fact that important portions of the naval reserves never have been under the control of the Navy?

THE SECRETARY OF THE NAVY,
Washington, March 7, 1924.

The Hon. THOMAS S. BUTLER,
Chairman, Committee on Naval Affairs,
House of Representatives.

MY DEAR MR. CHAIRMAN: In compliance with House Resolution 204, forwarded with your letter of March 4, 1924, the information therein requested is, as follows:

"Question No. 1. Is it a fact that the then Secretary of the Navy, the Hon. Josephus Daniels, sent similar letters to the chairman of the Committee on Naval Affairs of the Senate and of the House of Representatives dated, respectively, March 29, 1920, and March 5, 1920, stating:

"'(a) It therefore becomes imperative "when viewed from an economic standpoint only that machinery be provided whereby wells may be drilled for protection against drainage from adjacent lands, *or to supply oil for the Government's needs*" (b) and that excess oil from protective wells may be sold *or storage provided* for excess oil if considered advisable.'"

Answer. Yes.

Copies of these letters dated, respectively, March 29, 1920, and March 5, 1920, are inclosed herewith. The letter dated March 5, 1920, to the chairman of the Committee on Naval Affairs may be found on pages 3119 and 3120 of the hearings before the Committee on Naval Affairs of the House of Representatives, appropriation bills subjects, 1920, volume 2.

"Question No. 2. Is it a fact that in the above-referred-to letters dated March 5, 1920, and March 29, 1920, Secretary Daniels suggested legislation, as follows:

"'That the Secretary of the Navy is directed to take possession of all properties within the naval petroleum reserves as are or may become vested in the United States; to conserve, develop, use, and operate the same in his discretion, directly or by contract, lease, or otherwise, and to use, store, exchange, refine, sell, or otherwise dispose of the oil and gas products thereof and those from all royalty oil for the benefit of the United States.'"

Answer. Yes; this language is a verbatim quotation.

"Question No. 3. Is it a fact that language practically as suggested by these two letters was enacted into law on June 4, 1920?"

Answer. Yes.

The language of that part of the act of June 4, 1920 (41 Stat. 813–814, ch. 228), referring to naval petroleum reserves, reads as follows:

"*Provided*, That the Secretary of the Navy is directed to take possession of all properties within the naval petroleum reserves as are or may become subject to the control and use by the United

States for naval purposes, and on which there are no pending claims or applications for permits or leases under the provisions of an act of Congress approved February 25, 1920, entitled 'An act to provide for the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain,' or pending applications for United States patent under any law; to conserve, develop, use, and operate the same in his discretion, directly or by contract, lease, or otherwise, and to use, store, exchange, or sell the oil and gas products thereof, and those from all royalty oil from lands in the naval reserves, for the benefit of the United States: *And provided further,* That the rights of any claimant under said act of February 25, 1920, are not affected adversely thereby: *And provided further,* That such sums as have been or may be turned into the Treasury of the United States from royalties on lands within the naval petroleum reserves prior to July 1, 1921, not to exceed $500,000, are hereby made available for this purpose until July 1, 1922: *Provided further,* That this appropriation shall be reimbursed from the proper appropriations on account of the oil and gas products from said properties used by the United States at such rate, not in excess of the market value of the oil, as the Secretary of the Navy may direct."

"Question No. 4. Is it a fact that had it been the policy of Secretary Daniels at the time these letters were written to retain the oil in the naval petroleum reserves in the ground, no legislation of this character was necessary?"

Answer. It is obvious from the language of the act that no legislation was necessary in order that the oil might be retained in the ground. The retention of oil in the ground is nowhere referred to in this act.

"Question No. 5. Is it a fact that Secretary Daniels approved the leasing without public advertisement by the Hon. John Barton Payne, then Secretary of the Interior, and drilling of new wells on naval oil reserves?"

Answer. Yes.

Under date of August 21, 1920, the then Secretary of the Navy informed the then Secretary of the Interior that the lease to the Boston-Pacific Oil Co. covering the drilling of five new wells on section 32 of naval petroleum reserve No. 2 was satisfactory to the Navy Department. The correspondence shows that the terms of this lease were agreed upon in conference between the representatives of the oil company and of the Navy Department and that such new drilling was considered necessary because of drainage by owners of contiguous territory. The royalty accruing to the Government under this lease was 25 per cent. Under the so-called Doheny lease of December 11, 1922, the royalty runs from 12½ per cent to 35 per cent, and the actual net royalty received has amounted to 27.14 per cent.

There are inclosed herewith photostatic copies of letter from the then Secretary of the Interior to the then Secretary of the Navy dated August 16, 1920, letter from the then Secretary of the Navy to the then Secretary of the Interior dated August 21, 1920, letter from the then Secretary of the Interior to the then President of the United States dated December 6, 1920, and the lease to the Boston-Pacific Oil Co. covering the drilling of the five new wells.

Under date of January 25, 1921, the then Secretary of the Navy indicated to the then Secretary of the Interior his willingness to lease 120 acres in the eastern part of section 28 of naval oil reserve No. 2 to the Consolidated Mutual Oil Co., and this land was leased without restriction to the number of wells that might be drilled. The correspondence shows that the reason for the leasing of this land was because of water conditions. The Government royalty provided under this lease was from 12½ per cent to 25 per cent, while the royalty provided by the so-called Doheny lease of December 11, 1922, on naval oil reserve No. 1 is from 12½ per cent to 35 per cent, and the actual net royalty so far received is 27.14 per cent.

There are forwarded herewith photostatic copies of letter of February 8, 1921, from the then Secretary of the Interior to the then President of the United States, letter dated February 16, 1921, from the then Secretary of the Interior to the President of the United States, and copy of lease of the 120 acres of land to the Consolidated Mutual Oil Co.

"Question 6. Is it a fact that it has been the practice for many years for one executive department to perform services for another executive department, and that this practice has been recognized by the Congress in the act of May 21, 1920, providing that the funds of one department for which the services are performed may be placed subject to the requisition of the department performing the service?"

Answer. Yes.

The Navy Department has for many years performed services for practically all other Government departments and independent offices and for both Houses of the Congress. It has built and repaired water craft for the Lighthouse Service, Coast and Geodetic Survey, and the Army Engineers. It has docked and repaired water craft for the War Department, Shipping Board, Coast Guard, Bureau of Fisheries, and the Interior Department. The Ordnance Department of the Navy constantly performs services for the Army, as the Ordnance Department of the Army performs similar services for the Navy. As an example of the magnitude of such services, in the year 1913 there was expended by the Navy Department on services performed for other Government departments $844,438.30, and in the year 1922 there was transferred by the Navy Department to other departments $1,952,557.38 for supplies and services furnished by such other departments. These figures represent only transfers through the Treasury Department and do not cover by any means all transactions of this character, for payment is oftentimes made by check for services performed by or for other departments.

The act of May 21, provides:

"That whenever any Government bureau or department procures by purchase or manufacture stores of any kind, *or performs any service for another bureau or department,* the funds of the bureau or department for which stores or materials are to be procured *or the service performed* may be placed subject to the requisition of the bureau or department making the procurement or *performing the service* for direct expenditure."

"Question No. 7. Is it a fact that at the time the 'administration and conservation' of the naval oil reserves were transferred to the Interior Department that department had under lease or permit over 3,500,000 acres of public oil land, and has now under lease or permit over 17,500,000 acres of such land, while the total acreage of the naval oil reserves being operated is less than 52,000 acres?"

Answer. Yes.

These figures are in accordance with the records of the Interior Department.

"Question No. 8. Is it a fact that proposals from three companies were entertained for leasing the Teapot Dome reserve and that five companies were asked to bid on royalty oil from the California naval reserve?"

Answer. (a) The Texas Oil Co. submitted a proposal to lease the Teapot Dome oil reserve (see testimony of Mr. Amos L. Beatty, president of the Texas Co., pp. 733 et seq., of the hearings before the Senate Committee on Public Lands and Surveys).

Mr. Doheny had an opportunity to bid (see p. 1944 of hearings above referred to).

Mr. Harry F. Sinclair was also invited to bid, and did submit a bid, which was accepted.

(b) Five companies were invited to bid on the royalty from naval petroleum reserve No. 1, namely, Standard Oil Co. of California, the Associated Oil Co., Pan American Petroleum & Transport Co., the General Petroleum Co., and the Pacific Oil Co. Three of these five companies submitted bids, namely, the Standard Oil Co., the Associated Oil Co., and the Pan American Petroleum & Transport Co. The bids of these three companies are on file in the Interior Department.

"Question No. 9. Is it a fact that the Government received over $3,000,000 premium on its royalty oil from the Salt Creek district in 1923 as a result of the competition promoted by the leasing of Teapot Dome naval reserve?"

Answer. Yes.

The records of the Department of the Interior show definitely that the excess so far received by the Government from its royalty oil in the Salt Creek district amounts to $3,003,709.74.

"Question No. 10. Is it a fact that under its contract for the leasing of Teapot Dome naval reserve the Navy received, for the calendar year 1923, 41 cents more per barrel for its royalty oil than the selling price of all other producers in that district?"

Answer. Yes.

Under its contract with the Mammoth Oil Co. the Navy received for its royalty oil midcontinent prices. Actual receipts were higher by 41 cents per barrel than the selling price of other producers in the Salt Creek district. Actual receipts were as shown on page 1082 of the hearings before the Senate investigating committee.

"Question No. 11. Is it a fact that had the production from the Teapot Dome naval reserve reached even the minimum of production anticipated the amount received by the Government on its royalty oil above the daily market price would have been more than $16,000,000, and would have exceeded by many millions of dollars all of the cash bonuses ever received from the sale of Government leases in the entire Salt Creek field?"

Answer. Yes.

At the time the Teapot Dome lease was executed it was conservatively estimated that the recoverable content from naval petroleum reserve No. 3 would be not less than 135,000,000 barrels. Had the wells been of the size anticipated the Navy would probably have received, under the terms of the lease, not less than 30 per cent royalty, which would have made the total royalty accruing to the Navy over 40,000,000 barrels of oil, which, at 41 cents,

would have exceeded a sum of $16,000,000 accruing to the Navy as an offset to any bonuses which might have been demanded in the making of this contract.

The records of the Department of the Interior show that the total amount received as bonuses from leases in the entire Salt Creek field is $1,687,000, obviously many millions less than $16,000,000.

"Question No. 12. Is it a fact that on the minimum production now anticipated the sum that will be received from the Teapot Dome naval reserve above the daily market price will exceed the cash bonuses received by the Government from the sale of all Salt Creek leases?"

Answer. Yes. The Senate Committee on Public Lands and Surveys has repeatedly used the figure of 25,000,000 barrels as the amount of oil that may ultimately be recovered from the Teapot Dome naval petroleum reserve. The average royalty actually received to date has been about 17 per cent. On this basis the Government can expect an ultimate royalty of 4,250,000 barrels. Applying the premium of 41 cents per barrel actually received to date, the excess amount the Government would receive will be $1,742,500, which exceeds the $1,687,000 total bonus thus far received from the Salt Creek district.

"Question No. 13. Is it a fact that royalties fixed in the Teapot Dome naval reserve lease exceed the ruling royalties for wells of the same size on other Government leases in the same district?"

Answer. The royalties fixed in the Teapot Dome naval reserve are on what is known as the sliding scale basis. That is to say, the royalty rate increases if wells of large production are obtained. If the wells are small a less royalty is paid. Had the average production of wells in Teapot Dome been as anticipated at the time the reserve was leased, royalties accruing to the Government under the terms of that lease would have been higher than the ordinary Government rate in the Salt Creek district; and the Teapot Dome royalty was obtained on territory, a large part of which was unproven.

"Question No. 14. Is it a fact that the Navy received a large bonus for the lease in the California reserve in the form of high royalties, free storage for its royalty oil, free pipe-line transportation, advance supply of fuel oil in storage, option to purchase at a discount all petroleum products, construction of storage facilities without profit, etc?"

Answer. Yes. The contracts made with the Pan American Petroleum & Transport Co. provide:

1. Build and deliver to the Government storage facilities in Hawaii for 4,200,000 barrels of fuel oil and other petroleum products at cost, without profit to the company.

2. Royalties of from 12½ to 35 per cent, as compared with royalties of 12½ to 25 per cent under the leasing act on other Government lands in that district.

3. That the royalty oil be accepted in the field, the company bearing all transportation charges to refinery.

4. The maintenance in storage on the west coast of 1,000,000 barrels of fuel oil belonging to the company for issue to the Navy at cost.

5. The supplying to the Navy of fuel oil and other products at 10 per cent less than the market price at the time of delivery.

6. The maintenance at various points on the Atlantic seaboard, upon demand of the Navy, of 3,000,000 barrels of fuel oil belonging to the company, available for issue to the Navy.

These considerations greatly exceed any cash bonus which might have been obtained at that time or could be reasonably expected in the future.

These contracts may be found in the printed hearings of the Senate committee on pages 296–298, inclusive; 356–361, inclusive; and 413–416, inclusive.

"Question No. 15. Is it a fact that the average royalties so far accruing under the contract and lease of the Pan American Petroleum & Transport Co. on naval oil reserve No. 1 in California amount to over 28.50 per cent, as compared to 18.14 per cent received under the leases in reserve No. 2, where the royalties were established in accordance with the general leasing act passed by the Congress?"

Answer. The actual figures up to December 1, 1923, show that the Navy has actually received as royalties under its contract of December 11, 1922, with the Doheny company 27.14 per cent, nearly 50 per cent greater than the Navy royalties on reserve No. 2, where the leases were made in accordance with the leasing act of February 25, 1920, which only average 18.4 per cent.

"Question No. 16. Is it a fact that the leases and contracts on naval oil reserves Nos. 1, 2, and 3 with the Mammoth Oil Co. and the Pan American Petroleum & Transport Co. provide that oil shall remain in the ground in these reserves in the only large area under naval jurisdiction not subject to drainage?"

Answer. Yes. The contracts with the Pan American Petroleum & Transport Co. specifically exempt from drilling, except by the consent of the Government, nearly all of reserve No. 1 lying to the westward of the range line between ranges 23 and 24. This restriction was included in the contract in the belief that this area was less subject to immediate drainage than the other portions of the reserve. However, it was further provided in the contract that should at any moment this body of oil-bearing land become subject to immediate drainage, such defensive drilling as the Government might direct would be taken immediately and efficiently. This area—that is, the western half of naval reserve No. 1—was the only area lying within naval petroleum reserves Nos. 1, 2, and 3 believed not to require immediate drilling to protect the Government's interests.

"Question No. 17. Is it a fact that in May, 1922, before any development work was undertaken under the contracts with either the Mammoth Oil Co. or the Pan American Petroleum & Transport Co., Secretary Denby informed a committee of the Senate that such leases had been made, and of the transfer of the administration and conservation of the naval oil reserves to the Department of the Interior, and of the storage tanks to be built, so that the Congress had full authority to impose any restrictions or regulations desired before any work was undertaken under these contracts?"

Answer. Yes. At a hearing held before the Subcommittee on Appropriations of the United States Senate on May 4, 1922, within a month after the first leases and agreements with the Mammoth Oil Co. and with the Pan American Petroleum & Transport Co., and long before the Pan American Co.'s lease dated December 11, 1922, in reply to questions by various members of the committee, Secretary Denby stated:

"Now we are planning to get the war reserve oil above ground because we can not keep it below ground."

"The oil was being drained off."

"The contractors build the tanks at points designated by the department—points along the Atlantic coast, on the Pacific coast, and in Hawaii."

"The tanks are not yet built."

"The tanks are to be built out of the royalty to be paid to the Government. They are a part of the contract."

"This is a matter that the Department of the Interior would know about very much better than we, but as soon as it was discovered"—referring to loss of oil by drainage—"that such was the situation I asked the Secretary of the Interior if he would undertake to handle it for the Navy thereafter, and we went to the President and secured the Executive order transferring the naval oil reserves to the Secretary of the Interior to administer in trust for the Navy, the Secretary of the Navy being a party to the policies but not to the actual administrative work. For instance, I signed the Teapot Dome lease, agreeing that it should be opened, because we discovered that that also was being drained off."

The entire hearings from which the above quotations are taken may be found on pages 180–188 of "Hearings in the House and Senate, naval appropriation bill, 1923, Sixty-seventh Congress, second session, March–June, 1922."

No construction work had been begun at the time of this hearing.

"Question No. 18. Is it a fact that by the leasing act of February 25, 1920, the Department of the Interior is charged with the leasing and administration of all then existing producing wells on naval oil reserves?"

Answer. Yes. Under section 18 of the leasing act of February 25, 1920, it is provided that producing wells on naval petroleum reserves shall be leased by the Secretary of the Interior.

"Question No. 19. Is it a fact that there is now actually in the ground more oil in the naval petroleum reserves than there would have been had the leases above referred to not been negotiated?"

Answer. The naval oil reserves being under lease to competent oil producers capable of drilling wells on short notice and of effectively operating wells so drilled, it has been possible to negotiate agreements with neighbors on privately owned land whereby producing wells could be closed on account of like action by Government lessees. Through agreements of this kind, it was possible to close in 43 wells on Government leases within reserves Nos. 1 and 2 and 94 wells on privately owned lands within or adjacent to these reserves.

The very fact that operators on neighboring privately owned lands know that any move to drill wells that might drain naval petroleum reserves will be promptly met by an adequate offsetting campaign, vigorously prosecuted, tends to prevent such drilling.

These two causes have undoubtedly conserved large quantities of oil and gas underground.

"Question No. 20. Is it a fact that up to July 1, 1923, there has been turned into the Treasury from royalties received from the naval oil reserves more than $5,000,000?"

Answer. Yes. As shown by the records of the Interior Department, the actual amount turned into the Treasury up to July 1, 1923, is $5,617,120.82.

"Question No. 21. Is it a fact that no officer of the Navy was retired or ordered away from his station of duty in Washington because of his disagreement with Secretary Denby's policy?"

Answer. Yes.

There follows a list of officers alleged to have been retired or ordered away from Washington because of opposition to Secretary Denby's petroleum policy and the reasons for their assignment to other duty:

Rear Admiral Seaton Schroder, now deceased, was retired August 17, 1911; detached from last active duty March 10, 1919. Has never been on duty during Secretary Denby's administration.

Rear Admiral R. S. Griffin, retired on September 27, 1921, having reached the statutory age of retirement.

Captain John Halligan has never been on duty in Washington during Secretary Denby's administration.

Was on duty at the Naval Academy, Annapolis, Md., from November 17, 1920, to April 6, 1923, when he was ordered to command the U. S. S. *Detroit*, a very desirable command.

Commander H. A. Stuart was detached from duty in Washington on April 5, 1922, after having served three years and seven months in Washington, seven months beyond the normal length of a tour of duty.

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Commander J. O. Richardson has never been on duty in Washington during Secretary Denby's administration. He was detached from the Naval Academy on April 24, 1922, at his own request, in order to command the U. S. S. *Asheville*.

Commander N. H. Wright was detached from duty in Washington May 19, 1920, before Secretary Denby came into office, after three years and eight months on shore duty. He is now back on duty in Washington.

Lieut. Commander J. F. Shafroth was detached from duty in Washington on April 17, 1922, upon the request of Rear Admiral W. C. Cole that Shafroth be ordered as aide and flag secretary upon his staff.

Lieut. Commander I. F. Landis has never been on duty in Washington during Secretary Denby's administration. He was in charge of the California Oil Reserves, with headquarters at San Francisco, and under the policy to discontinue retired officers on active duty prior to July 1, 1922, he was relieved from this duty on June 30, 1922.

"Question No. 22. Is it a fact that none of the officers ever on duty in connection with the naval petroleum reserves had any prior training or experience in connection with the oil-production industry?"

Answer. Yes. According to the records of the Navy Department, this is true.

"Question No. 23. Is it a fact that important portions of the naval reserves never have been under the control of the Navy?"

Answer. Within the exterior limits of naval oil reserve No. 1, 5,857.5 acres, 15¼ per cent of the total acreage, are owned by private parties. No part of this reserve is further than 2½ miles from privately owned land over which the Government has no control of drilling.

Of the total acreage in naval oil reserve No. 2, 19,680 acres, or 65.4 per cent of the total acreage, is privately owned. Seven thousand three hundred and sixty acres, or 24.5 per cent of the total acreage, was placed under the jurisdiction of the Secretary of the Interior by the leasing act of February 25, 1920, and there remain but 3,040 acres, or 10.1 per cent of the total acreage under the jurisdiction of the Secretary of the Navy. All of the acreage in this reserve under the jurisdiction of the Navy Department was subject to drainage by privately controlled operations.

All of the naval reserve No. 3 is under naval jurisdiction, but at the time of the signing of the lease of this reserve there were a number of unadjudicated claims to oil rights.

Sincerely yours,

EDWIN DENBY,
Secretary of the Navy.

MARCH 5, 1920.

MY DEAR MR. CHAIRMAN: S. 2775, "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain," approved by the President on February 24, 1920, contains certain provisions affecting the naval petroleum reserves. The more important are:

"SEC. 18. That upon relinquishment to the United States, filed in the General Land Office within six months after the approval of the act, of all right, title, and interest claimed and possessed prior to July 3, 1910, and continuously since, by the claimant or his predecessor in interest under the pre-existing placer mining law to any oil or gas bearing land upon which there has been drilled one or more oil or gas wells to discovery embraced in the Executive order of withdrawal, issued September 27, 1909, and not within any naval petroleum reserve, and upon payment as royalty to the United States of an amount equal to the value at the time of production of one-eighth of all the oil or gas already produced, except oil or gas used for production purposes on the claim, or unavoidably lost, from such land the claimant, or his successor, if in possession of such land, undisputed by any other claimant prior to July 1, 1919, shall be entitled to a lease thereon from the United States for a period of 20 years, at a royalty of not less than 12½ per cent of all the oil or gas produced, except oil or gas used for production purposes on the claim, or unavoidably lost: *Provided, however,* That as to all like claims situate within any naval petroleum reserve the producing wells thereon only shall be leased, together with an area of land sufficient for the operation thereof, upon the terms and payment of royalties for past and future production as herein provided for in the leasing of claims. No wells shall be drilled in the land subject to this provision within 660 feet of any such leased well without the consent of the lessee: *Provided, however,* That the President may, in his discretion, lease the remainder or any part of any such claim upon which such wells have been drilled, and in the event of such leasing said claimant or his successor shall have a preference right to such lease: *And provided further,* That he may permit the drilling of additional wells by the claimant or his successor within the limited area of 660 feet theretofore provided for upon such terms and conditions as he may prescribe.

"SEC. 18a. That whenever the validity of any gas or petroleum placer claim under preexisting law to land embraced in the Executive order of withdrawal issued September 27, 1909, has been or may hereafter be drawn in question on behalf of the United States in any departmental or judicial proceedings, the President is hereby authorized at any time within 12 months after the approval of this act to direct the compromise and settlement of any such controversy upon such terms and conditions as may be agreed upon, to be carried out by an exchange or division of land or division of the proceeds of operation.

"SEC. 35. * * * *Provided,* That all moneys which may accrue to the United States under the provisions of this act from lands within the naval petroleum reserves shall be deposited in the Treasury as 'Miscellaneous receipts.'

"SEC. 36. That all royalty accruing to the United States under any oil or gas lease or permit, under this act on demand of the Secretary of the Interior shall be paid in oil or gas. * * *: *And provided further,* That any royalty, oil, or gas may be sold at not less than the market price at private sale to any department or agency of the United States."

Under the provisions of this act considerable areas of the petroleum reserves will come into the undisputed possession of the Navy. Some of these tracts are drilled to such an extent that it will be necessary for the Government to drill offset wells unless oil to the value of millions of dollars is to be drawn from under the Government lands by private owners.

A considerable amount of royalty oil will be delivered to the Government from the naval reserves, receipts from which all revert to the Government.

A larger amount of oil will be available from lands without the reserves, the Navy in common with other departments of the Government having the right to purchase, as provided by the general provisions of the act.

The recent experience of the Shipping Board and the Navy Department in obtaining bids for fuel oil shows the necessity for the Government to be in a position to furnish its own supply of fuel.

It therefore becomes imperative, even when viewed from an economic standpoint only, that machinery be provided whereby wells may be drilled for protection against drainage from adjacent lands, or to supply oil for the Government's needs. That crude oil, whether from Navy-owned wells, royalties from naval reserves, or royalty oil purchased, may be exchanged for refined products, and that excess oil from protective wells may be sold or storage provided for excess oil if considered advisable.

It is suggested that this may be accomplished by an addition to the provision, "Investigation of fuel oil," as contained in the naval appropriation act approved July 11, 1919, similar to the following:

"*Provided,* That the Secretary of the Navy is directed to take possession of all properties within the naval petroleum reserves as are or may become vested in the United States; to conserve, develop, use, and operate the same in his discretion, directly or by contract, lease, or otherwise, and to use, store, exchange, refine, sell, or otherwise dispose of the oil and gas products thereof, and those from all royalty oil, for the benefit of the United States: *And provided,* That such sums as have been or may be turned into the Treasury of the United States from royalties on lands within the naval petroleum reserves prior to July 1, 1921, not to exceed $500,000, are hereby made available for this purpose until July 1, 1922: *Provided further,* That this appropriation shall be reim-

bursed from the proper appropriations on account of the oil and gas products from said properties used by the United States at such rate, not in excess of the market value of the oil, as the Secretary of the Navy may direct."

Sincerely yours, JOSEPHUS DANIELS.

Hon. THOMAS S. BUTLER,
Chairman House Naval Committee,
House of Representatives, Washington, D. C.

MARCH 29, 1920.

MY DEAR SENATOR: Senate bill 2775, "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain," approved by the President on February 24, 1920, contains certain provisions affecting the naval petroleum reserves. The more important are:

"SEC. 18. That upon relinquishment to the United States, filed in the General Land Office within six months after the approval of the act of all right, title, and interest claimed and possessed prior to July 8, 1919, and continuously since by the claimant or his predecessor in interest under the preexisting placer mining law to any oil or gas bearing land upon which there has been drilled one or more oil or gas wells to discovery embraced in the Executive order of withdrawal issued September 27, 1909, and not within any naval petroleum reserve, and upon payment as royalty to the United States of an amount equal to the value at the time of production of one-eighth of all the oil or gas already produced except oil or gas used for production purposes on the claim, or unavoidably lost, from such land the claimant, or his successor, if in possession of such land, undisputed by any other claimant prior to July 1, 1919, shall be entitled to a lease thereon from the United States for a period of 20 years at a royalty of not less than 12½ per cent of all the oil or gas produced except oil or gas used for production purposes on the claim or unavoidably lost: *Provided, however,* That as to all like claims situate within any naval petroleum reserve the producing wells thereon only shall be leased, together with an area of land sufficient for the operation thereof upon the terms and payment of royalties for past and future production as herein provided for in the leasing of claims. No wells shall be drilled in the land subject to this provision within 660 feet of any such leased well without the consent of the lessee: *Provided, however,* That the President may, in his discretion, lease the remainder or any part of any such claim upon which such wells have been drilled, and in the event of such leasing said claimant or his successor shall have a preference right to such lease: *And provided further,* That he may permit the drilling of additional wells by the claimant or his successor within the limited area of 660 feet theretofore provided for upon such terms and conditions as he may prescribe.

"SEC. 18a. That whenever the validity of any gas or petroleum placer claim under preexisting law to land embraced in the Executive order of withdrawal issued September 27, 1909, has been or may hereafter be drawn in question on behalf of the United States in any departmental or judicial proceedings, the President is hereby authorized, at any time within 12 months after the approval of this act, to direct the compromise and settlement of any such controversy upon such terms and conditions as may be agreed upon, to be carried out by an exchange or division of land or division of the proceeds of operation.

"SEC. 35. * * * *Provided,* That all moneys which may accrue to the United States under the provisions of this act from lands within the naval petroleum reserves shall be deposited in the Treasury as 'miscellaneous receipts.'

"SEC. 36. That all royalty accruing to the United States under any oil or gas lease or permit under this act, on demand of the Secretary of the Interior, shall be paid in oil or gas, * * *: *And provided further,* That any royalty oil or gas may be sold at not less than the market price at private sale to any department or agency of the United States."

Under the provisions of this act considerable areas of the petroleum reserves will come into the undisputed possession of the Navy. Some of these tracts are drilled to such an extent that it will be necessary for the Government to drill offset wells unless oil to the value of millions of dollars is to be drawn from under the Government lands by private owners.

A considerable amount of royalty oil will be delivered to the Government from the naval reserves, receipts from which all revert to the Government.

A larger amount of oil will be available from lands without the reserves, the Navy, in common with other departments of the Government, having the right to purchase, as provided by the general provisions of the act.

The recent experience of the Shipping Board and the Navy Department in obtaining bids for fuel oil shows the necessity for the Government to be in a position to furnish its own supply of fuel.

It therefore becomes imperative, even when viewed from an economic standpoint only, that machinery be provided whereby wells may be drilled for protection against drainage from adjacent lands or to supply oil for the Government's needs; that crude oil, whether from Navy-owned wells, royalties from naval reserves, or royalty oil purchased, may be exchanged for refined products; and that excess oil from protective wells may be sold or storage provided for excess oil if considered advisable.

It is suggested that this may be accomplished by an addition to the provision, "Investigation of fuel oil," as contained in the naval appropriation act approved July 11, 1919, similar to the following:

"*Provided,* That the Secretary of the Navy is directed to take possession of all properties within the naval petroleum reserves as are or may become vested in the United States; to conserve, develop, use, and operate the same in his discretion, directly or by contract, lease or otherwise, and to use, store, exchange, refine, sell, or otherwise dispose of the oil and gas products thereof, and those from all royalty oil for the benefit of the United States: *And provided,* Such sums as have been or may be turned into the Treasury of the United States from royalties on lands within the naval petroleum reserves prior to July 1, 1921, not to exceed $500,000, are hereby made available for this purpose until July 1, 1922: *Provided further,* That this appropriation shall be reimbursed from the proper appropriations on account of the oil and gas products from said properties used by the United States at such rate, not in excess of the market value of the oil, as the Secretary of the Navy may direct."

Owing to the recent experience of the Navy Department in obtaining bids for fuel oil, or, rather, the failure to obtain bids, it is of the utmost importance that sufficient means be provided for an investigation of the question of fuel oil for naval requirements. It is, therefore, further suggested that the provision, "Investigation of fuel oil," as contained in the naval appropriation act approved July 11, 1919, be changed to read as follows:

"Investigation of fuel oil and other fuel: For an investigation of fuel oil, gasoline, and other fuel adapted to naval requirements, including the question of supply and storage and the availability economically and otherwise of such supply as may be allowed by the naval reserves on the public domain, and for such other expenses for transportation and hire of vehicles in connection with naval petroleum reserves, as the Secretary of the Navy may deem appropriate for the purchase of necessary instruments and appliances, for the extension of the naval fuel-oil testing plant at the navy yard, Philadelphia, Pa., and the employment of civilian experts and assistants at Washington, D. C., and elsewhere, $50,000."

Sincerely yours,

JOSEPHUS DANIELS.

Hon. CARROLL S. PAGE,
Chairman Senate Naval Committee,
United States Senate, Washington, D. C.

DEPARTMENT OF THE INTERIOR,
Washington, August 16, 1920.

The honorable the SECRETARY OF THE NAVY.

DEAR MR. SECRETARY: June 16, 1920, there was transmitted to you the application for compromise, under section 18 of the oil-leasing act, of the Boston-Pacific Oil Co., involving the S. ½ SW. ¼ and S. ½ SE. ¼, sec. 32, T. 31 S., R. 24 E., M. D. M., California, naval reserve No. 2.

I am informally advised that representatives of the oil company have been in conference with your department and that it has been tentatively agreed that a lease shall be given upon two existing oil wells upon the claim upon payment of one-eighth of past production, as provided by law, and upon the payment for future production in the manner and to the amount provided in the regulations issued by this department under the said act; that your department has also agreed to permit the company to drill five additional producing wells upon the claim upon condition that the company shall pay a royalty of 25 per cent upon all oil and 12½ per cent upon all gas produced from the five new wells.

There has been drawn in this department a form of lease covering the existing wells under section 18 of the oil leasing act; also a form of supplemental lease, to permit the drilling of the five additional wells upon a royalty of 25 per cent. I transmit herewith copies of each of said proposed leases, and have to request that you advise me as to whether you have any suggestions to make in connection therewith prior to their final consideration here. Please return copies with your reply.

Cordially yours, JOHN BARTON PAYNE,
Secretary.

(Inclosure 3691.)

NAVY DEPARTMENT,
Washington, August 21, 1920.

The honorable the SECRETARY OF THE INTERIOR,
Washington, D. C.

SIR: I beg leave to acknowledge the receipt of your letter of the 16th instant in re the application of the Boston-Pacific Oil Co. for lease

of the two existing wells on their claim and their request for drilling five additional wells on this claim.

With respect to the primary lease, a copy of which was inclosed with your letter and which is herewith returned, I am of the opinion that it is satisfactory in so far as the Navy Department is concerned.

As regards the supplementary lease, however, I desire to have incorporated therein the following changes:

On page 3, first line, after words "M. D. B. & M.," insert the following phrase, "and no well shall be drilled within 900 feet of the west line of said S. ½ of the SW. ¼ of said section."

On page 5, second line, after word "herein," omit remainder of paragraph, which reads as follows: "provided that in the event * * * cost of such nonproductive well or wells."

The question of these two changes in the lease has been taken up with representatives of the Boston-Pacific Oil Co., and, in view of my objections to the lease as at present drawn, these changes are considered acceptable to them.

Very truly yours, JOSEPHUS DANIELS.

DEPARTMENT OF THE INTERIOR,
Washington, December 6, 1920.

The PRESIDENT,
The White House.

MY DEAR MR. PRESIDENT: The oil leasing act provides that the President may permit "the drilling of additional wells by the claimant or his successor within the limited area of 660 feet theretofore provided for upon such terms and conditions as he may prescribe."

The Boston-Pacific Oil Co. is claimant on 160 acres of land in naval reserve No. 1, in California, and to offset the draining of the land by wells drilled upon adjoining tracts the Secretary of the Navy and myself are of the opinion that the company should be allowed to drill five additional wells, paying to the United States a royalty of 25 per cent of the value of all oil and 12½ per cent of the value of all gas produced, or, on demand, to turn over to the Government the percentage named of the products of the wells.

If this suggestion meets with your approval, leases will be issued and delivered accordingly.

Cordially yours,

JOHN BARTON PAYNE, *Secretary.*

Approved: December 8, 1920.

WOODROW WILSON, *President.*

(United States Land Office, Visalia, Calif. Serial No. 00175.)

DEPARTMENT OF THE INTERIOR,
General Land Office.

SUPPLEMENTAL LEASE FOR OIL AND GAS LANDS IN NAVAL PETROLEUM RESERVE UNDER THE ACT OF FEBRUARY 25, 1920.

This indenture of lease made and entered into in triplicate this 1st day of July, A. D. 1920, by and between the United States of America, party of the first part, hereinafter called the lessor, acting in this behalf by the President, and Boston-Pacific Oil Co., a corporation, organized and existing under and by virtue of the laws of the State of California, party of the second part, hereinafter called the lessee, under, pursuant, and subject to the terms and provisions of the act of Congress approved February 25, 1920 (Public, No. 146).

Witnesseth: That whereas heretofore, to wit, on the ——— day of ———, 1920, the lessor above named, acting by the Secretary of the Interior, executed that certain indenture of oil lease to the lessee herein, to operate and extract oil from those two certain oil wells situated on the S. ½ SW. ¼ and S. ½ SE. ¼, sec. 32, T. 31 S., R. 24 E., California, and more particularly described in said lease, said lease being herein designated and referred to as the primary lease;

And whereas it is the desire of the parties to said primary lease and to this lease that the said lessee be granted the right and privilege to drill, operate, and produce oil from certain additional wells on said S. ½ SW. ¼ and S. ½ SE. ¼ of said sec. 32, under, pursuant, and subject to those certain provisions of section 18 of the act of February 25, 1920, wherein it is provided:

> "That the President may, in his discretion, lease the remainder or any part of any such claim upon which such wells have been drilled, and in the event of such leasing said claimant or his successor shall have a preference right to such lease: *And provided further,* That he may permit the drilling of additional wells by the claimant or his successor within the limited area of 660 feet theretofore provided for upon such terms and conditions as he may prescribe."

SECTION 1. Therefore, in consideration of said primary lease, of the premises to this lease, of the rents and royalties to be paid, and the covenants to be observed as herein set forth, the lessor herein does hereby grant and lease to the lessee the exclusive right and privilege to drill, on the lands above described, five producing oil wells, and to operate, extract, remove, and dispose of all the oil and gas produced from said five wells, together with the right to erect and maintain upon said land all structures and equipment sufficient for the reasonable and economical drilling and operation of said wells; said lease is for a period of 20 years with a preference in the lessee to renew same for successive periods of 10 years, upon such reasonable terms and conditions as may be prescribed by the lessor, unless otherwise provided by law at the time of the expiration of such periods.

SEC. 2. It is agreed and understood that said wells shall be drilled at a distance of not less than 200 feet nor more than 660 feet south of the north line of said S. ½ S. ½ sec. 32, T. 31 S., R. 24 E., M. D. B. and M., and no well shall be drilled within 900 feet of the west line of the said S. ½ SW. ¼ of said section, at such places as the said lessee may deem most advantageous to secure the largest production of oil and gas, provided that during the continuance of this lease the lessor shall grant no other lease or permit to drill, nor on its own account drill, any other wells within a distance of 660 feet from any of the producing wells drilled and operated under this lease; that the lessee shall within 30 days from the date hereof commence the erection on said lands of a complete standard or rotary drilling outfit with all necessary tools, machinery, and equipment for the drilling of a well on said lands to a depth of 3,500 feet in accordance with approved methods of drilling oil wells in the State of California; that the installation of said well-drilling outfit shall proceed with diligence and a proper force of men, and the installation thereof shall be completed and in condition for operation within 90 days from the expiration of said 30-day period; that immediately on the completion of the installation of said well-drilling outfit the lessee shall commence the drilling of a well for oil on said land and such work shall be prosecuted with diligence and a sufficient force until a depth of 3,500 feet shall be reached, or until oil shall be discovered in paying quantities, which is hereby defined to mean an initial production of not less than 50 barrels per day; that as soon as said well is completed to production as aforesaid the lessee shall thereupon commence the drilling of a second well and prosecute the drilling thereof with diligence, and shall continue the same to completion in like manner, and the lessee shall thereafter keep one complete standard string of tools or rotary equipment in continuous operation until the full number of five producing wells herein provided for shall have been completed.

SEC. 3. The lessee agrees to pay the lessor a royalty of 25 per cent of the value of all oil produced and 12½ per cent of the value of all gas produced (the value of the gas to be computed in accordance with the existing operating regulations) from the wells leased herein (except oil or gas used for production purposes on said lands or unavoidably lost) or, on demand of the lessor, 25 per cent of the oil or gas produced, or both, said royalty when paid in value to be due and payable monthly on the 15th of each month following the month in which produced, to the receiver of public moneys of the land district in which the land is situated. When such royalty is paid in kind, the royalty oil shall be delivered in tanks provided by the lessee on the premises where produced at such times as may be required by the lessor: *Provided,* That the lessee shall not be required to hold such royalty oil in storage longer than 30 days after the end of the calendar month in which said oil is produced; *And provided further,* That the said lessee shall be in no manner responsible or held liable for the loss or destruction of such oil in storage from causes over which it has no control; royalty gas shall be delivered by the lessee on the premises, but no storage thereof shall be required; such royalty, whether in value or kind, will be subject to reduction whenever the average daily production of any oil well shall not exceed 10 barrels per day and if in the judgment of the lessor the wells can not be successfully operated upon the royalties fixed herein.

SEC. 4. That as to all matters and things not herein specifically otherwise provided for the provisions of said primary lease shall be deemed controlling as to this lease; and said primary lease, to the extent not inconsistent with this lease, is hereby adopted and made a part hereof to the same extent and with the same effect as if herein set out at length.

In witness whereof,

THE UNITED STATES OF AMERICA,
By JOHN BARTON PAYNE. [L. S.]
BOSTON-PACIFIC OIL COMPANY, [L. S.]
By FRED G. KING, *Pres't.* [L. S.]
E. B. CUSHMAN, *Sec.* [L. S.]

Witnesses:
FRANK HALL.
M. TORREYSON,
THOS. E. HAVEN.

STATE OF CALIFORNIA,
City and County of San Francisco, ss:

On this 29th day of October, in the year 1920, before me, Henrietta Harper, a notary public in and for the city and county of San Francisco, State of California, residing therein, duly commissioned and sworn, personally appeared Fred G. King and E. B. Cushman, known to me to be the president and secretary, respectively, of Boston-Pacific Oil Co., the corporation described in and that executed the within and

annexed instrument, and also known to me to be the persons who executed said within instrument on behalf of the corporation therein named, and they acknowledged to me that such corporation executed the same.

In witness whereof I have hereunto set my hand and affixed my official seal at my office in the city and county of San Francisco, State of California, the day and year in this certificate first above written.

[SEAL.] HENRIETTA HARPER,
Notary Public in and for the City and County of San Francisco, State of California, 858 Mills Building.

My commission expires September 21, 1922.

On motion of Director Early, seconded by Director Armstrong, it was unanimously—

"*Resolved*, That the Boston-Pacific Oil Co. do enter into and execute a certain supplemental lease of oil and gas lands in the naval petroleum reserve under the act of February 25, 1920, which said supplemental lease is to be dated the 1st day of July, A. D. 1920, and to be executed by the United States of America, as lessor, and the Boston-Pacific Oil Co., a corporation, as lessee, under, pursuant, and subject to those certain provisions of section 18 of the act of Congress approved February 25, 1920, Public No. 146, entitled: 'An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain,' wherein it is provided:

"'That the President may, in his discretion, lease the remainder or any part of any such claim upon which such wells have been drilled, and in the event of such leasing said claimant or his successor shall have a preference right to such lease: *And provided further*, That he may permit the drilling of additional wells by the claimant or his successor within the limited area of 660 feet theretofore provided for upon such terms and conditions as he may prescribe.'"

Under the terms of said lease the United States of America, as lessor, does grant and lease to the Boston-Pacific Oil Co., as lessee, the exclusive right and privilege to drill on the south half of the southwest quarter and the south half of the southeast quarter of section 32, township 31 south, range 24 east, M. D. B. & M., five producing oil wells, together with the right to operate, extract, remove, and dispose of all of the oil and gas produced from said five wells.

Said supplemental lease is for a period of 20 years, with a preference right in the lessee to renew said lease for successive periods of 10 years upon such reasonable terms and conditions as may be prescribed by the lessor, unless otherwise provided by law, at the time of the expiration of such periods.

The said proposed supplemental lease has been read in full at this meeting of the board of directors of said Boston-Pacific Oil Co., and a copy thereof is hereby ordered to be inserted in the minutes of this meeting.

"*Resolved further*, That Fred G. King, president, and E. B. Cushman, secretary of this corporation, be, and they are hereby, authorized, directed, and empowered to execute the aforesaid supplemental lease under the corporate name and seal of this corporation and as its corporate act and deed and to deliver the same to the proper official of the lessor."

I, E. B. Cushman, secretary of the Boston-Pacific Oil Co., a corporation, hereby certify that the foregoing is a full, true, and correct copy of a resolution unanimously adopted at a meeting of the board of directors of said corporation, at which meeting a quorum of said directors was present and acting, and which meeting was regularly called and held on the 21st day of October, 1920, at the office of said corporation in San Francisco, State of California, and that the supplemental lease to which this certified copy of the foregoing resolution is attached is the identical instrument which was presented to the board and read at said meeting.

In witness whereof, on the 29th day of October, 1920, I have hereunto set my hand and affixed the seal of said corporation.

E. B. CUSHMAN, *Secretary.*

FEBRUARY 8, 1921.

The PRESIDENT,
The White House.

MY DEAR MR. PRESIDENT: This is an application for a lease on 200 acres by the Consolidated Mutual Oil Co.; J. M. McLeod, 80 acres; United Oil Co., 80 acres; California Amalgamated Oil Co., 80 acres; Caribou Oil Co., 80 acres; Record Oil Co., 40 acres—a total of 560 acres—section 28, township 31 south, range 23 east, Visalia land district, Kern County, Calif. The remaining 80 acres of the section are claimed by the Standard Oil Co., whose application for release, I am advised, has been made but has not reached this office.

This section was located by McMurtry and others in 1908, and applicants for a lease pressed vigorously claims for patent, which I denied on the ground that the original locations were fraudulent. Claimants were not parties to the fraud, and have made substantial investments in acquiring the land and in the sinking of wells. The section is surrounded by lands owned in fee by the Southern Pacific Railroad, acquired in its original grant from the Government. Twenty-four wells have been drilled on these 560 acres by one or another of the claimants. About half of the wells, we are advised by the Geological Survey and by the California State Mining Bureau, are filling with water, and it is probable that serious loss will occur unless the spread of the water is prevented by the repair of existing wells and the drilling of additional wells.

Since the decision denying the claim for patent claimants offer to waive this claim and accept a lease under the leasing law. This involves the payment of royalty to the Government ranging from 12½ per cent to 25 per cent, according to the amount of production. Under sections 18 and 18–A of the leasing act it is necessary that your authority be obtained in order to make the leases except on flowing wells. About 8 of the 24 are flowing; the others are either filling with water or have been abandoned.

I presented the matter to the Secretary of the Navy as per my letter of January 20 herewith. He replied, objecting (letter of January 25 herewith); but indicating a willingness to lease 120 acres in the eastern part of the section. This is a part of the land applied for by the Consolidated Mutual Oil Co., and is badly affected by the water.

I bring the matter to your attention because it is probable that unless leases are made the water will spread over the section and destroy the oil. For instance, in November, 1920, the operating wells produced 18,858 barrels of oil and 22,881 barrels of water. In view of this situation I have felt that it would be wise to lease the entire section. This is accentuated by the fact that the adjacent sections are owned by the Southern Pacific. The Secretary of the Navy is properly very jealous of any leases in the naval reserve; but it seemed to me this was a physical situation which justified an exception.

Cordially and faithfully yours,

JOHN BARTON PAYNE, *Secretary.*

Approved:

——— ———, *President.*

THE SECRETARY OF THE INTERIOR,
Washington, February 16, 1921.

The PRESIDENT,
The White House.

DEAR MR. PRESIDENT: J. M. McLeod, the Consolidated Mutual Oil Co., and others, claiming under mining locations covering sec. 28, T. 31 S., R. 23 E., California naval reserve No. 2, are entitled by section 18 of the act of February 25, 1920, to leases on the producing wells, but asked because of alleged equities that you give them leases to develop the remaining oil deposits. Because of representations by the State mining bureau and our experts that intrusion of water threatens damage and that drilling of additional wells is desirable, I submitted the matter to you by letter of February 8, 1921. The Secretary of the Navy stated in letter which accompanied mine that he did not favor leasing all the lands but would agree to leasing 120 acres in the eastern part of section 28 where water conditions are most serious. If you do not feel warranted in authorizing lease of the entire section, I suggest you direct the lease under section 18–A of the 120 acres referred to by the Secretary of the Navy which is in the claim of the Consolidated Mutual Oil Co., viz, S. ½ NE.¼ and S. ½ N. ½ NE. ¼, Sec. 28, T. 31 S., R. 23 E., M. D. M.

This department will then lease the producing wells only on the remainder of the section.

Cordially yours, JOHN BARTON PAYNE, *Secretary.*

Approved:

WOODROW WILSON.

DEPARTMENT OF THE INTERIOR,
GENERAL LAND OFFICE.

(Serial Visalia 09312.)

LEASE OF OIL AND GAS LANDS UNDER THE ACT OF FEBRUARY 25, 1920.

This indenture of lease, entered into, in triplicate, as of the 16th day of February, A. D. 1921, by and between the United States of America, party of the first part, hereinafter called the lessor, acting in this behalf by the Secretary of the Interior, and Consolidated Mutual Oil Co., a corporation organized and existing under and by virtue of the laws of the State of California, party of the second part, hereinafter called the lessee, under, pursuant, and subject to the terms and provisions of the act of Congress approved February 25, 1920 (Public No. 146), entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain," hereinafter referred to as the act, which is made a part hereof, witnesseth:

"SECTION 1. Purposes.—That the lessor, in consideration of rents and royalties to be paid and the covenants to be observed as herein set forth, does hereby grant and lease to the lessee the exclusive right and privilege to drill for, mine, extract, remove, and dispose of all the oil and gas deposits in or under the following-

described tract of land situated in the county of Kern, State of California, and more particularly described as follows: The S. ½ NE. ¼ and the S. ½ N. ½ NE. ¼, sec. 28, T. 31 S., R. 23 E., Mount Diablo meridian, containing 120 acres, together with the right to construct and maintain thereupon all works, buildings, plants, waterways, roads, telegraph or telephone lines, pipe lines, reservoirs, tanks, pumping stations, or other structures necessary to the full enjoyment thereof, for a period of 20 years, with the preferential right in the lessee to renew this lease for successive periods of 10 years, upon such reasonable terms and conditions as may be prescribed by the lessor, unless otherwise provided by law at the time of the expiration of such periods.

"SEC. 2. In consideration of the foregoing, the lessee hereby agrees:

"(a) Bond: To furnish a bond with approved corporate surety in the penal sum of $5,000, conditioned upon compliance with the terms of the lease.

"(b) Wells: To maintain in a state of production wells equal in number to the number of the now-existing producing wells on the leased land until the oil deposits are exhausted or until the proven territory has been drilled, and in case such existing wells are less than the number of 40-acre tracts or lots embraced in the lease, to proceed with reasonable diligence within three months of delivery hereof to install on the leased land a standard or other efficient drilling outfit and equipment, and to commence drilling at least one well and to continue such drilling with reasonable diligence to production or to a point where the well is demonstrated unsuccessful, and thereafter to continue drilling with reasonable diligence at least one well at a time until the lessee shall have drilled producing wells which, with any producing wells now on the land, equal in number the number the 40-acre tracts or lots embraced in the leased premises, unless the lessor shall for any reason deemed sufficient consent in writing to the drilling of a less number of wells; the lessee further agrees to drill all necessary wells to offset the wells of others on adjoining land or deposits not the property of the United States, and on adjoining land operated under Government lease at 5 per cent royalty.

"(c) Royalty and rents: To pay the lessor in advance, beginning with the date of the execution of this lease, a rental of $1 per acre per annum during the continuance hereof, the rental so paid for any one year to be credited on the royalty for that year, together with a royalty on all oil and gas produced from the land leased herein (except oil or gas used for production purposes on said land or unavoidably lost), as follows:

	Per cent.
(1) For all oil produced of 30° Baumé or over:	
On that portion of the average production per well not exceeding 20 barrels per day for the calendar month	12½
On that portion of the average production per well of more than 20 barrels and not more than 50 barrels per day for the calendar month	16⅔
On that portion of the average production per well of more than 50 barrels and not more than 100 barrels per day for the calendar month	20
On that portion of the average production per well of more than 100 barrels per day for the calendar month	25
(2) For all oil produced of less than 30° Baumé:	
On that portion of the average production per well not exceeding 20 barrels per day for the calendar month	12½
On that portion of the average production per well of more than 20 barrels and not more than 50 barrels per day for the calendar month	14⅔
On that portion of the average production per well of more than 50 barrels and not more than 100 barrels per day for the calendar month	16⅔
On that portion of the average production per well of more than 100 barrels per day for the calendar month	20

"Only wells which have a commercial production during at least part of the month shall be considered in ascertaining the average production above provided for; and the Secretary of the Interior shall determine what are commercially productive wells under this provision.

"(3) On gas and casing-head gasoline:

"On gas, whether same shall be gas from which the casing-head gasoline has been extracted or otherwise, 12½ per cent of the value thereof in the field where produced where the average production per day for the calendar month from the land leased is less than 3,000,000 cubic feet, and 16⅔ per cent where the average daily production is 3,000,000 cubic feet or over.

"On casing-head gasoline, 16⅔ per cent of the value of the casing-head gasoline extracted from the gas produced and sold, computed on the basis provided for in the operating regulations.

"The value in the field where produced of gas and casing-head gasoline for royalty purposes, unless such gas or casing-head gasoline is disposed of under an approved sales contract or other method as provided in subdivision (d) of this section, shall be as fixed by the Secretary of the Interior.

"In cases where the gas produced and sold has a value both for casing-head gasoline content and as dry gas from which the casing-head gasoline has been extracted, then the royalties above provided shall be paid on both of such values.

"When paid in value, such royalties shall be due and payable monthly on the 15th of each calendar month following the calendar month in which produced to the receiver of public moneys of the land district in which the land is situated; when paid in kind, such royalty oil shall be delivered in tanks provided by the lessee on the premises where produced, unless otherwise agreed to by the parties hereto, at such times as may be required by the lessor; *Provided*, That the lessee shall not be required to hold such royalty oil in storage longer than 30 days after the end of the calendar month in which said oil is produced: *And provided further*, That the said lessee shall be in no manner responsible or held liable for the loss or destruction of such oil in storage from causes over which the lessee has no control; such royalties, whether in value or kind, shall be subject to reduction whenever the average daily production of any oil well shall not exceed 10 barrels per day, if in the judgment of the lessor the wells can not be successfully operated upon the royalties fixed herein.

"(d) Sales contracts: To file with the Secretary of the Interior copies of all sales contracts for the disposition of oil and gas produced hereunder except for production purposes on the land leased, and in the event the United States shall elect to take its royalties in money instead of in oil or gas, not to sell or otherwise dispose of the products of the land leased except in accordance with a sales contract or other method first approved by the Secretary of the Interior.

"(e) Monthly statements: To furnish monthly statements in detail in such form as may be prescribed by the lessor, showing the amount, quality, and value of all oil and gas produced and saved during the preceding calendar month as the basis for computing the royalty due the lessor. The leased premises and all wells, improvements, machinery, and fixtures thereon or connected therewith and all books and accounts of the lessee shall be open at all times for the inspection of any duly authorized officer of the department.

"(f) Plats and reports: To furnish annually and at such times as the Secretary shall require, in the manner and form prescribed by the Secretary of the Interior, a plat showing all development work and improvements on the leased lands, and other related information, with a report as to all buildings, structures, or other works placed in or upon said leased lands, accompanied by a report in detail as to the stockholders, investment, depreciation, and cost of operation, together with a statement as to the amount and grade of oil and gas produced and sold and the amount received therefor by operations hereunder.

"(g) Log of wells: To keep a log in the form prescribed by the Secretary of all the wells drilled by the lessee, showing the strata and character of the ground passed through by the drill, which log, or copy thereof, shall be furnished to said lessor on demand.

"(h) Diligence; prevention of waste; health and safety of workmen: To exercise reasonable diligence in drilling and operating wells for the oil and gas on the lands covered hereby, while such products can be secured in paying quantities, unless consent to suspend operations temporarily is granted by the Secretary of the Interior; to carry on all operations hereunder in a good and workmanlike manner in accordance with approved methods and practice, having due regard for the prevention of waste of oil or gas developed on the land, or the entrance of water through wells drilled by the lessee to the oil sands or oil-bearing strata to the destruction or injury of the oil deposits, the preservation and conservation of the property for future productive operations, and to the health and safety of workmen and employees; to plug securely any well before abandoning the same so as to effectually shut off all water from the oil or gas bearing strata; not to drill any well within 200 feet of any of the outer boundaries of the lands covered hereby, unless the adjoining lands have been patented or the title thereto otherwise vested in private owners; to conduct all mining, drilling, and related productive operations subject to the inspection of the lessor; to carry out at expense of the lessee all reasonable orders and requirements of lessor relative to prevention of waste and preservation of the property and the health and safety of workmen, and on failure so to do the lessor shall have the right to enter on the property to repair damage or prevent waste at the lessee's cost; to abide by and conform to regulations in force at the time the lease is granted covering the matters referred to in this paragraph: *Provided*, That the lessee shall not be held responsible for delays or casualties occasioned by causes beyond lessee's control.

"(i) Taxes and wages—Freedom of purchase: To pay, when due, all taxes lawfully assessed and levied under the laws of the State upon improvements, oil, and gas produced from the lands hereunder, or other rights, property, or assets of the lessee; to accord all workmen and employees complete freedom of purchase, and to

pay all wages due workmen and employees at least twice each month in the lawful money of the United States.

"(j) Reserved deposits: To comply with all statutory requirements and regulations thereunder, if the lands embraced herein have been or shall hereafter be disposed of under the laws reserving to the United States the deposits of oil and gas therein, subject to such conditions as are or may hereafter be provided by the laws reserving such oil or gas.

"(k) Assignment of lease: Not to assign this lease or any interest therein, nor sublet any portion of the leased premises, except with the consent in writing of the Secretary of the Interior first had and obtained.

"(l) Deliver premises in cases of forfeiture: To deliver up the premises leased, with all permanent improvements thereon, in good order and condition in case of forfeiture of this lease; but this shall not be construed to prevent the removal, alteration, or renewal of equipment and improvements in the ordinary course of operations.

"SEC. 3. The lessor expressly reserves:

"(a) Rights reserved—Easements and rights of way: The right to permit for joint or several use easements or rights of way, including easements in tunnels upon, through, or in the lands leased, occupied, or used as may be necessary or appropriate to the working of the same or of other lands containing the deposits described in said act, and the treatment and shipment of products thereof by or under authority of the Government, its lessees, or permittees, and for other public purposes.

"(b) Disposition of surface: The right to lease, sell, or otherwise dispose of the surface of the lands embraced within this lease under existing law or laws hereafter enacted, in so far as said surface is not necessary for the use of the lessee in the extraction and removal of the oil and gas therein.

"(c) Pipe lines to convey at reasonable rates: The right to require the lessee, his assignees or beneficiary, if owner or operator of, or owner of a controlling interest in, any pipe line, or any company operating the same which may be operated accessible to the oil derived from lands under such lease, to accept and convey at reasonable rates and without discrimination the oil of the Government or of any citizen or company, not the owner of any pipe line, operating a lease or purchasing oil or gas under the provisions of this act.

"(d) Monopoly and fair prices: Full power and authority to carry out and enforce all the provisions of section 30 of the act to insure the sale of the production of such leased lands to the United States and to the public at reasonable prices, to prevent monopoly, and to safeguard the public welfare.

"(e) Helium: Pursuant to section 1 of the act, the lessor reserves the right to take all helium from any gas produced under this lease, but the lessee shall not be requried to extract and save the helium for the lessor; in case the lessor elects to take the helium, the lessee shall deliver all gas containing same, or portion thereof desired, to the lessor in the manner required by the lessor, for the extraction of the helium in such plant or reduction works for that purpose as the lessor may provide, whereupon the residue shall be returned to the lessee with no substantial delay in the delivery of gas produced from the well to the purchaser thereof: *Provided*, That the lessee shall not, as a result of the operation in this section provided for, suffer a diminution of value of the gas from which the helium has been extracted, or loss otherwise, for which the lessee is not reasonably compensated, save for the value of the helium extracted; the lessor further reserves the right to erect, maintain, and operate any and all reduction works and other equipment necessary for the extraction of helium on the premises leased.

"SEC. 4. Surrender and termination of lease: The lessee may, on consent of the Secretary of the Interior first had and obtained in writing, surrender and terminate this lease upon payment of all rents, royalties, and other obligations due and payable to the lessor, and upon payment of all wages and moneys due and payable to the workmen employed by the lessee, and upon a satisfactory showing to the Secretary that the public interest will not be impaired; but in no case shall such termination be effective until the lessee shall have made full provision for conservation and protection of the property; upon like consent had and obtained the lessee may surrender any legal subdivisions of the area included herein.

"SEC. 5. Purchase of materials, etc., on termination of lease: Upon the expiration of this lease, or the earlier termination thereof pursuant to the last preceding section, the lessor or another lessee may, if the lessor shall so elect within six months from the termination of the lease, purchase all materials, tools, machinery, appliances, structures, and equipment placed in or upon the land by the lessee, and in use thereon as a necessary or useful part of an operating or producing plant, on the payment to the lessee of such sum as may be fixed as a reasonable price therefor by a board of three appraisers, one of whom shall be chosen by the lessor, one by the lessee, and the other by the two so chosen; pending such election all equipment shall remain in normal position. If the lessor, or another lessee, shall not, within six months, elect to purchase all or any part of such materials, tools, machinery, appliances, structures, and equipment, the lessee shall have the right at any time within 90 days to remove from the premises all the materials, tools, machinery, appliances, structures, and equipment which the lessor shall not have elected to purchase, save and except casing in wells and other equipment or apparatus necessary for the preservation of the well or wells.

"SEC. 6. Judicial proceedings in case of default: If the lessee shall fail to comply with the provisions of the act, or make default in the performance or observance of any of the terms, covenants, and stipulations hereof, or of the general regulations promulgated and in force at the date hereof, and such default shall continue after service of written notice thereof by the lessor, then the lessor may institute appropriate judicial proceedings for the forfeiture and cancellation of this lease in accordance with the provisions of section 31 of said act; but this provision shall not be construed to prevent the exercise by the lessor of any legal or equitable remedy which the lessor might otherwise have. A waiver of any particular cause of forfeiture shall not prevent the cancellation and forfeiture of this lease for any other cause of forfeiture, or for the same cause occurring at any other time.

"SEC. 7. Heirs and successors in interest: It is further covenanted and agreed that each obligation hereunder shall extend to and be binding upon, and every benefit hereof shall inure to, the heirs, executors, administrators, successors of, or assigns of the respective parties hereto.

"SEC. 8. Unlawful interest: It is also further agreed that no Member of or Delegate to Congress, or Resident Commissioner, after his election or appointment, or either before or after he has qualified, and during his continuance in office, and that no officer, agent, or employee of the Department of the Interior, shall be admitted to any share or part in this lease or derive any benefit that may arise therefrom; and the provisions of section 3741 of the Revised Statutes of the United States and sections 114, 115, and 116 of the Codification of the Penal Laws of the United States, approved March 4, 1919 (35 Stat. 1109), relating to contracts, enter into and form a part of this lease, so far as the same may be applicable."

In witness whereof—

THE UNITED STATES OF AMERICA,
By JOHN BARTON PAYNE,
Secretary of the Interior.
CONSOLIDATED MUTUAL OIL CO.,
By LOUIS TITUS, *President.*

Witness to signature of—
CHARLES H. BAKER.

THE GRADUATED CORPORATION INCOME TAX.

Mr. JACOBSTEIN. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

In the great diversity of opinion and argument in this tax-reduction debate there seems to be an agreement on two propositions: (1) Taxes ought to be reduced; (2) the principle of the progressive graduated income tax should be preserved in the revenue bill. I subscribe to both of these propositions.

Republicans and Democrats have united, very properly, in extolling the virtues of the graduated income tax as a sound means of raising revenue. This method of taxation conforms to the principle accepted by the authorities as being both sound and just, namely, that each individual should help support the Government in accordance with his ability to pay. His ability to bear the burden is measured by the size of his income. According to this principle, each dollar of income is supposed to surrender to the Government a proportionately larger amount as the income increases. It is on this principle that, under the present law, a dollar of income of the $3,000 man pays 4 cents to the Government and the man with a $1,000,000 income pays 58 cents. Although there have been differences of opinion as to the justice and adequacy of the rates, both Republicans and Democrats have accepted this as a sound theory and method of taxation, and it is preserved in the pending revenue bill.

The question naturally arises, If this is a sound and fair method of levying taxes, why should it not be applied to corporation income? Indeed, it was so applied in the five-year period from 1917 to 1921, inclusive. It took the form of the excess-profits tax, which, however, was a very crude and not altogether fair application of the sound principle of the progressively graduated corporation tax.

In 1921, as is well known, the excess-profits tax, with its rates varying from 10 to 40 per cent, was repealed, and a flat uniform rate of 12½ per cent on net profits of corporations was substituted.

I question whether the method used in securing the repeal of this tax would stand the searchlight of investigation. Its repeal was effected by a very subtle and successful propaganda. By its repeal a comparatively small number of business corporations earning high rates of profits were benefited at the expense of a still larger number of business corporations earning low rates of profits.

It must be remembered that while the excess-profits tax law was in effect corporations earning a normal rate of profit were only taxed 10 per cent on their net profits, whereas under the new law, with the excess-profits tax schedules repealed, the new rate of 12½ per cent applied to all corporations, regardless of rates of profit. It is apparent, therefore, on the face of it, that those corporations that had been paying 10 per cent had their tax bills increased to 12½ per cent; that is, an increase of 25 per cent.

That the repeal of the excess-profits tax of 1921 played into the hands of corporations earning high rates of profits and worked to the disadvantage of all legitimate business corporations earning moderate rates of profit is proven conclusively by the following table:

Net income on invested capital of $1,000,000.	Rate of profit.	Tax paid under excess profits law repealed in 1921.	Tax paid under present law of 12½ per cent rate.
	Per cent.		
$50,000	5	$4,800	$6,250
$60,000	6	5,800	7,500
$70,000	7	6,800	8,750
$80,000	8	7,800	10,000
$90,000	9	10,200	11,250
$100,000	10	13,200	12,500
$110,000	11	16,200	13,750
$120,000	12	19,200	15,000
$130,000	13	22,200	16,250
$140,000	14	25,200	17,500
$150,000	15	28,200	18,750
$250,000	25	58,200	31,250
$350,000	35	101,600	43,750

Is there any reason on earth why a business corporation earning 10 per cent on its invested capital should pay a 12½ per cent rate on its profits, while a corporation earning 100 per cent rate of profits is paying the same rate of taxes, namely, 12½ per cent?

There is every reason in the world why corporations earning high rates of profits should pay higher rates of taxes on net income as related to invested capital. High rates of profit are usually earned because of some monopoly power or because of disorganized and chaotic conditions in our economic society. In either case, whether it is due to monopoly or to lack of organization, society is justified in taking a higher rate of revenue from such favored and fortunate corporations as against those who earn only normal rates, let us say from 5 to 10 per cent, on invested capital.

There is an additional reason why we ought to capture some of these abnormal profits. Having declared stock dividends nontaxable income, the decision of the United States Supreme Court now permits corporations to pass on to their wealthy stockholders their large profits in such a way as to enable them to escape the tax. The corporations that issue stock dividends are likely to be those that have earned and are earning high rates of profit. Corporations that have hidden their real profits, and have not been taxed on their undistributed profits, pass along to their stockholders wealth in such a form as to escape the tax which was originally intended to reach just this class of stockholders. This being so, and until the situation is remedied, the Government ought to be resourceful and courageous enough at this time to impose a graduated tax high enough to capture some of these large profits before they are distributed in the form of stock dividends.

The evil is still further aggravated by the situation which permits a stockholder to receive these high profits in the form of stock dividends and, after holding them for two years, dispose of them and invest in tax-exempt securities. The only tax levied on this income is at the time of the transfer of the tax-free securities, namely, 12½ per cent, this being a tax on the capital gain. I repeat, therefore, that there is every reason why our democratic Government is justified in applying a progressively graduated income tax to business corporations. In saying this I wish to be understood that I do not have in mind attacking big business as such. A progressively graduated corporations-income tax might hit a small corporation much harder than some very large ones. It is not the size of the corporation, not the volume of business, not the size of the income, but the rate of income as related to invested capital that I have in mind as the real and fair basis of the tax. This being so, no business corporation doing a legitimate business and earning a legitimate rate of profit need have any fear of the effect of such a tax, assuming the rates to be fair.

Let us assume, for the sake of argument, that the Federal Government should desire to raise no more revenue than is now raised by the 12½ per cent tax. In this event a schedule of rates could be so graduated as to spread the burden more equitably over all business. We could so graduate the rates as to lower the tax for corporations earning less than 10 per cent and increase the tax for those earning more than 10 per cent on invested capital.

The following table illustrates how the law would operate if we had a graduated schedule of rates ranging from 5 to 25 per cent on net income:

Net income on $1,000,000 capital.	Per cent of return on invested capital.	Rate of tax.	Tax paid under graduated scale.	Tax paid under present 12½ per cent rate.
$25,000	2.5	5	$1,250	$3,125
$70,000	7	7	4,700	8,750
$130,000	13	13	16,100	16,250
$180,000	18	18	31,100	22,500
$300,000	30	25	73,000	37,500

You will observe that the corporation that is earning to-day only 7 per cent on its invested capital would be decidedly favored, whereas those earning 13 per cent and more would be taxed more heavily. This is as it should be. On the other hand, if it is desired to increase our revenues from this source, all we have to do is to lift the schedule of rates, let us say, from 8 per cent to 30 per cent, or from 10 per cent to 35 per cent, depending, of course, on how large an increase of revenue it is desired to secure. The point I wish to make, however, is this: That we could raise the same amount of revenue which we raise to-day, and more equitably, if our rates were graduated progressively as against the flat rate now in force and retained also in the pending bill.

To put into operation the progressive graduated corporation income-tax schedule which I have in mind, I shall offer the following amendment as a substitute for the flat rate provided for in the pending bill:

In lieu of taxes paid by corporations provided for in section 230 of this act there shall be levied, collected, and paid for each taxable year upon the net income of every corporation the following rates of taxation:

A tax of 5 per cent on net incomes not in excess of $10,000.

On earnings in excess of $10,000 the following rates shall be applied:

On all earnings up to 5 per cent of invested capital, a tax of 5 per cent.

On earnings of 25 per cent of invested capital or under, the rate on the entire income in excess of $10,000 shall be that percentage which the total income is of the invested capital: *Provided*, That the minimum rate so applied shall be 5 per cent.

On earnings in excess of 25 per cent of invested capital the rate of tax shall be 25 per cent of the net income: *Provided*, That $10,000 thereof shall be subject to a tax of 5 per cent.

I must confess frankly that my schedule of rates has been drawn in a rather arbitrary fashion. This must of necessity be so, because of the lack of information available relating to earnings and net profits of corporations. Until we have such data carefully and comprehensively tabulated it will be impossible to formulate a scientific schedule of rates. The only data that I am able to find on this subject is in a report of the Treasury Department under date of July 5, 1918, which covers the corporate earnings for some 30,000 corporations, all of which had earned 15 per cent or more on their invested capital. This was for the period 1916–17.

I hope that the new revenue bill will contain a section providing for larger publicity of income-tax returns of this character. Without it we must flounder in a sea of guesses.

I should like to call attention to another phase of this subject which has been entirely overlooked. Under the present law the 12½ per cent rate operates against partnerships and in favor of corporations. A partnership is subjected to a graduated income tax, and the net profits may be taxed to each partner as high as the surtax rates will go, namely, 58 per cent, whereas this same concern if it were incorporated would only pay a 12½ per cent tax on the same net income. This unfair discrimination against partnerships through the

operation of the flat rate on corporate income is brought out in the following table:

(1) *Illustration showing how the income tax law operates in favor of the corporation and against the partnership.*

ASSUME.

A corporation having $1,000,000 invested capital.
Earnings, $150,000, or 15 per cent on capital.
Salaries of two officers, $10,000 each, married, no dependents:

Tax paid by corporation, at 12½ per cent, on $150,000	$18,750
Tax paid by each officer, $520; two officers	1,040
Total tax	19,790

ASSUME.

A partnership having $1,000,000 invested capital.
Earnings, $150,000, or 15 per cent on invested capital.
Salaries of two partners, $10,000 each, married, no dependents:

Tax paid by partnership		
Tax paid by each partner on:		
Salary of	$10,000	
Profit	75,000	
	85,000	$22,880
Total tax paid by two partners		44,760

Corporation pays $19,790; partnership pays $44,760.

(2) *Illustration showing how the income tax law operates in favor of the corporation and against the partnership.*

ASSUME.

A corporation having $1,000,000 capital.
Earnings, $50,000, or 5 per cent on invested capital.
Salaries of two officers, $10,000 each, married, no dependents:

Tax paid by corporation, at 12½ per cent, on $50,000	$6,250
Tax paid by each officer, $520; two officers	1,040
Total tax	7,290

ASSUME.

A partnership having $1,000,000 capital.
Earnings, $50,000, or 5 per cent on invested capital.
Salaries of two officers, at $10,000:

Tax paid by partnership on profits	
Tax paid by each officer on salary of $10,000 plus undistributed profit of $25,000	$4,630
Tax paid by two partners	9,260

Corporation pays $7,290; partnership pays $9,260.

The theory of the progressive graduated corporation income tax which I am advocating has been indorsed by many of the great American economists and tax experts. Prof. T. S. Adams, of the department of political economy at Yale University, is reported to have been advising the Treasury Department in framing tax legislation. Professor Adams has been quoted by our Republican friends as one of the greatest experts in this country on the income tax. In a letter which I received from Professor Adams recently in reply to an inquiry of mine he has this to say of the graduated corporation income tax:

The principal form of the graduated corporation income tax is the excess-profits tax. Experts are divided in their opinions about the principle or theory of this tax. Personally I approve of it, and I believe that the majority of the experts may be said to approve of the theory of the graduated excess-profits tax.

Prof. E. R. A. Seligman, of Columbia University, who is recognized, I presume, as the best informed economist in America on fiscal matters, has for many years advocated this method of taxation.

There is but one substantial objection that has been offered against this method of taxation. It is contended that while it is sound in principle it is difficult to administer. The practical difficulties in the administration of the law have, to my mind, been grossly exaggerated in the minds of those who oppose this method of taxation.

I realize, of course, that the crucial point in the administration of the law is the securing of honest returns as to invested capital. By inflating dishonestly the invested capital the rate of net return appears unduly small and enables the corporation thereby to escape its share of taxation. My reply to this is, first, that the corporation that is zealous in beating the law can do so under the flat rate by juggling book accounts. By adding undue amounts for depreciation and depletion, and so forth, the net return is reduced from a tax point of view and high salaries are paid to evade the taxes. Still we must operate on the assumption that men are honest and that the tax evader is the exception rather than the rule.

Nor must we overlook the fact that when for over five years the Government had been at work collecting and auditing data as to invested capital, and we had just reached the point where we felt that we had solved the problem, the excess-profits tax law was repealed in 1921 and the Government lost the benefit of the years of experience in this matter. For the new corporations there is no serious problem, and for the old corporations the matter has been pretty well settled as a result of the experience from 1917 to 1921, during which period the excess-profits tax was in vogue.

This method of taxation is not altogether new. Wisconsin adopted it in 1911. Norway has accepted it. Great Britain has used it very effectively for raising revenues. The time will come when business men will regard it as a very fair method of raising revenues.

MUSCLE SHOALS.

Mr. McKENZIE. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 518, relating to Muscle Shoals.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union, with Mr. MAPES in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the bill of which the Clerk will read the title.

The Clerk read the title, as follows:

A bill (H. R. 518) to authorize and direct the Secretary of War to sell to Henry Ford nitrate plant No. 1, at Sheffield, Ala.; nitrate plant No. 2, at Muscle Shoals, Ala.; Waco Quarry, near Russellville, Ala.; and to lease to the corporation to be incorporated by him Dam No. 2 and Dam No. 3 (as designated in H. Doc. No. 1262, 64th Cong., 1st sess.), including power stations when constructed as provided herein, and for other purposes.

The CHAIRMAN. When the committee rose last night an amendment was pending offered by the gentleman from Ohio [Mr. BURTON].

Mr. BURTON. Mr. Chairman, I desire to offer a perfecting amendment.

Mr. BLANTON. Mr. Chairman, I make the point of order that in the Committee of the Whole House on the state of the Union, where a Member offers an amendment, he can not offer an additional perfecting amendment to perfect his own amendment, but that must be done by unanimous consent. A modification of his own amendment must be done by unanimous cosent, and not by motion.

Mr. BURTON. Mr. Chairman, a perfecting amendment is in order at any time, offered either by the original mover of the amendment or any other Member.

Mr. BLANTON. That is, as to the text; but any amendment to his own amendment must be done by unanimous consent.

The CHAIRMAN. A perfecting amendment is in order under the rules, and there is nothing to prevent a Member from offering an amendment to his first amendment. The Chair overrules the point of order.

Mr. BURTON. Mr. Chairman, I ask unanimous consent that the original amendment be first read, and then that the perfecting amendment be read.

The CHAIRMAN. Without objection, the Clerk will report the original amendment, and then the perfecting amendment.

The Clerk read as follows:

Amendment offered by Mr. BURTON: Page 8, in section 4, strike out lines 18 to 25, inclusive, and insert in lieu thereof the following: "The company during the period of this lease shall, at its own expense, provide for the necessary repairs, maintenance, and operation of Dam No. 2, its gates, and locks."

Amendment to the proposed amendment by Mr. BURTON: After the word "repairs" include the word "replacements."

Mr. BURTON. Mr. Chairman, when this amendment was pending last evening General Beach, the Chief of Engineers, was quoted as saying that $25,000 would be sufficient for repairs and operation for this Dam No. 2. That figure very much surprised me. I have the greatest confidence in General Beach, and for years was in very close association with the Corps of Engineers. I thought there must be some mistake about it, and I have investigated. The explanation is this: There is not a clearly defined line between replacements and repairs. What General Beach meant was that to provide the number of men necessary to take care of the gates and of the structures on the top of the dam, as well as the repairs and ordinary maintenance, would require $25,000 a year. But in the popular mind repairs include the replacement of pieces that fail, the keeping of the plant in the general condition in which it was originally constructed, and making it efficient for service at any time. So I have obtained the figures since that time. There are 58 steel gates for the discharge of water on this

dam. The ordinary life of one of those steel gates under the best of conditions is from 25 to 50 years. They are of ordinary structural steel, and an engineer in making computations would compute that the deterioration upon those would be 2 per cent per annum, and that they would have to be replaced at an indefinite period between 25 and 50 years.

The cost of those gates is $2,619,000. Now, merely for providing men to take care of them, and there are mechanical devices so that in two hours the whole 58 can be raised, and for grease and for oil and for paint, the estimate of General Beach would be correct. Figured more accurately, this would be $26,180; but when you take into account the necessary replacement of the machinery for the spillways—that is, the steel gates—there is an additional amount of twice that, or $52,360, making $78,540 for all. This is a mere beginning, however. This entirely leaves out of consideration any deterioration in the dam. It ignores any deterioration in the 18 units required for transmitting the water to the water wheels and to the generators. The water comes out from the pool into the power house, goes by pipes to the water wheels, above which are the generators. Those installations cost $14,400,000, according to the best estimate I can obtain; and the deterioration upon those, the diminished value, and the necessity for replacement at the end of 50 or 100 years would involve a diminished value of 25 to 50 per cent, or from $3,600,000 to $7,200,000. Again, I am not able to believe that in such an enormous installation, costing $60,000,000, a dam which has more concrete in it perhaps than any in the world, with all its appliances and its machinery, that there will not be a very much larger deterioration.

It is said that Mr. Ford—and there is a great blare of trumpets about this—proposes to pay $19,868 per annum to go into a sinking fund, and it is stated what that amount will be in 50 or 100 years; and that is very large. I have not been able to verify the figures, but you have at the outset the actual necessity for maintenance and repairs, because repair ordinarily includes replacements, $78,560 a year, and your $35,000 plus that $19,868 makes $54,000, which leaves the Government a loser by $24,000 a year for just ordinary and necessary repair and replacement and wipes out your much-boasted sinking fund.

Mr. Chairman, I have included the word "replacement" to remove any ambiguity.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. BLANTON. Mr. Chairman, I offer a substitute for the gentleman's original amendment, which I send to the Clerk's desk.

The CHAIRMAN. The gentleman from Texas offers a substitute, which the Clark will report.

The Clerk read as follows:

Substitute offered by Mr. BLANTON: Page 3, line 20, strike out all of line 20 and insert in lieu thereof "all expense necessary"; and in line 24, after the word "direction," strike out the words "care and responsibility"; and in line 25, after the word "States," insert the words "but at the expense of said company," so, as amended, it will read:

"SEC. 4. The company will further pay to the United States during the period of the lease of Dam No. 2 all expenses necessary for repairs, maintenance, and operation of Dam No. 2, its gates and locks, it being understood that all necessary repairs, maintenance, and operation thereof shall be under the direction of the United States but at the expense of said company during the said 100-year lease period."

Mr. BLANTON. Mr. Chairman, the only difference between the amendment of the gentleman from Ohio [Mr. BURTON] and my substitute is that the amendment offered by the gentleman from Ohio does not leave these repairs and replacements and the maintenance under the direction of the United States, but leaves it entirely to Mr. Ford. If you adopt the substitute you properly safeguard the bill, which requires the Government of the United States for 100 years to make the repairs, to maintain and operate this dam, locks, and gates at the expense of the Government; but if you adopt my substitute, while the United States Government, through its engineers, has direction of all repairs and replacements and the maintenance, yet the actual expense will be borne by the Ford Co.

Mr. KEARNS. Will the gentleman yield?

Mr. BLANTON. I have but a few minutes, but I yield to the gentleman.

Mr. KEARNS. What will Wilson Dam cost—Dam No. 2?

Mr. BLANTON. I understand, with all the machinery and everything complete, about $60,000,000.

Mr. KEARNS. All of the engineers before the Military Affairs Committee testified that the upkeep of that dam would be a minimum of 1 per cent of the cost of construction and the maximum would be 3 per cent of the cost of construction.

Mr. BLANTON. Yes; and we are proposing for 100 years, for a measly little old sum of $35,000 a year, to bind the United States to repair, replace, maintain, and operate Dam No. 2 and all of its locks and gates at its own expense, and I am not in favor of it.

Mr. HILL of Maryland. Will the gentleman yield?

Mr. BLANTON. In just a moment. The gentleman has had an hour on this matter and I have only had about 10 minutes.

Mr. HILL of Maryland. I just want to ask a question, and I will say that I am with the gentleman and am going to ask for more time for the gentleman.

Mr. BLANTON. I do not know whether the gentleman will be able to obtain additional time, but I will yield to the gentleman.

Mr. HILL of Maryland. I just want to say to the gentleman that the engineers have reported that the condition of the bed of the river, both at the base of the dam and at each end of the dam, is such that they fear there might be underwashing.

Mr. BLANTON. That is exactly what should be safeguarded. I want to repeat to my friends from Alabama what I said yesterday. I am just as anxious for Henry Ford to get this project as you are, but I will tell you a good reason for placing this project under the direction of the United States and at the expense of the company during the 100 years.

There could be a little trickling of water running around either end of this dam which would start in the next hundred years which, if detected in time by the use of ordinary, diligent inquiry, could be stopped with very little harm and cost; but if parties know that the great Government of the United States, with its big Treasury at Washington, is going to replace whenever damage comes, they become a little careless, and steps might not be taken to stop it. There could be a little undermining underneath this dam from time to time or a little seepage which, if detected by proper care, could be stopped with very little damage and expense, but if allowed to go on and on without care and diligence in detecting it and in promptly repairing it could undermine the dam and it could be washed out not once in a hundred years but it could be washed out a dozen times, and it could cost the Government $60,000,000 every time in order to replace it. I am not willing by my vote to bind the Government in such a proposition that will place a burden of that kind upon the people of the United States for 100 years, and I am not going to do it.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. HILL of Maryland. Mr. Chairman, I ask unanimous consent that the gentleman from Texas have three minutes more.

Mr. BANKHEAD. Mr. Chairman, reserving the right to object, and I am not going to object, I trust that we may at least have a tacit understanding, because we are all very anxious to try to finish this bill to-day and as speedily as possible, and the matter has been very thoroughly discussed.

Mr. BLANTON. I would not ask for additional time, I will say to my friend from Alabama.

Mr. BANKHEAD. I am not going to object, but I just wanted to see if we could not get along faster with the bill.

Mr. BLANTON. Mr. Chairman, I do not want to take up the time of the House uselessly, but I am deeply interested in this matter in behalf of the 110,000,000 people of the United States. This is the only time that we are ever going to have a chance to safeguard the people and their Treasury. When you pass this bill it goes beyond the reach of Congress. You can not change it in any particular hereafter, I do not care how many defects you may find in it or how anxious you may be to change it in the interest of the people. You will not be able to do it. It would be an impairment of an existing contract, and it would be illegal as to these people if you tried to change it hereafter after we entered into this contract, because the very minute this bill is passed by the House and the Senate and signed by the President it becomes a binding contract if Henry Ford accepts it. Now is the time to properly write it. Why should we not make these safeguards? We are the only ones here to look after the rights of the people. Why should we not take time here and be diligent in looking at it with care to safeguard the rights of a hundred and ten million people?

Mr. LAGUARDIA. Will the gentleman use the word "replacements" in his amendment instead of the word "repairs"?

Mr. BLANTON. Oh, repairs mean replacements.

Mr. LAGUARDIA. There is some doubt about that.

Mr. BLANTON. This Congress has so held in rebuilding buildings destroyed. Let me say to the gentleman that Henry

Ford has not overlooked any bets in this contract. If the best attorneys in the United States, who represented Henry Ford, had not known that repairs mean replacements there would have been the word "replacements" in this bill. No such word is found in the bill. Repairs cover replacements. There is no question about that. I suggest that the gentleman get his dictionary. I am satisfied on that point, but I am not satisfied to leave the section as it is now written. Why do you gentlemen from Alabama oppose changing it? If Henry Ford is sincere, if he is willing to be fair to the people, do you think that he would object to this change? No. Show me a man who is to get such very valuable property for 100 years who will not agree to keep it up and keep it in repair. You ought to adopt the amendment to safeguard the rights of the people.

Mr. HULL of Iowa. Mr. Chairman, I am very much interested in what the gentleman from Texas [Mr. BLANTON] said and also in what the gentleman from Ohio [Mr. BURTON] has said. I say to the gentlemen who are interested in this bill that we are all interested in passing it. It is a very important matter, and I hope that when we have under consideration matters like this which are unquestionably important there should be no disposition on the part of anyone to shut off debate when we are trying to make this bill what it should be and protect the Treasury of the United States.

Mr. GARRETT of Texas. Mr. Chairman, will the gentleman yield?

Mr. HULL of Iowa. Oh, yes; for a question, if the gentleman will get me a little more time.

Mr. GARRETT of Texas. Oh, I would give the gentleman a year and a half as far as I am concerned. The gentleman helped to draft this section and perfect it. Has he ever objected to it in its present form?

Mr. HULL of Iowa. Oh, I have found a great deal of new light since then; I have progressed. The trouble with the gentleman from Texas is that he has not progressed. If I had lived for two years and had not learned anything new, I would want to die.

Mr. GARRETT of Texas. Oh, there are a lot of things to be discovered in two years.

Mr. BEGG. Mr. Chairman, will the gentleman yield?

Mr. HULL of Iowa. Yes.

Mr. BEGG. Suppose the amendment of the gentleman from Texas were to be adopted, then that would leave the company, or whoever controlled it, obligated to make whatever repairs the Government said should be made. In a private business, between man and man, would the gentleman from Iowa plan a contract where the other party had the right to say what repairs he should make?

Mr. HULL of Iowa. I certainly would, if I were getting the great value that Henry Ford is in this. I would not question it at all.

Mr. BEGG. If the gentleman will permit, I do not think the value has anything to do with it. Would it be good business for a man to obligate himself to make repairs that might run up, as the gentleman from Texas says, to $60,000,000?

Mr. HULL of Iowa. I want to answer the question. The gentleman makes a very amazing statement. He says that the value of the contract has nothing to do with it. The value of the contract has everything to do with it, and the gentleman ought to know that. Sixty million dollars! Think of this! And under this contract the United States Treasury is to pay it for the benefit of Henry Ford and his company.

Mr. BEGG. I would not think the value of the contract had anything to do with it.

Mr. HULL of Iowa. In making a contract, the value of the contract has everything to do with what you will expend in repairs.

Mr. BEGG. The contract has no value if the man making the contract kills the value of it by making repairs unnecessarily, and the gentleman knows that.

Mr. HULL of Iowa. I want to say just a few words in regard to that. You will find this to be true if you ever make this contract. There will be erosion on that dam. That is not provided for. There will be many repairs and replacements necessary, and you have not allowed for that. I do not think you have allowed one-fifth enough to take care of repairs and replacements, let alone the great erosion that would take place upon the dam itself.

Mr. STRONG of Kansas. Mr. Chairman, will the gentleman yield?

Mr. HULL of Iowa. I call attention to the fact that in this contract, as we passed it last night, you give to Henry Ford $680,000 a year in actual value, less what you are offered from other sources. Yes; I yield to the gentleman from Kansas.

Mr. STRONG of Kansas. On the other hand, should not the Government that is to build this dam at an expense of millions of dollars be in a condition to require the lessee to take care of it?

Mr. HULL of Iowa. Certainly. There is no question about that. This company ought to take care of it. We have offers from others who are reputable people—and I am not advocating their contracts—and I call attention to the fact that last night you gave to Henry Ford this property by denying the amendment of the gentleman from South Dakota [Mr. WILLIAMSON]. His amendment would have compelled Henry Ford to pay $680,000 more a year, or the same as you were offered.

Mr. LAGUARDIA. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. HULL of Iowa. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

Mr. SNYDER. Mr. Chairman, reserving the right to object, it seems to me that we have had pretty nearly all of the debate that we want on this proposition. We have been listening to debate for five days, and I believe the membership of the House has made up its mind to what it wants to do about this bill. I serve notice now that I am going to object to extensions from now on to men who have spoken several times on the proposition. I think this bill should be finished to-night.

Mr. HULL of Iowa. The gentleman is exercising his right; he can object.

Mr. SNYDER. I want to say this: That there are other important matters to come before the House. We have been five days on this, which is ample time, and this bill ought to be finished to-day.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

Mr. GOLDSBOROUGH. I object.

Mr. McKENZIE. Mr. Chairman and gentlemen of the committee, the argument by my good friend from Iowa, who lives across the Mississippi River from my district, is perfectly absurd in view of the statement he made when we had the hearings before our committee. When Hugh L. Cooper appeared before our committee the last time—and, by the way, he was at that time against the Ford offer, but has seen light, like my friend from Iowa—he was asked this question: "If proper precautions are taken in the building and upkeep of the dam there is no danger of the dam going out?" Mr. Cooper said, "No; I do not think there is any danger at all. I would be willing to have my family live under the dam when you get through with it so far as safety is concerned, but if proper precautions are not taken in the building, and after, it will not be sufficient." Mr. HULL then asked, "You think they will take proper precautions?" Mr. Cooper said, "There is no doubt of that."

Mr. Cooper is down there now helping to build the dam. These amendments are offered in the attempt by these gentlemen to write the proposal of another man in his absence, and without even submitting them to the members of the committee first. I said last evening that I relied on the judgment of the Chief of the Corps of Engineers of the United States Army, and while I respect my friend from Ohio, with his long experience, and while I have a friendly feeling for the gentleman from Iowa, I say that it is simply trifling with this matter now for those gentlemen to come in with amendments of this character. Mr. Chairman, I ask for a vote, and I hope the substitute and the amendment both will be voted down.

Mr. BURTON. Will the gentleman yield?

Mr. McKENZIE. Certainly.

Mr. BURTON. Does the gentleman realize that under my amendment there is no provision made for restoration of the dam?

Mr. McKENZIE. I understand.

The CHAIRMAN. The question is on the perfecting amendment by the gentleman from Ohio to his own amendment.

The question was taken, and the amendment to the amendment was rejected.

The CHAIRMAN. The question now is on the substitute offered by the gentleman from Texas to the amendment of the gentleman from Ohio.

Mr. LAGUARDIA. Mr. Chairman, I have an amendment to offer to the substitute of the gentleman from Texas.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. LAGUARDIA to the substitute offered by Mr. BLANTON: After the word "repairs" in the Blanton substitute insert the word "replacements."

Mr. LaGUARDIA. Mr. Chairman, as stated by the gentleman from Ohio [Mr. BURTON] the practice of accountancy is to keep the item of replacements separate from the item of repairs, and in a construction of this kind it will not be many years before you will have to make replacements costing large amounts of money which, under the strict construction of the contract, would be excluded from the provision for repairs.

Now, gentlemen of the committee, the intention of this contract is that the lessee shall pay for the repairs. This intent is weakened, if not destroyed, by limiting the amount for repairs to $35,000. If the amount of $35,000 will cover all the repairs and maintenance and replacement, then the lessee can not object to the amendment or to the substitute which provides exactly the same conditions but does not limit it to the amount of $35,000. If, on the other hand, the proponents of the bill know that $35,000 is not enough, then they are endeavoring to mislead the House by saying that the lessee shall pay for the repairs, and then limit his liability on this obligation to $35,000.

I want to say to the gentleman from Illinois [Mr. McKENZIE] that it is not trifling, and the members of this committee should not be charged with trifling, because we seek to protect the interest of the Government. We are trying to perfect a contract which the committee has had for two years and was brought before the House under a special rule. We are getting startling information daily, and if the gentleman from Illinois will give us the opportunity, we will get a contract through the House which may be presented to Mr. Ford protecting the interest of the people, and Mr. Ford can take it or leave it.

Mr. ALLGOOD. Mr. Chairman, we have been almost two days on a bill of 19 pages, and here we are only on the third page, at section 4, and some gentlemen of this House come here with dilatory tactics that are being used to defeat the measure. I charge that they are dilatory tactics absolutely.

Mr. BLANTON. Will the gentleman yield?

Mr. ALLGOOD. No; I decline to yield. The gentleman from Texas said the other day that if they did not adopt his amendment he was going to vote against the bill.

Mr. BLANTON. But that is not dilatory.

Mr. ALLGOOD. Henry Ford's offer for Muscle Shoals is a question of so much moment and interest to the citizens of this Nation that it has more and more during the past three years become the subject of thought and conversation by people in every walk of life and from every section of our great country.

Muscle Shoals is one of the best-known places in the Nation today, because it represents power to the manufacturer, light and heat to the home owners, and fertilizer to the farmers.

One hundred million dollars was spent by Congress to develop Muscle Shoals as a war measure. The war is over, and God in heaven knows that the people of this world need to have some good come to them to help recompense them for the fearful losses of life and property during the war; therefore Congress is now seeking to convert a war-time agency which was intended for the destruction of human life into an agency which will make human existence possible. In fact, consummation of this contract will be the erecting of a monument by this Congress to the memory of plenty, peace, and prosperity.

During the war our Government spent $25,000,000,000 for the defense of this country, and here you are raising a question on an expenditure of a few thousand dollars when in the expenditure of the $25,000,000,000 Congress was almost unanimous in making those expenditures. We have practically nothing to show for that $25,000,000,000 in any material way except debt, debt, debt, which this Congress is being called upon to levy taxes upon the backs of the people of this Government to pay.

In Alabama we have the great Muscle Shoals plant to show for the money that was spent there. The acceptance of Henry Ford's offer and the carrying out of his contract will cause the nitrate plants to be operated and bring a revenue of more than $344,000,000 to the United States Treasury.

Gentlemen, I have been for the Ford offer from its very beginning, for at that time I had the honor to be serving my State as commissioner of agriculture and industries and thereby knew the needs of the farmers for cheaper and better fertilizers. Mr. Ford's offer stated that he would use a part of this great natural resource for the manufacture of fertilizers to be sold to farmers at reduced costs. In order that you may know what Henry Ford proposes to do along this line I will quote direct from his proposal, which says:

Since the manufacture, sale, and distribution of commercial fertilizers to farmers and other users thereof constitutes one of the principal considerations of this offer, the company expressly agrees that, continuously throughout the lease period, except as it may be prevented by reconstruction of the plant itself or by war, strikes, accident, fires, or other causes beyond its control, it will manufacture nitrogen and other commercial fertilizers, mixed or unmixed, and with or without filler, according to demand, at nitrate plant No. 2 or its equivalent, or at such other plant or plants adjacent or near thereto as it may construct, using the most economical source of power available. The annual production of these fertilizers shall have a nitrogen content of at least 40,000 tons of fixed nitrogen, which is the present annual capacity of nitrate plant No. 2. If during the lease period said nitrate plant No. 2 is destroyed or damaged from any cause the company agrees to restore such plant within a reasonable time to its former capacity, and further agrees:

(a) To determine by research whether by means of electric furnace methods and industrial chemistry there may be produced on a commercial scale fertilizer compounds of higher grade and at lower prices than farmers and other users of commercial fertilizers have in the past been able to obtain, and to determine whether in a broad way the application of electricity and industrial chemistry may accomplish for the agricultural industry of the country what they have economically accomplished for other industries, and if so found and determined to reasonably employ such improved methods.

(b) To maintain nitrate plant No. 2 in its present state of readiness or its equivalent for immediate operation in the manufacture of materials necessary in time of war for the production of explosives.

In order that farmers and other users of fertilizers may be supplied with fertilizers at fair prices and without excessive profits the company agrees that the maximum net profit which it shall make in the manufacture and sale of fertilizer products shall not exceed 8 per cent of the fair actual annual cost of production thereof.

The fertilizer bill is one of the heaviest that the farmer pays. In the year 1880 the farmers of the United States spent only $28,000,000 for fertilizer; in the year 1920 the farmers of North Carolina spent twice as much as all the farmers of the United States spent in 1880. Our national fertilizer bill in 1920 was more than $300,000,000. The farmers were the first to pay this heavy burden, but finally some of it had to be borne by the consumers of farm products, who live in our towns and cities. Thus you see this is a question that has to do with the cost of living of practically every family in the Nation. The fertilizer question is not a sectional one. Formerly the southern farmer was the only one to buy commercial fertilizer, but to-day the farmers of Ohio buy more fertilizer than do the farmers of Florida. Missouri buys more than Louisiana, and Michigan more than Tennessee. From 1909 to 1919 Alabama farmers increased their expenditures for fertilizers 80 per cent, while the farmers of Iowa increased 400 per cent; Oregon, 600 per cent; Montana, 900 per cent; North Dakota, 1,000 per cent; and Oklahoma, 1,400 per cent. It is estimated that, if the increase for the country during the next 10 years is only 80 per cent of what it was for the last decade, our annual fertilizer bill will amount to more than $800,000,000 by 1930.

It is no wonder the farmers of the country want Henry Ford's offer accepted. They wanted relief three years ago, when the offer was first made, and if accepted now it will possibly be some years yet before they will get relief from the Fertilizer Trust. It is no wonder that thousands of people who live in towns and cities, and who buy farm products, want their living costs reduced, and therefore favor Ford's offer. It is no wonder to me, nor to any farmer in the country, that the fertilizer manufacturers and Fertilizer Trust, which have been reaping such rich rewards, have joined hands with other interests to prevent the acceptance of Ford's offer by the last Congress, and now by this Congress, or by any Congress in the future.

Two years ago expert chemists who opposed the Ford offer testified before the Military Affairs Committee of Congress that it was impossible to produce fertilizers by hydroelectricity at one-half the price for which it was being sold. Mr. Ford's experts stated it could be done. In 1922, when the American people had elected a Congress more favorable to Ford's offer, the same companies that made bids formerly, together with other companies, included fertilizer contracts in their bids and produced expert witnesses who testified that fertilizers could be produced at Muscle Shoals at one-half the cost for which it is now manufactured, thereby corroborating Mr. Ford's contention made two years ago.

The use of fertilizer is an economic one. The farmers in each section of our country have troubles which are peculiar to their own section. In the South, where our main crop is cotton, we are confronted with the boll weevil. In Alabama, my native State, in the year 1912 we produced on four and one-half million acres of land 1,700,000 bales of cotton and paid $8,000,000 for fertilizer. In 1923 Alabama planted 3,000,000 acres in

cotton and produced only one-third as much cotton as in 1912, but our fertilizer bills had climbed to $15,000,000, and it is safe to say that if our farmers had been deprived of the use of fertilizers they could not have made 300,000 bales of cotton in 1923, because not only is the fertility of the soil greatly depleted but under boll-weevil conditions it is absolutely necessary to use increased quantities of fertilizers which run high in nitrogen content, and remember, gentlemen, that nitrogen is the product which Henry Ford proposes to take from the air and convert into fertilizer at the big fertilizer plant at Muscle Shoals. Over every acre of ground there are 33,000 tons of pure nitrogen in the air, and why should we continue to pay tribute to Chile when we can produce within our own borders and at a much cheaper rate a product of equal value, and why should we continue the extravagant use of cottonseed meal as a fertilizer?

Cottonseed meal is one of the very best feeds that we have for livestock production as well as the production of dairy products, and it usually brings $40 or $50 a ton for this purpose.

We are annually using 700,000 tons of cottonseed meal as fertilizers, which is an enormous waste, as only about 8 pounds in each 100 pounds has any plant-food value, therefore 92 pounds out of each hundred is lost by the farmer. If the farmer pays $50 a ton for his cottonseed meal at this rate he is paying 35 cents a pound for his nitrogen. Mr. Ford's experts, as well as the other experts before the Military Affairs Committee, before this Congress, testified that similar plant food could be manufactured at Muscle Shoals at a cost not exceeding 10 cents a pound.

I think it nothing but justice to the farmers of this country that they have some of the benefits of the development of our national resources returned to them, for they are the ones who buy, improve, work, and pay taxes upon lands which form watersheds for the streams that produce the hydroelectric power. These streams have also washed millions of tons of plant food from the farms, and these same streams should by justice and by right be used to help restore the fertility which their waters washed away.

Since the Civil War the farmers of the world have paid more than $3,000,000,000 for Chilean nitrates, and the American farmers have paid almost one billion of this amount. Are you surprised at them crying out for relief? In 1920 in my State, with deflation and heavy boll-weevil infestation, there were thousands of farmers who did not make enough cotton to pay their fertilizer bills, and as a result many of them became discouraged, left the farms to become competitors with those engaged in industry.

Agriculture is the basic industry of the Nation, but taken as a whole the condition of the American farmer is worse than ever before in history. You can search the mortgage records of your county seat and you will find more farm mortgages, and that more interest is being paid by farmers than at any previous time. Farm conditions are not good.

When war was declared you people know that the farmers hearkened to the cry of Congress; that they hearkened to the cry of the President; that they hearkened to the cry of our soldiers; they went forth early in the morning and toiled all day long in the fields, laboring in order that our soldiers might have subsistence with which to win the war. Not only that, but after the war when the foreign countries had been devastated and the Macedonian cry came across the waters that those peoples were starving, again our farmers were called to go into the fields, and they produced and produced at a great loss.

Go with me into the farm homes and I will show you that the old people are the ones that are staying with the farms; with but few exceptions the farmers' sons and the farmers' daughters have left the old homestead and gone to the towns and cities, where they engage in occupations which are far more remunerative than agriculture.

I plead with you here to-day to pass this bill as a farm-relief measure. If the life of this Government is to be perpetuated, the farmer must have laws enacted that are favorable, and that will enable him to prosper, and to you people who live in the great cities like New York, Baltimore, Philadelphia, and San Francisco I want to state that the acceptance of Henry Ford's offer is not sectional but is national, for in time of peace it will enable us to a greater extent to make living conditions more tolerable, so that we can keep more of our sons and daughters on the farms who will help us produce, to feed and clothe not only the 50,000,000 people who live on the farms but in addition to feed and clothe 50,000,000 people who live in our towns and cities, who, when they pray "Give us this day our daily bread," are expecting a kind Providence to answer their prayers through the industry and sweat of the farmer and his family. Yes, we are willing to work in order that we may have a great, happy, and prosperous people. Standing in my place to-day I can vouchsafe that if in the years to come a foreign foe should attempt to invade the New England coast or the Pacific coast, the sons of the farmers of the South would be found leaving their homes to join hands with your sons in defense of a common country, and in that event, which I pray to high heaven will never come, but if it should come there would be at Muscle Shoals, Ala., the great nitrate plants intact and ready to produce the sinews of war for the protection of the greatest people that ever lived. Aye, sirs, I not only deem it my duty, but I think it a rare privilege to have an opportunity to vote for a measure that means so much to the people of this entire Nation. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. ALLGOOD. I would like to have three additional minutes.

The CHAIRMAN. Is there objection?

Mr. SNYDER. Mr. Chairman, I object.

Mr. McKENZIE. Mr. Chairman, I move that all debate on this amendment and this section close in 12 minutes.

The CHAIRMAN. The gentleman from Illinois moves that all debate on this amendment and section close in 12 minutes.

Mr. HERSEY. Mr. Chairman, I ask the Clerk to read the following letter in my time.

The CHAIRMAN. Without objection, the letter will be read in the time of the gentleman.

The Clerk read as follows:

LETTER FROM GOVERNOR SHAW TO CONGRESSMAN BURTON.

MARCH 6, 1924.

Hon. THEODORE E. BURTON,
Washington, D. C.

DEAR CONGRESSMAN BURTON: I have just read and reread parts of your masterful speech of yesterday on the Muscle Shoals proposition. I can but think that, if there be consciousness beyond, how delighted my once great chief and our mutual friend must be. I was of his official family at the time of the three Roosevelt vetoes of water power bills you mention.

Mr. Roosevelt's idea of conservation of water power did not contemplate their perpetual nondevelopment. No one more than he loved to see "the wheels go round" or rejoiced more in industrial activity. What he hated, with all the intensity of his intense nature, was monopoly and special privilege, such as the pending measure contemplates. If it shall pass with the support of his once political friends, he will surely seek—and I hope not in vain—a reincarnation. Think of it! The greatest special privilege ever contemplated by any government, the greatest possible monopoly ever conceived by man, plus a gratuity of nearly $100,000,000 in present development, being turned over by his country to a pacifist and the father of a slacker, with no assurance that the beneficiary will change his policy of a lifetime and do something calculated to benefit others, further than a promise to experiment in fertilizer production to ascertain whether it can be made more profitable than the manufacture of cars.

I was particularly interested as you traced the evolution in water-power legislation, covering nearly 20 years and culminating in the act of 1920, enacted by the first Republican Congress after some years of its minority experience, and approved by President Wilson. I have always believed that act embodied Mr. Roosevelt's conception as nearly as legislation can be expected to express the wishes of one statesman. Certainly the result has justified it. I did not know until I read your speech that under that great constructive measure six times as much contemplated power has sought licenses and permits, three times as much has been granted by the Government, and twice as much actually developed as in the preceding 20 years. The public, having had less experience with legislative inconsistencies than some of us, will have difficulty in understanding why 20 years should have been spent in developing a law that admittedly works admirably, only to be ignored by the body that passed it, no Member of which would have the temerity to suggest its repeal.

You are right, Mr. Statesman; the oil scandals which are now occupying the attention of Congress to a degree that disgusts every sane American are of small import compared with the gift of property costing practically $100,000,000, the obligation on the part of the Government to expend other millions, the conveyance by the Government of a modernly equipped city, with paved streets, housing for thousands of people, with no Government supervision except in case of actual war. There is, however, this marked distinction: Some evidence that one man of high rank in one political party has been influenced by an unsecured loan and that several of high rank in the other party have been bought by unearned fees seems to be the sole cause of existing congressional hysteria. While what you seek to prevent would prove far more harmful than the loss of all the oil embraced in disputed leases, it would not be as exciting. This country meekly suffers annually vastly more from legislative asininity than it has lost in all its history from bipartisan cupidity.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HERSEY. I ask that the balance of the letter be inserted as an extension of my remarks.

The CHAIRMAN. The gentleman from Maine asks unanimous consent that the balance of the letter be inserted in his remarks. Is there objection?

Mr. GARRETT of Texas objected.

Mr. HERSEY. Under general leave to extend remarks upon this bill, I wish to say further that I greatly regret that the House could not have the full letter, but I must submit. In addition to my remarks on this bill on March 6 I wish to add this statement from the chairman of the board of governors, International Farm Congress of America:

The National Grange has never indorsed the Ford offer. At its last annual meeting a resolution to do so was rejected. The grange reported a paid membership of 601,086 last year.

The National Board of Farm Organizations, which met in Washington only three weeks ago, refused to consider a resolution indorsing the Ford offer. This group includes the Farmers' Union, a strong association of milk producers, and some others, with a total membership in excess of 600,000.

The National Council of Cooperative Marketing Associations, which also met in Washington within the past month, ignored the entire Muscle Shoals proposition. The paid membership of the associations composing this group is officially reported to exceed 560,000.

The Farm Congress has rejected every effort to approve the Ford offer in its present form, holding it to be in violation of sound economic and conservation principles. The Farm Congress, including affiliated bodies and delegate feature, represents a very large number of farmers, possibly larger than any other group.

In the report filed by Senator NORRIS, in which the majority of the Senate Committee on Agriculture and Forestry reject all private bills for Muscle Shoals, the following is the general position taken:

Mr. Ford makes no guaranty of any kind to reduce the cost of fertilizer.

He does not pay the Government 4 per cent on its investment in the dams.

He does not repay the cost of the dams.

He actually repays nothing on this principal and pays a wholly inadequate rate of interest.

His offer will not reduce the price of electricity to the general consumer.

The Ford offer implies the greatest gift ever bestowed upon mortal man since salvation was made free to the human race.

Mr. Ford is between 60 and 70 years of age. If the Government should turn this property over to his corporation, it would probably be from four to six years before the dams would be completed, and by the time the corporation got into active operation Mr. Ford would be in the neighborhood of 70 years of age. It is quite evident, therefore, that his connection with Muscle Shoals would be but a small fraction of the time included in his bid of 100 years.

The Alabama Power Co. is willing to pay $2,500,000 for the Gorgas plant and the transmission lines. If the Ford corporation secured all the property at Muscle Shoals for $5,000,000, it could sell the Gorgas plant for $2,500,000. The personal property could be sold for another $2,500,000. Thus Ford could have, without cost to him, properties that cost the Government in excess of $80,000,000.

During the first six years Mr. Ford's interest payments will be less than one-half of 1 per cent on Dam No. 2. During the first three years the interest payments will be less than 1 per cent upon the cost of Dam No. 3.

Figuring all of the costs and all of the conditions of his offer, Mr. Ford will pay only 2.79 per cent upon the cost of Dams No. 2 and No. 3. The taxpayers will thus finance Mr. Ford's corporation for 100 years and receive less than 3 per cent upon the money so advanced. The Ford offer will cost the taxpayers more than $500,000 a year in interest charges alone.

The Ford proposal violates every provision of the Federal water power act.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HERSEY. I ask that the balance of the letter be inserted as an extension of my remarks.

The CHAIRMAN. The gentleman from Maine asks unanimous consent that the balance of the letter be inserted in his remarks. Is there objection?

Mr. GARRETT of Texas. Mr. Chairman, I do not propose to give unanimous consent for any lecture of the House of Representatives on a public measure and I shall object to the letter being extended. It is a reflection upon the House.

Mr. HULL of Iowa. Mr. Chairman, I think the gentleman has that right. The right has been granted to all to extend. Let us have an understanding in regard to it. A Member does not have to have unanimous consent to extend his remarks on this bill.

The CHAIRMAN. The gentleman has a right to extend his own remarks, but not the remarks of anyone else. These are statements by other parties.

Mr. HULL of Iowa. Are not they his own remarks?

The CHAIRMAN. The Chair overrules the point of order.

Mr. STRONG of Kansas. Mr. Chairman and gentlemen of the committee, it does seem to me as we go along with the passage of this bill, which it is very plain is to be passed by the Democratic side of the House assisted by a few Republicans on our side, that we ought to give some careful attention to the provisions that will affect the Public Treasury. Now section 4 reads as follows:

SEC. 4. The company will further pay to the United States, during the period of the lease of Dam No. 2, $35,000 annually, in installments quarterly in advance, for repairs, maintenance, and operation of Dam No. 2, its gates and locks; it being understood that all necessary repairs, maintenance, and operation thereof shall be under the direction, care, and responsibility of the United States during the said 100-year lease period.

Now, that means that for the consideration of $35,000 a year the Government is to operate these locks and repair and maintain Dam No. 2 for a century. Now, let us look into that. There are two locks at Dam No. 2. Those two locks are 60 feet wide and 300 feet long. How many men will it take to operate them? The answer of the proponents of the bill is that the engineers say this is all the money they require, but I have had some experience with reference to water-power propositions and estimates of engineers. Let us apply our own common sense to this proposition. Can less than 5 men put a boat through a lock 60 feet wide and 300 feet long? And if there are two locks, will it not take 10 men, and will it not take three shifts of men, each shift working eight hours a day, making a total of 30 men; and can you employ 30 men to do the work for less than $35,000 a year? It will take the whole $35,000 to operate these locks, and you have not got a dime for maintenance and upkeep.

Mr. BLANTON. Or the gates.

Mr. STRONG of Kansas. Or the gates, or any expense necessary to the operation of the locks and the maintenance of the dam.

Now, we have a small water-power proposition out in Kansas and it had been there for years, and we thought it had a firm foundation. It was thought safe and to be a good buy, and the company bought it. When flood waters came, driftwood piled up on the dam and affected the foundation, and they had to spend $300,000 on that small proposition to replace the dam. What might happen at Muscle Shoals with a dam costing millions of dollars? Remember, this is not our money but the money of the taxpayers we are pledging, a proposition costing millions of dollars, and surely we ought to require that it be maintained properly and without expense to the Government. I hope that some of these amendments looking to the protection of the Public Treasury will be adopted.

Mr. BYRNS of Tennessee. Will the gentleman yield?

Mr. STRONG of Kansas. I will.

Mr. BYRNS of Tennessee. I trust the gentleman understands that the maintenance of the lock is for the purposes of navigation——

Mr. STRONG of Kansas. Certainly.

Mr. BYRNS of Tennessee. The Government is under obligation, as it is on other navigable rivers, to give these people and the people upon the upper Tennessee the benefits of navigation.

Mr. STRONG of Kansas. But this places a charge upon the people, the taxpayers of the whole country.

Mr. BYRNS of Tennessee. But this is the first instance. I will say to the gentleman, in all the history of river navigation where the Government is about to adopt an economic policy whereby the cost of the dam will be amortized in 100 years.

Mr. STRONG of Kansas. But this bill purports to appropriate enough money, to be supplied by the Ford corporation, to cover the expense of operating the locks and maintaining the dams for 100 years, but it does not do so.

Mr. BYRNS of Tennessee. That is the estimate of the engineers.

Mr. STRONG of Kansas. Yes; but the gentleman himself does not believe that $35,000 a year will cover the cost of the repairs and maintenance of the dams and the cost of the operation of the locks, and the gentleman would not believe it even if all the engineers in the United States were to say so.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. WILLIAMSON. Mr. Chairman and gentlemen of the committee, it is perhaps illogical for me to speak at this time, because I desire to speak upon an amendment which I shall offer only in the event that the Burton amendment fails, but as this is the only opportunity I shall have, on account of the limitation of debate, I will proceed. I am in favor of the Burton amendment because, as to this particular section, it brings the bill in line with the provisions of the Federal water power act. I believe the Burton amendment should be adopted by this House. But in the event it should not be, I shall offer an amendment to this section which provides that in the event it is found that the sums provided for in this section are not sufficient to maintain the dam the Congress shall have the right to modify the section by appropriate legislation.

We are told by the advocates of this bill that Henry Ford intends to pay a sum sufficient to care for the repair, maintenance, and operation of the gates and locks of the dam. Now, if that is what is intended to be expressed by this section and if it is Mr. Ford's intention, then the Burton amendment will accomplish that very thing, and certainly no injustice will be done to Henry Ford. That amendment, in fairness to this Government and to the American taxpayer, ought to be adopted. But in the event it is not adopted I shall offer an amendment which will permit Congress to take such action as it may deem necessary in order to carry out what is claimed to be the agreement.

Mr. BURTNESS. In other words, the Burton amendment simply does what the proponents of the bill claim that $35,000 will do?

Mr. WILLIAMSON. That is my understanding.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from New York to the substitute offered by the gentleman from Texas.

The question was taken, and the amendment to the substitute was rejected.

The CHAIRMAN. The question now is on the substitute offered by the gentleman from Texas.

The question was taken, and the Chairman announced that the noes appeared to have it.

Mr. BLANTON. Mr. Chairman, I ask for a division.

The CHAIRMAN. A division is asked for.

The committee divided; and there were—ayes 33, noes 74.

So the substitute was rejected.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Ohio [Mr. BURTON].

The question was taken, and the Chairman announced that the noes appeared to have it.

Mr. BURTON. A division, Mr. Chairman.

The CHAIRMAN. A division is asked for.

The committee divided; and there were—ayes 48, noes 82.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

Mr. WILLIAMSON. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The CHAIRMAN. The gentleman from South Dakota offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. WILLIAMSON: Page 4, line 4, at the end of section 4, add: "In the event that the sums provided for shall not prove sufficient for the purposes specified herein, Congress reserves the right to modify this section by appropriate legislation."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from South Dakota.

The question was taken, and the Chairman announced that the noes appeared to have it.

Mr. WILLIAMSON. Mr. Chairman, I ask for a division.

The CHAIRMAN. The gentleman from South Dakota asks for a division.

The committee divided; and there were—ayes 38, noes 81.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 5. At all times during the period of the lease of Dam No. 2 the company will furnish to the United States free of charge, to be delivered at any point on the lock grounds designated by the Chief of Engineers, United States Army, electric power to an amount necessary for the operation of the locks, but not in excess of 200 horsepower.

Mr. HILL of Maryland. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Maryland, a member of the committee, offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HILL of Maryland: Page 4, line 10, after the word "locks," strike out the words "but not in excess of 200 horsepower."

Mr. HILL of Maryland. Mr. Chairman, section 5 puts upon the Ford corporation the obligation of furnishing the amount of electric power "necessary" for the operation of the locks. It then puts a limitation on the amount. The two clauses are inconsistent. If the Ford corporation is obliged to furnish an amount necessary for the operation of the locks, it is entirely incompatible to put a limitation upon it. It is absurd to say that it should not be in excess of 200 horsepower. In the interest, then, of fairness to the Government, I suggest that those last words, "but not in excess of 200 horsepower," be eliminated. Let the Ford corporation furnish all the "amount necessary," as it purports to do.

There has been much talk of what the minority views of June 20, 1922, were. I therefore ask you to read that report carefully, as follows:

MUSCLE SHOALS PROPOSITION.

Mr. KEARNS, from the Committee on Military Affairs, submitted the following minority views, to accompany H. R. 11903:

What shall be done with Muscle Shoals is one of the big questions that is now confronting Congress. There have been several proposals made through the Secretary of War for the purchase of the Government's interests and the lease of the water power at this place. Only one of these propositions is now before the House. This is the one that has been submitted by Mr. Henry Ford. This proposal on the part of Mr. Ford has received wide publicity. Seldom has any question pending before the American people been so broadly heralded as has this offer to take over the Government activities at Muscle Shoals. We feel that this publicity has grown into one of the most insidious propagandas that the Nation has witnessed for many a day. Notwithstanding the wide publicity that has been given to the Ford offer, we feel, because of the unfair and unreliable statements that have been sent broadcast throughout the United States, that the country little understands what it is that Mr. Ford is offering to do or what, if anything, he is offering for this great plant that has been erected at Government expense at Muscle Shoals, Ala. The people have a right to know and we are determined that they shall know the real facts about Muscle Shoals and the so-called Ford offer.

We are not satisfied with the report filed by the so-called majority membership of the House Military Affairs Committee. Neither are we in harmony with the views expressed by the Wright minority. Without undertaking to criticize adversely either of these documents, we feel that neither of them has given to the Congress or to the country a clear, fair, and unbiased statement of the facts.

TRUTH ABOUT FORD OFFER.

There are a great many men throughout the United States who are strong advocates of the Ford offer without having any true understanding of what his proposition contains. These men are honest and conscientious, but they have been misled as to facts. They have read this propaganda, much of which is false in its every detail, and they have been led to believe that Mr. Ford will manufacture fertilizer in such large quantities that it will compel the exorbitant prices that are now being asked for this much-needed commodity to fall materially. The persistent report is that he will compel the fertilizer manufacturers of the country to sell their product at one-half of what they are now selling it. This is a welcome message to the users of fertilizers and indeed would be worthy of the efforts of every man in Congress should this be accomplished. But Mr. Ford, in the contract that he submits to the Secretary of War, qualified by his statements and the testimony of his agents, does not agree to make fertilizers during entire lease period unless he can make them with profit to himself.

FERTILIZERS.

Mr. Ford has always refused to allow himself or his company to be bound without qualification to the continuous manufacture of fertilizer at Muscle Shoals, provided this plant is turned over to him. Secretary Weeks appeared before the Military Affairs Committee of the House, and the following testimony that is illuminating indeed upon the subject of fertilizer is taken from page 29 of the records of the hearings:

"Mr. WEEKS. I said to him [Mr. Ford]: 'Will you guarantee to continue to manufacture fertilizer during the life of the contract' [the 100-year period]? He replied that he would not.

* * * * * * *

"Mr. WEEKS. I said in effect: 'You might stop the manufacture of fertilizer in five years, or in any time, to the great disappointment of the people down there.' He said: 'Of course, I am going to stop if I can not manufacture it profitably.'"

Because of this frank admission and many kindred statements Secretary Weeks was entirely displeased with the language in the so-called

fertilizer clause in the Ford offer. Later testimony in support of the fertilizer clause in last offer does not change his attitude.

Mr. Mayo, who represented Mr. Ford before the committee and who was Mr. Ford's accredited representative, on numerous occasions testified that the Ford company would not make fertilizer at Muscle Shoals if it were found to be unprofitable and what they mean by "unprofitable" no one knows. Surely the contract does not contain any specific clause that would render it an enforcible agreement to manufacture fertilizer. Mr. Ford has at all times steadfastly refused to bind his proposed company in the contract to make fertilizer if certain contingencies should happen. The contract does not give the Secretary of War, or any other agency of the Government, power to compel him to make fertilizer in all circumstances. Even if it develops that he can make fertilizer at a profit, then he only agrees to manufacture it at about the present annual capacity of nitrate plant No. 2. The proponents of the Ford offer who are scattering propaganda throughout the country that is often void of truth, gain support because they promise the farmer the much-needed fertilizer. The farmer often believes this and, of course, becomes at once a very partisan proponent of Mr. Ford.

We realize and appreciate that a great part of the farm lands of the United States is in great need of plant food, and Congress would be justified in departing from its old policies and traveling a long way to assist in getting fertilizers cheaply for the farmers. Our position is that this is a hollow promise made to enlist the support of the farmers and not absolutely binding on any fact contained in the contract or existing outside of the contract. These statements are made and sent broadcast throughout the country without regard to truth. The bold declaration is made that Mr. Ford will manufacture fertilizer at the Muscle Shoals plant and bring down the price one-half. Nothing is ever said that the principal business of Mr. Ford—should he get this gigantic plant—would be the manufacturing of other articles which he would be allowed to sell at any price that he might see fit. The only thing that is kept before the public is that he is to make fertilizer and sell it cheaply to the farmer, only charging for himself a profit of 8 per cent on the production. No one has ever suggested how he could make fertilizers and sell them cheaply or what means he would employ. The bold claim is made and Congress and the country must take the statement as absolute truth or be forever condemned by this crowd of wicked propagandists.

Of course the price of fertilizer to-day is high. So is the cost of shoes and clothing and plows and wagons and practically everything that the farmer buys, or anyone else buys. We are all hoping that in this aftermath of war business will soon get back to a firm and legitimate basis. These men do not only try to thus gain the sympathy of the farmer but they try to elicit the attention of the unemployed by painting a rosy picture of the great activity that is to be started overnight at Muscle Shoals where they promise a million men will be given employment. They say when this is in operation there can be no such condition in all this country as idleness, because they claim that Muscle Shoals will offer work at a high wage to everyone. This is very appealing and alluring, indeed, to the man who is out of work. They do not tell him how they are going to do this, but he is flattered by this promise into the belief that a new and better day is dawning for him. Many of these men, on the bare promise that a million men will be put to work as if by magic, have become Ford enthusiasts.

If this dream were true then Congress would not be justified in withholding from men with this magic power this project. But these statements that are made by these propagandists will not bear the calcium light of real publicity. These assertions will not stand up under the searching gaze of men endowed with real business acumen. This is why we prepare this report in order that the country may know the truth about Muscle Shoals. If we were believers in fables, or had faith to believe in the pranks of fairies, then we might also think that Mr. Ford is the reincarnation of Aladdin plus his lamp. But we can not have such childlike faith. We therefore view the entire proposition from a business standpoint, trying to do the thing that is best for the country.

If this company that is to be formed to take over Muscle Shoals is, indeed, in earnest about making fertilizers, why is it that Mr. Ford's representatives have always refused to accept a clause in the contract written by the members of the Military Affairs Committee that would make it binding upon him to make fertilizers in all circumstances whatever else he might do with the Muscle Shoals plant? Such a clause was three times prepared by the committee and it was three times rejected, and the proposal of Mr. Ford that is now before the House was written by his lawyers and contains no clause whatever that would compel his company throughout this 100-year period to manufacture fertilizer unconditionally.

HONESTY OF MR. FORD.

All agree that Mr. Ford is honest and that he has said he wants to make fertilizer, and some are willing to take him at his word, whether it is in the contract or not, but we can not help but remember that Mr. Ford is not endowed with a perpetual life, although some members of the Military Affairs Committee would give him this water-power lease in perpetuity. Mr. Ford can not live throughout any considerable part of the term of this water-power leasehold, and when he is gone and all the men that he may have surrounding him will have passed away we do not know in what unconscionable hands this plant will fall and neither does any man know who is living to-day.

HISTORY OF MUSCLE SHOALS.

When we got into war in 1917 two sites of lands were purchased near Sheffield, Ala., on each of which was constructed an immense nitrate plant. This nitrate was to be used in the manufacture of explosives. One of these tracts of land contains 1,900 acres and the other something over 2,000 acres of land. These two tracts were practically covered with expensive dwelling houses and immense steel and concrete buildings in which were installed the most expensive machinery. Railroad beds were constructed and tracks laid, many miles in all. Large and expensive steam railroad engines were purchased. Steel freight cars of the most costly character were built by the Government for these plants. Steel shovels, concrete mixers, and other machinery of this character that cost the Government many million dollars were purchased and are now at these nitrate plants. These plants are known as nitrate plant No. 1 and nitrate plant No. 2. They are on the bank of the Tennessee River near by Muscle Shoals. At nitrate plant No. 2 there is an immense steam power plant capable of generating 90,000 horsepower. At nitrate plant No. 1 there is a steam power plant that will develop 5,000 horsepower. Nitrate plant No. 1 cost the Government $12,887,941. The other plant cost the Government $66,252,393.

The War Department at that time also purchased what is known as the Waco Quarry in that immediate neighborhood. This includes nearly 500 acres of land upon which is constructed many miles of railroad. This quarry cost the Government $1,302,962. At this place is located a rock deposit that is very necessary in carrying on the activities that the Government had in mind at Muscle Shoals.

ALABAMA POWER CO.

The country at that time was in immediate need of power. The Alabama Power Co. had a steam power plant located at Gorgas on the Warrior River. As the interests of the Alabama Power Co. are vitally affected by this so-called Ford offer, a brief history of this concern is necessary to a perfect understanding of the question.

The Alabama Power Co. is a public-service corporation organized under the laws of Alabama, and in 1914 had five customers, consisting of two municipalities, one cotton mill, one brick plant, and one cement plant, according to the testimony of its president. But since that time it has increased its business to the extent that last year its plant had a connected load of 370,000 horsepower, with an electrical output of 500,000,000 kilowatt-hours annually. It furnishes light and power to 158 of the greatest industries of that section of the country. Its customers consist of brick and cement plants, coal mines, cotton mills, foundries and machine shops, ice plants, public utilities, steel plants, and many other factories of different kinds.

These industries, that are scattered throughout that section of the country, consume about 70 per cent of its power. This company furnishes light for lighting houses and streets and furnishes power for street railways. It supplies light for 63 municipalities and the power for practically every industry in these towns and cities. It has 18,500 direct subscribers for its light and power, and these companies in turn furnish 58,500 consumers with this service. These facts, gleaned from the testimony or hearings before the House and Senate committees, are set forth in this report in order that the Congress and the country may know of the extensive business that is being done by the Alabama Power Co. and the number of consumers that would be adversely affected should the so-called Ford offer be accepted. The Alabama Power Co. is a public-service corporation doing business for and in behalf of the people. The company to be organized by Mr. Ford would be a private company doing business for itself and uncontrolled and unhampered in any way by any utility commission, either State or Federal, except that if this company makes fertilizer it must make it at a profit not to exceed 8 per cent.

The Alabama Power Co. has invested in its business $40,000,000. Sixteen million dollars of this amount is represented in two dams that were built by this company on the Coosa River. One of them has long since been completed and the second is nearing completion at this time. The State of Alabama, in order to induce this company to build dams to create this hydroelectric power for the use of the people, absolved it from the payment of taxes on the cost of these dams for a period of 10 years. At the expiration of the 10-year period, of course the company will be compelled to pay taxes on the tax value of these dams. If this Muscle Shoals project is turned over to Mr. Ford he would not have to pay taxes on the cost of the dams at any time during his 100-year period. This is a big subsidy.

WARRIOR EXTENSION.

As we said before, when the project at Muscle Shoals was commenced by the Government it needed power. The agents of the Government commenced negotiations with the Alabama Power Co. to build an ex-

tension to the company's Gorgas steam plant and build transmission lines from this plant to Muscle Shoals, a distance of 88 miles. At that time the Alabama Power Co. was in great need of more power for itself, as its business had been growing rapidly. For this reason it had just prior to the commencing of these negotiations started the construction of an addition to its Gorgas steam plant. It had already built the foundations for this extension of its power plant and constructed its intakes and outlets for the water necessary in the operation of the plant. The agents of the Government entered into a contract with the Alabama Power Co., by the terms of which the United States was to complete this addition to the Gorgas plant. Acting under this contract, the Government did build this addition or extension on the foundations already constructed over these water intakes and outlets, and built these transmission lines on the lands of the Alabama Power Co. from Gorgas to Muscle Shoals, and the Government paid the cost of said transmission lines and Gorgas plant extension. The cost was $4,000,000. In this contract with the Alabama Power Co. it was agreed that when the Government was through with the plant and the transmission lines these holdings were to be sold to the Alabama Power Co. at "a fair value." Acting under its contract with the United States, the Alabama Power Co. has recently offered $2,500,000 for said property.

In view of the disgracefully low prices, that have often amounted to scandal, at which war properties have been sold, ranging from practically nothing to 10 and 12 per cent of the original cost, this price of $2,500,000 would seem to us to be one of the best bargains that the Government has ever been offered for any of its war property, and yet some men condemn this transaction as being unconscionable. Such men are greatly biased or else they do not comprehend or know the facts.

FORD OFFER.

We want the country to know that Mr. Ford offers to pay to the United States Government a million dollars per year for five years for all of this property we have just enumerated and the Government in turn is to give him a warranty deed for said holdings, with only two restrictions or conditions. One of these conditions, to wit, the manufacture of fertilizer under certain conditions, and the other condition is that he will keep nitrate plant No. 2 in a stand-by condition for the manufacture of nitrates in case of war, and to be turned over to the Government in that event. Of course, the Government could commandeer this plant in case of war, the same as it can take over any property that is needed in the prosecution of war when war is on. Therefore this part of the contract is surplusage.

This property, for which Mr. Ford offers this $5,000,000, as has already been stated, consists of:

Cost to Government:	
Waco Quarry	$1,302,962
Gorgas steam plant	4,900,000
Nitrate plant No. 1	12,887,941
Nitrate plant No. 2	66,252,393
Total cost of Government without interest	85,343,296

The above table of figures does not include the interest on these huge sums that has accrued, which now amounts to many million dollars.

Five million dollars for $85,343,296 worth of property to us seems wholly inadequate when it is remembered that Mr. Ford could immediately dispose of the Gorgas plant to the Alabama Power Co. for $2,500,000. This would then leave him paying only $2,500,000 for the Waco Quarry, nitrate plants Nos. 1 and 2, with all their innumerable railroad engines and steam freight cars, steam shovels, concrete mixers, and other surplus property there, that could be readily sold for several additional millions. It would be seen, therefore, should this offer be accepted, that all of this vast amount of property will be given away and not a cent be realized by the Government.

OVERFLOW RIGHTS.

Out of this $5,000,000, too, Mr. Ford demands that the Government shall furnish to him the overflow rights at Dam No. 3, the cost of which has been estimated at from $1,500,000 to $2,000,000. So it can be readily seen that Mr. Ford has practically offered nothing for all this vast amount of property, but, on the other hand, has asked the Government to make him a warranty deed for it with the two provisos mentioned. This price, therefore, would seem wholly inadequate for the vast amount of property that he asks be turned over to him.

In view of all these facts, why should Congress be asked to take from the Alabama Power Co. its Gorgas plant, to which it is entitled under the contract, and turn it over to Mr. Ford? It will be remembered that the Alabama Power Co. needs this plant in order to serve its great clientele. It belongs to this company, it is built on the lands of the Alabama Power Co. as a part of its power plant, and the addition that the Government built is made a part of the original plant of the company, and there is no way to separate it. The Alabama Power Co. has always dealt fairly with the Government and is now offering $2,500,000 and possibly will pay $3,000,000 for the addition the Government built to the company's plant and on the company's land.

DAMS AND WATER POWER.

When nitrate plants No. 1 and No. 2 were being built the Government commenced the building of a dam at Muscle Shoals, known as No. 2 or the Wilson Dam. There has been expended by the Government on this project up to date $17,000,000. If the Ford offer is accepted, the Government will be required to complete the construction of this dam, together with its locks, power house, and the machinery equipment that will be necessary to the generation of 600,000 horsepower, at the people's expense and at an estimated cost to the Government of $25,000,000. The amount may be more; it may be less.

In order to accept the Ford offer Dam No. 3 must be constructed. It is located a few miles above Dam No. 2 on the Tennessee River. There has been no work done yet on this dam. Neither have the overflow rights been purchased by the Government. It is estimated that the construction of Dam No. 3, together with the necessary power house, locks, and generating machinery to develop 250,000 hydroelectric horsepower, would cost the Government an additional $25,000,000. This estimate does not include the cost of overflow rights. It is thought, too, by engineers that it will require about six years to complete Dam No. 2 and build Dam No. 3. He does not pay full interest until six years after completion of Dam No. 2 and three years after the completion of Dam No. 3. During the six years on Dam No. 2 he pays $200,000 per year and during the three years on Dam No. 3 he pays $160,000 per year. But this in comparison is practically nothing to the Government on account of these dams. He only commences to pay the full amount of interest, as above stated. Then he only agrees to pay 4 per cent interest on the cost of construction, which will be about $50,000,000. Therefore it will be seen that the Government in making these vast expenditures of money throughout this period will have lost in interest the enormous sum of $13,350,000. This amount represents the difference between the interest that will accrue in this time and the rental that Ford pays during these six years. In this one item the Government loses more than two and one-half times his $5,000,000 that he agrees to pay the Government. In other words, the Government is returning to Mr. Ford in this one item of interest his $5,000,000 and $8,350,000 besides.

We call the attention of the membership of the House and the country to the fact that Mr. Ford's offer only contemplates the payment of 4 per cent interest on the cost of completing Dam No. 2 and building Dam No. 3, taking no account whatever of the $17,000,000 that has already been spent on Dam No. 2. He is to get the use of this vast sum of money throughout the entire lease period of 100 years gratis.

FEDERAL WATER POWER ACT.

We desire to direct the attention of the House to the fact that only a short while ago the Congress of the United States passed a water power act that provided, among other things, that no lessee after the passage of said act could be given a water-power privilege in any of the waters of the United States for a lease period covering more than 50 years. The Federal water power act further provides that all lessees of water power shall be surrounded by certain governmental restrictions as set forth in said act. It even goes so far as to restrict the profits the lessee can make on whatever his product may be. It will be noticed that if Mr. Ford's offer is accepted he will be given a lease covering a period of 100 years, commencing from the day of the finishing of the work of said dams and said power houses and the installing of the machinery therein. He is restricted only in two things, namely, if he can make fertilizers at a profit he will not charge a benefit for himself to exceed 8 per cent per annum on the cost of production. It must, however, be remembered that this company is not to engage in the manufacture of fertilizer except as a side issue. The other restriction is that he shall keep nitrate plant No. 2 in a stand-by condition, ready to be turned over to the Government in case of war.

According to the statements of his own representatives, the manufacturing of fertilizer will be a small part of his activities there provided this gigantic plant is turned over to him. These representatives say that he will engage in the general manufacturing business and all through their testimony let it be remembered they say that he will only make fertilizer provided he finds it to be profitable to his concern. He will manufacture, perhaps, automobiles, surely parts for automobiles, plows, harrows, and other farm implements.

FORD NEVER APPEARED.

It will be noted that we have used the term "representatives." Mr. Ford never appeared before the Military Affairs Committee of either the House or Senate to throw the light on his offer to which the country is entitled. He was often invited to come, the entire membership of the Military Affairs Committee of the House joining in the invitation, but he never appeared at any time.

SUBSIDY FOR THE FORD CO.

From a reading of the Ford offer and the water power act it will be seen that Mr. Ford, if his contract is accepted, will be given privileges and rights that are to be denied to every other man or group of men in the United States. Just why he should be selected for these privileges or these rights that are not to be bestowed upon any other man or group of men is more than we can understand. It is not right and we believe that all fair minds will agree with us.

If this proposal is accepted, this company at Muscle Shoals will be given the use of two dams and power houses fully equipped for a period of 100 years, and it will only be required to pay as rental therefor 4 per cent on $50,000,000, although the dams will have cost the taxpayers $67,000,000. The company will not be required to pay anything on the use of $17,000,000 already invested at Dam No. 2. We have seen also that the Government will lose $85,252,393, besides an enormous amount of accumulated interest, when it turns over to Mr. Ford, Waco, Gorgas, and the two nitrate plants.

MAINTENANCE AND REPAIRS.

It is recognized in this proposal that these dams will need some repairs throughout this lease period of 100 years, because there is a clause in the proposition that proposes that the company shall pay to the United States Government $55,000 per annum to be used for repairs when necessary on either or both of Dams No. 2 and No. 3. It will be noticed that this company does not agree to pay for all repairs or rebuilding that may be necessary throughout the lease period provided these repairs exceed $55,000 per annum. All repairs or rebuilding in excess of that amount must be undertaken by the Government itself, although the Government gets no advantage therefrom. If heavy floods should come and wash away any part or all of these dams, or, if foundations should settle, cracking the cement work in the dams, regardless of how expensive, the Government agrees, if it accepts this proposal, to rebuild these locks and dams and repair them as the needs may arise from time to time throughout this 100-year lease period. Other companies are required to build dams at their own expense, and if they wash out repair them at their own expense. It seems to us that Mr. Ford is asking too much. It appears to our minds that his company at least could keep up the repairs on this property provided the Government builds his establishment, equips it for him, and turns it over to him or his company for a period of 100 years to be used by this company in any way it may see fit. If Mr. Ford's proposition is accepted, no one knows the amount of repairs that will be required to be made by the Government in the course of 100 years. But following in the light of experience, we are led to know that these repairs will amount to many million dollars. No man can say how many. Engineers who are well versed in this class of work universally agree that the minimum cost of repairs will be 1 per cent per annum of the original cost of construction, and the maximum cost will be 3 per cent of the cost of construction. If we take the minimum estimate of the cost of repairs, we will find that 1 per cent of $67,000,000 is $670,000. Therefore, this vast amount of money would be required in maintenance of these dams each year during the lease period. It will be remembered that Mr. Ford only agrees to pay $55,000 per annum of this amount. The Government will therefore lose, if only the minimum repairs are required, on maintenance alone $615,000 per annum. If the maximum amount is required, it will be just three times this amount per annum for 100 years.

FEDERAL LIABILITY.

It must be remembered that Mr. Ford does not own these dams, but he is given the use of them. Hence, if the dams should break the Government must stand not only the cost of rebuilding but must pay any damage that arises in consequence of the escape of this impounded water. If great loss of life and property should result thereby, Mr. Ford's company does not stand the loss, the Government would. How many millions or even billions this is going to amount to in the course of 100 years we do not know, and neither do you. We do know, however, that Mr. Ford has studiously guarded against making himself or company liable for any of these great sums of money.

TAX SUBSIDY.

Another item that should be mentioned in this connection is the matter of taxes. These dams that will have cost when finished the taxpayers of this country $67,000,000 will remain the property of the United States throughout the life of this lease. Therefore the company will be free of taxes on this gigantic outlay of money, to wit, $67,000,000 for all that time. Competing companies all this while will be required to build their own dams at enormous cost. They will be required to pay taxes on the taxable value of the dams. This is another subsidy that will be handed to this company provided this proposal is accepted.

$50,000,000 EXPENDITURE REQUIRED.

At the expense of repetition let us again impress upon the public mind that in order to accept the Ford proposition the taxpayers of this country must put up $50,000,000 additional money to complete the two dams. It is claimed by the proponents of the Ford offer that this $50,000,000, or practically that sum, will be returned to the Government at the end of 100 years.

FRENZIED FINANCE.

His scheme is this and we give it prominence because it is something new to the financial world:

He will agree to pay to the Secretary of War for the use of the Government, semiannually, during the lease period, the sum of $23,363 to be used in retiring at the end of 100 years the $50,000,000, the additional cost of the two dams. Let us analyze this a little further.

The total amount of annual payments for this purpose would be $46,726. This company would therefore pay in cash to the Government throughout the period of 100 years only $4,672,600. This offer about which you have all heard so much proposes that the Government shall accept these semiannual payments and at once invest them at 4 per cent interest and by compounding the interest and principal the $4,672,600 that the company will pay in cash will amount in 100 years to $49,071,935. This is indeed a very shrewd if not an entirely unique way of paying a debt of $50,000,000 with the comparatively insignificant sum of $4,672,600. If there should be a bad loan made, or anything at all should happen to the loan, the Government would then lose both its principal and interest. It will be noticed that the Ford company does not concern itself about the investment of these semiannual payments, but that small detail is left to the Government itself. If this should be done and precedent in governmental affairs should be followed, we are justified in the fear that it would require the creation of an extra bureau with an army of clerks to follow this Ford fund throughout this 100-year period.

If debts can be legally discharged in this way, it will be a happy and welcome revelation. We are only calling the attention of the House and the country to this scheme of frenzied finance in order to direct attention to the absurdities contained in this very remarkable document known as the Ford proposal for Muscle Shoals that has seemingly swept the unthinking class of our citizenship off its feet. We say again that many men have been "swept off their feet" by reason of this proposal, because they little understood the contents of this very remarkable document that Mr. Ford has submitted to the Congress of the United States through the Secretary of War.

Men everywhere who understand this proposition condemn it in unmistakable terms. The entire people will sometime know what is being attempted, and then the condemnation will be universal. This problem is of too great importance for us to allow ourselves to be persuaded by the unsound reasoning of theorists or the willfully false statements of paid propagandists. Therefore, we can not allow ourselves to be influenced by threats of dire punishment, political or otherwise, provided we do not follow the lead of men who are seeking to control for 100 years one of the great water-power sites of the East.

The problem is too big, and the results of a wrong solution are too far reaching and too vital to the entire country to permit such conduct upon our part.

When the country is already laboring under a heavy weight of taxes and Congress has assessed to the limit everything taxable, it would seem that this Ford company should itself raise this $50,000,000 needed in the completion of these two dams and not ask the already overburdened taxpayers to finance it to the extent of another $50,000,000. The taxpayers are now required to raise billions of dollars in order to pay the running expenses of the Government and they will revolt against raising this gigantic sum to place in the hands of a private corporation to carry on a private business for profit.

IF NOT FORD, WHAT THEN?

While we are only concerned at the moment with the Ford offer, yet briefly we want to suggest that it is our opinion that the Government ought to continue work on Dam No. 2, and the Army appropriation bill now in conference carries an appropriation of $7,500,000 for work to be done as a Government activity on Dam No. 2 for the year commencing July 1, 1922. This appropriation ought to be authorized. This work ought to go on. The Secretary of War should be authorized and directed to ask for further propositions for Muscle Shoals. Neither nitrate plants No. 1 or No. 2 should be sold. They cost the taxpayers of this country too much money. They ought to be leased, together with the hydroelectric power created by Dam No. 2, but this lease ought to be made under the Federal water power act. The Government would then have absolute authority and control over the lessees and their products. In this way no one man or set of men could have the entire benefit of this great project at that place. Then the Government could regulate the production of fertilizer on the part of the lessee or any other manufactured articles that the lessee would see fit to make.

Dam No. 3 is in no sense a part of the Muscle Shoals project, and there is no excuse for its construction. It has not been commenced and it ought not to be built.

RECAPITULATION.

The following is a recapitulation of the entire cost to the taxpayers of the United States of the Muscle Shoals project up to the present time:

1. Waco quarry, cost to Government	$1,302,962
2. Addition to Gorgas steam plant, cost to Government	4,900,000
3. Nitrate plant No. 2, cost to Government	66,252,393
4. Nitrate plant No. 1, cost to Government	12,887,941
5. Dam No. 2, cost already to Government	17,000,000
6. Dam No. 2, additional money required to complete	25,000,000
7. Dam No. 3, estimated cost to Government to build	25,000,000
8. Dam No. 3, overflow rights, estimated cost to Government (minimum)	1,500,000
9. Interest on new money required at Dams Nos. 2 and 3	18,320,000
Total cost to Government	167,163,296

CHAS. C. KEARNS.
FRANK CROWTHERS.
JOHN M. MORIN.
HARRY C. RANSLEY.
JOHN PHILIP HILL.

I have already signed a dissenting report on the Muscle Shoals proposition but agree substantially with this one.

LOUIS A. FROTHINGHAM.

In general I agree with the conclusions expressed in this report.

THOMAS S. CRAGO.

I have already filed minority views as to Muscle Shoals, which are printed on pages 54 to 57 of the report, and come to the same conclusion.

RICHARD WAYNE PARKER.

Mr. HILL of Maryland. The amendment I offer is entirely fair. "Necessary" should mean "necessary" and not "200 horsepower." I hope you will adopt my pending amendment. [Applause.]

Mr. RANKIN. Mr. Chairman, I seriously doubt if this bill, providing for the acceptance of Henry Ford's offer for Muscle Shoals, could be amended in any way that would gain for it the approval and support of the gentleman from Maryland [Mr. HILL], the gentleman from Iowa [Mr. HULL], or those other gentlemen who seem to be attempting in every possible way to defeat the Ford offer.

They are not fooling Members of Congress. They may deceive a few people over the country, but we understand their tactics. They are merely playing the same old game they have played relative to this great project from the very beginning. When I first entered the House in 1921, I came here a few days before my term of service began, and one of the first debates I heard was on the question whether or not we would continue the appropriations for the completion of this great project, or whether we would "scrap" it, lose what money we had put into it, and abandon it for all time to come. I heard on the floor of the House at that time many of the same gentlemen who are to-day attacking the Ford offer from every angle, fighting the proposition for the completion of the dam. They denounced as worthless this great project, which they now say is too valuable to lease to Henry Ford, under what, I submit, is the best offer by far we have ever had or ever expect to get from any individual or any firm that is able to comply with its terms and guarantee that they will be carried out.

The appropriation was defeated, largely through the efforts and activities of some of the very gentlemen who are leading the fight against the Ford offer now. The work stopped, and it looked as if that great project was going to ruin. Months passed, and no one seemed willing to make us a bid on it. But suddenly there came, like a clap of thunder from a clear sky, this offer of Henry Ford's, which, if accepted, would mean more to that section of the country than any other measure that has passed this body for the last 100 years. It would perhaps mean more to our suffering agricultural interests than any other measure this Congress or any other Congress has ever passed.

When that offer was made, the friends of the proposition took heart. They saw that there was yet a chance to save this great power development from waste, and at the same time to do a wonderful service to the American people. But the power interests, and the fertilizer interests that have been fighting for the destruction of Muscle Shoals, or to get control of it, awoke to a realization of the fact that they were about to be defeated in their iniquitous designs. They got busy, and began to attempt to poison the public mind against the Ford offer in every insidious manner known to their crafty ingenuity. They have imposed upon practically every chamber of commerce in the South that would listen to them, sent speakers through that country, run paid advertisements camouflaged as news items, and resorted to every method imaginable to try to prejudice the people against the Ford offer. But their efforts have been in vain, so far as the South is concerned. The southern people, as well as their representatives in Congress, know that the acceptance of the Ford offer would be the best thing for all concerned.

I submit, Mr. Chairman, that it is one of the few rays of hope that has been held out to the agricultural interests of this country during the last few years.

The wheat, corn, and cotton fields of the South, the West, and the North, as well as the East, are being depleted; the lands are being worn out, and the farmers are looking for some way to rehabilitate them. We are buying nitrate for fertilizers from Chile at about twice what it would cost if manufactured in the United States; we are paying the Chilean Government an export duty of $24,000,000 a year, and yet when this proposition comes up, when there is an opportunity for the development of this project, which will mean more to the agricultural interests of this country than any bill that has been passed by this Congress in years, we find the supposed friends of the farmers coming up here and mysteriously changing their minds overnight and opposing it from every angle. [Applause.]

It may not mean anything to the Power Trust when you tell them that the American farmers are paying $80,000,000 a year for Chilean nitrates to be used as fertilizer, and that $24,000,000 of that amount is paid as an export duty to the Chilean Government for the mere privilege of bringing it out of the country; it may not mean so much to the fertilizer interests so long as they reap their profits; but it means a great deal to the American farmers who have these great burdens to bear, as well as to all the other people in the agricultural States whose prosperity depends on the prosperity of those who till the soil. And when they realize that the Ford offer proposes to manufacture fixed nitrates to the amount of 40,000 tons a year, or about 40 per cent of the amount we have been importing from Chile, to be sold to the farmers of this country for a profit not exceeding 8 per cent on the cost of production, thereby furnishing this material to our farmers at a price they can afford to pay—when they understand these facts they are going to resent the attitude of those pretended friends of the farmers who are opposing this measure and will manifest their resentment in no uncertain terms. [Applause.]

But they tell you that Ford will not distribute any power. If the power interests knew that he would not distribute this power, they would withdraw their objections at once. They are afraid he will distribute this power and force the Alabama Power Co. and other competitors to reduce their rates and give the people of that section of the country some of the benefits derived from our southern resources.

Gentlemen, I live within 75 miles of Muscle Shoals. Every foot of the district I represent is within less than 200 miles of that place. I have tried to estimate the great benefits that would come to those people as a result of the acceptance of the Ford offer, and the more I study the proposition the more thoroughly I become convinced that it would be the greatest economic benefit they have ever known.

Mr. Ford says that he would run his wires 200 miles in every direction, transmit this surplus power, and develop the industrial interests of the country. No wonder the Alabama Power Co. does not want such competition.

Let us vote down the amendment of the gentleman from Maryland [Mr. HILL] and pass this bill accepting the Ford offer. By doing so we will dispose of this much-mooted question in the most profitable way. We will render it possible for the American farmers to get cheap fertilizer of the very best variety with which to build up their worn-out lands; we will be planting industries in our Southland that will furnish work for the unemployed at living wages; we will be maintaining this great plant to be used by the Government for the manufacture of explosives should our country again become involved in war; we will make it possible for Mr. Ford to build up that country for hundreds of miles around, bringing to those people an era of prosperity possibly greater than any they have ever enjoyed. [Applause.]

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland [Mr. HILL].

The question was taken; and on a division (demanded by Mr. HILL of Maryland) there were—ayes 22, noes 74.

So the amendment was rejected.

The CHAIRMAN. The gentleman from South Carolina [Mr. STEVENSON] is recognized.

Mr. STEVENSON. Mr. Chairman, I am going to take five minutes of the time of this committee which, I think, will be the last time I shall take from it on this bill, and I have spoken only once before.

A great deal has been said about this being a gratuity to Ford and about the people getting nothing from it.

I have contracted to pay and I will pay—if I can borrow the money—within the next few weeks, $51 a ton for 12 per cent nitrate to use on cotton this year—$51 at the ports. That is 12 per cent nitrate. Multiply that by 8 and it would be a little over $400 if we got fixed nitrates such as are provided for without the filler. There were 2,600,000 acres of cotton in South Carolina last year. Last year the average of nitrates was 200 pounds to the acre, or an average of 10 acres to a ton of nitrates. In other words, 260,000 tons last year cost the farmers of South Carolina at that price—and a great many of them had to pay more, as some of it was higher last year—$1,560,000. If this process is put into effect it will cost them just about half that, and that will be a clear saving to the people of South Carolina.

Mr. STRONG of Kansas. Will the gentleman yield?

Mr. STEVENSON. Yes.

Mr. STRONG of Kansas. Will the gentleman tell us what reason he has for believing we will get it for half?

Mr. STEVENSON. Because that is the statement made by everybody called as an expert, experts called on both sides; they say it will cost about half as much to produce it as the cost of production at the present time.

Mr. STRONG of Kansas. Will the gentleman tell us all about that?

Mr. STEVENSON. I am not a chemist.

Mr. LAGUARDIA. Will the gentleman yield?

Mr. STEVENSON. No; I will not yield any more. I want to make some statements here, and I will not yield any further. A vast quantity of nitrates is used on cotton in the United States, to say nothing of the amount that is used on corn and grain, and it is even more valuable on corn and oats than it is on cotton. About 18,000,000 acres were in cotton in the region where fertilizers were used.

Now, take 200 pounds to the acre. How much will that amount to? It amounts to 1,800,000 tons. If you buy that at $51 a ton, it amounts to $10,800,000 at the present figure of $51 a ton. If you can cut that in two, you will save the cotton farmers—and the grain farmers use almost as much as cotton farmers, and they will be using more as time goes on—$5,400,000 in one year. You will save that much to the cotton farmers of the South annually, and you will save an equal amount to the others.

You capitalize that at 6 per cent, and you will save the cotton farmers alone the interest on $90,000,000 annually. You are thereby getting that sum for the plant on that one item. Yet it is said nothing is to be gained from the Ford offer but that it is a gratuity. Gentlemen make all of these claims, but they say nothing about the actual saving to the cotton farmers, to the grain farmers, to the truck farmers, and other farmers.

It is said that 40,000 tons of fixed nitrogen is the total amount provided for in the bill and that will not help the farmers to any extent. But you must remember that means 40,000 tons of pure nitrate, while the stuff we buy is 12 per cent nitrate. Multiply that 40,000 tons by 8, and you have 320,000 tons of the stuff we buy and for which we pay $50 and more a ton.

Whenever you fix it so you can save the agricultural people of this country the interest on from $90,000,000 to $180,000,000 a year you are not giving any gratuity to anybody; you are getting value received for the benefit of the bone and sinew of this country, which is the mudsill of all creation, as the gentleman from Kansas would say; and while he could not get a good foundation for a dam out in Kansas, it will be a mighty good foundation for a political party and for a politician when he runs in an agricultural district.

Mr. KEARNS and Mr. McKENZIE rose.

The CHAIRMAN. The gentleman from Illinois [Mr. McKENZIE] is recognized.

Mr. McKENZIE. Mr. Chairman, I respectfully suggest that there is not anything before the House, and I will ask my friend from Ohio to wait until we read the next section.

Mr. LAGUARDIA. Mr. Chairman, I have an amendment. On page 4, line 10, strike out the word "two" and insert "nine."

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. LAGUARDIA: On page 4, line 10, strike out the word "two" and insert in lieu thereof the word "nine."

Mr. LAGUARDIA. Mr. Chairman, I desire to point out that in limiting the amount of power to operate these locks you are also giving Mr. Ford the control of navigation on this river. The gentleman who just had the floor referred to the improved methods of manufacturing fertilizer. Permit me to call your attention to the testimony of Dr. Louis C. Jones, the greatest authority on nitrates in this country. When he was before the committee the gentleman from Illinois [Mr. McKENZIE] stated to him:

It is not a question of the best method of producing fertilizer, or whether there will be improvements in the various methods now known, but it is simply a question of disposing of a tract or a site of governmental property * * *.

That was the attitude of the gentleman from Illinois, and it is found on page 144 of the hearings.

Let me for a moment call the attention of my colleagues from the State of Alabama to the fact that on the 26th of January, 1924, the mayor of Mobile, Ala., R. V. Taylor, appeared before the committee, and this is what he said:

The distinguished chairman of this great committee—

Referring to the chairman of the Committee on Military Affairs of the House—

was reported in a dispatch published in a paper the day I left Mobile which said he had addressed a public inquiry to Mr. W. B. Mayo, as representing Mr. Ford, and asked him what Mr. Ford would do with this power if he got control of Muscle Shoals, and Mr. Mayo said, "He would use all of it for his own industrial plants." Therefore—

Says the mayor of Mobile, Ala.—

I say that Mr. Ford wishes to harness the falling waters of the Tennessee River for his own purposes and not disseminate some of it to the people generally.

And this is from the mayor of Mobile.

Mr. McKENZIE. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. McKENZIE. This gentleman, whose testimony you are now reading, is the same gentleman who wanted all of this power transmitted down to Mobile, is he not?

Mr. LAGUARDIA. Oh, no; the mayor said, "I hold no brief for the Alabama Power Co. or any of its associated companies." That is from the mayor of Mobile.

Mr. ALLGOOD. Will the gentleman yield? They held a referendum vote on that question in Mobile after this mayor came up here, and 16 votes out of about 4,016 were with the mayor and about 4,000 were against the mayor.

Mr. LAGUARDIA. Well, he is your mayor; he is not mine.

Mr. ALLGOOD. He is not mine.

Mr. GARRETT of Texas. But he is your witness and not ours. [Laughter.]

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. JEFFERS. Mr. Chairman and gentlemen of the House, on Wednesday, the 5th, in his able and comprehensive speech here on the floor of the House the distinguished gentleman from Michigan [Mr. JAMES], a member of the committee which has had the Muscle Shoals propositions under consideration, paid his respects in no uncertain terms to the minority report of the gentleman from Iowa [Mr. HULL] and the associates of Mr. HULL who signed the minority report with him, styling the minority report the report of the power companies.

In part, Mr. JAMES said:

My guess is that the report was written by Thomas W. Martin, president of the Alabama Power Co. International financiers, through the Alabama Power Co., are attempting to get a grip on Muscle Shoals. This is not a fight between Members of Congress as to the future of Muscle Shoals but a fight between the power and fertilizer trusts and those who believe in furnishing the farmers cheap fertilizer and in being prepared to manufacture nitrates for explosives in time of war.

This quotation is from the New York Times of March 6, 1924.

Then, on yesterday, the gentleman from Maryland [Mr. HILL] stated that at the end of the last Congress the views of the minority were expressed in a very able report by the gentleman from Ohio [Mr. KEARNS]. Now, that Kearns report referred to by Mr. HILL goes after the Ford proposal very sharply. But it may be illuminating and explanatory for Members of the House to know that the Kearns report, dated June 20, 1922, was circulated all over Alabama by the Ala-

bama Power Co., sent out from the office of the Alabama Power Co., at Birmingham, Ala., under date of July 8, 1922. The Alabama Power Co. distributed the Kearns report because it stated the position of the Alabama Power Co.

Now our friend from Maryland [Mr. HILL] states that the Kearns report of 1922 represented the views of the minority at that time, and he further stated on yesterday that the views of the present minority are practically the same to-day.

Now, we know that the minority report of 1922—the Kearns report—did state the position of the Alabama Power Co., because the Alabama Power Co. itself, over the signature of R. A. Mitchell, vice president, saw fit to circularize the State with that Kearns report. The significance of that needs no further comment.

Now comes the gentleman from Maryland [Mr. HILL], a member of the committee, who signed the Kearns report in 1922, and who also signed this present minority report of 1924, and he states that the minority views as expressed in the Kearns report, which was distributed by the Alabama Power Co., are practically the same as the views of the minority who signed this present 1924 minority report.

That connection, my friends, verifies and substantiates the statements made here a few days ago by the gentleman from Michigan [Mr. JAMES], which I have just quoted, to the effect that the present minority report, signed by Mr. HULL and others, may well be considered as a report defining the views and the position of the Alabama Power Co.

Upon different occasions heretofore I have been permitted to express myself here in the House regarding the adoption by Congress of a policy relative to the great development at Muscle Shoals.

I am not desirous of speaking at any length upon the subject at this time, as the members of the committee who have had the subject under consideration have presented all necessary figures and detailed statements covering various phases of the proposition.

The matter has been before Congress for a long time. It has been given thorough study and very, very careful consideration by the committee. A great many individual Members of Congress have done all that they could to press for action. I am glad that the matter is at last before the Congress, and I trust that Congress will without further delay adopt a definite plan and policy regarding the disposition and development of the great governmental project at Muscle Shoals.

Nearly two years ago I stated here that I was in favor of the approval by Congress of the contract between the United States Government and Henry Ford. I feel the same way about it now. I stated then that I believed that, if given a chance to express itself on the Ford proposal, the House would go on record as favoring its approval. I believe that the House in now about to go on record in that way, and I am glad that the House at last has that opportunity before it.

In this short time which I have to address the House I wish to emphasize one particular point. This phase of the matter appeals to me very strongly.

I believe that it is undeniable that the Ford offer has been all the time since it was first presented and is now the only comprehensive and all-inclusive offer that has yet been made to the Government. Other proposals that have been made would split the great project by means of separate offers for the water-power project and for the nitrate plants. In my opinion, it would be a very serious and fatal mistake to split the project. The first and foremost and primary objects of power development at Muscle Shoals are that we may have a supply of nitrogen for national defense in time of war and nitrates for fertilizers in peace time, and it appears to me that the nitrate plants should certainly be linked inseparably with the water-power development under some one reliable contract, because the power development there on the Tennessee River is primarily intended for the operation of the nitrate plants and should not be separated from the nitrate plants by the leasing of the water-power project under a separate contract than that which would cover the nitrate plants.

I believe this is a fundamental principle in connection with this great question, and it is what was intended by the national defense act, under which all of this great project was created and started.

The Ford proposal aims to carry out the real purposes of the Muscle Shoals project, and I think it is the safest proposal before Congress looking to national protection in time of any trouble and a source of nitrates for fertilizer for our farmers in time of peace.

As the only comprehensive and all-embracing proposal before Congress, the Henry Ford offer is more desirable and would undoubtedly be a better business deal for the Government than any piecemeal or combination proposals submitted by different interests with separate responsibilities to cover separate parts of the project at Muscle Shoals. [Applause.]

The farmers of every agricultural section of the United States have told us in unmistakable terms that they are in favor of the approval of a contract with Henry Ford. As for the farmers in my part of the country, and as for the whole people of the entire South, I believe that it could be said in all fairness that a large majority of the people of my country want Congress to make a deal on this proposition with Henry Ford without further delay.

They believe that the great power, fertilizer, and aluminum interests are bringing their influence to bear upon Congress to prevent its acceptance of the Ford proposal.

Will Congress ignore the prayer of the people and give way to the powerful pressure of the influence of the Fertilizer Trust, Aluminum Trust, and power monopoly? I believe not. I hope and believe that Congress will act favorably upon this reliable and responsible offer which has been before us for such a long time and which has received such careful consideration at the hands of a great committee of this House.

I think the Government should not delay further about this matter. Using the language of the chairman of the Appropriations Committee of this House, Mr. MADDEN, of Illinois, I will say that I feel and believe that it would be the wise course to accept Mr. Ford's offer, put only enough additional money in the venture to complete both dams, and sell and lease under the terms that he has proposed. My conviction is that we should accept the Ford offer and get the Government out of the business. I feel that by so doing we will have acted so as to better provide for the common defense and for the promotion of the general welfare. [Applause.]

I am for this McKenzie bill which embraces the Ford proposal. [Applause.]

Mr. McKENZIE. Mr. Chairman, I move that all debate on this amendment and all amendments to this section do now close.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. LAGUARDIA].

The question was taken, and the amendment was rejected.

The Clerk read as follows:

SEC. 6. As soon as the release of suitable construction equipment and labor forces at Dam No. 2 will permit, or at an earlier date if desired by the company, the company shall construct and complete, subject to the approval of the Chief of Engineers, United States Army, for the United States, Dam No. 3, its lock, power house, and all necessary equipment, all in accordance with plans and specifications prepared and to be prepared by the Chief of Engineers, United States Army, or by the company, at its option, and approved by the Chief of Engineers, United States Army, and progressively install the hydro-electric equipment in said power house adequate for generating approximately 250,000 horsepower, all the work aforesaid to be performed as speedily as possible at actual cost and without profit to the company, it being understood that the necessary lands, flowage rights, and rights of way shall be acquired by the United States through an agent to be named by the company.

Mr. BYRNS of Tennessee, Mr. KEARNS, and Mr. SPROUL of Kansas rose.

The CHAIRMAN. The gentleman from Ohio [Mr. KEARNS] is recognized.

Mr. HOLADAY. Mr. Chairman, a parliamentary inquiry. Is there an amendment pending?

The CHAIRMAN. The Chair has not heard of any.

Mr. KEARNS. Mr. Chairman, I move to strike out the last word.

In June, 1922, I spent several days in the preparation of the report to which the gentleman from Alabama [Mr. JEFFERS] has just made reference, and I want to say here that neither Tom Martin nor any other member of any power company or any other company helped to write that report. I do not know whether the Alabama Power Co. circulated that report throughout that section of the State or not and I do not care. The gentleman says many thousands were sent into that State. I know that every word contained in that report is my language and my thought on this subject. Men get up here on the floor of this House and in order to create a prejudice in the minds of the country will refer to the insidious influences of trusts, and for no honest purpose do they make that statement but for the single purpose of creating prejudice in the minds not only of the membership of this House but the entire country.

I oppose the Ford offer because I do not believe it safeguards in one single instance the rights of the American

people. I would like to be able to vote for this offer. The fertilizer clause is not binding and I want to compel the manufacture of fertilizer. I would like for Mr. Ford to get this great project down there. I would like for the Begg amendment to be written into this bill, because it makes the manufacturing of fertilizer mandatory. I would like to have seen the Burton amendment, which has just been voted down by this House, adopted, because it safeguarded the interests of the United States. The proponents of this bill say that $35,000 per annum will take care of the repairs to Dam No. 2. Then if it will, why do they object to writing that into the law? I think it will cost as much as $600,000 per year for repairs, but if the Ford people and his proponents say it will cost only $35,000 then why did they unanimously vote down the Burton amendment? These are some of the reasons I object to this proposal. I also object to this proposal because Henry Ford's representatives told us that he did not intend to sell one kilowatt of electricity to the inhabitants of that country. As I have said on prior occasions, I believe that Muscle Shoals is God's great gift to the inhabitants of that section of the United States. Personally, this sale of power or refusal to sell it is of no personal concern to me, but we ought not to legislate under false pretenses.

If you write in here, as I said in the report back in 1922, that that company must sell electricity to inhabitants of that country, then the bill has merit. Why not write it into the bill if you say that is what he is going to do? It seems to me the membership of this House is willing to-day to barter away the rights of the people in order that Henry Ford and his company which he is to form shall benefit and be benefited for 100 years, beyond the reach of the power of this great Government. These are some of the reasons I object to the bill. Before I leave the floor—and this may be the last time I shall occupy it on this bill—I want to say again with emphasis, because of the statements that have been made here, that Tom Martin nor any other man outside of this House ever made one suggestion as to what should go into this report. [Applause.] No man with truth can say so. [Applause.] My chief wish, however, is that before we quit this bill must contain a clause that will make the manufacturing of fertilizer mandatory. That is the expectation of the farmers.

Mr. GARRETT of Texas. Mr. Chairman, I have no quarrel with any Member upon the floor of this House that is opposed fundamentally to the Ford offer. I have no quarrel with any Member upon the floor of this House if he believes in his heart in Government ownership and control of Muscle Shoals and putting the Government into the business of the manufacture of fertilizer. If that is his conviction, I have no quarrel with him. But if you are going to consider the Ford proposition that is before you sincerely and conscientiously as lawyers, as most of you are, you know that this is a proposition made to the Government by Henry Ford which you must vote up or vote down. Amendments changing the contract fundamentally will destroy it; when you do that and Mr. Ford rejects it, which he has a right to do and which he has said he would do, where are you?

I want to reply to a remark made by my friend from Kansas in regard to the political aspect of this matter. He referred to the fact that a few Republicans and a good many Democrats seemed to be for the bill. If I wanted an excuse to vote against the Ford proposition as a party question I have all the evidence at hand to do it. I say if I wanted to change my position on the Ford proposition I would not have anything to do but to read President Calvin Coolidge's message to this Congress indorsing the taking over of Muscle Shoals by Ford, and would have nothing further to do than to read Ford's indorsement of Coolidge for President immediately following the message. That would be all the political thunder I should want if I wanted to change my position on this proposition. [Applause on the Democratic side.]

I want to say to the gentleman from Kansas that when Henry Ford came out for Calvin Coolidge for President he got him more votes in the United States than all the fertilizer trusts or all the automobile trusts or every other trust and combine that is fighting this proposition.

Mr. Chairman, I am for this proposition because I confidently believe it means much cheaper fertilizer for the farmers of our country, and the fact that the company Ford is to organize will maintain in stand-by condition plant No. 2 for 100 years at an estimated cost of $200,000 per annum for the manufacture of nitrates in time of war is benefit inuring to the Government of vast importance.

I am not so much concerned about the water-power end of it, because it has been fully demonstrated during this debate that there is now developed in that section of the country ample water power with even greater developments now going on. I want to say to the House that the fear that has been expressed here that Henry Ford will sell power is not because they think that if he does sell the power he will sell it higher than all the allied power companies, but they fear he will sell it lower. [Applause.] The Alabama Power Co. had no objection to Mr. Ford two years ago having this proposition if they could only have the Gorgas steam plant.

Mr. BYRNS of Tennessee. Mr. Chairman, I said on yesterday that I was opposed to any material, fundamental amendments that would be offered to this bill. I do not think that those who are opposed to the legislation ought to kill it by legislation. This proposal is based on an offer of contract by Henry Ford, and we should accept it or reject it. If we are for it, we ought to vote for it; and if we are against it, we have the privilege and right to vote against it. Therefore I repeat that I do not believe that any material or fundamental amendments which may be offered to the legislation and which may result in its defeat ought to be accepted by its friends.

I want to refer briefly to a statement made by the gentleman from Iowa [Mr. HULL] on yesterday. As I recall, the gentleman stated in response to a question that the more he studied this big question the more nearly he was coming to the idea that no private individual or company ought to control it, leaving, therefore, the inference that he was coming to the opinion that the Government ought to maintain and operate it. I may say that I am much gratified to see the gentleman from Iowa in the process of one of his changes on this proposition, because, if you recollect, two years ago he was for the Ford offer; then he became favorable to the offer of the associated power companies and offered a bill carrying their contract, and now he has about come to the idea that Government ownership is really the best, and he thinks the people want it. The people of all communities form opinions through somewhat the same mental processes. The people of the South are like the people of the North on many matters, and the people of the East are like the people of the West, and they usually come to conclusions by the same sort of mental processes. I want to show you what the people of the South in the immediate proximity of this great power think of the question of the associated powers controlling it and also the question of Government ownership. I hold in my hand a telegram from Maj. E. B. Stahlman, owner and publisher of one of the greatest newspapers in the entire South, which has been taking a referendum of the citizens in Nashville and surrounding towns relative to the disposition of Muscle Shoals.

I received this telegram yesterday. It reads:

NASHVILLE, TENN., *March 7, 1924.*

Hon. JOSEPH W. BYRNS, M. C.,
Washington, D. C.:

Vote counted up to 11 o'clock in the Banner's referendum stands: Ford, 27,900; associated power companies, 38; Government ownership, 10. People deeply aroused, with a unanimity of sentiment never before seen in the history of Tennessee on any question. May God help you and the Tennessee delegation to save Muscle Shoals to the people of this country.

E. B. STAHLMAN.

[Applause.]

Mr. Chairman, that is expressive of the sentiments of the South with reference to the disposition of Muscle Shoals. That is also an answer to my friend from Iowa [Mr. DICKINSON] and other gentlemen who in their opposition to this proposition have expressed solicitude lest the South should not receive the benefit of the distribution of the power. Those people live there. If power is distributed, they will get the benefit; but they know what it means if that power shall be given over to the associated power companies of the South, who through these years have been standing by hoping to get this power. They do not want this Congress to create a monopoly in the South with reference to water power. They are willing to trust Henry Ford. They are willing to trust him to carry out the contract. They know, and they believe, that he will do what he says he will do with reference to fertilizer and all these other promises and agreements that he makes with reference to running power lines 200 miles. They are opposed to Government ownership, because they believe that Henry Ford in taking over that power will develop it in the interest of the public of the entire country. [Applause.]

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. HERSEY rose.

Mr. McKENZIE. Mr. Chairman, I shall not object to the gentleman from Maine proceeding for five minutes, but I shall object to any further debate without something being before the House.

Mr. HERSEY. Mr. Chairman, I ask unanimous consent that the Clerk read in my time the balance of the letter that I sent to the Clerk's desk this morning.

The CHAIRMAN. Without objection, the Clerk will read.

Mr. GARRETT of Texas. Mr. Chairman, I make the point of order that that is not in order. The gentleman can not even read it in his own time.

The CHAIRMAN. The gentleman from Texas objects.

Mr. HERSEY. Then I shall read it myself.

Mr. GARRETT of Texas. Mr. Chairman, I object to the gentleman reading it in his own time.

The CHAIRMAN. The gentleman from Texas objects to the gentleman from Maine reading it in his own time.

Mr. SPROUL of Kansas. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. SPROUL of Kansas: Page 5, lines 3 and 4, after the word "States" in line 3, strike out the words "through an agent to be named by the company."

Mr. SPROUL of Kansas. Mr. Chairman and gentlemen of the committee, I am in a quandary to know just why we are deliberating upon this bill. We have been advised by the members of the committee that we are to accept this bill in its entirety or not accept it at all. The statements can not mean anything other than that Mr. Ford himself has prepared this bill and submitted it to us to accept as drawn by him or to repudiate it.

Mr. ALLGOOD. Mr. Chairman, will the gentleman yield?

Mr. SPROUL of Kansas. No; I can not. Those of us who have been business men and those of us who have been attorneys practicing law know that it is not customary for one party to be authorized to name the agent of the other party in carrying out the terms of a contract. Beginning with the word "it," in the first line on page 5, we find the following language:

it being understood that the necessary lands, flowage rights, and rights of way shall be acquired by the United States through an agent to be named by the company.

I submit that it is an insult to ask us to vote for that. But you say, "Swallow it." You tell us to submit ourselves to this mighty man who is brainier and wiser and bigger and greater than even the whole United States.

Mr. BYRNS of Tennessee. Mr. Chairman, the gentleman looks at me. Will he yield?

Mr. SPROUL of Kansas. The gentleman is a member of the committee?

Mr. BYRNS of Tennessee. No; I am not.

Mr. SPROUL of Kansas. The gentleman is a prominent lawyer, and yet he says that this bill should not be amended.

Mr. HOCH. Mr. Chairman, will the gentleman yield?

Mr. SPROUL of Kansas. Not at this time. It seems to me that if Mr. Ford is to be permitted to name all of the terms of this contract, and we are to be forced to accept them just as he names them, then we cease to be a legislative body; we cease to be the United States. The big man in this country is Mr. Ford, a man who is bigger than our country. We admit by allowing him to tell us what to do that we do not know anything. We do not even know enough to name our own agent, our own representative, and the proponents of the bill, so called, must swallow that.

Mr. HOCH. Mr. Chairman, will the gentleman yield?

Mr. SPROUL of Kansas. Yes.

Mr. HOCH. Does the gentleman have any estimate of the cost of this land and the flowage rights and the rights of way which are to be bought and paid for by the United States and which are to be bought through an agency of the company?

Mr. SPROUL of Kansas. I do not.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. SPROUL of Kansas. Yes.

Mr. BLANTON. The gentleman is correct. Our friends say that we have to vote this bill up or down. A contract is a meeting of the minds of the two contracting parties. If this proposition does not suit us, what is wrong in our sending back to Mr. Ford a proposition that does suit us, and then if that suits him let him accept. It seems to me that even though we may be opposed to this bill, opposed to this proposition, opposed to dealing with Mr. Ford, that as the representatives of this Government it is our duty to see that the Government is given a fair, square kind of a contract.

The CHAIRMAN. The time of the gentleman from Kansas has expired. The question is on the amendment offered by the gentleman from Kansas.

The question was taken; and on a division (demanded by Mr. SPROUL of Kansas) there were—ayes 31, noes 73.

So the amendment was rejected.

Mr. HILL of Maryland. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. HILL of Maryland: Page 5, line 1, after the word "company," insert "or any other person or corporation."

Mr. HILL of Maryland. Mr. Chairman, the latter portion of section 6 now provides that the work on Dam No. 2 shall be constructed by the Ford Co., and then we find the following language:

all the work aforesaid to be performed as speedily as possible at actual cost without profit to the company.

The gentleman from Texas [Mr. BLANTON] yesterday offered an amendment in reference to the second paragraph of the McKenzie bill making it impossible for any subcontractor to make a profit. After the defeat of that amendment I offered a similar amendment to that I now offer to this section, which appears on page 3780 of the RECORD.

We are told that there will be no profit to those Ford interests making this construction for which the people of the Nation are to pay, and for which the consumers of fertilizers must ultimately pay in the total cost on which the 8 per cent profit may be made by the Ford corporation. If the Ford interests are entirely sincere and serious in their desire to make this construction without any profit to the company they should be glad of the opportunity to make it perfectly clear in the fundamental law that there can be no profit to any particular company as a subcontractor.

I wish to say one more word in reference to the remarks of my friends and colleagues, Mr. RANKIN and Mr. JEFFERS, and I desire to call their attention to the minority report of two years ago, which on page 12 says:

The Army appropriation now in conference carries an appropriation of $7,500,000 for work to be done and Government activity on Dam No. 2 for the year commencing July 1, 1922. This appropriation ought to be authorized.

We who opposed the Ford offer two years ago and who oppose it now were in favor of the continuance of this work two years ago, and I speak of that because gentlemen seem to indicate that we are not. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland.

The question was taken, and the amendment was rejected.

Mr. BURTNESS. Mr. Chairman, I have an amendment to offer.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 5, line 3, after the word "agent," strike out the remainder of line 3 and all of line 4.

Mr. BANKHEAD. That has already been voted on.

Mr. BURTNESS. Mr. Chairman and gentlemen of the committee, from the very beginning or, at least, from the time that Mr. Ford's offer was first made to the country I have been disposed to favor the acceptance thereof. I do not claim I have made any profound study of this proposition, but during the past week I have given it as careful attention as I have been able to do, and while at times I have felt I ought to change my mind, yet to-day I still feel that the Ford offer is the best proposition before us and that it is probably advisable for the country to accept it. In arriving at that conclusion, I feel that the water-power feature of it is not the one of primary importance, but rather that feature which deals with the national defense. I feel that it is cheap insurance for the country to have the corporation that will be formed to maintain in proper stand-by condition a plant that can be immediately utilized for the manufacture of explosives in time of war. I regard the fertilizer feature as second in order of importance, and I regard the water-power feature as third in such order. In other words, in accordance with the original intent of the Government, this resource should be used for the protection of our Nation in time of war and harnessed for the benefit of agriculture and incidentally to all others in time of peace.

Frankly, I do not like the idea of granting the use of the water power to anyone for a period of 100 years. I should much prefer a compliance with the general provisions of the water power act. But let me say this: If anyone will be adversely affected by this acceptance, in so far as the power feature is concerned, then it is particularly the people in that

section of the country. I find, however, unanimous sentiment for the hundred years among Representatives from such communities, and when they do not see any danger in granting these rights for 100 years I am willing to yield in so far as my judgment is concerned and vote for the bill, even though you rejected the amendment for which I voted to limit the time to 50 years.

But, gentlemen, this is the particular point I want to draw to your attention at this time. I can not help but feel disgusted, or at least disappointed, with the procedure in the House this afternoon in considering this bill, in passing upon the different amendments proposed to this bill, you have voted down one by one these amendments regardless of their merits. You have, in fact, blindly refused to consider them upon their merits. I regret to say that if you take this bill and read it from the beginning to the end it seems to me every unprejudiced person must form the conclusion that, in so far as details are concerned, in so far as technicalities are concerned, every technicality has been written in here in favor of the Ford company and against the Government. That situation could have been remedied with honest consideration, but you have proceeded to turn down amendments here, such as the amendment proposed by the gentleman from Ohio [Mr. BURTON] to section 4 of the bill, which simply would have assured to the country by way of reimbursement for cost of repairs, maintenance, and operation the full amount thereof, the very thing which the proponents of this bill say is already contained in the bill, and you retain a limitation of $35,000 to be paid by the company, allowing the taxpayers of the country to hold the bag for any difference. You turned down an amendment proposed by the gentleman from Maryland [Mr. HILL] to change section 5 of the bill, which would have struck out in the same way the limitation upon the power to be furnished by the company for the operation of the locks, absolutely no justification for such action. The limitation in the bill technically protects the Ford company and not the people of the country. You turned down the amendment proposed by the gentleman from Kansas [Mr. SPROUL], which is similar in substance, it is true, to the amendment which I have just now proposed.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BURTNESS. I ask unanimous consent to proceed for one minute more.

Mr. HOLADAY. Mr. Chairman, I object.

Mr. BURTNESS. Under the right of general extension granted, I desire simply to add that if such tactics are persisted in, you may find many voting against the bill who are in favor of its general purposes but who deem it proper to protect the interests of the American people. I shall watch with interest your action on amendments, perfectly proper, to be submitted later to insure the manufacture of fertilizer as well as to protect the people against unfair or extortionate charges for power. I hope you will not force us to hold our nose when we vote for the bill.

Mr. McKENZIE. Mr. Chairman, I move that all debate on this section and all amendments thereto do now close.

The question was taken, and the motion was agreed to.

Mr. McKENZIE. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. MAPES, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill H. R. 518, the Muscle Shoals bill, had come to no resolution thereon.

LEAVE TO SIT DURING THE SESSIONS OF THE HOUSE.

Mr. DYER. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may meet during the sessions of the House.

The SPEAKER. The gentleman from Missouri asks unanimous consent that the Committee on the Judiciary may meet during the sessions of the House. Is there objection?

Mr. BANKHEAD. Mr. Speaker, reserving the right to object, that is a temporary request and not a permanent request?

Mr. DYER. I think it is probably only temporary.

The SPEAKER. The Chair hears no objection, and it is so ordered.

MUSCLE SHOALS.

Mr. McKENZIE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 518, the Muscle Shoals bill.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 518, with Mr. MAPES in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 518, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 518) to authorize and direct the Secretary of War to sell to Henry Ford nitrate plant No. 1, at Sheffield, Ala.; nitrate plant No. 2, at Muscle Shoals, Ala., Waco Quarry, near Russellville, Ala.; and to lease to the corporation to be incorporated by him Dam No. 2 and Dam No. 3 (as designated in H. Doc. 1262, 64th Cong., 1st sess.), including power stations when constructed as provided herein, and for other purposes.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from North Dakota [Mr. BURTNESS].

The question was taken, and the amendment was rejected.

Mr. LAGUARDIA. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LAGUARDIA: Page 5, line 4, after the word "company," insert: "It is understood and agreed that all labor employed in the construction and completion of the work herein provided for shall not work more than eight hours a day."

Mr. GARRETT of Tennessee. Mr. Chairman, I make a point of order on that.

Mr. LAGUARDIA. I would like to be heard on the point of order.

Mr. GARRETT of Tennessee. I withdraw it, Mr. Chairman.

The CHAIRMAN. The point of order is withdrawn. The question is on agreeing to the amendment.

The question was taken, and the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 7. The company will lease from the United States Dam No. 3, its power house, and all of its hydroelectric and operating appurtenances, except the lock, together with all lands and buildings owned or to be acquired by the United States connected with or adjacent to either end of the said dam, for a period equal to the lease term of Dam No. 2 and its hydroelectric power equipment thereat as stated in paragraph 3 hereof, in order that said respective lease terms of the two dams and the hydroelectric equipment thereat shall expire at the same time, the said period to begin from the date when structures and equipment of a capacity of 80,000 horsepower are constructed and installed and ready for service, and will pay to the United States as annual rental therefor 4 per cent of the actual cost of acquiring lands and flowage rights, and of constructing the lock, dam, and power-house facilities, payable annually at the end of each lease year, except that during and for the first three years of the lease period the rentals shall be in the following amounts and payable at the following times, to wit: One hundred and sixty thousand dollars one year from the date when 80,000 horsepower is installed and ready for service, and thereafter $160,000 annually at the end of each year for two years. Dams Nos. 2 and 3 shall be included in the lease.

Mr. HOCH. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Kansas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HOCH: At the end of line 3, page 6, strike out the period, insert a comma, and add the following: "and said lease shall provide that all rates and charges for power sold and services furnished in connection therewith by the company shall be reasonable, nondiscriminatory, and just to the customers, and shall provide further that all power sold by the company within the State of Alabama shall be subject to regulation by the State as to rates and charges therefor and services furnished in connection therewith, and that all power sold by the company outside the State of Alabama shall be subject to regulation by the Federal Power Commission as to rates and charges therefor and services furnished in connection therewith."

Mr. McKENZIE. Mr. Chairman, before the gentleman begins will he yield for a question?

Mr. HOCH. If it is very brief.

Mr. McKENZIE. Is this a copy of the amendment put in the RECORD by the gentleman from Michigan [Mr. MCLAUGHLIN]?

Mr. HOCH. No; it is not. I have not seen the amendment submitted by the gentleman from Michigan.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. HOCH. Yes.

Mr. McLAUGHLIN of Michigan. I introduced an amendment for the information of the House and submitted it to gentlemen on this side who are much interested in the matter, and the gentleman from Alabama [Mr. OLIVER] and I to-day got together and agreed on an amendment covering this proposition which he says is satisfactory.

Mr. HOCH. Perhaps the House is unfortunately in no mood now to consider amendments. But I want in good faith to urge an amendment of this sort. I do not care what the wording is.

What do we propose to do with reference to this water power? I want to say that I have come to the consideration of this whole proposition in a friendly spirit. Let me go directly to the issue here, because my time is so short. What do we propose to do with reference to this power? We propose to turn over to a company organized by Mr. Henry Ford, for a period of 100 years, this vast water power without the slightest regulation of rates and charges.

Now, it is said that in the absence of any regulation provision in the bill the State of Alabama will have power to regulate the rates and charges in case the power is sold.

If that is true—though there is grave doubt about it—the first part of my amendment should meet no objection, because I provide that if any power is sold in the State of Alabama, the State of Alabama shall have supervision over the rates and charges, and I have followed the language of the Federal power act in that regard. But does anyone contend that when this current is sent over the State line into Tennessee, or the State line into Georgia, or the State line into Mississippi—does any lawyer here contend that there is any power in Tennessee or Georgia or Mississippi to regulate these rates and charges? Gentlemen, it is an amazing proposal that we retain nowhere the power to regulate these rates and charges. Why, we propose to turn this vast water power over for 100 years. How much water power is there there? It is estimated all the way up to 800,000 and 900,000 horsepower. Yet it is proposed to turn it over to one corporation—not Henry Ford—for 100 years without any regulation. It is an indefensible violation of all principles of conservation of natural resources for utilization in the interests of the public.

Why, gentlemen, you may possibly justify the sale of this property at this price—a property, intact, which has cost the Government about $85,000,000—for $5,000,000, although, personally, I doubt it. You may possibly justify the lease of these dams and power houses costing a hundred millions at a rental which figures less than 3 per cent on the investment; you may possibly justify other provisions in this bill, such as the one that involves the amendment we have just turned down, whereby we do the amazing thing of declaring that the United States shall go out and buy these lands, flowage rights, and rights of way at vast expense and pay for it out of the Treasury of the United States and permit an agent named by the company to make all the purchases—a most amazing proposition. You may justify that; but I say to you that while I am in sympathy with the purposes of this bill and have come to the consideration of the proposition, hoping to be able to vote for it, yet in the cool understanding of history the American people will never justify the turning over to one corporation for a period of 100 years one of the greatest water powers in the country without any regulation of rates and charges. The country will never approve it.

Now, remember that there is no agreement to use anything but a small part of this vast power for producing fertilizer, and that what is produced is to be produced at a profit to Henry Ford of 8 per cent, and that there is no guaranty of any sort in this bill that the fertilizer will be produced at any specified cost—no limitation of any sort as to price, except that Henry Ford is to have a profit of 8 per cent upon what he does produce. But, even with all of those defects, we might simply trust blindly to Henry Ford and to this corporation which is to exist for a hundred years, long after Henry Ford is gone, and as to whose future control we can only speculate. That would be a very questionable exercise of faith, without protection under the contract, but how can we shut our eyes to this vital question of the conservation of this vast water power—one of the very greatest power projects in America?

One of two things is true: Either this Henry Ford corporation proposes to use all of the power at Muscle Shoals itself—in which case it is an unconscionable monopoly—or it proposes to sell this power to other users; and if he does sell it to other users, then certainly—at least with reference to the interstate sale of power—it is wholly indefensible to provide no regulation at all of rates, charges, and service. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, I rise in opposition to the amendment. I have not had time to examine the amendment offered by the gentleman who has just spoken, but evidently it seeks to accomplish in some way the purpose which the amendment I offered yesterday, if adopted, will accomplish. My amendment attracted the attention—favorable attention, I believe—of the proponents of this measure, and I have conferred with several of them. This morning the gentleman from Alabama [Mr. OLIVER] and I prepared—with some changes in my amendment—an amendment which I am to offer at the proper place in this bill. It is, as I say, approved by Mr. OLIVER, has been approved by the gentleman from Illinois [Mr. MCKENZIE], and, I understand, has the approval of others who are taking active interest in securing the passage of this bill. We believe, and have reason to believe, that my amendment will be better and more satisfactory to the friends of this measure than is the amendment offered by the gentleman from Kansas [Mr. HOCH].

Mr. BUTLER. Will the gentleman yield?

Mr. McLAUGHLIN of Michigan. Yes.

Mr. BUTLER. Why not have the gentleman's amendment read now, so that we may have it in our minds?

Mr. McLAUGHLIN of Michigan. If this is the proper place, I might offer it as a substitute for the amendment offered by the gentleman from Kansas [Mr. HOCH]. I have prepared it to be offered at another place, but with the consent of the gentleman from Alabama [Mr. OLIVER] I will offer it now as a substitute for the amendment offered by the gentleman from Kansas.

The CHAIRMAN. The gentleman from Michigan offers a substitute for the amendment offered by the gentleman from Kansas [Mr. HOCH], which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. MCLAUGHLIN of Michigan as a substitute for the amendment offered by Mr. HOCH: On page 6, after line 3, add a new section as follows:

"SEC. 8. Whenever the company shall render or supply any public service by way of distributing or supplying electric current or power for any use or purpose for sale to customers or consumers thereof, it shall abide by such laws and regulations as may from time to time be enacted or prescribed by the State or its duly constituted authorities in which the service is rendered or the rate charged. Whenever any service herein mentioned shall enter into interstate or foreign commerce, the company shall abide by the joint action of the duly constituted authorities of the States directly concerned, and if such States are unable to agree through their properly constituted authorities on the service to be rendered in interstate or foreign commerce or on the rates or charges of payment therefor, jurisdiction, during the time the authorities of such States may be in disagreement, is hereby conferred upon the Interstate Commerce Commission to enforce the provisions of this section to regulate and control so much of such service rendered and of the rates and charges of payment therefor as constitute interstate or foreign commerce. The administration of the provisions of this section by the Interstate Commerce Commission, as far as applicable, shall be according to the procedure and practice in fixing and regulating the rates, charges, and practices of railroad companies as provided in the act to regulate commerce, approved February 4, 1887, as amended, and the parties subject to such regulation and control shall have the same rights of hearing, defense, and review as said companies in such cases."

Mr. McLAUGHLIN of Michigan. Mr. Chairman, I am one of those who agree with the gentleman from Kansas [Mr. HOCH] that there ought to be some provision in this act for the regulation and control of the service and of rates and charges that may be made therefor. A sharp difference of opinion has arisen here as to whether or not power and authority to exercise such regulation and control now exists or will exist independently of this act and whether that power if it exists is or will be in the States or in the Congress. It has been said that the States have the authority now and will have it after this bill becomes law. That opinion, confidently expressed by some, has been seriously questioned by many Members of the House. Therefore I may say it is in doubt, and it is a matter of such great importance that there should be no doubt. This act ought to be so framed as to remove all possibility of doubt or chance for difference of opinion.

If there is a question as to which authority, State or Federal Government, should control, we should, I believe, declare it to be the policy that the States shall be permitted to control, as far as they are able to do so. And as to interstate matters the better judgment, as I believe it to be better, is that the Interstate Commerce Commission should control rather than the Federal Power Commission, which exists and functions

under the Federal water power act. That, I believe, will better meet the wishes and opinions of those who have interested themselves in and are giving attention to this particular feature of the bill.

Mr. HOCH. Will the gentleman yield?

Mr. McLAUGHLIN of Michigan. I yield.

Mr. HOCH. I would be interested in getting the gentleman's reason—and, as far as I am concerned, I have no pride in the amendment I have offered as to form—for preferring the Interstate Commerce Commission to the Federal Power Commission. Everyone knows the Interstate Commerce Commission is already burdened.

Mr. McLAUGHLIN of Michigan. The gentleman is making an argument while I yielded for a question.

Mr. HOCH. I will ask the gentleman a question. What are the gentleman's reasons as to why this control should not be given to the Federal Power Commission?

Mr. McLAUGHLIN of Michigan. The gentleman must have taken notice of the fact that every amendment offered to this bill which in any way suggested that authority be given in respect to anything of which this bill treats to the Federal Power Commission has been rejected.

Mr. HOCH. A lot of amendments have been rejected.

Mr. McLAUGHLIN of Michigan. And, in my judgment, the feeling here is not such as will permit of an amendment which will give control of matters we are now considering into the hands of that commission. Further than that, it has seemed to those who have interested themselves in this matter and taken part in the drafting of the amendment that the Interstate Commerce Commission is the more suitable body in that it is a continuing body.

It has the machinery for examining into and administering a matter of this kind, whereas the Federal Power Commission is composed, as we all know, of the Secretary of War, the Secretary of the Interior, and the Secretary of Agriculture, a changing commission, a political commission, a commission not organized, as is the Interstate Commerce Commission, to investigate and administer a matter of this kind. In short, it is our view that the Interstate Commerce Commission is much to be preferred to the Federal Power Commission.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. McKENZIE. Mr. Chairman and gentlemen of the committee, I have been insisting as a member of the committee that in case Mr. Ford should undertake to distribute power from this plant located in the State of Alabama, he would come automatically under the law of the State of Alabama. There is some question, however, as I understand, if he undertakes to distribute this power into other States, as interstate business, and the gentleman from Michigan and a few others felt that there should be something put in the bill that would control Mr. Ford or the corporation that will succeed Mr. Ford, in such distribution, and I feel, and I think everyone does, that no special privileges should be extended to Mr. Ford or to this corporation, and it has not been the purpose of the committee so to do. Therefore I feel that it is not a question of whether it shall be just this way or that way or under the Interstate Commerce Commission or the Federal Water Power Commission, and if there is some provision in here regulating that matter, that ought to satisfy everyone.

Mr. BURTON. Is it not perfectly obvious from this provision beginning "whenever the company shall supply" that it is optional with the company to furnish or not to furnish power outside? In other words, Mr. Ford can use all of that power for himself and for his own company, and only in case he graciously permits the sale of part of it must he submit himself to the regulation.

Mr. McKENZIE. I have no quarrel with him on that point.

Mr. BURTON. The gentleman concedes that Mr. Ford, under that provision, could use all the power, aside from that used for fertilizer, for himself?

Mr. McKENZIE. Absolutely; and if I was undertaking what Mr. Ford is undertaking, I would want that right.

Mr. SPROUL of Kansas. Does the gentleman think Mr. Ford would permit the United States Government to authorize the Interstate Commerce Commission to regulate the rates for the sale of electricity throughout the different States?

Mr. McKENZIE. Well, I do not know that I could make that any plainer.

Mr. BYRNS of Tennessee. Mr. Chairman, I would like to ask the gentleman a question in regard to this amendment. I heard it read but I could not understand it fully. Does this amendment seek to fix the maximum rate or does it give to the Interstate Commerce Commission the right to fix the rates?

Mr. McKENZIE. It does not fix any rates. It gives them the right to fix the rates.

Mr. BYRNS of Tennessee. But does it give them the right to fix the maximum rate or does it give them the right to fix the rate at which the power shall be sold?

Mr. McLAUGHLIN of Michigan. The first paragraph of my amendment practically, in effect, simply recognizes the right of the State through its duly constituted authorities, to regulate and control these matters the same as any other company furnishing electric current or power; and as to interstate commerce, it recognizes the right of the States that are directly concerned to exercise the same measure of control, and if they can not agree, and only while they are in disagreement, the Interstate Commerce Commission shall take jurisdiction of the matter. There is nothing in this amendment in regard to maximum or minimum rates.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BYRNS of Tennessee. Why not fix the maximum rate in the interest of the consumer?

Mr. McLAUGHLIN of Michigan. This leaves the matter to your State to determine. It recognizes the rights of the State.

Mr. BYRNS of Tennessee. Why not give to Mr. Ford, or to anybody else the right to reduce rates? I think they ought to be the maximum rates.

Mr. McKENZIE. Mr. Chairman, I move that all debate on this amendment and the substitute close in five minutes.

Mr. OLIVER of Alabama. I would like to have five minutes.

Mr. DAVIS of Tennessee. I would like to have five minutes.

Mr. McKENZIE. Mr. Chairman, I move that all debate on the amendment and the substitute to the amendment close in 10 minutes.

Mr. HILL of Maryland. Mr. Chairman, I submit a preferential motion. I move that all debate close now on this amendment.

The CHAIRMAN. The question is on the motion of the gentleman from Maryland, amending the motion of the gentleman from Illinois.

The question was taken, and the motion was agreed to.

The CHAIRMAN. The question is on the motion as amended.

Mr. HILL of Maryland. Mr. Chairman, a parliamentary inquiry. Is this a vote on the McLaughlin amendment?

The CHAIRMAN. The vote is on the motion of the gentleman from Illinois [Mr. McKENZIE] to close debate in 10 minutes, which was amended by the motion of the gentleman from Maryland to close the debate at once, which was carried, and the question now is on the original motion as amended by the motion of the gentleman from Maryland [Mr. HILL] to close debate.

The question was taken; and on a division (demanded by Mr. QUIN) there were—ayes 80, noes 70.

Mr. HOCH. Mr. Chairman, I ask unanimous consent that my amendment may be again reported.

The amendment was again reported.

The CHAIRMAN. The question now is upon the substitute of the gentleman from Michigan [Mr. McLAUGHLIN] for the amendment of the gentleman from Kansas [Mr. HOCH].

The question was taken; and on a division (demanded by Mr. BYRNS of Tennessee) there were—ayes 68, noes 86.

So the substitute was rejected.

The CHAIRMAN. The question now is on the original amendment of the gentleman from Kansas [Mr. HOCH].

The question was taken; and on a division (demanded by Mr. HOCH) there were—ayes 61, noes 95.

Mr. HOCH. Mr. Chairman, I demand tellers.

The question was taken, and tellers were ordered. The Chair appointed as tellers Mr. HOCH and Mr. McKENZIE.

The committee again divided; and the tellers reported that there were 67 ayes and 117 noes.

So the amendment was rejected.

Mr. McKENZIE. Mr. Chairman, on line 3, page 6, there is a misprint. I ask unanimous consent that the word "and," following the figure 3 in said line, be stricken out.

The CHAIRMAN. Without objection, it will be so ordered.

There was no objection.

The Clerk read as follows:

SEC. 8. The company will further pay to the United States during the period of the lease of Dam No. 3, $20,000 annually, in installments, quarterly in advance, for repairs, maintenance, and operation of Dam No. 3, its gates and lock; it being understood that all necessary repairs, maintenance, and operation thereof shall be under the direction, care, and responsibility of the United States during the said 100-year period; and the company, at its own expense, will make all necessary renewals and repairs incident to the efficient maintenance of the power house,

substructures, superstructures, machinery, and appliances appurtenant to said power house and will maintain the same in efficient operating condition.

Mr. BURTON. Mr. Chairman, I desire to offer an amendment. It is similar to the one I offered before, and, as far as I am concerned, I am willing to submit it without discussion.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment proposed by Mr. BURTON: On page 6, in section 8, strike out lines 4 to and including the word "period," in line 11, and insert in lieu thereof the following: "The company during the period of this lease shall, at its own expense, provide for the necessary repairs, replacements, maintenance, and operation of Dam No. 2, its gates, and locks."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio, Mr. BURTON.

The question was taken; and on a division (demanded by Mr. BURTON) there were 54 ayes and 90 noes.

So the amendment was rejected.

The Clerk read as follows:

SEC. 9. At all times during the period of the lease of Dam No. 3 the company will furnish to the United States, free of charge, to be delivered at any point on the lock grounds designated by the Chief of Engineers, United States Army, electric power necessary for the operation of the said lock, but not in excess of 100 horsepower.

Mr. HILL of Maryland. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 6, line 22, after the word "lock," strike out the words "but not in excess of 100 horsepower."

Mr. HILL of Maryland. Mr. Chairman, section 9 purports to require the Ford company to furnish electric power necessary for the operation of the lock. It then qualifies that language by the insertion of the following entirely irrelevant and limiting words, "but not in excess of 100 horsepower."

Section 9 would be construed by any court to mean that the sole obligation of the Ford corporation was to furnish 100 horsepower. It does not say whether the 100 horsepower shall be furnished every time a lock is open; it does not say whether that 100 horsepower shall be furnished every week, or whether that 100 horsepower shall be furnished every year or only during the 100 years of the contract. If the Ford proposition means what it is advertised to mean and what the people at large believe it to mean, that section 9 provides the Ford corporation shall actually furnish the actual "necessary" horsepower these words of limitation "not in excess of 100 horsepower" should be stricken out.

I hope you will adopt my pending amendment, to which no one can object who wants necessary power furnished. [Applause.]

Mr. BOWLING. Mr. Chairman, I rise in opposition to the amendment. Mr. Chairman and gentlemen, the Alabama Power Co. have covered my district like the dew. There is not an important town in it in which it does not either own an electric-light plant or furnish the power. The two great rivers of Alabama that furnish the water power of the State run through my district. One of the largest counties in my district is Tallapoosa and is on the Tallapoosa River, one of the greatest water powers in the State. The Alabama Power Co. is building on that river a $7,000,000 dam. They have many friends there and have done much to develop that section of Alabama. At the same time, my attitude with respect to this Ford offer is well known both in Alabama and in Washington. I have told those who are sufficiently interested and who have asked me that I thought the Ford offer was a good one and I desired to support it and that I am in favor of this bill. To-day I am in receipt of a telegram from gentlemen of my district whom I esteem very highly. They desire it to be put in the RECORD, and I will ask, in deference to them, who are fine men and good citizens, that it go into the RECORD and be read by the Clerk in my time. They all know that I am in favor of the Ford offer and will continue to be.

The Clerk read as follows:

ALEXANDER CITY, ALA., *March 8, 1924.*

Hon. W. B. BOWLING,
House of Representatives, Washington, D. C.:

We most respectfully protest news dispatches out of Washington which seek to discredit the Alabama Power Co., whose operations in this State have been of untold benefit to fast-growing industries. We can see no reason why they should be condemned, as they are in the press dispatches, for an offer which they and other power companies submitted for Muscle Shoals. In our opinion that offer is far more attractive than that submitted by Ford. We fail utterly to see why Ford should be permitted to exploit such a great national asset as Muscle Shoals and thereby localize its usefulness. We request that this protest be placed in the RECORD.

J. SANDFORD MULLINS.	CHAS. A. DEAN.
L. B. DEAN.	DR. W. E. MAXWELL.
J. F. FUNDERBURK.	A. J. WARREN.
A. A. WORTHY.	E. J. DUNCAN.

Mr. BOWLING. Supplementary to that I will say that the people whom I represent are anxious for Henry Ford to come into Alabama and protect us from the monopoly and combine established by the Alabama Power Co. They own and control all the power of the two great rivers of Alabama, the Coosa and the Tallapoosa. Nobody else can get in. We do not desire to be subjected to the uncontrolled power of that great financial interest.

Mr. LAGUARDIA. Let me say to the gentleman that perhaps Mr. Ford will break up the monopoly of the Democratic Party.

Mr. BOWLING. Well, there is not a better man in the United States who could break it, but it will not be broken. [Applause.]

The CHAIRMAN. The time of the gentleman from Alabama has expired. The question is on the amendment offered by the gentleman from Maryland [Mr. HILL].

The question was taken, and the amendment was rejected.

The Clerk read as follows:

SEC. 10. For the purpose of enabling the Government to create and provide a sinking fund to retire the cost of Dam No. 3 at the end of the lease period the company will at the beginning of the fourth year of the lease period, and semiannually thereafter for the remaining term of the lease, pay to the United States Government the sum of $3,505; and for the purpose of enabling the Government to create and provide a sinking fund to retire the cost of Dam No. 2 at the end of 100 years the company will at the beginning of the seventh year of the lease period, and semiannually thereafter for the remaining term of the lease, pay to the United States Government the sum of $19,868.

Mr. HULL of Iowa. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read:

The Clerk read as follows:

Amendment offered by Mr. HULL of Iowa, page 6, line 23: Strike out all of section 10 and insert in lieu thereof the following:

"SEC. 10. For the purpose of enabling the Government to create and provide a sinking fund to retire the cost of Dam No. 3 at the end of the lease period the company will at the beginning of the fourth year of the lease period, and semiannually thereafter for the remaining term of the lease, pay to the United States Government *such sum as may be necessary for such purpose computed by standard amortization tables;* and for the purpose of enabling the Government to create and provide a sinking fund to retire the cost of Dam No. 2 at the end of *the lease period* the company will at the beginning of the seventh year of the lease period, and semiannually thereafter for the remaining term of the lease, pay to the United States Government *such sum as may be necessary for such purpose as computed by standard amortization tables.*"

Mr. HULL of Iowa. Mr. Chairman and gentlemen of the committee, this is an amendment which will do exactly what the bill purports to do in section 10. I do not intend to take up very much of your time. I simply want to call attention to the fact that section 10 will not amortize Dam No. 2. It pretends to do this and to pay back to the Government $50,000,000. It will pay back to the Government $4,337,378 in 100 years. You must invest that money in such a manner as to make up the other $45,000,000. If you will adopt this amendment you will protect the Treasury of the United States, and at the end of the time Dam No. 2 will be really amortized.

Mr. TAYLOR of Tennessee. Mr. Chairman and gentlemen of the committee, up to this time I have refrained from occupying any of the time of the committee by participating in the discussion of this very important legislation, because it has been apparent to me from the beginning that a large majority of the committee is in favor of the passage of this bill without material amendment, and, therefore, a discussion of it by me would simply delay its final passage to that extent. The special rule under which this bill is being considered at this time afforded ample opportunity to both its adherents and its opponents for its full discussion. Notwithstanding the fact that 10 hours were consumed in general debate, we find a disposition on the part of those in opposition to this measure to block and obstruct its passage.

My colleagues, I confess that I feel a very deep and vital interest in the passage of this legislation. My interest has not been based on any personal or selfish consideration or on account of the fact that I come from a Southern State which will,

in the very nature of things, be directly affected by the development of the Muscle Shoals project. My chief concern exists in my desire to see a large part of our population—our basic industry, if you please, the farmers of the land—given at least a modicum of relief in the way of cheaper fertilizer. In fact, my interest in this proposition has been so great and keen that, although not a member of any congressional committee charged with the duty of a personal inspection of this great project, upon my own volition and at my own personal expense I went to Muscle Shoals and studied this colossal undertaking first hand.

I will not consume your time by giving you in detail my observations and impressions of this gigantic proposition. Suffice it to say that when completed the Muscle Shoals institution will be the greatest hydroelectric power development in the whole world. It is an accepted fact that, notwithstanding repeated and persistant efforts on the part of the War Department to interest some one in Muscle Shoals, no one would consider the proposition except that great wizard of industry, Henry Ford. Everybody else declared the deliberation to be impracticable and impossible. But just as soon as it developed that the Government was about to negotiate a contract with the automobile genius, these selfish power companies began to prick up their ears and get busy with a campaign of propaganda. Every species of propaganda known has been resorted to and employed in an effort to poison and prejudice the mind of the great American public against Henry Ford and the Ford proposition. But this desperate effort has failed, and signally failed, and Muscle Shoals will be turned over to Ford under the terms provided in this measure before you. [Applause.] My friends, I do not desire to inject politics into the consideration of this purely economic measure. No political issue is involved in this proposition. It is a national issue and a national emergency, and while I would not inject politics into the consideration of this measure, I desire to say that in my opinion the warning uttered by the gentleman from Illinois yesterday to the Republicans of the House was entirely appropriate and timely and has my cordial approval.

Gentleman of the House, this is a great national issue—yea, it is a great national emergency. [Applause.] The Republican Party is, in fact or in theory, in control of this body and is responsible for legislation. If this measure is defeated or its efficacy destroyed or impaired by unfriendly amendments, its blood will be upon our hands. The gentleman from Kansas a few minutes ago called attention to the "few Republicans" collaborating with the Democrats in the passage of this bill. I am delighted to be among those few Republicans referred to by the distinguished Kansan. [Applause.] I am a Republican of the old-fashioned stand-pat variety and I am proud of the fact. I have the honor to represent a district that has not sent a Democrat to Congress since the great Civil War, and I suspect that this is a boast that very few Members on this side of the Chamber can make, be they from the great rolling West or even from Yankee-Doodle herself. [Applause.] I have no apologies to offer for associating with Democrats in the passage of this legislation. This is a meritorious measure that rises above the plane of sordid politics, and it is to be regretted and deplored that some gentlemen can not divorce their politics and feelings of sectionalism long enough to give sober and patriotic consideration to a measure that means so much to our national defense and to our most vital and essential industry—agriculture. [Applause.]

Mr. JAMES. Mr. Chairman, I move that all debate upon this paragraph and all amendments thereto do now close.

The motion was agreed to.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Iowa [Mr. HULL].

The question was taken, and the amendment was rejected.

Mr. BURTNESS. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment proposed by Mr. BURTNESS: On page 8, in lines 8 to 10, strike out the words "but the company shall not be obliged to operate nitrate plant numbered 1 as an air nitrogen fixation plant."

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Dakota.

The amendment was rejected.

The Clerk read as follows:

SEC. 11. The company agrees to purchase from the United States, and the United States will sell the following properties, namely:

(a) All of the property constituting nitrate plant No. 2 (as officially known and designated), including lands, power plants, buildings, material, machinery, fixtures, equipment, apparatus, appurtenances, tools, and supplies, and the right, license, and privilege to use any and all of the patents, processes, methods, and designs which have been acquired and may be transferred or assigned to a purchaser of nitrate plant No. 2 by the United States, together with the sulphuric acid units now in storage on the premises.

(b) All of the property constituting nitrate plant No. 1 (as officially known and designated), including lands, power plants, buildings, material, machinery, fixtures, equipment, apparatus, appurtenances, tools, and supplies, and the right, license, and privilege to use any and all of the patents, processes, methods, and designs which have been acquired and may be transferred to a purchaser of nitrate plant No. 1 by the United States, but the company shall not be obliged to operate nitrate plant numbered 1 as an air nitrogen fixation plant.

(c) All of the property constituting the Waco Quarry (as officially known and designated), including rights of way and buildings, material, quarry tracks, machinery, railroad tracks, appurtenances, tools, and supplies.

Mr. HILL of Maryland. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. HILL of Maryland: Page 7, line 12 after the words "SEC. 11," strike out "The company agrees to purchase from the United States, and the United States will sell" and insert in lieu thereof the following: "The United States will lease to the company for a period of 50 years and for an annual rental of $1."

Mr. HILL of Maryland. Mr. Chairman and gentlemen of the House, section 11 provides that nitrate plant No. 1, which the chairman of the Chemical Research Laboratory has recently stated could now be used for air nitrates under the Haber process; that nitrate plant No. 2, which was used during the war by the cyanamide process, and that the Waco Quarry, which was acquired so that the proper stone could be obtained for nitrates, be all absolutely deeded to the Ford corporation. Those sections of the bill are as follows:

SEC. 11. The company agrees to purchase from the United States, and the United States will sell the following properties, namely:

(a) All of the property constituting nitrate plan No. 2 (as officially known and designated), including lands, power plants, buildings, material, machinery, fixtures, equipment, apparatus, appurtenances, tools, and supplies, and the right, license, and privilege to use any and all of the patents, processes, methods, and designs which have been acquired and may be transferred or assigned to a purchaser of nitrate plant No. 2 by the United States, together with the sulphuric acid units now in storage on the premises.

(b) All of the property constituting nitrate plant No. 1 (as officially known and designated), including lands, power plants, buildings, material, machinery, fixtures, equipment, apparatus, appurtenance, tools, and supplies, and the right, license, and privilege to use any and all of the patents processes, methods, and designs which have been acquired and may be transferred to a purchaser of nitrate plant No. 1 by the United States but the company shall not be obliged to operate nitrate plant No. 1 as an air nitrogen fixation plant.

(c) All of the property constituting the Waco Quarry (as officially known and designated), including rights of way and building, material, quarry tracks, machinery, railroad tracks, appurtenances, tools, and supplies.

You are asked to deed to the corporation to be created by Mr. Ford a great instrument of national defense, ready at any moment to furnish sufficient nitrogen for two field armies, or 1,000,000 men. Bear that clearly in mind. We have that now in nitrate plant No. 2 and the Waco Quarry. We do not need a new Ford or any other kind of corporation to give us what we now have; and, on the other hand, we should not deed away this great necessity for national defense. Here is a letter from the Secretary of War which you should read carefully as to the Ford offer in its relation to national defense. Note also what the Secretary says about the price for this sale:

The proposed return to the Government for nitrate plant No. 1, nitrate plant No. 2, the Waco Quarry, and the proposed Black Warrior plant, if its transfer is intended, would be less than the Government has already obtained for a minor element of the plant No. 2 development, that is, the Gorgas plant.

We need the Muscle Shoals property for national defense. I hope you will ponder carefully the letter of the Secretary of War, which is as follows:

JANUARY 30, 1924.

Hon. GEORGE W. NORRIS,
Chairman Committee on Agriculture and Forestry,
United States Senate.

MY DEAR SENATOR NORRIS: Referring further to your letter of December 24, 1923, and to my acknowledgment under date of January 8, 1924, in regard to Senate 139, after further examination of the various provisions of that bill I desire now to submit my views as follows:

The purpose of the bill is to authorize and direct the Secretary of War to accept the offer of Henry Ford of May 31, 1922, for lease of

certain Government dams and power properties on the Tennessee River and for purchase of the nitrate plants and properties near Muscle Shoals

The offer of May 31, 1922, is substantially the same as Mr. Ford's former offer as last modified January 25, 1922, and the bill now under consideration embraces the terms of the May offer, except paragraph 12 and subparagraph (d) of paragraph 11, which relate to the Gorgas plant and transmission line which have been sold by the Government. The bill, in lieu of transferring to Mr. Ford the Gorgas plant and line or the rights of the United States therein, proposes to provide an equivalent on the Black Warrior River near Dam No. 17, and a transmission line to Muscle Shoals; and thus qualifying the offer to accept it.

The following synopsis of the bill will clarify it:

Section 1 provides that Mr. Ford form a company to effectuate his order.

Section 2 provides that the company shall complete for the United States at actual cost and without profit to the company Dam No. 2, Muscle Shoals.

Section 3 provides that the company shall lease Dam No. 2, its power house, equipment, and appurtenances for 100 years from the date when 100,000 horsepower is installed and ready for service and will pay therefor $200,000 annually for the first six years, and thereafter annually 4 per cent of the cost of the properties to the United States, exclusive of the amounts expended or obligated by the United States to the date of acceptance of the offer.

Section 4 provides that the company shall pay $35,000 annually during the lease period to provide for repairs, maintenance, and operation by the United States of Dam No. 2, its locks and gates; the repair and maintenance of the power house and its equipment to be cared for by the company at its own expense.

Section 5 provides that the company shall furnish the United States electric power in an amount necessary for the operation of the locks at Dam No. 2, but not in excess of 200 horsepower.

Section 6 provides that the company shall construct for the United States, at actual cost and without profit to the company, Dam No. 3, Tennessee River, its lock, power house, and all necessary equipment.

Section 7 provides that the company shall lease Dam No. 3, its power house, equipment, and appurtenances, the lease to begin when the structures and power equipment to produce 80,000 horsepower are ready for service, and to expire at the same date as the lease for Dam No. 2, and shall pay therefor for the first three years of the lease period $160,000 annually, and thereafter annually 4 per cent of the cost of the properties to the United States.

Section 8 provides that the company shall pay $20,000 annually during the lease period to provide for repairs, maintenance, and operation by the United States of Dam No. 3, its lock and gates; the repair and maintenance of the power house and its equipment to be cared for by the company at its own expense.

Section 9 provides that during the lease of Dam No. 3 the company will furnish to the United States the electric power necessary for the operation of the lock at Dam No. 3, but not in excess of 100 horsepower.

Section 10 provides for the establishment of sinking funds to amount at the end of the lease periods, with interest payable semiannually at the rate of 4 per cent per annum, to $8,152,137 in the case of Dam No. 3 and to $40,919,798 in the case of Dam No. 2. The amount of the sinking fund provided for in the case of Dam No. 2 corresponds to Mr. Ford's estimate of the cost of that dam, but the sinking fund provided for in the case of Dam No. 3 corresponds to the cost of that dam as first estimated by Mr. Ford, viz., $8,152,137, and not to his later revised estimate of $19,000,000.

Section 11 provides for the purchase by the company from the United States of all property constituting nitrate plant No. 2, all of nitrate plant No. 1, and all of Waco Quarry.

Section 12 provides that the purchase price for the properties referred to in section 11 shall be $5,000,000, and stipulates how this price shall be paid and what deeds shall be given.

Section 13 provides that the purchase price of those properties shall not be diminished for their depreciation between the date of the offer and its acceptance, that no inventory of the properties need be made, and qualifies the deeds of conveyance.

Section 14 provides for the manufacture by the company of nitrogen and other commercial fertilizers at plant No. 2, or equivalent plant or plants in the vicinity, for certain research work in connection with the manufacture of fertilizers, and for the maintenance by the company of the plant in a state of readiness for the manufacture of material necessary in time of war for the production of explosives.

Section 15 provides for fixing the price for fertilizers.

Section 16 provides for the temporary recapture of plant No. 2 by the United States for national defense when necessary for the production of materials needed in the manufacture of explosives or other war materials.

Section 17 provides that the company shall have the preferred right to negotiate for the lease or purchase of the dams and power properties at the termination of the lease period.

Section 18 provides a method of procedure for the termination of contracts made in furtherance of the offer in case of violation of the provisions of the contract and for the enforcement of their provisions.

Section 19 provides that the United States shall contract with Mr. Ford or the company to build a steam electric power plant at or near Dam No. 17, Black Warrior River, and a power transmission line to Muscle Shoals at a capital cost to the United States not to exceed $3,472,487, in order to provide a plant equivalent to the Gorgas steam plant.

Section 20 provides that the instruments necessary to effectuate the acceptance of the offer shall be binding upon the United States and jointly and severally upon Henry Ford, his heirs, representatives, and assigns, and the company, its successors and assigns.

Section 21 authorizes the appropriations necessary to carry out the bill.

Section 22 repeals any laws in conflict with the bill.

My views as to the advantages and disadvantages to the United States of the offer of January 25, 1922, were expressed in a letter written under date of February 1, 1922, to the Speaker of the House of Representatives, printed in House Report No. 1084, Sixty-seventh Congress, second session.

As stated in that report, I consider that it is peculiarly the province of Congress to weigh the consideration which will pass to the respective parties to the proposed arrangement and to determine whether the advantage to the Government in having nitrate plant No. 2, or an equivalent plant, maintained in readiness for the manufacture of explosives, and in actual production of fertilizer, is of sufficient importance to justify the proposed departure from the present policy of the law in regard to dealing with the water-power resources of the Nation, and the acceptance of a return manifestly of itself inadequate for the water-power installations and the properties for the fixation of nitrogen from the air.

That policy is to invite competition by advertising the power privileges for lease for a term not in excess of 50 years. I am still of the opinion that it will be better to limit a grant of the power privileges to a term of 50 years, and I believe that the public interests will be best conserved if competitive offers for the privileges sought by Mr. Ford are invited, received, and canvassed, and that offer accepted which may be competently found to be most advantageous to the United States.

If the end sought is merely to dispose of the nitrate properties and power privileges on the most advantageous terms embracing all the varied Government interests in one proposition, but requiring that nitrate plant No. 2 be used for the manufacture of fertilizers and be held available for the production of materials necessary in the manufacture of explosives or other war materials, I would suggest that Congress can by specific legislation enable the Federal Power Commission, which is composed of the Secretary of War, the Secretary of the Interior, and the Secretary of Agriculture, after advertisement in the manner prescribed in the water power act, to enter into suitable leases and contracts and to execute all instruments necessary to accomplish the end.

It is my strong conviction that the Government should continue work on Dam No. 2 and carry it to completion as early as practicable, and that it should be expected that if meanwhile Congress has made no special provision for the disposal of the power available therefrom it will be advantageously leased by the Federal Power Commission under the terms of the Federal water power act.

If the proposition embraced by the bill is favorably considered, I would suggest the following amendments as being necessary to more clearly define the rights and responsibilities of the contracting parties.

Section 2 should be omitted for the following principal reasons:

The Government has a going organization now engaged in the construction of Dam No. 2; the work is progressing rapidly and satisfactorily and will have reached a stage where approximately 100,000 horsepower will probably be available soon after January 1, 1925; the dam and power house will, it is expected, be entirely completed in the fall of that year, with eight main generating units of a capacity of 260,000 horsepower installed; there are numerous contracts outstanding, some of which will run until the work is nearly completed; a change in administration of the work at this time would, it is believed, be to the disadvantage of the Government, as it would delay its completion without decreasing the cost.

SEC. 3. Omit the words "except the locks" in line 7, and change the word "either" in line 9 to "the power house." The locks do not form part of the power development and are on the opposite side of the river from the power house. In connection with the operation of the lock and navigation facilities, it is desirable that the Government retain the land at the lock end of the dam.

In connection with the word "completing" in line 15, and in lines 16, 17, and 18 the words in parentheses reading "but not including expenditures and obligations incurred prior to approval of this proposal by Congress," your attention is invited to the fact that the consideration if equitable at any past date are disparate now, for the reason that since the date of the submission of Mr. Ford's offer there

had been expended on Dam No. 2 approximately $10,000,000, and that these expenditures are now continuing at the rate of $30,000 per day. Senate bill 139 takes no cognizance of the expenditures made since the date of the original offer. By reason of funds already spent since the date of this offer the return to the Government would be approximately $400,000 per year less than when the offer was submitted.

SEC. 7. Omit the words "except the lock," in line 16, and change the word "either," in line 18, to "the power house."

A like reason applies to this as to a similar change in section 3.

Sections 11 to 14, inclusive, provide for the purchase by Mr. Ford, or by a company to be formed by him, of all of the property constituting nitrate plant No. 2, all of nitrate plant No. 1, and all of the Waco Quarry. They state the price to be paid, the method of payment, stipulate the deeds to be given, and set forth the guaranties provided by Mr. Ford in his offer to maintain nitrate plant No. 2 at its present state of readiness for immediate operation in the manufacture of nitrates in time of war for the production of explosives.

By section 14 (b) Mr. Ford binds himself to produce at nitrate plant No. 2 a certain quantity of nitrates for fertilizer purposes and "to maintain nitrate plant No. 2 at its present state of readiness or its equivalent for immediate operation in the manufacture of materials necessary in time of war for the production of explosives." The inclusion of the phrase "or its equivalent" makes this provision in some respects ambiguous and susceptible to more than one construction, whereas it should be a direct and unqualified obligation on the part of Mr. Ford and his company to keep nitrate plant No. 2, or its equivalent, ready for the production of nitrates for explosives at least up to its present capacity. In view of the long period of time that the contract runs and the likelihood of radical improvement in the production of nitrates, it is believed that this provision might better be changed to read as follows:

> "To keep and maintain nitrate plant No. 2, or an equivalent plant, in a state of readiness to immediately produce nitrates for munition purposes to an amount equivalent to its present capacity."

There is, however, in the offer no security for the performance of this obligation other than the promise of the contractor and the remedy provided for in section 18. It is my opinion that a specific provision should be made that in case Mr. Ford or his company fails to live up to this provision of the contract, or the provision for the production of fertilizer, that nitrate plant No. 2, the Waco Quarry, and the Black Warrior power plant shall revert to the United States, and that the United States shall be entitled to cancel and terminate the leases of the dams and power plants covered by the proposal. The importance of nitrate plant No. 2 and the Waco Quarry to the defense of the United States is indicated by the fact that as they now stand they would furnish sufficient nitrogen for two field armies, or 1,000,000 men. It is therefore of the utmost importance to the national defense that this plant or its equivalent be ready for immediate operation in case of war. By the terms of the Ford offer and the bill under consideration, title to nitrate plants Nos. 1 and 2 and to the Waco Quarry will pass to Mr. Ford or his company. It is true that in section 12 it is provided that the deeds conveying these properties "shall refer to or contain the provisions of this offer and said deeds shall be so drawn as to make such provisions covenants running with the land." I believe that the importance of this feature of the contract is such that every possible safeguard should be placed in the contract to insure compliance therewith, and that there should be added to the last-quoted provision the words

> "and such deed shall also provide that in case the grantee shall fail to operate said nitrate plant No. 2, as provided herein, or shall fail to maintain the same in its present state of readiness, or its equivalent, for immediate operation in the manufacture of materials necessary in time of war for the production of explosives, or if said grantee shall fail to comply in any other respect with the terms of the contract between the United States and Henry Ford or his company, as evidenced by his offer of May 31, 1922, and its acceptance by Congress, then the title and right to possession of said nitrate plant No. 2, the Waco Quarry, and the Black Warrior power plant shall immediately revert to and revest in the United States of America, and the United States shall be entitled to a cancellation and termination on the lease or leases to Dams Nos. 2 and 3 and their power plants."

If the suggestion made above for a change in wording of paragraph 14 (b) is adopted, the language of the reverter clause last quoted above should be changed accordingly.

In disposing of the property enumerated in the bill under consideration, it is essential to the military preparedness for the defense of this Nation that provision be made to guard against each or both of the following contingencies:

(a) That United States nitrate plant No. 2, with a reliable method of fixing nitrogen, be altered to convert it into a plant employing some other processes chosen by Mr. Ford, with resulting failure of those processes and subsequent closing down of the new plant.

(b) An entire abandonment of the fixation of nitrogen at Muscle Shoals and the passing of the nitrate plants to other processes, since under this act (S. 139) the United States does no longer own either of the plants.

In regard to (a) if Congress desires to control the process of producing nitrate at plant No. 2 more fully than by the general terms quoted above, it could provide, if Mr. Ford would consent, that no change in process of fixation could be made without consent of the Secretary of War. This would provide against the contingency liated under (a). As to the contingency of entire abandonment of the fixation of nitrogen at Muscle Shoals, the provision for a reversion of title and possession to the United States, together with cancellation and termination of the dam and power plant leases, would probably be the best solution that would be assented to by Mr. Ford.

Section 14 of the bill provides:

> "The company expressly agrees that continuously throughout the lease period, except as it may be prevented by reconstruction of the plant itself, or by war, strikes, accidents, fires, or other causes beyond its control it will manufacture nitrogen, etc."

I am advised that from a legal point of view the phrase, "or other causes beyond its control," for the sake of clarity should be changed to read "or other like causes beyond its control." Three lines further in the same section there is inserted the phrase, "or its equivalent," the meaning of which as used is not quite clear, and I therefore suggest that this language also be clarified.

Section 19. If it is the intention of Congress as is presumed to furnish to the company a steam electric plant equivalent to the Gorgas plant, provision should be made for the conveyance of the proposed Black Warrior plant to the company. The bill as drawn does not contain such provision.

In view of the large number of bills on this subject before Congress, and of the fact that, according to the public press, the Ford interests are in direct communication with the chairman of the Committee on Military Affairs of the House of Representatives, and expect to appear before that committee in the near future with a definite statement as to Mr. Ford's attitude on the whole matter, it has not seemed to me desirable at this time to attempt to redraft as a whole Senate 139 to meet the views set forth above. It may be said, however, that the legislative intent might better be expressed by reciting the terms of the offer by way of preamble and its acceptance and modification in the body of the bill.

With a view to limiting the length of this communication and to avoid repeating information already before the committee of Congress in documentary form, I have omitted many facts and statistics pertinent to the consideration of the proposed contract from a business point of view. However, from the statements included herein and from other data already available to the committee, the following general conclusions are evident:

a. That the Gorgas plant, or an equivalent steam plant, is not necessary for any probable development of the Muscle Shoals properties for public purposes, and therefore should not be replaced.

b. That the progress of the construction of Dam No. 2 is such that it should be completed by the Government.

c. That the offer by Mr. Ford for the facilities at Muscle Shoals is much less than their present value, not only by reason of the investment the Government has made in the properties since the offer was first submitted, nor because the yearly return for power, considering Dam No. 2 alone, would be only a fraction of its sale value, but also because the proposed return to the Government for nitrate plant No. 1, nitrate plant No. 2, the Waco Quarry, and the proposed Black Warrior plant, if its transfer is intended, would be less than the Government has already obtained for a minor element of the plant No. 2 development, i. e. the Gorgas plant.

d. That there is no present need for the construction of Dam No. 3, and its construction should be deferred until the requirements for power and navigation in that region have developed sufficiently to warrant its being built, and, further, that there is no basis for an estimate of the cost of the dam.

e. That there is no necessity for the first provision contained in the preamble to the bill, namely, that for national defense in time of war any action should be taken along the lines proposed in Mr. Ford's offer, for the reason that the United States can now produce nitrates to provide itself with ingredients for explosives to the extent contemplated by this bill by using the plant now installed at Muscle Shoals, including the steam power available. The cost of production will, of course, be modified when the water power is in operation, but the means have been provided and proven already for such requirement.

(f) That to insure the availability of the facilities for the fixation of nitrogen in condition for prompt operation in an emergency, the enabling act in the case of the Ford offer, or of any other offer considered, should contain provisions as to ownership of capital stock and executive control considered sufficient by Congress to preclude the possibility of ownership or executive control other than by citizens of the United States.

Sincerely yours, JOHN W. WEEKS, *Secretary of War.*

Gentlemen, you are asked to deed absolutely to the Ford interests these nitrate plants and the Waco Quarry, which are essential for national defense.

I hope that you will not do this. I hope that you will vote for my pending amendment for lease and against the Ford demand for sale. [Applause.]

If you lease these plants to Mr. Ford under this amendment, they will be available at all times for development of fertilizer, but they will be more available to the United States for national-defense purposes. If you deed these plants to Mr. Ford, the offer and the contract as set forth in the pending bill provide that he need not maintain; that he may, if he desires, entirely demolish nitrate plant No. 1 with all of its great setting. I ask you to vote for this amendment.

The CHAIRMAN. The time of the gentleman from Maryland has expired.

Mr. McKENZIE. Mr. Chairman, I desire to say simply that the amendment of the gentleman from Maryland would destroy the security provided in this bill for the protection of the people of the United States. I therefore ask for a vote and move that all debate upon this section and all amendments thereto do now close.

The CHAIRMAN. The gentleman from Illinois moves that all debate upon the section and all amendments thereto do now close.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland.

The amendment was rejected.

Mr. BURTON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. BURTON: Page 8, lines 8 to 10, strike out the words "but the company shall not be obliged to operate nitrate plant No. 1 as an air-nitrogen station plant.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Ohio.

The question was taken; and on a division (demanded by Mr. BURTON) there were—ayes 33, noes 76.

So the amendment was rejected.

The Clerk read as follows:

SEC. 12. As the purchase price for the foregoing plants and properties to be conveyed to the company by the United States the company will pay to the United States $5,000,000 in five installments, as follows: One million dollars upon the acceptance of this offer and $1,000,000 annually thereafter until the purchase price is fully paid, with interest at the rate of 5 per cent per annum on deferred payments, with the privilege of anticipating any or all such payments, possession to be delivered upon payment of the first of said installments and deeds of conveyance to be delivered when full payment for said property has been made. Each of said deeds shall refer to or contain the provisions of this offer, and said deeds shall be so drawn as to make such provisions covenants running with the land.

Mr. LAGUARDIA. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. LAGUARDIA: Page 9, line 5, strike out period and insert the following: "And such deed shall also provide that in case the grantee shall fail to operate said nitrate plant No. 2, as provided herein, or shall fail to maintain the same in its present state of readiness, or its equivalent, for immediate operation in the manufacture of materials necessary in time of war for the production of explosives, or if said grantee shall fail to comply in any other respect with the terms of the contract between the United States and Henry Ford or his company, as evidenced by his offer of May 31, 1922, and its acceptance by Congress, then the title and right to possession of said nitrate plant No. 2 and Waco Quarry and the Black Warrior power plant shall immediately revert to and revest in the United States of America, and the United States shall be entitled to a cancellation and termination on the lease or leases to Dams Nos. 2 and 3 and their power plants."

Mr. LAGUARDIA. Mr. Chairman, just one moment. I want to tell my Republican associates that this is not my amendment; it is an amendment suggested by the Secretary of War, Mr. Weeks, in his letter to Senator NORRIS of January 30, 1924. I asked the distinguished gentleman from Illinois [Mr. MCKENZIE], who took the floor during the discussion of the tax reduction bill and made an appeal to us to stand by the Secretary of the Treasury, now, with the same fervor, to ask his colleagues to stand by the Secretary of War. I do not know of anything more important—and I hope the gentleman from Georgia, who is seeking recognition, agrees with me—than to keep intact and maintain in good condition this plant, so that in the event of an emergency the War Department may step in and use it for the purposes for which it is intended. I urge my colleagues on this side of the House to stand by the recommendation of your own Secretary of War, and, on the other side of the House, if you really desire to maintain this plant and want to protect the people of this country and you are sincere in what you say, to vote for this amendment.

Mr. McKENZIE. Mr. Chairman, I simply wish to say to my progressive Republican friend from New York that on some things I am willing to accept the opinion and advice of the Secretary of War, that of John W. Weeks, but I am firmly convinced, and have been for some time, that our distinguished Secretary of War is no friend of this proposition. I learned early in life to beware of the Greeks bearing gifts. [Applause.]

Mr. BUTLER. Where did the gentleman learn a thing like that?

Mr. BURTNESS. If the gentleman will yield, what do the words "this offer," in line 3, page 9, refer to?

Mr. McKENZIE. Mr. Chairman, I move that debate on this section do now close.

The CHAIRMAN. The gentleman from Illinois moves that debate on this section do now close.

Mr. SPROUL of Kansas. I have an amendment which I wish to offer.

Mr. McKENZIE. This motion will not interfere with that.

The question was taken, and the motion was agreed to.

The CHAIRMAN. The question is upon the amendment offered by the gentleman from New York [Mr. LAGUARDIA].

The question was taken, and the amendment was rejected.

Mr. SPROUL of Kansas. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Amendment by Mr. SPROUL of Kansas: Page 9, line 4, after the word "provisions," insert the word "and," and after the word "covenants" strike out the word "running" and insert the words "to run."

Mr. SPROUL of Kansas. May I explain?

The CHAIRMAN. All debate is closed. The question is on the amendment offered by the gentleman from Kansas.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

SEC. 13. This proposal contemplates and it is agreed that the purchase price for the property aforesaid shall not be diminished by reason of depreciation due to use or wear of buildings, machinery, and equipment or to the action of the elements, nor shall any claim be made for losses in or diminution of quantity of tools and supplies due to upkeep and maintenance during the period between the date hereof and the date of delivery of possession of said property, it being further understood that no inventory of the property need be taken, but that due care will be exercised by the United States in preserving and safeguarding the aforesaid real and personal property intact until possession thereof passes to the company. If any part or parts of the aforesaid plants necessary for proper operation of same have been removed by the United States, said part or parts shall be returned when possession of said plants passes to the company. Deeds of conveyance of real property shall warrant the title to be good and unencumbered, but in accordance with and subject to the provisions set forth in paragraph 12 hereof.

Mr. BURTON. Mr. Chairman, I desire to introduce an amendment at the close of section 13, which I will ask the Clerk to read.

The Clerk read as follows:

Amendment proposed by Mr. BURTON: Insert at the end of section 13: "It is made an express provision of this grant that not less than half of the water power, as well as the steam power, generated or created under the provisions of this act shall be disposed of to public or private users other than the grantees or companies owned or controlled by the grantees herein, or individuals or corporations affiliated with them, at prices to be determined by the Federal Water Power Commission or commissions of the States in which such power is utilized, and as a condition hereof the grantees herein shall construct and maintain the necessary transmission lines for the distribution of such power."

Mr. BURTON. Mr. Chairman, let us have what is ordinarily known as a show-down. It has been asserted in public and it has been loudly proclaimed upon the floor of this House that if Mr. Henry Ford obtains this privilege he would build transmission lines of the most improved type, scattering this power over a wide area. Now, what do we see here to-day? The gentleman in charge of this bill, to whose courtesy and honesty I must give exceptional praise, admits that Mr. Ford is not compelled to send a single horsepower away from the central plant; that he can use it all himself; that all he is compelled to use is for the manufacture of fertilizer, leaving

a very large surplus for other uses. Now let us understand about this. If you propose to give one of the most valuable installations of water power in the country or in the world over to one man, giving him a monopoly of this plant, then vote down this amendment. I would be willing to modify and make it read half the amount over and above that required for the manufacture of fertilizer.

Mr. OLIVER of Alabama. Will the gentleman yield for a moment? The gentleman, then, is asking to do something that the Federal power act did not confer even upon the power commission to require any licensee to whom they might give a license?

Mr. BURTON. The gentleman from Alabama is in error because in their licenses they can make provision as to distribution. Here is another thing: What has this committee done just within a few minutes? It has absolutely jumped upon and voted down propositions providing for the revision or supervision of rates and that only whenever the company proposes to dispose of any power, taking it for granted that it may dispose of power or not as it sees fit. Now, that action seems to me little short of monstrous.

Mr. STRONG of Kansas. If the gentleman will yield, inasmuch as one of the authors, a representative of one of the great farm corporations who is behind this proposition, has said that Henry Ford would use this power to distribute it to the farmers and take the drudgery out of farm life by the use of electricity, so does not the gentleman think it ought to be adopted?

Mr. BURTON. What bit of drudgery would it take out of farm life? Not a particle will be distributed outside of his own works in the manufacture of whatever he requires in his business. Let us not tolerate such an excuse for favoring this bill, for it is a humbug.

The object of this amendment is nothing except that part of this power shall be circulated for the good of the people. And let it be distinctly understood that without such a provision you are giving a monopolistic power to one man the like of which this Congress has not voted for many years. Talk about political issues. I do not seek any better one. I am willing to go before the farmers in my own State and district and appeal to them, for they are not easily wheedled, because they have good sense and intelligence, and they would condemn a man who took a position than that which I have taken.

Mr. McSWAIN. Then that would tend to prove that a man who has a farm of 50,000 acres is a menace?

Mr. BURTON. Well, that depends. A man who has so much land is likely to attract attention.

Mr. BYRNS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. BURTON. Yes.

Mr. BYRNS of Tennessee. I want to ask the gentleman if the Farm Bureau, which is said to be the greatest farm organization in the United States, has not indorsed the Ford offer?

Mr. BURTON. It appears so from their literature. I have known cases where I have stood out against organizations of farmers, chambers of commerce, and so forth, and have finally convinced them that they were in error and obtained their support. [Applause.]

Mr. McKENZIE. Mr. Chairman, I move that all debate on this section and all amendments thereto close in five minutes.

The CHAIRMAN. The gentleman from Illinois moves that all debate on this section and all amendments thereto close in five minutes. The question is on agreeing to that motion.

The motion was agreed to.

Mr. DAVIS of Tennessee. Mr. Chairman and gentlemen of the committee, although I am vitally interested in the passage of this bill, yet I was so anxious that its passage might be expedited that I had not intended to consume any time by speaking on it. But in view of the fact that I represent a district adjoining the congressional district in which Muscle Shoals is located, I wish to modestly suggest that I am quite as much interested in that section as the gentleman from Ohio [Mr. BURTON], who has just preceded me and who is doing everything he can to defeat the whole proposition by destructive amendments, and yet who expresses very great solicitude about the citizens in the territory contiguous to Muscle Shoals getting surplus power therefrom. I am primarily interested in this bill from the standpoint of fertilizer production and distribution and the manufacture of nitrates for explosives in time of war, as provided in the original bill, under which this great development was authorized and made.

I am not so much concerned about what may be done with the surplus power as some of the gentlemen, although I reside in a district so near at hand that it would get the use of any surplus power that might be distributed over these long transmission lines. And I want to say that my position is this: First, because there is an ample amount of undeveloped power sites and resources in the South to amply supply that entire section with hydroelectric energy, even if Mr. Ford utilized every bit of the surplus power at Muscle Shoals for the development of his own individual enterprises.

Now, if he wants to utilize that power in part or wholly, I have no objection, even though that development would be confined to a section in Alabama. I trust that he may find it possible to distribute part of that power, not because it is especially needed but because it would come into competition with the great power monopoly which we have to combat. And in this connection I want to say this, that the objections now urged to this bill are not the objections which were first heard, and later abandoned. We did not hear any great hue and cry over this surplus energy until Mr. Ford announced that he expected to distribute it to the public over long transmission lines, and yet immediately after that announcement the associated power companies got very busy, busier than ever, in an effort to defeat the bill, not because they were afraid that he would not develop and sell the power in competition with them but because they were afraid that he would do so. [Applause.]

Now what have they done? That fight to defeat this bill by amending it to death is not only being made here, but it is being made in the entire Muscle Shoals section, and they have flooded my district and surrounding territory with this same kind of solicitous (?) propaganda that is being disseminated here, that it is to the public interest to get these amendments incorporated in this bill. What is the result? The people have not been deceived. They are onto the game of the allied power companies, led by the Alabama Power Co., and their allies in and out of Congress.

That entire section has been aroused. They have been holding indignation meetings. My distinguished colleague from Tennessee [Mr. BYRNS] read to you a telegram showing the result of a poll on the question in Nashville and vicinity. I have just received a telegram from the Lewisburg Chamber of Commerce, J. F. Murrey, president, one of the towns in my district, as follows:

Chamber of commerce unanimously indorse Ford proposition.

To which I replied, as follows:

Replying to your telegram, I beg to advise that I am whole-heartedly and unequivocally in favor of the acceptance of Ford offer for Muscle Shoals, as I have been all along. I am opposed to any amendment or other methods designed to delay or defeat consummation of lease to Ford.

I have also received the following telegram from another town in my district:

The Shelbyville Lions Club unanimously indorses Ford proposition for Muscle Shoals.

The attitude of the farmers in my State is expressed in a letter from the Tennessee Farm Bureau Federation, as follows:

COLUMBIA, TENN., *March 1, 1924.*

Hon. EWIN L. DAVIS,
Washington, D. C.

DEAR MR. DAVIS: As the time approaches when we are to have a vote in the House on the Ford offer for Muscle Shoals, I want to reassure you that the farmers are for the Ford offer, despite the efforts that have been made in this State recently to enlist the farmers' interest in the offer of the power companies and of the efforts to induce all of our Congressmen to support it.

I am informed that a number of business men over the State who have recently become active in behalf of the power companies' offer are stockholders in these companies.

* * * * * * *

Second, the very companies who are offering to buy, and say they can make cheap fertilizer, have persistently claimed that Ford could not manufacture fertilizer economically at Muscle Shoals, which is an indication of insincerity.

Unfortunately, the great masses who favor the acceptance of Ford's offer over any other that has been made do not write letters or send telegrams to their Congressmen. It is for these that I desire to speak, and if the acceptance of Ford's offer is a mistake, they must bear the responsibility, as they stand for it, and it has been aired before them for lo, these many months.

I sincerely appreciate the views expressed in your answer to a letter I wrote you some time ago.

With kindest regards,

TENNESSEE FARM BUREAU FEDERATION,
J. F. PORTER, *President.*

These expressions are typical of the sentiment prevailing in every walk of life among those closest to Muscle Shoals and most familiar with the situation.

It has been shown in the numerous meetings held and polls taken that the people are practically unanimous in favor of the acceptance of the Ford offer and opposed to any efforts or methods which may hazard same, and it further appears that practically the only ones in my State opposing the Ford offer and favoring destructive amendments are the officers, stockholders, and attorneys of the associated power companies. [Applause.]

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. DAVIS of Tennessee. Under the general leave granted to extend remarks on this subject, I insert the following telegram received from Maj. E. B. Stahlman, owner of the Nashville Banner:

NASHVILLE, TENN., *March 11, 1924.*

Hon. EWIN L. DAVIS, M. C.,
Washington, D. C.:

People of Tennessee and of South highly appreciate your unswerving loyalty in behalf of their interests and welfare of South in your support of Ford offer. As your fellow Tennesseean, I congratulate you upon great popular victory in House to which you contributed. Banner polls on Muscle Shoals closed last night. Vote, counted up to noon, stood: Ford, over 53,000; for power companies offer, 45; for Government ownership, 16.

E. B. STAHLMAN.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Ohio [Mr. BURTON].

The question was taken, and the Chairman announced that the noes appeared to have it.

Mr. BURTON. A division, Mr. Chairman.

The CHAIRMAN. A division is called for.

The committee divided; and there were—ayes 41, noes 99.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 14. Since the manufacture, sale, and distribution of commercial fertilizers to farmers and other users thereof constitute one of the principal considerations of this offer, the company expressly agrees that, continuously throughout the lease period, except as it may be prevented by reconstruction of the plant itself, or by war, strikes, accidents, fires, or other causes beyond its control, it will manufacture nitrogen and other commercial fertilizers, mixed or unmixed and with or without filler, according to demand, at nitrate plant No. 2 or its equivalent, or at such other plant or plants adjacent or near thereto as it may construct, using the most economical source of power available. The annual production of these fertilizers shall have a nitrogen content of at least 40,000 tons of fixed nitrogen, which is the present annual capacity of nitrate plant No. 2. If during the lease period said nitrate plant No. 2 is destroyed or damaged from any cause, the company agrees to restore such plant, within a reasonable time, to its former capacity and further agrees:

(a) To determine by research whether by means of electric-furnace methods and industrial chemistry there may be produced on a commercial scale fertilizer compounds of higher grade and at lower prices than farmers and other users of commercial fertilizers have in the past been able to obtain and to determine whether in a broad way the application of electricity and industrial chemistry may accomplish for the agricultural industry of the country what they have economically accomplished for other industries; and if so found and determined, to reasonably employ such improved methods.

(b) To maintain nitrate plant No. 2 in its present state of readiness or its equivalent for immediate operation in the manufacture of materials necessary in time of war for the production of explosives.

Mr. STEAGALL rose.

Mr. BEGG. Mr. Chairman, I have an amendment to offer.

Mr. HILL of Maryland. Mr. Chairman, I have an amendment from the committee. I am a member of the committee.

The CHAIRMAN. The gentleman from Maryland offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HILL of Maryland: Page 10, line 8, after the word "other," insert the word "such."

Mr. HILL of Maryland. Mr. Chairman and gentlemen of the committee, this is a clause which was subject to much debate in the committee. I ask you to consider a part of the testimony in reference to this clause which appears on page 3563 of the RECORD, in which our colleague in the former House, Mr. Parker, of New Jersey, expressed the opinion as a very capable and experienced lawyer that the substitution of the words "causes beyond its control" for the words of the original Ford offer, which were "acts of Providence," did not mean what the original offer meant.

The provision as at present—and this is very important for the gentlemen who favor this bill—is as follows: The manufacture of fertilizer is not to be discontinued except as it may be prevented—and now I quote from the McKenzie bill—

by reconstruction of the plant itself, or by war, strikes, accidents, fires, or other causes beyond its control.

It is a matter of very grave doubt as to what the words "other causes beyond its control" mean. It was stated to the committee that that might mean a number of things. It might mean that a heavily falling market would be a cause beyond the Ford corporation's control. It was agreed by everyone that the words "or other causes beyond its control" were intended to mean what are known in law as acts of God or acts of Providence.

Gentlemen, I propose the addition of the word "such." After the word "other" insert the word "such." The word "such" relates to the previous words "war, strikes, accidents," and "fire."

Mr. BURTNESS. Will the gentleman yield?

Mr. HILL of Maryland. Yes.

Mr. BURTNESS. What would the gentleman say to the use of the phrase "like causes beyond its control"?

Mr. HILL of Maryland. I think it is good, but immaterial whether you use the word "such" or the word "like." But I think there should be, in the interest of the protection of the users of fertilizers, some such amendment as this in order to guarantee absolute certainty as to what this means. The original Ford offer contained the words "acts of Providence," but they were changed to the words "or other causes beyond its control."

Mr. WRIGHT. Will the gentleman yield?

Mr. HILL of Maryland. Yes.

Mr. WRIGHT. Does not the gentleman recognize that under the legal construction of these phrases the words "causes beyond its control" are more binding than the words "acts of Providence"?

Mr. HILL of Maryland. There is so much confusion that I can not hear the gentleman from Georgia.

Mr. WRIGHT. Does not the gentleman understand that according to the legal definition and construction placed upon these words—words which are usually used in contracts—the words "causes beyond its control" are more binding upon the obligor than the term "acts of Providence"?

Mr. HILL of Maryland. I will say to the gentleman that is not my understanding, and as I read them they are not as binding, and that is borne out by the statements which were made by insurance men and others before the committee.

Mr. WRIGHT. Then I will say for the information of the gentleman that what I have said is true, and he will find it is true if he will examine the definitions and legal construction placed upon such words.

Mr. HILL of Maryland. I will say to the gentleman that as a good lawyer he knows that we are not able to say anything is "true" in law, but it depends upon what the court says.

Mr. WRIGHT. Then I will say that is what the court says.

Mr. HILL of Maryland. No court has yet passed on the bill and no court has "said" as yet. There should be in the bill absolutely clear language which will mean "acts of Providence."

The CHAIRMAN. The time of the gentleman has expired.

Mr. McKENZIE. Mr. Chairman, I simply wish to say that there are a number of amendments to be offered to this section, and they will take some little time. I want to hurry along, because we are going to finish this bill to-night and are going to vote on it. [Applause.]

I want to say, furthermore, that the amendment of the gentleman from Maryland is one of those fine-spun, hair-splitting propositions that are raised by lawyers. This matter was fought out and worked out in the committee, and we decided that the language in the bill is stronger than any other language that can be included in the bill, and therefore I ask for a vote on the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland [Mr. HILL].

The question was taken, and the amendment was rejected.

Mr. WILLIAMS of Michigan. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Michigan offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. WILLIAMS of Michigan: Page 10, line 9, after the word "will," strike out the words "manufacture nitrogen and other commercial fertilizers, mixed or unmixed, and with or

without filler, according to demand," and insert in lieu thereof the words "each year manufacture nitrogen and other commercial fertilizers, mixed or unmixed, and with or without filler, containing in the aggregate at least the amount of fixed nitrogen hereinafter stated, and supply and offer the same for sale in accordance with the demand that may from time to time exist for the various kinds of fertilizer, whether mixed or unmixed, and with or without filler."

Mr. WILLIAMS of Michigan. Mr. Chairman, I am strongly for the Ford proposal. [Applause.] I have consistently voted against every amendment offered which has had the purpose of changing the proposed contract as worked out between the representatives of the Government and Mr. Ford. I feel, however, that there is some ambiguity in this part of section 14, which should be cleared up. I think the words "according to demand"—which have been by some gentlemen construed as meaning that if the cost of producing fertilizer in this plant were very large there might not be any demand, and, therefore, Mr. Ford might be excused from making fertilizer—should be changed, and I think the amendment I have offered clears up any ambiguity there might be about that.

I desire also to have appear in this portion of section 14—reciting that the manufacture of fertilizer is one of the principal considerations for this contract—a definite and affirmative agreement upon the part of Mr. Ford to do the things contemplated by this arrangement. [Applause.]

Gentlemen, I wonder whether we realize what Mr. Ford has undertaken to do in connection with this contract? Those of us living in Michigan have great confidence in the business ability of Mr. Ford and in his great organization. [Applause.] And yet how many gentlemen are there upon the floor of this House who, if they stood in Mr. Ford's position, would be willing to undertake the great obligations imposed upon him by this contract? I venture the assertion that there is not a single one here who would be willing to do it, but he is willing to do it notwithstanding the fact that his estate will be subject to a very large inheritance tax, and 40 per cent was recently proposed by this House, which would take $300,000,000 or $400,000,000 out of his estate.

Now, Mr. Ford undertakes to make fertilizer for a period of 100 years in a vast quantity.

It has been stated here that this amount of fertilizer is not very great, but when we realize that it provides for an amount of nitrate that will make 2,000,000 tons of ordinary commercial fertilizer per year then we realize that means that if we load cars to the extent of 100,000 pounds to a car that Mr. Ford agrees continuously each year for a hundred years to produce 40,000 carloads of fertilizer. Why, gentlemen, that is equivalent to 400 freight trains containing 100 cars each.

Under this contract Mr. Ford agrees to produce such a quantity of nitrates as will force him and his successors to take advantage of every development of science. He will be compelled to meet competition in this field, both foreign and domestic. To make a success of the matter it will be incumbent upon him at all times to have such an efficient and completely modernized plant and such large production as to enable him to sell at a sufficiently low price to meet this competition. Furthermore, the amount to be produced, in order to insure the success of the plant, will naturally have to be much in excess of the amount of nitrates stipulated in the contract. Large production, as no one knows better than Mr. Ford himself, is one of the most important elements in bringing about a low cost.

It is quite apparent that there are but few, if any, Members of this House who would be willing to vote to accept the proposal of the allied power companies. No one has brought to the attention of the House any proposal which could be seriously considered as preferable to the offer of Mr. Ford. Years have elapsed since this matter has been first publicly discussed. There is then but only one alternative, so far as we are presently advised, if the Government is not authorized to accept the offer of Mr. Ford, and that is Government operation. This alternative is one which, in my judgment, should not be entered upon.

During the debate reference was made to the possible earnings under Government operation. I venture the assertion, based upon our past experiences, that the losses from the operation of such a great enterprise, if the plans of Mr. Ford were to be at all followed by the Government, would amount to a colossal sum during the 100 years contemplated.

Those who are urging that an arrangement should only be entered into within the terms and under the meaning of the water power act, and who urge that the making of this arrangement with Mr. Ford would tend to change our national policy as represented by that act, entirely overlook, it seems to me, the fact that Mr. Ford, in assuming the great responsibilities imposed upon him under this bill with reference to the manufacture of nitrates, will be doing something far different than what is contemplated in an ordinary license for the production of power under the water power act. This guaranty as to the manufacture of nitrates and the fact that in the event of war we would have this great efficient and modern plant immediately at the disposal of the Government are features which make this arrangement distinctly unique and a great benefit to the public.

We should not hesitate to vote for this bill. We should be glad of the fact that Mr. Ford is willing to take this great perplexing problem off the hands of the Government and is willing to place back of his agreement the responsibility represented by his large fortune. No one but a man of great vision and courage and a high regard for public interest would be willing to do what he has proposed. [Applause.]

Mr. HOWARD of Nebraska. Mr. Chairman——

The CHAIRMAN. Does the gentleman wish to be heard on this amendment?

Mr. HOWARD of Nebraska. Yes; I would like to be heard.

Mr. Chairman and gentlemen of the House, here is an occasion where I may get an opportunity to vote for this bill in behalf of the Ford proposition. I may vote for it anyhow; but, oh, I can vote for it so much more graciously if you will adopt this amendment. I occupy a peculiar position, my friends. All my life long I have been preaching the gospel of Government ownership of the waters of the rivers of our country. In my own State I see the people gagged, bound, and delivered year after year by electricity trusts and coal trusts, simply because we have fixed our State constitution in a manner so that the people may not take advantage of the wonderful asset which is theirs in the swiftly flowing rivers in Nebraska. We have two rivers there more regularly flowing than any rivers ever gauged by any reliable government in all the world, and yet we can not use them because we have been handicapped and hamstrung by a constitution which forbids the people from exercising the right to raise money with which to build water-power plants for the use of the people. Do you know that in Nebraska there is not a pound of coal underneath the surface of the earth, and yet I am a believer in the goodness of God. He did not give us any coal out there, but He gave us a wonderful substitute, and if only we might harness the waters in those wonderful rivers and set them to the task of generating electric energy and furnishing it to the people, we might light and heat every home on the farms and in the cities and the towns. We might turn all the wheels of all the stationary machinery in the State, and then we might have enough electricity left to cook all the food for all the people, and yet we can not do it. We could have it all at a cost so low that the people of my prairie State would not care to burn coal, even if they could get it for a dollar a ton. This great plant down here at Muscle Shoals would do for all that vast section surrounding it what we might do if we could harness the waters in the rivers of Nebraska, but our State can not harness those waters and our Government seems desperately slow about harnessing the waters at Muscle Shoals. Now, what am I going to do as an advocate of Government ownership and operation of such an asset? I have been down in this country for three different winters. I have discovered millions of acres of untilled land, and they tell me that the land is idle because the Fertilizer Trust will not permit them to buy fertilizer at a price at which they will feel justified in tilling the land. Now, will this Ford proposition give those people opportunity to get fertilizer at reasonable rates quicker than we dare hope to get it through Government operation? Oh, I do not know. I want to do that which is best for the people most involved.

The CHAIRMAN. The time of the gentleman has expired. The question is on the amendment offered by the gentleman from Michigan [Mr. WILLIAMS].

The question was taken; and on a division (demanded by Mr. BURTON) there were—ayes 72, noes 103.

So the amendment was rejected.

Mr. HULL of Iowa. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Iowa [Mr. HULL] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HULL of Iowa: Page 11, line 8, after the word "numbered," insert "one and."

Mr. HULL of Iowa. Mr. Chairman and gentlemen of the committee, this amendment is proposed in order that you might understand what you are doing in this bill. In the first place, you are permitting the destruction of the best means of securing fertilizer. You are permitting the destruction of plant No. 1. I listened to the hearings when we had hearings on

this bill, and some gentlemen seem not to be able to understand why it was that at one time I was an enthusiastic supporter of the Ford proposition and now oppose this bill. I want to tell you that one of the first things that shocked me was when Mr. Mayo, the engineer who was sent here by Mr. Ford, told us that he intended to take plant No. 1 and convert it into an automobile factory. I thought that was unheard of—a great plant built for national defense, and yet they were going to convert it into an automobile factory. Then I started to investigate, and the more I have investigated the more confirmed I have become in the belief that it is a tremendous blunder to permit such a thing. Not only is it the cheapest process for the manufacture of nitrates, so necessary in war, but it is the cheapest process for the manufacture of the compounds that go to make fertilizer. There is not one line of testimony by any expert that shows you can use plant No. 2 and manufacture fixed nitrogen as a commercial fertilizer. Every one of the experts, both the Government experts and the private individuals who have come before our committee, has told us that all the advance in the art that they are making to-day is that the Haber process is the one hope of the world for the production of food, and yet you gentlemen are permitting in this bill the destruction of the thing that is essential for your children in the next generation.

Mr. STEAGALL. Mr. Chairman, the main proposition in which the friends of this measure are interested is that the original purposes for which the large expenditure of Government funds was entered upon in the development of Muscle Shoals shall be carried out. The two chief purposes originally in view were the manufacture of explosives for national defense and the manufacture of fertilizers for the development of agriculture. We must not lose sight of the accomplishment of these ends. The amendment under consideration would tie the hands of Mr. Ford by committing him to various and sundry methods to be employed in the production of fertilizers. It is obvious that he could not make as good offer under such provisions as he can when we release him as to details and allow him, as the bill provides to manufacture fertilizers, mixed and unmixed, to meet the public demand for these materials. That is what will be accomplished under the bill without amendment. We are not concerned with the methods to be employed nor any details governing the work to be done. The result is what we are after.

I do not think the amendment now before us would help the bill; but even if I did think so, as a friend of the measure I should have to oppose it. I could not support an amendment which might endanger the whole undertaking. We must not overlook the fact that if we fail to avail ourselves of the opportunity now at hand we shall find ourselves in a situation where the only thing left us will be Government operation of this property and the completion of the undertaking at Government expense. I should regret exceedingly to have the matter take that course. We must remember that no Member of this House advocates the acceptance of any offer for private development other than that of Mr. Ford. That is the situation that confronts us after five years of effort on the part of the War Department to secure a more desirable bid, and after all the remarkable efforts of those opposed to the acceptance of the Ford offer to defeat its acceptance. I think it is fair to say that nothing has been left undone to present some plan that would command sufficient support to defeat his offer. Surely, no one would expect the opponents of the Ford offer to come forward with a better bid after his offer has been rejected. It is misleading to contend that the Government is about to turn over to Mr. Ford $107,000,000 worth of property for $5,000,000. His offer was to purchase nitrate plant No. 1, nitrate plant No. 2, the Waco Quarry and transmission line, and the Gorgas plant for $5,000,000 cash and other obligations set forth in his contract. The investment of the Government is $85,000,000 on the basis of war-time construction cost. But this investment must be lost unless the Government spends an additional amount of $84,000,000 and $25,000,000 for the construction of Dam No. 3, which must be built if enough power is to be produced to manufacture fertilizers in sufficient amounts to meet the demand.

If the Government is to continue the development of this property and undertake to carry out the program outlined in the Ford contract, it is estimated that the various expenditures necessary will run the total to $191,000,000, which does not include the construction of Dam No. 3, estimated to cost $25,000,000. If we accept the Ford offer, the Government will have to expend only $50,000,000 to complete the Wilson Dam and construct Dam No. 3. This would make the total Government expenditure only $157,000,000. The offer of Mr. Ford proposes to maintain the power houses and all equipment and return them unimpaired at the end of the lease. He contracts to pay $55,000,000 annually for maintenance, repairs, and operation of the dams. The offer is to pay $200,000 annually as rent alone for Dam No. 2 for the first six years, and after that 4 per cent interest on all funds expended for the completion of the dam, power house, machinery, and acquirement of land and flowage, and to pay $160,000 annually as rent for Dam No. 3 the first three years, and after that 4 per cent interest on the total cost of construction, power house, machinery, and purchase of lands and flowage rights. The offer embraces an agreement to establish a sinking fund by the payment of $23,723 semiannually, which, if compounded at 4 per cent, is estimated to return $49,071,935. The offer further provides that 200 horsepower for operating locks at Dam No. 2 and 100 horsepower for locks at Dam No. 3, which, according to the estimates, would save the Government $35,000 to $85,000 annually. The contract provides that not less than 40,000 tons of fixed nitrogen shall be manufactured at nitrate plant No. 2 for a period of 100 years; or the manufacture of fertilizers to the full capacity of nitrate plant No. 2 at a profit not to exceed 8 per cent on actual cost of production and to supply such fertilizers, mixed or unmixed, according to demand. The manufacture of mixed fertilizers will necessitate the construction of a phosphoric-acid plant by Mr. Ford, which, it is estimated, will cost $15,000,000.

The contract provides for the employment of all improved methods for the manufacture of fertilizers that may be found successful. The contract also provides that nitrate plant No. 2 shall be kept at all times in up-to-date operating condition for the use of the Government in event of war.

It is estimated that the annual expenditure of the farmers of America for fertilizers is not less than $300,000,000. It is insisted on good authority that the use of Muscle Shoals makes it practicable to reduce the cost of fertilizers to our people 50 per cent. During the year just passed the consumers of America imported 896,998 long tons of nitrate of soda. We paid the Chilean Government a tax amounting to $11,239,384.94. This tax alone amounts to an interest rate of more than 5 per cent on the total cost necessary to complete the development of Muscle Shoals for the successful manufacture of fertilizers.

Mr. Chairman, let us not forget that it was the offer of Henry Ford for Muscle Shoals that breathed into this great project the breath of life when we were being told on every hand when the war ended that this vast property would have to be junked and that the large sums expended for its development would have to be charged off as part of the cost of war. It was this offer more than anything else that aroused public interest and brought a realization of the value of this vast asset of the Nation. Everyone recognizes now that we should lose no time in taking proper steps to insure the completion of this great program of development. No other offer having been made which any Member of Congress is now willing to support, the only question that remains to be settled is whether this important work shall be carried out by the Government or intrusted to Mr. Ford. For my part I think it most fortunate that the Government has an opportunity to intrust the work to private hands with reasonable assurance that it will be successfully handled for the accomplishment of the original purposes of national defense and the promotion of agriculture.

The people have confidence in the ability of Mr. Ford as an industrial leader as well as in his character, and the contract which it is proposed we shall accept is binding not alone upon the corporation which he is to organize with a capital of $10,000,000 but upon him, his heirs, and his vast estate. The people of Alabama are almost of one mind in favor of the acceptance of the Ford offer. The farmers of Alabama, who have suffered so much in recent years from the ravages of the boll weevil, face an accentuated need for the employment of modern methods of cultivation and intense fertilization. They believe that the acceptance of the Ford offer presents the only hope of the immediate future for the solution of the fertilizer problem, which is inseparably connected with the permanent prosperity and independence of agriculture. This view is shared by the farmers of the whole country. It is worthy of consideration that the people of Alabama have such faith in this citizen of a distant State, this man of different environment, one whose political affiliations are entirely at variance with theirs, a man of vast wealth, toward whom we are told the plain people cherish envy. Yet the masses in Alabama, the farmers and laboring people everywhere who earn their living by honest toil, have turned to Henry Ford as the one man to undertake the development of these great resources which a wise Providence has placed in our hands. I am glad to give my support to this bill and to stand with the delegation from Alabama, every Member of which, including the two distin-

guished Senators from our State, are enthusiastic in support of the Ford offer. [Applause.]

Mr. McKENZIE. Mr. Chairman, I move that all debate on this amendment be now closed.

The CHAIRMAN. The gentleman from Illinois moves that all debate on this amendment be now closed.

The question was taken, and the motion was agreed to.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from Iowa [Mr. HULL].

The question was taken; and on a division (demanded by Mr. HULL of Iowa) there were—ayes 24, noes 64.

So the amendment was rejected.

Mr. TEMPLE. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 10, lines 10 and 11, after the word "unmixed," in line 10, and after the word "filler," in line 11, strike out the commas.

Mr. TEMPLE. Mr. Chairman, I do not wish to make an argument, but simply to explain the purpose of this amendment. The phrase "according to demand" has been given two interpretations or applications in the course of this debate, some holding that it means Mr. Ford will manufacture according to demand and others holding that the nitrates which he will manufacture will be mixed or unmixed according to demand. The fact that the application of this phrase is not clear is evidenced by the fact that the sentence in which it occurs is interpreted in both ways in the course of this debate. The purpose of this amendment is to make it clear so that the phrase "according to demand" will not be separated from the phrase it is intended to qualify by the presence of the commas, which I propose to strike out. If we strike out the comma after the word "unmixed" and after the word "filler," then it will make the clause hang together. I believe that was what was intended when the bill was written, because at the beginning of this section it declares "since the manufacture of, the sale and distribution of, commercial fertilizers the farmers and other users thereof constitute one of the principal considerations of this offer the company expressly agrees that continuously throughout the leased period," and so forth, "it will manufacture nitrogen and commercial fertilizers, mixed or unmixed, and with or without filler, according to demand," and so forth.

If we strike out the two commas, the other interpretation can not be put on the phrase.

Mr. McKENZIE. Mr. Chairman, I have great respect for the ability of the gentleman from Pennsylvania, but I wish to say to the Members of this House that this particular provision, and particularly the exact spot in which to put the commas, gave the committee a great deal of trouble. We finally agreed with the representatives of the farm organizations of the United States, who are particularly interested in this section and the following section, that as the bill is written it provides just what they want in the bill.

Mr. TEMPLE. Will the gentleman yield?

Mr. McKENZIE. Yes.

Mr. TEMPLE. Is not the gentleman convinced that it does not when one construes it one way and one another?

Mr. McKENZIE. I understand that is true.

Mr. TEMPLE. The gentleman does not want to go to the court that way.

Mr. McKENZIE. It is sometimes pretty difficult for two lawyers even to determine or agree where a comma shall be placed. We finally determined that in the committee, and I think it is well enough to let the bill be as it stands.

Mr. LAGUARDIA. What is the gentleman's interpretation?

Mr. McKENZIE. My interpretation is that the bill as written will carry out the purposes for which it is intended. [Laughter.]

Mr. BURTNESS. What do the words "mixed or unmixed" modify, in the gentleman's opinion?

Mr. McKENZIE. Fertilizer.

Mr. BURTNESS. And they have no bearing upon the manufacture of it?

Mr. McKENZIE. Not at all.

Mr. BURTNESS. What do the words "according to demand" modify?

Mr. McKENZIE. They mean they shall manufacture in either mixed or unmixed form as the demand of the farmers requires.

Mr. BURTNESS. So the qualification is to the nature of the fertilizer and not with reference to the amount to be manufactured?

Mr. McKENZIE. The amount is fixed below 40,000 tons.

Mr. HILL of Maryland. Mr. Chairman, will the gentleman yield?

Mr. McKENZIE. Yes.

Mr. HILL of Maryland. Does not the gentleman remember that Mr. Mayo said it might mean either quantity or quality?

Mr. McKENZIE. I do not remember all that Mr. Mayo said, I am frank to say. Mr. Chairman, I move that debate upon this amendment do now close.

The CHAIRMAN. The gentleman from Illinois moves that debate upon this amendment do now close.

The motion was agreed to.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Pennsylvania.

The question was taken; and on a division (demanded by Mr. JAMES) there were—ayes 53, noes 76.

Mr. BEGG. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. BEGG: Page 11, line 11, after the word "explosives," strike out the period and insert a semicolon and add the following: "*Provided*, That if Henry Ford, his heirs, successors, or assigns, or the 'company' so to be organized, its successors or assigns, fail for two consecutive years, unless prevented by the action of the Government of the United States in the exercise of its rights under section 16 of this bill, to manufacture annually 40,000 tons or more of fixed nitrogen for exclusive use as fertilizer, then, and in that event, every contract of sale or lease made by the said United States with said Henry Ford, his heirs, successors, or assigns, or with said 'company' named in section 1, its successors, or assigns, shall, at the option of the United States, be void, such option to be exercised by Executive proclamation, and all property, real or personal, leases, rights, and other privileges held by any of the above-named persons at said Muscle Shoals shall revert to and become the property of the Government of the United States. The conditions herein provided shall become operative and in full force on and after two years from the date when structures and equipment of a capacity of 100,000 horsepower are constructed and installed and ready for service.

"This provision is intended and shall be construed as merely supplemental to all other rights and remedies of the United States as contained herein, and in no sense as an impairment or abridgment of such other rights and remedies of the United States, but as additional thereto, nor is this provision intended, nor shall it be construed, to in any way change or modify any of the promises, undertakings, and obligations assumed by and imposed on Henry Ford, his heirs, representatives, and assigns, and the company to be incorporated by him, its successors and assigns, but they are to be held bound to the same strict and faithful performance of every promise, undertaking, and obligation set out in this bill just as fully as they would be in the absence of this provision."

Mr. BEGG. Mr. Chairman and gentlemen of the committee, the other day when I presented my amendment for information only the gentleman from Mississippi [Mr. QUIN] practically stated that he would accept it. The next morning he called me up and stated that he would like to have me overcome the objection made by the gentleman from Arkansas and the gentleman from South Carolina, namely, that I would not in any way by my amendment curtail any rights or any of the actions that the Government now has under the bill. I think I have done that, and I believe and hope that I have met the objections of the gentleman from Mississippi [Mr. QUIN] as well as all other members of the committee in such a way as to make it possible to adopt this amendment. My purpose in introducing this amendment is not to change the bill in any particular, but it is to establish beyond any question of doubt the judgment that the United States Government could get in case Henry Ford or the company to be organized by him defaulted in the manufacture of fertilizer.

I believe that if this amendment is written into this bill, and if in 50 years from this date the company fails to manufacture the minimum amount of 40,000 tons of fixed nitrogen for use in commercial fertilizer, then the only action the Government of the United States has to establish is to go into court and prove the defalcation in the manufacture of nitrogen to the extent of 40,000 tons. If that is done, we do not get a judgment for $10,000, or anything, but we get a reversion of all of the property. A good many of the gentlemen for whom I have great respect have argued that the bill is drawn so as to give the Government that right to go into an equity court and get a reversion. You gentlemen who are lawyers know that without a specific reason for reversion it is a difficult proposition to get in a court of equity, and in a court of law you can hardly ever get it. The United States Government is giving away enough in this proposition, in return for which it expects to get a minimum of 40,000 tons of nitrogen for use in commercial fertilizer; so that we ought to have the right to tie them up absolutely tight, so that in the event they default in 20 years, or 70 years, in the specific performance

of furnishing fertilizer for the farmer, the great American people will be entitled to that property back for use as may seem wise at that particular time.

Someone has questioned why I have made it over a period of two years. That is easily answered. I want to be absolutely fair. If you made it only one year, suppose they had an explosion in the plant and he could not build for a year; one year would go by without the manufacture of 40,000 tons of fixed nitrogen, in which case he would be liable for reversion. In making it two years I admit that technically he can manufacture one year and lie idle one year, and so on; but if he does that the United States has recourse for damages under other sections of the bill, and is not withheld from any action even to going into a court of equity. If he defaults for two consecutive years for any reason other than war or the Government's interference, then the only requirement of the Government to get the property back is to go into a court and prove failure to manufacture for sale 40,000 tons of fixed nitrogen per year.

I believe that is all that is necessary. Everybody has had an opportunity to study this amendment, and I believe that it safeguards the rights of the Government, provides a specific reversion clause, and in no wise damages the contract in so far as Mr. Ford or his company are concerned, if they really intend to manufacture fertilizer.

Mr. WINGO. Mr. Chairman, I offer an amendment to the amendment of the gentleman from Ohio, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. WINGO to the amendment offered by Mr. BEGG: Insert, after the word "fertilizer," in line 6 of said amendment, the following words: "or failure to comply with any of the other conditions and agreements set out in this act."

Mr. WINGO. Mr. Chairman, I appreciate the temper of the committee, and therefore realize that I am flying in the face of that Biblical injunction set out in the sixth verse of the seventh chapter of the Gospel according to St. Matthew, but I am not responsible to Mr. Worthington or to Mr. Ford, both of whom I respect, or to the Alabama Power Co., or to anyone else except my God and my country. [Applause.]

I am one of those who have felt that the wisest thing to do from the standpoint of the public is to put this great proposition in the hands of Ford, whose genius I admire, and whose character I respect. At all times I have said, gentlemen, that the expectancy of the life of Henry Ford was only 11 years, that he would not live 100 years, the term of this contract, and that the right to recapture and reenter this property upon default by his company after Henry Ford is dead and gone should be preserved by the American Congress, and if we did not do so we would be derelict in our duty. Now, the gentleman from Ohio has met some of the contentions I raised the other day. If the gentleman will accept the amendment I have offered, it will not meet all of my objections, but it will, at least, give some protection 25 or 30 years from now when human nature asserts itself, as it has the right to assert itself, in the selfish natural interest of the corporation. Then in that hour when Henry Ford is dead and gone if they do not comply, not alone with the fertilizer agreement but with that agreement which is important to the national security, to keep this plant in a state of readiness for immediate operation for materials necessary in time of war and for the production of explosives the Government can step in and recapture the plant. That is necessary. If they fail to comply with either one of those major agreements, we ought to have the right to recapture. Now, gentlemen, I believe it would be a great deal better, and I have prepared an amendment if my amendment is not accepted, to come in as a separate section at the end of the bill, which is to this effect:

The continuous compliance by the company with each and every substantial requirement of this act, except as it may be prevented by reconstruction of the plant itself, or by war, strikes, accidents, fires, or other causes beyond its control, shall constitute conditions subsequent upon which the right of the company shall depend; and a failure to meet any of such material conditions shall give the United States, in addition to any other rights it may have, the right to declare the lease forfeited and be entitled to reenter and recapture the properties covered by the contracts and leases.

Now, gentlemen, why do I say it is necessary to go further than the gentleman from Ohio goes? It is necessary, as you know, you lawyers, who are familiar with the decisions upon this question, especially with the more recent decision involving the rights of the State of South Carolina, where the Supreme Court of the United States decided against the right of the State to recapture a canal. Why? Because the legislature in one small provision of the law put in a recapture clause and did not put such a provision on any other requirement of the grant, and so the Supreme Court of the United States overruled the State courts and restated an old rule that is absolutely clear to every lawyer who is familiar with it, but I have not time to read the decisions.

Mr. BEGG. Will the gentleman yield?

Mr. WINGO. I can not. I have notice that they are going to run through and trust to the Senate to correct our neglect, so I must utilize as much time and proceed as rapidly as possible. I desire to refer you to a decision of the Supreme Court, volume 261, the case of the Columbia Railway, Gas & Electric Co. against the State of South Carolina, and on this point, if you adopt the gentleman's amendment, it destroys the right of the Government to recapture upon the failure to comply with any other of the material agreements than the fertilizer agreement. Now, let us see.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WINGO. I ask that I may have an additional five minutes.

The CHAIRMAN. The gentleman from Arkansas asks unanimous consent to proceed for an additional five minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. WINGO. This decision, page 250, reads:

The proviso for a forfeiture in the one case is at least strongly persuasive of an intention not to impose it in other cases not so qualified. When, in addition to this, we consider all the circumstances, including the fact that the sale to the defendant was absolute and for a valuable consideration, that there are no express terms creating a condition, no clause of reentry, nor words of any sort indicating such purpose, the conclusion is unavoidable that the obligation in question is a covenant and not a condition subsequent. (Board of Commissioners *v.* Young, 59 Fed. 96; opinion by Judge, afterwards Justice, Lurton.) We quote from page 105:

> "That the grantor ever contemplated a reverter is not to be presumed, in the light of the presence of absolute words of conveyance and quitclaim and the absence of any provision for a reverter or reentry."

The courts have time and again held it is not to be presumed the grantor has the right of reversion upon default of the grantee in compliance with an agreement.

Mr. BEGG. Will the gentleman yield for a question?

Mr. WINGO. I will.

Mr. BEGG. I want to ask in what way could this company default other than to make fertilizer except by the furnishing of power and operating the dam——

Mr. WINGO. But——

Mr. BEGG. Let me finish the question. If there is a default in furnishing the power, does not the Government have the right to be protected under the following sections?

If they defaulted in the furnishing of power—and I believe that is the only additional way they could default—does not the Government have the right of damage under a following section?

Mr. WINGO. My friend overlooks the other major provisions of the bill. Furnishing power is not the only one. The paragraphs (a) and (b) of section 14, I think, are just as important to the country as that of furnishing power for the dam. In other words, there are two major propositions in this act. One is major from the standpoint of the public or the Government, and the other is major from the standpoint of the farmer. There are two major propositions: One is to maintain this plant down there, as expressed in subdivision (b), on page 11—

to maintain nitrate plant No. 2 in its present state of readiness, or its equivalent, for immediate operation in the manufacture of materials necessary in time of war for the production of explosives.

Is not that the major agreement that the general public is interested in? The next major agreement, in which the farmers are interested, is the fertilizer proposition. I am not going to sit here and simply be content to take a recapture provision on that one provision, because I represent the farmers, and then overlook the national defense and the security of my Government in maintaining and using this plant in time of war.

Oh, the gentleman says that sovereignty can go and sue for damages. Just what damages can we allege and prove? The gentleman should read the decisions on that proposition. It is necessary to put in my amendment because the gentleman, by the very words of his amendment, specifically provides almost in exact language that all the other conditions of the law shall be deemed to be covenants and not conditions subsequent.

Read the last paragraph of the Begg amendment; and, in the light of the language used, if you do not adopt my amendment, when the court rules on this question it would have to overrule all other decisions if it did not say that the only way the Government could recapture this plant was by proving failure to manufacture a small amount of nitrate for fertilizer.

I say to you that Henry Ford is willing to do this, because I believe he is sincere. He is willing for the Government to recapture this property if selfish interests in his corporation after his death seek to violate the agreement he made in good faith. I challenge any man to question the good faith of Ford by saying he will not accept this provision to safeguard the rights of the Government by requiring his successors to keep the promise he has made. [Applause.]

Mr. LOZIER. Mr. Chairman, I move to strike out the last word.

Mr. MILLER of Washington. I rise in opposition to the amendment to the amendment.

The CHAIRMAN. The gentleman from Washington is recognized.

Mr. MILLER of Washington. Mr. Chairman and gentlemen of the committee, much of the phraseology of this paragraph was prepared by the gentleman from Georgia [Mr. WRIGHT] and myself. There were two things we tried to make positively sure in this paragraph. One of them is the steady flow of fertilizer for peace purposes in peace times and the other is the constant readiness of the plant to produce ammonia nitrate in war time.

Now, the amendment embodies two things. Both of them are very dangerous. One is a forfeiture clause and the other is a rule of construction. Any man that has had anything to do with large and substantial investments, large matters of concern, knows that those are two things always to be avoided—a forfeiture clause and a rule of judicial construction. The provisions of the bill provide for an annual production of 40,000 tons of nitrogen content for fertilizer in time of peace; that is, 40,000 tons every year—a yearly flow. The amendment of the gentleman from Ohio provides for the production of fertilizer every other year if Mr. Ford or the lessees desires to so manufacture it. You will notice the phraseology of this section, that it shall be annually manufactured.

Mr. GRAHAM of Illinois. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Washington. For a short question. I do not want a speech.

Mr. GRAHAM of Illinois. I agree with the gentleman. I want to call attention to the language on page 10:

> The annual production of these fertilizers shall have a nitrogen content of at least 40,000 tons of fixed nitrogen.

How can there be any doubt but that that means annual manufacture?

Mr. MILLER of Washington. There is no doubt about it.

Mr. GRAHAM of Illinois. Then why can there be any query about two years when it will not be manufactured?

Mr. MILLER of Washington. What is the use of putting in there language about manufacturing it every other year if the paragraph already provides for manufacturing it every year?

Mr. BEGG. The reason is that that puts in a forfeiture clause in case he fails to manufacture for two years.

Mr. MILLER of Washington. Apparently the gentleman wants to kill the bill.

Mr. BEGG. I have been standing here in good faith attempting to perfect the bill.

Mr. MILLER of Washington. Your amendment is intended to muddy the water.

Mr. BEGG. In the bill you provide no recourse on the part of the United States in case he fails.

Mr. LOZIER. Mr. Chairman, will the gentleman yield for a question?

Mr. MILLER of Washington. Yes.

Mr. LOZIER. Under the bill as reported it requires the production of 40,000 tons of fertilizer annually for a hundred years. Under the terms of the amendment offered by the gentleman from Ohio the Ford Co. can comply with the contract by manufacturing only half of that amount—that is, by manufacturing 40,000 tons every other year—and under the Begg amendment the Government would be "hog tied," because it only allows a forfeiture in the event of the company failing for "two consecutive years" to supply annually the required 40,000 tons.

Mr. MILLER of Washington. If they are to manufacture annually 40,000 tons of fixed nitrogen, any court on God's earth knows what you mean and any man knows what you mean. When you say this is an annual production, any man or any court knows what you mean. When it says plant No. 2 shall be kept in readiness for the production of war-time material, any court knows what you mean and we know what is meant. Now, if you are going to look with favor upon this lease to Mr. Ford and the sale to Mr. Ford, take the terms of the bill, gentlemen; and if you are going to knock it on the head, knock it on the head at once and do not try to bleed it to death by giving it a dozen different stabs in different parts of the bill.

Mr. CARTER. Mr. Chairman, will the gentleman yield?

Mr. MILLER of Washington. Yes.

Mr. CARTER. As I understand the amendment of the gentleman from Ohio, he imposes the penalty of forfeiture in case there is no manufacture. What forfeiture would there be in case the Begg amendment is not adopted?

Mr. MILLER of Washington. I do not know; and there is no lawyer who knows until he knows the character of the violation of the contract. You can not tell what remedy to apply, either in law or in equity, until you know the character of the violation.

Mr. BYRNS of Tennessee. If the gentlemen will turn to section 18, they will find all the remedies that could possibly be granted.

Mr. COLLINS. Will the gentleman yield?

Mr. MILLER of Washington. Yes.

Mr. COLLINS. As a legal proposition, has the Government sufficient interest to enforce specific performance under the provisions of this section?

Mr. MILLER of Washington. I suppose so. I suppose specific performance, a mandatory injunction, or whatever you might call it, could be enforced. There are an infinite number of remedies.

The only thing I am opposed to, gentlemen, is to write into the bill, first, a forfeiture, which is a dangerous thing and to be avoided always; and, second, what is more dangerous, making a rule of judicial construction in a piece of legislation.

Mr. LOZIER. Mr. Chairman, I offer a substitute.

The CHAIRMAN. The gentleman from Missouri offers a substitute, which the Clerk will report.

The Clerk read as follows:

> Amendment offered by Mr. LOZIER as a substitute to the amendment offered by Mr. BEGG: Page 11, line 11, after the word "explosives," strike out the period and insert a semicolon and add the following: "*Provided*, That if Henry Ford, his heirs, successors, or assigns, or the company so to be organized, its successors or assigns, fail to manufacture annually not less than 40,000 tons of fixed nitrogen"——

Mr. LOZIER. Mr. Chairman, the rest of the language is the same as the last part of the Begg amendment offered Thursday, March 6, but very different from the amended Begg amendment offered to-day. As I will preface my remarks by reading my substitute, I ask unanimous consent that the remaining portion thereof be not read by the Clerk at this time.

The CHAIRMAN. Without objection, the rest of the substitute will not be read.

Mr. LOZIER. Mr. Chairman, my substitute is as follows:

> Amendment offered by Mr. LOZIER: Page 11, line 11, after the word "explosives," strike out the period and insert a semicolon and add the following: "*Provided*, That if Henry Ford, his heirs, successors, or assigns, or the 'company' so to be organized, its successors or assigns, fail to manufacture annually not less than 40,000 tons of fixed nitrogen for exclusive use as fertilizer, then, and in that event, every contract of sale or lease made by the said United States with said Henry Ford, his heirs, successors, or assigns, or with said 'company' named in section 1, its successors or assigns, shall be void, and all property, real or personal, leases, rights, and other privileges held by any of the above-named persons at said Muscle Shoals shall revert to and become the property of the Government of the United States. No contracts shall be entered into pursuant to the provisions hereof unless they embody as a part thereof these provisions. The conditions herein provided shall become operative on and after six years from the date such contracts are entered into."

The Begg amendment was offered Thursday; it was discussed then and yesterday. Since very serious objections to that amendment were pointed out in debate, the gentleman from Ohio [Mr. BEGG] has denatured and emasculated the first part of his amendment, and he now presents it in a modified form, less vicious than in its original form, but nevertheless highly objectionable in that it weakens the bill very materially and waives the right of the Government to invoke a forfeiture for failure to produce 40,000 tons of fertilizer each and every year. The amendment is not in the interest of the farmer nor in the interest of the Government.

In rewriting the forfeiture clause, the gentleman from Ohio has added a provision which, if adopted, will absolutely destroy the bill. I refer to the provision authorizing the President, by Executive proclamation, to declare the contract null and void for failure or alleged failure to comply with the contract. This is a dangerous and vicious provision, and by no process of reason or logic can its inclusion in this bill be jus-

tified. It, in effect, gives a President more power than was ever conferred by any legislative act or by the Federal Constitution—power to arbitrarily cancel a contract and confiscate property worth millions of dollars, because under this language the courts are not permitted to determine whether or not there has been a breach of the contract, but the President is made judge and jury to determine a fact and decree forfeiture.

Neither the Ford Co. nor any other group of sensible men would accept a contract containing this provision. I say that if the Ford Co. fails to comply with its contract in a substantial particular, then the Government should have the right and power to rescind the contract and recapture or recover possession of the property. But the question as to whether or not there has been a violation of the contract should not be left to the President or any other one person, but should be determined by the courts.

Yesterday I warned the House that the first Begg amendment was a vicious and dangerous provision, and to-day I am telling you again that the last or amended Begg amendment, especially the last part of it with reference to the power of the President, is tenfold more vicious than the original amendment. I ask you to carefully read the Begg amendment now pending, and if you do this you will undoubtedly vote to reject it.

Under the bill as it came from the committee the Ford Co. is obligated to produce for the use of the American farmers "annually" a supply of fertilizer having a fixed nitrogen content of at least 40,000 tons. This language means that quantity must be produced each and every year, and under the bill as it now stands a forfeiture can be invoked for a substantial and persistent failure to comply with this very essential provision of the contract.

This right of forfeiture accrues to the Government under the well-established law of the land, and inevitably follows, if the provisions of this contract are fairly construed and enforced.

Under the bill as it came from the committee, amended as proposed by my substitute, if the Ford Co. fails for any one year to supply the required amount of fertilizer, with the amount of fixed-nitrogen content mentioned in the contract, such failure will be a violation of the contract in a very substantial particular and will justify proceedings by the Government to vitiate the contract and recover possession of the Muscle Shoals property.

The bill as reported by the committee is much stronger than it will be should the Begg amendment be adopted. The first amendment offered by the gentleman from Ohio provided for a forfeiture only after the Ford Co. had failed for "three consecutive years" to manufacture 40,000 tons of fixed nitrogen annually. This would have allowed the Ford Co. to skip two years out of three, four years out of six, six years out of nine, and so so. In other words, the original Begg amendment provided for a forfeiture and recovery of the property only after there had been a failure for "three consecutive years" to manufacture 40,000 tons of fixed nitrogen fertilizer annually. This would have reduced the maximum amount required of the Ford Co. by two-thirds, and would only require the production of the 40,000 tons one year out of every three.

If the original Begg amendment had been adopted, let us see how it would have worked: Mr. Ford or his company could refuse to produce a single pound of fertilizer for two years in succession, and then on the third year produce 40,000 tons; then skip two more years without producing any fertilizer, and on the sixth year produce 40,000 tons; in the six-year period he has not produced annually 40,000 tons, but has only produced 80,000 tons in the six years instead of 240,000, or 40,000 tons annually; but under the original Begg amendment the Government would be "hog tied" and unable to forfeit the contract, because the failure had not been for "three consecutive years"; mark the expression, "for three consecutive years." The Ford company could point to the Begg amendment and say, "yes; it is true, we have only produced 40,000 tons in three years, and only 80,000 tons in six years, but what are you going to do about it, for we have not failed 'for three consecutive years,' and Congress has said by this amendment that there can be no forfeiture for failure to comply with the contract unless such failure continued for 'three consecutive years.'" And this is the amendment the gentleman from Illinois [Mr. MCKENZIE] and the gentleman from Mississippi [Mr. QUIN] "swallowed raw" on the floor of the House day before yesterday, as soon as it was presented, without its effects being considered, and, in the face of a threat by the gentleman from Ohio [Mr. BEGG], to vote against the bill unless the House accepts his amendment. I believe these gentlemen now realize the vice of the Begg amendment and will vote to reject it when the final vote is taken.

Now, the bill as reported by the committee required the Ford Co. to produce for the American farmers at least 40,000 tons of fixed nitrogen annually, or 4,000,000 tons in the lease period of 100 years. The original Begg amendment would have permitted an evasion of this duty and would have left the Government in a position where it could not have invoked a forfeiture if the Ford Co. produced only one-third of that quantity, provided the company produced 40,000 tons every third year. The amended Begg amendment provides for a forfeiture only after the Ford company has failed for "two consecutive years" to manufacture 40,000 tons annually. This is an improvement over the first Begg amendment, but as it now stands it is highly objectionable and is a waiver of substantial rights which the original bill and my substitute safeguard.

The gentleman from Ohio [Mr. BEGG] has just admitted that under his amendment the Ford Co. can skip a year, or every other year, without producing fertilizer, provided it produces one year out of every two the required 40,000 tons of fertilizer.

In support of his amendment the gentleman from Ohio [Mr. BEGG] said:

> In making it two years I admit that technically he can manufacture one year and lie idle one year, and so on; but if he does that the United States has recourse for damages under other sections of the bill and is not withheld from action, even to going into a court of equity.

Here is a candid admission that under the Begg amendment the Ford Co. "can manufacture one year and lie idle one year, and so on," which gives the Ford Co. a right and privilege not given by the bill as it came from the committee and not permitted by my substitute, if it should be adopted. Moreover, the amendment gives the Ford Co. a privilege which it has never demanded; a privilege that weakens the bill and limits the rights and prerogatives of the Government; a privilege that is a dagger pointing straight at the heart of the American farmers; and a privilege which, if exercised by the Ford Co., will reduce by one-half the maximum amount of fertilizer produced during the hundred-year period, or involve the Government in constant litigation in an effort to enforce the production of the required amount of fertilizer annually.

But the gentleman from Ohio says the Government would still have the right to sue the Ford Co. for damages if it fails to produce annually the required amount of fixed nitrogen for fertilizing purposes. In other words, the gentleman's amendment would force the Government to bring a multiplicity of suits for damages year in and year out, which would be an expensive, vexatious, and an unsatisfactory method, and would not afford adequate relief to the Government or to the agricultural classes. The gentleman would relegate the Government to actions for damages for breach of contract in courts of law, where archaic procedural rules would materially delay and ultimately defeat the ends of justice.

I believe that under the bill as reported by the committee, and most certainly as amended by my substitute, the Government can compel the production of the 40,000 tons of fixed nitrogen annually—that is, each and every year—and if the Ford Co. fails to comply with this provision the Government can enforce a forfeiture and recover the property passing under this lease.

Under my substitute the Government can demand a forfeiture if the Ford Co. fails or refuses for one year to produce the required 40,000 tons of fixed nitrogen, but under the amendment of the gentleman from Ohio the Ford Co. must be in default for two years in succession before the Government can exercise its right of rescission or ask the courts to decree a forfeiture.

Under the original bill, as amended by my substitute, the Government has two hands with which to fight and protect itself and with which to compel the Ford Co. to produce annually for the American farmers the amount of fertilizer mentioned in the contract, but the amendment of the gentleman from Ohio ties one of the hands of "Uncle Sam," deprives him of substantial rights, and affords the Government and the farmers only 50 per cent protection.

While in my opinion, under the well-established law of the land, the bill as reported by the committee will authorize a forfeiture and recovery of the property in the event the Ford Co. should flagrantly fail and refuse to produce the required amount of fertilizer "annually," I do not object to a provision being inserted in the bill for specifically authorizing a forfeiture, and I am not opposing the latter portion of the Begg amendment but only that part thereof which permits a forfeiture only after

the Ford Co. has failed "for two consecutive years" to manufacture "annually" 40,000 tons of fixed nitrogen. I also oppose that part of the Begg amendment vesting in the President the autocratic power to declare the contract forfeited.

My substitute is substantially the same as the Begg amendment with the words "for two consecutive years" eliminated. Under my substitute the Government can demand a forfeiture if the Ford Co. fails for one year to furnish the required 40,000 tons of fixed nitrogen, while under the Begg amendment the Government can not exercise the right of forfeiture unless the Ford Co. defaults "for two consecutive years" to comply with this very important contractual obligation. My substitute also differs from the Begg amendment in that under the Begg amendment the President can arbitrarily declare the contract forfeited, while under my substitute it would be left with the courts to ascertain whether or not there had been a violation of the contract.

Under my substitute if the Ford Co. fails for one year to produce the required quantity of fertilizer the Government can undoubtedly proceed immediately and ask the courts for a decree forfeiting the rights of the Ford Co. and restoring the Muscle Shoals property to the Government. But under the Begg amendment the Government would be compelled to withhold action until the company had defaulted for two years in succession. This means that under the amendment now being considered the Ford Co. can skip every other year and the Government will be without a remedy because the Begg amendment provides that there shall be no forfeiture or recapture or recovery of the property unless and until the Ford Co. fails "for two consecutive years" to manufacture the required 40,000 tons annually. Now, why give the Ford Co. this right and privilege for which it has not asked? As suggested by the gentleman from Illinois [Mr. GRAHAM], section 14 requires the annual manufacture of at least 40,000 tons. Now, why permit the Ford Co. to "skip" a year or "skip" every other year?

The object of the contract is to require the Ford Co. to manufacture each and every year at least 40,000 tons of fertilizer, and that is what the original bill provides; and if you reject the Begg amendment and adopt my substitute, the Government can demand the production of at least 40,000 tons each and every year and enforce a forfeiture for failure to comply with this provision.

The production of 40,000 tons annually is the heart and essence of this contract. It is the prime consideration which the Government demands in exchange for the property it proposes to turn over to the Ford Co. This contract should not directly or indirectly permit an evasion of this important duty of supplying the 40,000 tons of fertilizer each and every year. As this is the real consideration for this contract, a forfeiture and recovery of the property for a breach of this provision should be enforced unless the failure to produce the required amount of fertilizer was the result of "reconstruction of the plant, war, strikes, accidents, fires, or other causes beyond its control." If the original bill does not provide sufficient protection—which I think it does—my substitute affords the Government every possible protection and cures whatever ambiguity, if any, there may be in the original bill.

Under the bill as reported by the committee the Ford Co. must produce annually at least 40,000 tons of fertilizer unless prevented by one of the causes I have just enumerated.

If you adopt the Begg amendment, you are creating a condition which may result in the reduction by one-half of the maximum quantity of fertilizer produced by the Ford Co. for the 100-year lease period. The Begg amendment waives the right of the Government to invoke a forfeiture except where the Ford Co. for two years in succession fails to produce the required 40,000 tons of fixed nitrogen.

If the Begg amendment is adopted, let us see how it will operate. The Ford Co. can manufacture the first year 40,000 tons, the second year nothing, the third year 40,000 tons, the fourth year nothing, the fifth year 40,000 tons, the sixth year nothing, the seventh year 40,000 tons, the eighth year nothing, the ninth year 40,000 tons, and the tenth year nothing, and so on. Now, in these 10 years the total production is only 200,000 tons, or an average of 20,000 tons annually, just one-half of the amount this bill seeks to compel the company to produce.

But if the Government at any time during the 10-year period should institute proceedings to forfeit the contract and recover the Muscle Shoals property for violation of the provisions of the contract, such proceedings would be determined adversely to the Government, because the Ford Co. could point to the "Begg amendment" and say that while it only produced one-half of the fertilizer it promised to produce, yet the Government can not invoke a forfeiture, because the failure at any time has not been "for two consecutive years." The Government could say, "You are not complying with this contract; you are not manufacturing 40,000 tons annually," to which the Ford Co. would reply, "We have not failed for two consecutive years to comply with our contract."

No one can read sections 14, 15, 18, and 23 of the bill as reported by the committee and as modified by my substitute, if adopted, and for one minute doubt the power of the Government to demand the production "annually" of fertilizer having a nitrogen content of at least 40,000 tons of fixed nitrogen and to declare a forfeiture of the contract should the annual production be less than 40,000 tons, and the courts would undoubtedly sustain this forfeiture, rescind the contract for noncompliance with its terms, and restore possession of the leased property to the Government. The pending amendment absolutely destroys the right of the Government to ask for a forfeiture of the contract for failure to produce "annually" 40,000 tons of fertilizer and only gives the Government the right of rescission in the event of the company failing or refusing for "two consecutive years" to comply with the terms of the contract as set forth in section 14 of the bill.

The gentleman from Ohio [Mr. BEGG] says that the plant might be destroyed by fire and considerable time might be required to rebuild it, and on that ground he justifies his amendment. Let me call his attention to the fact that section 14, as reported by the committee, covers contingencies such as fires, strikes, war, reconstruction, and other similar preventing causes. So there is no reason why the company should be permitted to skip one year or every other year without inviting a forfeiture of the contract.

The adoption of the Begg amendment will be construed as a legislative construction of the contract. It is a solemn declaration that "continuously," as used in section 14, does not mean without interruption or intermission, but means occasionally; and that "annually" or "each year" means every other year. The adoption of this amendment will prevent a forfeiture just so long as the Ford Co. does not "fail for two consecutive years" to furnish the required 40,000 tons of fertilizer annually.

In my opinion the amendment of the gentleman from Ohio in its present form should be rejected, because it confers more power on the President than kings and emperors now exercise and it surrenders a substantial right which the Government has to demand a forfeiture in the event the Ford Co. fails for one year to produce the required amount of fertilizer; and if the Begg amendment is adopted, the words "for two consecutive years" should be stricken out, so the right of forfeiture may at its option be exercised by the Government in the event the Ford Co. fails or refuses to produce each year the 40,000 tons of fixed nitrogen for fertilizer purposes, and the provision granting the President power to cancel the contract should be eliminated.

I do not pretend to have a very great knowledge of the law, but I believe I understand the meaning of the simple and unambiguous language used in the original bill, and I have some little knowledge of the rules of statutory construction and of the decisions construing contracts and the circumstances under which they may be rescinded and forfeited.

While I favor inserting a specific forfeiture clause in this contract, I insist that the clause be one that will strengthen and not weaken the bill, one that will not waive any rights the Government has to demand a forfeiture by judicial decree for failure of the Ford Co. to comply with the contract each and every year. My substitute will furnish the desired guaranties without surrendering any of the rights of the Government or imposing harsh and arbitrary conditions. The Begg amendment affords only 50 per cent protection, as it permits a forfeiture only in the event the Ford Co. fails "for two consecutive years" to comply with its contract. Why should the Government give up this valuable right and powerful leverage? Why should Congress adopt the proposed amendment when its author, the gentleman from Ohio, admits that the amendment will permit the Ford Co. to "manufacture one year and lie idle one year, and so on"?

The substitute that I have offered provides for a forfeiture in the event the Ford Co. fails to produce "annually" fertilizer having a nitrogen content of at least 40,000 tons of fixed nitrogen. Under my substitute the Ford Co. will be required and compelled to keep its contract and to produce 40,000 tons of fertilizer each and every year, while under the Begg amendment the company can, if it so desires, skip one year out of every two and thereby reduce by one-half the maximum quantity of fertilizer that Mr. Ford is required to produce under this contract.

The Begg amendment is 50 per cent anarchy, because it vests in the President the arbitrary power to cancel the contract by Executive proclamation, without the courts having found that the contract had been violated in any substantial particular.

I am supporting the Muscle Shoals bill for the following reasons:

First. It looks to and safeguards our national defense. Under the pending bill the tremendous productive capacity of this great plant will be kept in shape so it may be instantly transformed into a mighty instrumentality for the production of war materials, if such a calamity as war should again come to our Nation.

Second. Because as an inevitable result of this legislation the stupendous volume of power that has been wasted for ages at Muscle Shoals will be harnessed and utilized by man, and used in the industrial, agricultural, and commercial development not only of the South but of our entire Nation.

Third. Because the contract requires "continuously" through the lease period the production of cheap fertilizer for the American farmer in quantities of at least 40,000 tons of fixed nitrogen content annually.

Now, I do not look for another war in the next hundred years, nor at any time. I know some able men reject this view and many believe that another great war is inevitable. But I believe the world's lust for war has been satisfied for all time and that ways will be found to avoid military conflict, except inconsequential clashes between the new or smaller nations. Until the world emerged from the late war it never had an adequate understanding of the tremendous cost of war in treasure, blood, and man power, and the lesson the world has learned will not be soon forgotten. So while I do not believe our Nation will ever be engaged in another great war, still if such a calamity should come to our people it would be of supreme importance to have the great Muscle Shoals plant in shape to be instantly converted to use incident to our national defense, especially as the Ford Co. will, in effect, keep the plant in condition to be utilized for war purposes in an emergency. While this alone might justify Congress in sanctioning the Ford contract, it is, to my mind, not the strongest or controlling reason.

Undoubtedly if this contract with the Ford Co. is consummated, Muscle Shoals and the adjacent territory will become a great industrial and commercial center. Factories will be built up and down the river for many miles and cheap electric power will be transmitted for hundreds of miles, enabling comparatively distant communities to become industrial centers. The location of this great plant is close to the coal and iron supply of the South and it is in the heart of the cotton-growing States.

Cheap raw material can be found in abundance close at hand. As the years go on, less of the southern cotton will be shipped to northern States or to Europe to be converted into cloth, and in time practically all the iron deposits of the South will be manufactured into useful commodities in the South and much of the cotton will be manufactured into fabrics in the region where it is grown. From an industrial and commercial standpoint Muscle Shoals means much to the South, and to all parts of the United States would accrue a portion of these benefits. This argument alone might justify the contract we are now considering, but, to my mind, it is not the strongest or most persuasive reason why this bill should be enacted.

To my way of thinking, the strongest argument in support of the pending bill is that the American farmer will be the chief beneficiary and will be furnished cheap fertilizer if this project is consummated.

The most important paragraphs in the bill are sections 14 and 15. Note the language of section 14—

> Since the manufacture, sale, and distribution of commercial fertilizers to farmers and other users thereof constitute one of the principal considerations of this offer, the company expressly agrees that, continuously throughout the lease period, except as it may be prevented by reconstruction of the plant itself, or by war, strikes, accidents, fires, or other causes beyond its control, it will manufacture nitrogen and other commercial fertilizers, mixed or unmixed, and with or without filler, according to demand, at nitrate plant No. 2 or its equivalent, or at such other plant or plants adjacent or near thereto as it may construct, using the most economical source of power available. The annual production of these fertilizers shall have a nitrogen content of at least 40,000 tons of fixed nitrogen, which is the present annual capacity of nitrate plant No. 2.

It seems to me that this is not only the principal consideration but the outstanding and controlling factor in this legislative equation. The fundamental and vital part of this contract is that part which looks toward better and more profitable agricultural conditions. Agriculture is the most important basic industry. Our entire economic life and prosperity as a nation depends upon the prosperity of the agricultural classes.

I believe it is the duty of the Government to adopt a legislative program that will restore agriculture to the class of profitable occupations. Furnishing the farmer an abundant supply of cheap fertilizer will materially aid him in meeting the demand of the world for an adequate supply of foodstuffs. For several generations we have been robbing our soil of its fertility. We are not putting back into the soil anything like what we have withdrawn from it by the constant growing of grain crops. Moreover, as a result of constant cultivation, a considerable part of the soil is annually wasted away and the productivity of our land is be[illegible] year materially impaired.

The western farmer has [illegible] to a considerable extent used fertilizer to increase production and restore fertility to the soil for the reason that the cost of good fertilizer has been so exceedingly high as to be prohibitive. But the time is coming when the mid-west farmer must resort to the use of fertilizer to a considerable extent; otherwise the crop yields will grow less and less each year.

Now, the contract we are considering, if consummated and not emasculated by objectionable amendments, will afford annually to the American farmer a supply of cheap fertilizer with a nitrogen content of at least 40,000 tons of fixed nitrogen. This will be manufactured by cheap power generated at the Muscle Shoals Dam and power plant, and the fertilizer will be sold to the farmers at a price to be established by a board on which the three leading representative farm organizations will have representatives, namely, the American Farm Bureau Federation, the National Grange, and the Farmers' Educational and Cooperative Union of America. Now, this will mean much to the American farmers. It will enable them to increase and in many instances double or treble the yield per acre of grain and vegetable crops. It will enable the farmer to maintain the fertility and increase the productivity of his land. It will enable the farmer on a few acres to produce a larger crop than he can now produce on double the number of acres. It will reduce the expense and investment of the farmer and in many ways promote his welfare.

I grant you there are some features in this bill that do not meet with my unqualified approval; but, all things considered, I believe the bill as a whole is a good one and should have my support.

From a financial standpoint the Government can well afford to make this contract. We now have Muscle Shoals on our hands. It has cost much money. It is idle and will require the expenditure of tremendous sums to keep it in repair and operate it, if the Government retains it. Mr. Ford's offer has been before Congress and the American people for several years. It has been discussed in Congress, in the public press, on the platform, and in every community throughout the Nation. The Government has invited other companies and individuals to submit competing propositions. So far not one has come forward with a better proposition, and at present there is no prospect of the Government being able to make a better contract at any time in the future. If we reject the Ford proposal we have nowhere to turn for a better or even as good a proposition. Something must be done with the Muscle Shoals proposition and done quickly, if the Government is to save further expense and avoid great loss in the future. The Government can not afford to operate the plant permanently. I believe the Government operation for a hundred years would prove exceedingly unsatisfactory and expensive. The Ford Co. has the financial resources and efficient business organization to successfully and economically operate the Muscle Shoals plant. By the pending contract the national defense is safeguarded, the farmers guaranteed an abundant supply of cheap fertilizer, and the industrial, agricultural, and commercial development of our country materially stimulated. These considerations influence me to vote for the pending measure unless the integrity of this contract should be impaired by the adoption of ill-considered amendments of such a character as to emasculate the bill and mutilate its beneficent provisions.

The CHAIRMAN. The time of the gentleman has expired.

The gentleman from Ohio [Mr. MOORE] is recognized.

Mr. MOORE of Ohio. Mr. Chairman, this debate has been instructive, and I have followed it with interest and concern.

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this bill to be in such form and in unequivocal terms that it will compel Mr. Ford and the company he will organize to do what the people of the country understand he has promised to do.

It is admitted that the Government has spent more than $83,000,000 for what Henry Ford proposes to purchase for $5,000,000. The property he would get consists of the following, according to the minority report:

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Nitrate plant No. 2, including the Waco Quarry, represents an investment of more than $67,000,000. It includes 2,300 acres of land. On this tract are 186 permanent residences, many of them with two bathrooms, including expensive electric-lighting fixtures, water supply, sewers, etc. These great nitrate works include the largest buildings of their kind in the world. There are also a number of permanent buildings for various small manufacturing purposes, such as sawmills, blacksmith shops, etc.

On this tract comprising nitrate plant No. 2 there is a hotel which is completely furnished and equipped, containing more than 100 rooms. On this tract there are 24 miles of improved roads and cemented sidewalks and streets; there are on this tract about 40 miles of standard-gauge railroad tracks; there are 20 miles of sewers; there is also on this tract a complete waterworks and sewerage system; and there is attached to this nitrate plant No. 2 a steam plant for the generation of electricity, known as the Sheffield steam plant, which alone cost more than $12,000,000. This plant is in high-class running order to-day and is being used. There should be included in this picture the fact that there is $500,000 worth of platinum in storage at the United States subtreasury in New York belonging to the nitrate plants for use in a catalyst for extracting nitrogen from the air. There is also cash in the United States Treasury amounting to $3,472,487.25, recently received by the Government for the sale of the Gorgas steam plant, which it is proposed under the committee bill with the Madden amendment to immediately spend in behalf of Mr. Ford's offer for the construction of an auxiliary steam plant for his benefit.

In return for all the above, including the platinum valued at $500,000 and the $3,472,487.25 cash now in the United States Treasury, Mr. Ford proposes to pay to the United States Government $5,000,000, and that only in several annual installments.

In other words, Mr. Ford proposes to pay $5,000,000 for the following property:

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The Government, if it wants to part with the steam plant for the generation of electricity attached to nitrate plant No. 2, known as the Sheffield steam plant, is now offered by one of the bidders appearing before Congress in this matter the sum of $4,500,000 spot cash for this one unit alone.

I have an interest in the farmer and many of them live in my district. It should be our aim and purpose in every proper way to encourage agriculture which is struggling along under very discouraging circumstances. However, we are entitled to know, and the public is entitled to know, just what the particular bill before us provides and just what it does not contemplate. If there is some sentiment in the country—and I think there is—for the Henry Ford proposal, it grows out of the fact that the farmers of the country expect that he will produce nitrates at Muscle Shoals that will give them cheap fertilizer and, furthermore, permit the United States, in case of war, to still have the use of Muscle Shoals for the preparation of explosives.

The farmer thinks that Henry Ford has agreed to purchase Muscle Shoals and has guaranteed to manufacture nitrates and insure the farmer cheap fertilizer. There is nothing in this bill that makes that absolutely certain, and that is what I want to do, and if that is done I want and expect to support this bill, otherwise I shall feel impelled to vote against it.

What will the farmer think when we tell him that by the provisions of this bill, in section 14, nitrogen that will produce nitrates for fertilizer will be manufactured "according to demand," and in section 15 that the maximum "net profit" shall not exceed 8 per cent in the manufacture and sale of fertilizer. Certainly the farmer is entitled to fair consideration, and there is no need trying to deceive him by making him believe that he is guaranteed something, whereas the proposition is still open to experiment—the question of demand, and also profit.

It must be kept in mind that all farm organizations have not indorsed the Ford offer. The National Grange has not done so, and I am led to believe that the farm organizations that have indorsed the proposal have done it with the full expectation that the bill we pass shall be in such form as to make certain that the thing will be done that they are most desirous of accomplishing and that is to provide cheap fertilizer. I observe in this discussion that most of the Members of Congress from the great agricultural States of the West and Northwest are against this bill in its present form, and to pass the bill in its present form might deceive the farmer. Furthermore, the people of the country generally think that this is a sale to Henry Ford personally, whereas the bill before us provides in the very first paragraph that "Henry Ford will form a corporation to effectuate this agreement."

Assume that Henry Ford may dominate and control the corporation during his lifetime, who will control the corporation when Henry Ford is gone? Mr. Ford is past 60 years of age, and this lease of Muscle Shoals is for 100 years. To-day he is one of the wealthiest men in the world. A quarter of a century ago Henry Ford was a poor man. Who knows, if he is living in 10 years from now, whether he will be rich or poor. His expectancy of life is not likely more than 12 years and we must not hastily permit any personality, even one so outstanding as Mr. Ford's, to confuse our judgment in surrendering a great national asset like Muscle Shoals unless the rights of the Government are secure.

Oh, it is said by some, the gentleman of Illinois [Mr. MADDEN], and others, that Mr. Ford wants "to leave a monument of his success." That may be, but there is nothing in this bill that indicates it; nothing that states he will do anything unprofitable. We are dealing with a business man in business language and considering proposals and profits. Mr. Ford has made a business proposal and I believe he is looking at it in a businesslike way. He is undoubtedly a great business man. What evidence have we that he is going to make any fertilizer if he can not make a profit on it. I would not be unkind, yet duty compels me to be frank and say that the whole history of the activities of Mr. Ford, so far as I am advised, does not indicate that he is unusually generous or takes part in enterprises unless he makes money out of them. Since he is looking at this proposition in a cold-blooded way, I believe it becomes our imperative duty to look at it in the same way for our constituents.

Think of the friends of Mr. Ford coming to us as representatives of the people and telling us that this is his proposal, and we must either take it just as it is or leave it. Why has Mr. Ford any more right to submit a proposal, that can not be changed, to the millions of people in this country than we have as representatives of the people to offer suggestions in the way of amendments to him. The proposition should be so worded that it will carry out what our constituents expect. We hear it whispered around in the cloakroom that we should pass this proposal and that it can be "fixed up" in the Senate. I am answerable to my constituents for voting upon this proposal as it is submitted finally in the House, and not voting in anticipation of what may or may not be done by the Senate.

I maintain and insist that if Mr. Ford is to secure all of this property, for which we have expended more than $83,000,000, and he in turn offers to give $5,000,000, we should make sure that the further consideration of making nitrates for fertilizer is written into the bill in no uncertain terms, and if he does not so make these nitrates, then the Government ought to have the right to forfeit the lease and retake the property. I hope the friends of Mr. Ford will permit us to at least write into this bill a forfeiture clause, as proposed by the gentleman from Ohio [Mr. BEGG], and strengthened by the amendment offered by the gentleman from Arkansas [Mr. WINGO], which provides that if Mr. Ford or the company formed by him does not produce nitrogen for fertilizer, as contemplated, for three successive years, that all rights under the lease shall be forfeited and the property returned to the United States. If Mr. Ford intends to produce cheap fertilizer he ought to consent to this. If this amendment or a similar amendment is not accepted it seems that we would be justified in concluding that he only means to attempt to produce fertilizer if profitable, and that is contrary to what the people think the Henry Ford offer is.

We are told that both Mr. Ford and his estate will be bound by the terms of the contract. We insist that the bill

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Assume that Henry Ford may dominate and control the corporation during his lifetime, who will control the corporation when Henry Ford is gone? Mr. Ford is past 60 years of age, and this lease of Muscle Shoals is for 100 years. To-day he is one of the wealthiest men in the world. A quarter of a century ago Henry Ford was a poor man. Who knows, if he is living in 10 years from now, whether he will be rich or poor. His expectancy of life is not likely more than 12 years and we must not hastily permit any personality, even one so outstanding as Mr. Ford's, to confuse our judgment in surrendering a great national asset like Muscle Shoals unless the rights of the Government are secure.

Oh, it is said by some, the gentleman of Illinois [Mr. MADDEN], and others, that Mr. Ford wants "to leave a monument of his success." That may be, but there is nothing in this bill that indicates it; nothing that states he will do anything unprofitable. We are dealing with a business man in business language and considering proposals and profits. Mr. Ford has made a business proposal and I believe he is looking at it in a businesslike way. He is undoubtedly a great business man. What evidence have we that he is going to make any fertilizer if he can not make a profit on it. I would not be unkind, yet duty compels me to be frank and say that the whole history of the activities of Mr. Ford, so far as I am advised, does not indicate that he is unusually generous or takes part in enterprises unless he makes money out of them. Since he is looking at this proposition in a cold-blooded way, I believe it becomes our imperative duty to look at it in the same way for our constituents.

Think of the friends of Mr. Ford coming to us as representatives of the people and telling us that this is his proposal, and we must either take it just as it is or leave it. Why has Mr. Ford any more right to submit a proposal, that can not be changed, to the millions of people in this country than we have as representatives of the people to offer suggestions in the way of amendments to him. The proposition should be so worded that it will carry out what our constituents expect. We hear it whispered around in the cloakroom that we should pass this proposal and that it can be "fixed up" in the Senate. I am answerable to my constituents for voting upon this proposal as it is submitted finally in the House, and not voting in anticipation of what may or may not be done by the Senate.

I maintain and insist that if Mr. Ford is to secure all of this property, for which we have expended more than $83,000,000, and he in turn offers to give $5,000,000, we should make sure that the further consideration of making nitrates for fertilizer is written into the bill in no uncertain terms, and if he does not so make these nitrates, then the Government ought to have the right to forfeit the lease and retake the property. I hope the friends of Mr. Ford will permit us to at least write into this bill a forfeiture clause, as proposed by the gentleman from Ohio [Mr. BEGG], and strengthened by the amendment offered by the gentleman from Arkansas [Mr. WINGO], which provides that if Mr. Ford or the company formed by him does not produce nitrogen for fertilizer, as contemplated, for three successive years, that all rights under the lease shall be forfeited and the property returned to the United States. If Mr. Ford intends to produce cheap fertilizer he ought to consent to this. If this amendment or a similar amendment is not accepted it seems that we would be justified in concluding that he only means to attempt to produce fertilizer if profitable, and that is contrary to what the people think the Henry Ford offer is.

We are told that both Mr. Ford and his estate will be bound by the terms of the contract. We insist that the bill

as now written binds neither Mr. Ford nor his estate after the contract is consummated. Do you think Mr. Ford would consent to bind his estate for 100 years, and how would it be accomplished? Assume that he dies in 10 years from now, how would you keep open and bind his estate for 90 years? After his estate was divided among his beneficiaries and heirs, how do we know that anything could be realized by the Government from anyone? I think these are all timely, proper, and necessary questions, and that we ought to resolve any doubt in favor of our constituents rather than sentimentally decide this matter because Mr. Ford is the proponent. If the proponents and friends of this bill mean what they say, why not write the provisions in the bill so the country will understand? [Applause.]

The gentleman from Ohio [Mr. BURTON], who has made a study of this and related subjects, calls attention to the fact that this proposal is contrary to the policy of our Federal water power act which limits franchises to 50 years and seeks to control excess profits. The friends of Mr. Ford insist that this lease must be for 100 years, and that they will not accept it for 50 years or any number of years under 100. That is a long period of time, and why should a contract be given to Mr. Ford if it ignores the Federal water power act?

When we think what has happened in the last 100 years and then contemplate the possibilities and probable necessities of the next hundred years it should make us cautious in surrendering a great national asset like Muscle Shoals without proper safeguards. This great project at Muscle Shoals has untold water power. We are advised that the property and rights which Henry Ford would get are capable of producing 800,000 horsepower. This is a powerful and valuable industrial asset and capable of producing tremendous electric power. This is a time when people are anxious about making proper conservation for our country. We know that a great deal of the oil, timber, and coal of the country is in private hands, and we must not recklessly part with one of the greatest water-power agencies in the country without making sure that the rights of the people are protected.

We all believe that we are only in the dawn of electrical development. Electric current is to-day transmitted successfully 275 miles for use, and who will dare say what the developments in this field will be in the next hundred years?

The friends of Mr. Ford refuse to write into this proposal that if he sells current or electric power the cost thereof shall be regulated by the utilities commission of the State where the plant is located; or if he should deal in interstate commerce, to be regulated by some Federal agency. Why grant these unusual and extraordinary powers without regulation to a corporation for 100 years, a span of time which must run under the lease long after Mr. Ford shall have passed off the stage of action?

As the Representatives of the people let us look carefully to this proposal to make sure that the farmers get what they have been promised—cheap fertilizer—and that the rights of the country are protected in case of war. [Applause.] I realize that the easy thing and perhaps the popular thing would be to vote for this bill regardless of its provisions. However, I refuse to be guided by sentiment alone, but feel it my imperative duty to make sure that the rights of our country are protected before I shall consent to lease property that belongs to our Government for a hundred years and which has such unlimited possibilities of wealth and power. I want to vigorously protest against an attitude that refuses to permit any amendment to this bill which attempts to carry out Mr. Ford's offer.

To my mind the words of the offer are not as sacred as the rights of the people. [Applause.]

Mr. WRIGHT. Mr. Chairman and gentlemen of the committee, I am opposed to the Wingo substitute and also to the amendment offered by the gentleman from Missouri [Mr. LOZIER], and in its present form I favor the Begg amendment, and in this connection I believe I am authorized to say that the Democratic members of the Military Affairs Committee will now accept the Begg amendment in its present form.

Gentlemen, when the Begg amendment was first offered, in its original form, I was opposed to it. I believe every Democratic member of the committee was opposed to it; but since it has been modified you will see from an examination of it in connection with the bill, it does not alter the terms and provisions of the original bill in a single particular, but simply creates an additional or cumulative remedy looking to the enforcement of the obligations to be undertaken by Mr. Ford for the manufacture of fixed nitrogen.

The great objection to the amendment as originally drawn was that it provided unconditionally for a forfeiture of all these properties to the Government and the Government was to be reinvested with the title in the event Mr. Ford failed, or his company failed, to manufacture 40,000 tons of fixed nitrogen at Muscle Shoals consecutively for a period of three years. As modified, the failure to manufacture fixed nitrogen for two years at Muscle Shoals consecutively would not void the contract unless the Government elected to proceed to have a forfeiture declared, and as modified further, it is expressly set out that none of the rights or remedies of the United States as set forth in the original contract is in any way altered or abridged by the terms of this amendment.

Mr. BYRNS of Tennessee. Will the gentleman yield?

Mr. WRIGHT. Yes.

Mr. BYRNS of Tennessee. I do not know that I understood the amendment, but if I understood it correctly it provides for a forfeiture of all the property that is to be conveyed to Henry Ford or to this company.

Mr. WRIGHT. That is true.

Mr. BYRNS of Tennessee. That, in effect, creates a lien for 100 years upon all of that property no matter what it may be, a house and lot or any particular property that may be conveyed, even though it may have no connection with the nitrate plant and nothing to do with the operation of the nitrate plant. Does the gentleman believe that a company investing this immense amount of money would want to put its money into a proposition and into property that it could not transfer or could not make any conveyance of.

Mr. WRIGHT. I think the bill as originally drawn contained provisions which amply protected the Government.

Mr. BYRNS of Tennessee. That is true.

Mr. WRIGHT. I do not think this provision in the Begg amendment alters any of the provisions of the original bill in the least or that it specially creates any additional remedy except the forfeiture.

Mr. BYRNS of Tennessee. It does do so by this forfeiture.

Mr. WRIGHT. I will call the gentleman's attention to section 12 of the bill. You will note that the last sentence of that section provides that "each of said deeds shall refer to or contain the provisions of this offer and said deeds shall be so drawn as to make such provisions covenants running with the land." So that an examination of that provision discloses that this so-called lien was already created.

Mr. BYRNS of Tennessee. If that be true, then why adopt the Begg amendmnt? The committee evidently, when it reported the bill, thought the language covered it.

Mr. WRIGHT. As I said, I think provisions of the original bill were ample to protect the interests of the Government, but there seems to be a desire to have a forfeiture clause inserted in the deed; that is, a specific forfeiture clause.

Mr. BYRNS of Tennessee. From the discussion I have heard and from what the gentleman from Missouri has said, I am opposed to the Begg amendment.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. McKENZIE. Mr. Chairman and gentlemen of the committee, if you will give me your attention just a moment I will promise to be very brief. One of the provisions in the proposed contract is that Henry Ford or the corporation must manufacture annually 40,000 tons of said nitrogen. That is in section 14. In section 18 there is a provision that in addition to all the remedies now possessed by the United States for the enforcement of contracts, the Government shall have the right to go into the District Court of Northern Alabama and by mandamus or other special proceedings bring Mr. Ford in for the purpose of compelling him to comply with the conditions of the contract, one of which is that he shall annually manufacture 40,000 tons of nitrogen. In addition to that, my good friend from Ohio [Mr. BEGG], and a few other gentlemen of the House, felt that we did not have Mr. Ford tied down quite tight enough and that notwithstanding the fact that we provided that if he failed to manufacture nitrogen annually to the extent of 40,000 tons he could be taken into a court of equity and finally, probably, the property forfeited, the gentlemen whom Mr. BEGG represents, and others who I am sure join with them, desire that Mr. Ford shall be required to comply with this condition of the contract and wish to have as a supplemental section a provision that a forfeiture can be declared at the end of two years without any further proceeding. This is all there is in the Begg amendment. I think it is drastic enough. I do not think there will be much danger without it, but I have said to the gentleman from Ohio [Mr. BEGG] that being one of those who are interested in the farmers of this country, and who are standing for this proposition more on account of the fertilizer provision in it than any other, I want Mr. Ford and the corporation which he shall organize bound to perform under the contract, and the amendment of the gentle-

man from Ohio [Mr. BEGG] will only tighten the thing up a little tighter. In other words, it will take another half hitch in the rope by which we have the corporation tied.

Mr. GARRETT of Texas. Mr. Chairman, I do not mind saying that I have some misgiving whether this amendment will tighten it up. The bill provides that he shall manufacture fertilizer annually, 40,000 tons, and now you put in a cumulative clause in which he is not in default unless he fails for two years. If he fails for one year—and I am interested that he shall not fail for any year, because gentlemen know that if there is one thing that I am interested in it is the production of fertilizer—suppose he does not manufacture for one or for two years, what are we going to do about it?

Mr. McKENZIE. We have the remedy provided for in section 18, and the Begg amendment refers to that and says that this provision in the amendment is supplemental and shall not repeal section 18.

Mr. BYRNS of Tennessee. If you have it in section 18, why adopt this amendment?

Mr. McKENZIE. Because I think it makes it stronger.

Mr. LOZIER. Is it not true that under the Begg amendment the court can not invoke the provisions of that amendment and ask a forfeiture except the company fails for two years in succession, and is not it true under the legislative construction of the contract Henry Ford can manufacture 40,000 tons one year, then skip a year, manufacture 40,000 tons another year, and skip a year, and you are relieving him by the amendment from the obligation.

Mr. McKENZIE. I think the gentleman is entirely wrong in the construction of the amendment offered by the gentleman from Ohio. In my judgment it would strengthen the bill, and I have said to the gentleman from Ohio that I will support it, and I hope the friends of this measure will support it and that it will be adopted. I move, Mr. Chairman, to close the debate in five minutes.

The CHAIRMAN. The gentleman from Illinois moves that all debate on this section and all amendments thereto close in five minutes.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment of the gentleman from Arkansas [Mr. WINGO] to the amendment offered by the gentleman from Ohio [Mr. BEGG].

The question was taken; and on a division (demanded by Mr. QUIN) there were 96 ayes and 75 noes.

Mr. McKENZIE. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. McKENZIE and Mr. WINGO.

The committee again divided; and the tellers reported that there were 98 ayes and 79 noes.

So the amendment of Mr. WINGO to the amendment of Mr. BEGG was agreed to.

The CHAIRMAN. The question now is on the substitute offered by the gentleman from Missouri [Mr. LOZIER].

The substitute was rejected.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from Ohio [Mr. BEGG] as amended by the gentleman from Arkansas [Mr. WINGO].

The question was taken; and on a division (demanded by Mr. BYRNS of Tennessee) there were—ayes 123, noes 46.

So the amendment was agreed to.

Mr. GRAHAM of Illinois. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. GRAHAM of Illinois: Page 11, line 9, after the word "readiness," strike out the words "or its equivalent."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois.

The question was taken; and on a division (demanded by Mr. GRAHAM of Illinois) there were—ayes 54, noes 96.

So the amendment was rejected.

Mr. BURTON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. BURTON: Page 10, lines 7 and 8, strike out the words "by reconstruction of the plant itself, or"

Mr. BURTON. Mr. Chairman, it is not included in the Ford offer.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Ohio.

The question was taken; and on a division (demanded by Mr. BURTON) there were—ayes 52, noes 104.

So the amendment was rejected.

The Clerk read as follows:

SEC. 15. In order that farmers and other users of fertilizers may be supplied with fertilizers at fair prices and without excessive profits, the company agrees that the maximum net profit which it shall make in the manufacture and sale of fertilizer products shall not exceed 8 per cent of the fair actual annual cost of production thereof. In order that this provision may be carried out, the company agrees to the creation of a board of not more than nine voting members, chosen as follows: The three leading representative farm organizations, national in fact, namely, the American Farm Bureau Federation, the National Grange, and the Farmers' Educational and Cooperative Union of America, or their successor or successors (said successor or successors to be determined, in case of controversy, by the Secretary of Agriculture), shall each designate not more than seven candidates for the board in the first instance and thereafter, for succession in office, not more than three candidates. The President shall nominate for membership on this board not more than seven of these candidates, selected to give representation to each of the above-mentioned organizations, said nominations to be made subject to confirmation by the Senate, and there shall be two voting members of said board selected by the company: *Provided*, That not more than one shall be nominated by the President from the same State; that if the Senate shall not confirm all of said seven nominees the President shall send additional names from the said list of candidates until the Senate shall have confirmed seven: *Provided further*, That if either or any of said farm organizations or its or their successors by reason of the expiration of its or their charter or ceasing to function or failing to maintain its organization or for any cause or reason should decline, fail, or neglect to make such designations, then the Secretary of Agriculture shall make such designation or designations for such or all of said organizations as may so decline, fail, or neglect to make such designation; and if such designation is made by the Secretary of Agriculture for only one or two of said organizations, then such designation shall be made so as to give the remaining organization or organizations the same right and in the same proportion to designate candidates for said board as in the first instance and just as though all of said organizations were making such designations: *Provided, however*, That a failure to make designations at any one time shall not thereafter deprive any organization of its original rights under this section: *And provided further*, That the terms of office of the first seven candidates nominated by the President and confirmed by the Senate on the designation of said farm organizations shall be as follows: Two for a period of two years, two for a period of four years, and the remaining three for a period of six years, and thereafter the nominations for membership on said board made by the President, except for unexpired terms, shall be for six years each. None of the members of said board shall draw compensation from the Government, except that any which may be nominated and confirmed on the designation of the Secretary of Agriculture under the provisions hereof shall receive from the Government their actual expenses while engaged in work on said board.

A representative of the Bureau of Markets, Department of Agriculture, or its legal successor, to be appointed by the President, shall also be a member of the board serving in an advisory capacity without the right to vote. The said board shall determine what has been the cost of manufacture and sale of fertilizer products and the price which has been charged therefor, and, if necessary for the purpose of limiting the annual profit to 8 per cent as aforesaid, shall regulate the price at which said fertilizer may be sold by the company. For these purposes, said board shall have access to the books and records of the company at any reasonable time. In order that such fertilizer products may be fairly distributed and economically purchased by farmers and other users thereof, the said board shall determine the equitable territorial distribution of the same and may, in its discretion, make reasonable regulation for the sale of all or a portion of such products by the company to farmers, their agencies, or organizations. If and when said board can not agree upon its findings and determinations, then the points of disagreement shall be referred to the Federal Trade Commission (or its legal successor) for arbitration and settlement, and the decision of said commission in such cases shall be final and binding upon the board.

Mr. LONGWORTH. Mr. Chairman, it seems that it will be inadvisable to attempt to reach a final vote on the bill to-night. I suggest to the gentleman from Tennessee [Mr. GARRETT] that we read a little further in the bill but with the understanding that a final vote shall be taken on Monday morning.

Mr. GARRETT of Tennessee. Mr. Chairman, if the bill is to be read further for amendment, and if amendments are to be voted on, it seems to me, if we are not going to have a final vote on it, we might as well rise now, because if we enter into any agreement Members will very soon leave the Chamber.

Mr. LONGWORTH. I think that might be the wisest thing to do.

Mr. GARRETT of Tennessee. As I understand it, the bill will be taken up for consideration again on Monday?

Mr. McKENZIE. Mr. Chairman, I ask the gentleman from Ohio if we will be permitted to continue with this bill on Monday, or will we be sidetracked with District day, or some other proposition, and not permitted to finish the bill?

Mr. LONGWORTH. That would be a matter for the House to decide. So far as I am concerned, I would favor proceeding with this bill.

Mr. McKENZIE. I regret to say that we have fooled away a great deal of this day with speeches when we could have had the bill passed.

Mr. LONGWORTH. I think a good deal of time has been wasted.

Mr. McKENZIE. Mr. Chairman, is Monday District day or suspension day?

Mr. LONGWORTH. The rule provides that on certain Mondays District business shall be in order. It is for the House to decide which it prefers.

Mr. GARRETT of Tennessee. Has the gentleman from Illinois any idea of how many more amendments are going to be offered?

Mr. McKENZIE. I think it would puzzle the Lord Almighty to answer that question.

Mr. HILL of Maryland. I understand the gentleman from Ohio will move on Monday that we go ahead and finish this bill?

Mr. LONGWORTH. I shall favor the motion of the gentleman from Illinois [Mr. McKENZIE] to go into the Committee of the Whole for the further consideration of the bill.

Mr. OLIVER of Alabama. Mr. Speaker, under leave to extend my remarks in the RECORD on the bill now pending for the acceptance of Henry Ford's offer for Muscle Shoals, and to include in such remarks two telegrams received relating to the discussion of the bill, I here set out first the telegrams, which are as follows:

UNIONTOWN, ALA., *March 8.*

Hon. W. B. OLIVER,
Washington, D. C.:

Please have read into the RECORD protest against unfair attack made on Alabama Power Co. by JAMES and MADDEN.

G. D. STOLLENWERCK,
President Chamber of Commerce.
VAL TAYLOR,
President Cane Brake Loan & Trust Co.
W. J. WHITE,
President Planters & Merchants Bank.
W. H. TAYLOE.
WILLIAM MUNFORD.
S. T. WHITFIELD.
A. C. DAVIDSON.
W. J. VAIDEN.
B. F. HATCH.
J. G. WHITE.

MARION, ALA., *March 8.*

Hon. W. B. OLIVER,
Washington, D. C.:

Kindly have the following read into the RECORD: "We, the undersigned, being citizens of a community served by the Alabama Power Co., being familiar with the methods of such company and believing the same to have been a great factor in the development of the State of Alabama, do condemn the unfair and unjust attacks made upon said company by Representatives JAMES and MADDEN."

J. B. HATCHETT,
W. L. HOGUE,
Deputy Solicitors.
J. F. GLASS, *County Commissioner.*
C. E. SUTTLE,
J. M. MOORE, *President,*
The Peoples Bank of Marion, Ala.
J. D. DENNIS,
GEORGE P. WHITE,
A. F. ARMSTRONG, *President,*
Marion Central Bank.
CHAS. C. JOHNSON,
Superintendent of Schools.

The gentlemen whose names are signed to the above telegrams are my personal friends and leading business men and representative citizens of Marion and Uniontown, Ala., in my district.

Since one of these telegrams makes reference to the part, in the belief of the sender, that the Alabama Power Co. has played in the development of the State of Alabama, I think it proper to insert the following statement made by me on that subject before the Military Affairs Committee of the House on March 8, 1922, as shown on page 994 of the hearings of the committee, and which views I still hold, and feel that a great majority of the people of my State still hold:

Mr. OLIVER. Mr. Chairman, the Alabama delegation has received a letter from Hon. B. M. Allen, of Birmingham, Ala., who presided at a large mass meeting in Montgomery on Wednesday last, at which certain resolutions were adopted, and he has requested that the resolutions be read to the committee, and I desire to now read them. They are very complete and informing, and set forth in a forceful, proper, and accurate way the attitude of the people of Alabama on the subject to which the resolutions relate.

MEMORIAL TO THE PRESIDENT AND CONGRESS OF THE UNITED STATES AND THE COMMITTEES OF CONGRESS, ADOPTED BY THE STATE-WIDE MASS MEETING HELD IN THE CITY AUDITORIUM AT MONTGOMERY ON WEDNESDAY, MARCH 1, 1922.

We, citizens of Alabama, 5,000 strong, representing county governments, municipal authorities, women's clubs, labor bodies, chambers of commerce, civic bodies, and farmers' organizations from every quarter of the State, in mass meeting assembled at Montgomery, with full confidence in both the justice and wisdom of the President and Congress, do hereby declare:

That while the entire Muscle Shoals stretch of the Tennessee River lies within the borders of this State, the right to control and regulate the river in the interest of the Nation's commerce has been ceded by the State of Alabama to the Federal Government. We recognize the fact that Muscle Shoals is the property of the Nation, belonging alike to the people of all the States, and, while we claim no greater right than any other State to say what shall be done with Muscle Shoals, we believe that we but exercise the guaranties of the Federal Constitution when we petition Congress that this great national asset be not employed by the Government as an instrumentality for fastening upon us and upon our children and our children's children the yoke of an oppressive and burdensome monopoly.

We affirm that the Alabama Power Co. now owns and controls a number of splendid power sites on the Coosa River in this State; that it owns and controls all of the available power sites on Little River in Alabama; and that it owns the wonderful power site at Cherokee Bluffs on the Tallapoosa River in this State; that in the 14 years since its incorporation it has built one power dam in this State and commenced work on one other dam; that at the present rate of developement of the power potentialities already under the control of this corporation more than 100 years will go by before all of these dormant water powers are harnessed; that it has been the policy of that corporation to develop only such power as can be sold in small units and at high prices; that controlling as it does all of the great water-power sites in a State blessed by God Almighty with wonderful power possibilities, it, a foreign-controlled corporation, is in position to litigate with any American-owned organization which may seek to develop any one of Alabama's wasting water powers, just as it now threatens to litigate with Henry Ford, or with the Government, if either seeks to build Dam No. 3 at Muscle Shoals, or to control the Government-built steam plant and transmission line at Gorgas; that in spite of the fact that this foreign-owned corporation has long enjoyed exemption from taxation in this State, it has been busy ever since its entrance into Alabama in preempting every great power site within our borders, and in so copper riveting its hold on all of Alabama's great hydroelectric potentialities as to prevent for all time their development by any possible competitor; that it has been its policy to buy these power sites at farm-land prices and to hold them in perpetuity as power sites; that it already controls the utilities in our principal cities and is year by year securing the control of the utilities in our towns and villages; and that if it secures Muscle Shoals it will have perfected its control of all of our great water powers and will hold in its selfish grasp all of these instrumentalities, placed within our borders by a beneficent Providence for the promotion of the commercial and industrial welfare of all the people.

We hold that it would be a travesty on legislation if, after many years of congressional consideration of how best to conserve the power in our navigable streams for the benefit of all the people and how most surely to preserve them from being used as instruments of monopoly, the Nation's greatest water power should be handed over to the Alabama Power Co. under the national water power act; and we further hold that it would be the quintessence of legislative folly for the Government, after 10 years of investigation as to how best to free the United States from its dependence upon a foreign power for its supply of nitrogen for explosives, in the event of war, and after spending millions of dollars in the construction of the greatest nitrogen fixation plant in the world, to turn over the only power capable of successfully operating the nitrate plant to a corporation owned and controlled by foreigners.

We remind Congress that just as the Alabama Power Co. has returned evil for good to the people of Alabama, so it is the one corporation whose dealings with our country in the grim emergency of

war was so shameless, selfish, and conscienceless that when its conduct was investigated by a select committee of Congress the minority members of this committee joined with the majority in denouncing its brazen and sordid betrayal of its duty to a war-beset nation.

Again affirming our utmost confidence in the ability and the desire of the President and the Congress of the United States and the committees of Congress to reach the soundest solution of the pending questions relating to the disposition of Muscle Shoals, we wish to express ourselves with regard to Mr. Henry Ford's proffered contract with the Government. The subject is of such vital interest to the people of Alabama that with greatest enthusiasm they have assembled in this meeting for the purpose of making this memorial:

Upon mature deliberation, we, as citizens, do express our firm conviction that it is to the best interest of the United States and to the interest of the people of Alabama that the offer of Henry Ford be accepted and concluded as a binding contract, and for the following, among other, reasons:

The acceptance of the Ford offer would insure the operation in Alabama of at least two great organizations engaged in the development and sale of hydroelectric energy, and would further insure competition in the distribution and sale of power throughout the territory which can be reached by transmission lines from the several power sites on the Tennessee River whose development is within the contemplation of the Ford offer.

The Ford offer insures the operation of United States nitrate plant No. 2 for a period of 100 years for the production of fertilizers in time of peace and for the production of nitrates for explosives in the event of war.

It insures to the millions of farmers throughout the United States, whose organizations have with unanimity indorsed the offer of Henry Ford, the continuous operation of this Government-built plant for the production of nitrate fertilizers in competition with the present producers of nitrates, by a company whose profits will be limited to 8 per cent, and in sufficient volume to have a controlling influence in fixing the price of nitrates and nitrate fertilizers for agricultural uses.

The Ford offer insures to the people of the United States the operation of nitrate plant No. 2 and its maintenance in such a constant state of readiness, with a trained force of operatives, as to guarantee to the Government and its citizens an independent, internal supply of nitrates, in exact accord with the announced intention of Congress as expressed in section 124 of the national defense act of 1916.

The Ford offer guarantees the construction of Dam No. 3, and makes provision for use by the people of the United States for purposes of navigation of one of the country's largest and most important rivers which is an integral part of the great Mississippi River waterway system.

In the consideration given to the various offers for Muscle Shoals much has been said about the profit and loss that would accrue to the Government of the United States and to its people from the acceptance or the rejection of the various offers. We respectfully urge that a plan which looks to a constant supply of cheap fertilizers for the farmers of the Nation through a period of 100 years, which insures to American industry during that period the use of nearly 1,000,000 horsepower of electric energy, which provides for the security of the Nation in the event of war, and which guarantees the navigability of one of the country's greatest rivers for all time. These continuing additions to the resources of the Nation, if it were possible to express them in terms of dollars, with interest at 4 per cent, will in the course of 100 years add so vastly to the wealth of the Nation and the prosperity of its people that any difference in the price of the nitrate plant as fixed in the several offers, and any difference between the purchase price offered and the estimated possible scrap value of the property, is dwarfed into insignificance.

With these considerations in view and having in mind the freedom of our own people from a galling and oppressive water-power monopoly, the freedom of the American farmer from a burdensome and grinding fertilizer monopoly, the opening of a great river to navigation, and the security of the country in the event of war, we urge the President and the Congress of the United States to accept the offer of Henry Ford, whom we verily believe seeks through his offer to dedicate to the American people and especially to the farmers of America his genius and his fortune.

We indorse the sentiment "America first" and Muscle Shoals first for Americans and, above all, for American farmers. Henry Ford is a typical American, who by his genius has done more for country people and country life than any other man of his time; a man who has the trust and confidence of the great masses of the common people, as evidenced by the resolutions adopted by every gathering of plain, ordinary Americans, including the representatives of 4,000,000 farmers, who have given voice to their sentiments in regard to his proposal for the development of Muscle Shoals.

We believe the issue in Congress is clearly drawn. It is a contest between the people and the interests which control the people's fertilizer and power resources.

On behalf of the army of the unemployed, in the interest of the great body of plain American citizens, in the name of millions of perplexed and burdened farmers, we beg our President and the Congress of the United States and its committees to promptly accept the offer of Henry Ford.

J. L. ANDREWS.
FRANCIS PATTERSON WALKER.
J. J. BUFFINGTON.
H. C. RANKIN.
EDW. A. O'NEAL.
S. P. MCDONALD.
CHAS. L. HAROLD.
EDWARD DOTY.

This resolution was unanimously adopted.

B. M. ALLEN, *Chairman*.
C. E. JOHNSON, *Secretary*.

MARCH 1, 1922.

This resolution, I feel, represents the overwhelming sentiment of the people of Alabama. The statement by Governor Taylor before this committee is evidence that it represents the sentiment of the people of Tennessee.

Mr. BANKHEAD. Mr. Speaker, under leave granted to print, the following telegrams are inserted in the RECORD in connection with the debate on the acceptance of the Ford offer for Muscle Shoals at the request of the senders thereof:

BIRMINGHAM, ALA., *March 10, 1924*.

Hon. W. B. BANKHEAD, M. C.,
Washington, D. C.:

I note in the press that certain Members of Congress have been making unjust and unfounded criticisms of Alabama Power Co. and its officials. You doubtless are aware that there is no basis for the bitterness and vindictiveness contained in such criticisms, and I trust that you will be good enough to see that these statements do not go unanswered. This company, as you know, is doing a great development work in this State and means much to the success and prosperity of industry.

JOHN S. STONE.

RUSSELLVILLE, ALA., *March 8, 1924*.

Hon. W. B. BANKHEAD, M. C.,
Washington, D. C.:

I regard the Alabama Power Co. as a useful institution. We are glad to have them serve us. They tend to develop this section. Please read this telegram into the CONGRESSIONAL RECORD.

W. H. KEY.

BIRMINGHAM, ALA., *March 8, 1924*.

Congressman W. B. BANKHEAD,
House of Representatives, Washington, D. C.:

We, as citizens of Alabama, earnestly request you to enter a vigorous protest on our part against the unfair and unjust criticism of the Alabama Power Co. by different Members of Congress, and we request you to see that this telegram be read into the records of the Ford hearing.

CHARLES F. DEBARDELEBEN.
MILTON H. FIES.

BIRMINGHAM, ALA., *March 8, 1924*.

Congressman W. B. BANKHEAD,
Care House of Representatives, Washington, D. C.:

We as citizens of Alabama vigorously protest against the unfair and unjust criticisms of Alabama Power Co. by different Members of Congress, and we request you to see that this telegram be read into the RECORD of the Ford hearing.

FRANK NELSON.
A. B. ALDRIDGE.

RUSSELLVILLE, ALA., *March 8, 1924*.

Hon. W. B. BANKHEAD, M. C.,
Washington, D. C.:

The press reports show that Congressman MADDEN in the debate on Muscle Shoals yesterday took the Alabama Power Co. to task about its attitude and standing in Alabama. I am for Ford for Muscle Shoals, but I am for the Alabama Power Co. for commercial power, and feel, as do a great many others, that there is plenty of room in Alabama for both companies. The information I get is that the Alabama Power Co. is constructive in its policy, and necessarily could not enter any town without the consent and desire of that town in the way of a franchise. If the press reports are correct, then Mr. MADDEN'S statements with reference to the Alabama Power Co. are unmerited. And if you will, I will ask you to read this telegram into the CONGRESSIONAL RECORD.

W. L. CHENAULT.

ANNISTON, ALA., *March 9, 1924.*

Hon. W. B. BANKHEAD, M. C.,
Washington, D. C.:

This body to-day passed the following resolution:

"Whereas it appears from the press reports received that Hon. MARTIN B. MADDEN, of the House of Representatives, attacked on March 6 the integrity of the Alabama Power Co.; and

"Whereas, in the opinion of this body, such attack was wholly unjustified by facts: Therefore be it

"*Resolved*, That the board of directors of the Anniston Junior Chamber of Commerce condemns such unfair and unwarranted attacks upon a public utility of this State that has done and is doing so much for the upbuilding of Alabama and especially this district.

"*Resolved further*, That this resolution, which shall not be construed as indorsing any particular offer for Muscle Shoals, shall be placed in the congressional records of the Muscle Shoals case, and that a copy of this resolution be wired to each Member of the Alabama delegation in Congress."

BOARD OF DIRECTORS JUNIOR CHAMBER OF COMMERCE.

RUSSELLVILLE, ALA., *March 8, 1924.*

Hon. WM. B. BANKHEAD, M. C.,
Washington, D. C.:

The citizens of Russellville and Franklin County are square behind Henry Ford for Muscle Shoals and heartily indorse Congressman MADDEN'S remarks in behalf of the Ford offer. Some few people here are stockholders in the Alabama Power Co., or have retainers from them. Excepting those, we are hundred per cent for the Ford offer. We consider MADDEN right on every statement. Read this wire into the RECORD.

C. D. Carter, Democrat; George W. Graves, postmaster; Arthur South, deputy collector; C. E. Wilson, jr., Democrat; C. E. Wilson, sr., Democrat; Y. M. Quinn, Democrat; J. D. Petree, judge of probate, Franklin County, Ala.; R. Hester, county committeeman; R. L. Bowen, State committeeman; John E. Orman, J. M. Clark, secretary chamber of commerce; J. C. Carter; W. W. Ramsey, mayor; Chas. R. Wilson; O. H. Crowell, Republican committeeman; Walter Denton, Republican; C. E. McAllster, Republican; J. L. Graves, Republican county chairman; J. Foy Guin, Republican State committeeman; Jessie Hovate; Jim Walston; Clif Roe.

ANNISTON, ALA., *March 8, 1924.*

Hon. W. B. BANKHEAD, M. C.,
Washington, D. C.:

This body to-day passed the following resolution:

Whereas the press of the country quoting Hon. MARTIN B. MADDEN, of the House of Representatives, on March 6, as attacking the integrity of Alabama Power Co., and whereas such attack, in the opinion of this body, is wholly unauthorized by the facts: Therefore be it

Resolved, That the board of directors of the Anniston Chamber of Commerce while indorsing no particular offer made for Muscle Shoals does nevertheless condemn such unfair and unwarranted attacks upon a public utility of this State that is doing so much for the upbuilding of the State and especially the Anniston district.

Resolved further, That these resolutions be placed in CONGRESSIONAL RECORD in Muscle Shoals case and a copy wired to each Member of the Alabama delegation in Congress.

ANNISTON CHAMBER OF COMMERCE,
By L. C. WATSON, *Secretary.*

JASPER, ALA., *March 8, 1924.*

Hon. W. B. BANKHEAD, M. C.,
Washington, D. C.:

Please get into the RECORD the protest of the undersigned against uncalled for assaults in Congress against Alabama Power Co. We are not sending this for or against any bid for Muscle Shoals, but in interest of fair play. Alabama Power Co. has spent huge sums in developing this State and is rendering useful and satisfactory service and has good will of people it serves.

W. D. MANASCO.
GEORGE W. WOOD.
O. F. COBB.
C. V. RAINEY.
MOSE NEWBURGER.
R. D. ARGO.
T. B. DILWORTH.
ROBERT LANG.
J. S. FREUEMAN.
J. M. SHERER.
R. A. SHERER.
ELLIS CRANFORD.
J. D. CONWELL.
R. O. CRANFORD.
O. M. SHERER.

Mr. ALLGOOD. Mr. Speaker, by permission granted me to-day, under extension of remarks, I wish to have read into the RECORD the following telegrams from friends of mine who live in Alabama, all of whom I know to be men of the highest type. These gentlemen knew that I favored the McKenzie bill for Ford's offer for Muscle Shoals, and my position is fully set out in my speech to-day in the House, and desiring to give justice to all interested parties I hereby comply with their request:

GUNTERSVILLE, ALA., *March 8, 1924.*

Hon. MILES ALLGOOD, M. C.,
Washington, D. C.:

The constructive work of the Alabama Power Co. in Alabama for years past should refute the statement of Mr. MADDEN assailing their integrity. Their business standing in the cities they serve is unquestioned. Please read into the RECORD.

E. H. COUCH, *Mayor of Guntersville.*

BOAZ, ALA., *March 8, 1924.*

Hon. MILES ALLGOOD, M. C.,
Washington, D. C.:

A record of several years of constructive and upbuilding work for Alabama should refute the statements assailing the Alabama Power Co. made on the floor yesterday by some northern Congressman. Alabama citizens believe in fair play, and untrue statements should not go unchallenged. Please read into the RECORD.

JOHN W. BROWN, *Mayor of Boaz.*

GUNTERSVILLE, ALA., *March 8, 1924.*

Hon. M. C. ALLGOOD,
Washington, D. C.:

Don't permit MADDEN'S attack on Alabama Power Co. to go unchallenged. This company has already made itself indispensable to Alabama. Please read into the RECORD.

C. GENNELL, *Editor Democrat.*

ALBERTVILLE, ALA., *March 8, 1924.*

Hon. MILES ALLGOOD, M. C.,
Washington, D. C.:

I feel that charges made on the floor by some northern Congressmen against the integrity of the Alabama Power Co. were not just. The Alabama Power Co. has been a constructive and useful force in Alabama for several years. Please read into the RECORD.

THE SAND MOUNTAIN BANNER,
JAS. P. WHITMAN, *Editor.*

ALBERTVILLE, ALA., *March 8, 1924.*

Hon. MILES ALLGOOD, M. C.,
Washington, D. C.:

I feel that charges made on the floor by some northern Congressmen against the integrity of the Alabama Power Co. were unjust. The Alabama Power Co. has been a constructive and useful force in Alabama for several years.

THE SAND MOUNTAIN BANNER,
JAS. P. WHITTMAN, *Editor.*

ALBERTVILLE, ALA., *March 8, 1924.*

Hon. MILES ALLGOOD, M. C.,
Washington, D. C.:

Charges made on the floor against the integrity of the Alabama Power Co. by some northern Congressmen were unjust. The Alabama Power Co. has been a useful and constructive force in Alabama for several years. Please read into the RECORD.

E. M. HYATT,
Mayor of Albertville.

ANNISTON, ALA., *March 8, 1924.*

Hon. M. C. ALLGOOD, M. C.,
Washington, D. C.:

This body to-day passed the following resolutions:

"Whereas it appears from the press reports received that Hon. MARTIN B. MADDEN, of the House of Representatives, attacked, on March 6, the integrity of the Alabama Power Co.; and

"Whereas in the opinion of this body such attack was wholly unjustified by facts: Therefore be it

"*Resolved*, That the board of directors of the Anniston Junior Chamber of Commerce condemns such unfair and unwarranted attacks upon a public utility of this State that has done and is doing so much for the upbuilding of Alabama, and especially this district.

"*Resolved further*, That this resolution, which shall not be construed as indorsing any particular offer for Muscle Shoals, shall be placed in the congressional records of the Muscle Shoals case and that a copy of this resolution be wired to each Member of the Alabama delegation in Congress."

BOARD OF DIRECTORS, JUNIOR CHAMBER OF COMMERCE.

ANNISTON, ALA., *March 8, 1924.*

Hon. M. C. ALLGOOD, M. C.,
Washington, D. C.:

This body to-day passed the following resolutions:

"Whereas the press of the country quoting Hon. MARTIN B. MADDEN, of House of Representatives, on March 6 as attacking the integrity of Alabama Power Co.; and

"Whereas such attack, in the opinion of this body, is wholly unauthorized by the facts: Therefore be it

"*Resolved*, That the board of directors of the Anniston Chamber of Commerce, while indorsing no particular offer made for Muscle Shoals, does nevertheless condemn such unfair and unwarranted attacks upon a public utility of this State that is doing so much for the upbuilding of the State, and especially the Anniston district.

"*Resolved further*, That these resolutions be placed in congressional records in Muscle Shoals case and a copy wired to each Member of the Alabama delegation in Congress."

ANNISTON CHAMBER OF COMMERCE,
By L. C. WATSON, *Secretary.*

GADSDEN, ALA., *March 8, 1924.*

Hon. MILES C. ALLGOOD, M. C.,
Washington, D. C.:

We solemly protest against the statements made on the floor of the House by Representatives MADDEN and JAMES as to the Alabama Power Co. That company is clean and doing more to develop Alabama than any other. Its officers are among the best and leading citizens of the State. We ask that you read this into the RECORD.

J. L. HERRING.
E. S. CROSS.
C. W. VANCE.
A. A. TOMAS.
T. S. KYLE.
C. S. WARD.

Mr. HILL of Alabama. Mr. Speaker, by permission granted to extend my remarks in the RECORD on the bill providing for the acceptance of the offer of Henry Ford for Muscle Shoals I wish to have printed in the RECORD the following telegrams:

MONTGOMERY, ALA., *March 8, 1924.*

Hon. LISTER HILL, M. C.,
Washington, D. C.:

I am instructed by the board of directors of the Chamber of Commerce of Montgomery, in special meeting assembled at noon to-day, to convey the following sentiment: Note press reports relative to an attack made on floor of House yesterday against Alabama Power Co. This would indicate Alabama Power Co. is regarded by business interests of Alabama as being an outlaw and pirate and has no friends. We feel, as a representative business organization, it would be unfair if we did not protest against this attack. We regard the Alabama Power Co. as being one of our progressive corporations, and it enjoys the respect and confidence of a large part of our population. They are seeking in every honorable way to develop Alabama, and instead of being unjustly censured we feel they should be commended for their efforts in upbuilding this section. Please have this read in the records.

CHAMBER OF COMMERCE, MONTGOMERY, ALA.,
W. F. BLACK, *Secretary.*

WASHINGTON, D. C., *March 11, 1924.*

W. F. BLACK,
Secretary Chamber of Commerce, Montgomery, Ala.:

I received on Monday, March 10, your telegram protesting against attack made on Alabama Power Co., which telegram was published in the Montgomery Advertiser on Sunday morning, March 9. The attack referred to in your telegram can be construed to be the speech of Representative FINIS J. GARRETT, the Democratic leader of the House, or the speech of Representative MARTIN B. MADDEN, or the speech of Representative W. FRANK JAMES, or my speech delivered in the House on March 5 for the acceptance of the Ford offer. If your telegram refers to my speech I have no apologies to make. On the contrary, I wish to reiterate every word uttered in my speech to the end that the people of my State may know of the activities of the Alabama Power Co. in its effort to defeat the Ford offer to the great detriment of the people and to gain a monopoly of the water power of Alabama for its own selfish purposes. When a candidate for Congress I announced that I would fight the Alabama Power Co. so long as it stood between Henry Ford and Muscle Shoals. The people trusted me and elected me. I am now keeping faith with them. I am sending you a copy of my speech above referred to. Since you published your telegram to me, in order that my conduct in Congress may be publicly and fairly judged, I request that you publish this telegram to you, together with my speech and the following telegram sent by you to the Military Affairs Committee, of which I am a member, which telegram reads as follows:

"MONTGOMERY, ALA., *February 17, 1923.*

"Hon. JULIUS KAHN,
"*Chairman Military Affairs Committee,*
"*House of Representatives, Washington, D. C.:*

"Whereas it appears from the public press that the Alabama Power Co. is making bid to Government for the acquisition of Muscle Shoals and all subsidiary plants; and

"Whereas it is the opinion of the board of directors of Chamber of Commerce of Montgomery, Ala., that the Alabama Power Co. already has practically a monopoly on all water-power rights in Alabama, except Muscle Shoals, which rights now possessed will require years to develop, therefore we believe that any further grant of power to that company would be a calamity not only to Alabama but to the entire territory contiguous thereto, and will retard the development of this country commercially and agriculturally for years to come. We urgently request your committee not to consider the offer of the Alabama Power Co. as competitive with the offers made by other people for the development of Muscle Shoals.

"CHAMBER OF COMMERCE, MONTGOMERY, ALA.,
"W. F. BLACK, *Secretary.*"

I am placing in the RECORD this telegram to you and your telegram to me as requested.

LISTER HILL, M. C.

Mr. McKENZIE. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. MAPES, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 518 and had come to no resolution thereon.

ORDER OF BUSINESS.

Mr. McKENZIE. Mr. Speaker, I ask unanimous consent that business in order on Monday, provided for in the calendar, shall be set aside until after the disposition of the pending bill.

The SPEAKER. The gentleman from Illinois asks unanimous consent that business in order on Monday next be set aside, and that this bill shall be in order. Is there objection?

Mr. REED of New York. Mr. Speaker, I object.

ADJOURNMENT.

Mr. LONGWORTH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 5 o'clock and 36 minutes p. m.) the House adjourned until Monday, March 10, 1924, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

391. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the legislative branch of the Government for the fiscal year ending June 30, 1925; said estimate is for driving, maintenance, and operation of an automobile for the Vice President, which automobile is now used by the President pro tempore (H. Doc. No. 213); to the Committee on Appropriations and ordered to be printed.

392. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Department of Agriculture for the fiscal year ending June 30, 1924, to repair damage by typhoon to buildings, fences, etc., of the agricultural experiment station on the island of Guam, $3,500, and for the protection of the so-called Oregon & California Railroad lands and Coos Bay Wagon Road lands, $11,990; in all $15,400 (H. Doc. No. 214); to the Committee on Appropriations and ordered to be printed.

393. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Treasury Department for the fiscal year 1924, for miscellaneous expenses pertaining to the activities of the Federal Farm Loan Board, amounting to $5,000 (H. Doc. No. 215); to the Committee on Appropriations and ordered to be printed.

394. A letter from the Attorney General, transmitting letter in response to House Resolution 211, directing him to transmit to the House the names of the two Members of Congress mentioned in the report of the grand jury of the District Court of the United States for the Northern District of Illinois, and the nature of the charges made against such Members of Congress (H. Doc. No. 216); to the Committee on the Judiciary and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. VESTAL: Committee on Weights, Coinage, and Measures. H. R. 5259. A bill to authorize the coinage of 50-cent pieces in commemoration of the commencement on June 18, 1923, of the work of carving on Stone Mountain, in the State of Georgia, a monument to the valor of the soldiers of the South, which was the inspiration of their sons and daughters and grandsons and granddaughters in the Spanish-American and World Wars, and in memory of Warren G. Harding, President of the United States of America, in whose administration the work was begun; without amendment (Rept. No. 277). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. ROACH: Committee on War Claims. S. 129. A bill for the relief of the William D. Mullen Co.; without amendment (Rept. No. 276). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 3760) granting a pension to W. C. Merritt, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. LITTLE: A bill (H. R. 7751) to provide for the erection of a Federal building at Paola, Kans.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 7752) to provide for the erection of a Federal building at Olathe, Kans.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 7753) to provide for the erection of a Federal building at Osawatomie, Kans.; to the Committee on Public Buildings and Grounds.

By Mr. HILL of Washington: A bill (H. R. 7754) to provide for the purchase of a site and the erection thereon of a public building at Oroville, Wash.; to the Committee on Public Buildings and Grounds.

By Mr. VINSON of Kentucky: A bill (H. R. 7755) for the purchase of a post-office site at Russell, Ky.; to the Committee on Public Buildings and Grounds.

By Mr. HAMMER: A bill (H. R. 7756) to prohibit the collection of a surcharge for the transportation of persons or baggage in connection with the payment for parlor or sleeping car accommodations; to the Committee on Interstate and Foreign Commerce.

By Mr. MADDEN: A bill (H. R. 7757) for the abandonment of a portion of the present channel of the South Branch of the Chicago River; to the Committee on Interstate and Foreign Commerce.

By Mr. HAUGEN: A bill (H. R. 7758) to further amend an act entitled "An act to regulate foreign commerce by prohibiting the admission into the United States of certain adulterated grain and seeds unfit for seeding purposes," approved August 24, 1912; to the Committee on Interstate and Foreign Commerce.

By Mr. DEAL: A bill (H. R. 7759) providing for the purchase of a site and the erection of a public building at Norfolk, Va.; to the Committee on Public Buildings and Grounds.

By Mr. HASTINGS: A bill (H. R. 7760) to reimburse certain Eastern Cherokees who removed themselves to the Cherokee Nation under the terms of the eighth article of the treaty of December 29, 1835; to the Committee on Indian Affairs.

By Mr. SCHNEIDER: A bill (H. R. 7761) to provide for the manufacture of explosives for the use of the Army and Navy, to provide for the manufacture of fertilizer for agricultural purposes, to incorporate the Federal Chemical Corporation, and for other purposes; to the Committee on Military Affairs.

By Mr. WINSLOW: A bill (H. R. 7762) to provide for the method of measurement of vessels using the Panama Canal; to the Committee on Interstate and Foreign Commerce.

By Mr. PORTER: Joint resolution (H. J. Res. 212) providing for the reduction of income tax payable in 1924; to the Committee on Ways and Means.

By Mr. BELL: Joint resolution (H. J. Res. 213) for the investigation of the advisability and cost of securing lands in the Southern Appalachian Mountains for perpetual preservation as a national park; to the Committee on the Public Lands.

By Mr. KENT: Resolution (H. Res. 214) providing for investigation of the receivership of the Lehigh Machine Co., Lehighton, Pa.; to the Committee on Rules.

By Mr. LINEBERGER: Resolution (H. Res. 215) providing for an additional clerk for Members of the House of Representatives not chairman of committees during the Sixty-eighth Congress; to the Committee on Accounts.

By Mr. CARTER: Memorial of the Legislature of the State of Oklahoma, favoring the enactment into law of an adjusted compensation bill; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BEEDY: A bill (H. R. 7763) granting a pension to Fairfield Tuttle; to the Committee on Invalid Pensions.

By Mr. CASEY: A bill (H. R. 7764) for the relief of John Bray; to the Committee on Military Affairs.

Also, a bill (H. R. 7765) granting an increase of pension to Hattie McGuire; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7766) granting an increase of pension to Lorenzo D. Smith; to the Committee on Pensions.

By Mr. DENISON: A bill (H. R. 7767) to provide for an examination and survey of the Mississippi and Ohio Rivers at or near Cairo, Ill., for the purpose of determining the practicability and estimating the cost of a tri-State highway bridge over said rivers; to the Committee on Interstate and Foreign Commerce.

By Mr. GARDNER of Indiana: A bill (H. R. 7768) granting a pension to Noah Rickard; to the Committee on Invalid Pensions.

By Mr. GARRETT of Tennessee: A bill (H. R. 7769) for the relief of Jacob D. Nelson; to the Committee on Claims.

By Mr. MANSFIELD: A bill (H. R. 7770) for the relief of R. E. Swartz, W. J. Collier, and others; to the Committee on Claims.

By Mr. OLDFIELD: A bill (H. R. 7771) granting an increase of pension to George L. Robinson; to the Committee on Pensions.

By Mr. ROBSION of Kentucky: A bill (H. R. 7772) granting an increase of pension to Richard B. Abston; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7773) granting a pension to Millard Barrett; to the Committee on Pensions.

Also, a bill (H. R. 7774) granting an increase of pension to Alfred D. Burns; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7775) granting a pension to James Fletcher; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7776) granting a pension to Alvin L. Piercey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7777) granting an increase of pension to George Roberts; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7778) granting a pension to Robert Roberts; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7779) granting an increase of pension to Elizabeth J. White; to the Committee on Invalid Pensions.

By Mr. SCOTT: A bill (H. R. 7780) for the relief of Fred J. La May; to the Committee on the Public Lands.

By Mr. TINCHER: A bill (H. R. 7781) granting an increase of pension to John W. Garten; to the Committee on Pensions.

By Mr. YOUNG: A bill (H. R. 7782) for the relief of Anna Volker; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1596. By the SPEAKER (by request): Petition of the Board of Aldermen of the City of New York, favoring the passage of a bonus act for veterans of the World War; to the Committee on Ways and Means.

1597. Also (by request), petition of members of the Navajo Tribe of Indians residing in the vicinity of Toadlena, N. Mex., requesting that the eastern extension of their reservation be

granted to them and their children; to the Committee on Indian Affairs.

1598. By Mr. ALDRICH: Petition of South Providence Lodge, No. 328, I. O. B. A., Providence, R. I., protesting against the passage of the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1599. Also, petition of Rhode Island Lodge, No. 287, P. O. W., Providence, R. I., protesting against the passage of the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1600. By Mr. CABLE: Petition of Allen Lodge, No. 145, International Association of Machinists, of Lima, Ohio, favoring the passage of the Brookhart-Hull bill (S. 742 and H. R. 2702); to the Committee on Naval Affairs.

1601. By Mr. CONNERY: Petition of Young Men's Hebrew Association, Lynn, Mass., condemning the so-called Johnson bill; to the Committee on Immigration and Naturalization.

1602. By Mr. COOK: Petition of executive committee of the Marion Woman's Department Club, Marion, Ind., in support of the prohibition act; to the Committee on the Judiciary.

1603. By Mr. CORNING: Petition of the Gideon Lodge No. 140, I. O. B. B., Albany, N. Y., in opposition to the restrictive immigration bill introduced by Representative ALBERT JOHNSON; to the Committee on Immigration and Naturalization.

1604. By Mr. EVANS of Montana: Petition of Eric Peterson and other citizens of Deer Lodge, Mont., urging the enactment into law of legislation similar to or identical with the Brookhart-Hull bill (S. 742 and H. R. 2702) requiring that all strictly military supplies be manufactured in the Government-owned navy yards and arsenals and providing for the stabilizing of production and employment in Government industrial establishments by the use of these plants for the manufacture of articles required by other departments of the Government; to the Committee on Naval Affairs.

1605. By Mr. GALLIVAN: Petition of auxiliary to Lawrence Post, No. 15, American Legion, Lawrence, Mass., recommending early and favorable consideration of adjusted compensation for veterans of the World War; to the Committee on Ways and Means.

1606. Also, petition of city council, city of Worcester, Mass., recommending early and favorable consideration of legislation providing for increases in salaries of all postal employees; to the Committee on the Post Office and Post Roads.

1607. By Mr. GARBER: Petition of citizens of Alva, Okla., indorsing the adjusted compensation measure; to the Committee on Ways and Means.

1608. Also, petition of the American Wheat Growers' Association and the Export Commission Leagues of Idaho, Illinois, Iowa, Kansas, Minnesota, Nebraska, Montana, North Dakota, Oregon, South Dakota, Utah, Washington, and Wyoming, expressing views on the McNary-Haugen bill as compared with the views of the Oklahoma Wheat Growers' Association; to the Committee on Agriculture.

1609. Also, petition of citizens of Lamont, Okla., and vicinity, indorsing the adjusted compensation measure; to the Committee on Ways and Means.

1610. Also, petition of citizens of Cherokee, Alfalfa County, Okla., and vicinity, indorsing the adjusted compensation measure; to the Committee on Ways and Means.

1611. Also, petition of a number of citizens of Jet, Okla., stating their approval of House bill 745, the Anthony bill, providing for free shooting grounds and game refuges; to the Committee on Agriculture.

1612. By Mr. LEAVITT: Petition of Beaverhead Post, No. 20, American Legion, of Dillon, Mont., favoring adjusted compensation; to the Committee on Ways and Means.

1613. Also, petition of Carbon Post, No. 17, American Legion, of Red Lodge, Mont., favoring an adjusted compensation measure with provisions that benefit therefrom may be received in the form of a cash payment, insurance, vocational training, farm or home aid, or land; to the Committee on Ways and Means.

1614. By Mr. O'CONNELL of Rhode Island: Petition of members of the South Providence Lodge, No. 328, I. O. B. A., of Rhode Island, opposing the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1615. Also, petition of members of the Rhode Island Lodge, No. 287, P. O. W., of Providence, R. I., opposing the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1616. By Mr. O'SULLIVAN: Petition of the American Legion, Department of Connecticut, favoring a five-year limit for tuberculosis on claims arising from service to the United States in the World War; to the Committee on World War Veterans' Legislation.

1617. Also, petition of the American Legion, Department of Connecticut, protesting against any time limit for the filing of mental claims arising from service to the United States in the World War; to the Committee on World War Veterans' Legislation.

1618. By Mr. PATTERSON: Memorial of Winfield Council, No. 63, Sons and Daughters of Liberty, Jersey City, N. J., favoring the immigration bill (H. R. 6540); to the Committee on Immigration and Naturalization.

1619. By Mr. STRONG of Pennsylvania: Petition of Council No. 149, Sons and Daughters of Liberty, Blairsville, Pa., in favor of House bill 6540, to further restrict immigration; to the Committee on Immigration and Naturalization.

1620. By Mr. YOUNG: Petitions of C. W. Fine and 31 other citizens of Sheyenne, N. Dak.; Alfred Haldi and other citizens of Glenburn, N. Dak.; H. A. Podoll and other citizens of Jud, N. Dak.; and E. W. Anderson and 69 other citizens of Alexander, N. Dak., urging the passage of the Norris-Sinclair bill; to the Committee on Agriculture.

1621. Also, petition of A. G. Sevareid and other citizens of Velva, N. Dak., and 36 citizens of Tappen, N. Dak., urging an increase in the duty on wheat from 30 to 60 cents per bushel, the repeal of the drawback provision and the milling-in-bond privilege, also the passage of the Wallace plan for the marketing of wheat; to the Committee on Ways and Means.

SENATE.

SUNDAY, *March 9, 1924.*

The Senate met at 11 o'clock a. m.

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father, with whom there is no beginning nor end of days, Thou art teaching us most frequently that the present life is but a shadow. We are inclined too often to number our days by the things of time and sense, and to measure life by heart throbs or figures on a dial. But we come this morning beseeching Thee that we may have before us that dateless life towards which all other forms of existence tend. We beseech of Thee to be with us we bear one to the other remembrances of past friendship and opportunity and possibility. We pray, our Father, that not only shall there be granted unto those that mourn the sweetness of infinite consolation but to those who have to do with the duties and bear the burdens of the present a new sense of responsibility, realizing that after all our tenure of office is not held in the presence of humankind alone but in Thy presence that determines life and its destiny. Hear us, be with us in this hour, and grant us Thy blessing now and always. Through Jesus Christ, our Lord. Amen.

NAMING A PRESIDING OFFICER.

The reading clerk (John C. Crockett) read the following communication:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., March 9, 1924.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. LAWRENCE C. PHIPPS, a Senator from the State of Colorado, to perform the duties of the Chair this legislative day.

ALBERT B. CUMMINS,
President pro tempore.

Mr. PHIPPS thereupon took the chair as Presiding Officer.

THE JOURNAL.

On request of Mr. LODGE and by unanimous consent the reading of the Journal of the proceedings of Friday last was dispensed with and the Journal was approved.

MEMORIAL ADDRESSES ON THE LATE SENATOR NELSON.

Mr. SHIPSTEAD. Mr. President, I offer the following resolutions and ask for their adoption.

The PRESIDING OFFICER. The Secretary will report the resolutions.

The resolutions (S. Res. 187) were read, and considered as follows:

Resolved, That the Senate has heard with profound sorrow of the death of Hon. KNUTE NELSON, late a Senator from the State of Minnesota.

Resolved, That as a mark of respect to the memory of the deceased the business of the Senate be now suspended to enable his associates to pay tribute to his high character and distinguished public services.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Mr. SHIPSTEAD. Mr. President, in the death of Senator KNUTE NELSON, America lost one of its strong, sturdy, self-relying men. For more than fifty years he served in positions of honor and trust to which he had been elected by the American people. The last twenty-nine years of this service was spent as a member of this body. A citizen, born on foreign soil, but whose life was spent in the service of his adopted country. His life's record is enrolled on the pages of its history as a soldier, farmer, lawyer, statesman.

This plain rugged man, who arose from poverty to a position of honor and trust leaves a lesson of inspiration for all the youth of America. KNUTE NELSON possessed the essentials of a great man. He hated sham and disliked ostentatious display. His plain, straight forward manner of address and action, his simple life, his devotion to family and friends, and his loyalty to what he considered to be his country's welfare, stamped him as a man who always remained true to his own ideals.

Ibsen says "To be true to his God, man must be true to himself." KNUTE NELSON was above all things true to himself. Therefore, the people of Minnesota affectionately called him "Knute." He came among them as a pioneer. He suffered the trials and privations of the early pioneers. He lived the simple, rugged life of the farmer.

KNUTE NELSON was born in Voss, Norway, on the 2d day of February, 1843. His father died when he was three years old. In 1849, when six years of age, he emigrated with his mother, to America. They settled in Chicago, where the young lad sold papers in order that he might help his mother and provide for their support. They moved to Dane County, Wisconsin, in the fall of 1850, where young Knute attended the common school, suffering the difficulties and privations of the pioneer youth of that day. He entered Albion Academy in 1858, where he attended three years. He did not finish his course at Albion on account of the outbreak of the war between the States. He enlisted in the Union Army on July 2, 1861, at Racine, Wis., and was mustered into the service on the same day as a private in Company B, Fourth Wisconsin Volunteers. He was wounded and captured in action at Port Hudson, La., June 14, 1863; was held as a prisoner of war at Port Hudson until July 9, 1863, when he returned to his company. He was appointed corporal and served with his company until July 14, 1864, when he was honorably mustered out of service by reason of expiration of term of enlistment. At the close of the war he returned to Albion Academy, finished his course, and became a law student at Madison in the office of Hon. William F. Vilas, who was afterwards Postmaster General in President Cleveland's Cabinet and later United States Senator from Wisconsin. Mr. NELSON was admitted to the bar in 1867, and immediately commenced the practice of law. In the fall of the same year he was elected to the State Assembly of Wisconsin and was reelected the following year.

At the close of his second term in the assembly, he moved to Alexandria, Minn., where he made his home until his death. He entered a United States homestead of 120 acres adjoining the village of Alexandria, and commenced farming and the practice of law. He was county attorney of Douglas County, Minn., for three years, from 1872 to 1875; and also a member of the State senate for four years, from 1875 to 1879. He was a presidential elector in 1880 on the Garfield ticket; and a member of the board of regents of the University of Minnesota from 1882 to 1893. He was elected to Congress in 1882 from what was then called the fifth district of Minnesota, and served three terms, when he declined reelection. He then resumed the practice of law in Alexandria, Minn. In 1892, he was unanimously nominated as the Republican candidate for Governor of Minnesota, and was elected by a plurality of over 14,000. A renomination and reelection by a plurality of 60,000 followed in 1894. Soon after his reelection as governor he was elected to the United States Senate by the Minnesota Legislature in 1895, to which position he was reelected for the terms beginning in 1901, 1907, 1913, and 1919. He died the evening of April 28, 1923, on board a train, while traveling from Washington to his Minnesota home. He lies buried in the little cemetery on the outskirts of the city of Alexandria, Minn., beside his wife, neighbors, and friends who had preceded him on that long journey that all humanity must make.

This is the record of the eventful life of KNUTE NELSON—the farmer, the lawyer, the soldier, the Senator of the United States—Minnesota's most distinguished citizen. A man who loved his people and whose people loved him. He lived to see his country pass through several crises. He will live in history as an example of what America has done for the frugal, industrious, honest immigrant, who came to her shore seeking the right to life, liberty, and the pursuit of happiness.

Mr. LODGE. Mr. President, my friendship with Senator NELSON began many years ago. I was elected to Congress in 1886 and took my seat in December, 1887. It was there that I met Senator NELSON. He had already served through two Congresses and had achieved an important position in the House. He was then, as always, a man of marked qualities, full of courage and possessed of real strength, both morally and intellectually. I came to know him quite well and served with him in the House until his retirement in 1888. I did not see him again until he came to the Senate in 1895. I had come into the Senate two years earlier, but from 1895 until his death we were constantly associated. It was then that I came to know him very well. He was a man of great vigor, both physically and mentally. He was very independent in his opinions and perfectly fearless in the assertion of his convictions. He was a strong man in every way, a good lawyer, and a most excellent Senator, hard working, diligent, and always master of any subject which he took up and to which he gave his attention. He was a man of intense patriotism who had served through the Civil War as a private, rising, as he said, to the rank of corporal, a gallant soldier who had been wounded and taken prisoner at Port Hudson.

There never was a more thorough American than he, but he had a very loyal nature and always retained his affection for the land of his birth. As the years went on, by his force of character and his mental strength, he secured such a position in the Senate that he was always listened to with close attention and all he said carried a great deal of weight.

I have seen him more than once, by one of his vigorous speeches, change votes in the Senate in debate and carry other Senators with him by the mere force of his character and good sense. Everyone recognized, whether they agreed with him or not, the honesty of his opinions and the strength in argument with which he presented them. He filled a large place in the Senate and commanded a respect which is only given to men who have proved their qualities of sincerity and conviction.

His death brought to me a sense of great personal loss. There were many memories which we had shared and I had for him a very real affection. I had known him so long and so well that I had come very strongly to realize that, although his manner was sometimes blunt and he was never at any time a phrase maker, he meant all he said and that he had the simplicity of truth and warm affections which never failed his friends. He had reached a ripe age, strong and vigorous to the last. To the Senate, to the country, and to his State, his death was not only a severe loss but leaves behind him an enduring sense of grief and an honored memory in the hearts of all who knew him and served with him.

Mr. WARREN. Mr. President, America, benign foster mother of many aliens from many lands, lost one of her most devoted adopted sons when our friend, Senator KNUTE NELSON, passed on.

His life was typical of true citizenship, and may be looked upon as a real inspiration to the naturalized American as well as to the native-born of humble origin who must, solely by his own efforts, face and win the battles of life or be forever vanquished. He was not a "hyphenate" at any time in his career, but, instead, a genuine American of the highest order. Our Nation has had other examples of loyalty on the part of foreign-born citizens who have deeply loved, and ardently served, their adopted land, but we of the Senate will never know one who will outdo KNUTE NELSON in devotion to Americanism—in everything that the word may imply.

Even in his early young-manhood he gave evidence of what he thought of his oath of allegiance to the United States and the Constitution, when he joined the ranks of the Union Army, shouldered a musket, and marched away to battle, regardless of the fact that he was violently opposed to war and the principles of warfare. His military service covered a period of three years, in which he participated in the capture of Fort Jackson, the siege of Vicksburg, and several other important engagements.

During the siege of Port Hudson, La., he was wounded, taken prisoner, and not released until the Confederate troops, fortified there, surrendered.

It is said that Senator NELSON often referred to the war between the North and the South, and the service he saw in it,

as his "best university," although he was in fact a close student of law and history and kept well informed about all essential matters through constant reading.

KNUTE NELSON'S election to the assembly of the Wisconsin Legislature began a public career that extended over a period of more than 50 years, most of which time was spent in, and for, the State of Minnesota, where he was greatly loved and trusted—as he was, indeed, throughout the entire Northwest. He served Minnesota twice as Governor, and three terms as Representative in Congress, prior to his service in this body. He was never defeated in a contest for public office.

When Governor NELSON came to the Senate he found many Civil War comrades here. When he answered the last roll call he left but one—myself—who had also participated in the siege of Port Hudson, to which I have referred, and had received, as he did, a lasting souvenir of the engagement—a reminder of times less pleasant than the years we subsequently spent as comrades here in Washington. We were wont, Senator NELSON and I, to have a little "reunion" on May 27 of each year, the anniversary of the occasion in 1863 that had found us both in physical trouble far away from our relatives and loved ones; and, as our other Civil War comrades retired from the Senate or were called by death, we were drawn closer together, it seemed, by that bond which has always made fellow-soldiers "brothers"—or "buddies," as the veterans of the World War say. Either word carries the appeal. Any man of the right caliber who has had military service feels it and is touched by it.

At the time of his passing Senator NELSON was the oldest member of the Senate in years and one of the oldest in seniority, having served here 28 years—always with ability, with rugged honesty, with steadfast adherence to what he thought was right.

The simplicity of his nature, his plain common sense, his courage, his lack of demagogy and hyprocisy, marked him for admiration not only at home, but abroad.

Born in Norway February 2, 1843, KNUTE NELSON came to this country with his mother at the age of six. They lived in Chicago until the fall of 1850; then moved to Dane County, Wisconsin. While working for a living he was also striving for an education, and was able to achieve graduation from the Albion Academy.

After he returned from war he took up the study of law, spending some time in the office of William F. Vilas, who later served here as a Senator from the State of Wisconsin.

Mr. President, KNUTE NELSON came to America a penniless immigrant, unable to speak or to understand the English language. His first earnings were obtained by selling newspapers on the streets of Chicago. There would now be no "immigration problem" to settle if all who seek our shores and the benefits of our glorious land were made of the same stuff. He had no time for self-pity, or for whining about the opportunities of the rich, and the downtrodden conditions of the poor; not at all. Instead, he went to work, fought and conquered poverty, and won the honor, respect, confidence, and love of his fellow-men.

We revere his memory, and ask our citizens, both young and old, to consider the outstanding points of his life and character, and see whether encouragement and inspiration may not be found therein.

Mr. SHIPSTEAD. Mr. President, I regret to announce that the Senator from North Carolina [Mr. OVERMAN] who had expected to pay tribute on this occasion to the late Senator NELSON is unfortunately unable to be present. He, however, prepared a brief address, which he has sent to me. I ask unanimous consent that it may be printed in the RECORD.

The PRESIDING OFFICER. Does the Senator from Minnesota desire to have the address read by the Secretary?

Mr. SHIPSTEAD. No; but I ask that it may be printed in the RECORD.

The address of Senator OVERMAN was ordered to be printed in the RECORD, as follows:

Mr. OVERMAN. Mr. President, one by one the old landmarks of our political life are passing away; one by one the links which connect a glorious past with the present are sundered. The departed Senator in tribute to whose memory this day has been set apart, by reason of his great strength lived ten years beyond the three score and ten years spoken of by the psalmist as the allotted period for man's earthly existence. And though in the natural course of human events it was apparent that his life of usefulness and honor must soon be rounded to a peaceful close, yet his death came as a distinct shock to those who loved him well. It is given to few men to receive the measure of love and devotion accorded to him, not only by his own people, but by all who knew him.

I will leave it to others who are more familiar with it to give the detailed history of his life—a life stretching almost throughout one century and into another, and so full of usefulness and of good deeds that hardly a man of his native State but felt his death a personal loss.

In my estimation, one of the greatest of the great Senators who faithfully served his country during this century was Senator NELSON, who, after he had finished his wonderful career, soon after the adjournment of the Sixty-seventh Congress, suddenly departed this life, on a train, while returning to his old home in Minnesota, which State he so signally honored.

It was my pleasure to serve with him for 20 years in the Senate. We served together on some of the most important committees, and I think I am able to give a just opinion of him. I honored and highly respected him from the first, and as our close association in committee work and in the Senate became more intimate, I had not only the greatest reverence and respect for him but really loved him perhaps as no other man in the Senate. He was both morally and intellectually honest; simple in his habits; always open-minded and sincere; devoid of all hypocrisy and deceit, and never resorted to the tricks of a demagogue to gain favor with his associates or the people. He could always be implicitly relied upto to do the right thing as he saw it. He was indeed the very essence of a true, honest, and great man with invincible courage.

During the period of the war in the Democratic administration he divested himself of all partisanship, and, with an eye single to the best interest of the country, he loyally and ably supported all the great war measures recommended by President Wilson necessary for the winning of the war. In his youth he had served in the ranks of the Union Army and made a splendid soldier, but when any question came up which affected the vital interests of the South and the Southern soldier he was quick to throw aside all his prejudice, and it received his sympathetic consideration. He thus endeared himself to all Southern senators, and is to-day honored and revered by the people of the South. He was always ready to pay just tribute to the memory of his colleagues, especially those who had served in the Confederate Army. He was always kind, just, and generous and would gladly do a favor whenever it was in his power to do so.

In his last election to the Senate the Democrats of the South especially were glad to know that the Democratic Party in Minnesota refused to nominate anyone to oppose him. He was a true Republican and believed in Republican principles and supported them with great ability and loyalty, but he never struck below the belt. He was a high-class statesman in every respect.

As chairman of the great Judiciary Committee he was always considerate of his fellow members and never became impatient with them. His opinion always had great weight with the committee, and by them, as well as by all members of the Senate generally, he was recognized as one of the greatest lawyers in the body. He was always ready to surrender his opinion when he was convinced that he was wrong. He hated all shams and hypocrisy and never showed his temper until he was satisfied that some measure was proposed in favor of some individual, company, or corporation and against the interest of the people. He himself had come up through hard trials and tribulations and knew the people and felt it his duty always to look after their interest.

He was simple, straightforward, unassuming, and unselfish to a degree, characterized by rugged honesty and sincerity of purpose, and yet withal gentle as a woman. Like a granite pillar, his life rises before us, lofty and massive, and yet withal graceful. With its base standing enshrouded in mist—the troubles and hardships of his early life—it rises in its grandeur above the clouds, the mists fall away, and sun-kissed it stands in the light of heaven, a monument of a glory that is past and a guide to that which is to be. Indeed, he was a most remarkable man in every respect, and we will probably never see his like again. When he died the Senate lost one of its most active, industrious; and ablest members and the country one of its greatest statesmen. Peace to his ashes.

> The potentates on whom men gaze,
> When once their rule has reached its goal,
> Die into darkness with their days.
> But monarchs of the mind and soul,
> With light unfailing and unspent,
> Illumine fame's firmament.

Mr. RANSDELL. Mr. President, I am glad to pay tribute to the memory of Senator NELSON. It was not my pleasure to become closely acquainted with him when I entered the House

of Represenetatives 25 years ago, and I did not know him well until I became a member of this body on March 4, 1913, but I was very early attracted to the Senator because of a wonderful report on the floods of the Mississippi River presented by him to Congress as chairman of a special committee appointed by the Senate to study that subject. On the 15th of December, 1898, Mr. NELSON submitted this great report on the Mississippi River floods, which I wish to commend to every student of that very important subject. It is embodied in report No. 1433, Fifty-fifth Congress, third session, entitled "Floods of the Mississippi River." The report itself is brief, but, if there be a classic on that subject, it is this document prepared by Senator NELSON. The evidence taken by him and his associates comprises over 500 pages, and constitutes a voluminous and extremely able mass of testimony gathered by the committee all the way down the Mississippi from the city of St. Paul to the Gulf of Mexico.

This report, I say, first attracted me to Senator NELSON, and in conversation with him I learned that when a soldier during the Civil War he had become familiar with the Mississippi River and with the awful problems of the people living along its banks, caused by the devastating waters of the mighty stream, which carried each spring to the Gulf the accumulated rainfall of a considerable portion of 31 States of our great Union.

Senator NELSON served for a considerable period of the war in the State of Louisiana. I have often heard him talk about places such as Donaldsonville, Plaquemine, Bayou Plaquemines, Bayou Teche, the Atchafalaya River and other places which are familiar to all Louisianians but known to very few in the United States Senate. They seemed to him like the play spots of his young days; and I believe, Mr. President and Senators, that in those young days he learned to love the people of Louisiana and of the Southland. If he ever had an unkind feeling in his heart toward the people of that section I failed to find it out. On the other hand, I ascertained from much intercourse with him that he was deeply interested in the people and the problems of the lower Mississippi. His home was in the State of Minnesota whence that mighty stream takes its rise, and he had studied the problems of the river as few men ever had.

Senator NELSON had many experiences in the South which made him feel kindly to the Southern people. He was at the battle of Port Hudson, was seriously wounded there, and was a prisoner in Port Hudson from the 14th of June, 1863, until its surrender on July 9, 1863. An interesting episode connected with his stay there was that Edward Douglass White, afterward United States Senator from Louisiana, a member of the Supreme Court of the United States, and its Chief Justice—one of the greatest men this Nation ever produced—was also in Port Hudson as a Confederate soldier at the very time Senator NELSON was there. It is true that they did not ascertain that fact until many years subsequently.

I have an interesting little statement of the matter in the Senator's own words, kindly furnished to me by a gentleman who for many years was his secretary and confidential friend, Mr. Simon Michelet, who is now practicing law in this city. The episode is best told by reading first a brief letter of Mr. Byron R. Newton, former Assistant Secretary of the Treasury under Mr. Wilson. It is dated February 12, 1923, from Bayside, Long Island, and addressed to Senator NELSON:

MY DEAR SENATOR NELSON: During my term of office as Assistant Secretary of the Treasury, I recall an interesting little incident that occurred at the White House one evening, at a dinner party, when, as we were smoking before going in to the musical entertainment, you and Chief Justice White became deeply engrossed in the discussion of some personal matter, and later President Wilson told some of us that you and the Chief Justice had discovered that you had met on some battlefield during the Civil War, you as a Union and he as a Confederate soldier, and that one of you had been wounded. The meeting that night in the White House, as I understood it, was the first knowledge that either of you had of the other's identity, with relation to the war incident.

I would greatly appreciate it if you would let me have the exact facts of the interesting incident. I want to use the story in a series of magazine articles of similar character, later to be published in book form.

I think you will remember me as having gone up to Bemidji on one occasion to select a post-office site, when I had charge of public buildings in the Treasury Department.

Sincerely,

BYRON R. NEWTON.

To this letter Senator NELSON replied:

FEBRUARY 16, 1923.

Hon. BYRON R. NEWTON,
Bayside, Long Island, N. Y.

DEAR FRIEND: I heartily thank you for your kind letter of the 14th. Your letter put me in mind of old times, and of your kindness to me while you were Assistant Secretary of the Treasury.

The incident you refer to, in reference to Chief Justice White and myself, is in the main correct. We did not meet and become acquainted at that time. He was a junior officer in the Confederate Army and had been sent in there with a message after the commencement of the siege, and remained inside with the Confederates until the place surrendered. I was only a private in a Wisconsin regiment, and in the charge that our forces made upon the Confederate breastworks on the 14th of June, 1863, I was wounded very near the Confederate breastworks, where I lay from somewhere about sunrise in the morning until dusk at night, when the Confederates, who were mounting a picket right on the outside of their breastworks, came and picked me up and took me inside. I remained in the Confederate hospital until the place surrendered on the 9th of July.

The place surrendered because the news came that Vicksburg had been taken on the 4th, and because the Confederates were short of provisions and on the verge of starving. In the hospital I was treated as well as their own men. We were in a big tent, where there were about 14 of us who were wounded, two Union men (myself one of them), and the rest Confederates.

The last 10 days we had nothing much to eat, except a little corn bread and mule meat. To this was added sassafras tea, made from the roots that were dug out of the ground in the ravine where the hospital was located.

It was only at Washington, at the time you refer to, that Justice White and I compared notes and found that we had both been on the inside at Port Hudson at the same time; that is, from the 14th of June until the 9th of July, 1863. My wound was not very serious. I got over it quite easily. About the time the place surrendered, I was walking around on crutches.

Yours, very truly,

KNUTE NELSON.

Mr. Michelet also gave me a brief memorandum about that same episode, prepared by Senator NELSON, dated the 6th of September, 1919. It presents the incident in a little different way, and reads as follows:

I was taken prisoner and sent to the hospital the day that Port Hudson was to surrender. I was in the hospital tent. The colored men around knew who the Northern people were, and knew who the Southern people were. All those who were able when they knew Port Hudson was to surrender went up on a hill and witnessed it.

I had a crutch and was unable to go. I finally beckoned to a colored man and he followed me out into the brush. I then asked him if he could procure a horse for me. The next day he gave me a knowing look, and I followed him around to a ravine and there, sure enough, he had a fine horse and a Mexican saddle for me. The horse was a sorrel animal and a fine specimen. In the Southern Army they had a different practice from what they had in the Northern Army. The officers owned their own animals. The horse I got was the property of a chaplain. I never hated so much in my life to part with an animal as I did this one, for when the war was over I had no further use for it.

I desire to read at this point a letter received by Mr. Michelet from former Vice President Marshall:

SCOTTSDALE, Ariz., *November 12, 1923.*

Mr. SIMON MICHELET,
719 Albee Building, Washington, D. C.

DEAR SIR: I do not know if I have that historic temperament which enables me to express a dispassionate view of the late Senator KNUTE NELSON, of Minnesota.

I became acquainted with him very shortly after I became Vice President of the United States. That acquaintance soon ripened into a personal friendship. He had in my opinion a character that was above reproach, an intellect that was keen and farseeing, but above all, he possessed what is so much needed now, intellectual honesty and the courage to stand by his convictions regardless of personal or party advantage.

No man born under the flag had ever a greater love of American institutions. A soldier in the Union Army, his fight ended at Appomattox. He was an honor to his country and well deserves the grateful memory in which his life and public service are held by all those who came in contact with him.

It is the lives of such men as he that give me hope for the perpetuity of the Republic. It can not be but that from his ashes there will yet spring millions of men imbued with like desire to serve their day and generation well.

Very truly yours,

THOS. R. MARSHALL.

I also wish to read the following letter from our former colleague and friend, Senator John Sharp Williams, of Mississippi:

CEDAR GROVE PLANTATION,
Star Route, Yazoo City, Miss., November 2, 1923.

Mr. SIMON MICHELET,
719 Albee Building, Washington, D. C.

MY DEAR MR. MICHELET: Yours reached me. I was much distressed when I heard of Senator KNUTE NELSON'S death. The salient characteristics of the man were unfaltering courage of conviction, remarkable intellectual integrity, a rugged common sense, which reached right conclusions of opinion and conduct almost intuitively.

To these he added immense industry and amiability to "all men of good will." Much more might be said, but if you have measured what amounts to real good in men, in the way that I measure it, you will agree that the mere mention of these traits of "The Old Viking," as I called him, sound his praise as fully as could "angels trumpet-tongued."

With cordial regards, now as ever,

Your friend,

JOHN SHARP WILLIAMS.

Mr. President, I am bringing up these episodes about the war because they illustrate something that we ought not to forget in this body. They show that Senator NELSON and the other men who fought against each other during that greatest war in which this country was ever engaged, and I hope the greatest in which it ever will be engaged, certainly the most fratricidal, have for many years had the kindliest feelings toward one another. It is nearly 60 years since the Civil War ended, and in our body to-day there is only one survivor of it—the senior Senator from Wyoming [Mr. WARREN], who was also in the service of his country in that very section of the Union. The last preceding member of this body who was a soldier in that war, who has since been called to his last reward, was Senator Bankhead of Alabama. He and the late Senator NELSON were very intimate friends.

Many of you doubtless recall that wonderful parade in this city in honor of the selective service men, when on the 4th of September, 1917, the Members of Congress marched down Pennsylvania Avenue in full strength, and hundreds of thousands of people thronged the sidewalks to witness the inspiring spectacle. On that occasion John Bankhead and KNUTE NELSON—one the ex-Confederate, the other the ex-Union soldier—marched side by side as intimate friends, though former opponents in war. When, later, on March 1, 1920, Senator Bankhead was called to his eternal reward, his old colleague Senator NELSON, then in his 77th year, went all the way from here to Alabama to attend the funeral of his friend and associate of many years. It was a beautiful tribute for NELSON to pay to Bankhead, and I am sure that if Bankhead were here to-day his voice would tremble with emotion in speaking of his old friend NELSON. Thank God, all the wounds of that cruel struggle have vanished long, long ago!

Mr. President, I do not know what I can say in addition to the remarks of others to give my real estimate of the strong, sturdy, splendid character of KNUTE NELSON. Few men in the history of this Republic have served their country so many years. He was for four years a soldier in the Civil War, two years a member of the Wisconsin Legislature, four years a member of the State Senate of Minnesota, six years a Member of the House of Representatives from that State, four years Governor of his State, and nearly 29 years a United States Senator from it. Almost fifty years of his life were spent in the public service, and after every service it could be truthfully said of KNUTE NELSON: "Well done, good and faithful servant," for he performed his duty well in every position assigned to him during a long life.

Mr. President, I had the pleasure and the honor of serving for nearly eleven years with Senator NELSON on the Committee on Commerce. I was early impressed with his truthfulness, his sturdy common sense, his honesty in all matters, his strong sense of justice, and the broadness of his vision. It could be said of Senator NELSON as of few men that he was a Senator and a statesman of the United States of America rather than of the State of Minnesota. True to Minnesota's interests in every particular, so far as my observation went, his vision was bounded only by the limits of the Union, and he looked faithfully after every interest of this Republic.

I was closely associated with Senator NELSON in connection with appropriations for the waterways of the land, and for the control of the floods of the Mississippi River. He understood both of these problems well, and was favorable to both in the broadest and best sense.

In conclusion let me say, sir, that the people of the flood section of the Mississippi, which is composed of large sections in Illinois, Iowa, Missouri, Kentucky, Tennessee, Arkansas, Mississippi, and Louisiana, never had a better friend than KNUTE NELSON.

We mourn him, and we honor his memory in the highest degree.

Mr. JONES of Washington. Mr. President, the poet says:

Lives of great men all remind us
We can make our lives sublime,
And departing, leave behind us
Footprints on the sands of time.

This is as true to-day as when it was written. Opportunities for heroic service and great advancement are more numerous to-day than ever before. We live in a wonderful age, and we live in a wonderful land. It holds out to every boy the brightest hopes. More than anywhere else real genuine success may be attained by everyone. Whether a young man succeeds or fails depends largely upon himself. Every boy here can start in life with every asset really needed to attain success. Neither riches nor influence are required. Industry, energy, determination, perseverance, frugality, economy, honesty, sobriety, faithfulness, and a willingness to do whatever comes to hand, knowing that all honest toil is honorable, will bring success. What boy can not have these assets if he will, but no one can give them to him. He must have and live these attributes, and he can if he will. Doing so, success is sure in every walk of life. This is shown almost uniformly by the lives of men great in art, science, education, industry, and politics.

The life of Senator KNUTE NELSON is a striking example of this truth. He had neither wealth nor position nor influence to aid him, but, by his own inherent worth, indomitable will, ceaseless energy, unswerving honesty, and unfailing faithfulness to trust, he reached the highest position he could attain.

No greater tribute can be paid to him than to tell of the trust the people had in him. He was born in Norway of humble parentage, and came to this country at an early age. Before he was twenty-one he answered the call of his adopted country and fought for its preservation. He was wounded and made a prisoner in 1863. When the war was over he came home to do his duty in peace as he had done it in war. His neighbors had already learned his worth, and they elected him to their legislative assembly in 1868. From that time until his death his field of usefulness grew larger and larger, and the people's confidence in him was never shaken. With all the changing tides and currents of political thought the people honored and trusted him, and during almost all the period of fifty-five years to the time of his death he was chosen to serve his people in one position after another of increasing power, honor, and responsibility.

He was reelected to the general assembly in 1869. He was elected prosecuting attorney of his county in 1872, 1873, and 1874. He was elected to the State senate in 1875, 1876, 1877, and 1878. He was chosen a presidential elector in 1880 and made a member of the board of regents of the State university in 1882. He was elected to Congress in 1882, 1884, and 1886, and in 1892 was elected governor of the State of Minnesota, and reelected in 1894. In 1895, he was elected to the United States Senate, and reelected from time to time until his death.

He was a staunch, uncompromising Republican, and it is a striking proof of the people's trust in him that in 1918, when last elected to the Senate, he received over 70,000 majority, and in 1923 his successor was elected on the Farmer-Labor ticket by nearly one hundred thousand plurality.

KNUTE NELSON was of alien birth, but no truer American ever trod our soil than he. Not only in war did he show his loyalty and devotion to his country, but in time of peace he was the same true, genuine, loyal American. He did not forget his native land, but the interests and welfare of the United States were supreme with him. No racial interest or influence thwarted his judgment or led him to forget the interests of the country of his adoption. If every foreign-born American citizen would make this nation's welfare paramount, as did he, the solidarity of American citizenry would be a fact. We would then have no catering to the voters of this race or that. Elections would not be determined by the sympathies of a candidate for this or that people in a foreign land. If all were like him, and as they should be, we would not have protests coming from those claiming to be American citizens against legislation, not because of its effect on the United States, but because of its effect upon alien peoples and nations. Then we would not have a class of our citizens threaten to vote against a particular party because the President had acted in a certain

way upon a foreign question contrary to their wishes. They would look only to the welfare of the United States. If all our alien-born citizens were like him, and imbued with the same patriotic impulses and desires that moved him, we would not be urged to vote against this or that legislation in order to secure the votes of this or that class of our citizens. This is one of the great sources of weakness in this Nation to-day. Oh, for more of the pure, undiluted, intense Americanism of KNUTE NELSON.

He was a strong, sturdy, modest, kindly man. He was scrupulously honest and wholly without fear. No task was too humble to command the best that was in him. His moral courage was equal to his physical courage. He stood unfalteringly for what he believed to be right. When he did not agree with his constituents, he boldly told them so and plainly pointed out wherein he thought them wrong. Here in the Senate no people had a more faithful, able, or sincere representative than he. He was at his office early and late, and no committee meeting found him absent if it was possible for him to attend. If he could not come, he usually sent word telling why he could not be present. He was wise in council, able in debate, and fearless in action. To the poor boy who hopes to attain honor his life should be an inspiration; to the alien born who has secured American citizenship his example should bring undivided loyalty to our country, and to those of us who have known him and worked with him his memory is a precious heritage and benediction.

Mr. HARRIS. Mr. President, as the son of a Confederate soldier I deem it a privilege to pay my humble tribute to one of the two Union veterans with whom I have had the honor to serve in the Senate.

The world is better because KNUTE NELSON lived. At the age of 6 he came to the United States from his birthplace in Norway, and without influence and advantages of education made his own way into positions of honor, which he occupied with credit to himself and constructive service to his country. His life is an inspiration to every poor American boy.

As chairman of the Judiciary Committee of the Senate, on which the great lawyers of this body served, Senator NELSON was modest and unassuming. He held other positions of honor in the State of Minnesota and during his long membership in the Senate and House.

Senator NELSON had every reason to be proud of his public service, but nothing in his career reflected greater credit than his splendid record as a soldier in the Federal army of the sixties. Brave soldier that he was, he stopped fighting when the war was over, and he was broad enough to realize that the strength of this Nation lay in the unity of North and South. He realized, as all of us should, that in the event of trouble with a foreign country the sons of Confederate and Federal soldiers would be the most earnest defenders of our flag.

It is my strong conviction that fewer sons of Confederate and Union soldiers were slackers in the World War than any other group. They have no sympathy with any efforts to overthrow our form of government.

Senator NELSON, though not strong and well at the time, made the long trip to Alabama in very severe weather to attend the funeral of Senator Bankhead, the last Confederate veteran serving in this body. He was anxious to do his part in welding all sections of this country into one great nation.

While serving in the Senate during the World War and the bitter period following the armistice, Senator NELSON never once allowed any prejudice to influence his action, and was guided only by the desire to do what he thought was for the best interest of our country.

Senator NELSON believed in, and in his daily life lived up to, the old time religion, which is so needed to-day. It is the only thing that will solve many of the vital problems that confront this demoralized world.

The life of Senator NELSON is an example of the thought that obstacles found along life's pathway are to some stumbling blocks; to others, stepping stones. It depends upon the traveler. Some stumble and fall over them; others step upon them and rise.

In going over my home State, I was often asked about different members of this body. It was my pleasure to tell them that there was no better man nor more useful member than Senator NELSON.

Mr. JOHNSON of Minnesota. Mr. President, it is now just 30 years ago since I first heard Senator KNUTE NELSON deliver a speech. It was at a political meeting in Minneapolis, Minn., during the campaign, when Mr. NELSON was a candidate for reelection as Governor of Minnesota.

I was much impressed with the positive character of the man. His utterances were delivered with confidence and sureness. What he said was spoken in a manner to carry conviction and to be definitely understood. Since that first address I heard Senator NELSON speak on several occasions, and I had the pleasure of meeting him and conversing with him a number of times. Once, as a member of a committee representing the Northwest farmers, I met him here at Washington, and I was pleased with the friendly way in which he greeted us. He was always glad to meet Minnesotans whether they were political pals of his or members of the opposition camp.

KNUTE NELSON was one of Minnesota's pioneers. When he first located at Alexandria, Minn., that section of the State was little better than a wilderness. It was then, as now, an agricultural region, and the experiences of pioneer life were far from pleasant. Mr. NELSON, then just admitted to the practice of law, shared these hardships with the farmer pioneers. He became a sort of White Chief in a territory just recently abandoned by the Red Men. I remember well how, on one of my visits with him, he related at some length his early experiences in the practice of law in Minnesota. It made me realize how well Mr. NELSON understood the lot of the pioneer.

That he held the confidence of his neighbors is evidenced by the fact that he was chosen county attorney shortly after his arrival in Douglas County, and was reelected to that office several times. Later, he was elected by the voters of Douglas and neighboring counties to represent them in the State senate.

This confidence of the voters in the emigrant from Norway grew in extent until it included a majority of the electors of the entire State of Minnesota, and until Mr. NELSON had been elevated to the most important offices in the State.

In a social way, the late Senator was thoroughly democratic. He never outgrew the plain, simple ways of living of his early life. No matter what a man's station in life, Senator NELSON greeted him warmly and without any feeling of condescension. I have often heard his political opponents say how well they liked him personally, notwithstanding their disagreement with him on political matters.

The Minnesota statesman was a conservative in politics. He was a firm believer in preserving the status quo of our institutions, and did not see the necessity for some of the reforms that some of his warm personal friends in Minnesota believed necessary. He was as conservative in politics as he was democratic in social affairs.

Senator NELSON will never be forgotten. His friends will not forget him, because of his absolute fidelity to them. His promises to friends were faithfully kept. His political adversaries also had reason to admire him for his positive stand on questions that became issues between them. They knew just where he stood—a quality not always found in men engaged in politics.

The late Senator possessed these qualities in an unusual degree: Courage to act in accordance with the conclusions of his mind; fidelity to friends and to those who rendered him service; and a definite position on issues regardless of consequences.

These qualities will make the name of KNUTE NELSON live long in the hearts of his countrymen.

Mr. President, I ask for the adoption of the pending resolutions.

The PRESIDING OFFICER (Mr. HARRELD in the chair). The question is on agreeing to the resolutions submitted by the senior Senator from Minnesota [Mr. SHIPSTEAD].

The resolutions were unanimously agreed to.

MEMORIAL ADDRESSES ON THE LATE SENATOR NICHOLSON.

Mr. PHIPPS. Mr. President, I submit the following resolutions and ask for their adoption.

The PRESIDING OFFICER. The Secretary will report the resolutions.

The resolutions (S. Res. 188) were read and considered, as follows:

Resolved, That the Senate has heard with profound sorrow of the death of Hon. SAMUEL D. NICHOLSON, late a Senator from the State of Colorado.

Resolved, That as a mark of respect to the memory of the deceased the business of the Senate be now suspended to enable his associates to pay tribute to his high character and distinguished public services.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Mr. PHIPPS. Mr. President, it is my high privilege and solemn duty to pay tribute to one of Colorado's most illustrious

sons, a sturdy, stalwart pioneer of the West, the late Senator SAMUEL D. NICHOLSON.

When I said good-bye to my colleague just before sailing for Panama on March 5 last year, there was no apparent reason to believe that his illness would result fatally, but, on the other hand, it was expected that his strong physical constitution would enable him to speedily throw off what then appeared to be an attack of the grippe.

The Senator had expected to make the Panama trip with our group of Congressmen and Senators to witness the naval review, and it was a great disappointment to him to abandon his plans, because as a member of the Committee on Naval Affairs he was deeply interested in everything relating to the Naval Establishment.

We missed his genial companionship on the trip and were deeply saddened by the unexpected news of his serious illness, which reached us by wireless at Panama. Even then we could not realize that he was rapidly approaching the end, but hoped for his ultimate recovery. The message informing us of his passing away affected every member of our little party with a feeling of sadness and profound regret, and it was indeed difficult for anyone to realize that the end had come.

Senator NICHOLSON was essentially a self-made man, of strong character, and yet possessing that warm feeling of personal interest in others which made friends for him everywhere.

Mr. President, special meed of honor should be paid to those courageous souls who have braved the perils and hardships of a new section, or who have devoted their lives to the development of a new or little-known industry. Such men make history. Such pioneers have made the entire West, in fact the entire country, what it is to-day. Their work spells progress. They have reclaimed the desert; they have tilled the wastes; they have harnessed the mighty waters to do their will; and they have made the earth yield forth its treasure—all for the development, enrichment, and prosperity of our beloved country.

The finest type of western pioneer was displayed in the man whom we mourn to-day. Senator NICHOLSON'S life was one of toil and effort, of meeting and overcoming obstacles, which led, after long years of hardship, to the personal and political success he so richly deserved.

Born February 22, 1859, on Prince Edward Island, Canada, of Scotch parentage, SAMUEL D. NICHOLSON soon emigrated to the United States, where he secured his grammer school education at Bay City, Mich. One who knew him in later years would not surmise for a moment that this was the only actual schooling he received, as his passion to observe and learn continued throughout life, thus giving him a liberal education.

From Bay City, young NICHOLSON traveled to Nebraska, where he worked as a farm hand, and shortly afterwards, in February, 1881, he landed in the mining camp at Leadville, Colorado. Twenty-five cents was his only capital. Although it was mid-winter, he had no overcoat; but pluck and endurance overcame all obstacles.

Starting as a section hand and day laborer, Mr. NICHOLSON'S advance was steady. He became a foreman in the Colonel Sellers mine at Leadville, and soon displayed unusual ability to master the fundamentals of the business. Added responsibilities were placed upon his shoulders; his fund of knowledge increased and soon he was engaged in independent operations. After a while he was able to secure a lease on the Colonel Sellers mine, which, it was thought, had been practically worked out, but he demonstrated that such was not the case.

The capital secured as a result of this venture permitted Mr. NICHOLSON to operate on a more extensive scale. With rare judgment he selected and developed three other mining properties, the Midas, the Mab, and finally those of the Western Mining Company, which contained, in 1909, the largest deposit of zinc carbonates found in the State of Colorado.

But not for a moment did Mr. NICHOLSON allow himself to fall into a business rut or relax the keenness of his observation. During all this time he studied diligently, eventually becoming an authority on the subject of concentration of ores. The research of Senator NICHOLSON and others along this line proved the economic salvation of his home city, Leadville, in 1908, when it appeared that mineral resources had become practically exhausted. The discovery of carbonate of zinc at that time greatly increased the production of paying ore and meant much to that entire mining district for many years. This material had formerly been thrown on the dump as being altogether worthless.

During one of my visits to the Smithsonian Institute in Washington, there was exhibited a sample of Nicholsonite, a form of zinc carbonate which had been named for him as it was discovered in a mine which was under his direct management.

Nor were Mr. NICHOLSON'S activities confined to the mining industry. He early displayed a broadminded public spirit and a willingness to sacrifice personal gain and advantage for the common good. He became mayor of Leadville in 1893, a year in which local conditions were precarious and the outlook was gloomy indeed. During his second term, the mayor's stamina and strength of character were put to a most severe test. This was in connection with the great strike of 1896, when a lawless element, imported into the community for the purpose, sought to inflame the minds of the local miners to deeds of violence. With charity and firmness combined, bearing in mind that the strikers were men with homes and families, the mayor weeded out the lawless element and let it be known that further disorders would not be tolerated. As a result of this attitude order was quickly and permanently restored.

Mr. NICHOLSON continued in politics, although he seldom sought position for himself and never had selfish gain or advantage in mind. During the Great War he was far past the military age but was anxious to "do his bit." He served as State chairman of the Liberty and Victory Loan campaigns, State chairman of the Roosevelt memorial campaign, and of the Salvation Army drive. He was also a member of the Fuel Administration for Colorado.

Shortly thereafter Mr. NICHOLSON won the Republican nomination for United States Senator and was elected to that high office by a handsome majority. He not only received more votes than the three other candidates combined, but also defeated his nearest rival by over 40,000 plurality.

Senator NICHOLSON succeeded the Hon. Charles S. Thomas, Democrat, and in a short space of time endeared himself to the hearts of his colleagues and other official associates in Washington. His popularity was well deserved, for his character was both strong and lovable.

There was never any question as to the Colorado Senator's purposes and aims. He was essentially a mining man and announced from the start that his object was the rehabilitation of that important western industry. He also believed that the farmer and stock grower should receive recognition; and on that platform he stood throughout his brief career as a Senator of the United States.

In dealing with problems of state, Senator NICHOLSON assumed the same attitude as he took when mayor of Leadville many years before. He believed law and order must be maintained at all hazards; that the rights of property must be preserved, but that men also have rights, and these are still more sacred. Thus he strove to bring happiness and prosperity to our individual citizens, while he also voted to properly encourage our great industries, especially those of the State of Colorado—metal mining, stock raising, and agricultural pursuits generally.

Senator NICHOLSON served on the following committees of the Senate: Mines and Mining, Naval Affairs, Manufactures, and Civil Service. The post on the Mines and Mining Committee was the one he prized particularly, and shortly before his death his crowning ambition was realized when he was named as chairman of the newly created Silver Commission. This commission, provided for by the so-called Nicholson resolution, was just preparing for an extensive investigation into the industry and into the question of world stabilization of silver prices when the Colorado Senator died.

One of Mr. NICHOLSON'S first acts after becoming a Member of the Senate was to move to secure greater governmental recognition for the mining industry. He introduced and advocated a bill to create a Department of Mines, with a separate member of the Cabinet at its head, and it was understood that this plan was to receive consideration in connection with the proposed reorganization of the Government departments. Mining organizations throughout the country voiced their approval of the measure.

Had the Senator lived, another honor would have been his, for he was in direct line for the chairmanship of the Committee on Mines, and would doubtless have been selected as its head at the convening of the Sixty-eighth Congress.

With that singleness of purpose for which he was so well known, Senator NICHOLSON devoted himself to those measures which he believed would bring added prosperity to the West, particularly the State of Colorado; and it was therefore a great pleasure to serve as his colleague. Many such proposals might be cited, including the various farm relief bills, the

reestablishment of the War Finance Corporation, and the enactment of a tariff measure which gave proper protection, for the first time, to the agricultural products and minerals of the West. The Members of the Senate and the people of Colorado are fully aware and deeply appreciative of his well-directed activities along these lines while in Washington.

Several facts concerning Mr. NICHOLSON'S personal history should be mentioned. In 1887, he married Miss Anna Neary, of Clifton Springs, N. Y. There were two children, Edward and Ruth Helen, both of whom have lived in Denver for a number of years. His daughter is the wife of Max Melville, Denver attorney. The Senator had four sisters, two of whom are still living. There are five brothers, all of whom survive him. They are Murdoch A., formerly mayor of Leadville; Malcolm J., also of that city; John, a mining man in the State of Washington; A. F., an oil operator of Tulsa, Okla., and Daniel J., a sugar-refinery manager of Utah.

Mr. NICHOLSON did not confine his business activities to mining. Besides holding the presidency of the Western Mining Co., Leadville, he was a director of the American National Bank of that city; also of the Denver National Bank and the First National Bank of Monte Vista. He was a life member of the American Mining Congress and a member of the American Institute of Mining and Metallurgical Engineers, the Colorado Historical Society, the Masonic Fraternity, and the B. P. O. Elks. In religious faith he was a Presbyterian.

During January, 1923, Senator NICHOLSON'S health began to fail, although those who knew him could not believe that he was seriously ill, owing to the robustness of his constitution. In fact, until late in February, he and I looked forward to the pleasure of a journey together to the Canal Zone, in order to review the United States fleet. But, after a short stay at the naval hospital in Washington, he was taken to the Mayo Clinic, at Rochester, Minn., where his condition was pronounced hopeless. With but a few days to live, the Senator wished to be taken home to his beloved State of Colorado, where he died at his Denver residence on March 24, 1923.

Thus passed SAMUEL D. NICHOLSON; thus ended a useful, active, worthy life, filled with thoughtfulness and love for his fellow men. His was the strenuous life, of which another great American, Theodore Roosevelt, was wont to speak. You will recall his words:

> I wish to preach not the doctrine of ignoble ease, but the doctrine of the strenuous life, the life of toil and effort, of labor and strife; to preach the highest form of success, which comes not to the man who desires mere easy peace, but to the man who does not shrink from danger, from hardship, or from bitter toil, and who out of these wins the splendid, ultimate triumph.

SAMUEL D. NICHOLSON, miner, statesman, public benefactor, has gone from us. But his strength of character, his steadfastness of purpose, his sterling qualities, and his genial personality will always live in the minds and hearts of those of us who knew and loved him. He will not be forgotten. We shall cherish his memory and shall always be the better because of our contact with him, who was indeed one of "nature's noblemen." The loss is not that of Colorado alone. The splendid, forceful character of Senator NICHOLSON had a profound influence for good on State and National affairs. He will always have a place of honor in the hearts of his many friends, associates, and fellow citizens.

Mr. SHEPPARD. Mr. President, the life of SAMUEL D. NICHOLSON was a conspicuous example of the American application of the principle of opportunity. Beginning as a manual worker on the railroad and in the mine he rose to the highest positions in business and in government. His career is a message of hope to the toilers in the humbliest and the hardest place—an illustration of that freedom and facility for development which the American Republic must preserve for its citizenship if it shall continue to realize the philosophy of its origin. Perhaps the ideal qualities of his existence found a special inspiration in the magical environment of western America. There the vast mountain systems that first marked the emerging outlines of a continent from the seas primordial have combined with plain, plateau, and peak and gorge to frame for man a habitation invoking his best and happiest attributes. And nowhere in the enchanting west have these features formed a more commanding and exalting theater for the achievements and the dreams of humankind than is presented by the State of Colorado.

At Leadville, in that State, in 1881 SAMUEL D. NICHOLSON arrived at the age of 21 with only a few pennies in his pocket, but with steel in his muscles, and the vision of a true Americanism in his soul. He had been reared upon a farm—God's laboratory for the revelation of the best in man. He did not hesitate to accept the occupations that called for the severest physical effort and endurance. Whether it meant the swinging of the heavy hammer against the spike that knit the tie and rail, or the wielding of pick and shovel in the sunless reaches of the mine, he gave every energy he possessed to the task at hand. He united with a willingness to toil the practice of preserving his earnings, of living within his means no matter what the consequence to that false and devastating idol we term pride, and, above all, of looking forward and upward to wider fields of service.

Then came the slow but certain fruitage of such a course. He became foreman and then manager of the mine. Later he acquired mining properties of his own, applying in an executive capacity the knowledge he had gained from personal contact with all the problems of mining. His activities broadened until they included the management and control of mines in several States, as well as participation in farming and banking enterprises. His experience as a hand toiler had given him an insight into the feeling and the thought of the masses, a sympathy with their aspirations, that fitted him particularly for public action. The inhabitants of his home city, Leadville, were quick to recognize this fact and as a result his first public office was that of mayor of Leadville, a place he filled with distinction and credit for two terms. His reputation for soundness of character, unflagging energy, clearness of thought, devotion to duty and loyalty to conviction soon became state-wide and brought him a respect and popularity among the people regardless of class or party. He was called to places of responsibility in his own political party, as well as in nonpartisan organizations. He was chairman of the Roosevelt Memorial Campaign for Colorado. He took an active and far-reaching part in assembling the resources of his State for the World War, notably as State chairman of Liberty and Victory loan campaigns, State chairman of the national Salvation Army drive, and as a member of the United States fuel administration for his State.

He was elected United States Senator in 1920 by a pronounced majority and assumed his duties at Washington when the special session of the Senate of the Sixty-seventh Congress convened on March 4, 1921. He was of more than usual height and weight, with an appearance of robust health and exceptional physical strength, suggestive of massiveness and force in body and in mind. Little, therefore, did those who saw him walk down the center aisle, accompanied by Senator Phipps, to receive the oath of office think that he was fated to serve but for the duration of that Congress, to be gathered to eternity shortly after that Congress should expire on March 4, 1923.

While his senatorial service covered but one Congress, the Sixty-seventh—it was marked by his characteristic qualities of fidelity, ability, efficiency; all of the highest order. Early in the Sixty-seventh Congress he prepared and introduced a bill creating a Department of Mines to function under a Secretary of Mining who was to be a member of the Cabinet. This evidenced the supreme interest of his life, and no one was more completely qualified to press such a measure than was Senator NICHOLSON. On October 20, 1921, he delivered an address before the convention of the American Mining Congress at Chicago on the need of the mining industry for Cabinet representation. That occasion and that address made him a national figure and gave him a national influence. The address was published in the CONGRESSIONAL RECORD by unanimous order of the Senate. It is a landmark in the history of mining in this country, and I shall briefly review it.

He referred at the outset to the course of the Government in assembling the essential resources of the Nation for the prosecution of its part in the World War, numbering among these resources the products and by-products of the mining and agricultural industries. He pointed out the fact that the Government was well equipped for the mobilizing of agriculture because a Department of Agriculture with a Secretary at its head who was a member of the Cabinet had existed since 1889 and had only to expand its field force to acquire complete touch with the situation. But no such condition, he added, prevailed as to mining. He paid a high tribute to the work of the Geological Survey and the Bureau of Mines in connection with the war emergency, but showed that the lack of an executive branch accustomed to deal with mining as the Department of Agriculture had dealt with farming found the country woefully unprepared as to the problems of mineral production in both war and peace.

With these thoughts in mind, he told the convention, he had introduced his bill to establish a Department of Mines with a Secretary of Mining in the Cabinet. He analyzed the rapid

growth of the mining industry, showing that its output had increased from a value of $551,000,000 in 1889 to $6,707,000,000 in 1920, multiplying itself twelve times in that short period. He showed that the mining industry supplied to the railroads of the United Sates a freight traffic of 1,500,000,000 tons out of their total freight traffic of 2,307,000,000 tons in 1918, or more than 65 per cent. He referred to the fact that the iron, coal, oil, and copper reserves of the United States were greater than the developed reserves of all other nations combined, and added that practically all these nations regarded the mining industry of such importance that they had Departments of Mines. He cited reputable authority to demonstrate that there were approximately nineteen million wage earners in the United States whose employment depended directly or indirectly on the production of minerals and their manufacture into the machinery of industry, the implements of industry, and the tools of trade. He contended that the mining industry had outgrown the governmental machinery at its command, although its problems were fundamentally related to the progress of the country. He quoted the message to the miners of America which came from Lincoln shortly before his death:

Tell the miners for me that I shall promote their interests to the utmost of my ability because their prosperity is the prosperity of the nation.

The most important legislative measure before Congress during his brief career as a Senator was the Fordney-McCumber tariff bill. When the bill reached the floor of the Senate the debates were animated, thorough, and prolonged. He led the discussion of the tariff on graphite, magnesite, and manganese, and took a prominent part in the debates on the rates on sugar, rice, and iron, and on the presidential powers conferred by the bill. Other important subjects on which he was heard in the Senate were child labor in the beet fields, the Marine Corps occupation of San Domingo and Haiti, the railroad situation in Colorado, reclamation, adjusted compensation for the ex-service man, foreign loans, ship subsidy, and State tax levies. His bill to create a commission for the study of gold and silver production became a law and he was made chairman of that commission.

His speeches were notable for lucidity of statement and vigor of expression. He had a broad and practical grasp of the economic basis of American history and development. He was rapidly becoming one of the most useful members of the Senate, one of the Nation's strongest pillars, when his sudden and untimely death deprived us of his presence. He was tolerant, genial, and considerate. His manner bespoke a heart that felt, a brain that knew, the capabilities, the deficiencies, the virtues, the faults, and the misfortunes of humanity. He had known life in all its phases—had battled upward to success without ever giving a vicious blow or taking a mean advantage. When the fateful summons came to him in the apparent flush of strength and health he was ready for an immediate accounting with his God. What nobler end could be imagined? What better leave of earth could be desired?

Mr. BURSUM. Mr. President, Honorable SAMUEL D. NICHOLSON, of the State of Colorado, a highly respected and honored Member of the United States Senate, has joined the great silent majority.

Senator NICHOLSON served throughout the 67th Congress with distinguished ability. His service typified a deep concern for the Nation's welfare. He was intensely American. He was essentially a man of the West, a man among men, a real man in every sense that the word implies, courageous, kind, humble, and sympathetic, ever ready to combat a wrong, always a willing champion of the rights of the oppressed. His standard in public service was the according of justice to all classes.

A better appreciation may perhaps be had of the purposes and ideals of Senator NICHOLSON by quoting some of his public statements made during the campaign of 1920.

I wish the mark of Cain could be branded on the brow of every man who profiteers at the expense of innocent and defenseless children.

Another public statement of Senator NICHOLSON'S:

We are all dependent upon labor. When labor prospers, all classes of citizens prosper.

His interest in the welfare of the defender of the country was ever in his mind. He said:

The protection and welfare of those who fought for us must be given first consideration.

He never forgot the homeseeker. On this question Senator NICHOLSON said:

I am opposed to any policy which will bar the homeseeker or the miner from the public domain.

Upon another occasion Senator NICHOLSON is quoted as saying:

Man must ever be kept above the dollar.

On another occasion:

Profiteering is an unjust burden, and must be suppressed.

Senator NICHOLSON was a man of the highest appreciation and conception of lofty ideals in behalf of the public welfare. He loved his fellow men. He was ever devoted to his friends, generous to an antagonist, fair always. He possessed an unusually charming personality, and, regardless of party affiliations, he enjoyed the universal friendship of his colleagues in the Senate. Whenever Sam, as his friends lovingly were wont to call him, became interested in a measure, it was with great difficulty that any member answer "nay." Although ever solicitous for a nation-wide prosperity, he never forgot the home folks with whom he had shared and struggled during the pioneer days in the development of the great natural resources of his adopted State, Colorado. It was there where the earlier years of his active and useful life commenced. There were the scenes of his early experience, his struggles, and his triumphs. He commenced life a poor boy; and, as stated by his friends and neighbors of Leadville during the campaign of 1920—

SAM NICHOLSON arrived in Leadville in February, 1881, with the following assets: Ambition, a common-school education, 22 years of inexperience, and unbounded faith in his own ability and the future of Colorado, and 25 cents.

By sheer force of character, energy, rugged honesty, and faith, he accumulated a comfortable fortune. He retired from active business prior to his election as United States Senator.

Our Sam has left us. This august Chamber will not again be honored by his presence. We miss the charm of his personality, and the sympathetic spirit with which he pleaded the cause of human progress and human welfare. His absence is the Nation's loss. We cherish his memory.

I know of no more fitting tribute than the message of farewell written by his life-long friend and neighbor from his home town of Leadville, Colo., Mr. F. E. Vaughn, dated March 24, 1923, which reads:

HON. SAMUEL D. NICHOLSON.
(A tribute and a farewell.)

Strong as an oak; a fight in either hand;
Bold and ambitious, with genius for command.
A generous enemy and a loyal friend,
Quick to take umbrage and ready to defend
The things which he thought right,
He lived his life according to his light.
Wealth he acquired by energy and toil,
With talent which his origin did not dim;
A self-made man, a product of the soil;
This made him human—made a man of him.

'Tis Colorado's loss, that after years
Devoted to a study of her needs,
Just as the edifice he builded rears,
Its summit in the Senate—and his deeds,
Inspired by an energy that never tired,
Promised fruition in a brighter day
For much the mining industry deserved—desired,
He should be cut down and called away.
He played his part, with hand and heart,
Respected by the lowly and the great;
With belief unshaken in the mighty part
To greet the future of his favored State.
And Leadville mourns a famous favorite son,
Who from the ranks of "hard-rock" miners sprung;
Who well deserved the laurels he had won;
Who "single-jacked" his way to topmost rung
Of Fame's high ladder, and whose memory will
Live in the minds of those he met in life's rough jam,
And we who knew best and loved him best
Can only bow in silent grief and think, "Good-bye, SAM."

Mr. ADAMS. Mr. President, SAMUEL NICHOLSON, while not born in the United States, knew but one flag. His loyalty to our Nation was not diluted or limited by any attachment or affection for any foreign nation or people.

Like a great rugged peak in the mountain ranges of his home State he towered above the other peaks and spurs of the

range yet was of the same substance and nature. He was aware of the qualities which he shared with his neighbors, but was modestly unconscious of his own superiorities, which all his neighbors freely acknowledged.

The life of SAMUEL D. NICHOLSON is a source of inspiration and encouragement to coming generations.

The incomprehensible accomplishments of men of genius and brilliancy tend to discourage, while the life of one who has attained great success by the wise and efficient use of talents not beyond the capacities of many other men brings hope.

His courage, energy, and fine human qualities carried him forward from a miner with pick and shovel to mine owner and operator.

The young workman in the mines of Colorado from his first day received and held the confidence and esteem of his associates.

He was always a leader in the group of which he was a member.

He was not an office seeker, but his friends and neighbors frequently insisted on putting him into responsible public office, and he died an honored and respected Member of this body.

But we who knew him honor him not so much for what he did, as for what he was.

As a workman in the mines of Leadville he was genial, honest, and generous. In the days of struggle and of small things he was a friend to all who knew him, and all who knew him were his friends. But unlike many men, when success crowned his efforts, when he became prosperous financially, when he had acquired high place politically, when he was the recipient of attention from the great and the prominent, he was still genial and generous; he was still everybody's friend, and still held all his old with the hundreds of new friends.

Money did not chill his heart nor success turn his head. He never lost his interest in the common man or his sympathy for the unfortunate.

For years the preoccupations of business and public service required his almost constant absence from Leadville, yet in every one of the elections in which his name came before the voters of his old home, he received almost the unanimous vote, notwithstanding the people of his county were by a large majority devoted to the opposite party.

He experienced disappointments and defeats, but his genial and friendly nature was never for a moment soured.

No Senator ever sat in this body more loyal to his State or more earnest and eager to serve its interests.

His death inspires not only tributes of respect and esteem, but brought sincere sorrow and deep grief to thousands of affectionate friends.

SAMUEL NICHOLSON was faithful to his engagements, generous to his friends, loyal to every cause in which he enlisted, devoted to his State and country.

Mr. President, I ask for the adoption of the pending resolutions.

The resolutions were unanimously agreed to.

ADJOURNMENT.

Mr. PHIPPS. Mr. President, as a further mark of respect to the memory of the late Senator KNUTE NELSON and the late Senator SAMUEL D. NICHOLSON, I move that the Senate adjourn until to-morrow at the usual hour of meeting.

The motion was unanimously agreed to, and the Senate (at 12 o'clock and 50 minutes p. m.) adjourned until to-morrow, Monday, March 10, 1924, at 12 o'clock meridian.

SENATE.

MONDAY, *March 10, 1924.*

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father, Thou art so gracious and merciful in Thy dealings with Thy children that we come this morning to thank Thee for the goodness that Thou hast shown unto us in the days of anxiety and of unrest. Grant to us that quietness and assurance that in the midst of the turmoil of life we may find a hiding place in the time of stress and strain. Be very gracious, we beseech of Thee. Answer the many prayers for our land and for those in authority, and guide us with Thy wisdom. Through Jesus Christ our Lord. Amen.

NAMING A PRESIDING OFFICER.

The Secretary (George A. Sanderson) read the following communication:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., March 10, 1924.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. GEORGE H. MOSES, a Senator from the State of New Hampshire, to perform the duties of the Chair this legislative day.

ALBERT B. CUMMINS,
President pro tempore.

Mr. MOSES thereupon took the chair as Presiding Officer.

THE JOURNAL.

The reading clerk proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

CALL OF THE ROLL.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The principal legislative clerk called the roll, and the following Senators answered to their names:

Adams	Edge	Kendrick	Sheppard
Ashurst	Edwards	Keyes	Shields
Ball	Ernst	King	Shipstead
Bayard	Ferris	Ladd	Shortridge
Borah	Fess	Lodge	Simmons
Brandegee	Fletcher	McKellar	Smoot
Brookhart	Frazier	McLean	Spencer
Broussard	George	McNary	Stanfield
Bruce	Gerry	Mayfield	Stephens
Bursum	Glass	Moses	Swanson
Cameron	Gooding	Neely	Trammell
Capper	Hale	Norris	Wadsworth
Caraway	Harreld	Oddie	Walsh, Mont.
Colt	Harris	Pepper	Warren
Copeland	Harrison	Phipps	Watson
Couzens	Heflin	Pittman	Weller
Curtis	Howell	Ralston	Wheeler
Dale	Johnson, Minn.	Ransdell	Willis
Dial	Jones, N. Mex.	Reed, Pa.	
Dill	Jones, Wash.	Robinson	

Mr. DIAL. I desire to announce that my colleague, the senior Senator from South Carolina [Mr. SMITH], is detained on account of illness in his family. I ask that this notice may continue through the day.

The PRESIDING OFFICER. Seventy-eight Senators having answered to their names, a quorum is present.

APPENDIX TO THE REPORT OF THE ATTORNEY GENERAL, 1922.

The PRESIDING OFFICER. The Chair lays before the Senate a letter from the Attorney General, transmitting an appendix to the annual report of the Attorney General for the year 1922, covering lawless disorders and their suppression. The letter of transmittal will be printed in the RECORD and the report and accompanying papers will be referred to the Committee on the Judiciary.

The letter is as follows:

OFFICE OF THE ATTORNEY GENERAL,
Washington, D. C., March 7, 1924.

The PRESIDENT PRO TEMPORE OF THE SENATE.

SIR: I have the honor to transmit herewith the Appendix to the 1922 Annual Report of the Attorney General, covering "Lawless disorders and their suppression."

Very respectfully yours,

H. M. DAUGHERTY,
Attorney General.

"BIG FIVE" MEAT PACKING COMPANIES (S. DOC. NO. 61).

The PRESIDING OFFICER. The Chair lays before the Senate a report from the Attorney General, made in response to Senate Resolutions 145 and 167 (submitted by Mr. LADD and Mr. NORRIS, respectively), relating to the prosecution by the Department of Justice of the so-called packing cases. The report will be printed as a Senate document and referred to the Committee on Agriculture and Forestry.

EXPENDITURES OF THE DEPARTMENT OF AGRICULTURE.

The PRESIDING OFFICER. The Chair also lays before the Senate a report from the Secretary of Agriculture, with a letter of transmittal, relating to expenditures by the Department of Agriculture for the fiscal year 1923. The letter of transmittal will be printed in the RECORD, and the report will be referred to the Committee on Appropriations.

The letter is as follows:

DEPARTMENT OF AGRICULTURE,
Washington, March 6, 1924.

THE PRESIDENT OF THE SENATE.

SIR: As required by section 529, Revised Statutes, and the act of March 3, 1885 (23 Stat. L. 356), I have the honor to transmit herewith a detailed statement of expenditures of the Department of Agriculture for the fiscal year ended June 30, 1923.

A copy of this report has also been transmitted to the Speaker of the House of Representatives.

Sincerely yours,

HENRY C. WALLACE, *Secretary.*

SALE OF FLOUR AND BREAD.

The PRESIDING OFFICER. The Chair also lays before the Senate a letter from the chairman of the Federal Trade Commission relating to the inability of the commission to make, under present conditions, the investigation which it was directed to make under Senate Resolution 163 (submitted by Mr. LA FOLLETTE), which will be read by the Secretary and referred to the Committee on Manufactures.

The letter was read and referred to the Committee on Manufactures, as follows:

FEDERAL TRADE COMMISSION,
Washington, D. C., March 7, 1924.

SIR: The Federal Trade Commission has received Senate Resolution No. 163 agreed to by the Senate on February 16, 1924, wherein the commission is directed to investigate and report to the Senate with respect to the production, distribution, transportation, and sale of flour and bread, including by-products.

The commission has very carefully considered said resolution and has directed me to advise you as follows:

That it is now prosecuting an urgent inquiry into the gasoline situation, at the direction of the President, and is also engaged in the preparation of reports covering the cotton trade, the furniture industry, and the national debt, wealth, and income, all pursuant to Senate resolutions.

That the commission's work, under the statute making unlawful unfair methods of competition in commerce, is now several months in arrears because of lack of funds and personnel. Practically all proceedings instituted by the commission under said statute are based on complaints lodged with it by business men.

That the commission is without the funds necessary to enable it to comply with Senate Resolution No. 163, and can not do so without incurring a deficiency.

By direction of the commission.

Cordially yours,

HUSTON THOMPSON, *Chairman.*

THE PRESIDENT OF THE UNITED STATES SENATE,
Washington, D. C.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Haltigan, one of its reading clerks, announced that the House had passed without amendment the joint resolution (S. J. Res. 91) to authorize the National Society United States Daughters of 1812 to place a marble tablet on the Francis Scott Key Bridge.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 6349) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1925, and for other purposes; requested a conference with the Senate on the disagreeing votes of the two Houses thereon; and that Mr. MADDEN, Mr. VARE, and Mr. BYRNS of Tennessee were appointed managers on the part of the House at the conference.

ENROLLED BILLS SIGNED.

The message further announced that the Speaker of the House had signed enrolled bills of the following titles, and they were thereupon signed by the Presiding Officer (Mr. MOSES) as Acting President pro tempore:

H. R. 3444. An act for the relief of certain nations or tribes of Indians in Montana, Idaho, and Washington;

H. R. 4577. An act providing for the examination and survey of Mill Cut and Clubfoot Creek, N. C.; and

H. R. 5557. An act to authorize the settlement of the indebtedness of the Republic of Finland to the United States of America.

PERSONAL PRIVILEGE—REPLYING TO CERTAIN NEWSPAPER CRITICS ON HIS SPEECHES REGARDING LEASES OF NAVAL OIL LANDS.

Mr. HEFLIN. Mr. President, I rise to a question of personal privilege.

The PRESIDING OFFICER. The Senator from Alabama rises to a question of personal privilege, which he will state.

Mr. HEFLIN. The Washington Post of yesterday, quoting from the Philadelphia Public Ledger, the New York Times, the New York Tribune, the Philadelphia Inquirer, and the New York Herald, had some very scurrilous attacks upon myself, the Senator from Mississippi [Mr. HARRISON], and the Senator from Arkansas [Mr. CARAWAY]. I will read only one of these statements carried in the Washington Post so as not to take up too much of the time of the Senate.

Speaking of the White House telegrams, which had been discussed in the Senate, the Philadelphia Public Ledger said:

Hardly were they in the RECORD before the filth batteries of the Senate, manned by the Three Mad Gunners, HARRISON, of Mississippi, CARAWAY, of Arkansas, and HEFLIN, of Alabama, went into action. Senate rifle pits spat venom. The drum fire of Senate innuendo was laid down upon the White House.

Mr. President, the New York Times proclaims through its columns that the "principal" mentioned in the trouble-making telegram sent by Bennett to Ed McLean was really the Senator from Kansas [Mr. CURTIS]. The New York Times in its overzealous desire to be of service to the interests it represents rushed into print in this instance just a little too soon. Senator CURTIS refuses to stand for the scapegoat arrangement provided for him. He denies that he is the "principal" referred to in that telegram and repudiates the statement of Bennett.

Certain subsidized Republican newspapers—those that I have named that are working in concert to nominate Mr. Coolidge and to bring about four years more of Republican rule—are sick and sore over the amazing and shocking disclosures revealed in the Republican oil scandal. They fear the force of the terrible facts that are being given to the country. At first they exhibited impatience at the conduct of Senators who seemed to listen to the dictates of their own consciences and to quickly respond to the demands of duty to their country. Then, as the facts coming out became more and more damaging to the paid-for plans and purposes of these subservient tools of the crooked interests, they became nervous and frantic lest there should be enough unintimidated and patriotic Senators to go through with the oil scandal investigation and make known the whole story to the people of the United States.

Since that time they have been trying to discredit and destroy every Senator who has earnestly and fearlessly gone into this thing with the view of exposing this hideous national crime and punishing the criminals responsible for it.

These brazen agents of the corrupt interests are doing nothing to hold the Government true to the purpose of its creation. They are doing nothing to keep alive the ideals and institutions of free constitutional government. They are trying to debauch and debase every Senator and every other public man who refuses to turn his back upon his country, to surrender his convictions, and obey the behest of selfish, sordid, contemptible, and corrupt dollar aristocracy.

Having themselves become the slaves of conscienceless predatory interests, they try to besmirch and belittle every public man who refuses to do as they have done—prove unworthy to bear the name of "citizen of the United States"—and betray his country to the enemies of his country.

In this day of encouraged conscienceless commercialism, of graft and corruption in the Republican administration, it is a distinct compliment to a United States Senator to have one of these corrupt and scurrilous sheets to assail him. It is a sure sign that he is not at all in favor with those "who shape their creed for their cravings" and sell their souls for gold. The inspired writer had such as these last named in mind when he said: "The ox knoweth his owner and the ass his master's crib."

The same secretive and corrupt forces that have wrought the overthrow of governments in the past are at work here. They have no lofty vision produced by a love of humanity—no ideals of constitutional government born of a love of liberty.

Mr. STANFIELD. Mr. President, will the Senator from Alabama yield to me?

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Oregon?

Mr. HEFLIN. I yield for a question.

Mr. STANFIELD. Is it a letter the Senator from Alabama is reading or is it his remarks?

Mr. HEFLIN. The part that I am now reading is my own speech. I wrote these few lines on yesterday. "The better the day, the better the deed." I knew that the righteous forces that observe and honor the Sabbath were with me in this fight and I am to be pardoned for giving a little thought to this subject on Sunday.

Mr. President, the evil forces of which I was just speaking have grown and multiplied in the last three years until to-day they constitute a serious menace and danger to the life of the Republic. We have reached the point right here in the Capitol of the Nation where the Senator who dares to stand up and fight for clean government, for the old-time standards of civic honesty and fidelity to official duty, is beset, not only with scurrilous attacks by certain newspapers but with annoyances and insults in the form of anonymous letters from hirelings somehow protected in their insolent conduct.

A number of Senators who have done what they believed was their duty in exposing this oil-lease scandal have received anonymous, insulting letters. I have received quite a number of them. On last Friday I received one from New York in which the writer threatened to murder me if I did not cease my activities in the discussions of the oil-lease scandals. The person who wrote that letter evidently is a partisan Republican. The letter denounced southern Democrats and referred to Woodrow Wilson as "Wilson the damned."

I turned the letter and envelope over to the chief inspector of the Post Office Department. The letter was typewritten on a plain sheet of paper and the envelope was addressed with a typewriter, but had "personal" written on it with a pen.

I am doing my duty as I see it, and I owe it to the people of my State who honored me with a seat in this body and to the people of the country whose Government this is, to keep up this fight. I will not be deterred or intimidated by such cowardly and contemptible tactics. I will be one of a band of two or ten Senators to pledge my life and my all, if need be, to fight on and on until the truth in this terrible thing is made known and every corrupt official involved is driven from public office. I am willing to do that even if it becomes necessary for every Senator who really represents the people to go heavily armed and have a bodyguard.

The country will probably never know under what serious handicaps and difficulties we are carrying on this fight in the Nation's Capitol to promote common honesty in public office and preserve in their integrity the free institutions of our country.

Mr. President, a few days ago I commented on a telegram which had been sent to Mr. McLean by Mr. Bennett, who is employed by Mr. McLean. In that telegram Mr. Bennett said:

> Saw principal. Delivered message. He says greatly appreciates, and sends regards to you and Mrs. McLean. There will be no rocking of boat and no resignations. He expects reactions from unwarranted political attacks. (Signed) Bennett.

I submit that any intelligent man would have construed the word "principal" to have meant the President. I thought so; practically every newspaper man at the Capitol believes that he meant the President, and nearly all of the Senators in this body believe that he meant the President. I never said that the President authorized Bennett to say what he said in the telegram. I never said that he had had a conference with him in which he had instructed him to send such a message. My contention was that Bennett referred to the President when he said "Saw principal." Who but the President has the right in this Government to say that resignations will not be asked for and will not be accepted if tendered?

These newspapers attacking me and other Senators, these hirelings of the predatory interests, are not going to get away with this fight like they are planning to get away with it. The President is not a glass man or a hothouse plant; he will not break or freeze if discussed in the Senate. He ought to be a virile citizen, one who can stand up and give blow for blow. Whoever heard of Woodrow Wilson begging a question or Theodore Roosevelt or Old Hickory Jackson? Would there have been batteries whirling in here from outside in the States to shield from Senate debate such men as they? What offense has been committed by the Senators in this body from sovereign States when they rise and read a message in English and put their own construction upon it? That construction is the construction that the public puts upon it.

Then note what followed. Mr. Bennett goes before the committee, and, oh, yes, he says, "I recall that Senator CURTIS was the principal." To the first newspaper man who showed me what had happened before the committee I said, "It is not true; CHARLIE CURTIS is not the principal referred to in that telegram, and no other Senator believes that he was." The Senator from Kansas [Mr. CURTIS] demanded to go before the committee, which he did, and then explained that he was not the man, and he repudiates the statement of this man Bennett. So this telegram is still unexplained, if I may say that as a United States Senator and be safe from bodily attack when I say that in the Senate.

Now, I wish to call the attention of those who think they are going to hide behind this camouflaging arrangement that the President did not hesitate to give out a statement regarding the telegram that he himself sent to Mr. McLean. That was all right; he had a right to give it out, and should have given it out; but he has not given out a statement as to this particular telegram. Why should he not give out a statement? If Senators for days are discussing a trouble-making telegram from which the inference is that the President is referred to—and you can not escape it, Mr. President—why should not the President give out a statement and say that he never saw Bennett or that he did not authorize Bennett to say for him that there would be no "rocking of the boat and no resignations accepted."

Senators, I think, have some rights left. There are some of us who are going to fight to preserve those rights. These galleries may now be infested with thugs who are armed. It may come to the time when we will have to instruct the doorkeepers to examine the persons of some of the men who sit in the gallery. I know some of them have sat there because I have had anonymous letters from some who stated that they heard the speeches and arguments and have written insulting things to me, as well as to the Senator from Mississippi [Mr. HARRISON] and the Senator from Arkansas [Mr. CARAWAY].

So, Mr. President, I want the people of the country to get the other side of this picture when the effort is being made to make it appear that we are jumping on the President and making vicious attacks upon him. It is not true. I want them to know what sort of risks we ourselves are taking when we dare to fight on and on to expose those who have betrayed their trust and to drive from power those who have bartered for money the property of the people. While fighting to hold the Government true to the purpose of its creation we are being hammered by these subsidized newspapers, saying that the country is getting weary of us and that we have reached the danger point. Well, I suppose it would not shock them very seriously if they could hear of another Senator being shot—and there is some talk around Washington that the Senator who was shot, they say accidentally, was not the Senator that was intended to be shot. I do not know.

Mr President, here we are investigating the Department of Justice, with the agents of the Department of Justice doing what? Protecting us? Why, no; oh, no! Why, every Senator will have to protect himself. Are we coming to that in the Capital of the Nation?

Now, I want to call attention to what occurred over in that committee. Here is what the Washington Post says. That is Mr. Ed McLean's paper. This is the administration organ. Speaking of the Senator from Kansas [Mr. CURTIS] being before the committee, it says:

> At the outset Senator CURTIS, of Kansas, assistant Republican leader in the Senate, appeared voluntarily and denied under oath three separate stories told by Ira E. Bennett, an editorial writer for the Washington Post.

Mr. President, why was the Senator from Kansas picked out to be the scapegoat in that incident? Somebody might say that they were trying to find somebody to unload that thing on, to relieve the President. Far be it from me to suggest such a thing, but somebody might say that they were seeking somebody to unload on; but the Senator from Kansas would not be unloaded on, so Mr. Bennett's explanation does not explain. Now the question is, if I may be permitted to ask it as a Senator, To whom did he refer as "principal" in that telegram? He said he referred to the Senator from Kansas [Mr. CURTIS]. The Senator from Kansas says it could not be so, and is not so. Then what is the trouble with it? What is there about that telegram that they do not want to explain it as it really is?

Here is another discrepancy in the statements of Mr. Bennett: He never saw the Senator from Kansas [Mr. CURTIS] until the day after he sent this telegram. He sent this telegram on the 29th of January. He saw the Senator from Kansas on the 30th of January, so he could not mean the Senator from Kansas.

What right had the Senator from Kansas to say that there would be no resignations asked for, there would be no resignations accepted, or that there would be no resignations? Why, Mr. President, if a man were to go into a lumber camp to see about shipments of lumber and he were to come out and send a telegram saying, "Saw principal; he says lumber will con-

tinue to be shipped," whom would you think he had reference to? Somebody hired around the mill or the "principal," the man who owned the sawmill? If a man were to go into a big wholesale store and speak about shipping out goods and shipping in goods and wire back, "Saw principal; he says he will take no more goods now; there will be no more goods bought soon," whom would you think he saw—a clerk or the "principal," the man who owned the business? Why, of course, you would think he meant the man who owned the business. Who in this Government, above us all, is "principal" and holds the principal office of the Nation? It is the Chief Executive of the Nation—the President, of course.

I hope I am not guilty of crime when I say that I believe as I live that when Bennett said principal in that telegram to McLean he meant the President. You can not change my thoughts on that subject, because I do believe I understand the English language. "Saw principal; appreciates message, and so forth. There will be no rocking of the boat. Thinks reaction will come from these political attacks. There will be no resignations." Why, Mr. President, I could assemble a jury of men and women anywhere in this country—six men and six women—and read that telegram to them and discuss it with anybody, and the unanimous verdict would be that Bennett meant the President.

I understand that Bennett was at the White House on the morning of the 29th of January. The newspaper boys were all there that morning, I understand, and the inference was that Mr. Bennett remained a while and had a talk with the President. Well, he had a right to do that if he wanted to. He had a right to send a message to this mysterious Ed McLean down in Florida if he wanted to, but what we are interested in is the meaning of these things when we have to dig in with a pick and shovel to get these facts out, to drag out these telegrams one by one and expose them to the light. One of the telegrams sent to McLean, giving him the story of Sinclair's testimony before the committee, cost $70. McLean is interested at the other end of the line. The Secretary to the President goes to Florida. An official in the White House wires McLean that the President's secretary is on his way to Florida. The President himself wires to McLean and asks him to see his secretary and find out whom he—the President—should confer with back here about appointments in the District of Columbia, and Bennett's telegram comes along and says to McLean, "Saw principal." To whom does he say that? He says it to Ed McLean. "Saw principal. He says there will be no rocking of boat and no resignations."

When the President explains the telegram that he received from McLean he says, in effect, it was in regard to his position in refusing to accept the resignation of Denby. Why, Mr. President, this other telegram referring to "principal" dovetails right in with it, saying that there will be no resignations; and then here comes one, finally, from McLean congratulating him on refusing to accept the resignation of Denby at that time. How are you going to get away from those things, Senators?

These matters are open to discussion. Thank God, we have no king in this country yet! The acts and doings and policies of a President are the legitimate subject of debate in the Senate. We have a right to discuss them; and these big papers that sit back and make their millions by bartering their columns to the crooked interests are not going to get away with the program that they have just framed up.

Why, take this man Shaffer, with four or five big newspapers. What was necessary to silence his batteries? What was necessary to put him to sleep? They gave him a dose of soothing sirup, $92,500, and he fell asleep like a babe in its mother's arms, and you never heard another word out of him complaining against the oil interests or any other interests; and you find in the testimony that he stated that Fall stated that he was going to have Sinclair set aside 100 acres of the Government's land in the property in possession of Sinclair.

Mr. President, these things are matters of legitimate discussion. Why should we not discuss them in the Senate?

The first morning after I discussed this telegram, the Washington Herald, in big headlines, said: "Coolidge ignores Heflin's charges." That telegram can not be ignored by anybody. When that matter has been the subject of discussion in the Senate and before the investigating committee, and when one of the leaders on the Republican side takes the stand in the committee and in the press of the country, repudiates the effort to unload it on him, repudiates it outright, I submit to the Senate and to the country that with the thing left up in the air like that, still unexplained, the President might say, if it is true, that he saw Mr. Bennett after the other boys left on the morning of the 29th, and that he did say, as he had stated to the newspaper representatives, that there would be no resignations. If he had done that, that would have explained it; but the President, it seems to me, if he is big enough to be President of the United States, does not need to have these papers on the outside hammering and misrepresenting and scurrilously attacking United States Senators for doing what they conceive to be their duty in the premises.

Mr. TRAMMELL. Mr. President, will the Senator permit a question?

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from Florida?

Mr. HEFLIN. I am glad to yield to my friend from Florida.

Mr. TRAMMELL. Did not Mr. Bennett, when he appeared before the committee last week in explanation, state that he did go to the White House with other representatives of the press, and that he got the impression from the statement made by the President that there would be no resignations, and so on, and state that he had rather poorly expressed it, or had not expressed it just as he should, in that telegram when he said there would be no rocking of the boat? My recollection is that he made a statement of that kind before the committee.

Mr. BURSUM. Mr. President——

The PRESIDING OFFICER. Does the Senator from Alabama yield to the Senator from New Mexico?

Mr. HEFLIN. I yield to the Senator.

Mr. BURSUM. I desire to call the attention of the Senator from Alabama to the fact that Mr. Bennett, under oath before the committee, stated that his expressions were his conclusions; that the President had not made any statement to him specifically; that it was a general statement, made to all of the newspaper men in public; and that the statements contained in the telegram from Mr. Bennett were his personal conclusions. He stated that under oath.

Mr. TRAMMELL. He stated, however, did he not, that he drew those conclusions from statements made by the President to members of the press who called at the White House?

Mr. BURSUM. Exactly.

Mr. TRAMMELL. He gained that impression. That is what he stated.

Mr. BURSUM. From the public statement.

Mr. TRAMMELL. Therefore is it probable that in his telegram he had reference to the Senator from Kansas [Mr. CURTIS] when he referred to "the principal" and sought to relate impressions that he had gained from an interview at the White House?

Mr. BURSUM. I can not speculate on probabilities. I can only judge by sworn testimony.

Mr. WARREN. Mr. President, I ask what is the order of business?

The PRESIDING OFFICER. The Senator from Alabama is addressing the Senate on a question of privilege.

Mr. WARREN. The Senator hardly claims that it is a question of privilege, does he?

Mr. HEFLIN. Yes; I am discussing these attacks on me and two other Senators. I shall be through in a few minutes, unless I am disturbed.

Mr. WARREN. I do not wish to disturb the Senator, but I did not suppose he was hurt enough by those articles to take so much time.

Mr. HEFLIN. I will say to my friend from Wyoming that I shall be through in just a moment.

Mr. President, before I sit down I want to say that there is not any doubt that Mr. Bennett meant to convey the idea to Ed McLean that he had seen the President and was conveying to him a message from the President. The Senator from New Mexico [Mr. BURSUM] admits that Bennett said that he talked to the President about these things, or he heard him make a general statement to the other members of the press, and evidently in this instance they were seeking somebody to unload this live-wire "principal" telegram on when they laid it on the Senator from Kansas [Mr. CURTIS]. Now, I will tell you what I think about that, if a Senator may give his conclusions still and not be subject to bodily attack by some agent of these crooked interests. I think they said something like this, just as they did when they said, "Just say that Ed McLean let Fall have that $100,000. Do not connect Doheny up with it. Say Ed McLean let him have it. Ed will say he let him have it. Fall will swear he let him have it, and that will end it." Well, it did not work. Now, I think they said, "The Senator from Kansas is a good Republican. He is one of the leaders of the

Senate, and he does not come up for election until two years hence, and if we just unload this thing on him he will smile and say nothing and bear it." But the Senator from Kansas surprised and disappointed them. He said, "No; I have had nothing to do with this blasted oil scandal and you are not going to connect me up with it;" and he refused to stand for Bennett's explanation. Bennett is still up in the air and the "principal" telegram is still unexplained.

Now, there is one other question that I want to touch on, and that is Mr. Prescott.

The President said when he wired McLean he was trying to find out where Prescott was. Prescott, the chairman of the Republican committee of the District of Columbia, has returned, it seems, and he came out and said he was "boss of this District." He handles the patronage for the District of Columbia. This is where the Congress sits. This is where the Supreme Court judges reside. This is the seat of government. This is the Capital of the Nation. Yet a partisan Republican politician openly and boldly declares that he is the boss of appointments in the District of Columbia. Oh, Mr. President, it looks as if the game of politics was being extensively played in connection with this thing and reaching close up to the White House.

One other word and I am through, Mr. President. This Government is sick. It is sick at heart. There are more bold and brazen grafters feeding on the Government now, there are more crooks and corruptionists in official position now, than at any time in the history of the Government. A duty rests upon Senators and Members of the House and on people outside. All should set their faces resolutely to the front and fight on and on until justice and right shall triumph and the Government is relieved from the evils that now so sorely afflict it. We may have to do unpleasant things. We may have to do dangerous things, but it will all result in good to our common country. What matters it if we are broken and fail in the fight—

> Great is the facile conqueror,
> But haply yet is he who, wounded sore,
> And covered o'er with blood and sweat,
> Sinks foiled, but fighting evermore,
> Is greater yet.
> If not I, others will succeed.
> For freedom's battle once begun,
> Bequeathed by bleeding sire to son,
> Though baffled oft, is ever won.

The fight has just begun. It will go on until this whole scandalous, criminal thing is laid bare and the hideous tree of corruption from which it sprang is dug up, root and branch.

TREASURY AND POST OFFICE APPROPRIATIONS.

The PRESIDING OFFICER laid before the Senate the action of the House of Representatives disagreeing to the amendments of the Senate to the bill (H. R. 6349) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1925, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. WARREN. I move that the Senate insist upon its amendments, that it accept the invitation of the House for the appointment of conferees, and that the Presiding Officer appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. WARREN, Mr. SMOOT, Mr. MOSES, Mr. OVERMAN, and Mr. GLASS conferees on the part of the Senate.

PETITIONS AND MEMORIALS.

Mr. SHEPPARD. At the request of the El Paso Chamber of Commerce I present two resolutions and ask that they be inserted in the RECORD and appropriately referred.

There being no objection, the resolutions were ordered to be printed in the RECORD and referred as follows:

EL PASO CHAMBER OF COMMERCE,
El Paso, Tex., November 28, 1923.

Resolution adopted by executive committee El Paso Chamber of Commerce.

Whereas certain changes are being proposed in the transportation act of 1920;

Whereas insufficient time has elapsed in order to properly test the practicability of the present transportation statute;

Whereas the railroads now are efficiently transporting a greater volume of traffic than ever before and are with large expenditures rehabilitating and extending railroad facilities: Now, therefore, be it

Resolved by the El Paso Chamber of Commerce, That we oppose any change in the present transportation act until there has been better opportunity to determine whether or not the change is justified or necessary, and decidedly oppose Government ownership of railroads.

A. SCHWARTZ,
President El Paso Chamber of Commerce.

Attest:

D. A. BANDEEN,
Secretary El Paso Chamber of Commerce.

To the Committee on Interstate Commerce.

EL PASO CHAMBER OF COMMERCE,
El Paso, Tex., March 5, 1924.

Resolution.

Resolved by the El Paso Chamber of Commerce, That it favors the appointment of a board of tax appeals by the President of the United States, such board of tax appeals to function entirely outside of the Treasury Department and to be in all respects independent thereof, and that such board of tax appeals hold hearings at such points within the United States as may contribute to the convenience of taxpayers.

A. SCHWARTZ,
President El Paso Chamber of Commerce.

Attest:

D. A. BANDEEN, *Secretary.*

To the Committee on Finance.

Mr. WADSWORTH presented a memorial of the board of directors of the American Hungarian Chamber of Commerce, of New York, remonstrating against the passage of the so-called Johnson selective immigration bill as being violative of American principles, which was referred to the Committee on Immigration.

Mr. MOSES presented a petition of sundry citizens of Nashua, N. H., praying for the repeal of the so-called war excise taxes, especially the tax on motor vehicles and parts, which was referred to the Committee on Finance.

Mr. PEPPER presented the petition of the Philadelphia (Pa.) Board of Trade, praying for the passage of House bill 4517, establishing in the Bureau of Foreign and Domestic Commerce a foreign commerce service of the United States, which was referred to the Committee on Commerce.

Mr. WILLIS presented a resolution of the Akron (Ohio) Bar Association, favoring the passage of legislation exempting from taxation not less than $5,000 of personally earned income, which was referred to the Committee on Finance.

He also presented resolutions of the Charles Andrews Post, American Legion, of Centerburg, and of the James Dickey Post, American Legion, of Portsmouth, both in the State of Ohio, favoring the granting of adjusted compensation to veterans of the World War, which were referred to the Committee on Finance.

He also presented a resolution of the Price Hill Business Men's Club, of Cincinnati, Ohio, favoring a 1-cent "drop" letter postage rate, etc., which was referred to the Committee on Post Offices and Post Roads.

Mr. ROBINSON presented the petition of Edward W. Winfield Camp No. 3, United Spanish War Veterans (B. L. Maloney, camp commander), of Little Rock, Ark., praying for the passage of the so-called Bursum and Knutson bills, granting pensions to veterans of the Spanish-American War, the Philippine insurrection, and the China relief expedition, which were referred to the Committee on Pensions.

He also presented a petition of sundry citizens in the State of Arkansas, praying for the repeal of the so-called nuisance and war taxes, especially the tax on industrial alcohol, which was referred to the Committee on Finance.

Mr. CAPPER presented a memorial of sundry employees of the Kansas City Southern Railway Co., of Pittsburg, Kans., remonstrating against any amendment of the transportation act of 1920 at the present session of Congress, which was referred to the Committee on Interstate Commerce.

He also presented a petition of sundry Spanish-American War veterans of Nickerson, Kans., praying for the passage of the so-called Bursum bill, granting pensions to veterans of the Spanish-American War, etc., which was referred to the Committee on Pensions.

He also presented a resolution of the Lawrence (Kans.) Chamber of Commerce, favoring the passage of legislation granting increased compensation to postal employees, which was referred to the Committee on Post Offices and Post Roads.

He also presented a resolution of the Reserve Officers' Association, of Lawrence, Kans., favoring an adequate appropriation to furnish summer camp training to reserve officers at

the rate of one-third of the full number each year and the maintenance of divisional and regimental headquarters in the Organized Reserves branch of the Army, etc., which was referred to the Committee on Military Affairs.

Mr. McLEAN presented telegrams and papers in the nature of petitions of Branch No. 86, National Association of Letter Carriers, of Hartford; employees of the United States post office, of South Manchester; of Local No. 147, National Federation of Post Office Clerks, of Hartford; of Local No. 237, National Federation of Post Office Clerks, of New Haven; of the Connecticut State Federation of Post Office Clerks, at Middletown; of Branch No. 119, National Association of Post Office Clerks, of Waterbury; Branch No. 192, National Association of Letter Carriers, of New Britain; of employees, United States post office, of Middletown; of Branch No. 109, National Association of Letter Carriers, of Ansonia; of Local Union No. 115, United Brotherhood of Carpenters and Joiners of America, of Bridgeport; of the Central Labor Union of Bridgeport; of the Ministers' Association of Waterbury; of Branch No. 154, National Association of Post Office Clerks, of Meriden; of Michael J. Comcowich Post, No. 597, Veterans of Foreign Wars, of Ansonia; of Branch No. 175, National Association of Letter Carriers, of Middletown; of Local No. 357, National Association of Post Office Clerks, of Middletown; of Connecticut Branch No. 29, employees, United States Post Office, of Greenwich; and of National Rural Letter Carriers' Association, of Darien, all in the State of Connecticut, praying for the passage of legislation granting increased compensation to postal employees, which were referred to the Committee on Post Offices and Post Roads.

He also presented resolutions of the Hartford section, Council of Jewish Women, of Hartford; the executive board of the Hartford Froebel Club, of Hartford; the Young Women's Hebrew Association, of New Haven; the New Haven section, Council of Jewish Women, of New Haven; and a resolution adopted at the annual banquet of the Court of Spinoza, Foresters of America, at New Britain, all in the State of Connecticut, protesting against the passage of the so-called Johnson immigration bill as being discriminatory, which were referred to the Committee on Immigration.

He also presented a petition of the executive board of the Hartford (Conn.) Woman's Club, praying for the passage of legislation restricting immigration, which was referred to the Committee on Immigration.

He also presented a resolution adopted at a meeting of citizens of Waterbury, Conn., favoring the enactment of legislation granting adjusted compensation to veterans of the World War, which was referred to the Committee on Finance.

He also presented the memorial of Danbury Grange, No. 156, Patrons of Husbandry, of Danbury, Conn., remonstrating against the passage of legislation providing so-called daylight saving time in any part of the United States or its territorial possessions, which was referred to the Committee on Interstate and Foreign Commerce.

He also presented a resolution of the New Britain Civic Safety League, of New Britain, Conn., favoring the passage of legislation providing for the deportation of aliens who may violate the eighteenth amendment to the Constitution, which was referred to the Committee on Immigration.

Mr. FRAZIER presented the petition of Ole Sletten, jr., and 65 other citizens of Divide County, N. Dak., praying for the passage of legislation stabilizing the price of wheat, etc., which was referred to the Committee on Agriculture and Forestry.

He also presented petitions of Ernest N. Johnson and 23 other citizens, of Binford; of Andrew Devitt and 19 other citizens, of Milnor; of L. O. Hovnik and 2 other citizens, of Medora; of Albert Nyhus and 19 other citizens, of Eckman; of Iver R. Knutson and 6 other citizens, of Williams County; and of A. Angelshaug and 30 other citizens of Hannaford, all in the State of North Dakota, praying for the passage of the so-called Norris-Sinclair bill, providing aid to agriculture, which were referred to the Committee on Agriculture and Forestry.

He also presented resolutions adopted at a voters' meeting of Armourdale Township, assembled at Rocklake, N. Dak., favoring the passage of legislation granting aid to agriculture, which were referred to the Committee on Agriculture and Forestry.

He also presented a resolution of the William G. Carroll Post, No. 26, American Legion, of Minot, N. Dak., favoring the passage of legislation granting adjusted compensation to veterans of the World War, which was referred to the Committee on Finance.

He also presented the petitions of T. E. Carey and 51 other ex-service men, and of G. S. Schoultz and 45 other ex-service men, all of Grand Forks; of Post No. 87, the American Legion, of Wishek; of J. R. Hallam and 77 other citizens, of Selfridge; of Roger Greystone and 78 other citizens, of Eugene Little and 112 other citizens, and of Guy Chapman and 104 other citizens, all of Fort Yates, all in the State of North Dakota; and of William Marshall and 76 other citizens, of Kenal, in the State of South Dakota, praying for the enactment of legislation granting adjusted compensation to veterans of the World War, which were referred to the Committee on Finance.

He also presented the memorial of R. H. McCormick and 26 other citizens, of Rawson, N. Dak., remonstrating against the adoption of the so-called Mellon tax-reduction plan, which was referred to the Committee on Finance.

He also presented the petition of Helen Murray and 127 other citizens, of Stanley, N. Dak., praying for the enactment of legislation repealing or reducing the so-called nuisance and war taxes, especially the tax on industrial alcohol, which was referred to the Committee on Finance.

He also presented resolutions of the Stutsman County Medical Society and the Grand Forks District Medical Society, both in the State of North Dakota, favoring the passage of legislation repealing the so-called Harrison narcotic tax act; establishing the deductibility of traveling expenses and the cost of postgraduate study as expenses of the practice of medicine in computing the physicians' income tax, and reducing the tax rate on earned incomes, which were referred to the Committee on Finance.

REPORTS OF COMMITTEES.

Mr. SMOOT, from the Committee on Finance, to which was referred the resolution (S. Res. 168) authorizing the appointment of a special committee to investigate the Bureau of Internal Revenue, reported it with amendments.

Mr. REED of Pennsylvania, from the Committee on Military Affairs, to which were referred the following bills, submitted adverse reports thereon, which were agreed to:

A bill (S. 1381) for the relief of Edward S. Farrow; and

A bill (S. 1577) authorizing the President to reappoint Maj. Adrian K. Polhemus, United States Army (retired), to the position and rank of major in the United States Army.

Mr. BORAH. What are these bills?

Mr. REED of Pennsylvania. Each bill is for the special appointment of an officer to the active list of the Army. The committee is opposed to any such legislation and the report is unanimous against the bills. I move that the bills be indefinitely postponed.

The motion was agreed to.

Mr. REED of Pennsylvania, from the Committee on Military Affairs, to which was referred the bill (S. 2431) to authorize the Secretary of War to convey to the Commissioners of Lewes certain land in the county of Sussex, State of Delaware, reported it with amendments and submitted a report (No. 214) thereon.

Mr. FLETCHER, from the Committee on Military Affairs, to which was referred the bill (S. 605) for the relief of Obadiah Simpson, submitted an adverse report thereon, which was agreed to, and the bill was indefinitely postponed.

He also, from the same committee, to which was referred the bill (S. 2764) authorizing the President to order Leo P. Quinn before a retiring board for a rehearing of his case and upon the findings of such board either confirm his discharge or place him on the retired list with the rank and pay held by him at the time of his discharge, reported it without amendment and submitted a report (No. 215) thereon.

Mr. SHEPPARD, from the Committee on Military Affairs, to which was referred the bill (S. 1011) for the relief of Michael Sweeney, reported it without amendment and submitted a report (No. 216) thereon.

Mr. HARRELD, from the Committee on Claims, to which was referred the bill (S. 2187) authorizing the Comptroller General of the United States to consider and settle the claim of Mrs. John D. Hall, widow of the late Colonel John D. Hall, United States Army, retired, for personal property destroyed in the earthquake at San Francisco, Calif., reported it without amendment and submitted a report (No. 217) thereon.

He also, from the same committee, to which was referred the bill (S. 2481) for the relief of John H. Gattis, reported it with amendments and submitted a report (No. 218) thereon.

Mr. STANFIELD, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (S. 935) for the relief of the Erie Railroad Co. (Rept. No. 219); and

A bill (S. 1930) for the relief of the San Diego Consolidated Gas & Electric Co. (Rept. No. 220).

Mr. STANFIELD also, from the Committee on Claims, to which was referred the bill (S. 1941) for the relief of Ezra S.

Pond, reported it with an amendment and submitted a report (No. 221) thereon.

Mr. LADD, from the Committee on Commerce, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

A bill (H. R. 5633) granting the consent of Congress to the Board of Supervisors of Hinds County, Miss., to construct a bridge across the Pearl River in the State of Mississippi (Rept. No. 222);

A bill (H. R. 5737) granting the consent of Congress to the county of Kankakee, State of Illinois, and the counties of Lake and Newton, State of Indiana, to construct, maintain, and operate a bridge and approaches thereto across the Kankakee River at or near the State line between section 19, township 31 north, range 15 east of the third principal meridian, in the county of Kankakee, State of Illinois, and section 1, township 31 north, range 10 west of the second principal meridian, in the counties of Lake and Newton, State of Indiana (Rept. No. 223);

A bill (H. R. 6420) to extend the time for the construction of a bridge across the Mississippi River in section 17, township 28 north, range 23 west of the fourth principal meridian, in the State of Minnesota (Rept. No. 224); and

A bill (H. R. 6925) granting the consent of Congress to the city of Chicago to construct a bridge across the Calumet River at or near One hundred and thirtieth Street, in the city of Chicago, county of Cook, State of Illinois (Rept. No. 225).

Mr. JOHNSON of Minnesota, from the Committee on Claims, to which was referred the bill (S. 1307) for the relief of Albert Andrews for loss of personal effects while serving with the military forces of the United States, reported it without amendment and submitted a report (No. 226) thereon.

He also, from the same committee, to which was referred the bill (S. 1573) for the relief of Samuel S. Weaver, reported it with an amendment and submitted a report (No. 227) thereon.

Mr. BROOKHART, from the Committee on Military Affairs, to which was referred the bill (S. 1557) to give military status and discharges to the members of the Russian Railway Service Corps, organized by the War Department under authority of the President of the United States for service during the war with Germany, reported it without amendment and submitted a report (No. 228) thereon.

He also, from the Committee on Claims, to which was referred the bill (S. 969) for the relief of Clotilda Freund, reported it with amendments and submitted a report (No. 229) thereon.

Mr. CAPPER, from the Committee on Claims, to which were referred the following bills, reported them severally without amendment and submitted reports thereon:

A bill (S. 47) to permit the correction of the general account of Charles B. Strecker, former Assistant Treasurer United States (Rept. No. 230);

A bill (S. 196) for the relief of Charles S. Fries (Rept. No. 231);

A bill (S. 828) for the relief of the receiver of the Gulf, Florida & Alabama Railway Co. (Rept. No. 232); and

A bill (S. 2527) for the payment of claims for damages to and loss of private property incident to the training, practice, operation, or maintenance of the Army (Rept. No. 233).

Mr. CAPPER also, from the Committee on Claims, to which was referred the bill (S. 608) for the relief of James E. Fitzgerald, reported it with amendments and submitted a report (No. 234) thereon.

Mr. BRUCE, from the Committee on Military Affairs, to which was referred the bill (S. 245) for the relief of Henry P. Collins, alias Patrick Collins, reported it without amendment, and submitted a report (No. 235) thereon.

He also, from the same committee, to which was referred the bill (S. 723) for the relief of Benjamin F. Burch, submitted an adverse report thereon, which was agreed to, and the bill was indefinitely postponed.

Mr. SPENCER, from the Committee on Claims, to which were referred the following bills, reported them each without amendment and submitted reports thereon:

A bill (S. 1316) for the relief of Annie H. Martin (Rept. No. 236); and

A bill (S. 1568) for the relief of certain officers in the United States Army (Rept. No. 237).

ENROLLED JOINT RESOLUTION PRESENTED.

Mr. WATSON, from the Committee on Enrolled Bills, reported that on the 7th instant they presented to the President of the United States the enrolled joint resolution (S. J. Res. 57) authorizing the erection on public grounds in the District of Columbia of a statue by Jose Clara personifying "Serenity."

MEMORIAL ADDRESS ON THE LATE PRESIDENT HARDING.

Mr. FESS. From the Committee on Printing, I report back favorably with an amendment in the nature of a substitute Senate Concurrent Resolution No. 5, and I ask unanimous consent for its present consideration.

The PRESIDING OFFICER. The resolution as reported will be read for the information of the Senate.

The amendment was to strike out all after the resolving clause and to insert:

That there shall be compiled, printed with illustrations, and bound, as may be directed by the Joint Committee on Printing, 25,000 copies of the oration delivered by the Hon. Charles Evans Hughes in the House of Representatives during the exercises held in memory of the late President Warren G. Harding on February 27, 1924, including all the proceedings and the program of exercises, of which 8,000 copies shall be for the use of the Senate and 17,000 copies for the use of the House of Representatives.

The Senate, by unanimous consent, proceeded to consider the concurrent resolution.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. FLETCHER. Is it an amendment of a House resolution?

The PRESIDING OFFICER. It is a Senate concurrent resolution.

Mr. FLETCHER. With an amendment reported striking out all after the resolving clause and inserting——

The PRESIDING OFFICER. The Chair will state to the Senator from Florida that it is a concurrent resolution upon which the committee was polled. The Senator from Florida signed the poll. The changes were made in order to make the resolution conform to what it was desired to bring about.

Mr. FLETCHER. I could not understand exactly why it was being reported in that way. I did not know but that it was a House concurrent resolution that was being amended.

The amendment was agreed to.

The concurrent resolution as amended was agreed to.

REFUNDS OF TAXES ERRONEOUSLY COLLECTED.

Mr. REED of Pennsylvania. Mr. President, I report favorably from the Committee on Finance the bill (H. R. 6901) to amend section 252 of the revenue act of 1921 in respect of credits and refunds, and I ask unanimous consent for its immediate consideration.

Mr. ROBINSON. I ask that the bill be read.

The PRESIDING OFFICER. The bill will be read for the information of the Senate.

The reading clerk read as follows:

Be it enacted, etc., That the second proviso of subdivision (a) of section 252 of the revenue act of 1921 as amended by the act entitled "An act to amend the revenue act of 1921 in respect to credits and refunds," approved March 4, 1923, is amended to read as follows: "*Provided further,* That if the taxpayer has, within five years from the time the return for the taxable year 1917 was due, filed a waiver of his right to have the taxes due for such taxable year determined and assessed within five years after the return was filed, or if he has, on or before June 15, 1924, filed such a waiver in respect of the taxes due for the taxable year 1918, then such credit or refund relating to the taxes for the year in respect of which the waiver was filed shall be allowed or made if claim therefor is filed either on or before April 1, 1925, or within two years from the time the tax was paid."

The PRESIDING OFFICER. The Senator from Pennsylvania asks unanimous consent for the present consideration of the bill. Is there objection?

Mr. ROBINSON. Mr. President, I do not object to the request of the Senator from Pennsylvania. I understand that the legislation is necessary in order to prevent the statute of limitations from attaching to claims of persons for credits and refunds of taxes erroneously collected.

Mr. REED of Pennsylvania. That is precisely the case, Mr. President.

Mr. ROBINSON. I understand it is necessary that the bill should pass promptly, and be signed by the President——

Mr. REED of Pennsylvania. Before the 15th of the month.

Mr. ROBINSON. Otherwise the limitations will attach immediately. I have no objection to the bill being passed.

There being no objection, the bill was considered as in Committee of the Whole.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

AMENDMENT OF COTTON FUTURES ACT.

Mr. DIAL. Mr. President, over three months ago I introduced a bill (S. 386) to amend section 5 of the United States

cotton futures act, approved August 11, 1916, as amended, which was referred to the Committee on Agriculture and Forestry. That committee has not reported on the bill. Of course, I realize that they are quite busy, but this is a very important measure, and recently the Legislature of South Carolina passed a resolution indorsing the measure.

I would like to have the bill disposed of at as early a date as possible, and as I notice that the chairman of the Committee on Agriculture and Forestry is in the Chamber, I ask unanimous consent that the Committee on Agriculture and Forestry be discharged from the further consideration of the bill and that it be placed upon the calendar.

The PRESIDING OFFICER. The Senator from South Carolina asks unanimous consent that the Committee on Agriculture and Forestry be discharged from the further consideration of Senate bill 386, and that the bill be placed upon the calendar. Is there objection?

Mr. ROBINSON. Mr. President, I think the Committee on Agriculture and Forestry ought to have an opportunity to determine whether it will act upon the bill and report it or whether it desires to be discharged from the consideration of the bill. In order that the members of the committee may have that opportunity I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Adams	Edge	Kendrick	Robinson
Ashurst	Edwards	Keyes	Sheppard
Bayard	Ernst	King	Shields
Borah	Ferris	Ladd	Shipstead
Brandegee	Fess	Lodge	Shortridge
Brookhart	Fletcher	McKellar	Simmons
Broussard	Frazier	McLean	Smoot
Bruce	George	McNary	Stanfield
Bursum	Gerry	Mayfield	Stephens
Cameron	Glass	Moses	Trammell
Capper	Gooding	Neely	Wadsworth
Caraway	Hale	Norris	Walsh, Mont.
Colt	Harreld	Oddie	Warren
Copeland	Harris	Pepper	Watson
Couzens	Harrison	Phipps	Weller
Curtis	Heflin	Pittman	Wheeler
Dale	Howell	Ralston	Willis
Dial	Johnson, Minn.	Ransdell	
Dill	Jones, Wash.	Reed, Pa.	

The PRESIDING OFFICER. Seventy-four Senators having answered to their names, a quorum is present.

Mr. ROBINSON. I call attention to the fact that the Senator from South Carolina [Mr. DIAL] has submitted a request for unanimous consent.

The PRESIDING OFFICER. The Chair was about to state it. The Senator from South Carolina [Mr. DIAL] asks unanimous consent that the Committee on Agriculture and Forestry be discharged from the further consideration of Senate bill 386, and that the bill be placed upon the calendar. Is there objection?

Mr. RANSDELL. I object.

The PRESIDING OFFICER. Objection is made.

Mr. DIAL. Mr. President, with regard to my request for unanimous consent that the Committee on Agriculture and Forestry be discharged from the further consideration of Senate bill 386, and that the bill be placed upon the calendar, I desire to say that I have the highest regard for that committee. The chairman of the committee is pronouncedly a fair man, able, honest, and candid. I want to appeal to his fairness and ask him why they chloroformed the bill and placed it in a pigeonhole? I introduced it in good faith. The South Carolina Legislature has indorsed it. The Alabama Legislature has indorsed it. The Manufacturers' Record, of Baltimore, one of the ablest edited papers in the United States, in an editorial the other day said no honest man could oppose the proposition.

I am not here asking for an appropriation, as some Senators do. I am here demanding, as far as within my power lies, that Congress shall enact a just law, giving the poor people of the South who produce cotton with which to clothe the world a fair living. I am trying to correct a one-sided, unjust, top-heavy, lopsided, confiscatory law. No man yet has risen on this floor to combat the justice and the honesty of my proposition.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Nebraska?

Mr. DIAL. I yield.

Mr. NORRIS. If the Senator will permit me, the Committee on Agriculture and Forestry has been very busy since the convening of Congress.

Mr. DIAL. Yes; that is true. The committee has had three months, and not a single hearing on the bill has been held.

Mr. NORRIS. That is true. A similar bill was introduced during the last Congress and was referred to a subcommittee. The difficulty is in the fact that the cotton men on the committee are opposed to the Senator's bill. If the Senator will make a motion under the rule to discharge the Committee on Agriculture and Forestry and place the bill on the calendar, and thus comply with the rule, I am going to vote for that motion. I think the Senator's bill ought to have been acted on long ago. I have always told him that. At this session of Congress, however, it has been a physical impossibility for the Committee on Agriculture and Forestry to take it up and have any hearings.

The Senator asked unanimous consent that the committee be discharged. I was here and made no objection. Objection comes from the other cotton men. It is a dispute between cotton men. The expert cotton men do not agree. They will have to fight it out on the floor of the Senate no matter what the Agricultural Committee does. I would be very glad indeed if the Senator would make that motion and the Senate would agree to it and place his bill on the calendar. For some time yet it will be an impossibility for the Committee on Agriculture and Forestry to hold hearings that will in any way be satisfactory. We have been engaged every day, practically all day long and several times during the evening, in holding hearings. It has been the busiest committee I think without any doubt of any committee in the Senate during this session of Congress.

The Agricultural Committee, or most of its members at least, confess, I do for one, that the bill presents to us a problem that needs the expert consideration of the cotton men.

All the cotton men on the committee are opposed to it apparently and there are quite a number of them on the committee. It is not right to accuse the Agricultural Committee of not doing the best it could under the circumstances. I have told the Senator several times when he has talked to me that if he would make a motion to discharge the committee and place the bill on the calendar, which motion under the rule would have to go over one day, when the time comes I expect to vote for the motion myself.

Mr. DIAL. Mr. President, I thought I was doing the Committee on Agriculture and Forestry a favor in asking that it be discharged from the further consideration of the bill, upon which it seems that they were deadlocked. I made the request through kindness to that committee.

However, Mr. President, I do not wish to let go unchallenged the statement that all of the Senators who are on the Committee on Agriculture and Forestry from the Southern States are opposed to the proposition which is embodied in the bill. I very much question the accuracy of that statement. Of course, I do not question the sincerity of the Senator from Nebraska [Mr. NORRIS], who made the statement, but that is not the information which I have in reference to the proposed legislation; in fact, I know of but one Senator, the Senator from Louisiana [Mr. RANSDELL], who is really opposed to my proposition.

Mr. RANSDELL. Mr. President, will the Senator yield to a question?

Mr. LODGE. Mr. President——

The PRESIDING OFFICER. The Senator from South Carolina has the floor. Does the Senator yield; and if so, to whom?

Mr. DIAL. I yield to the Senator from Louisiana.

Mr. LODGE. I demand the regular order.

The PRESIDING OFFICER. The regular order is demanded.

Mr. DIAL. I move that the Committee on Agriculture and Forestry be discharged from the further consideration of the bill and that it be placed on the calendar.

The PRESIDING OFFICER. The motion will be received under the rule.

CONSIDERATION OF TREATY WITH GREAT BRITAIN.

Mr. LODGE. Mr. President, I desire to give a notice that on Thursday next, at the close of morning business, I shall ask the Senate to go into executive session to consider the treaty with Great Britain, which ought to be disposed of at this time.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LODGE:

A bill (S. 2784) authorizing the President to issue an appropriate commission and honorable discharge to Joseph B. Maccabe; to the Committee on Military Affairs.

By Mr. McLEAN:

A bill (S. 2785) granting a pension to Mary A. Paul (with accompanying papers); to the Committee on Pensions.

By Mr. McLEAN (by request):

A bill (S. 2786) to provide a civil government for the Virgin Islands, and for other purposes; to the Committee on Territories and Insular Possessions.

By Mr. McNARY:

A bill (S. 2787) for the relief of Henry von Hess; to the Committee on Military Affairs.

By Mr. SWANSON:

A bill (S. 2788) for the relief of Chief Boatswain John W. Stoakley (retired), United States Navy; to the Committee on Naval Affairs.

By Mr. GOODING:

A bill (S. 2789) extending the boundaries of the Boise National Forest; to the Committee on Public Lands and Surveys.

By Mr. NORRIS:

A bill (S. 2790) to provide for the conservation and utilization of the natural resources of the Nation, the coordination of flood control and navigation of streams, the development of hydroelectric energy and the distribution of the same, and for other purposes; to the Committee on Interstate Commerce.

By Mr. COPELAND:

A bill (S. 2791) for the relief of George Boiko;

A bill (S. 2792) for the relief of C. F. E. Peterson;

A bill (S. 2793) for the relief of the estate of Anne C. Shymer; and

A bill (S. 2794) for the relief of Margaret B. Knapp; to the Committee on Claims.

By Mr. SIMMONS:

A bill (S. 2795) for the relief of May Adelaide Sharp; to the Committee on Claims.

By Mr. DILL:

A bill (S. 2796) to regulate radio communication, to provide for the collection of license and radio station fees, and for other purposes; to the Committtee on Commerce.

By Mr. ODDIE:

A bill (S. 2797) to authorize the payment of claims under the provisions of the so-called war minerals relief act; to the Committee on Mines and Mining.

By Mr. HARRELD:

A bill (S. 2798) to authorize the leasing for mining purposes of unallotted lands in the Kaw Reservation in the State of Oklahoma; and

A bill (S. 2799) to provide for quarters, fuel, and light for employees of the Indian field service; to the Committee on Indian Affairs.

By Mr. WATSON:

A bill (S. 2800) granting an increase of pension to William Hemphill; to the Committee on Pensions.

By Mr. HARRIS:

A joint solution (S. J. Res. 94) for the investigation of the advisability and cost of securing lands in the Southern Appalachian Mountains for perpetual preservation as a national park; to the Committee on Public Lands and Surveys.

ELECTION AND QUALIFICATION OF JUDGES.

Mr. DILL. I introduce a joint resolution which I ask may be read.

The joint resolution (S. J. Res. 93) proposing an amendment to the Constitution of the United States relative to election and qualification of judges, was read the first time by its title and the second time at length, and referred to the Committee on the Judiciary, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following amendment be proposed to the legislatures of the several States as an amendment to the Constitution of the United States, which, when ratified by three-fourths of said legislatures, shall be valid as part of the Constitution, namely:

ARTICLE III.

"SECTION 1. The judicial power of the United States shall be vested in one supreme court, and in such inferior courts as the Congress may from time to time ordain and establish. The judges of the supreme court shall be appointed from the elected judges of the inferior courts, and shall hold office during good behavior, unless Congress shall otherwise provide for their election, and length of term of office. The judges of the inferior courts shall be elected by the qualified electors of the districts over which they have jurisdiction, in such manner and for such term of office as Congress shall provide, and Congress may provide by law for the appointment by the President of the judges of the appellate courts of the United States. Congress shall fix the compensation of all judges of the courts of the United States, and such compensation shall not be diminished during their continuance in office."

ADJUSTED COMPENSATION OF WORLD WAR VETERANS.

Mr. COPELAND. I submit an amendment in the nature of a substitute intended to be proposed by me to the bill (S. 1969) to provide adjusted compensation for veterans of the World War, and for other purposes, and with it a letter from the Secretary of the Treasury relating to the bonus, which I ask permission to have printed as a Senate document.

The PRESIDING OFFICER. The proposed amendment will be printed and referred to the Committee on Finance, and, without objection, the accompanying letter of the Secretary of the Treasury will be printed as a Senate document (S. Doc. No. 60), views of the Secretary of the Treasury on S. 1969, providing for a cash bonus.

AMENDMENT OF COMMERCE AND LABOR APPROPRIATION BILL.

Mr. McNARY submitted an amendment proposing to appropriate $100,000 for repairing and improving aids to navigation and establishing new aids in the Columbia River, and for constructing or purchasing a suitable power boat for tending aids to navigation in such river, intended to be proposed by him to the Commerce and Labor Departments appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

ORDER OF BUSINESS.

The PRESIDING OFFICER. There being no resolutions coming over from a previous day, the calendar under Rule VIII is in order.

Mr. JONES of Washington. Mr. President, I ask unanimous consent that in considering the calendar the Senate take up Order of Business No. 144, being the bill (S. 1014) for the relief of F. J. Belcher, jr., trustee for Ed Fletcher, that being the point at which the Senate left off the consideration of the calendar when it was last before us.

The PRESIDING OFFICER. Is there objection?

Mr. KING. A parliamentary inquiry. My understanding was that the unfinished business, being the so-called Norbeck bill, was to be taken up this morning and to be the subject of consideration until 3 o'clock, at which time——

The PRESIDING OFFICER. The Chair will state for the information of the Senator from Utah that that is not the form in which the unanimous-consent agreement was finally entered into. The morning hour will run until 2 o'clock, at which time the Norbeck bill, the unfinished business, will be laid before the Senate. The time at which the limitation of debate will go into effect, under the unanimous-consent agreement, will be 3 o'clock.

Mr. KING. A further parliamentary inquiry. Under the unanimous-consent agreement asked by the Senator from Washington [Mr. JONES] will debate be possible on the so-called Norbeck bill; and if so——

The PRESIDING OFFICER. From 2 o'clock until 3 o'clock debate will be in order without limitation upon any Senator.

Mr. KING. Mr. President, my understanding was that at the conclusion of routine morning business to-day we should proceed, if we desired, with the discussion of the so-called Norbeck bill and continue the discussion after 3 o'clock under the terms laid down by the unanimous-consent agreement.

The PRESIDING OFFICER. Under the rule, to-day being Calendar Monday, the calendar is clearly in order; and the form of the unanimous-consent agreement as printed on the calendar is clearly in opposition to the view which has been presented by the Senator from Utah.

Mr. KING. Then I yield.

The PRESIDING OFFICER. Is there objection to the request for unanimous consent asked by the Senator from Washington [Mr. JONES].

Mr. JONES of Washington. I was just going to state to the Senator from Utah [Mr. KING] that even if the unanimous-consent agreement which I have asked should not be granted, under the rule we must take up the calendar, unless that be dispensed with by unanimous consent.

Mr. ROBINSON. What is the request of the Senator from Washington?

Mr. JONES of Washington. My request was that we begin the consideration of the calendar with Order of Business No. 144.

Mr. ROBINSON. That is the point at which we left off the consideration of the calendar when it was last before the Senate?

Mr. JONES of Washington. Yes; that is where the consideration of the calendar was then left off.

Mr. ROBINSON. I think that will probably be satisfactory.

Mr. KING. I desire to make one further inquiry. Does the Senator from Washington understand that under the rule, which will probably be invoked, debate will be limited to five minutes?

Mr. JONES of Washington. Yes; I so understand.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Washington [Mr. JONES], that the consideration of the calendar be begun at the point where it was left off when the calendar was last before the Senate? The Chair hears none, and the Secretary will state the first bill on the calendar under the unanimous-consent agreement.

F. J. BELCHER.

The bill (S. 1014) for the relief of F. J. Belcher, jr., trustee for Ed Fletcher, was announced as first in order.

The bill was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, directed to pay to F. J. Belcher, jr., trustee for the benefit of Ed Fletcher, out of any money in the Treasury not otherwise appropriated, the sum of $21,838, in full payment of damage to lands owned by said Ed Fletcher inflicted thereon by the Government while occupying said lands as an Army training camp.

Mr. KING. Mr. President, I shall ask that that bill go over unless some explanation of it shall be made. I can not understand why the claim covered in the bill should not go to the Court of Claims for adjudication.

Mr. SHORTRIDGE. Mr. President——

Mr. KING. I withhold the objection for a moment.

Mr. SHORTRIDGE. This bill is in exactly the same form in which it was introduced by me at the last session, at which time it was passed by the Senate. It was very carefully examined by the committee at the former session and unanimously reported. It has been similarly examined by the committee at this session and in like manner the committee has unanimously reported in favor of its passage. It is a meritorious measure. The printed committee report shows that the Government itself made examination of the property to determine the extent of the damage. The property lies in or near Camp Kearny, in San Diego County, Calif. The property was turned over to the Government for the nominal consideration of $1. In and about the activities of the Army during the war the property suffered damage to the extent ascertained by the Government itself, and thereupon a bill was introduced and passed at the last session, and a similar bill comes before us now. I have never heard anyone object to the bill itself or as to the amount fixed by the Government. The committee's report is, of course, before the Senator from Utah and the Senate, and I can imagine no valid objection to the passage of the bill.

Mr. KING. Mr. President, may I say to the Senator that it seems to me this is a rather large amount to allow without its going to the Court of Claims?

Mr. SHORTRIDGE. It went to the Committee on Claims, I will say to the Senator.

Mr. KING. I refer to judicial proceeding before the Court of Claims.

Mr. SHORTRIDGE. While it did not take the form of an inquiry by the Committee on the Judiciary, the merit of the claim as a legal matter seems to be conceded on all hands. To repeat, perhaps unnecessarily, this property was turned over for the use of the Government. The Government entered upon its possession, and in and about the training of soldiers vast trenches were dug and various other works incidental to the preliminary study and training of large numbers of our soldiers in anticipation of their activities on the field of battle were constructed upon the physical property to restore which will involve an expenditure in the amount stated.

As to the justice of it I have nothing more to say, but as to the amount it has been ascertained.

Mr. KING. It seems from the report—and I have not had time to read it all; it is a very long one—that there was a stipulated rental of $1 for the demised term.

Mr. SHORTRIDGE. Precisely.

Mr. KING. And there was taken into account the financial benefits the owners of the property might derive from having the camp located at San Diego. It would seem—and I state this with a good deal of hesitancy, because the report may qualify the observation which I am about to make——

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). The Senator from California has occupied his five minutes.

Mr. SHORTRIDGE. I can only express the hope that the Senator will permit the bill to come to a vote.

Mr. KING. Mr. President, I shall speak briefly in my own time. It would seem, notwithstanding the lease for $1 a year, and notwithstanding the possible benefits that were to be derived not only by the city but by the owners themselves, they now put in a bill here for $21,000. May I say that so far as I can determine there was no permanent injury to the land so taken except the construction of some trenches. I should like the Senator to explain in my time what is the reason to justify this large appropriation, when the owners leased the premises for $1.

Mr. SHORTRIDGE. First, there were no incidental or consequent benefits to the owners of the property. The leasing of the land was a patriotic act on the part of the owners. I can not, in a few moments, tell the Senator or the Senate the extent of the excavations or the work done on this property, but it has been left in a condition which makes it necessary to fill the trenches and restore, in a measure, the physical property to the condition in which it was when turned over to the Government. It is not a mere theory; it is the physical condition in which the property is left.

The Army authorities recognize the facts. They made investigation, and diagrams and figures would justify what I am saying. The fact that the property was turned over to the Government as a patriotic act for a nominal consideration should rather persuade us to pass the measure, because we impliedly obligated the Government to restore the property at least to the condition in which it was turned over for the use of the Government. That is the theory of the bill.

I think it just. I think it meritorious, and I was only concerned as to the amount involved, and that amount was ascertained by the Government engineers. Hence the bill came before us at the former session and was passed, and is now before us again. I feel warranted in asking the Senate to pass the measure, and I feel warranted in asking the Senator from Utah, who is more than careful and diligent in looking to the finances of the Government, to withhold any objection to its present consideration.

Mr. KING. Mr. President, I know that the able Senator from California is fair and just and would not make any request that he did not think was warranted. I am afraid this bill will constitute a precedent, and I beg the Senator to permit it to go over until next Monday. In the meantime I shall examine it, and if I find that the precedent I have in mind is not a dangerous one, or that it will not constitute a precedent, I shall join with the Senator in asking for its immediate consideration.

Mr. CAPPER. I call the attention of the Senator from Utah to the recommendation of General Lord, at that time Chief of Finance, found at the conclusion of this report, in which he finds that the claim is a just one, and says:

The War Department Claims Board has examined the facts in the case and recommends an award in favor of the claimant in the amount of $21,838, in full and complete settlement.

The release conditioned in said amount is herewith.

It is the opinion of this office that the damage as recommended by the board is equitable and just and payment in said amount is recommended.

The Director of the Budget also gave considerable attention to this claim and also recommended it.

The PRESIDING OFFICER. The bill will be passed over.

J. G. SEUPELT.

The bill (S. 1703) for the relief of J. G. Seupelt was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized to permit one J. G. Seupelt to enter under the homestead laws, at the appraised price, a certain unsurveyed island in the Colville Indian Reservation, Wash., known as "Hog Island," containing about 152 acres, located in the Columbia River, and within sections 26 and 35 township 30 north, range 36 east of the Willamette meridian, in the State of Washington: *Provided*, That proceeds arising hereunder shall be subject to the provisions of section 6 of the act of March 22, 1906 (vol. 34, U. S. Stat. L., p. 81): *Provided further*, That the right of entry by the said Seupelt shall be exercised within 90 days after the execution and acceptance of the survey of the island: *And provided further*, That the land hereby disposed of shall be subject to all the laws of the United States prohibiting the introduction of intoxicants into the Indian country, until otherwise provided by Congress.

Mr. FLETCHER. Mr. President, I did not know that we had more than one Hog Island in this country; but that of itself is no objection to the passage of the bill, and I see that Secretary Work has recommended its passage. I have no objection to it. I request, however, as part of my remarks, that there be inserted in the RECORD an editorial from the Tampa Morning Tribune of March 5, 1924, entitled "The real oil issue"; an editorial from the Washington Daily News of March 7, 1924, entitled "The Coolidge to McLean telegrams"; and an editorial from the New York Herald of yesterday, March 9, entitled "Mr. Daugherty's conduct."

The PRESIDING OFFICER. Without objection, the editorials will be inserted in the RECORD.

The editorials are as follows:

[From the Tampa Morning Tribune of March 5, 1924.]

THE REAL OIL ISSUE.

Through the wilderness of waving arms and thunderclouds of political balderdash with which Washington thus far has shrouded its examination of the oil scandal, one inexorable fact still stands out as clear and unmistakable as a lighthouse.

It is this: The indubitable intention of the persons who originally created the naval reserves at Teapot Dome, Elk Hill, and other places, as made manifest by congressional debate at the time, was that the oil in these sections was to remain underground and inviolate until the United States had found itself reduced by a most desperate emergency to its employment in defense of the very existence of the Nation.

It was the intention of the legislators and officials responsible for the reserve policy that as long as oil was available in the open markets of America or the world, as long as it was possible to purchase oil in Mexico or Central or South America or Mesopotamia or the Far East, whether in time of peace or of ordinary war emergency, the oil in these naval reserves was to remain in the ground as America's last ace in the hole, her last trump in a fight to the death. It was to be used only when America, cut off from every other source of oil, had been reduced to utter dependence on her own resources to preserve her very life.

The only conceivable situation which would warrant its withdrawal is another conflict of even greater magnitude than the World War, in which America, beset by a combination of powerful adversaries, has been completely isolated by an enemy force from any contact with outside sources of oil. It was expected, and it is a fact, that in time of peace or even in a conflict of the character of the late war the American Navy can obtain oil in regular course from regular sources here and abroad, and it is unthinkable that this oil will not suffice until oil in the naval reserves can be produced if a grave emergency looms ahead.

If this priceless oil was being drained from Teapot Dome by private exploiters in the vicinity, it is not public policy to remove the reserve oil from the safest depository on earth, which is the ground itself, and strew it around the world, to be used while there still is plenty of other oil, and if not at once used subjecting it to the concentrated attack of any adversary with a navy and an air force. It is wrong, because the Government's power to enjoin this drainage is practically unlimited. Who is fatuous enough to say that a government of 110,000,000 people is powerless to stem the loss of oil which may in this very generation prove the salvation of the land? To deny the Government's power of domain over its own soil is the most fallacious stand any American public official can possibly assume.

The question then of the validity of the leases of these reserves to Doheny or Sinclair is simply not relevant. The leases are contrary to public policy and the vital necessities of national existence. They have thwarted every intention of the creators of the reserve policy and the American public.

[From the Washington Daily News of March 7, 1924.]

THE COOLIDGE TO M'LEAN TELEGRAMS.

(An editorial.)

The gray wolf pack is in full cry denouncing Senator WALSH for "dragging the name of President Coolidge" into the oil scandal.

A cheap, mean attempt to villify the President is the way the New York Tribune refers to the introduction of the Coolidge telegrams to McLean into the Senate committee record.

In our view neither Senator WALSH nor any other member of the Senate committee "dragged" the President into the oil investigation.

Whatever "dragging" there was was done by the President himself.

On January 11, at Palm Beach, McLean testified under oath to Senator WALSH that he did not lend Fall $100,000 as he had previously told the Senate committee through his attorney that he had.

McLean's testimony was published in the Washington evening newspapers of January 11 and the Washington morning newspapers of January 12.

It goes without saying that in a matter of so grave importance involving the administration, the President was perfectly familiar with McLean's testimony when he sent him a personal telegram at 9 o'clock, evening of January 12.

To say that a telegram, ambiguous in text, sent by the Chief Executive to one of the most important figures in the oil investigation at this critical period is not a proper matter for the Senate committee record, and for the knowledge of the public, seems to us both irrational and illogical.

President Coolidge says that the telegram had no reference to oil; that it referred to District of Columbia matters. The country has read the telegram and it has the President's explanation.

It also has read the telegram from the President to McLean dated February 12 and it has the President's explanation of that. The country will judge whether or not there was any connection between these telegrams and the oil investigation.

The country also will judge as to the propriety of the President being in friendly, even intimate, telegraphic correspondence with McLean at these times and under these circumstances.

The atmosphere surrounding this oil scandal is quite as important as the separate facts, and the Coolidge to McLean telegrams certainly are vital contributions to the atmosphere.

Then there is another aspect of the oil scandal which makes these telegrams, particularly the first one, significant as exhibits in the case of the people versus the oil thieves.

It will be remembered that the President's secretary, Slemp, testified before the committee that during the month he was in Florida he saw McLean only "occasionally and accidentally."

The President sending a message to Slemp through McLean runs to the credibility of Slemp's testimony.

The White House apparently thought the contact between McLean and Slemp was more than "occasional and accidental."

For the purpose of testing Slemp's testimony the first presidential telegram was as useful to the case as the telegram from Slemp's office attendant at the White House advising McLean of Slemp's departure for Florida, and a similar message from one of McLean's Washington agents to the same effect.

As to the second presidential message—it was about the Denby resignation and was most decidedly a part of the oil scandal. The President was telegraphing one of the chief actors in the scandal—McLean—about another of the chief actors—Denby.

[From the New York Herald of March 9, 1923.]

MR. DAUGHERTY'S CONDUCT.

If it is not refuted no other charge against Mr. Daugherty is so damaging as the testimony of Ira E. Bennett, one of E. B. McLean's employees, before the Senate investigating committee, upon the Attorney General's alleged messages to McLean.

Mr. Daugherty's alleged messages of comfort and advice to McLean were not sent direct, but were written by Bennett at what the latter says was Daugherty's prompting. At the time they were sent, everybody knew that McLean had tried to shield Fall from exposure. The publisher had made a misstatement for that purpose, and later, under oath, had repudiated it. He was subpœnaed on February 14 to appear before the Walsh committee, which expected his testimony to be of great importance.

The seriousness of Bennett's statements hence is clear. We should expect Mr. Daugherty at that moment to be helping the oil inquiry and taking an attitude of sharp condemnation toward any man who tried to obstruct it. Yet Bennett says that Daugherty sent word to McLean "not to worry," and wanted him assured that "all that is possible to do will be done by us; you should worry delay selection of prosecutor." The Attorney General, according to Bennett, said: "I am attending to things. I am getting posted and will do what I can to help." By this Bennett declares that Mr. Daugherty meant he would help McLean escape giving testimony.

If these messages were actually authorized by Daugherty, they would suggest that the Attorney General was hostile to the oil inquiry and was willing to interfere with it. If the testimony were not contradicted, it would show that the officer charged with the Federal prosecution of lawbreakers was in sympathy with a man who had tried to cover up the trail of a suspected offender. It would indicate a willingness to let personal considerations interfere with justice to an extent inexcusable in any Attorney General.

Mr. Daugherty should demand at once an opportunity to testify as to these charges before the Senate investigating committee, as Senator CURTIS demanded Friday, when Bennett made statements to the committee that the Senator denounced as false.

If this testimony of Bennett's is not promptly denied by Mr. Daugherty before the Senate investigating committee, it will constitute a clear charge against him of his unfitness for his office, a charge admitting no defense. Apart from this information dug out of the McLean telegrams, there has been nothing in the Senate charges against Daugherty of a definite nature. This Bennett testimony is very definite—extremely damaging.

The PRESIDING OFFICER. The bill is before the Senate, as in Committee of the Whole, and open to amendment. If there be no amendment to be proposed, the bill will be reported to the Senate.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

OSAGE INDIAN LANDS, OKLAHOMA.

The bill (S. 2315) to amend an act entitled "An act for the division of the lands and funds of the Osage Indians in Okla-

homa, and for other purposes," approved June 28, 1906, and acts amendatory thereof and supplemental thereto, was considered as in Committee of the Whole.

The bill had been reported from the Committee on Indian Affairs, with an amendment, on page 2, line 1, before the word "Indian," to strike out "Osage," so as to make the bill read:

Be it enacted, etc., That any right to or interest in the lands, money, or mineral interests, as provided in the act of Congress approved June 28, 1906 (34th Stats. L., p. 539), entitled "An act for the division of the lands and funds of the Osage Indians in Oklahoma, and for other purposes," and acts amendatory thereof and supplemental thereto, vested in, determined, or adjudged to be the right or property of any person not an Indian by blood, shall be subject to sale, assignment, and transfer under such rules and regulations as the Secretary of the Interior may prescribe.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF NATIONAL DEFENSE ACT.

The bill (S. 2169) to amend in certain particulars the national defense act of June 3, 1916, as amended, was announced as next in order.

Mr. KING. Mr. President, this seems to be a revision of the entire act. Apparently it will take considerable time to dispose of the bill. There are 8 or 10 pages here.

Mr. BROOKHART. Mr. President, this is a sort of an omnibus bill, clearing up several matters in the national defense act. I think there is no objection to it. I am a member of the Military Affairs Committee, and there are several amendments that I was authorized to suggest on the floor of the Senate since the bill was reported. I think the mere suggestion of them will be sufficient.

Mr. KING. Mr. President, if the Senator will pardon me, in the naval bills and these omnibus measures there oftentimes creep in provisions that are advantageous to certain persons and certain elements in the Navy, and later we are compelled to dissent; we feel that perhaps they are more comprehensive than we anticipated. It seems to me that it will be a little difficult for us under the five-minute rule to make as searching an investigation as we should of any bill that amends the naval act or the Army act, especially a comprehensive bill such as this, containing six or seven pages.

Mr. BROOKHART. Most of these amendments are for the benefit of the National Guard, and I know personally that all of those are very much to be desired.

Mr. KING. Does the chairman of this committee desire this bill to be passed?

Mr. BROOKHART. Yes; the chairman of the committee will be here in a moment. The committee was unanimous in regard to everything recommended here. The bill was carefully considered by the committee.

Mr. KING. May I ask the Chair if the bill can be temporarily laid aside and the next bill taken up, meanwhile sending for the chairman of the committee?

The PRESIDING OFFICER. The bill can be temporarily laid aside.

Mr. BROOKHART. I have already sent for the chairman of the committee, and I understand that he is on the way to the Senate Chamber. I should not like to have something else get in that would prevent the consideration of this bill.

Mr. KING. The Chair indicates that it can be laid aside temporarily.

The PRESIDING OFFICER. Without objection, the bill may be passed over temporarily.

Mr. BROOKHART. Very well.

Mr. WADSWORTH subsequently said: Mr. President, I understand that Senate bill 2169, Order of Business 148, was temporarily passed over.

The PRESIDING OFFICER. It was.

Mr. WADSWORTH. I ask unanimous consent that we may revert to it. The Senator from Iowa [Mr. BROOKHART] reported the bill.

The PRESIDING OFFICER. Without objection, the Senate will return to Order of Business 148, Senate bill 2169.

The principal legislative clerk proceeded to read the bill.

Mr. WADSWORTH. Mr. President, this bill is rather long, and perhaps I should say something as to what it purports to do.

The bill is in the nature of an omnibus bill. It contains a number of amendments to the national defense act, unrelated one with the other, but gathered together in one bill. I think it fair to say that this omnibus bill is one which picks up and corrects a number of comparatively minor matters which have been shown to need correction as a result of the experience of the Army for two or three years since 1920.

The first section makes a change in the percentage of the noncommissioned grades in the regular service.

The second section makes certain changes in what is known as the Manchu law, that law which governs the length of time which officers of the regular service may serve away from troops and the length of time they must serve with troops.

The next section relates to the commissioning of reserve officers and straightens out a technical difficulty in that regard, so that the National Guard officers shall have exactly the same status as reserve officers.

Then there is a section relating to the National Guard on page 4, relating to the issue of forage and bedding to the mounted units of the guard, with a proviso to be inserted on line 9, page 5.

Mr. FLETCHER. Does the bill accomplish what the National Guard have been urging for some time?

Mr. WADSWORTH. It does. The sections of this bill relating to the National Guard were drawn by a committee of the National Guard Association and a committee of the General Staff of the War Department, participated in by reserve and guard officers attached to the War Department. It has been approved by the General Staff and the Secretary of War and is the unanimous conclusion of everybody who has studied the subject. There are several minor matters of that kind, no one of them of great importance.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Military Affairs with an amendment, on page 7, after line 14, to insert a new section, to be numbered 7, as follows:

SEC. 7. That, pursuant to section 63 of the national defense act of June 3, 1916, as amended, the First Corps Cadets, antedating, and continuously existing in the State of Massachusetts since, the act of May 8, 1792, now designated as the Second Battalion, Two hundred and eleventh Artillery, Antiaircraft, Coast Artillery Corps, First Corps Cadets, Massachusetts National Guard, hereby declared to be such a corps as is defined in said section 63 for all the purposes thereof and now incorporated in the Organized Militia and a part of the National Guard of Massachusetts, shall be allowed to retain its ancient privileges and organization. Said First Corps Cadets is hereby further declared to be entitled to a lieutenant colonel in command and a major second in command; and said officers, when federally recognized, shall receive, in accordance with the provisions of said national defense act and the pay readjustment act of June 10, 1922, the pay of their respective grades: *Provided*, That nothing in this section or other provisions of law shall be deemed to be in derogation of any other ancient privileges to which said First Corps Cadets is entitled under the laws, customs, or usages of the State of Massachusetts.

So as to make the bill read:

Be it enacted, etc., That hereafter the respective grade percentages prescribed in section 4 (b) of the national defense act of June 3, 1916, as amended, of the total authorized number of enlisted men shall not exceed seventy-nine one-hundredths of 1 per cent for the first grade, 2.17 per cent for the second grade, 2.99 per cent for the third grade, 10.11 per cent for the fourth grade, 9.5 per cent for the fifth grade, and 25 per cent for the sixth grade; and aforementioned section 4 (b) is hereby amended accordingly.

SEC. 2. That all that part of section 4 (c) of said national defense act, as amended, relating to General Staff details and duty with troops and beginning with the words "in time of peace" and ending with the words "with combatant arms," be, and the same is hereby, amended to read as follows:

"In time of peace no officer of the line shall be or remain detailed as a member of the General Staff Corps unless he shall have served as a commissioned officer for two of the next preceding six years in actual command of troops of one or more of the combatant arms, and no other officer shall be or remain so detailed unless he shall have served as a commissioned officer for two years with a command composed entirely or in part of units of combatant arms in the active service of the United States. In time of peace every officer of the line serving in a grade below that of brigadier general shall serve with troops of one or more of the combatant arms for one year in every period of five consecutive years of his active commissioned service, and every other officer serving in a grade below that of brigadier general, except a professor and the present military storekeeper, shall, during the first 10 years of his active commis-

sioned service, serve with a command composed entirely or in part of units of combatant arms in the active service of the United States for such periods as shall, with periods of like service heretofore or hereafter rendered, aggregate two years. In the administration of this provision all duty performed between April 6, 1917, and July 1, 1920, inclusive, and all duty heretofore performed as a student at service schools, other than those of the noncombatant branches, shall be regarded as satisfying the requirements of service with or in command of troops of one or more of the combatant arms and of service with a command composed entirely or in part of units of combatant arms in the active service of the United States; and for officers commissioned in combatant arms service as students at any service school at any time shall also be so regarded."

SEC. 3. That said national defense act, as amended, be, and the same is hereby, further amended by inserting therein, immediately after section 37 thereof, a new section to be known as section 38, in lieu of original section 38 struck out by section 31 of the amendatory act of June 4, 1920, and to read as follows:

"SEC. 38. Commissions of reserve officers: All persons appointed reserve officers shall be commissioned in the Army of the United States. Officers of the National Guard, federally recognized as such under the provisions of this act who are appointed reserve officers under the provisions of section 37 of this act, shall be appointed for the period during which such recognition shall continue in effect and terminating at the expiration thereof in lieu of the five-year period hereinbefore prescribed, and in time of peace shall be governed by such special regulations appropriate for this class of reserve officers as the Secretary of War may prescribe."

SEC. 4. That section 69 of said national defense act, as amended, be, and the same is hereby, amended to read as follows:

"SEC. 69. Original enlistments in the National Guard shall be for a period of three years, and subsequent enlistments for periods of one year or three years each."

SEC. 5. That section 90 of said national defense act, as amended, be, and the same is hereby, amended to read as follows:

"SEC. 90. That funds allotted by the Secretary of War for the support of the National Guard shall be available for the purchase and issue of forage, bedding, shoeing, and veterinary services, and supplies for the Government animals issued to any organization, and for animals owned or hired by any State, Territory, District of Columbia, or National Guard organization, not exceeding the number of animals authorized by Federal law for such organization and used solely for military purposes, and for the compensation of competent help for the care of material, animals, armament, and equipment of organizations of all kinds, under such regulations as the Secretary of War may prescribe: *Provided*, That the men to be so compensated shall not exceed five for each organization, except heavier-than-air squadrons, for each of which a maximum of 10 to be so compensated is hereby authorized, and shall, save as otherwise provided in the next succeeding proviso, be duly enlisted therein and detailed by the organization commander, and shall be paid by the United States disbursing officer in each State, Territory, and the District of Columbia: *Provided further*, That whenever it shall be found impracticable to secure the necessary competent enlisted caretakers for the material, animals, armament, or equipment of any organization from the duly enlisted personnel thereof, the organization commander may employ one civilian caretaker therefor who shall be entitled to such compensation as may be fixed by the Secretary of War."

SEC. 6. That section 109 of said national defense act, as amended, be, and the same is hereby, amended to read as follows:

"SEC. 109. Pay for the National Guard Officers: Captains, lieutenants, and warrant officers belonging to organizations of the National Guard shall receive compensation at the rate of one-thirtieth of the monthly base pay prescribed for them in sections 3 and 9 of the pay readjustment act of June 10, 1922, for each regular drill or other period of instruction authorized by the Secretary of War, not exceeding 8 in any one calendar month and not exceeding 60 in one year, at which they shall have been officially present for the entire required period and at which at least 50 per cent of the commissioned strength and 60 per cent of the enlisted strength attend and participate for not less than one and one-half hours. Officers above the grade of captain shall receive not more than $500 a year, and officers below the grade of major, not belonging to organizations, shall receive not more than four-thirtieths of the monthly base pay prescribed for them in section 3 of said pay readjustment act for satisfactory performance of their appropriate duties under such regulations as the Secretary of War may prescribe. In addition to pay hereinbefore provided, officers commanding organizations less than a brigade and having administrative functions connected therewith shall, whether or not such officers belong to such organizations, receive not more than $240 a year for the faithful performance of such administrative functions under such regulations as the Secretary of War may prescribe; and for the purpose of determining how much shall be paid to such officers so performing such functions the Secretary of War may from time to time divide them into classes and fix the amount payable to the officers in each class. Pay under the provisions of this section shall not accrue to any officer during a period when he shall be entitled under any provision of law to the full rate of his base pay prescribed in section 3 or section 9, as the case may be, of the pay readjustment act of June 10, 1922: *Provided*, That section 9 of an act entitled 'An act amending the act entitled "An act to authorize the President to increase temporarily the Military Establishment of the United States," approved May 18, 1917,' approved August 31, 1918, shall also apply to the purchase of uniforms, accouterments, and equipment for cash by officers of the National Guard and National Guard Reserve, whether in State or Federal service, on proper identification and under such rules and regulations as the Secretary of War may prescribe."

SEC. 7. That pursuant to section 63 of the national defense act of June 3, 1916, as amended, the First Corps Cadets, antedating and continuously existing in the State of Massachusetts since the act of May 8, 1792, now designated as the Second Battalion, Two hundred and eleventh Artillery, Antiaircraft, Coast Artillery Corps, First Corps Cadets, Massachusetts National Guard, hereby declared to be such a corps as is defined in said section 63 for all the purposes thereof and now incorporated in the Organized Militia and a part of the National Guard of Massachusetts, shall be allowed to retain its ancient privileges and organization. Said First Corps Cadets is hereby further declared to be entitled to a lieutenant colonel in command and a major second in command; and said officers when Federally recognized shall receive, in accordance with the provisions of said national defense act and the pay readjustment act of June 10, 1922, the pay of their respective grades: *Provided*, That nothing in this section or other provisions of law shall be deemed to be in derogation of any other ancient privileges to which said First Corps Cadets is entitled under the laws, customs, or usages of the State of Massachusetts.

SEC. 8. That the first paragraph of section 110 of said national defense act, as amended, be, and the same is hereby, amended to read as follows:

"SEC. 110. Pay for National Guard Enlisted Men: Each enlisted man belonging to an organization of the National Guard, other than enlisted men of the sixth and seventh grades, shall receive compensation at the rate of one-thirtieth of the initial monthly pay of his grade in the Regular Army, and each of those of the sixth and seventh grades shall receive compensation as is provided in section 14 of the pay readjustment act of June 10, 1922, for each drill ordered for his organization where he is officially present and in which he participates for not less than one and one-half hours, not exceeding 8 in any one calendar month and not exceeding 60 drills in one year: *Provided*, That the proviso contained in section 92 of this act shall not operate to prevent the payment of enlisted men actually present at any duly ordered drill or other exercise: *Provided further*, That periods of any actual military duty equivalent to the drills herein prescribed (except those periods of service provided for in sections 94, 97, 99, and 101 of the national defense act as amended) may be accepted as service in lieu of such drills when so provided by the Secretary of War: *And provided further*, That any enlisted man shall, under such regulations as the Secretary of War may prescribe, receive compensation under the provisions of this section for any drill had in accordance with such provisions where he is officially present and in which he participates for not less than one and one-half hours with a National Guard organization within the same State at a station other than his own, upon presentation of a certificate, in form prescribed in said regulations, from the organization commander to the commanding officer of the organization of which he is a member, showing such drill participation."

SEC. 9. That retired enlisted men of the Army heretofore or hereafter retired who served honorably as commissioned officers of the Army of the United States at some time between April 6, 1917, and November 11, 1918, shall be entitled to receive the pay of retired warrant officers of the Army; and retired enlisted men of the regular Navy and Marine Corps heretofore or hereafter retired who served honorably as commissioned officers, regular, temporary, or reserve, in the naval service at some time between the aforesaid dates, and who at the time of their retirement were members of the regular Navy or Marine Corps, shall be entitled to receive the pay of retired warrant officers of the Navy and Marine Corps, respectively: *Provided*, That such enlisted man retired prior to July 1, 1922, shall be entitled to receive the pay provided by law for retired warrant officers of equal length of service retired prior to that date, and that any such enlisted man retired subsequent to June 30, 1922, shall be entitled to receive the pay provided by law for retired warrant officers of equal length of service retired subsequent to that date: *Provided further*, That nothing in this act shall operate to prevent any person from receiving the pay and allowances of his grade, rank, or rating on the retired list when such pay and allowances exceed the pay to which he would be entitled under this act by virtue of his commissioned service.

The amendment was agreed to.

Mr. BROOKHART. Mr. President, I am authorized by the committee to offer from the floor the following amendments: On page 2, line 17, after the word "general," to insert the words "and above that of captain."

The amendment was agreed to.

Mr. BROOKHART. On page 2, line 18, after the word "for," to insert the words "not less than."

The amendment was agreed to.

Mr. BROOKHART. On page 2, line 19, after the word "service," to insert the words:

And every officer of the line serving in a grade below that of major shall serve with troops of one or more of the combatant arms for not less than three years in every period of five consecutive years of his active commissioned service.

The amendment was agreed to.

Mr. BROOKHART. On page 3, line 4, after the word "heretofore," to insert the words "and hereafter."

The amendment was agreed to.

Mr. BROOKHART. On page 3, line 5, after the word "branches," to insert the words "or as director of civilian marksmanship."

The amendment was agreed to.

Mr. BROOKHART. On page 3, line 12, before the period, to insert a colon and the words:

Provided, That in time of peace no officer serving in grades below that of colonel, other than officers of the Medical, Judge Advocate General's, and Finance Departments, shall be or remain assigned to duty or station in Washington for more than four of the next preceding six years.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to amend in certain particulars the national defense act of June 3, 1916, as amended, and for other purposes."

BILL AND JOINT RESOLUTION PASSED OVER.

The bill (S. 1932) to change the name of Thirty-seventh Street between Chevy Chase Circle and Reno Road, was announced as next in order.

Mr. BRUCE. I ask that that bill be temporarily laid aside. The Senator from Delaware [Mr. BALL], the chairman of the committee, is not here, and I happen to know that there are some objections to the bill.

The PRESIDING OFFICER. The bill will go over if the Senator objects.

Mr. BRUCE. Yes.

The PRESIDING OFFICER. The bill will be passed over.

The joint resolution (S. J. Res. 60) to stimulate crop production in the United States, was announced as next in order.

Mr. REED of Pennsylvania. Let that go over.

The PRESIDING OFFICER. The joint resolution will be passed over.

SEARCH FOR BODY OF JOHN PAUL JONES.

The bill (S. 2392) authorizing an appropriation to indemnify damages caused by the search for the body of Admiral John Paul Jones was announced as next in order.

Mr. KING. Mr. President, I should like to ask about this measure. It seems to me we have been paying damages ever since I have been in the Senate, and for a hundred years before that, for alleged injuries resulting to property and individuals in searching for the remains of the great naval hero, John Paul Jones.

Mr. REED of Pennsylvania. Mr. President, I am glad the Senator has made the inquiry, because it gives me a chance within the 5-minute rule to make an explanation. The Senate passed this bill at the last session, but owing to the jam in the House it did not go through.

The facts, briefly, are these:

When John Paul Jones died in France in the last decade of the eighteenth century his own Government, which he had served so well, did not even pay for his burial. The commissioner of police in Paris at that time, out of his own pocket, paid for the embalming and the burial of the body, and it was admirably done, I may say, because they had a lead casket filled with alcohol—that was before the passage of the Volstead law—and the body was sealed up and buried in good order; and when it came to be excavated, in the year 1905 I think, it was found in a state of perfect preservation, and was brought back to this country, and it now lies in state at Annapolis.

The work of excavation and discovery of the body was undertaken by Ambassador Porter as his own personal enterprise. The Government was not responsible for what he did, but he was indemnified for his principal expenses. They were not quite sure where the body was. It had been buried in an old Protestant cemetery on the left bank in Paris, and that cemetery had been closed up and built over with dwelling houses. They dug for quite a while and did not find the body, and finally their trenches led to the house of Mme. Crignier, and Ambassador Porter went to her and said, "Will you not please let us excavate under your house, because we think we know where this body is?" The old lady—she is an old lady; she is over 80 now—said, "Very good, Mr. Ambassador; go ahead and do it"; and, without any bond or security of any kind, she gave him carte blanche to dig away under the foundations of her house.

Mr. KING. And they were damaged?

Mr. REED of Pennsylvania. They were terribly damaged.

Mr. KING. And this is to compensate her?

Mr. REED of Pennsylvania. I will not go into the details, but the damage was so terrible that it drove out all of the tenants in the first place, and in the next place it caused the collapse of a large part of the foundations.

Mr. KING. I think the bill ought to pass.

Mr. ROBINSON. Mr. President——

Mr. REED of Pennsylvania. May I just add one more word? The payment of the bill has been urged twice by President Wilson in messages to Congress, once by President Harding in a message to Congress, and now, a month ago, in a message by President Coolidge. I think everybody is agreed that it ought to be done. It is a debt of honor.

Mr. KING. I agree with the Senator.

Mr. REED of Pennsylvania. The appropriation includes no interest, and the old lady has been out of her money for nearly 25 years.

Mr. ROBINSON. Mr. President, the claim is not presented as a liability upon the part of the Government of the United States, but under the circumstances, as stated by the Senator from Pennsylvania, I believe the bill ought to have been paid a long while ago. As a matter of fact, it will be an act of injustice, as it appears to me, to refuse to pay it.

Mr. REED of Pennsylvania. I thank the Senator. It is stated as a matter of grace and not a matter of liability.

Mr. KING. I have no objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Foreign Relations with an amendment, on page 1, line 5, after the word "France," to insert "as a matter of grace and without reference to the question of liability therefor," so as to make the bill read:

Be it enacted, etc., That an appropriation is authorized to be made for $13,511.13 to be paid to the Government of the Republic of France as a matter of grace and without reference to the question of liability therefor as full indemnity for loss and damage to property suffered by Mme. Crignier, a citizen of France, by reason of the search for the body of Admiral John Paul Jones, undertaken in 1899 by Gen. Horace Porter, at that time American ambassador to France, and completed by the finding of the body in 1905, as set forth in the messages of the President of the United States to the Senate and the House of Representatives dated June 4, 1918; July 21, 1919; July 11, 1921; and January 3, 1924.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CLAIMS OF CHEROKEE INDIANS.

Mr. ROBINSON. Mr. President, I ask unanimous consent to return to Order of Business No. 112, Senate bill 2115, conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Cherokee Indians may have against the United States, and for other purposes, and I ask for the present consideration of the bill.

Let me state that an identical bill has already passed the House of Representatives, House bill 4457, and is on the table. If the request which I ask is granted, I shall ask to take up the House bill in lieu of the Senate bill.

The PRESIDING OFFICER. The Senator from Arkansas asks unanimous consent to recur to Senate bill 2115. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

Mr. ROBINSON. I ask that there be taken from the table House bill 4457, which is identical with the Senate bill, and that the Senate proceed to the consideration of that bill.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 4457) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Cherokee Indians may have against the United States, and for other purposes, which was read, as follows:

Be it enacted, etc., That jurisdiction be, and is hereby, conferred upon the Court of Claims, notwithstanding the lapse of time or statutes of limitation, to hear, examine, and adjudicate and render judgment in any and all legal and equitable claims arising under or growing out of any treaty or agreement between the United States and the Cherokee Indian Nation or Tribe, or arising under or growing out of any act of Congress in relation to Indian affairs, which said Cherokee Nation or Tribe may have against the United States, which claims have not heretofore been determined and adjudicated on their merits by the Court of Claims or the Supreme Court of the United States.

SEC. 2. Any and all claims against the United States within the purview of this act shall be forever barred unless suit be instituted or petition filed as herein provided in the Court of Claims within five years from the date of approval of this act, and such suit shall make the Cherokee Nation party plaintiff and the United States party defendant. The petition shall be verified by the attorney or attorneys employed to prosecute such claim or claims under contract with the Cherokees approved by the Commissioner of Indian Affairs and the Secretary of the Interior; and said contract shall be executed in their behalf by a committee chosen by them under the direction and approval of the Commissioner of Indian Affairs and the Secretary of the Interior. Official letters, papers, documents, and records, or certified copies thereof, may be used in evidence, and the departments of the Government shall give access to the attorney or attorneys of said Indian nation to such treaties, papers, correspondence, or records as may be needed by the attorney or attorneys of said Indian nation.

SEC. 3. In said suit the court shall also hear, examine, consider, and adjudicate any claims which the United States may have against said Indian nation, but any payment which may have been made by the United States upon any claim against the United States shall not operate as an estoppel, but may be pleaded as an offset in such suit.

SEC. 4. That from the decision of the Court of Claims in any suit prosecuted under the authority of this act an appeal may be taken by either party as in other cases to the Supreme Court of the United States.

SEC. 5. That upon the final determination of any suit instituted under this act the Court of Claims shall decree such amount or amounts as it may find reasonable to be paid the attorney or attorneys so employed by said Indian nation for the services and expenses of said attorneys rendered or incurred prior or subsequent to the date of approval of this act: *Provided*, That in no case shall the aggregate amounts decreed by said Court of Claims for fees be in excess of the amount or amounts stipulated in the contract of employment, or in excess of a sum equal to 10 per cent of the amount of recovery against the United States.

SEC. 6. The Court of Claims shall have full authority by proper orders and process to bring in and make parties to such suit any or all persons deemed by it necessary or proper to the final determination of the matters in controversy.

SEC. 7. A copy of the petition shall, in such case, be served upon the Attorney General of the United States, and he, or some attorney from the Department of Justice to be designated by him, is hereby directed to appear and defend the interests of the United States in such case.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Senate bill 2115 will be indefinitely postponed.

TENNESSEE RIVER BRIDGE AT KNOXVILLE.

The bill (S. 2108) to grant the consent of Congress to the Southern Railway Co. to maintain a bridge across the Tennessee River at Knoxville, in the county of Knox, State of Tennessee, was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Southern Railway Co., and its successors and assigns, to maintain and operate a bridge and approaches thereto, originally constructed by the Knoxville & Charleston Railroad Co., across the Tennessee River at Knoxville, in the county of Knox, State of Tennessee, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

MISSOURI RIVER BRIDGE, SOUTH DAKOTA.

The bill (S. 2332) granting the consent of Congress to the State of South Dakota for the construction of a bridge across the Missouri River between Hughes County and Stanley County, S. Dak., was considered as in Committee of the Whole.

The bill had been reported from the Committee on Commerce with an amendment, on page 2, after line 2, to insert a new section, as follows:

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

So as to make the bill read:

Be it enacted, etc., That the consent of Congress is hereby granted to the State of South Dakota to construct, maintain, and operate a bridge and approaches thereto across the Missouri River, at a point suitable to the interests of navigation, between Hughes County and Stanley County, S. Dak., in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DAM AND SPILLWAY ACROSS WACCAMAW RIVER, N. C.

The bill (H. R. 2818) to grant the consent of Congress to construct, maintain, and operate a dam and spillway across the Waccamaw River, in North Carolina, was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to K. C. Council, F. B. Gault, and Oscar High, or their legal representatives or assigns, to construct, maintain, and operate a dam and spillway, together with the embankments necessary to its protection and operation, across the Waccamaw River, or in Waccamaw Lake, in North Carolina, at or near the outlet of said lake into said river and at a point suitable to the interests of navigation: *Provided*, That the work shall not be commenced until the plans therefor have been submitted to and approved by the Chief of Engineers, United States Army, and by the Secretary of War: *Provided further*, That this act shall not be construed to authorize the use of said dam and spillway to develop water power or generate electricity: *Provided further*, That there shall be placed and maintained in connection with said dam and spillway such fishways as may be prescribed by the Secretary of Commerce.

SEC. 2. That this act shall be null and void unless the actual construction of the dam and spillway hereby authorized is commenced within two years and completed within four years from the date of the approval of this act.

SEC. 3. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

CALUMET RIVER BRIDGE, ILLINOIS.

The bill (H. R. 3845) to authorize the construction of a bridge across the Little Calumet River, at Riverdale, Ill., was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the Acme Steel Goods Co., a corporation organized and existing under the laws of the State of Illinois, its successors and assigns, be, and is hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Little Calumet River at a point suitable to the interests of navigation in the village of Riverdale and State of Illinois, and at or near the south city limits of the city of Chicago, in the State of Illinois, in accordance with act of Congress entitled "An act to regulate the construction of bridges across navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

COLUMBIA RIVER BRIDGE.

The bill (H. R. 4120) granting the consent of Congress to the Greater Wenatchee Irrigation District to construct, maintain, and operate a bridge across the Columbia River was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Greater Wenatchee Irrigation District, a corporation organized and existing under the laws of the State of Washington, its successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the Columbia River at a point suitable to the interests of navigation, within or near section 15, in township 20 north, of range 23 east of Willamette meridian, in the State of Washington, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

PERE MARQUETTE LAKE BRIDGE.

The bill (H. R. 4182) authorizing the city of Ludington, Mason County, Mich., to construct a bridge across an arm of Pere Marquette Lake, was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the city of Ludington, Mason County, Mich., be, and it is hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across an arm of Pere Marquette Lake at Washington Avenue in said city, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. The right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

ST. LOUIS RIVER BRIDGE, MINNESOTA.

The bill (H. R. 4187) to legalize a bridge across the St. Louis River in Carlton County, State of Minnesota, was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the highway bridge built by the authorities of the State of Minnesota across the St. Louis River, in section 30, township 49, range 16, Carlton County, State of Minnesota, is hereby legalized and the consent of Congress is hereby given to its maintenance by the said State for the use of the general public: *Provided*, That any changes in said bridge which the Secretary of War may deem necessary and order in the interest of navigation shall be promptly made by the said State.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

CURRENT RIVER, ARK.

The bill (H. R. 4984) to authorize the Clay County bridge district, in the State of Arkansas, to construct a bridge over Current River, was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Clay County bridge district, in the State of Arkansas, to construct, maintain, and operate a bridge and approaches thereto across the Current River, at a point suitable to the interests of navigation, at or near what is known as Finley's Ferry, which is near the point where the said river crosses the line between sections 17 and 20, in township 21 north, range 3 east, in Clay County, Ark., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

AGRICULTURAL DIVERSIFICATION.

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 2250) to promote a permanent system of self-supporting agriculture in regions adversely affected by the stimulation of wheat production during the war and aggravated by many years of small yields and high production costs of wheat.

The PRESIDING OFFICER. The pending question is on the amendment of the Senator from Georgia [Mr. HARRIS] to add a new section to the bill.

Mr. FLETCHER. Mr. President, I submitted some remarks a few days ago on the pending bill, and since then I have received a number of communications from various portions of the country. Just a few of them, rather brief but to the point, I have in my hand and would like to have inserted in the RECORD as a part of my remarks: First, a letter from Mr. Fred Underwood, of Enderlin, N. Dak., dated March 4, 1924; next a letter from Mr. James C. Craig, of Lewistown, Mont., dated March 4; a letter from Mr. Robert F. Constant, of Buffalo Hart, Ill., dated March 4; another letter from Mr. R. N. Bruyere, of Salt Lake City, Utah; and another communication from Mr. Fred Underwood, of Enderlin, N. Dak., submitting a short editorial from the Fargo Forum. I ask to have these letters inserted in the RECORD, as they bear directly upon the merits of the bill.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Florida? The Chair hears none, and it is so ordered.

The letters are as follows:

ENDERLIN, N. DAK., *March 4, 1924.*

Hon. Senator FLETCHER,

Washington, D. C.

MY DEAR SIR: The writer notes by the press that you have expressed opposition to the Norbeck-Burtness bill now before Congress purporting to be for the purpose of financing farm diversification.

It interests the writer as being the first note of opposition heard. Washington has gone completely wild on the idea of loaning us of the Northwest more money, and either do not see or have no wish to see our real needs.

That is one of our present difficulties, that we have had too much money loaned to us already. For goodness sake stop it. We need no more credit. But what we do need is an opportunity to obtain a fair price for what we need, purchase for our needs at a fair price, a chance to produce and to pay off what we do owe.

An honest medical practitioner called to attend a member of your family first seeks to discover and remove the cause of the illness. It is not likely that he would seek to cure a candy-colicky sick child by giving it more candy when it required pills.

There is no need for congressional aid for diversification whatsoever. This has been advocated and practiced for years, and at this time and in view of the present extreme financial crisis with us I do not believe that there are any farmers within this State, except as to small localities, who are worthy of financial assistance but who can obtain all the local financial aid to which he is entitled for the purposes of diversification.

We are now indebted more than may be paid within a generation. So why should Congress insist upon giving more funds to put us in still deeper; in other words, to give more candy to the sick patient?

Ours is an agricultural community, and we have been for years paying tribute to the industrial East, and the legislators from the East have not the moral courage to afford us the proper relief, but instead persist in the hullabaloo of lending us more money and thus befog the issue and permit the present conditions to continue.

The writer could readily indicate many of our real ailments, but space forbids.

In event Congress refuses to recognize and rectify our real difficulties and will do nothing but lend us more money, the inevitable results will be a ruined and abandoned Northwest.

And again, yours is the first note of protest or touching upon our real issues, and although only just a Mr. Common Citizen, the writer is exceedingly glad to note one lone attempt to get on the right trail.

With apologies I am,

Yours very truly,

FRED UNDERWOOD.

MARCH 4, 1924.

Senator FLETCHER, *Florida.*

DEAR SIR: I see by the press that you are opposing the Norbeck-Burtness bill. It is time to call a halt on such measures to hurt the real farmer for the benefit of certain individuals. The real farmers in the Northwest don't want such bills to be passed; we want more markets and better markets; then we want to be left alone—all the farmers in the Northwest. I who wanted to do mixed farming for years. In Montana the records will show that we have nearly doubled our milch cows in number in the last two years—nearly every farmer has milch cows to sell and can't sell them—why should we have more livestock men who are producing cattle at a loss; why should they produce more? I have written to Senators WHEELER, LADD, LA FOLLETTE, BROOKHART, Congressman LEAVITT, and others trying to show them that the Coulter bill and other like bills were knocking the farming industry in the Northwest. We don't want gifts for seed grain, livestock, or anything else; we just want markets; then we want to be left alone. You can't loan money to the farmers in the Northwest who would want it, it would be a gift, and the real farmers don't want any more debt; they want to get out of debt. Seed-grain gifts and other gifts to the farmers who are failures only help to put the real farmers in the hole. The real farmers are tired of paying their bills and other people's bills. Somebody has to pay for those gifts in the

shape of taxes, and the people all over want to pay less taxes. All the people who don't understand the situation want to get this truth into their heads: The farmers who get seed-grain loans and livestock loans from the county, State, or Nation are the people that the Government can't get anything from. You ask those Congressmen and Senators who want the United States Treasury to be opened to individuals who are failures if they will loan their own money to such people. It is not the failure of crops that is hurting the Nation, it is the unbusinesslike methods that have been pursued to many individuals who are trying to pull off schemes for their own benefit. Some are pulling off such schemes for political effect; some because they expect to benefit by handling Government money; and some because they don't understand the situation. I think that you will agree with me that there is a great lack of sincerity in our Nation. I will give you one example of preaching the benefits of diversifying in the spring of 1919: A bunch of cull dairy cows were shipped into Montana and sold as high as $150 each; that fall and winter the buyers had to buy shipped-in hay from $30 to $50 per ton, and they could not have sold those cows for any price. The dairymen back East got rid of their culls at a big price, the railroads were paid, the banker got a good rake-off, the man who shipped them in got a good rake-off, and the buyers got h——l.

This mixed farming is no new stunt in the Northwest to relieve the wheat situation. By breaking down the price of the farmers' other products is pure bunk; to raise more cattle, milch cows, pigs, and poultry means for the farmer more work and less money. There is land in the Northwest that should never have been homesteaded—that applies to all sections of the country. The best thing those people can do is to go where they can raise something. We have lots of good land where a good farmer can raise crops every year, and such land can be bought as low as $15 per acre. The solution of the whole farming question North, South, and East and West is more markets and better markets. The bill for a wheat-export commission is un-American; we would charge our own countrymen double rates for their bread and give foreigners theirs cheap; that is what we have been blaming the harvester trust for doing with their goods. If I was at Washington I could tell Congress about the true state of affairs in the Northwest, and I repeat it again that the real farmers—the men who want to get out of debt—only want more markets and better markets, then they want to be left alone. If you Senators and Congressmen listen to everyone who has some pet scheme for their own individual benefit, the American dollar will soon be like the German mark. I have been in Montana about 20 years, homesteaded and own a ranch. I know what I am talking about.

Sincerely yours, JAMES C. CRAIG.
Present address: *315 Second Avenue South, Lewistown, Mont.*
Home address: *Hilger, Mont.*

BONNIE BRAE FARM,
Buffalo Hart, Ill., March 4, 1924.

Senator FLETCHER,
Washington, D. C.,

DEAR SIR: I want to congratulate you on what you are reported to have said in the Senate yesterday in regard to some of the provisions of the Norbeck-Burtness bill, which should never become a law. Reference to "bolstering busted banks" was timely and good. Loaning Government money to the banks would not help the farmer. By the time it reached him the high rate of interest would soon eat him out of house and home trying to produce crops at less than cost of production. The farmer does not want more debt piled on his already overburdened shoulders, but instead wants a better price for his products so that he can give his family a decent living and keep his property and pay his debts. We believe that the McNary-Haugen bill is the only one so far proposed that would give relief to any large number of the people that actually need relief.

Yours truly,

R. F. CONSTANT.

LINDEN HOTEL,
Salt Lake City, Utah, March 5, 1924.

DEAR SENATOR: The newspapers state that you are trying to head off the Norbeck bill to secure some $75,000,000 out of "Uncle Sam's" treasure box. I hope you will secure a lot of help to head off this graft at the Treasury. I lived up in that country for over 40 years. Most of the farmers after seeding their crop in the spring hang about town watching the trains going through. Every little station where there is two or three grain elevators has a store and a bank. The county tax money is portioned out for the use of these banks. During the Townley administration of North Dakota some 40 banks closed their doors. All public moneys had to be sent to Bismarck; county, township, and city money had to be audited at the "capital." I have seen crops lost by hail, frost, smut, rust, and blight. Fifty cents per bushel was the prevailing price for wheat during the eighties and nineties. If you are going to help the farmer up there out of the muddle he has got into you may as well apply to the Government to spray your orange trees and kill off the snakes in the Everglades or to help the copper men to get the metals out of these mountains.

Head off this "grab" if possible. I am with you and write this to encourage you in your laudable work. The United States Treasury needs a "watch dog."

Sincerely,

R. N. BAUYERR.

ENDERLIN, N. DAK., *March 6, 1924.*

Hon. SENATOR FLETCHER,
Washington, D. C.

MY DEAR SIR: Herewith clippings from the Fargo Forum of the 5th instant, self-explanatory, the most prominent newspaper within the State.

Why loan us more money with which to diversify with these records available?

But we do need relief, and badly, but not in this direction.

Respectfully,

FRED UNDERWOOD.

[From the Fargo Forum, Wednesday evening, March 5, 1924.]

HELPING THE FARMER TO HELP HIMSELF.

In a discussion of the new finance corporation organized for the purpose of aiding business and agriculture in the Northwest, the Farmer, published in St. Paul, says:

> "It seems to us that this organization of a private relief corporation by the bankers and business men of America to rediscount and hold agricultural paper that is already due and doubtful is one of the finest gestures of cooperation with agriculture that we have seen the business interests of America make. As a matter of fact, we would rather trust the reconstruction of agriculture to the wisdom and experience and integrity of a group of big, sound, successful, public-spirited business men, backed by business in general, than to all the politicians in Washington and all their heelers in town and country back home."

The thing that should make the finance corporation a real power in aiding the agricultural Northwest is the very fact that the plan is being operated on a strictly business basis. There is no politics in it. There is no necessity to wait for legislation and permit the program to become a political football. The emergency, which the organization is expected to aid, exists right now and the corporation proposes to help right now.

The farmers, if the Forum understands their desire, do not want more credit, but they are vitally interested in seeing that the credit they already have is not withdrawn.

The finance corporation proposes to aid them in maintaining that credit. As Mr. C. T. Jaffray, chairman of the corporation's board, points out, quick relief will be extended to farmers burdened by delinquent taxes and it will protect worthy farmers against the foreclosure of their mortgages and it will uphold sound banks.

Such a policy will make for greater confidence and will help the farmer to help himself.

THE PROOF OF FARMING CHANGE.

The progress being made by North Dakota in diversified agricultural production was very clearly emphasized by Mr. Joseph M. Devine, Commissioner of Immigration, in an address before the North Dakota Dairymen's Association meeting in Grand Forks.

To quote Mr. Devine:

> "When North Dakota produced only $17,000,000 worth of creamery products in 1919 and $34,000,000 worth in 1923, when North Dakota had but 18,000,000 bushels of corn in 1919 and 30,000,000 bushels in 1923, when North Dakota had but 18,000 acres of sweet clover in 1918 and 370,000 acres in 1923, when poultry production jumped from $3,070,000 in 1918 to $10,000,000 in 1923, we know we are on the way to a bigger, better North Dakota."

These figures are interesting not only in showing the change that is coming in North Dakota but the rapidity with which it is coming. With the movement toward diversification gaining greater impetus in recent months, the increased production of North Dakota farms in diversified crops can be expected to reach new high levels in the years just ahead.

Diversified methods bring a more intensified farming and make for a more profitable farming. And the greater the production per acre the greater becomes the value of North Dakota land.

Mr. FLETCHER. I shall not take up the time in further discussion, because the time is now limited, and there are others who will want to present their views regarding the measure. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from Florida suggests the absence of a quorum. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Adams	Dial	Johnson, Minn.	Ralston
Ashurst	Dill	Jones, N. Mex.	Ransdell
Ball	Edge	Jones, Wash.	Reed, Pa.
Bayard	Edwards	Kendrick	Robinson
Borah	Ernst	King	Sheppard
Brandegee	Ferris	Ladd	Shields
Brookhart	Fess	McKellar	Shipstead
Broussard	Fletcher	McLean	Simmons
Bruce	Frazier	McNary	Stanfield
Bursum	George	Mayfield	Stephens
Cameron	Glass	Moses	Swanson
Capper	Hale	Neely	Trammell
Caraway	Harreld	Norris	Wadsworth
Copeland	Harris	Oddie	Walsh, Mont.
Couzens	Harrison	Pepper	Willis
Curtis	Heflin	Phipps	
Dale	Howell	Pittman	

The PRESIDING OFFICER. Sixty-six Senators having responded to their names, there is a quorum present.

Mr. FESS. Mr. President, I wish to submit a few observations upon the measure that is now before the Senate for consideration. As a rule, I do not believe in this sort of legislation. I am of the opinion that it is justified only on the basis of an emergency. I have listened to all the arguments that have been made pro and con and have a good deal of sympathy with the argument of the opposition, but I think every Senator will agree that the situation in the Northwest is of such a character that something ought to be done to relieve it. There certainly is one of two alternatives. One is to permit the natural course which would be largely bankruptcy, and the other to offer some remedy that could not only defer that condition but would probably make it unnecessary.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Idaho?

Mr. FESS. I yield to the Senator from Idaho.

Mr. BORAH. The Senator from Ohio is quite correct in saying that there is an emergency, an exigency which ought to be taken care of; but the serious question is whether the pending measure will do it or not.

Mr. FESS. I was about to come to that. I am of the opinion that it will at least give some relief to prevent bankruptcy. With the situation of the banking interests in the Northwest and the heavy obligations of the large percentage of farmers, both the owners and the tenants, because the tenants would have encumbrance upon their crops, I am thoroughly convinced that unless something is done bankruptcy is inevitable. While some Members of the Senate think that would be probably the best thing in the long run, I can not bring myself to that attitude of thought.

I made a trip into the Northwest last year in order that I might see the situation at first hand. I had occasion to talk with farmers who were well established. I talked with one man who had three farms. He said to me, "If we were not encumbered with heavy obligations this would be an easy problem with us. We could pay our taxes all right, but taxes are heavy here. We do not have great corporations from which to draw, and therefore the burden of taxation is almost exclusively on the farmer. We must have schools and good roads, and taxes will not be reduced, the taxes will largely be increased, and for that reason this burden is on us, and without an opportunity of good prices for our products there is no possibility of a payment in cash and no possibility of borrowing money and deferring payment." I was convinced as I looked over the situation in both the eastern and western sections of the Northwest that something must be done.

In addition to that, I think all students of economics will agree that the one-crop idea is dangerous.

Mr. BORAH. Mr. President——

Mr. FESS. I yield to the Senator from Idaho.

Mr. BORAH. The Senator is quite correct in saying that the question of taxes is one of the oppressive features of the burden which they bear. I do not see Congress doing anything towards relieving the taxes. In about three or four weeks we will be putting somewhere between three and four billion dollars more upon the people of the United States, and anything we may do in handing a little help to the farmers in the country while we are proceeding with that kind of a program will not help them at all.

Mr. FESS. I would say to the Senator with reference to the tax burden, and, of course, he will agree with me, that the heavy burden of the farmer in the way of taxes is State and not Federal.

Mr. BORAH. Yes, of course it is; and the State people say "The source of your difficulty is at Washington. See how they continue to pile up their obligations at Washington." The people at Washington say, "The trouble with your difficulty is back at the State capital. See how they are piling up taxes at the State capital." The fact is, of course, that the relief from the burden of taxation is a double duty. It belongs to the State, but it also belongs to us. We can only deal with that which is here, and if we do our duty here it will be a great relief directly and a great relief indirectly, and may possibly be an encouragement to the people in the States to do their part.

Mr. FESS. I would say to my friend from Idaho that while I appreciate the considerations to which he has referred, and I will join him in carrying out our pledge to reduce taxes upon the part of the Federal Government, there are some obligations that hang over from the World War that probably we can not relieve. That is a question yet to be discussed.

Mr. KING. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Utah?

Mr. FESS. I yield to the Senator.

Mr. KING. The Senator from Ohio spoke about the question of taxation. I hold in my hand the North Dakota Industrial Program, which is compiled and issued by the commission from North Dakota. They boast of the fact that the taxes in North Dakota are less than those in Minnesota, Nebraska, Colorado, Kansas, Wisconsin, and other States. Lest I be inaccurate, let me read from this document.

The per capita State tax in 1919 in North Dakota was only $3.56; in Minnesota, $4.74; in Nebraska, $5.68; in Colorado, $4.85; in South Dakota, $4.90; in Oklahoma, $2.37; in the State of Washington, $6.42. Including the taxes for soldiers' bonus funds in the three States which have provided such funds we get the following result:

Minnesota per capita tax $6.05; Wisconsin, $5.45; North Dakota, $4.49.

I have received reports from North and South Dakota which indicate that taxation in those States is much less than in many other States of the Union.

Mr. FESS. The Senator, I presume, would not mean to indicate that the taxes in the Northwest, including the Dakotas, are not burdensome?

Mr. KING. Yes, I do. I think, if the Senator will pardon me, that the taxes in North Dakota and South Dakota, measured by those in other States, are less. Of course, every tax is a burden; that is what taxes are; they are to get money out of the pockets of the people; and all taxation is burdensome; but it is less burdensome in the Dakotas than in some of the other States of the Union.

Mr. FESS. Mr. President, both North and South Dakota are comparatively new States. They must have modern conveniences in education; also in road building; and, whatever be the status of taxation in that section at present it will not be less, but will be increased gradually in the future, as everyone must recognize, at once. The burden of taxation upon the farm is heavier than it is upon other property, even in the sections where there is abundance of other property. For example——

Mr. ROBINSON. Mr. President, will the Senator from Ohio yield for a question?

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Arkansas?

Mr. FESS. I will do so as soon as I shall have finished the sentence. For example, the percentage of farm tax to income from the farm is much higher than the percentage of the industrial tax to the incomes of the industrialists. Now, I yield to my friend from Arkansas.

Mr. ROBINSON. Does not the Senator conceive that the tariff duties which are levied upon everything which the farmer consumes bear a very material relationship to the prosperity of the farmer? Does he not further understand that if the tariff rates were reduced, and the burden of taxes which the farmer pays on the things which he is compelled to consume diminished, it would operate greatly to the benefit of the farmer?

Mr. FESS. I will say to my friend from Arkansas that a minister whom I once heard said that he never could preach unless he ultimately touched on the subject of baptism, and I have noticed that some of my friends on the other side of the Chamber never can make a speech on taxation that they do not discuss the tariff question.

Mr. ROBINSON. The Senator from Ohio can not belittle the issue by a jest like that. The party to which he belongs, by the passage of the Fordney-McCumber law, has imposed an intolerable burden of taxation on the American people; and that burden falls heavily upon the backs of the American

farmers. It does not lie in the mouth of the Senator to belittle the importance of the relationship of Federal taxes to the prosperity of the American farmer.

Mr. FESS. It is very evident that when anyone speaks in derogation of anything that certain gentlemen believe in it is an effort to belittle. I am simply mentioning that there are some people who can not avoid discussing the tariff question when we have before us the question of taxation.

Mr. ROBINSON. Mr. President, will the Senator from Ohio be good enough to yield further?

The PRESIDING OFFICER. Does the Senator from Ohio further yield to the Senator from Arkansas?

Mr. FESS. I yield.

Mr. ROBINSON. Why should the subject be avoided? Why should not the issue be met? Why should the Senator from Ohio seek to avoid answering the question which I have asked him?

Mr. FESS. The Senator from Ohio does not seek to avoid the question. The Senator from Ohio will now state to the Senator from Arkansas that under the Underwood tariff law for the last full year of its operation the revenue collected was but $320,000,000, while under the present tariff law last year the revenue was $560,000,000. The difference represents the prosperity of the country under the Republican tariff and depression under the Democratic tariff.

Mr. ROBINSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio further yield?

Mr. FESS. I yield.

Mr. ROBINSON. I presume the Senator from Ohio thinks that he has answered in a statesmanlike manner the question which I asked him as to the relationship of the present tariff law to the prosperity of the American farmers. If he is content with his performance, I assure him that I shall not complain.

Mr. EDGE. Mr. President, will the Senator from Ohio yield to me?

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from New Jersey?

Mr. FESS. The Senator from Ohio would like first to state to the Senator from Arkansas that he is quite as content with his performance as he is with the performance of the Senator from Arkansas.

Mr. ROBINSON. Then we are both satisfied.

Mr. FESS. I now yield to the Senator from New Jersey.

Mr. EDGE. The Senator from New Jersey merely sought the floor to remark that it is rather marvelous that the American people have been contented, 80 per cent, I think, of the time, to live under a high protective tariff.

Mr. FESS. Not only that but the American people are perfectly content to live under a constructive policy, which gives investment to American capital and employment to American labor at such wages that American standards can be preserved. While that is not very pleasant to certain publicists and theorists, it is perfectly satisfactory to the American people.

Mr. HARRISON. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Mississippi?

Mr. FESS. Mr. President, I can not decline to yield, although I should like to proceed. I yield to my friend from Mississippi.

Mr. HARRISON. I wish to ask the Senator a question in view of his statement as to the revenue received under the present tariff law as compared with the revenue derived under the Underwood tariff law. Of course, the Senator realizes that the balance of trade is a very good index as to the comparative operations of various tariff laws. Can the Senator state what was the balance of trade in our favor during the last year under the present tariff law?

Mr. FESS. The Senator from Ohio has not those figures at hand.

Mr. HARRISON. May I say to the Senator that, including silver and gold bullion which was imported, it was against us to the amount of some $50,000,000; while under the Underwood tariff law we had a balance in our favor in normal times of $3,000,000,000 a year.

Mr. FESS. Well, under Democratic rule our ability to purchase imported goods is not very great, while under Republican rule we can both sell and buy. That has been the history heretofore.

Mr. KING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Utah?

Mr. KING. Will the Senator yield to me while I put into the RECORD some statistics? As the Senator has been speaking about the lamentable conditions in the Northwest, may I engage his attention for a moment on that subject?

Mr. FESS. I should be very glad to have the Senator bring us back to the discussion of the issue.

Mr. KING. I will do so, and I will not transgress. I have here a report showing the production in South Dakota for the last year. Does the Senator know that the gain was more than $61,000,000, and that on marketings outside the State alone the gain was $33,618,580.30? Does the Senator further know that, instead of there being just one crop last year, 1923, the production of wheat was 32,540,720 bushels; of corn—and I give merely the round numbers—23,000,000 bushels; of oats, 21,000,000 bushels; of barley, 8,000,000 bushels; of rye, 6,000,000 bushels; of flax, 539,000 bushels; of horses, 13,373 head—that is, these were sold outside the State; of cattle, 585,957,667 pounds; of sheep, more than 23,000,000 pounds; and of other products more than $27,500,000? The total marketed outside the State of these farm products was $175,893,929; and the production in the State just in those crops to which I have called attention, amounted to $339,360,000, showing a gain of exports from the State in one year of $61,097,000. If I had time and could intrude further on the Senator—and I shall not do so——

Mr. FESS. From what report is the Senator reading?

Mr. KING. The figures I am reading relate to South Dakota alone, and are taken from the "Progress of South Dakota in 1923," compiled by the department of history of that State—the twenty-third annual review.

Mr. FESS. Is it confined to South Dakota?

Mr. KING. Yes; it is confined to South Dakota, but I also have reports here from North Dakota.

Mr. FESS. Mr. President, I am glad to have those figures. They demonstrate at least one thing, and that is that a diversity of crops is possible in that section; but it does not indicate that there is as great diversity there as is within the range of possibility.

I have noticed that the experiments conducted by the agricultural college demonstrate the various crops that can be produced in North Dakota. Almost all of the crops produced in Ohio also grow in North Dakota on experimental farms. I visited certain farms, which were said to be more or less exemplars, on which there could be studied the possibilities, and I found on the farms almost all sorts of livestock. I also found that in addition to growing wheat, clover, alfalfa, oats, and corn are cultivated. I found that there was a possibility of a great diversification of crops; but, on the other hand, there was followed for many years the practice of confining farming activities to one crop. That was largely because that section was looked upon as the wheat-growing region of the world. I recall that from my own section in Ohio people went into the Dakotas, which were widely known as great wheat-growing sections, and took up great landed estates and planted them all in wheat. I found that the maximum crop was something like 14 bushels to the acre. After long-continued cultivation of the ground in one crop that yield has been reduced, until, instead of being 14 or 15 bushels to the acre, it has been reduced to 9, and in some places as low as 5 bushels to the acre. I also noted that the ground becomes weedy or "dirty," as we would say on the farm, and that disease is likely to afflict the one crop. As a result what was once a great wheat production has ceased to be such, and it is largely due to the wearing out of the soil.

Many persons may raise the question, Why should we be concerned about that situation? One reason—and I think it is a valid one in the judgment of every Senator—why we should be interested in relieving such a situation is that no one section of the country can suffer without that suffering being largely shared by a considerable portion of the other sections of the country; in other words, we in Ohio ought to be interested in the prosperity of the people of North and South Dakota, Montana, Wyoming, and every section of the country. Not only that, but if possible—and I think it is possible—we ought to relieve the situation where the soil is being worn out, or where it is becoming filthy, and in that way destroying very largely the source of the wealth of that section.

I am thoroughly convinced that there is no doubt about farming in the Northwest becoming greatly diversified. Diversification will at once relieve the surplus, for if they cease to raise wheat and raise other things the surplus crop, which is wheat, will be reduced in its amount, and therefore a little closer relationship will exist between the supply and the demand.

I think everyone must recognize that no section of the country can ever safely be entirely a wheat-raising country. It may safely be a cotton-raising country, but it can not safely be a wheat-raising country, for cotton never will have the

great competition throughout the world that wheat will have. Almost every country will raise wheat, and those States of the Union that could raise other crops and avoid wheat will not avoid wheat. My own State will continue to raise wheat, not because we can raise it cheaper than we can buy it but because our system of farming, in the rotation of crops, necessitates the sowing of wheat as a part of the program of general agriculture. Therefore Ohio and all of the States about her which now raise wheat will continue to raise wheat, not primarily to get the product of flour, because they can buy that, but because of the organization of agriculture in our section; so that wheat can never be safely a one-crop product, and any State that goes on that basis must of necessity feel the burden of overcompetition. So the Northwest must get away from the one-crop raising of wheat for that reason if for no other.

Therefore this bill in the assistance of diversification will reduce the surplus. It will do another thing. It will turn the attention of the farmer to supplying himself with food products which heretofore he has been buying, and it will do another thing. It will relieve him of the necessity of transporting heavy, bulky products, and enable him to turn his attention to such things as livestock and livestock products, such as dairy products, where a greater value is compressed into smaller space, and in that way the transportation problem or the heavy freight problem will be largely relieved.

There are a great many reasons why we ought to facilitate to the very limit of our ability this effort to diversify. I think the Government ought to do it, because it was through the Government during the war that these States, that had already started in on diversification, were led back to the sowing of wheat. The facts here tell us that 8,000,000 additional acres of pasture were plowed up for wheat under the stress of the demand for more wheat to produce flour for the soldiers.

So in view, first, of the present situation in the Northwest, direful and serious, and, second, in view of the possibilities of relief which certainly are within our range, and especially the real, substantial value to the country at large resulting from relieving the suffering of that great section of the country, I am going to do what I do not very often do—vote for a measure that can not receive my full adherence on economic grounds. I do believe, however, that it will give us a remedy in this emergency, and for that reason I am not going to hesitate very much about giving it my support.

I say this with full respect for the position taken by such men as the distinguished Senator from Utah [Mr. KING], who argues the matter purely upon economic grounds. As he knows, I am not an adherent of anything like governmental interference where we can avoid it; but I think the situation here is such that the Government ought to come to the rescue and give these people the assistance necessary to enable them to diversify, to put them in a way on their feet, to help them to be self-supporting, and then leave them to shift for themselves. That is better than bankruptcy, and I am sure the alternative is bankruptcy.

Mr. KING. Mr. President, we have listened to the able address from the Senator from Ohio [Mr. FESS] with interest, though we may not agree with his position. If I correctly interpret the statements made by some Senators during the discussion of the pending measure, then I am compelled to disagree with views submitted by them. Undoubtedly the condition of agriculture in the United States is such as to cause serious concern and to impress upon Congress the necessity of doing everything which is legitimate and proper to aid the farmers of the United States. Even those who evince the liveliest interest in the welfare of agriculture do not arrive at the same conclusion regarding the projects to aid the farmers.

This bill which on its face seems to promise aid to the wheat growers of a certain section of the United States is opposed by many who reside within the section referred to, as well as many who are concededly friends of the farmers and who reside in other parts of our country. There are many things, Mr. President, which legislation can not remedy. Financial depression and economic crises in the United States, as elsewhere, bring forth a multitude of so-called remedies to alleviate conditions and "to help the people." Most of them are unsound economically. Many of them are wholly unconstitutional and a few are temporary palliatives, but seldom are any found which, if put into operation, would bring substantial relief to those in distress.

A number of Senators who have been earnest in seeking to find means to help the farmers are not supporting this bill. One of the leading Senators from the Northwest [Mr. JOHNSON of Minnesota] has stated that the farmers need markets for their surplus products and not more credit. It is a fact that not only the farmers but manufacturers and millions of American people in all activities of life are heavily involved in debt. The aggregate indebtedness of the United States—by that I mean the Federal Government, the State governments and all of their political subdivisions, corporations, and private persons—amounts to more than $120,000,000,000. This stupendous sum carries interest charges amounting to perhaps six or seven billion dollars annually. This huge indebtedness is an intolerable burden and a menace to the prosperity of the country. The farmers of the United States are heavily involved; the farms of many are mortgaged, and their credit in some sections is exhausted. Their financial condition is serious, and it is important that every proper step be taken to bring relief to them. I do not believe the farmers of the United States want mere palliative measures; nor do they want paternalistic schemes inaugurated which promise much but in the long run will not only prove disappointing but disadvantageous. The farmers are suffering from the high-tariff exactions to which they are subjected by the terms of the McCumber tariff law. Their export markets have been curtailed by the unwise international policies pursued by the administration.

I repeat that the farmers require wider markets for their products. The bill before us does not reach the situation. It is sectional and partisan, and is a belated measure supposed to aid the present administration in its efforts to win the next election. Undoubtedly some sincere and patriotic men and women have promoted the measure and believe that it will be of some advantage, but there has been too much of the political atmosphere of the White House about it and too much political zeal by persons who have never evinced concern in the welfare of the farmers of the United States.

Mr. President, the Senator from Ohio and others who have spoken in favor of the bill have not shown a familiarity with conditions in the Northwest, particularly in North and South Dakota and Minnesota. Some have confessed the lack of power upon the part of Congress to enact legislation of this kind, and others who say they will vote for it have confessed that it is paternalistic, if not socialistic, and is not to be defended upon economic and sound political considerations. The position of some in defending the bill has impressed me with the thought that they regard the General Government as having unlimited power to deal with questions coming before it, particularly if it could be said that an "emergency" existed. That is the position of the Senator from Ohio [Mr. FESS] as I understood his remarks.

Of course, if there is no limitation upon the authority of Congress to deal with what it may believe to be "emergencies," and the Constitution does not define what "emergencies" are, then it is manifest that in the activities of Congress there will be no prohibition upon any measure which it may determine is required to meet an "emergency."

People believe that more laws are required to meet emergencies. Tax bills, tariff measures, appropriation bills, and the vast volume of classified and unclassified bills thrown into the hoppers of legislative bodies are to meet emergencies. So in practice under the Senator's view, whenever a majority in Congress desires to enact a law which is not within the power of Congress to enact, because in contravention of the Constitution, all that Congress needs to do is to declare that it is to meet an "emergency."

The position of the Senator and others who have supported the bill before us is that in a certain section of the United States some banks have failed, the farmers are in debt, and some desire to purchase livestock and perhaps various commodities; therefore a situation is created which constitutes an "emergency," calling for an appropriation by Congress of millions of dollars derived from the taxation of the people to be loaned to the farmers residing within the section referred to.

Of course, such a position can not be sustained by any fair or reasonable construction of the Constitution of the United States. Nor can it be defended in morals or upon any sound, rational basis. The Constitution of the United States can not be frittered away by misinterpretation. There are those who think that it were better to burn the Constitution and deny to it any validity than to pretend devotion to its provisions, while wantonly and brazenly or secretly and covertly defying or ignoring them. Senators often avow their devotion to law and aver that a failure to obey the law breaks down the morals of the people and undermines the foundations of the Government. Can it not be said with more reason that political morality is destroyed and the Government menaced when measures are enacted by Congress which are directly or by implication forbidden by the organic law of the Republic or where no authority for their enactment is granted, and par-

ticularly when the passage of such measures is accompanied by declarations that the Constitution is sacred and its preservation is vital for the liberty and welfare of the people?

There is a growing disposition to regard the will of Congress as supreme, notwithstanding constitutional limitations. Even in Great Britain, where there is no written constitution, there are limitations upon Parliament. The statement is sometimes made that Parliament is supreme, but that is not true, as I could show by numerous examples if time permitted.

We should remember that the Constitution was "ordained and established" by the people for the United States of America. They purposely limited the power of the General Government; they foresaw that attempts would be made to centralize power and authority and to deprive the States and the people within the States of inalienable rights. They gave us a written Constitution, the terms of which are not ambiguous, and limit the fields into which the General Government may enter. A former Member of this body, now an honored member of the Supreme Court of the United States [Mr. Justice Sutherland], has stated, that—

> The limitations of the Constitution are not bonds which fetter the people; they are restraints imposed by the people themselves upon the Government which they have created as an instrumentality through which they rule in order that their creature may never forget that it has a creator. * * * To destroy the Constitution would therefore be to destroy this high evidence that ultimate sovereignty remains with the people, that the Government is a mere instrumentality which exists for the sake of the people instead of the people existing for the sake of the Government, and, moreover, as the fathers thought, to open the door of opportunity for stealthy appropriations of power on the part of our governmental agencies which might finally reach dangerous proportions.

Mr. President, the totality of all political power is vested in the National Government or reserved to the States or it is held by the people themselves. There was no grant of power to the Federal Government to tax the people, except for national purposes; and taxes, when laid by the Federal Government, may be used for Federal purposes only. It were well if Congress constantly kept in mind the origin of the Federal Government and the provisions of the Constitution, which we have sworn to support and defend.

There are many things which we might like to do. There are many measures which Congress might desire to enact, but it is important to determine whether the power exists to support such desire or justify such enactment. If the taxing power may be employed for an "emergency" not national, then emergencies will increase, and soon the Federal Government will be called upon to deal with local and domestic questions and to employ the taxing power to satisfy the requests and demands which will emanate from all parts of the land. This will undermine the States and constitute the Federal Government a government of unrestrained and unlimited power.

Mr. President, I am speaking now not particularly with reference to the bill before us, but having in mind what I conceive to be the inevitable results which will flow from the adoption of the views expounded by the Senator from Ohio [Mr. FESS] and other Senators who have spoken on this bill.

The Senator from Ohio says that I treat the question under consideration as an "economic" one. He implies that I do not consider the political or social questions involved. Mr. President, the Senator is in error. It is true I regard the legislation as unsound from an economic standpoint. I believe that to exercise the taxing power of the Government for the purpose of obtaining money to loan directly or indirectly to classes of individuals, or to industries, is, generally speaking, economically unsound. Its reactions will be unfortunate and, in substantially all cases, disastrous. But the question must be considered from a political and constitutional standpoint. Many measures are advocated for alleged economic reasons which are in fact political; and political questions may not always be separated from economic policies and their consequences.

As I interpret the position of the Senator and others who are supporting the bill, it is that the vaults of the Treasury are available to any section of the country, large or small, in which it is believed an "emergency" exists. What is an emergency, as I have heretofore indicated, is not defined, nor can it be defined. Does it mean that an emergency exists if the crop of an individual or a county or a State is destroyed? Undoubtedly such a result would prove most serious to the persons affected. If that condition is an emergency which calls for general Federal taxation to repair the losses, or to provide loans to the suffering individual, or distressed inhabitants of a State, then it is clear that emergencies exist daily in various parts of the United States. And if an emergency is created when the farmers of a State lose one or more crops then an emergency exists when an individual loses one or more crops and his credit is impaired or destroyed. It is simply a question of degree.

If Congress can repair the losses of the farmers of the State or open the Treasury vaults to loan money under the conditions above referred to, then it has the right to loan money to each individual whose crop has been destroyed. And if the people may be taxed to loan to one individual for loss of crop, they may be taxed to loan money to all persons in the United States whose crops have been lost. And if it is an emergency for farmers when they have lost their crops, is it not an emergency for the sheepmen and cattlemen who have lost their flocks and herds? In some of the Western States during 1920 and 1921 nearly all mines were closed. In many instances they have not been reopened. Tens of thousands of persons were ruined, and their properties, owing to the fall in the price of metals and the increase in the cost of mining operations, have become and are practically valueless. Many towns and mining camps were practically abandoned, and thousands of families were compelled to seek new homes and new employment.

In Arizona the farmers during the war were appealed to to grow long-staple cotton, which was needed for military as well as other purposes. Many of them plowed up their fields and planted them to cotton. They sold their dairy cows and devoted their capital and their energies to the production of a commodity imperatively required in the prosecution of the war. When the war was over they found themselves with no market, or at least a restricted one, for their cotton. Many were ruined, and thousands were involved in debt, which will rest upon them as an intolerable burden for many years to come.

I know of many cases where men, who were asked by the Government to find manganese ores as well as other metals needed by our country and our allies, borrowed large sums of money, opened up mining claims, and invested all their possessions, as well as large sums which they had borrowed. They lost their investments and are still struggling under the heavy obligations incurred. Many were forced into bankruptcy as a result of their patriotic efforts to aid their country in a great crisis. And in many parts of the United States large numbers of patriotic people engaged in business enterprises for the production of commodities which our country and our allies imperatively required. The sudden termination of the war found them with large investments and heavy obligations. Sheep and cattle men were urged to produce wool to supply clothing and blankets for our soldiers and meat and food products for the military forces of the United States and the allied nations. The sheep and cattle men of the West were caught in the catastrophic decline of prices following the war, and tens of thousands were ruined. I could enumerate a multitude of cases where losses which forced tens of thousands into bankruptcy resulted from conditions developed during and following the war.

The entire country was shaken by "emergencies" which the war and its aftermath created. Property values in most States were reduced, the aggregate being billions of dollars. These losses have been estimated by publicists and financial critics at from seventy-five to a hundred billion dollars. And in many sections of the United States, even yet, the oppressive hand of debt rests upon the people who turn with heavy hearts from the toil and labor of the hour hoping for some light to guide them in their distress, and some hand to relieve them from the oppressive burdens which are still crushing them.

Mr. President, in a sense these are "emergency" cases if the definition of "emergency" given by the proponents of this bill is to be accepted. Perhaps I would be more accurate if I were to say they have given no definition of "emergency," but have stated that, because the farmers of certain sections planted wheat instead of a variety of crops, and thereby lost money, and are now in financial distress, an emergency exists. However, their statements as to conditions must not be taken without qualification, as I shall show later. I repeat, Mr. President, under this applied definition of emergency there is no limit to the emergencies which do and will arise and which will be the basis for appeals for Federal assistance. And if an emergency such as indicated in this bill constitutes ground for direct loans by the Federal Government to the people, then a precedent will have been found to warrant appropriations whenever financial difficulties come to any industry, section, or class.

If mines become unprofitable through a decline in metal prices or from other causes, and the owners and their employees are faced with financial trouble or threatened with financial ruin, then appeals may be made to the Federal Gov-

ernment for relief and for appropriations from the Federal Treasury. If periods of depression and distress come to manufacturing industries, as they have come in the past and will recur in the future, then, if the principle supported by the Senator from Ohio [Mr. FESS] is to be applied and the precedent created by this bill if it shall become a law should be invoked, other industries not so stricken would be taxed for the benefit of the manufacturers. And manifestly if owners of the plants suffer and their business is ruined, their employees will be deprived of work and their sufferings will constitute such an emergency as to demand appropriations for their relief from the General Treasury.

In 1921–22 millions of men were out of employment in the United States. They and their families were subjected to trials and extreme hardships; indeed, hunger and want visited the homes of countless numbers, and doubtless many, through malnutrition, exposure, and want, came to untimely ends. Certainly if the interpretation placed by the supporters of this bill on the Constitution of the United States is correct, a grave emergency then existed and millions of dollars should have been appropriated from the Treasury to alleviate their sufferings.

Mr. President, in a country with an area so extensive as that of the United States, with climatic conditions so different and industries so diversified, it is certain that uniform conditions, either of prosperity or adversity, will not always be found. Indeed, they will seldom exist. The industrial activities of the people are subject to great mutations, in part due to our internal and varied conditions, and in part resultant from the vast foreign trade and commerce which our country enjoys. Nations are being brought into closer relations, commercially and economically, and conditions in one continent or hemisphere—indeed, in one country—affect economic and industrial conditions throughout the world.

If our foreign exports are interfered with, either by unwise domestic legislation or by foolish and improvident legislation on the part of other nations, the reactions upon our economic life are immediate. If the people of other countries, because of their dislocated economic conditions, are unable to buy our surplus products, immediately the tide of our prosperity begins to recede. If Europe is unable to purchase American copper, the copper mines close, ruin overtakes those who have large investments in mines and mills and plants, and thousands, and perhaps tens of thousands, of industrious workmen are thrown out of employment. And if our steel exports and our surplus manufactured products find no markets abroad, disaster overtakes these industries in the United States, and the hundreds of thousands, if not millions, dependent upon them for support are brought to penury and want. The farmers likewise suffer when there are inadequate markets for their products, and when disaster comes to the farmers they can not purchase the commodities produced in mills and factories, and hardships are visited upon multitudes of people.

No matter what governmental system prevails there will be political and industrial problems. No economic system which the wisdom of man has ever devised will produce perfect happiness, uninterrupted prosperity, satisfactory economic and industrial conditions, and the highest felicity. Many experiments, political and economic, have been tried to bring about political freedom and social and economic conditions so just and fair as to meet all rational standards. Thousands of years ago oriental monarchs, some of them wise and benevolent despots, established comprehensive paternalistic schemes which embraced all the people and determined their activities. The state was the guardian of all, administering to their wants and ordering their lives. But such a situation produced stagnation, devitalized the people, and ultimately brought destruction upon the government and indescribable woes to the people. It were well to remember the words of Adam Smith:

> A man is generally considered by statesmen and projectors as the materials of a sort of political mechanics. Projectors disturb nature in the course of her operations on human affairs, and it requires no more than to leave her alone and give her fair play in the pursuit of her ends, that she may establish her own designs. * * * Little else is required to carry a state to the highest degree of affluence from the lowest barbarism but peace, easy taxes, and a tolerable administration of justice, all the rest being brought about by the natural course of things.

The fathers of this Republic, with the lessons of history before them, conceived a system of government so perfect in form and so adjusted in all of its relationships as to bring material prosperity and a high degree of liberty and felicity to those living within its borders. Having been subjects of what they conceived to be the oppression of a centralized government, they determined that all sovereignty should rest with the people, and that the General Government should be so limited in its authority as to be prohibited from performing acts or inaugurating policies not authorized by the Constitution.

Even under British authority they had been trained in the art of local self-government and had developed those heroic qualities essential to the enjoyment of liberty. They denied the right of the General Government to impose certain forms of taxation, and in the Constitution they limited the power of the Federal Government to impose taxation for Federal purposes only. They believed, as was stated by Lincoln in his first message to Congress, that—

> To maintain inviolate the rights of the States to order and control, under the Constitution, their own affairs by their own judgment exclusively is essential for the preservation of that balance of power on which our institutions rest.

They perceived the necessity of separating the functions of the States and the Federal Government. To the latter they committed authority to deal with national questions. The States and the people themselves were the reservoir of all other power. In the Constitutional Convention James Wilson, one of the strongest of that mighty group, with his centralizing predilections, appreciated that, even without limitations upon the Federal Government, its functions must be limited, and that the States should have spheres in which to operate and exercise their functions free from interference from the central authority.

The founders of the Republic knew that with the development and growth of the United States new States would be formed and the new Republic would become a dominant force in the world. They saw that a democratic government must be in constant contact with the people; that if too far removed it would fail in its purpose. As Professor Thompson has said:

> It is difficult to see how democracy in government can remain a vital thing unless the individuality and autonomy of local governmental institutions is retained in which people can take an interest, where they can have personal contact with the leaders, and where they can see the actual results of democracy. Without this the demos becomes disinterested, and a democracy with a disinterested demos is probably less fortunate than a despotism with a benevolent despot.

Mr. President, one of the problems of European nations to-day is to decentralize and to meet the growing demands of the people for local self-government and authority to manage and control their domestic affairs. The French people complain of the centralizing forces operating in their country which have drawn to Paris the authority and the power which should rest in local regions and Provinces. The course of the British Empire during the past few years is a lesson in democracy and representative government which may be instructive even to Americans.

The demand has been made by the British dominions for control of their domestic affairs; and Canada, Australia, South Africa, Ireland, and other States of the British Commonwealth have won for themselves the status of independent states, in so far as their local and domestic questions, political and economic, are concerned.

While the people of nearly all the countries of the world are stripping power from central governments and are strengthening regional governments and Provinces and local political subdivisions and thus developing the capacity of the people for self-government we set our faces in the opposite direction and persist in the transference of the power belonging to the people and the States to the Federal Government. The States are becoming atrophied. They are ceasing to function as designed by the Constitution and a powerful federalism is developing which, if unchecked, will inevitably draw to itself the reserved rights of the people and the States and culminate in a centralized government so colossal, so far-reaching, and so omnipotent that it will become despotic or fall by its own weight.

One of the strongest weapons of a tyrant or of a powerful centralized government is that of taxation. Unjust and unwarranted taxes are often laid to extend the functions and the power of despotic rulers or of usurping government. One of the most insidious methods employed to destroy political subdivisions and to concentrate power in a central government is through the taxing system. Intriguing and often subtle and dangerous general officials seek to weaken the faith of the people in their own local governments and in their capacity to control their own domestic affairs. They promise benefits of a material nature and largesses and contributions from the general government and induce the people to contend for the extension of the authority of the central government. Invasions of states and local subdivisions soon result in abandonment of

that fine spirit of individualism essential to the preservation of liberty, and abdication of individual and local powers and authority soon follow.

The central government is thus able by its usurped authority to protect its stolen power and to solace the people who have been robbed by dispensing from the central treasury, which the people have been taxed to fill, largesses and bounties and gratuities.

Hamilton insisted in one of his Federalist articles "that the State governments should clearly retain all the rights of sovereignty which they then had and which were not by that act exclusively delegated to the United States." And Madison in one of his powerful statements said:

> The powers delegated to the proposed Constitution of the Federal Government are few and definite. Those which remain in the State governments are numerous and indefinite.

Mr. President, I repeat that there are limitations upon the taxing power of the Federal Government. It may not tax for the purposes indicated in the bill before us. The people of one State may not be taxed to aid industry in another State or to loan moneys to individuals in some other jurisdiction who have met with adversity or who are the victims of economic and industrial depression. The taxing power of the Federal Government is limited to the raising of revenue to meet the expenses of the Federal Government and essential to the exercise of its delegated powers. It may not tax for the purpose of performing the functions of the States or taking over the police powers of the States. This is not a unitary system of government. Nor has Congress the power, in order to secure industrial equality of all persons within the United States or social solidarity, to enact laws aimed to secure such results or to employ the taxing power to promote such end.

This Nation is a "Republic of republics." It is not the sea from which the authority is drawn to control the States or the people, but the people within the States are the springs of life and power.

There are those who would make Washington a kind of "Hegelian harmonization" of all differences and variations existing in the States and among the people of all the States. Professor Freund seems to think that with the attainment of national unity, progress toward a unitary state is inevitable. He evidently bases this view upon historical precedents or analogies and the corroborative evidence found in our Federal legislation and policies.

Mr. President, the struggle now is to prevent the absorption of the States by the Federal Government. The question is not to save the Federal Government, but the problem now is to save the States. The States are the bulwarks against antirepublican movements—against the evil forces which have robbed people of their liberty and destroyed powerful States. When legislation is the result of hysteria or emotionalism, there is grave danger as to its consequences. People of high ideals, of charitable impulses, of that spirit of service so essential in the complexities of our modern life, are easily moved when appeals are made for the relief of the oppressed or those who are in want. It is natural, indeed, it is proper, that such should be the case. But men sworn to uphold and defend the Constitution of the United States may not do as legislators what they would do as individuals, or what they would be willing and perhaps authorized to do if they were serving in the legislatures of their respective States.

A judge is guided by the law. He has, and should have, sympathies and proper human feelings, but the law in its majesty must determine his course. There must be a sure foundation somewhere in our governmental system. There are certitudes and fundamentals in religion, in science, and in political philosophy.

We have a written Constitution and it gives no authority to impose taxes upon the people other than to meet the expenses of the Government, economically administered, and to execute the powers delegated to it. If there are no limitations upon the taxing power, then property rights are of little value. If one may be deprived of his property under the guise of taxation, it is but a short step to socialism and communism. I have heard people say that they would sooner live in a communistic State where the government owned all the property than under a government that was not restricted in the exercise of the taxing power.

Mr. President, it is unpleasant to oppose measures which, it is claimed, seek to benefit one or more classes of people who have sustained losses and are experiencing serious financial difficulties. The natural inclination is to help people in periods of disaster and to lighten the burdens of those who are heavily laden. But, as I have indicated, there are limitations beyond which we may not go as Federal legislators. Precedents established have often proven the overthrow of institutions and governments which ought to have been preserved. I repeat, if Congress can loan money, with or without security, to individuals because they have had financial reverses, then the character of our legislation will take a new form. The relations between the States and the Federal Government will be destroyed. Indeed, the States themselves will be reduced to mere shadows, if they are not extinguished, and the Federal Government will become a huge machine employed to extract taxes from those who have property and distribute them to those who have but little or are empty-handed. And if Congress has the power to buy livestock for those who seek to diversify their agricultural activities, it will be compelled to supply the needs of other classes of our citizens and to assume a guardianship, indeed a paternalism, over all, which inevitably will end in the destruction of our economic and political system.

I know, Mr. President, that it is old-fashioned to advocate an adherence to the Constitution and to challenge attention to the limitations upon the Federal Government. Notwithstanding the historical facts revealing the evils of paternalism and centralized power, and the destructive effects of socialism upon the political and economic life of a people, there is a growing school in the United States which advocates heresies condemned by experience and manifestly at variance with the theory upon which this Republic was founded. It is paradoxical that this school claims its members to be exponents of liberalism, and denounces those who believe in maintaining this Republic, as illiberal, unresponsive to and unsympathetic toward ethical and moral advancement and industrial and political freedom; and yet all history teaches that the policies of this school lead to tyranny and industrial despotism or chaos. I repeat that history and political philosophy alike announce that the greatest progress in all fields of human endeavor is made where personal and property rights are respected, where security under stable laws and governments is obtained, and where the hand of bureaucracy and paternalism does not rest upon the people. Against despotism and bureaucracy and communism the people have struggled, seeking to secure personal rights and free opportunity for development along the lines of their own choosing. Projects for governmental aid and control of individuals and of their lives and activities are oftentimes presented in most alluring form and the people are silenced in their opposition or seduced into ardent support of the same—only to discover when it is too late that they have bartered away precious rights for a mess of pottage, and personal and individual liberty for a corrupting paternalism and a most deadly bureaucracy. It is regrettable that those who advocate the putting of crutches under the arms of everybody find hearty support even among those who profess adherence to the principles of Jefferson and to those democratic institutions established by our fathers.

We must not forget, as Tom Paine says, that "government at its best is a necessary evil, but at its worst it is an intolerable one." The best is that in which there is the greatest personal liberty and the worst and most intolerable one is that of an oppressive paternalism or corrupt bureaucracy. And it may be added as a corollary that all paternalisms and bureaucracies in the end become despotic and corrupt. Those who have been most fanatical in pushing socialistic and centralizing policies have been loudest in proclaiming their devotion to liberty, and they have maintained that it was a manifestation of personal liberty or at least the realization of individual rights and liberty to voluntarily transfer to bureaus and executive agencies authority and power which individuals and the States possess and should exercise.

It is remarkable that people will struggle for centuries to wrest power from tyrannous governments and oppressive bureaucracies only to reconfer the same upon these unsceptered agencies. Mr. John Stuart Blackie has said that the crimes of history may be summed up in the words "abuse of power." The teaching of history is that power is always abused, and yet when people have won liberty they soon forget their struggles and the despotism from which they have been freed and complacently or at least apathetically view insidious efforts by defeated forces to regain authority, and too often they actively participate in movements which inevitably result in the establishment of old and tyrannous conditions from which by their vigor they had been emancipated.

An examination of the centralizing forces in our Government will reveal how far along the path toward paternalism and centralized authority we have gone. The States are losing their importance, and there is a devolution of many of their functions upon the Federal Government. Before Congress now

are bills which would increase the authority of the Federal Government and impose tax burdens upon the people of several billions of dollars. Why can we not remember the words of Jefferson when he said that "a single consolidated government would become the most corrupt government on the earth"? And may I again refer to words of this immortal leader:

> Were we directed from Washington when to sow and when to reap, we would soon want bread.

And yet Washington is infested with lobbyists and representatives of hundreds of organizations, many of whom seek legislation which would weaken the States and devitalize the people and augment the powers of the Federal Government. A nation-wide propaganda is carried on by many of these agencies, and methods are employed of cajolery and often of intimidation, for the purpose of forcing through measures which are violative of the spirit and letter of the Constitution and of the theory which underlies our political system.

Mr. President, the bill before us is entitled "A bill to promote a permanent system of self-supporting agriculture in regions adversely affected by the stimulation of wheat production during the war and aggravated by many years of small yields and high production costs of wheat." It was introduced by the Senator from South Dakota [Mr. NORBECK] on January 8, 1924, and referred to the Committee on Agriculture and Forestry on that date. On February 1 it was reported to the Senate by the Senator from North Dakota [Mr. LADD]. The report accompanying the bill affords no information respecting the measure and gives no reason why it should become law. The title of the bill, as well as its provisions, show that it is sectional and discriminatory. It is of local character only. It carries an appropriation of $50,000,000, which the Secretary of Agriculture shall advance to farmers in what is called the wheat-growing district, where it is alleged the one-crop system prevails.

The Secretary is authorized to buy dairy products, cattle, hogs, sheep, and poultry, and supply the same at cost to farmers within this region. The loans may be made for five years, and a lien shall be taken upon the chickens, hogs, and cattle purchased by the Secretary of Agriculture or purchased by the farmers with the money advanced to them.

How this lien is to be enforced no satisfactory explanation has been given. It is rather perplexing to determine just how the Government will be protected when it is understood that the money is to be advanced or the cattle, livestock, chickens, hogs, and so forth, are to be supplied by the Government to persons who are without credit and whose properties are now subject to mortgages and other forms of indebtedness, and it is likewise difficult to understand how the liens upon chickens and hogs and calves can be enforced.

The execution of this measure means the establishment of a tremendous Federal organization. Thousands of Federal employees will be necessary to enforce its terms and supervise its administration. The condition of all the farms within the section of the country where the loans are made will have to be ascertained. Agencies will have to be set up for the buying of cattle and all forms of livestock; lawyers will be needed to examine titles, prepare mortgages, and so forth; a multitude of agencies will be needed to look after the domestic animals and farm products bought and delivered to the farmers and to execute partial releases of the liens in order that chickens and calves and pigs may be disposed of. Indeed, an extensive organization must be set up at an enormous cost to the Government and to the taxpayers of the United States.

No valid reason has been given why the War Finance Corporation, which is still functioning and has nearly $40,000,000 of Federal moneys under its control, was not selected as the instrumentality to carry out the provisions of this bill. Senators are familiar with the fact that this corporation was organized during the war to aid enterprises which were engaged in supplying to the Government and the Allies munitions, foodstuffs, and other articles imperatively required in the prosecution of the war. By an amendment to the act creating the corporation its life was extended, its functions enlarged, and loans authorized to livestock and agricultural interests.

The officers of this organization became well acquainted with the conditions of agriculture and with the situation of the farmers in the Dakotas and surrounding States. If the Federal Government is to make loans, or buy livestock for the farmers of a certain section, then prudence would dictate that an organization now functioning should be selected for such purpose. But we are caught in the maelstrom of bureaucracy and we must create more bureaus and Federal agencies and develop new units and organizations within existing departments.

The sectionalism of this bill is obvious, as I have said. It is not intended to provide for farmers and agriculturalists in other sections of the country, or to loan money to millions of people in the United States who are greatly in need of the same. However, an amendment has been proposed, because of the manifest sectionalism of the bill, which it is hoped by the proponents of the measure will dull the sharp edge of legitimate and proper criticism. This amendment provides that $25,000,000 shall be appropriated "for carrying out the purposes of this act in respect of other areas"; $50,000,000, therefore, are to go to the Dakotas and a section of Montana, and possibly a limited area within the States of Minnesota, and Wyoming; and $25,000,000 are to be distributed elsewhere. This provision is a palpable sop to secure support for the bill.

Mr. President, for weeks we have heard about the conditions of the Dakotas. The Republican leaders have been exceedingly alarmed lest the Dakotas should drift into a third-party movement. If the facts could be obtained, I feel sure it would be discovered that certain Republican bankers of Minnesota and North Dakota had inspired the bill, or at least were largely instrumental in originating it and in working up sentiment in its behalf. I have learned from sources which I regard as reliable that political factors have been important in the promotion of this measure, and that certain bankers have sedulously labored to secure its passage.

There are farmers in North Dakota who are opposing this bill, and some have written to Senators voicing their opposition to its passage. The Senator from Florida [Mr. FLETCHER] has placed a few letters in the RECORD; they show that no conditions exist warranting this measure, even if Congress had the authority to make the appropriation called for and to set up the machinery provided in the bill under discussion.

Mr. President, the facts will show that South Dakota and Minnesota are in a prosperous condition. To urge the passage of this bill in order to give relief to these States it would appear is an act of insincerity if not audacity. I have figures before me which show that there has been a rather large increase both in population and in wealth in these States during the last five years. Later I shall deal with North Dakota and show its condition.

I feel sure, Mr. President, that many sections of the United States do not exhibit as favorable balance sheets as those presented by Minnesota and South Dakota. Their wealth has increased, their bank deposits have multiplied, and in all fields of endeavor they have exhibited satisfactory progress. Of course, during the past four or five years many parts of the United States have been affected seriously by unfavorable economic conditions. In some of the Western States there has been great financial depression. In my own State I am informed that nearly 40 per cent of the farms were sold last year for taxes. Agriculture there has suffered, and nearly all branches of industry have been in a precarious situation. I stated a few minutes ago that in the West most of the mines, following the war, were closed down. In mining States this was a disaster the seriousness of which can not be appreciated by those living in other sections of the country. For a number of years there have been droughts and blights and pests which have destroyed the crops of perhaps millions of agriculturists in various parts of the United States.

In many sections of the South the boll weevil has destroyed the cotton crop in extensive areas, and many districts have been so stricken that poverty and distress have brought the people to the verge of despair. This bill does not propose relief for these sections or for many industries which have been sorely afflicted. Senators will remember that a few years ago many—perhaps a majority—of the cotton growers of the South were brought to bankruptcy. The price of cotton was as low as 4 and 5 cents a pound, as I now recall.

The distress among the cotton growers can not be exaggerated. Congress made no provision for them, and they had to patiently and heroically work out their own destiny. Many industries and sections of our country have been ruined in the past and many will come to grief in the future. The Government is not a guarantor of prosperity nor can it insure labor and industry that profits will be made. There are those, however, who would have the Government control business, direct industry, and assume a guardianship over all the people.

Mr. President, there is no real need for this ill-advised legislation. It has been stated by the Senator from Montana [Mr. WALSH] that his State has been exporting large quantities of dairy products, not only to surrounding States but to some beyond the Pacific. Minnesota has produced millions of bushels of wheat and enormous quantities of farm products, and has also exported from its borders livestock and dairy products. The same is true of South Dakota and Montana, and even North Dakota during 1923 has shown increased pro-

duction and gives evidence of a revival in all lines of business, including agriculture.

In 1920 the farm population of South Dakota was 362,221. The census shows, and it is conceded that it underestimated, that for the same year there were in South Dakota 803,415 horses, 15,727 mules, 2,368,398 cattle, nearly 2,000,000 swine, and nearly 1,000,000 sheep. There were, of course, many chickens and various other kinds of livestock. This would mean that there were more than 2 horses for every man, woman, and child in South Dakota, approximately 8 head of cattle for every person on the farms, also 6 pigs and 2 sheep.

An article which appears under date of March 1 in the Christian Science Monitor is illuminating with respect to conditions in South Dakota. It says that the talk of bankruptcy is a myth, and the writer claims that the chambers of commerce, boards of trade, Rotary clubs, and various other organizations, including farm bureaus, have united to see that the State is set right before the people of other States, in view of depression caused by bank failures in some parts of the State.

Mr. President, I ask that the Secretary read the article.

The PRESIDING OFFICER. The Secretary will read the article, as requested.

The reading clerk read as follows from the Christian Science Monitor for March 1, 1924:

STATE'S RESOURCES EVIDENCE STABILITY—SOUTH DAKOTA PRODUCTION PROVES "BANKRUPTCY" A MYTH—EXPERTS SEE NORMAL IN NEAR FUTURE.

[Chambers of commerce, commercial clubs, Rotary clubs, Kiwanis clubs, farm bureaus, and other organizations of business men and farmers in South Dakota have united to set that State right before the people of other States in view of the impression created by bank failures in Sioux Falls and other cities. This story sets forth the resources of South Dakota, shows its great production, and proves that the State is far from bankruptcy.]

SIOUX FALLS, S. Dak., March 1 (Special).—Some years ago the question "What's the matter with Kansas?" attracted national attention. Recently many persons of States other than South Dakota, in view of several bank failures in Sioux Falls and other cities, have been asking much the same question about South Dakota. But the fact is that there is nothing the matter with South Dakota, and the State is far from "bankruptcy."

With deposits of more than $140,000,000 in the State and national banks of South Dakota, and with unsold crops valued at tens of millions of dollars yet on the farms of the State, South Dakota speedily will reach a normal condition. For 12 or 15 years the State has produced more new wealth per capita in the form of crops, livestock, gold, and other minerals than any other State in the Union. With a population of only 650,000 it has more than held its own with States having populations of 2,000,000 and upward.

The nine principal railways operating in South Dakota report annually to the State department of history on the grain and livestock which their lines haul from South Dakota to markets in other States. The latest available figures, those for 1922, show that during that year wheat, corn, oats, barley, rye, flax, horses, cattle, hogs, sheep, and other produce brought the farmers of the State an aggregate sum of $175,893,929.30.

GAINS IN PRODUCTION.

The production for 1923, as compiled in the final reports of the United States Department of Agriculture, was 6.22 per cent greater than in 1922. It appears fair to assume that the marketing will be greater this year; but using the same figures, it shows that South Dakota farmers, on the average, sold outside of the State's borders and brought into South Dakota $2,345 each. In addition, the farmers fed all town dwellers as well as their own families.

The marketing of the 1922 crop was $33,018,500 greater than the preceding year. It was only a comparatively few years ago that the average income per farm in the United States was about $450. So in production the farmers of South Dakota were able to make a gain in one season over the recent entire average income.

The production of grain in South Dakota for 1923 amounted to 438 bushels for every person in the State, town and country alike. This would make seven big wagonloads of 62 bushels of grain for every resident of South Dakota, including the Sioux Indians on the various Indian reservations.

South Dakota many years ago used to be termed a purely wheat-raising State, but the farmers during recent years have been extending to other branches of farming. To-day those other branches, such as dairying, are bringing to the farmers incomes throughout the year, mostly at times when they have no income from their grain crops.

DAIRYING INDUSTRY.

Trains each day in the farming districts are loaded with cans of cream which they pick up at every little station, it being nothing uncommon for farmers of a limited district adjacent to a village on the railroad to receive each month many thousands of dollars in the aggregate for cream marketed by them. A report recently made by A. P. Ryger, secretary of the South Dakota Dairy Association, shows that the value of South Dakota dairy products for the fiscal year ending June 30, 1923, was $29,693,053.

Creamery production alone during the last 10 years shows an increase of 99.8 per cent. For the fiscal year farmers sold to creameries, both in and out of South Dakota, a total of 103,872,550 pounds of cream, an increase of 7.7 per cent over the previous year.

The total amount of butter manufactured in South Dakota during the fiscal year ending June 30, 1923, was 41,842,371 pounds. Of this total, only 13 per cent was consumed in South Dakota, the remainder being sold in markets outside the State for more than $12,000,000.

The total value of the butter manufactured in South Dakota during the fiscal year stated was $16,585,822. The dairy butter sold by farmers during the fiscal year represented another $2,149,680. The milk and cream used in households was valued at $7,923,712. Milk, skim milk, and buttermilk used for feed had a value of $2,185,839.

Although South Dakota stands thirty-seventh in population among the States, it stands seventh in number of cattle, close to seventh in number of hogs, twenty-second in number of milch cows, eleventh in number of horses, eleventh in the value of all farm property, which reaches $2,823,870,000. Only six States were listed to exceed 3,000,000 hogs; South Dakota had 3,029,000 in December, 1923.

South Dakota has become one of the great corn-growing States of the Union, having produced 145,176,000 bushels in 1923, which on December 1, 1923, was worth $75,492,000.

In 1923 the total agricultural production of South Dakota was $374,325,493.

Mr. KING. Mr. President, I have examined recent statistics obtained from the Department of Agriculture, reports from State officials of South Dakota, and have obtained information from other sources, and I state, without any fear of successful contradiction, that the article just read quite accurately shows the business and agricultural conditions in South Dakota. When the Senator from Ohio [Mr. FESS] was speaking I called his attention to the fact that in 1923 South Dakota exported products of the value of nearly $200,000,000. This fact alone conclusively negatives the contention that South Dakota is so impoverished that contributions from the Federal Treasury must be made to her inhabitants. The article just read states that the production for 1923, as compiled by the Department of Agriculture, shows 6.22 per cent increase in agricultural products over 1922, and that the farmers of South Dakota, on the average, sold outside of the State borders and brought into South Dakota $2,345 each. And it must be remembered that their crops fed the cities and industrial centers of the State.

The writer also refers to the increase in the dairy industry, and states that trains each day carry the dairy products from the farms to the cities. I invite Senators' attention to the fact that for the fiscal year ending June 30, 1923, the dairy products alone amounted to more than $29,000,000, and that creamery products show an increase in 10 years of nearly 100 per cent.

When Senators contend that this bill is to develop the district which has only one crop, namely, wheat, I challenge their attention to the statement just read that South Dakota is one of the great corn-growing States of the Union and produced in 1923 a corn crop of the value of more than $75,000,000. And when the facts show that for the year 1923 the agricultural production of the State was more than $374,000,000, one would suppose that Senators would not have the temerity to rise here and proclaim that this splendid and progressive American Commonwealth is unable to survive the present economic crisis and is chained to the rock of despair.

Mr. President, I know something of the people of South Dakota, as well as those in the region for which this bill is designed. No finer citizens and no more stalwart and vigorous people can be found in the United States. Many of them came from Germany and the Scandinavian countries. They brought with them fine bodies and stout hearts, courage, and initiative. They have not been afraid to try new experiments. This is particularly true in North Dakota. Some of their experiments were a failure and some of their policies were not wisely conceived nor properly executed. But, nevertheless, they are people of whom all Americans can be proud, and they possess those qualities in a preeminent degree which are needed to develop the resources of this country and to give to it that dominating position, materially and morally, which it should maintain among the nations of the earth.

I called the attention of the Senator from Ohio [Mr. FESS], when he was speaking, to a report showing the condition of South Dakota at the close of 1923. This report is a review of the State by the department of history of South Dakota. It shows that the assessed valuation of the property for 1923

was $1,997,127,560, and the State taxes aggregated $3,458,000. The report further shows that a large sum was appropriated by the State legislature for the promotion of agriculture, and that the State had, from time to time, exercised its plenary powers in behalf of agriculture, and had incurred obligations amounting to $44,000,000 to extend rural credits. May I add, what is apparent to all, that the State may do what the Federal Government may not do? It is within the power of the States to extend relief to their citizens. Of course State constitutions may contain prohibitions against paternalistic activities, and may have such provisions with respect to uniformity of taxes and the purpose to which revenues may be devoted as to prevent loans to agriculture or to any other industry or to any class of citizens.

The police powers of the States are broad, and the people of the various States may write into their State constitutions such provisions, liberal or restrictive, as they may determine to be wise and proper. And South Dakota, as I have stated, has incurred an indebtedness of $44,000,000 to aid the agriculturists of that State.

Continuing, the report just read states that in 1923 there were 405 new corporations organized, and foreign corporations licensed to enter the State numbered 44. There were 11 new banks chartered, and the number of automobile licenses for the year ending December 26, 1923, was 121,149. The number of trucks licensed was 10,554, and 786 dealers were licensed to sell automobiles and trucks. I was not able to obtain definite figures as to the number of automobiles and trucks upon the farms of the State. In 1920, however, the farmers owned one-half of the trucks and automobiles, the other half being owned by residents of the towns and cities. It is known that many farmers reside within the towns and cities, and it is reasonable to suppose that a portion of the number credited to the cities, as a matter of fact, are owned by farmers.

South Dakota devoted $4,089,000 to education in 1923 and $2,639,000 to the construction and improvement of highways. Eight hundred and fifty thousand dollars were paid to soldiers under the compensation or bonus act passed by the State. After paying all State operating expenses and providing for a sinking fund, at the end of the fiscal year ending June 30, 1923, there was a balance in the treasury of $5,637,000. An examination of the financial report of the State for the year shows that the State government is not only solvent but is in an excellent condition. The total deposits in the State and National banks as of June 30, 1923, amounted to $233,804,000, an increase of more than $14,000,000 over the year 1922. Under the head of "Farm statistics," the report from which I have quoted states that the total number of farms amounted to 76,000, with a farm acreage of 23,043,000. This report shows a great diversification of crops. One hundred and ninety thousand acres were devoted to silage corn, 4,076,000 acres to field corn, 2,133,000 acres to oats, 828,000 acres to barley, 336,000 acres to rye, 70,000 acres to winter wheat, and 2,708,000 acres to spring wheat, 102,000 acres to spelt, a considerable acreage to the raising of alfalfa seed, 254,000 acres to flax, 31,600 acres to millet, 75,000 acres to potatoes, 2,113,000 acres to hay, 3,147,000 acres to pasturage, and several thousand acres to buckwheat and sugar beets and field beans.

My investigations show that there was also a large area devoted to other crops, including vegetables of various kinds, and thousands of acres were used for the grazing of cattle. Upon the farms there were more than 441,000 dairy cows. The spring calves numbered 446,000, and the spring colts more than 28,000. The number of spring hogs was nearly 300,000, and the spring lambs 262,000; and there were marketed outside the State during the fiscal year ending June 30, 1923, more than $175,000,000 worth of farm products. Of this amount, more than fifty millions were received from the sale of hogs, and more than $32,000,000 from the sale of cattle.

More than $13,000,000 were the receipts from corn sold, and $32,000,000 were obtained from the sale of wheat. I am advised that during the last six months of 1923 the sales of all kinds of agricultural and livestock products were very great, so that the products of the State for the calendar year 1923 were greatly in excess of the calendar year 1922. For the fiscal year ending June 30, 1923, the grain and livestock marketed outside the State exceeded in value $33,000,000 over the sales for the fiscal year ending June 30, 1922.

The figures of the Federal Department of Agriculture show the value of the products of agriculture and livestock for 1923 to have been more than $339,000,000, a gain of more than $61,000,000 over 1922. The individual deposits of all banks in the State reported in June of last year to the Comptroller of the Currency amounted to more than $214,000,000.

The PRESIDING OFFICER (Mr. MOSES in the chair). The hour of 3 o'clock having arrived, under the unanimous-consent agreement previously entered into, no Senator may now speak more than once nor longer than 10 minutes upon the bill or any amendment which may be offered thereto.

Mr. KING. As I understand, I have 10 minutes more to speak upon the bill, and also 10 minutes to speak upon any amendment pending.

To continue, I might add that Minnesota's deposits for the same period exceeded $855,000,000, and Montana's deposits were more than $133,000,000. The deposits in Kansas amounted to $390,000,000, and in Nebraska, $396,000,000. Idaho's deposits were only $69,000,000 and Oregon only $255,000,000. Colorado, which is reputed to be a rich State, had deposits of but $276,000,000, and the State of Washington, with its large fisheries and marine interests, and mines and lumber interests, had individual deposits of but $348,000,000.

Mr. JOHNSON of Minnesota. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Minnesota?

Mr. KING. Just for a question.

Mr. JOHNSON of Minnesota. I wish to inform the Senator that the author of this bill, Senator NORBECK, is from South Dakota, and he stated recently in the committee that the bill has nothing to do with his State, or only a small portion of it, he added afterwards. So I do not think it is of much use for the Senator from Utah to mention South Dakota.

Mr. KING. Mr. President, I hope the Senator will not consume too much of my time.

Mr. JOHNSON of Minnesota. I am not going to speak any longer. I merely wanted to correct the Senator in that one respect, if the Senator will allow another second. The northwestern part of the State of Minnesota, the States of North Dakota and Montana, and a small portion of South Dakota are affected.

Mr. KING. I am glad to receive this information from the Senator, because the facts which I have presented clearly place South Dakota outside the spirit and letter of the bill. However, South Dakota has been held up as one of the terrible examples of distress and hardship, resulting from the growing of only wheat; and the condition of the agriculturists of South Dakota has been urged as one of the reasons for the passage of this bill. All speakers, so far as I now recall, who have advocated this bill have referred to the Dakotas, or the "Northwestern States," as the beneficiaries of this bill, and have given the impression to the Senate that South Dakota was in great distress and required this proposed legislation.

This is the first intimation that I have received that Minnesota—that magnificent State, with its great wealth, with its progressive and stalwart population, typified by the Senator from Minnesota—was in such distress and was so helpless that its representatives must come and ask relief from the taxpayers of the United States through contributions from the Federal Treasury. The Senator from Minnesota, as I understand him, now becomes the Aaron for the Moses of South Dakota, Mr. NORBECK, and, speaking for the latter, avows that this bill is not needed by the people of South Dakota. The Senator from Ohio [Mr. FESS], however, claimed to speak with knowledge. He stated that he had visited the Northwest and, as I understood him, was giving us the result of his personal observations, and he declared to us with very great earnestness that the conditions there were terrible and that this bill must be passed.

Mr. FESS. Mr. President, does the Senator yield?

I now yield to the Senator from Ohio.

Mr. FESS. My remarks were specifically directed to North Dakota, the only State in which I was present last year, and I did not mean to include South Dakota. On the other hand, I have read the statements made in the hearings with reference to South Dakota giving the facts which the Senator is now giving to the Senate.

Mr. KING. I am glad that the Senator has corrected the impression which Senators, I am sure, obtained from his remarks. I know that I did not understand from his speech that he was limiting his appeals for relief to North Dakota. May I add, Mr. President, that the wheat production in South Dakota for 1923 was $24,488,000, whereas the aggregate value of the agriculture and livestock products was more than $339,000,000? I repeat that Senators who have advocated this bill have left the impression with those who listened to them that the farmers of South Dakota and North Dakota and the regions that were to receive loans under this bill had been raising wheat only, and that their distress grew out of the fact that they were producing but one crop per year. I am glad that the facts are coming out. South Dakota is now to be excluded; but no avowal, so far as I recall, has come from

Senators that the provisions of this bill would not relate to South Dakota until facts were presented upon the floor of the Senate showing reasonable prosperity and satisfactory progress in that State and the great diversity of agricultural and livestock interests of the people.

Mr. GOODING. Mr. President, will the Senator yield?

Mr. KING. Yes.

Mr. GOODING. I merely wish to say to the Senator from Utah that the bill does not apply to all of the State of North Dakota. Very prominent citizens, one at least, appeared before the committee and said it would be of no benefit to some parts of North Dakota and therefore opposed the bill.

Mr. KING. If this debate is continued a little longer, I think it will be shown that the bill will be of benefit to no section, and we may get down to but one county that will seek relief under it and possibly one precinct. It is possible, indeed quite likely, that if a microscope were employed, we would find that there is not any spot in North Dakota that calls for this legislation.

Mr. President, I will now invite attention to conditions in North Dakota. According to the census of 1920, there were 77,690 farms in that State, with an assessed valuation of $1,759,742,995. The census of the United States for 1920 reports that upon 72,021 farms there were 1,334,552 cattle of the value of $68,000,000. It is generally conceded that the census returns do not show the full number of domestic animals owned by the people. The same census also reports various other kinds of livestock, as follows:

Horses	874,722
Mules	8,306
Swine	464,100
Sheep	301,076

There are also goats and other domestic animals within the State. These figures would indicate that for each person—men, women, and children—upon the farms of North Dakota there were four head of cattle.

Comparative data for a number of counties of North Dakota as of January 1, 1920, reveal that the average acreage per farm was between 408 and 627, and the average improved acreage per farm was from 237 in Morton County to 436 in Foster County. Within the counties referred to, upon each farm there were from 7 to 15 beef cattle, 6 to 10 dairy cows, 5 to 8 swine, and 43 to 70 chickens. I might add that in a number of reporting counties from Montana the average acreage per farm in such counties was 480 minimum and 652 maximum, and upon these reporting farms the minimum number of beef cattle was 6 and the maximum 21. The number of dairy cows ranged between a minimum of 1 and a maximum of 6.

The Industrial Commission of North Dakota, on May 1, 1920, issued a report which has some interesting information concerning that State. The present junior Senator [Mr. FRAZIER] was then governor of the State and chairman of the commission. Reference is made in the report to the extensive scientific investigations carried on by the State's agricultural college and the Federal experts connected with the same. This work, the report states, "has been going on for a generation and has been carried to the homes of the State by extension workers, the press, and political discussion in repeated political campaigns." An agricultural and State program was based upon this information and the experience of the people. The report shows that the movement began as far back as 1911 to diversify farming and to build up "a prosperous livestock, dairy, and poultry industry."

The PRESIDING OFFICER (Mr. MOSES in the chair). The time of the Senator from Utah for the discussion of the bill has expired.

Mr. KING. Mr. President, I have 10 minutes to discuss the pending amendment.

Reference is also made to the amendment to the State constitution authorizing the State to acquire grain elevators, and to operate the same, and to engage in other enterprises, important, as it was believed by the people, to their industrial and economic welfare. A State bank was organized and the State organizations more thoroughly coordinated. Bonds were issued by the State to support State industries and finance farm loans. The report states that up to May 15 the loans to farmers amounted to $2,507,450, "and the bank expects to increase this amount to $3,600,000 within the next few weeks." Provision was made by law, enacted in 1919, in order to encourage and promote agriculture, commerce, and industry, that the State should engage in the business of manufacturing and marketing farm products, and should establish warehouses, elevators, flour mills, factories, plants, machinery, and equipments under the name of the North Dakota Mill Elevator Association.

An elaborate system of State aid was provided, as shown by the report of the industrial commission just referred to. This report reveals North Dakota in a prosperous state and upon the high road to agricultural prosperity and important economic development. The budget exhibited in the report presents a very fair showing, and by comparison with some other States reveals that North Dakota occupies an advantageous position. The report states that "though Minnesota has less than three times the population of North Dakota its total taxes for all purposes were $109,000,000 as against $29,000,000 in North Dakota." The total of all property taxes for general State purposes in North Dakota was shown to be $3,742,000, and in Minnesota $14,514,000. The total of all State taxes for general purposes in North Dakota for that year was $5,250,000, whereas in Minnesota it was $27,000,000.

The report also states that on the basis of population the per capita of all State taxes in North Dakota was $6.20 and $11.40 in Minnesota. It is stated that "all general taxes levied on farm land amount to $86 per average quarter section in North Dakota and $188 in Minnesota. Notwithstanding the levy for the soldiers' bonus, which the State of North Dakota provided for and to carry out its policy to support new State industries, the per capita expenditures were but $4.30, whereas in Minnesota they were $9.80.

The report refers to the wise plan which the State had adopted of not only constructing public buildings and buildings for State institutions, but also maintaining and keeping them in proper condition out of the general appropriations covered by tax revenues for each biennial period. The report shows that in comparison with Montana and other States the taxes and the State expenditures are less per capita in North Dakota. For instance, in Montana the State taxes amount to $6.37 per capita as against $6.20 in North Dakota. In a table presented it is shown that the State taxes in North Dakota for 1919 were but $2,914,166, and that the per capita State tax was but $3.56. In Minnesota the per capita State tax for the same year was $4.74; in Nebraska, $5.68; Colorado, $4.85; South Dakota, $4.90; Washington, $6.42. The per capita tax, however, for the States of Kansas, Oklahoma, and Wisconsin was less than in any of the other States mentioned. But the report shows that if these States had made provisions for their returned soldiers equal to that of North Dakota, their per capita tax would have been as great as, or greater than, that of North Dakota.

Reference is made in the report to the dairy association law, enacted in 1919, which provides for the issuance of county bonds for the purchase of dairy cows to be sold to farmers, and for the organization of dairy associations for the purchase of such animals and for farm improvements and for the guaranteeing of the loans made.

The legislature of 1919 enacted a law under which county commissioners of the various counties may issue bonds for the purpose of making loans to farmers "who had serious crop losses for the purchase of feed and seed."

The seventeenth biennial report of the commissioner of agriculture and labor, submitted to the Governor of North Dakota, for the term ending June 30, 1922, contains valuable information concerning the agricultural conditions of North Dakota. Among other things, it states that "there has been a practical development of dairy cattle, beef cattle, poultry, and a larger acreage of cultivated crops, such as potatoes, corn, and so forth. Many more acres have been reduced to pastures and hay meadows. This has naturally reduced our large wheat acreage." Reference is made to the fact that the spring rye shows a marked increase in 1922 over 1921, and that the area of land seeded to flax in 1922 was an increase of 22 per cent over 1921. The report also shows that in 1920 there were harvested 7,502,238 acres of wheat, 602,000 acres of flax, 1,969,000 acres of oats, 944,425 acres of barley, 735,000 acres of rye, 85,000 acres of spelt, and 588,000 acres of corn for fodder and husked. It also shows a large production of butter, cream, eggs, wool, and various other kinds of agricultural crops and livestock products.

The report of the dairy commissioner for the same year states that dairying has become an important industry in North Dakota and "is now an approved activity." Reference is also made to the "herd improvement, the introduction of purebred foundation herds, and of better and more economical dairy methods." This report indicates that assistance has been given by the State to the farmers to aid in stimulating the dairy industry. An act was passed in 1919 providing for the issuing of bonds or warrants by the various counties for the purpose of purchasing cattle to be sold to farmers. The dairying industry has made substantial gains, the report stating that for the year ending June 30, 1922, the butterfat increase was more than 30 per cent over the year 1921.

The contention has been made during the debate on this bill that, owing to representations made by the Government, the wheat area of North Dakota had been greatly increased over preceding years. From the investigations which I have made, Mr. President, the increase in the acreage devoted to wheat was not greater in proportion to the entire acreage than can be found in other States in the Mississippi Valley and in other parts of the Union. And the facts do not warrant the statements that North Dakota was a one-crop State prior to the war. The census shows that as early as 1909 there were 185,000 acres devoted to corn, 2,147,000 to the production of oats, 8,188,000 to wheat, 1,215,000 to barley, 48,000 to rye, 1,068,000 to flaxseed, 2,864,000 to hay and forage, 54,000 to potatoes, and large areas were utilized in the production of various other kinds of agricultural crops. In 1919, which was after the war and at the peak production of wheat, the acreage devoted to corn was 191,000; oats, 2,073,000; wheat, 9,098,000; barley, 1,085,000; rye, 2,422,000; flaxseed, 649,000; hay and forage, 4,035,000; potatoes, 82,000. Of the important crops, as early as 1909, the per cent of improved land devoted to the production of wheat was 40 per cent, and in 1919 it was only 37 per cent. These figures effectually dispose of the contention that North Dakota is but a one-crop State, and that the people of that State abandoned diversified crop production and concentrated upon the growing of wheat.

On December 31, 1923, the national banks of North Dakota had deposits of more than $70,000,000. If the same basis of deposits existed as in South Dakota, the total deposits in State and National banks would be—March 1, 1924—approximately $150,000,000.

The PRESIDING OFFICER (Mr. MOSES in the chair). The time of the Senator from Utah has expired.

During the delivery of Mr. KING's speech,

The PRESIDING OFFICER (Mr. MOSES in the chair). The hour of 3 o'clock having arrived, under the unanimous-consent agreement previously entered into no Senator may now speak more than once nor longer than 10 minutes upon the bill or any amendment that may be offered thereto.

After the conclusion of Mr. KING's speech,

Mr. NORRIS. Mr. President, in this instance I have great sympathy with the viewpoint of the Senator from Utah, as I usually have. There is much in the reasoning upon which his argument is based. I wish, however, briefly to go over what I said the other day in a more definite and concrete way.

When the hearings on this bill began I was opposed to it, mainly on the grounds which the Senator from Utah has so ably set forth. In my opinion, it was shown beyond a doubt before the Committee on Agriculture by those who will get relief under this bill if it shall become a law that their condition—and such a condition will have to be proved in order to enable them to get relief—was brought about by the action of the Government itself.

Now, let me refer again to the chart which hangs on the wall. The chart was made to apply particularly to North Dakota, but it applies to all the States that are affected. The people, realizing that they were to a great extent one-crop producers and that the yield of wheat, which constituted that one crop, was less per acre every year, and realizing that for their own sake they must diversify, commenced the campaign of diversification in 1911. They tried to induce the farmers generally to sow less wheat and to raise hogs and produce corn. This is the result: From 1911, when there were a little over 9,000,000 acres in wheat, they reduced the wheat acreage until at the beginning of 1917, when we went into the war, it was a little less than 7,000,000. The production of hogs started way down here [indicating] and went up in about the same ratio as the production of wheat went down. Cattle raising went up, corn growing went up, the number of milk cows went up.

Then we entered the war and there came the cry of the Government to raise more wheat. We all know what that propaganda was. It went all over the country, and in the Wheat Belt wherever the farmer went he was met with the plea to produce more wheat in order to help win the war. The result was that the farmers again commenced to raise wheat almost exclusively; they devoted their energy to that one crop, not because they wanted to do so but because they wanted to help win the war. So while they had reduced the wheat acreage from this point [indicating on chart] to 7,000,000 acres, the wheat acreage went up again to the point at which it was in 1911, when they commenced to diversify, and over 9,000,000 acres were sown to wheat. The production of hogs correspondingly went down as the production of wheat went up; the production of corn went down; the number of milch cows held their own; the production of other cattle went down until 1919.

Mr. President, they believed when for patriotic reasons they commenced to produce an increased yield of wheat that at the end of the war they could resume their diversification plan again, but neither the farmers nor the Government knew what the condition was going to be. What was the condition when they had produced the wheat and the war was won and they again wanted to diversify? They found it practically impossible. The banks would not loan money; there was not any place to get money with which to buy hogs, with which to buy cattle, and again to start upon the program of diversification.

The Senator from Utah has called attention to the number of dairy farms in the State of North Dakota. In my judgment, that does not mean anything. The man who is already supplied with dairy cattle can not get a dollar under this bill by its very terms. The man who is already diversifying can not get anything. It can only apply to those who find themselves by reason of their action in responding to the Government's cry unable to get anything with which to diversify.

There are localities in North Dakota, in South Dakota, in Montana, and in parts of Minnesota where the farmer could not borrow a dollar from a bank though he had the wealth of Rockefeller. That is the excuse——

Mr. KENDRICK. Mr. President——

Mr. NORRIS. I will yield in just a moment. In my judgment that is the excuse, and it is the only excuse, for this bill. The Government owes it to these men. They have done what they have done because they were importuned to do it.

Now, Mr. President, I wish to say just a word in regard to the amendments to the bill. The amendment which adds $25,000,000 ought, in my judgment, to be defeated, and all other amendments making the provisions of the bill apply to other localities and other conditions ought to be defeated, because none of them are based upon the very object, the very peg, in my opinion, on which the justification for this bill itself hangs. If I have any time left, I now yield to the Senator from Wyoming.

Mr. KENDRICK. Mr. President, I merely wished to ask the Senator if he recalled the fact—and it is a matter of record—that in the section to which it is intended to bring relief about 382 banks have closed their doors?

Mr. NORRIS. Yes; and that reminds me, let me say, that by the terms of the bill the man who can borrow money at a bank, if there is any way for him to get it, is denied relief under the bill. It only applies to those who have been put in their present predicament by the action of the Government. These men responded from patriotic motives, Mr. President; their wheat was limited in price and during most of the war period when they increased their production of wheat they lost money on every bushel produced. That was not true on all farms and in all years, but it was true that during some years nearly everybody lost, and in some years a greater and some years a smaller number. They derived no financial benefit. The price at which they could sell their wheat was fixed by the Government of the United States, and that price was limited away below the market price.

I wish to call attention again to the fact that the Government through the instrumentality of the wheat corporation in buying wheat made a profit of between $60,000,000 and $70,000,000. That all came out of the farmers who produced wheat, but not a dollar of it was paid back to any of them, and there is no way for them to get any of it. More profit was made by that corporation in dealing in the wheat of these men than this bill appropriates, unless there be included in the calculation the various amendments that are proposed.

I shall probably not address the Senate again on this subject, but when I spoke against the amendments, Mr. President, I did not mean to say that there is no merit in the amendments, but it is not right, in my judgment, to tack on to this bill provisions that can not come within the stipulations of the bill and the restrictions which are put around it by legislative regulations that will prevent anybody from getting money under it who can not comply with the conditions which I have outlined.

Mr. WADSWORTH. Mr. President, will the Senator yield if he has the time?

Mr. NORRIS. If I have the time, I yield.

Mr. WADSWORTH. I want to ask the Senator to enlighten me on one matter. Does the Senator object to that portion of the committee amendment which is found commencing in line 22 on page 5?

Mr. NORRIS. I have not a copy of the bill before me.

Mr. WADSWORTH. That is the portion which provides a further sum of $25,000,000.

Mr. NORRIS. I object to that.

Mr. WADSWORTH. That was adopted in the committee.

Mr. NORRIS. That was adopted by the committee, but I think that is entirely out of line with the theory of this bill.

Mr. WADSWORTH. Does the Senator desire to restore the original print of the bill?

Mr. NORRIS. There are other amendments, of course, which the committee adopted that I favor. The other amendments are, in my judgment, proper.

Mr. WADSWORTH. How about section 4 on page 6?

Mr. NORRIS. Let me look at that.

Mr. WADSWORTH. That concerns the "livestock loan fund."

Mr. NORRIS. I think that is all right. Is it an amendment to which the Senator refers?

Mr. WADSWORTH. It is printed to make it appear as an amendment. It begins on page 6, line 6.

Mr. NORRIS. That is not a part of the $25,000,000 amendment, is it?

Mr. WADSWORTH. I do not know. I suppose it applies to the entire bill.

Mr. WALSH of Montana and Mr. HARRISON addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Nebraska yield; and if so, to whom?

Mr. NORRIS. I yield to the Senator from Montana.

Mr. WALSH of Montana. It merely provides that amounts collected upon these loans shall be paid into a fund, which becomes a revolving fund until 1926.

Mr. NORRIS. I think that kind of a provision is all right.

Mr. HARRISON. That has nothing to do with the $25,000,000 increase.

Mr. NORRIS. Then, in my judgment, it is all right. The object of the committee, Mr. President, was so to shape this bill as to carry out its objects as outlined in section 1.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HARRISON. Mr. President, I do not want to occupy my 10 minutes at this time. I merely wish to make an inquiry. The pending amendment is the Harris amendment?

The PRESIDING OFFICER. The pending amendment is the amendment offered by the Senator from Georgia [Mr. HARRIS].

Mr. HARRISON. That does not pertain to the other portions of the bill. I want to talk on an amendment that I have, and on the committee amendment. I do not desire to do so until after this amendment is out of the way. It seems to me, since the discussion is touching the body of the legislation and not the amendment that is pending, that we ought to get this amendment out of the way and vote on it.

Mr. HARRIS. Mr. President, I admit that the wheat growers of the West are in great distress, and I sympathize with them; but they are in no greater distress than the cotton growers of the South. In fact, the troubles of the southern farmer started in 1914, at the outbreak of the World War, when he received as low as 5 cents per pound for his cotton because it could not be exported, and the wheat grower at the same time received high prices for his grain at the beginning of the war.

I do not remind Senators in an unkind spirit that only two Senators, the Senator from Idaho [Mr. BORAH] and the Senator from Washington [Mr. JONES], from the entire West and East, responded to the appeal of southern Senators in 1914 for help in the acute cotton situation. I am anxious to help the western farmers, but their Representatives should show some interest in helping the southern farmers. President Coolidge, in his recent message to the Congress urging legislation for agricultural relief, devoted his appeal to the western farmers, and had nothing to offer for the southern farmers.

When, two years ago, Senators from the New England States with huge manufacturing enterprises urged high tariff rates that reduced competition, and taxed nearly everything to help monopolies, they did not say anything about the Government not helping manufacturers. By their attitude then they said it was all right to put a tariff on everything the farmer buys, and make higher the cost of living, for the manufacturer would be helped; but when the farmers need help, Senators from the protected manufacturing States cry out against it.

As the pending bill is aimed to help only the northwestern wheat growers, I want to call to the attention of the Senators from the New England manufacturing States the fact that they will not be able to get cotton for their mills unless the cotton farmer can make a living by producing cotton, for if it sold for a dollar a pound and the boll weevil destroyed the crop the farmer could not make a living. Great Britain to-day is putting a tax on manufactured cotton, and the revenue is being used to encourage cotton production in her colonies. The amount is steadily increasing.

I want to say to the Senators from the West that unless the southern cotton farmer can control the boll weevil and lower the cost of production, the world will look toward China, India, Egypt, Australia, and other foreign places for the supply now raised in the South; and if the southern cotton farmer can not raise cotton at a profit he is going to raise his own wheat instead of buying it from the western grower, as he does to-day.

I am willing to help every section of the country, as Senators know my record since I entered the Senate, for if one section is prosperous it helps other section. A prosperous South means that money is spent in the manufacturing East and the grain-growing West.

Mr. President, the cotton produced in the South brings prosperity to this country more than any other crop. The short-staple cotton raised in the South gets no protection from the tariff, as there is no cotton of that kind imported into this country. The cotton shipped out of this country brings gold back to us, and helps in creating the gold reserve with a balance in our favor. Without cotton there would not be half the present gold reserve in the United States.

The manufacturer is protected against competition and assisted in creating a monopoly which forces us to pay higher prices for everything we wear, and this goes into the pocket of the manufacturer. The cotton farmer must compete with the pauper labor of the world, and gets no protection.

My amendment would help the farmers in securing cheaper nitrate of soda to stimulate their crops and cheaper calcium arsenate to kill the cotton boll weevil. Both are absolutely necessary in the production of cotton now. My amendment carries a plan which has been tried before by the Department of Agriculture with successful results. It will not cost the Government one cent. Every pound of nitrate of soda and calcium arsenate will be paid for in cash in advance by the farmer, and it will enable the farmer to buy at a lower prices these articles which are absolutely necessary if the farmer makes a profit.

I shall continue my efforts to aid the agricultural situation in the West whenever necessary, but it is only fair that western Senators join in our efforts to help southern farmers more than in the past.

Mr. JONES of Washington. Mr. President——

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Washington?

Mr. HARRIS. I yield.

Mr. JONES of Washington. Has the Senator modified his amendment in any way? Does it still provide for an appropriation of $10,000,000, or did the Senator reduce it to $5,000,000?

Mr. HARRIS. The Senator from North Dakota [Mr. LADD] asked if I would agree to reduce it to $5,000,000 instead of $10,000,000. I really believe that $5,000,000 will be sufficient. I do not believe we would have to use any of it, and for that reason I will agree to an amendment that the Senator from North Dakota expects to offer reducing it to $5,000,000, though I should much prefer the $10,000,000.

Mr. WADSWORTH. Mr. President, I shall endeavor not to indulge in repetition too elaborately on this occasion, because I spoke on this question the other day. I want to say just a word about both these products, nitrates and calcium arsenate.

There are used in this country for fertilizing purposes between 250,000 and 300,000 tons of nitrates annually. There are now in this country, or on board ship on the way here, or contracted for by importers, 375,000 tons—125,000, or at least 100,000 tons more than can be used in one year. The price of Chilean nitrates delivered at United States ports is about $2.52 a hundred. That is only approximately 10 cents higher than the price of the same product in 1914. So there is no scarcity of the material, and there is no gouging as to price. It can be said with absolute accuracy that of all the materials used by agriculture, nitrates have gone up less in price than any other material. As I say, there is no scarcity, and there is no gouging as to price.

The Senator from Georgia mentioned the fact, or asserted—because it is not a fact—that this business is controlled by a monopoly.

Mr. HARRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Georgia?

Mr. WADSWORTH. I yield.

Mr. HARRIS. I stated, and that I think is a fact—I think the Federal Trade Commission's investigation will show it to be a fact—that half the production is controlled by a monopoly. That was the statement I made. I did not say the whole

production was in the hands of a monopoly. I do not claim that.

Mr. WADSWORTH. My most recent information is to the effect that the Federal Trade Commission found that the fertilizer business generally was not a monopoly; so therefore we have no evil of that kind to meet.

Mr. HARRIS. But they said, as I recall, that about half of the production is controlled by certain companies which work in harmony. I will state to the Senator from New York that there is not any difference in the price of fertilizers in the South. They all agree on the price. They have the same price upon the same kind of material.

Mr. WADSWORTH. The price being fixed in Chile itself by the Chileans, it is almost an impossibility for there to be any variation in price as among American concerns assembling the product and putting it on the American market. The freight rates are practically the same for every concern importing nitrates.

The handling charges are practically the same for every concern. Warehouse charges are ordinarily about alike as between one port and another. As a matter of fact, the distribution of nitrates in the United States, coming as they do from Chile, is done at as close a figure as is the case with any other product; and in many cases fertilizer manufactured into commercial form is being sold to-day at a loss. There is no great profit in the business, and one of the greatest chemical fertilizer concerns in the world went into the hands of a receiver only last week—the Virginia-Carolina Co.

Mr. FLETCHER. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Florida?

Mr. WADSWORTH. I have only 10 minutes, and I beg to be excused.

So there is no scarcity. There is no gouging. The Federal Trade Commission itself, as I understand, says that the business as a whole is not in the hands of a monopoly; but if this bill goes through with this amendment on it which authorizes the appropriation of $10,000,000 to put the Government into the business of buying nitrates in Chile and bringing them to the United States, how many private importers will stay in the business? The entire program of the importation of nitrates will be dislocated, and the Government will have to go in when private individuals go out.

Mr. HARRIS. Mr. President——

Mr. WADSWORTH. I can not be interrupted. I beg the Senator to desist.

Since the business is now done upon such a close margin and there is such a large surplus on the way or in American warehouses to-day, what private importer will continue importing if the Government, financed by $10,000,000 of the resources of the people, enters the field, or even threatens to enter the field?

Now about the other article: I have here the report of a committee known as the standing committee on arsenic. That committee was headed by Dr. B. R. Coad, who was in charge of the southern field crop insect investigations at the Delta Laboratory of the United States Department of Agriculture, at Tallulah, La. Doctor Coad is the discoverer and developer of the calcium arsenate treatment of the boll weevil. It is due to his research that this method of combating the boll weevil by poison has been successful. On December 7, 1922, this committee reported in New York at an open meeting of white arsenic producers, calcium arsenate manufacturers, and representative users of calcium arsenate. In the course of his report Doctor Coad emphasized that the question was one purely of supply and demand, and stated that attempts to interfere with this natural law would be more likely to do harm than good.

During the fall of 1922 and the early months of 1923 a severe shortage of white arsenic and a consequent shortage of calcium arsenate appeared imminent. It was a new remedy; it was a new article in the agricultural regions of the South, or anywhere else, for that matter; at least for that purpose; and instantly there was set up an immense demand for it, and the price increased 300 per cent, as was inevitable. Already, however, there has been a tremendous response to that demand, and for the season of 1924 there are no indications, so this report says, of a short supply of either white arsenic or calcium arsenate.

The chemical manufacturers have responded to this demand; and why should they not? It is a new market for them, and if we only let it alone and do not inject the Government into the business of purchasing and distributing white arsenic, or calcium arsenate, the cotton farmers of the South will be taken care of in normal fashion, and we will not commit the Government to another great paternalistic effort, a practice which bids fair to turn the people of this country, if carried on in this way year after year, into a people dependent in character. Bill after bill is introduced here to extract money from the Federal Treasury and appropriate it for purposes which were never contemplated under the Constitution, but always to help some people.

Mr. President, we are encouraging this habit of looking toward Washington for everything. How many States of the South, for example, are offering the cotton farmers of the South to go and purchase nitrates for them, or calcium arsenate, or white arsenic? If people would do these things in their own communities and through the governments over which they have direct control, I think there would be instant complaint, because then the people would see the results more emphatically and more directly in their own experience. But this coming to Washington for everything is becoming a national habit, which, if allowed to go on unchecked, will ultimately change the character of our institutions, and, in so far as its economic purpose is concerned, it will do more harm than good.

I hope the Senate will not vote to commit the Government to a $10,000,000 expenditure on this account.

Mr. FLETCHER. Mr. President, I rise merely for the purpose of calling attention to the actual facts. I want to refer to the CONGRESSIONAL RECORD in regard to the matter about which I was about to ask the Senator from New York, because he made a certain statement with regard to the price of this nitrate. I am not informed as to that matter. It would seem, though, as if there is a very decided conflict between the statements made by the Senator from New York and the statement made by Representative STEVENSON in the House on the 8th of this month. I presume I am permitted to refer to what takes place in that body sufficiently to quote from the Representative from South Carolina. He was speaking of his own experience, his own negotiations, his own transactions, and he said:

> I have contracted to pay and I will pay—if I can borrow the money—within the next few weeks, $51 a ton for 12 per cent nitrate——

Mr. WADSWORTH. Mr. President, that corresponds exactly with the price I fixed. I quoted the price per hundred pounds. I said $2.52 a hundred pounds. I overstated it, apparently, under Mr. STEVENSON'S own experience.

Mr. FLETCHER. Let me finish this quotation from Mr. STEVENSON. He stated:

> I have contracted to pay and I will pay—if I can borrow the money—within the next few weeks, $51 a ton for 12 per cent nitrate to use on cotton this year—$51 at the ports. That is 12 per cent nitrate. Multiply that by 8 and it would be a little over $400 if we got fixed nitrates such as are provided for without the filler. There were 2,600,000 acres of cotton in South Carolina last year. Last year the average of nitrates was 200 pounds to the acre, or an average of 10 acres to a ton of nitrates. In other words, 260,000 tons last year cost the farmers of South Carolina at that price—and a great many of them had to pay more, as some of it was higher last year—$1,560,000. If this process is put into effect it will cost them just about half that, and that will be a clear saving to the people of South Carolina.

That is as to South Carolina alone. I thought at the time it was somewhat different from the statement made by the Senator from New York.

The PRESIDING OFFICER. The question is upon agreeing to the amendment proposed by the Senator from Georgia [Mr. HARRIS], the Chair understanding that the Senator from Georgia has modified his amendment by changing the figures "$10,000,000" in line 1 of page 2 to "$5,000,000." The question is upon agreeing to the amendment as modified.

Mr. BRUCE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Adams	Edge	Ladd	Robinson
Ball	Edwards	Lodge	Sheppard
Bayard	Fletcher	McKellar	Shipstead
Brandegee	Frazier	McLean	Simmons
Brookhart	George	McNary	Spencer
Bruce	Gooding	Moses	Stanfield
Bursum	Hale	Neely	Stephens
Cameron	Harris	Norris	Trammell
Capper	Harrison	Oddie	Wadsworth
Caraway	Heflin	Pepper	Walsh, Mont.
Couzens	Howell	Phipps	Warren
Curtis	Johnson, Minn.	Pittman	Watson
Dale	Jones, N. Mex.	Ralston	Weller
Dial	Jones, Wash.	Ransdell	Willis
Dill	Kendrick	Reed, Mo.	

The PRESIDING OFFICER. Fifty-nine Senators having answered to their names, there is a quorum present.

Mr. DIAL. Mr. President, the other day, when we were discussing this bill, I showed that several of the Northwestern States which owed the Government for money advanced for purposes similar to this had not paid back all the debts. In fact, some of those States have paid back only 55 per cent of the amount that was loaned them.

Since that time I have looked a little deeper into the matter, and I find that $40,000 has been appropriated by the Treasury Department, to be used in collecting those bad debts. So Congress not only loaned out money upon doubtful security, but they are taking money out of the Treasury to try to collect those bad loans. That ought to be a sufficient warning to us to stop this experimental legislation.

The Senator from Ohio spoke about the soil wearing out. That is not peculiar to these States alone. The same condition obtains all over the United States, and even, I might say, all over the world, where people continually plant one crop. The soil of the South is badly depleted for the same reason. We do not have to go to the wheat States alone. That is a matter which ought to be corrected by the farmers themselves. It is beyond the Government's control. It is the result of something for which the Government is not responsible. We are asked to take the taxpayers' money to try to rehabilitate agriculture in that section of the country; but would it not be more equitable to take a general survey of agriculture in the United States and apply the money equitably to all the States in the Union? I do not even advocate that, but there would be some semblance of fairness to it, some excuse for doing this unconstitutional thing, this revolutionary thing, I might say.

Any man who ever had a weeks' experience in lending money, or taking paper on an agricultural product, or upon cattle or other stock, dealing in these kind of securities, would know that this is an unwieldly measure, an impractical method, and the most expensive way of getting help to the farmer.

Mr. President, this bill proposes for the farmer to mortgage his cow and his pig to the Government. Suppose his cow were to go dry, and he wanted to get one that was giving milk. He would have to send to Washington, or would have to come here—they have so much red tape in governmental matters—and stay here perhaps about a week, and be directed from one department of the Agricultural Department to another, before he could get that dry cow released from the mortgage so he could exchange her for one that was giving milk. I believe it is said there are 45 departments in the Agricultural Department, in 27 different buildings.

I have been here a good while myself, and I frankly confess that I have not been able to visit all those departments yet. So the farmer would come here wanting to trade for a milch cow, and he would have a very tedious time. How would he ever get rid of a kicking mule or a balky horse? Not only that, but if his wife were to receive a note from her sister-in-law or from her uncle that one or the other would spend a week end with her the next week, she would not be allowed to kill a pig or butcher a sheep to provide entertainment for her relative. She would have to communicate with some of these distinguished western Senators to get them to intercede and plead with a department of the Government to allow them to select one of the fattest shotes they had in the lot and to send out a release under oath permitting them to slaughter that pig; otherwise the fellow would be prosecuted and sent to the penitentiary for disposing of property under a mortgage.

Mr. President, that is not overdrawn. If you mean to lend this money out and take the security, as sorry as it is, the owner of it would not be allowed to dispose of the property without consent of the mortgagee, as we all know. I fear the United States courts would be crowded with prosecutions.

If you do not intend to collect the debt, why are you not manly enough to donate the money?

I yield to no one in my respect for and interest in the farmer, but Congress should quit deceiving him, and we should aid him to get a better price for what he produces. In all the circumstances he has the sympathy of all correct-thinking people.

In order to obtain that consent the process would be unwieldy and expensive and tedious and troublesome. It does seem to me that we ought to be men enough with more experience than to want to go into any such entangling alliance on the farm. Some of you did not want any entangling alliance with some other nations. This would be more entangling than that.

When people visit on the farm they usually get something to eat. I heard of a man visiting a friend in the city, and he was invited out to dinner. He told his friend afterwards that he had never seen so much fine linen and never heard so much chinaware and silverware rattle in his life, but when they brought the rations around they were mostly crackers. When you come into the country we slaughter a sheep or a pig or a turkey and give you something real to eat. Now they are going to take away this right from the country people, and I protest, because there is no place in the world where you get more wholesome food than you do on the farm.

State rights? Where have they gone? Why, Mr. President, Thomas Jefferson would turn over in his grave and repudiate every man here claiming to be a Democrat if he knew they entertained any such doctrine as this. It is time to call a halt. I trust Senators will not embroil our Government in the ill will of the people by passing any such proposition as this. I have a bill pending, introduced just last Monday, proposing to make the Alien Property Custodian fund a revolving fund with which we can get rid of our surplus agricultural products to Germany, Austria, and Hungary. That bill has the approval of the Alien Property Custodian and I believe it is sound. If we would enact it into law it would take the place of the pending bill and of the McNary bill which is to follow. I sympathize with our people in wanting to get higher prices for their agricultural products. We have too much surplus wheat, too much surplus cotton, too much surplus tobacco, but under the provisions of the bill which I have just introduced we would help to build up trade of the farmers with those countries and we would get rid of the surplus agricultural products of this country and avoid the necessity for passing the bill now before us, which will come back to haunt us as long as we are Members of this body and as long as our successors are Members.

So much for the bill. There is no use to split hairs and talk about this benefiting the northwestern farmer, it is simply a political move—there is no use to blink about it. If the Congress wants to buy electoral votes this is one way to do it. If you feel it is an honest way to spend the taxpayers' money, you have the right by force to do it, but you have neither the moral right nor the legal right to appropriate money for the purpose of controlling elections.

Mr. REED of Missouri. Mr. President, I have as much sympathy with the farmer in his distress as do others. Many of the farmers in my State are suffering from conditions which are familiar to us all. But I can not reconcile my conscience to taking the money that is gathered from all the people of the United States and appropriating that money to the use and benefit of a few of a particular class of people. The farmers of the United States are suffering very much in common. The men who invested their money in livestock found themselves when the market broke confronted by bankruptcy. Not all of them, but those who were not very sound financially, suffered that fate. Bank after bank in the Middle West was compelled to go into liquidation because it held large amounts of what is known as cattle paper. Those men who thus lost their fortunes in the Middle West and in the great West have our sympathy and are just as much entitled to governmental largess as the man who happens to be raising wheat.

The bill is limited to wheat growers in the wheat section, but there are wheat growers in other sections of the country in great numbers who depend upon their wheat crop for their profits or their living. They have suffered just as have those wheat growers who live in a portion of the country where more wheat is raised and less of other things, but they are equally entitled to governmental bounty. The cotton planter in the South has been afflicted with the cotton pest known as the boll weevil, and there is widespread suffering throughout the Southern States from this cause which can not be charged to mere improvidence nor to a lack of good judgment simply because this particular affliction has been visited upon those people. Thousands of business houses, particularly of the smaller sort, were wrecked by the changing financial conditions which resulted after the war. So we could extend the illustration almost indefinitely.

If we are going to take a part of the people of the United States who are suffering from failure of crops and try to expend a large part of the taxpayers' money in inducing those people to vary the form of their industry, why should we not make the bill general in its terms? Why not take care of the cattle men, the sheep men, the hog men, the small merchant men, the wheat farmer of the East and of the Central West who lives in a country where they raise other things than wheat but in which country he may be raising only wheat?

Where will this end? What right have we under the Constitution of the United States to take the money of one man or of all the people and appropriate it to the use and benefit of a few of the people? As has been said here by the Senator from

South Carolina [Mr. DIAL], if he will permit me to quote him with approval, since the action of his legislature—or shall I rather say a few imbeciles in his legislature—having the power to dispose of this matter we may exercise that power brutally, but, Mr. President, the power to do a thing does not always mean the right to do that thing. Any one of us has the power to throttle a baby, but we have no right to do it. If the bill is to be passed, why not buy fertilizer? If the bill is to be passed, why not take an inventory of the farmers of the United States in their assets and liabilities, and wherever a man is hard up give him some Government money and then levy some more taxes to get some more money, and then pay out some more money and levy some more taxes and start a circle as vicious as was started in Germany when they began issuing printing-press money and paying debts and then issuing more printing-press money and more printing-press money until at last they brought the industries of Germany to a state of paralysis and reduced her finances to chaos.

No man likes to make the kind of a speech I am making. Everyone would like to take somebody else's dollars and hand them out liberally to all the people who need them. That is the easiest task any man ever undertook. What right have we——

The PRESIDING OFFICER. The time of the Senator allotted to speak upon the bill has expired. The Senator has 10 minutes upon the pending amendment.

Mr. REED of Missouri. I had forgotten that we are under a time limit or I would have concluded before this. What right have we to take the money that comes from all the people, I repeat, and use it in this manner? I distinguish very clearly between a situation where it is proposed to promote a different kind of agriculture by loaning money, and a bill which might be passed, and the constitutionality of which might even be questioned, to appropriate money to relieve against actual starvation or suffering in the face of some great flood or great disaster, where that which we do is done as an act of charity. Even there I say there is a question whether we have the right to take a dollar from the Federal Treasury and so use it. But as long as we have kept within very narrow limits nobody has complained.

This, however, is a different proposition. It is a proposition to go into a wheat-producing section of the country and to finance a new style of agriculture there. Mr. President, it will fail. We can never build up a sound economic condition by a scheme of this sort. The money will be absorbed and gone; it will all have to be paid back. We shall do no substantial good to these people. The only way any business can prosper, whether it be farming or anything else, is to be put upon a sound basis; and the only sound basis of which I know is one which contains the element of the personal risk and personal energy of the individual who is to profit or to lose by the enterprise.

There is one thing which we can do to help the farmers, and some of the Senators who are willing to vote away this money are responsible for the condition which can be remedied. They have put a tax upon everything that is shipped into this country; they have helped the trusts, the combinations, the large and powerful manufacturers of the United States to maintain an artificial price upon everything which the farmer has to buy. They have done that by the passage of a positive statute forbidding the farmer, who must sell his surplus in Europe on a depressed market, to bring back a single thing from that continent purchased on the same market level at which he must sell his surplus. That tax in its essence is unconstitutional, and if its real purpose were written in its face it would be so declared. It is carried along under the pretext that it is a revenue measure; but strike that out and write its real purpose in the face of the bill, namely, that it is proposed to increase the price of goods so that American manufacturers can make a larger profit, and the tax, in my judgment, would be declared unconstitutional by any court.

Those favoring a high protective tariff have fastened that tax on the farmer. They compel him to buy in a market that was already largely controlled by great combinations and powerful institutions and then they deny him the benefit of any possible competition from abroad. Thus they force him to buy in the highest market in the world, artificially elevated by a law they have passed, while he must sell his surplus in a broken market. Then they propose to make that up to him by taking the taxes from all the rest of the people, carrying them over and giving them to a small proportion of the farming population of the United States, and the other farmers in other sections of the United States, engaged in a different class of farming business, must pay that tax and send their money into these particularly favored portions.

Mr. President, I can not support a bill of that kind. I will support any sound measure that is brought in here which will give some relief to the farmer. The best thing to do is to give him a cheaper market in which to buy; and the best way to do that is to take down the wall which has been built, back of which every trust, combination and conspiracy in restraint of trade robs and plunders the farmer on everything he has to consume which he does not raise on his own farm.

Mr. RALSTON. Mr. President, I wish to speak just a few words on the pending bill. I concur heartily in nearly everything that has been said on this side of the Chamber in opposition to this proposed legislation; I confess that it runs counter to my political convictions; but, Mr. President, I am a member of the Committee on Agriculture and Forestry, and I heard much of the evidence which was produced before that committee on this measure. That evidence showed the condition of the farmers which this proposed measure seeks to relieve to be most deplorable; and their condition was brought about by a patriotic effort on their part to serve this Government in time of war.

The Senator from New York [Mr. WADSWORTH] observed that if this sort of legislation is indorsed by this body it will be only a short time until all interests in this country will be coming to Washington to seek relief from the public Treasury. Mr. President, I have heard it said in years gone by that certain interests have come to this Capitol to secure proposed legislation and have been permitted to insert in the pending bill the rate of per cent of protection which they desired; and yet, as I understand, the distinguished Senator from New York has never opposed that kind of legislation.

I am opposed to blocs, Mr. President, of all kinds, but if we are by our legislation to favor oil blocs and steel blocs I shall not hesitate, under proper conditions, to favor a farmer bloc, for in the absence of the success of the farmer the entire country will go upon the rocks. Once we destroy the farmer, we destroy the very basis of civilization and prosperity in this country. We can not live without the farming industry.

I think I have an appreciation of the constitutional objection to this proposed legislation. I do not know whether or not Thomas Jefferson would turn over in his grave if he were asked to favor this legislation. I know, however, that he butted the Constitution out of the way when he wanted Louisiana, and he "got by" with it, and we are all proud that we have Louisiana. I say I think I appreciate the objection that can be soundly made to this character of legislation from a constitutional viewpoint; but, Mr. President, I think the Constitution should have the same application in the Dakotas, in Minnesota, or anywhere in the great Northwest that it has in New Mexico; and but a few days ago this body, without a record vote, voted to loan a million dollars to help the farmers of New Mexico to buy seed. That is all we propose to do in this bill—that is, to make the farmers included in this bill a loan. Some of the money doubtless will be lost, but, in my judgment, most of it will be returned to the Government.

I am, therefore, Mr. President, proposing to vote for this measure, not because it conforms to my notion of legislation, generally speaking, but I am going to do it on the ground of humanity.

Mr. DIAL. Mr. President, I am sorry that the Senator from Missouri [Mr. REED] saw fit to refer to the Legislature of South Carolina.

The PRESIDING OFFICER. The Senator from South Carolina will permit the Chair to observe that he has already occupied 10 minutes in the debate. The Chair assumes the Senator was then speaking upon the bill.

Mr. DIAL. I am now speaking on the amendment, Mr. President.

The PRESIDING OFFICER. The Senator from South Carolina is entitled to speak once, and for not more than 10 minutes, on the amendment.

Mr. DIAL. Mr. President, I was about to say that I was sorry the senior Senator from Missouri saw fit to refer to the Legislature of South Carolina. I feel that his remarks were out of place, unnecessary, and uncalled for here, and were purely gratuitous. The Legislature of South Carolina is composed of able, honorable, and upright men.

Mr. President, speaking now further on the amendment of my good friend the Senator from Georgia [Mr. HARRIS], I desire to say that if the amendment shall be adopted I trust the Government will buy the nitrates for the people of the United States who are purchasing nitrates and ship them in here for the purpose of supplying the farmer. I hope the nitrates will be bought without loss to anyone and to the benefit of the original consumer.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from Georgia [Mr. HARRIS] as modified, which will be read.

The amendment as modified was read, as follows:

Add at the end of the bill a new section, as follows:

"That the President is authorized and directed to procure, or aid in procuring, such stocks of nitrate of soda and calcium arsenate as he may determine to be necessary and find available for increasing agricultural production until June 30, 1926, and to dispose of the same at the total cost to the Government, payable in advance. For carrying out the purposes of this act there is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, available immediately and until expended, the sum of $5,000,000, or so much thereof as may be necessary, and the President is authorized to make such regulations and to use such means and agencies of the Government as in his discretion he may deem best. The proceeds arising from the disposition of the nitrate of soda and calcium arsenate shall go into the Treasury as miscellaneous receipts: *Provided*, That the sum herein appropriated and the proceeds arising from the disposition of the nitrate of soda and calcium arsenate may be used, at the discretion of the President, until June 30, 1926, as a revolving fund for the purposes herein named."

Mr. HARRIS. I ask for the yeas and nays on the amendment.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. LODGE (when his name was called). I have a general pair with the Senator from Alabama [Mr. UNDERWOOD]. I transfer that pair to the Senator from Vermont [Mr. GREENE], and will vote. I vote "nay."

The PRESIDING OFFICER (when Mr. MOSES's name was called). The present occupant of the chair has a general pair with the junior Senator from Louisiana [Mr. BROUSSARD]. In his absence the present occupant of the chair withholds his vote.

Mr. SIMMONS (when his name was called). May I inquire if the Senator from Oklahoma [Mr. HARREL] has voted?

The PRESIDING OFFICER. That Senator has not voted.

Mr. SIMMONS. I have a general pair with that Senator. I transfer that pair to the Senator from Michigan [Mr. FERRIS] and will vote. I vote "yea."

While I am on my feet, I wish to say that my colleague [Mr. OVERMAN] is absent on account of illness. He has a pair with the senior Senator from Wyoming [Mr. WARREN]. If my colleague were present and at liberty to vote he would vote "yea."

Mr. WARREN (when his name was called). I have a general pair with the Senator from North Carolina [Mr. OVERMAN]. He is absent, and I therefore withhold my vote.

The roll call was concluded.

Mr. WADSWORTH (after having voted in the negative). I forgot to announce that on the various amendments and on the bill itself I am paired with the junior Senator from Ohio [Mr. FESS], but on this particular amendment the junior Senator from Ohio and I would vote alike were he present. Therefore I am at liberty to vote, and will let my vote in the negative stand.

Mr. DIAL. I desire to announce that my colleague [Mr. SMITH] is detained from the Senate on account of illness in his family. He is paired with the Senator from South Dakota [Mr. STERLING].

Mr. JONES of New Mexico. I have a general pair with the Senator from Maine [Mr. FERNALD]. I find that I can transfer that pair to the Senator from Montana [Mr. WHEELER]. I do so, and vote "yea."

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from Illinois [Mr. MCCORMICK] with the Senator from Oklahoma [Mr. OWEN].

The Senator from Wisconsin [Mr. LENROOT] with the Senator from Massachusetts [Mr. WALSH]; and

The junior Senator from Kentucky [Mr. ERNST] with the senior Senator from Kentucky [Mr. STANLEY].

The result was announced—yeas 28, nays 34, as follows:

YEAS—28.

Brookhart	Frazier	Jones, Wash.	Ralston
Bursum	George	Kendrick	Ransdell
Cameron	Harris	Ladd	Sheppard
Capper	Harrison	McKellar	Shipstead
Dial	Heflin	McNary	Simmons
Dill	Johnson, Minn.	Neely	Stanfield
Fletcher	Jones, N. Mex.	Pittman	Trammell

NAYS—34.

Ball	Edge	McLean	Spencer
Bayard	Edwards	Norris	Swanson
Brandegee	Glass	Oddie	Wadsworth
Bruce	Gooding	Pepper	Walsh, Mont.
Caraway	Hale	Phipps	Watson
Colt	Howell	Reed, Mo.	Weller
Couzens	Keyes	Reed, Pa.	Willis
Curtis	King	Robinson	
Dale	Lodge	Shields	

NOT VOTING—34.

Adams	Ferris	McKinley	Stanley
Ashurst	Fess	Mayfield	Stephens
Borah	Gerry	Moses	Sterling
Broussard	Greene	Norbeck	Underwood
Copeland	Harreld	Overman	Walsh, Mass.
Cummins	Johnson, Calif.	Owen	Warren
Elkins	La Follette	Shortridge	Wheeler
Ernst	Lenroot	Smith	
Fernald	McCormick	Smoot	

So Mr. HARRIS's amendment was rejected.

The PRESIDING OFFICER. The question is upon the first committee amendment.

Mr. HARRISON. Mr. President, I desire to offer an amendment to perfect this bill.

The committee added a provision appropriating $25,000,000 to be loaned to the farmers in other sections of the country where the conditions justified it, but the other parts of the bill do not carry out that idea; and so, if the committee amendment is to be adopted, the bill should conform to that purpose. I am now addressing particularly the Senator from North Dakota [Mr. LADD]. On the first page the bill says:

That it is hereby declared in the public interest that conditions existing in those portions of the United States known particularly as the wheat areas resulting from the stimulation of wheat growing during the recent war—

And so forth. It applies to no other section except the wheat sections. Later on, on page 3, it says:

Loans and advances shall be made only to such farmers in the wheat areas of the country as are not reasonably able—

And so forth. So there are two provisions that carry appropriations—one appropriation of $50,000,000 that is to cover the wheat areas, and another appropriation of $25,000,000 to cover other areas of the country—but there is nothing in the bill to conform to that idea. So on page 1, where the bill says "wheat areas," it should be amended, and on page 3, where it says "wheat areas," it should be amended. I therefore offer an amendment to carry out that idea.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Nebraska?

Mr. HARRISON. I yield.

Mr. NORRIS. I want to suggest to the Senator that he refrain from offering those amendments until the committee amendment has been voted on. If it is adopted, then of course there will be no objection to those amendments.

Mr. HARRISON. I prefer to offer it in this way, so that there will be no question about the proposition. Some of us might vote differently on the committee amendment if the Senate does not adopt this amendment.

Mr. NORRIS. The idea of the Senate can be tested directly on the proposition contained in the committee amendment that is here. If that is agreed to, the other will be a formal matter.

Mr. HARRISON. I take it that the Senate will want to perfect the bill, since the Senate committee has put on this $25,000,000. So, Mr. President, I move, on page 1, line 4, after the words "United States," to strike out down to and including line 3, on page 2, and in lieu thereof to insert a comma and the following:

particularly in the wheat areas, but also in other areas dependent almost entirely upon a single crop, as determined by the Secretary of Agriculture, resulting from the stimulation of production of a single crop during the recent war and aggravated during subsequent years by low yields and high cost of production, should be changed through the encouragement of a system of agriculture not dependent for its success upon a single crop, but one which would include the raising of livestock, such as dairy and beef cattle, hogs, sheep, poultry, and the products thereof.

In other words, it adds to the bill other areas.

Then the other change, which I incorporate in the same amendment, would strike out on page 3, line 4, beginning after the word "cropper," all down to "no loan," on line 11, and insert in lieu thereof the following:

Loans and advances shall be made only to such farmers in the areas of the country embraced within the provisions of this act as are not reasonably able, through their own resources or through existing credit facilities, to initiate upon their farms a system of diversified farming but who show their willingness to enter upon such an undertaking and who may be reasonably expected to develop such a system if given aid and opportunity.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 1, line 4, after the words "United States," it is proposed to strike out down to and including line 3, on page 2, and to insert in lieu thereof a comma and the following:

particularly in the wheat areas, but also in other areas dependent almost entirely upon a single crop, as determined by the Secretary of Agriculture, resulting from the stimulation of production of a single crop during the recent war and aggravated during subsequent years by low yields and high cost of production, should be changed through the encouragement of a system of agriculture not dependent for its success upon a single crop, but one which would include the raising of livestock, such as dairy and beef cattle, hogs, sheep, poultry, and the products thereof.

Also, on page 3, line 4, after the word "cropper" it is proposed to strike out down to the words "no loan" on line 11, and to insert in lieu thereof the following:

Loans and advances shall be made only to such farmers in the areas of the country embraced within the provisions of this act as are not reasonably able through their own resources or through existing credit facilities to initiate upon their farms a system of diversified farming, but who show their willingness to enter upon such an undertaking and who may be reasonably expected to develop such a system if given aid and opportunity.

Mr. HARRISON. Mr. President, may I say this: Whether the amount carried in the bill is $50,000,000 or $75,000,000, this amendment should be adopted. In my opinion, $75,000,000 is not needed; $50,000,000 is perhaps adequate; but certainly these loans should be made in every section of the country where the conditions warrant it. It is up to the Secretary of Agriculture.

If the conditions warrant it in the State of New Mexico—and we have heard much about that State—then those farmers should have the opportunity to go to the Secretary of Agriculture and make this loan. If the conditions warrant it in my own State, where farmers are in distress and the Secretary of Agriculture is made to believe that that is true, then those farmers should have the opportunity of getting some money; and so it is in every State in every part of the country. If the conditions in the four States that have been enumerated are such as have been stated, then of course the Secretary of Agriculture is going to take care of them first. So I submit that this amendment should be adopted whether the amount is $50,000,000 or $75,000,000.

Mr. NORRIS. Mr. President, I have not charge of this bill. The Senator from North Dakota [Mr. LADD] is in charge of it; but it seems to me it ought to be made plain to the Senate that if this amendment is adopted the entire theory of the bill will be changed. Perhaps that is what the Senate wants to do. If it does, it is a bill that I could not conscientiously support.

It was not the idea of those who formulated the bill, the Senator who introduced it, or the committee when they reported it that it was a bill which would give general relief to agriculture. It was the idea, as I have explained, that a few farmers who raised wheat had been prevented by the Government itself from diversifying their crops. That does not apply to any other product, although there are other localities and other kinds of farming which ought to be relieved, and the committee have reported a bill of general application all over the country; but it was the theory that there were some few men engaged in wheat farming who had been interfered with in their program of diversification by the Government, who, for patriotic reasons, had changed their plans and produced wheat when they were starting out on a plan of diversification.

The Government fixed the price of wheat, and came into the matter directly in that respect. It induced these men to change their entire operation; and therefore the Government, as we believe, was to blame for these men getting into this condition. The Government is not to blame for the next condition that was found, to wit, that many of these men—not all of them, but many of them—found at the close of the war that they could not start in again on their plan of diversification because of the financial condition which ensued in those localities. Where those conditions do not apply the farmers are not entitled to relief under the bill. I think that if we make it general, then all the criticism that has been offered will apply to it.

Mr. HARRISON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Mississippi?

Mr. NORRIS. I yield.

Mr. HARRISON. The committee gave consideration to this proposition, and the committee did recommend that $25,000,000 be added to the bill. I do not want to divulge anything that happened in executive session, but I think the original proposition was to leave it at $50,000,000——

Mr. NORRIS. Mr. President, I do not want the Senator to take up all my time, and I hope he will leave me a little to answer. I did not refer to what happened in the committee; but this amendment was put in in the committee after the hearings, after everything was over. It was put on at the suggestion of a member of the committee who had heard but very little of the testimony, and who, in my judgment, had no opportunity to acquaint himself with the real theory of the bill. That is what happened with respect to this amendment. That is the way it got into the bill. The committee put it in; that is true.

Mr. WILLIS. Mr. President, I desire only a moment to speak upon this amendment. It is quite apparent that if the amendment is adopted the bill will not pass. That will be the inevitable effect of it. I do not charge at all that that is the purpose of the author of the amendment, but, as has been so clearly stated by the Senator from Nebraska, this bill is intended to reach a certain situation, caused by legislation enacted by the Congress.

Mr. HARRISON. Mr. President——

Mr. WILLIS. Just a moment. If by amendment the bill is changed into a general proposition of making loans and distributing largess in this fashion, as far as I am concerned I can not see my way clear to support the bill. I trust the amendment will not be adopted. Now I yield to the Senator from Mississippi.

Mr. HARRISON. The Senator does not think I have offered an amendment in order to kill the bill, does he?

Mr. WILLIS. I absolve the Senator from any such intention.

Mr. HARRISON. That is absolutely not the case.

Mr. WILLIS. I stated that in my humble opinion that would be the effect of the adoption of the amendment. I did not indicate that I thought it was the Senator's purpose.

The PRESIDING OFFICER. The question is upon agreeing to the amendment proposed by the Senator from Mississippi [Mr. HARRISON].

Mr. HARRISON. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. TRAMMELL. Mr. President, I want to address the Senate but a moment. I desire to propose an amendment to the amendment offered by the Senator from Mississippi. I propose as an amendment to his amendment, on line 3 of the proposed amendment, that we strike out the word "particularly." That would leave the amendment to read "in the wheat areas."

My thought in suggesting that, Mr. President, is that we do not desire to emphasize the fact that this bill is to be restricted in any wise by the Secretary of Agriculture to the wheat areas of the country. Even under the amendment proposed by the Senator from Mississippi, the Secretary of Agriculture in my opinion could very easily construe the bill so that the main purpose and object of the legislation, especially when you consider the hearings and the developments in connection with it, would be that aid should be furnished in the wheat area only. I take the position that if Congress is going to attempt to relieve the suffering of agriculture throughout this country we can not justly discriminate by extending relief to only a very limited group of our farmers.

We might as well provide that the fruit growers who suffered on account of a demoralized market should be loaned money for the purpose of buying fertilizer to make the next crop, provided they did not have the means with which to buy it. That is just as reasonable, and I insist that the fruit growers, too, should have the same assistance if Congress is to help the wheat growers.

Throughout the entire Nation, in agricultural sections, at some time or other there has been a stagnation of the agricultural industries of those particular localities. Sometimes it is on account of the disaster of flood, sometimes on account of drouth, sometimes on account of a freeze, in sections of the country where the fruit trees are subject to being damaged by excessive cold. Under such conditions Congress has never yet seen proper to provide means for rehabilitating the farmer by direct loans. That has never been done.

If we are going to enter upon that policy, I say we should treat the farmers and the fruit growers throughout this country with equal justice and equal liberality. Therefore I do not desire to have anything written into this bill which would indicate that Congress was planning to loan money to a particular class of our people, people who have been unfortunate, and with whom I sympathize, but who have not been more unfortunate than those engaged in agriculture in other sections of this country at different times.

In my own State, as the consequence of the war, the first year following the war the fruit crops did not bring the cost of gathering, packing, and freight. That is one of the hardships that was inflicted on the people of my State as a consequence of the war. We did not come and ask Congress to provide means with which to reestablish the prosperity of our groves, but the people of the State, with courage and industry, proceeded in the ordinary way and soon restored normal conditions.

We could also say we were entitled to relief and help, because Congress authorized an increase in railroad rates, which has doubled the cost of transportation of the products of my State to the markets and at times causes my people to suffer great loss, and because Congress and its instrumentality, the Interstate Commerce Commission, has permitted this we think we ought to have some relief in the way of loans, and we are just as much entitled to it as are the farmers in some other sections of the country.

If we are going to take money from the pockets of the general taxpayers of the country and loan it to the farmers—and I always want to help the farmers when I can possibly do so in a reasonable way—we should make the policy general. The Senate should not by the language of the bill restrict the relief to three or four Western States. Why not in fairness let the fruit-growing and other agricultural States of the Union be included? These States will be forced to pay their proportion of the $50,000,000 provided by this measure and I submit that in all justice they should have the benefits of the loan privilege.

Mr. LADD. Mr. President, the only justification for a bill of this kind, in my judgment, is the fact that the Government interfered with the farmers by fixing the price of wheat and not fixing a price of any other product, holding farmers down to sell their wheat at a price below the cost of production during the war and after.

I opposed these amendments in the committee, and I feel that the only justification for the bill is the fact, as I have said, that it is to be confined to the Wheat Belt, and only to the Wheat Belt. I feel, therefore, that I shall have to oppose this amendment, as I did in the committee.

Mr. REED of Missouri. Mr. President, I would like to inquire what is meant by the Wheat Belt. I understand that the great complaint has come particularly from the Northwestern States, in which I would include Minnesota, the Dakotas, Montana, and Washington.

Mr. KING. Will the Senator yield to me?

Mr. REED of Missouri. If the Senator will not take much time.

Mr. KING. It was announced by the Senator from Minnesota [Mr. JOHNSON] that the Senator from South Dakota does not include his State at all, and the figures which I presented to-day clearly indicate that there is no necessity of any appropriation for South Dakota.

Mr. REED of Missouri. I find that in 1914 Missouri produced 35,000,000 bushels of wheat, in round figures; that South Dakota produced 45,000,000, that North Dakota produced 86,000,000, that Montana produced only 27,000,000, that Washington produced 37,000,000, and that Kansas produced 105,000,000 bushels. So that the greater part of the wheat is raised outside of what is here referred to as the Wheat Belt, or wheat country.

There is a great deal in what the Senator who just took his seat, the senator from North Dakota [Mr. LADD], said about the farmers having been robbed on their wheat during the war. That is undoubtedly true. That was one of my pet fights during the war. I said then that we were regulating down to a low point the price of the farmer's wheat. Subsequent events have developed that while the American farmer's export wheat went abroad at approximately $2 a bushel, wheat was being bought in the markets of Europe for four and five dollars a bushel. So the farmer was robbed during the war. I stated at the time that that would occur, and it did occur; but if we are going to make up to the wheat farmer the amount of which he was robbed during the war, then similar losses should be made up to every farmer of the United States alike, and not to a particular belt or portion of the United States.

That is a complete answer to any bill which proposes to help a particular section. You can not put this argument on that ground and make it sound, because if you put it on that ground you extend the bill so as to benefit every farmer. Then we ought to put it on the further ground that we are making up to the farmer the amount of money of which he was robbed by the unjust exercise of power by Herbert Hoover, and not by doling out to him some money now as a loan, as the bill contemplates doling out loans to only a portion of the farmers.

If the Congress were to consider a bill proposing to take account of the amount of money the farmer had been robbed of during the war we would have a different proposition here—and illegally robbed of by the gross abuse of the licensing power which Herbert Hoover held and which he exercised in such a way as to declare to every buyer of wheat that if he paid more than a certain price he would revoke the seller's license, thereby fixing a price. The foreign market was controlled, as we all know, through the export grain corporation in exactly the same way. But that is not this bill. If a bill should be brought in to take an accounting and ascertain how much the farmer had been robbed of during the war by the unjust and illegal acts of Herbert Hoover, acting for the Government, I would be glad to support such a bill. Incidentally, if he had not been thus robbed, the farmer up in the Northwest might have had some money in the bank to tide him over these hard years instead of having notes and mortgages there which he had to give because he could not make both ends meet.

Mr. CURTIS. Mr. President, I understand that we can not complete the discussion of the bill to-night. Therefore I move that the Senate adjourn.

The motion was agreed to; and the Senate (at 5 o'clock and 2 minutes p. m.) adjourned until to-morrow, Tuesday, March 11, 1924, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

MONDAY, *March 10, 1924.*

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Blessed be Thy holy name—even the Father of our Lord Jesus Christ; the Father of mercies and the God of all comfort. May not Thy manifold blessing be selfishly used. Lead us to understand that no one can come to true greatness who has not felt in some measure that his life belongs to his country and to the world. May all that is noblest, heroic, and best in us be in harmony with Thy will. Bless our home life, our social life, and all our tender ties of fellowship. Through Christ our Savior. Amen.

The Journal of the proceedings of Saturday, March 8, 1924, was read and approved.

AMPLIFYING DEVICES IN THE HOUSE.

Mr. SNELL. Mr. Speaker, I ask unanimous consent to proceed for two minutes in regard to the sound-amplifying system here.

The SPEAKER. The gentleman from New York asks unanimous consent to proceed for two minutes on the subject indicated. Is there objection?

There was no objection.

Mr. SNELL. Mr. Speaker, I simply desire to announce to the House that the amplifying system has been off about two weeks, and I have asked the man in charge to put it on again this morning. It is necessary for the House to decide very shortly what it desires to do in regard to it.

I will say to the House that up to the present time for the installation and operation of the system the Government has never paid anything, but if we desire to keep this system in operation from this time onward it is necessary to pay for the operation. I therefore wish the Members of the House would give some attention to this matter in the next two or three weeks, so that they will be in a position to decide what they want to do in regard to its final disposition.

Mr. TREADWAY. Mr. Speaker, I ask unanimous consent to proceed for two minutes.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent to proceed for two minutes. Is there objection?

There was no objection.

Mr. TREADWAY. The gentleman from New York [Mr. SNELL] has spoken of the so-called "amplifying system" which has been installed in the House. I think it is a ridiculous thing that the House of Representatives should be regarded as an advertising medium. I have always been opposed to this so-called "amplifying system" which has been installed in this House, and I think the Members of the House should decide against it. These instruments and devices produce a

brassy, ringing sound and they are a great obstacle to hearing and a pernicious interference with the natural acoustics of this House. I hope they will not be continued and paid for. [Applause.] It seems to me that this House should not expend the taxpayers' money either to aggrandize ourselves or advertise a private business. In addition it is not a success and is a detriment to our orderly procedure.

PERMISSION TO A COMMITTEE TO SIT DURING THE SESSIONS.

Mr. DOWELL. Mr. Speaker, the Committee on Roads is holding hearings on a measure in regard to the construction of Federal roads, and a large number of State officials and representatives of highway commissions are present here in Washington from farm districts to attend these hearings. I ask permission that the Committee on Roads may sit during the sessions of the House.

The SPEAKER. The gentleman from Iowa asks unanimous consent that the Committee on Roads may sit during the sessions of the House. Is there objection?

There was no objection.

REVENUE ACT OF 1924.

Mr. CHINDBLOM. Mr. Speaker, I have introduced as a separate bill Title XII of H. R. 6715 as it passed the House of Representatives on February 29, 1924, with such changes in the text as are necessary by reason of and in the event of the nonpassage of the proposed revenue act of 1924. Title XII provides, as does my proposed bill, H. R. 7784, for a 25 per cent reduction to income taxpayers of the amount of income tax due for 1923 and payable in 1924 under the revenue act of 1921. Except for the changes necessarily made as indicated I claim no initiative or authorship in the matter of this legislation. The proposal to allow a reduction for the 1923 taxes originated with the chairman of the Ways and Means Committee, the gentleman from Iowa [Mr. GREEN], and Title XII was framed by the Treasury Department upon the request of the Republican members of the Committee on Ways and Means. I appreciate that there may be small possibility of passing this legislation before March 15, so as to give the taxpayers the immediate benefit of the reduction and also in order to reduce the labors and expenses of administration. However, I feel that this proposal ought to be pending in a separate bill in order that the Ways and Means Committee and the House itself may consider the matter at any opportune or urgent moment. Personally, in view of the apparent difficulty and probable impossibility of securing actual revenue revision and reform during this session by the enactment of legislation along the lines of the Mellon plan, I would be content to have the reduction for 1923 enacted into law and go to the country on the question of genuine tax revision. In all events, if for any reason a permanent revenue law should not be enacted during this session of Congress, the reduction in the income tax for 1923 ought to be made effective as soon as possible.

The only plausible argument against the reduction of the 1923 tax is that such legislation would be retroactive and would return to some taxpayers the portion of their tax which they have already passed on to consumers and the general public. As an accurate and historical fact, however, this statement is not true. The 1923 tax will be assessed and determined under the revenue act of 1921. That act was passed on November 3, 1921, and went back in its operation to January 1, 1921. It is plain, therefore, that the 1921 taxes paid in 1922 could not have been passed on prior to the passage of the act of 1921. The act of 1918 was passed on February 4, 1919, and was made retroactively effective as of January 1, 1918. The prior acts of 1917, 1916, and 1913 were all passed in the latter part of the year in which they became effective. It is, therefore, plain that the taxes paid in a particular year could not have been and, as a matter of fact, were not passed on to others than the taxpayer during the preceding year for which such taxes were assessed.

Of course, the complete and unanswerable argument in favor of this reduction of the taxes for 1923 is that the Government has collected more money for that year than it actually needs—although, of course, it could be used; as, for instance, in the purchase of outstanding bonds—and the only excuse or warrant for the collection of taxes by the Federal Government is the need of revenue for its necessary expenditures.

During the consideration in the House of the revenue bill now pending in the Senate, House bill 6715, a motion was made to recommit the bill with instructions to strike out Title XII, or the provision for the 25 per cent reduction of the 1923 income tax. That motion received the support of 68 Members of the House, as against 346 Members who opposed it. One need not be a prophet to assert with the utmost confidence that if for any reason general revenue legislation should fail at this session of Congress a joint resolution providing for the 1923 reduction will pass. In the language of a well-known popular advertisement, "Eventually; why not now?"

MUSCLE SHOALS.

Mr. McKENZIE. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 518, the Muscle Shoals bill.

The SPEAKER. The gentleman from Illinois moves that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 518, relating to Muscle Shoals. The question is on agreeing to that motion.

The motion was agreed to.

The SPEAKER. The gentleman from Michigan [Mr. MAPES] will resume the chair.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 518) to authorize and direct the Secretary of War to sell to Henry Ford nitrate plant No. 1, at Sheffield, Ala.; nitrate plant No. 2, at Muscle Shoals, Ala.; Waco Quarry, near Russellville, Ala.; and to lease to the corporation to be incorporated by him Dam No. 2 and Dam No. 3 (as designated in H. Doc. 1262, 64th Cong., 1st sess.), including power stations when constructed as provided herein, and for other purposes, with Mr. MAPES in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 518, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 518) to authorize and direct the Secretary of War to sell to Henry Ford nitrate plant No. 1, at Sheffield, Ala.; nitrate plant No. 2, at Muscle Shoals, Ala.; Waco Quarry, near Russellville, Ala.; and to lease to the corporation to be incorporated by him Dam No. 2 and Dam No. 3 (designated in H. Doc. 1262, 64th Cong., 1st sess.), including power stations when constructed as provided herein, and for other purposes.

The CHAIRMAN. When the committee rose on Saturday the Clerk had completed the reading of section 15. The Clerk will read.

Mr. WEFALD. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Minnesota offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. WEFALD: Strike out the figure "8," where it appears on page 11, line 16, and insert in lieu thereof the figure "5."

The CHAIRMAN. The gentleman from Minnesota is recognized for five minutes.

Mr. WEFALD. Mr. Chairman, there is one word that has resounded through this whole debate, and that is fertilizer. If verbal and intellectual fertilizer would suffice for the purposes of the farmer, if it would make crops grow as it has made oratory blossom here, we would now have on hand a sufficient supply for the whole length of the here-proposed contract.

The whole excuse for turning this tremendously valuable property and concession over to Mr. Ford is that the farmers of this country shall get cheap fertilizer; we have been told in this debate that the whole country will be supplied in this respect from Muscle Shoals when Mr. Ford gets started down there.

I do not know what profit is made on commercial fertilizer now. Large profits are very likely made; but I do know that if this bill is passed we will be taking the first step by law to guarantee profits in industrial undertakings; we will be doing to manufacturing what we did to the railroads in the transportation act—guaranteeing earnings. For that reason we need to be very careful about not setting the guaranteed earning too high.

There is nothing in this bill that will hinder Mr. Ford from placing his own valuation upon the whole property for the sake of figuring investment cost. The bill says that the capital stock of the company shall be $10,000,000 or more. The investment cost is, of course, a factor in the overhead expense item that enters into all price calculations. As far as we know from this bill, nothing but nitrates for explosives in time of war and fertilizer in time of peace is to be manufactured there; it is therefore fair to assume that the greatest part of the capital investment cost will be charged against this activity.

The best construction that can be placed upon the whole Ford undertaking at Muscle Shoals under the terms of this bill is that it is an experimental undertaking. Mr. Ford may

do this and he may do that; but he is not specifically bound to do anything in a specific manner. For that reason he may as well experiment in the making of "cheap" fertilizer; the farmer will have to pay.

The farmer has no profit guaranteed him on his products. He will not make 8 per cent profit over a period of 100 years; he has never made that much profit in any 10-year period since this country was settled. After-war deflation has set the farmer back about a third of a century; the savings of a lifetime have been wiped out. I could not go back home and face my constituents and say that I had voted a guaranteed price to Mr. Ford of 2 per cent more than my predecessor voted to the railroads when the Esch-Cummins law guaranteed them 6 per cent.

Mr. MADDEN. Mr. Chairman, I wonder if the gentleman will yield for a question?

Mr. WEFALD. I will yield for a very brief question.

Mr. MADDEN. I did not understand that anybody guaranteed anything in that respect in this bill.

Mr. WEFALD. It guarantees 8 per cent on his net earnings.

Mr. MADDEN. No. It says he must make fertilizer, whether he makes any money or not, and at no time will he charge more than 8 per cent; not at any time.

Mr. ALMON. Eight per cent on the cost of production.

Mr. HULL of Iowa. Mr. Chairman, will the gentleman yield?

Mr. WEFALD. Yes.

Mr. HULL of Iowa. I would like to ask if the 8 per cent is on the capital invested or on the turnover?

Mr. WEFALD. The bill does not specifically say.

Mr. LAGUARDIA. On the turnover.

Mr. WEFALD. Yes; it is on the turnover.

Mr. HULL of Iowa. Yes; it is on the turnover; and it may be as much as 140 per cent.

Mr. OLIVER of Alabama. The bill says on the actual cost of production.

Mr. WEFALD. I remember when Mr. Ford criticized Congress for voting 6 per cent guaranty to the railroads.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WEFALD. Mr. Chairman, may I have one minute more?

The CHAIRMAN. The gentleman from Minnesota asks unanimous consent to proceed for one additional minute. Is there objection?

Mr. McKENZIE. Mr. Chairman, I will not object to the gentleman having one additional minute; but I want to say now to all gentlemen that I shall object to all extensions of time during the discussions to-day, because we have heard discussion enough, and we want to get on with this bill and finish it.

The CHAIRMAN. Without objection, the gentleman from Minnesota is granted permission to proceed for one additional minute.

Mr. WEFALD. Especially could I not do this when I remember how Mr. Ford has criticized Congress for voting a 6 per cent guaranty to the railroads. If Mr. Ford goes into this undertaking out of sheer love for the farmers, which we have been told so often in this debate, he should be willing to accept even a slightly lower percentage of profit than has been guaranteed the railroads.

I am in favor of the Government taking over Muscle Shoals and operating it at cost, supplying fertilizer for the farmers at cost, not for a hundred years but for a thousand years or more. The Muscle Shoals plants—all that could be established there—could be run for a thousand years at cost for the farmers, and the farmers of this country would yet not be repaid for the after-war deflation.

Before a hundred years are gone by I hope that no big manufacturing concern in this country will be allowed to charge a profit of 8 per cent net upon its manufactured goods. If this bill is enacted into law and an 8 per cent guaranty clause written into it, the farmers that live at the time of the expiration of the hundred-year contract will curse this Congress that was so engrossed with the Teapot Dome scandal that it blindly gave away what will then, perhaps, appear to be the biggest piece of national asset in the shape of natural resources in the land.

I do not like this Ford proposal. I do not care to help to make Henry Ford richer and mightier than he is. We have been told that we must not change this contract. We must take it as it is or leave it. That was the command when the revenue bill came before this House also. If this bill goes through unchanged—as now seems very likely—then the committee in charge of the bill should add at least one amendment, namely, that wherever the name Henry Ford appears it should read, "His majesty, Henry Ford."

The farmers of Maine will not benefit by fertilizer made at Muscle Shoals, nor will the farmers of Minnesota do so; the 6 per cent guaranty to the railroads, together with the 8 per cent guaranty to Ford, will be more than they can overcome. Under present transportation rates farmers of those States could not avail themselves of the benefits that might accrue to the farmers from the Ford proposal, even if the rosiest dreams of the Ford enthusiasts came true; freight rates are prohibitive.

I did not like that references were made in this debate to the pacifist character of Henry Ford and his son. Not that I am a pacifist. I believe that our Government never should let go of the grip upon Muscle Shoals for national defense. Muscle Shoals should be what it was intended to be—one of our main safety anchors for future peace.

Henry Ford's dislike for war, I think, is the finest trait of his character. But I think that this property, both in times of peace and in times of war, is safer in the hands of Uncle Sam than in the hands of Uncle Henry. If Uncle Sam grinds out the fertilizer in time of peace at cost of production, he does not have to hesitate a minute before he takes up his war activities if he has to do so. There is evidently a serious defect somewhere in the mental make-up of Henry Ford; of this I am convinced since I read an article in the Nation on why Ford should not be Presidenqt. Henry Ford is the greatest financial genius the world has ever produced. All genius is more or less insane, financial genius more dangerously insane than other genius. I know of no saner man than Uncle Sam—sane in peace and sane in war. I am here as one of those that he has called in to protect his interests. I am doing that to the best of my ability, and in accord with my conscience I can not vote a profit to Henry Ford of over 5 per cent.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. STRONG of Kansas. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from Minnesota.

Mr. WEFALD. Mr. Chairman, I would like to have one more minute.

Mr. McKENZIE. Mr. Chairman, I object.

The CHAIRMAN. Objection is made.

Mr. McKENZIE. I want to be gracious to all gentlemen, but it is impossible to grant time for further discussion on this bill.

I want to say that the amendment offered by the gentleman from Minnesota simply cuts down the 8 per cent maximum profit that Mr. Ford can charge for the manufacture of fertilizer. I want to say further to my friends on this side of the House that this particular section was the section that was agreed to by the representatives of the farm organizations of the country, and the committee accepted it as their judgment. It was written into the bill to satisfy them, and any man who pretends to come from a farming district must understand that in fighting this section he is fighting the representatives of the farm organizations of this country.

The gentleman from Minnesota has just stated that there was danger of a Teapot Dome scandal in connection with this proposition. I am sorry to see a man coming from the far West, the great agricultural section of this country, falling for the one sort of propaganda that has been put out by the power companies of this country in an effort to threaten, frighten, and drive away support of this bill on the ground that men should fear they will be scandalized by voting for it. I want to say to the gentleman that he should beware of scandal on the other side and not on the side of the men who are standing for the toiling millions of this country.

Mr. Chairman, I move that all debate on this section, on this amendment, and all amendments to this section do now close.

Mr. BURTON. Will the gentleman yield?

Mr. McKENZIE. Yes.

The CHAIRMAN. The question is on the motion of the gentleman from Illinois that all debate on this section, on this amendment, and on all amendments to this section do now close.

The question was taken; and on a division (demanded by Mr. HILL of Maryland) there were—ayes 78, noes 35.

Mr. STRONG of Kansas. Mr. Chairman, I demand tellers.

The CHAIRMAN. The gentleman from Kansas demands tellers. Those in favor of ordering tellers will rise and stand until counted. [After counting.] Eighteen Members have risen; not a sufficient number.

So the motion was agreed to.

The CHAIRMAN. The question is now on the amendment offered by the gentleman from Minnesota.

Mr. BURTON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BURTON. Am I foreclosed from asking the gentleman from Illinois a question, when he agreed to yield to me for a question, one that I regard of importance in connection with this paragraph and of very considerable importance?

The CHAIRMAN. If there is no objection, the gentleman from Ohio will be allowed to ask a question of the gentleman from Illinois.

Mr. McKENZIE. Mr. Chairman, I ask unanimous consent that time be given to the gentleman from Ohio to ask me a question.

Mr. WEFALD. Mr. Chairman, I ask unanimous consent that I may be given time to answer certain charges of the gentleman from Illinois.

Mr. BANKHEAD. Mr. Chairman, I ask for the regular order, which is the unanimous-consent request of the gentleman from Illinois.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois that time be granted to the gentleman from Ohio to ask the gentleman from Illinois a question?

There was no objection.

Mr. BURTON. On what basis is this 8 per cent to be computed? Is the value of the permanent property, the right of the lessee and the water power to be counted in, or is this merely on the bare cost of manufacturing fertilizer?

Mr. McKENZIE. I will say to my distinguished friend from Ohio that I can not answer that question categorically; I do not know. But I do know this: That this maximum was agreed upon by the representatives of the farm organizations of the country, and furthermore, they have the right to have a committee audit the cost, and that being true, I have no fear but what the farmers of the country will be protected.

Mr. BURTON. Is it not true, however, that you are inserting here a provision which is utterly uncertain—that there is no basis of computation for the 8 per cent or any other feature of the cost?

Mr. McKENZIE. I would say I think the gentleman is mistaken in making a statement of that character. I think there is no uncertainty in connection with the matter.

The CHAIRMAN. The question is now on the amendment offered by the gentleman from Minnesota.

The question was taken, and the amendment was rejected.

Mr. STRONG of Kansas. Mr. Chairman, I send an amendment to the desk.

The CHAIRMAN. The gentleman from Kansas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. STRONG of Kansas: On page 11, line 16, after the word "exceed," strike out the figure "8" and insert in lieu thereof the figure "6," and on page 14, line 2, strike out the figure "8" and insert in lieu thereof the figure "6."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kansas.

Mr. STRONG of Kansas. Mr. Chairman, a parliamentary inquiry. Has debate been closed on this section and all amendments thereto?

The CHAIRMAN. Yes; on this section and all amendments thereto.

The question was taken, and the amendment was rejected.

Mr. HILL of Maryland. Mr. Chairman, I offer an amendment: On page 14, line 2, after the word "centum," insert the words "on whatever capital or investment is actually used in the production of fertilizer."

The CHAIRMAN. The gentleman from Maryland [Mr. HILL] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HILL of Maryland: Page 14, line 2, after the word "centum," insert "on whatever capital or investment is actually used in the production of fertilizer."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland [Mr. HILL].

The question was taken; and on a division (demanded by Mr. HILL of Maryland) there were—yeas 31, noes 33.

Mr. HILL of Maryland. Mr. Chairman, I ask for tellers.

The CHAIRMAN. The gentleman from Maryland demands tellers. All in favor of ordering tellers will rise and stand until counted. [After counting.] Eighteen Members have risen; not a sufficient number.

So the amendment was rejected.

Mr. LAGUARDIA. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from New York [Mr. LAGUARDIA] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LAGUARDIA: Page 14, line 12, after the word "organizations," insert "the company shall be obligated to furnish fertilizer which shall have at least 40,000 tons of fixed nitrogen not later than 1926."

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. LAGUARDIA].

The question was taken, and the amendment was rejected.

The Clerk read as follows:

SEC. 16. Wherever, in the national defense, the United States shall require all or any part of the operating facilities at nitrate plant No. 2 for the production of materials necessary in the manufacture of explosives or other war materials, then the United States shall have the immediate right, upon five days' notice to the company, to take over and operate the same, and the company will supply the United States with hydroelectric power necessary for such operations, together with the use of all patented processes which the United States may need which the company owns or has the right to use. When required for national defense any of the company's personnel and operating organization necessary for operating any part of nitrate plant No. 2 in the manufacture of materials for explosives, or other war materials, shall be at the disposal of the United States. For the facilities and services aforesaid the United States shall protect the company from losses occasioned by such use and shall return the said property in as good condition as when received and reasonably compensate the company for the use thereof. All duly authorized agents and representatives of the United States shall have free access at all reasonable times to inspect and study all of the operations, chemical processes, and methods employed by the company at nitrate plant No. 2, provided that such agents and representatives shall not use the information and the facts concerning any of the company's operations, except for the benefit and protection of the United States.

Mr. STRONG of Kansas. Mr. Chairman, I move to strike out the last word.

Mr. Chairman and gentlemen of the committee, I want to resent the insinuation that Members from agricultural districts of the West who are trying to amend this bill to protect the farmers of this country are influenced by any power companies or any nitrate companies. [Applause.] It is not true. I might throw back the insinuation that the people who are trying to railroad this bill through Congress are influenced by the richest man in the world, Henry Ford. He has put out a lot of propaganda. I have no interest in Henry Ford and I have no interest in any nitrate plant or in any power company.

I represent a great agricultural district. I have no knowledge that the farmers of my district are for this proposition. I do know that in my home county one of the most prominent members of the American Farm Bureau, and a real farmer, is fighting it all the time, and every time I go home he asks me if it can not be stopped, because he thinks it is going to rob the people of their rights in this great power project. I do not think the people in Kansas or the farmers of this Nation know what this bill does. My friend, the chairman of the committee, was asked if the 8 per cent on the turnover was an annual turnover or a turnover on each sale, and the gentleman said he did not know. That proposition was sought to be amended so that the corporation to which this great power is to be given would be held down to 8 per cent on an annual turnover. I wanted to amend it so as to let Mr. Ford's company make a profit of 6 per cent per annum on fertilizer sold to help farmers.

I want to appeal to my friends on the Democratic side. There has been a great deal of criticism upon the bill that provided that the railroads of this country have an opportunity to make a return of 6 per cent, and in this bill we are to let this great corporation to whom we are giving away this great power make 8 per cent off of the farmers of this country.

We are saying in this bill that Mr. Ford shall pay the Government only 4 per cent for the money that we will expend millions to build these great dams for him, and then we turn around and say he can make 8 per cent off of the farmers, and if, perchance, the wording of the bill, which they have refused to allow to be corrected, should permit him to make 8 per cent on the turnover on all sales, he will make 40 or 50 per cent annually.

Mr. Ford has been reported as saying that a railroad company should not be allowed to make over 6 per cent annually. Why not hold down Mr. Ford's corporation to the point where he will not make over 6 per cent off of the farmers of this country.

Mr. DAVIS of Tennessee. Will the gentleman yield?

Mr. STRONG of Kansas. I yield to the gentleman.

Mr. DAVIS of Tennessee. If there is such a bright prospect for profit, why is it that during the three years the matter has been open, nobody has made a better offer than Ford?

Mr. STRONG of Kansas. I do not know whether they have or not, but I do know, as a lawyer and as a business man, that when you are making a contract that is the time to protect the people you say you are going to benefit.

Mr. DAVIS of Tennessee. Yes; but I want to ask if it does not always take two to make a contract.

Mr. STRONG of Kansas. Yes; it takes two to make a contract, but you are only going to let one man make this contract. [Applause.]

Mr. DAVIS of Tennessee. Oh, no.

Mr. STRONG of Kansas. I want the Government and the people of the United States to be represented and protected in the making of this contract.

In the bill that is being criticized for letting the railroads make a return of 6 per cent, there is a provision for recapture of profits made exceeding that amount. There is no recapture clause in this proposition. What we let the Ford corporation make under this contract, he keeps.

Mr. STEVENSON. Will the gentleman yield?

Mr. STRONG of Kansas. Yes.

Mr. STEVENSON. You adopted one yesterday. The Begg amendment was adopted Saturday.

Mr. STRONG of Kansas. That was an amendment to make him make nitrates, and you do not recapture any part of the profits under that.

Mr. STEVENSON. It was made as a recapture clause to recapture the whole property if he violated the contract.

Mr. STRONG of Kansas. In case he does not make any nitrates; but it does not seek to recapture an unjust profit on the farmers of this country.

Now, Kansas does not use any fertilizer at the present time. I realize this is a bill to secure nitrates for the cotton farmers of the South, and I hope it accomplishes that. I have always gone along to help the farmers of the South. I have voted for everything you have had before the Congress to help the farmers of the South, and I want to help you to pass this bill if it can be amended so that it will be fair, but I can not go along with a bill that has been drawn by Henry Ford's attorneys and in which we are not allowed to change a single thing in the interest of the people of my section of the country. The time may come when Kansas will want fertilizers and the freight rates from Muscle Shoals may forbid our getting them. Why add to that doubt by letting this great corporation make 8 per cent or perhaps much more for manufacturing these fertilizers?

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. ROGERS of New Hampshire. Mr. Chairman, coming as I do from a State whose improved farm lands during the last quarter of a century have been depleted to a greater extent than those of any other State in the Union, I desire to express my approval of this bill [applause] and my opposition to any amendments to these sections designed to limit the percentage of profit to be made by Mr. Ford in the manufacture of fertilizer products at Muscle Shoals.

During the last generation we have witnessed the steady decline of American agriculture. We have seen the rapid deterioration of the fertility of the soil. We have witnessed all over the country a gradual decline in our agricultural communities as the rural population has shifted to the city, lured there by a promise of higher wages, greater opportunities, and better living conditions. We have watched that situation develop with alarm, and in order to check it we have raised the slogan, "Back to the farm." But in giving expression to this noble sentiment we have failed to realize, and we fail to realize to-day, that we can shout from the mountain tops to the valleys below, "Back to the farm," but we can neither coax nor coerce the young men of the present generation to return to the farm, or, best of all, never to leave the farm, until we can give them some assurance of an opportunity to make a decent living there. [Applause.]

So, Mr. Chairman, no greater service can be done by Members of this House to our constituents and the Nation than to provide some relief from the already overwhelming burden which besets the agricultural interests and the farmers of America. It is because I believe that Henry Ford's lease of Muscle Shoals will provide such relief to the American farmers by reducing the price of fertilizer, that most essential ingredient in the pursuit of agriculture, that I propose to vote for it. [Applause.]

If we pass this bill the United States will receive $5,000,000 from Mr. Ford, who, in turn, will provide an opportunity for the American farmer to secure American fertilizer made in America. We will reduce the cost of fertilizer to the American farmer more than 50 per cent. We will reduce it from an annual expenditure of $350,000,000 to less than $175,000,000. We will relieve the American farmer from the payment of over $11,000,000 as annual export duties paid to Chile and, best of all, Mr. Chairman and gentlemen of the committee, we will take from the shoulders of the American farmers the burden of paying to these selfish individual and corporate interests, which control the output of American fertilizer to-day, the excessive and exorbitant profits which they have demanded in the past. [Applause.]

New Hampshire is one of the smallest States of the Union, both in area and population. But it is also one of the thirteen Colonies, and from the very birth of the Republic down to the present time the majority of its citizens have been second to none in their loyalty to the soil and their devotion to the cause of agriculture. Yet, by reason of the overwhelming odds against them because of the prohibitive cost of cultivation, the gradual sterility of the soil, and increasing opportunities in the great industrial centers of the State during the last 40 years, nearly 70 per cent of the farm lands of New Hampshire have been abandoned, the highest percentage of any State of the Union. Again, during the 10 years between 1910 and 1920, the amount paid by the farmers of New Hampshire for fertilizer increased from $512,580 to $526,180, an increase of only 3 per cent, notwithstanding the increased cost in the fertilizer itself. This record also is unequaled elsewhere in America, the State of Oklahoma, for instance, having an increase in the amount paid for fertilizer during the same period of 1455 per cent.

The difficulty in the successful operation of our farms in America exists in a lesser degree in other States than New Hampshire. What is the remedy? The American Nation can not exist without agricultural prosperity. It is essential to the continued growth and maintenance of our great industrial and commercial activities. It is necessary for the continued health, happiness, and prosperity of all our people. Notwithstanding our boasted wealth, we can not exist without food and clothing, and without agriculture we can secure neither.

Capital and labor are to-day both highly organized. Capital may fight its battles by lockouts and combinations. Labor may secure its demands by strikes and boycotts. The American farmer can not avail himself of either of these remedies, for if the farmer should strike the Nation itself would perish.

Thus we see that any legislation which helps the farmer helps the Nation. Cheaper fertilizer means cheaper production, and a lower cost of production means that the farmer is provided with some substantial inducement to operate his farm and to expand his agricultural pursuits.

We are to-day offered an opportunity of giving to the American farmer a great measure of relief. We have an opportunity by enacting this bill into law to assist the farmer in securing cheaper fertilizer. Such assistance the farmer rightfully demands and justly deserves. Let us see to it that it is given to him.

Mr. McKENZIE. Mr. Chairman, I move that all debate on this section and all amendments thereto close in five minutes.

The CHAIRMAN. The gentleman from Illinois moves that all debate on this section and all amendments thereto close in five minutes.

The question was taken, and the motion was agreed to.

Mr. LAGUARDIA. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 15, lines 13 and 14, strike out the word "reasonable."

Mr. LAGUARDIA. Mr. Chairman, this section is a war measure. There is no such thing as reasonable time in any matter concerning the safety of the country. If you limit the time that officials of the War Department may visit the works you are creating a question of fact, and Mr. Ford will be the sole arbiter just when representatives of the Government may inspect this important plant in accordance with the terms of this contract. [Cries of "Vote!" "Vote!" "Vote!"] Oh, you can holler "Vote" as much as you like. You can laugh the amendment down if you desire, but you will all live to rue the day that you railroaded and jammed the bill through the House in its present condition. Two minutes ago you voted down an amendment which tended to guarantee to the farmers in this country fertilizer not later than 1926—that is two years from date. In five and seven and eight years from now you are going to have the farmers of the country on your neck asking for fertilizer from this plant. There is no provision in the contract that provides when the first consignment of fertilizer shall be ready for sale. The contract is silent on that point. So Ford has it entirely in his discretion to commence the manufacture of fertilizer any time in the future. Mr. Chair-

man. I offer this amendment in all seriousness. Do not hamstring the rights of the War Department, but give the representatives of the War Department access at all times, and the right to inspect the Government property freely and without hindrance. I appeal to protect the people, at least to the extent of keeping intact this valuable, necessary nitrate plant.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The question was taken, and the amendment was rejected.

The CHAIRMAN. The pro forma amendment of the gentleman from Kansas [Mr. STRONG] is withdrawn.

The Clerk read as follows:

SEC. 17. In order that said company may be supplied with electric power and the farmers and other users with fertilizers after the termination of the said one-hundred-year lease, should the United States elect not to operate said power plants but determine to lease or dispose of same, the company shall have the preferred right to negotiate with the United States for such lease or purchase, and upon such terms as may then be prescribed by Congress.

Mr. HILL of Maryland. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Pages 15 and 16, strike out all of section 17.

Mr. HILL of Maryland. Mr. Chairman and gentlemen of the House, I hold in my hand an editorial from the greatest Democratic newspaper south of the Mason and Dixon line, The Sun, of Baltimore. This newspaper several months ago editorially referred, more or less favorably, to the Ford proposition, but this great newspaper, in common with a good many other observers in this Nation, as expressing a growing public sentiment, realizes that the Ford Muscle Shoals offer is not one to be swallowed whole too quickly. The Baltimore Sun, which is a Democratic paper and which is strongly in favor of everything for the South, says this morning:

It will be a bad bargain for America if his [Ford's] first proof of efficiency at Muscle Shoals stands out to be ability to make Congress sign the dotted line under exactly what he wants. And that dotted line the House is about to sign.

Mr. Chairman, I want to call attention to one of the dotted-line articles that Congress is about to sign. Section 17 provides as follows:

SEC. 17. In order that said company may be supplied with electric power and the farmers and other users with fertilizers after the termination of the said one-hundred-year lease, should the United States elect not to operate said power plants but determine to lease or dispose of same, the company shall have the preferred right to negotiate with the United States for such lease or purchase, and upon such terms as may then be prescribed by Congress.

Mr. Mayo, the personal representative of Mr. Ford before the Military Affairs Committee, said that that meant in his opinion that the Ford corporation should have the preferred and exclusive right to continue this project after the 100-year period is over. I know, gentlemen, that in the present temper of this committee you will vote my amendment down. I know that the majority of you will vote to "sign on the dotted line," but I call your attention to this editorial before you put your signature on that line. I call your attention especially to the whole of this editorial from this strong Democratic paper, the Baltimore Sun, which is as follows:

MUSCLE SHOALS.

A reversal clause providing that Henry Ford shall turn back the Muscle Shoals properties if he should fail for two consecutive years to produce therefrom at least 40,000 tons of nitrates has been written into the McKenzie bill. The safeguard can hardly be called a drastic one, for the capacity of the complete plant is estimated at 110,000 tons of ammonium nitrate a year, nearly three times what Ford is called upon to produce if the proposed lease goes through. The importance of this reversal clause, however, does not lie in its leniency to the lessee, but in the fact that insistence on making good on the contract is almost the only measure of public protection written into the Ford offer as embodied in the McKenzie bill.

One would have thought that the tremendous stir aroused over the Teapot Dome and other oil leases would have aroused a spirit of healthy caution in the House toward the leasing of Muscle Shoals. The immensity of the Alabama enterprise; its threefold importance as a gigantic power plant and as a plant equipped for the large-scale manufacture of chemical products necessary to both munitions and fertilizers certainly merits emphasis on the conservationist viewpoint. The moral most strongly pointed by the oil scandals is that the representatives of the public, whether appointed or elected, must in future take their responsibility very seriously in turning over invaluable Government properties to private enterprise. Yet the McKenzie bill is marching steadily on to passage by the House, blithely shedding amendments which would put the interests of the United States above the interests of Henry Ford.

What reasonable objection, for instance, can be raised against the amendment proposed by Representative THEODORE BURTON, of Ohio, which would have limited the Ford lease to 50 instead of 100 years, and would have placed the tenancy of the manufacturer and his assigns under the jurisdiction of the Federal water power act? Without considering other factors, the pace at which the utility of hydroelectric plants is developing indicates that a lease of a century is likely to be a crazy gamble from the public viewpoint. If in 1824 all dockage space for steam vessels in New York Harbor had been leased to a single individual for a century, it might not have attracted much attention then, when the steamship was in its untried infancy. But looking back on such a contract to-day we would regard it as almost criminal folly. Yet in the case of Muscle Shoals the House threw out the protective amendment of Representative BURTON, a man whose intelligent foresight is second to none in Congress, by a vote of 182 to 104.

Again, nobody in Congress seems to have any clear idea of whether the price which Ford is offering for Muscle Shoals bears any just relationship to the present value, let alone future possibilities, of what he will receive if the McKenzie bill goes through. The value of his lease to him, of course, depends on his ability to obtain primary power cheaply, and as the cost per kilowatt hour at Muscle Shoals appears to be uncertain, Mr. Ford will naturally try to keep his capital investment low to protect himself and his gallery of farmers against production costs higher than Government estimates. Doubtless he has done careful figuring on his part of the bargain. But that is no reason why Congress should give his estimates blanket indorsement.

The evident anxiety of the fertilizer manufacturers to keep Mr. Ford out of Muscle Shoals must not be allowed to blind Congress to the magnitude and importance of this bill. The fertilizer people have rather spoiled their case by the equal vehemence with which they have argued against the Government running Muscle Shoals and against Mr. Ford running it. But because Congress is alert to this propaganda is no reason why it should be hypnotized by the strange legend of Mr. Ford's humanitarian and supernatural efficiency. It will be a bad bargain for America if his first proof of efficiency at Muscle Shoals turns out to be ability to make Congress sign the dotted line under exactly what he wants. And that dotted line the House is about to sign. (March 10, 1924.)

Mr. HOWARD of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. HILL of Maryland. Yes.

Mr. HOWARD of Nebraska. Would the gentleman be kind enough to tell the House what favored candidate for the Presidency of the United States the Baltimore Sun is supporting?

Mr. HILL of Maryland. I think before the recent oil retainer disclosures the Baltimore Sun might possibly have been in favor of Mr. McAdoo. I do not know, but I seriously doubt if it would be now.

Mr. HOWARD of Nebraska. That is what the gentleman thinks. Will he please tell us if he knows who the Baltimore Sun is now supporting for President of the United States?

Mr. HILL of Maryland. I do not know, but it might well be Gov. Albert C. Ritchie, of Maryland. I hope it is not Mr. William Jennings Bryan, however.

Mr. HOWARD of Nebraska. The gentleman does not need to hope anything of that kind. He knows. It may be that the Baltimore Sun is supporting some gentleman slightly associated with the Alabama Power Co.

Mr. HILL of Maryland. Will the gentleman name any candidate for President on the Democratic side who is associated with that company?

Mr. HOWARD of Nebraska. He could.

Mr. HILL of Maryland. Why does he not do it, then?

Mr. HOWARD of Nebraska. It is not his place.

Mr. HILL of Maryland. I understand the gentleman can name a prominent Democratic candidate for President who is associated with the Alabama Power Co. Is that the case?

Mr. HOWARD of Nebraska. Oh, he could if he wanted to.

Mr. HILL of Maryland. Mr. Chairman, I hope the committee will adopt my amendment and not place the imperial crown in perpetuity upon the head of Edsel Ford, and his posterity, not only for 100 years, but for generations yet unborn.

According to Ford enthusiasts, like the gentleman from Mississippi [Mr. QUIN], I was "muddying the waters and scuttlefishing around" in 1922, when I showed in the hearings that the Ford interests sought perpetual rights from the United States. Section 17 may not be as bad as the original Ford demand, but it is still an attempt at a perpetual prior

lien. Read the following statements of Mr. Mayo in answer to my question in 1922. Here it is:

[Part of the hearings before the Committee on Military Affairs, Tuesday, February 14, 1922, page 289.]

Mr. HILL. And the money that they so advanced makes a project on which the proposed company has a prior perpetual lien on all the output; is that not right?

Mr. MAYO. Yes, sir; within the limitation stated.

Mr. QUIN. Mr. Mayo, every kind of assumption has been indulged in since this proposition has been submitted, except the second coming of the Savior at the end of the world. If Mr. Ford, through this generous offer to the people of the United States, can bring forth all of these violent assumptions, I have an idea that these gentlemen think he can bring down the cost of fertilizer to the farmers of the country.

Are you familiar with the debates that occurred in this committee and on the floor of the House and the Senate when the proposition was made to establish the dams and the nitrate plants at Muscle Shoals?

Mr. MAYO. I am not very familiar with them; no, sir.

Mr. QUIN. There were two propositions set forth at that time, the primary idea being that there should be a nitrate plant there to make powder for use by the United States Army in time of war, and that in peace times fertilizer should be made there. I was an ardent advocate of both of those propositions.

After the war terminated, Congress, after a violent debate, failed to provide for the completion of that dam. Now, the Ford proposition calls for the completion of the dams and the carrying out of both purposes for which the original plant was started, does it not?

Mr. MAYO. Yes, sir.

Mr. QUIN. Mr. HILL wasted a lot of time in asking questions and endeavoring to read out of Mr. Ford's proposition what is plainly written in it. Listen to what it says on page 18, section 17, of the report of the Secretary of War. This is the language: "In order that said company may be supplied with electric power, and the farmers with fertilizers, after the termination of the said 100-year leases, should the United States elect not to operate said power plants but determine to lease or dispose of them." Mr. Ford puts it in his proposition, does he not?

Mr. MAYO. Yes, sir.

Mr. QUIN. Then all of that questioning was just muddying the waters and scuttlefishing around.

Unless you strike out section 17, as I propose, you will give the Ford Corporation "the preferred right" after the end of 100 years. Such an action is one you and your descendants will regret. I hope you will adopt my amendment and strike out section 17. [Applause.]

Mr. JAMES. Mr. Chairman, I rise in opposition to the amendment of the gentleman from Maryland [Mr. HILL]. The gentleman from Maryland is talking about what Mr. Mayo said before our committee two years ago. Mr. Mayo was not talking about the present language of the bill at all. He was talking about something that was in the original Ford offer. The best argument against the gentleman's amendment are the words I referred to the other day, uttered by the gentleman from Iowa [Mr. HULL]:

That means that having the property there, having developed it, if two companies offer the same thing, the Ford Co. should be given the preference. Why is that unfair? I understand that some gentlemen say it is unfair, but I can not see that it is unfair.

And it is not, and this amendment should be defeated.

Mr. McKENZIE. Mr. Chairman, I move that all debate upon this section and all amendments thereto do now close.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 95, noes 7.

So the motion was agreed to.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from Maryland.

The amendment was rejected.

The Clerk read as follows:

SEC. 18. In addition to any other remedies that may be possessed by the United States, and as a further method of procedure in the event of the violation of any of the terms of this proposal or any contracts made in furtherance of its terms, the company agrees that the Attorney General may, upon the request of the Secretary of War, institute proceedings in equity in the District Court of the United States for the Northern District of Alabama for the purpose of canceling and terminating the lease of Dam No. 2 or Dam No. 3, or both of them, because of such violation or for the purpose of remedying or correcting by injunction, mandamus, or other process, any act of commission or omission in violation of the terms of this proposal or any contract made in furtherance thereof.

Mr. MADDEN. Mr. Chairman, I move to strike out the last word. After listening to the reading of section 18, I am thoroughly convinced that we made a mistake when we adopted the Begg-Wingo amendment. Section 18 gives the Government every remedy necessary to forfeit the contract or contracts under legal procedure, for any violation, no matter what it may be. It seems to me that the amendment adopted on Saturday makes impossible the investment of any money by anybody in the development of Muscle Shoals. It leaves them at the mercy of the Government or some agent of the Government, it may be some clerk of the Government, who may say that they have violated some trivial feature of the contract. Personally, I hope that when this question comes up in the House we will get a separate vote upon the amendment and eliminate it from the bill.

Mr. STEVENSON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. STEVENSON. Page 15, line 9, after the word "proceedings" strike out the words "in equity."

Mr. STEVENSON. Mr. Chairman, it is very plain what this should do. The district court of the United States has both law and equity powers. The section here provides for the invoking of both law and equity powers, to wit, injunction, which is an equity power, and mandamus, which is a law power, yet if the words "in equity" are left there, the jurisdiction of the district court will be confined to equity powers, and you will have tied the Government to the exercise only of the equity powers of the district court. This is merely to give the Government all the power that the district court of the United States has, which it can exercise. As I understand it, the amendment is agreeable to the committee on both sides of the House.

Mr. WINGO. Mr. Chairman, I have great respect for the business judgment of the gentleman from Illinois [Mr. MADDEN], but I do not think he will fall out with me if I say that I have not much respect for his judgment on the legal effect of words, because he is not a lawyer. I want to point out to the gentleman that he said that under the amendment we adopted on Saturday some clerk might do this or that. He is wrong.

Mr. MADDEN. I said that the company might be left at the mercy of a clerk, possibly.

Mr. WINGO. Very well. He says that for some immaterial violation, some trivial violation—is not that the language that the gentleman used?

Mr. MADDEN. Yes.

Mr. WINGO. Why, if the gentleman will read the decisions, or if he will read one single decision, of the courts on the question of forfeiture he will find running through all of them the idea that you can not have a forfeiture upon a trivial violation. It must be a substantial violation, some substantial agreement in the contract, and not some incidental, collateral, or trivial part of the contract.

Mr. WILLIAMSON. Mr. Chairman, will the gentleman yield?

Mr. WINGO. Yes.

Mr. WILLIAMSON. Does the gentleman hold that we should not attempt to amend this bill by striking out a single word?

Mr. WINGO. Oh, with all due respect for my good friend, I may assure him that I am not in a state of political cowardice where I will surrender my judgment upon a business proposition or on the law in order to hold my seat on the floor of this House. But if I should ever sink to that low depth, I think and I know that my own constituents will have enough intelligence to replace me with somebody who will at least have enough courage to vote for his honest convictions and judgment on this floor. [Applause.]

Mr. MOORE of Virginia. Mr. Chairman, will the gentleman yield?

Mr. WINGO. I regret I can not yield. I want to present the proposition.

Remember, I accepted the Begg amendment under protest on account of some provisions in it. But I was told by these self-constituted Ford representatives on the floor that Ford's representatives had agreed to take the Begg amendment, and "for God's sake keep your amendment off." When they said that to me I knew they had not read the law and did not understand that my restriction is less than the Begg restriction; and I suggested, as you will see on page 3994 of the RECORD, the provision that ought to cover this question.

I am willing to go further than that if you will admit what, as every lawyer admits, is right. If you accept this proposition here, I will help you beat the Begg amendment. I am not going to stand here through political cowardice and fail to try

to put in here what every court says must appear affirmatively and is never presumed. [Applause.] I am willing to accept this kind of a compromise and it is as far as I will go, and mark my prediction: Some such provision must be in this bill before it will ever become a law. You give any cornfield lawyer five minutes' time to sit down with Henry Ford and his best attorneys, and after it is explained to them Henry Ford and his best attorneys will say, "That is fair and I will agree to it, and it is less restrictive than some other provisions of the bill."

This is my suggestion, and I will ask the gentleman from Illinois [Mr. MADDEN] to listen to this:

A compliance by the company with the requirements of this act with reference to the manufacture of nitrate and maintaining nitrate plant No. 2 in its present state of readiness or its equivalent for immediate operation in the manufacture of materials necessary in time of war for the production of explosives, except as it may be prevented by reconstruction of the plant itself, or by war, strikes, accidents, fires, or other causes beyond its control, shall constitute conditions subsequent upon which the right of the company shall depend, and a failure to substantially meet such conditions, or either of them, shall give the United States, in addition to any other right it may have, the right, by proper action in a court of competent jurisdiction, to recapture said nitrate plant No. 2.

Note this: "Shall give the United States." How? Not by executive action, or action by a minor clerk, but the right by proper action in any court of competent jurisdiction to recapture the property in question.

Is not Mr. Ford willing to do that? As a believer in Henry Ford, I deny that he will oppose such a safeguard. If anybody denies that, I call on him to produce his authority, because I believe Henry Ford is sincere, and when he is dead and gone if the company that succeeds to his rights fails to comply with these two material propositions I know, having faith in his integrity, that he would say, "Certainly the United States Government should have the right to go into court and show that the company was refusing in a substantial way to carry out my agreement."

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. WINGO. Mr. Chairman, I ask unanimous consent for three minutes.

The CHAIRMAN. The gentleman from Arkansas asks unanimous consent to proceed for three minutes more. Is there objection?

There was no objection.

Mr. WINGO. If the company failed to comply substantially on these two major propositions, why should not the Government have the right to reenter and recapture the property? The gentleman from Illinois [Mr. MADDEN] said you could not float the bonds if such a provision were inserted. Let me tell the gentleman, if that is the way he feels about it——

Mr. MADDEN. I said I would not invest any money in it under such circumstances.

Mr. WINGO. You have a worse provision here than that. You have a provision here to the effect that the covenants shall run with the land. Frankly, if I were representing people in a franchise of that kind I would say, "No; I will not have it." Is not that a cloud upon your title when you invest money? Yet men talk here about restrictions on capital because you give the United States the right to go into court and show that where good faith has not been exercised by this corporation the lease should be forfeited. I say to you, gentlemen, have some courage. Some gentlemen say, "Let us send it to the Senate." I say you are not responsible to the Senate. Let us do the right thing here in the House. Then you can help Henry Ford get Muscle Shoals when you give the Government the right to institute recapture proceedings when it can show bad faith.

Gentlemen, you have got to have something there that will give the people of the United States the right to go into court and seek to recover the plant in the event there is bad faith and if they try to commit a fraud on the Government of the United States. Suppose you went into court and asked for a receiver. I imagine Henry Ford would rather have direct action and keep his property than have some little receiver take it over.

Mr. AYRES. Mr. Chairman, will the gentleman yield?

Mr. WINGO. Yes.

Mr. AYRES. Why limit it to fertilizer alone? Why not limit it to fertilizer and furnishing the power?

Mr. WINGO. There are two major things. They could fall down on payments, and they could fall down on furnishing power to the dam; but as long as they make an honest effort to fulfill the requirements as to the manufacture of fertilizer and keeping the plant ready for war use I am willing to waive any other default, if you hold them down to the fulfillment of the contract with respect to the two big properties turned over to Henry Ford.

Mr. BYRNS of Tennessee. Mr. Chairman, I take it from what my good friend the gentleman from Arkansas [Mr. WINGO] has said, and the wording of the amendment which he states he is willing to accept as a compromise, that he in effect admits that the amendment which was adopted on Saturday to this bill, known as the Begg amendment as amended by Mr. WINGO's amendment, is entirely to drastic.

Mr. WINGO. If the gentleman will permit, I know the gentleman wants to be fair. The gentleman has personal reasons to know that I have made every endeavor to get a compromise. There are some provisions of the Begg amendment I do not want.

Mr. BYRNS of Tennessee. I am going, I think, to demonstrate that it is entirely too drastic, and I want to appeal to those Members of this House who are sincerely in favor of the acceptance of Mr. Ford's offer to vote that amendment down. [Applause.] Under the terms of this proposal it may require possibly $59,000,000 by way of expenditure before Mr. Ford can begin the manufacture of nitrogen. Is not that true?

Mr. ALMON. That is the investment of himself, not the Government.

Mr. BYRNS of Tennessee. And that he will have to go down in his own pocket and spend any such sum as may be needed to put that plant in proper condition so that he can proceed under his agreement to manufacture nitrates.

Mr. BURTON rose.

Mr. BYRNS of Tennessee. Excuse me for just a moment. Under the amendment proposed by the gentleman from Ohio as amended by the gentleman from Arkansas, he will not be given a day in court if there is a violation of any condition or any agreement in this entire contract, regardless of the reason or the nature of the violation. The amendment offered by the gentleman from Arkansas reads as follows, and this language was put in the Begg amendment, "or failure to comply with any of the other conditions and agreements set out in this act."

Now, gentlemen, I repeat there is no opportunity given Mr. Ford or his company to go into a court and have that court determine as to whether or not there has been any failure to conform to the agreement or the conditions set forth, but under the proclamation of the President of the United States at any time in the next 100 years every dollar he has expended, not only that which he expends to-day but that which he or his company expends to-morrow, can be forfeited. I do not have any personal knowledge of what Mr. Ford will do, but you know that no business man is going to spend millions of dollars under those terms. So I repeat, gentlemen, you who are friendly to the Ford offer, if you want it accepted then do as the gentleman from Illinois [Mr. MADDEN] asked you to do when this bill gets to the House, vote down that amendment. Those who are opposed to it, let me appeal to you to face this matter openly and courageously. If you are opposed to it I respect you for voting your convictions, but I want to say, as I have said many times on this floor, this bill ought not to be defeated indirectly by amendments. [Applause.] Those who are opposed to it ought to meet it as it is presented here and not undertake by amendment to defeat the purposes of this legislation. Gentlemen, I repeat that if this amendment is adopted by the House you and every man——

Mr. WINGO. Will the gentleman yield for a question?

Mr. BYRNS of Tennessee. Knows that no business man would accept such a proposition because no sound business man would invest millions of dollars under those circumstances and those conditions.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BYRNS of Tennessee. I ask for two additional minutes.

The CHAIRMAN. The gentleman from Tennessee asks for two additional minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. WINGO. Will the gentleman yield?

Mr. BYRNS of Tennessee. In a minute. This says upon the proclamation of the President. What man is going to invest millions of dollars to run through a period of 100 years on the turn of a political wheel? That is what you are asking Mr. Ford to do under this amendment because you leave it to some President to say hereafter whether or not he has violated the terms or conditions of his agreement, and the President's action can not be questioned or attacked in the courts. I say leave it to the courts to enforce the terms of the contract. The gentleman from Illinois [Mr. MCKENZIE] and the

gentleman from Georgia [Mr. WRIGHT] and other gentlemen of the Military Affairs Committee who spoke upon this matter have declared that this bill provides every safeguard necessary to protect the rights of the Government and the people of this country.

Mr. BURTON. What warrant has the gentleman from Tennessee for saying that $59,000,000 must be expended here by Mr. Ford?

Mr. BYRNS of Tennessee. Why, the gentleman knows that the plant will have to have many million dollars expended upon it before it will be in a condition to manufacture nitrates.

Mr. BURTON. Two million dollars is the only sum I mentioned in regard to plant No. 2. Fifty-nine million dollars seems to me a tremendous exaggeration. There is no such sum necessary.

Mr. BYRNS of Tennessee. I get my authority from some men whom I undertake to say have made a study of the subject. I do not vouch for the figures. The gentleman admits some expenditures would have to be made——

Mr. MOORE of Virginia. That does not affect the argument the gentleman is now making.

Mr. BYRNS of Tennessee. Whether it is $59,000,000 or $59,000, no business man is going to put money into a plant down there to-day with the possibility of present and future expenditures being taken from him upon the mere turn of a political wheel and the ipsi dixit of any one man and without right of appeal, even though that man may be the President of the United States. [Applause.]

I have just been handed a telegram from Maj. E. B. Stahlman, one of the South's distinguished citizens and owner and publisher of the Nashville Banner, one of the leading newspapers of the South, and which, as I have heretofore stated, has been conducting a referendum of the citizens of middle Tennessee as to the proper disposition of Muscle Shoals. The telegram reads as follows:

NASHVILLE, TENN., *March 10, 1924.*

Hon. JOSEPH W. BYRNS, M. C.,
Washington, D. C.:

Banner ballots up to noon reached 42,678 for Ford, with only a total of 57 for power companies and Government ownership combined. Vote will go over 50,000 by 9 o'clock, when campaign closes. People looking anxiously toward Washington, with confidence in final result. There has never been a battle of ballots fought in the history of Tennessee which indicates such unanimity as this. The sentiment against the associated power companies in the latter's effort to throttle competition and establish a powerful and ruthless monopoly is simply overwhelming. We rejoice in the splendid fight you and your associates are making.

E. B. STAHLMAN.

Mr. BEGG. Mr. Chairman and gentlemen of the committee, I sometimes see the humorous side to an excitement regarding a proposition by some attorneys. Now the gentleman from Tennessee [Mr. BYRNS], my good friend, has just got through saying that if my amendment went into the provisions of the bill, there was no opportunity to go into court. Why, such an interpretation of my amendment can not be made—if I make a contract of sale with you to pay you anything and stipulate conditions which you must comply with or a forfeiture clause act holds anywhere that decides whether there is a performance of the conditions. Suppose my provision goes in, and the company fails to manufacture for two consecutive years, and the Government of the United States says that he does not perform. Who says he does?

Whose is the deciding voice in the whole matter? The court, and nobody else. All my amendment does, I will say to the gentleman from Tennessee [Mr. BYRNS], is this: It determines definitely what the judgment shall be in case the United States goes to court and proves the fact—and it does not take an attorney to know that.

If there are any men on this side of the House, or on either side, I do not care how enthusiastic you are for this amendment, if you want to gamble the value of the electric power at Muscle Shoals, with no guaranty that you are going to get it back, I refuse to go along with you.

Mr. BYRNS of Tennessee. Will the gentleman yield?

Mr. BEGG. Yes; for a brief question.

Mr. BYRNS of Tennessee. I will say to the gentleman that section 18 guarantees its return.

Mr. BEGG. I will say to the gentleman that if section 18 guarantees that, then why is the gentleman afraid of my amendment?

Mr. BYRNS of Tennessee. That section guarantees it through the courts.

Mr. BEGG. It does not guarantee anything of the kind.

Mr. BYRNS of Tennessee. The gentleman said his amendment provides for going into court, but there is nothing in the gentleman's amendment which provides that.

Mr. BEGG. There is. Whenever a dispute arises it always goes to a court, and the gentleman knows it.

Mr. BYRNS of Tennessee. But the gentleman's amendment seeks to limit it to the right of going to the President of the United States and not to the court.

Mr. BEGG. Mr. Chairman, I must decline to yield further. It is so simple that it does not take a law student to know that there is no tribunal provided for in my amendment but a court, and the court must be appealed to in order to settle disputes. If the company and the Government should get into a dispute, of course they will go to the courts to settle the dispute and find the fact.

Now, Mr. Chairman and gentlemen of this committee, does anybody have any idea at all as to what the value of the electric power at Muscle Shoals might be in 40 years? Suppose I had control of the company 40 years from now and I found that by selling electric power for heating purposes I could double my money over the manufacture of fertilizers; in that event, if I wanted to evade the contract, without this reversal clause of mine in it, it would be the easiest thing in the world to evade it under the strike provision or reconstruction provision, because there is not any time limit in the bill for the rebuilding of that plant. I can start to tear it down for the purpose of reconstructing it and then I can take just as long as I want to take in reconstructing it, and there is not a court in the land that will render any judgment against me because there is no reversal provision in the bill as now drawn.

Now, there is one other phase I would like to present——

The CHAIRMAN. The time of the gentleman has expired.

Mr. BEGG. Mr. Chairman, I would like to ask for three minutes more.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to proceed for three additional minutes. Is there objection?

There was no objection.

Mr. BEGG. Now, gentlemen, look at this other provision. Suppose the company wants to avoid the contract or does not want to. Through bad management, let us say, the company goes into bankruptcy. If my provision is in the bill, and the company goes into bankruptcy and fails to manufacture fertilizer for two years, the whole property comes back to the Government, where it belongs; but if my provision is not in the bill, the only thing you can do is to go into the market, when that property is put on sale at sheriff's sale, and bid it in, and that is the only recourse the Government has under the law.

Gentlemen, I appeal to the friends of this measure to put in the bill a provision whereby the United States gets it only on condition that the company fails for two consecutive years, and thereby insure the passage of the bill, and also be sure that the rights of the people will be protected, in that there will be a minimum amount of 40,000 tons of fertilizer manufactured annually.

Mr. McKENZIE. Mr. Chairman, I move that all debate on this amendment do now close.

The CHAIRMAN. The gentleman from Illinois moves that all debate on this section——

Mr. WINGO. Mr. Chairman, the gentleman's motion was that all debate on this amendment do now close. Was not that the motion made by the gentleman from Illinois?

Mr. McKENZIE. There is an amendment pending, offered by the gentleman from South Carolina, striking out the words "in equity" in line 9, page 16, and I simply wish to say I have no objection to that amendment.

The CHAIRMAN. What is the motion of the gentleman—that all debate on this amendment do now close?

Mr. McKENZIE. Yes; on the pending amendment.

The CHAIRMAN. Is there objection to closing debate on the pending amendment? [After a pause.] The Chair hears none.

The question now is on the amendment offered by the gentleman from South Carolina, that the words "in equity," in line 9, page 16, be stricken out.

The question was taken, and the amendment was agreed to.

Mr. BLANTON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 16, line 13, strike out the words "for the purpose of remedying or correcting."

Mr. BLANTON. Mr. Chairman, I think these words in the contract are superfluous and ought to come out, for every attempt that has been made to properly remedy and correct this bill has been voted down, except in one instance, and that one change is now to be rescinded. We learned from one of the greatest characters who ever sat in this House, the great Champ Clark, of Missouri, that when the House gets in a temper such as it is in now you had better not get in front of the steam roller, because if you do you are going to get run over.

There is no chance in the world, with the House in its present temper, to put an amendment in this bill to properly remedy it or to correct it. As I said a moment ago, there has been just one amendment adopted to correct and remedy the one-sided provisions of this bill, and that was the Begg amendment. I supported the Wingo amendment. I thought it was a good one. I then supported the Begg amendment, and I think that is a good one, for it safeguards the people's rights, and I think there are other necessary amendments that ought to be put in the bill if we safeguard the Treasury and protect the people; but the Begg amendment is going to be voted down. Just as soon as you get in the House our anxious friends are going to ask a separate vote on it and the steam roller is going to operate and put it out of the bill, because my colleagues now in the saddle have determined to pass this bill just like it is, without any change whatever. I admire the steam-roller tactics sometimes. In instances when matters of momentous importance are not involved, I can sit back and enjoy the steam-roller process, when the result of it in the mashing out of things does not bring dire calamity upon the people of the United States; but passing this bill as it is now is going to bring great losses and increased financial burdens upon the people in many ways if you keep out all amendments to this bill. I had studied carefully an amendment that should have been adopted to a preceding section of this bill, yet the committee now in charge, who are hurriedly passing this bill through to final passage, would not even give me an opportunity to offer it and have it considered.

Mr. SNYDER. Will the gentleman yield?

Mr. BLANTON. I regret that I can not yield now. I had too hard a time getting this five minutes.

You are giving this plant to Mr. Ford for 100 years. Have you ever stopped to think that 100 years is a long, long time, and that many drastic changes can occur in 100 years? Yet in a preceding paragraph, which you have passed without changing, you have not stopped merely at 100 years but you have given this great plant to Henry Ford's corporation, which may change a dozen times in my lifetime and in yours, for an additional term after the 100 years. You have given it to him for all eternity under the preceding clause in this contract.

Mr. SNYDER. Will the gentleman yield for just a question?

Mr. BLANTON. I can not keep from yielding to my insistent friend from New York.

Mr. SNYDER. The gentleman just said that the Begg amendment would be voted down in the House.

Mr. BLANTON. Does not the wise gentleman from New York believe that?

Mr. SNYDER. I believe it, but it can not be done unless a great many men on that side reverse their position.

Mr. BLANTON. Oh, when you have the gentleman from Illinois [Mr. MADDEN] come in here and say that we are going to vote it down, and when you have our friends here in mass on this side saying that, you can not keep it from being voted down to save your life. [Applause.]

Mr. SNYDER. You will find those on this side who voted for the Begg amendment voting for it in the House.

Mr. BLANTON. I doubt it. I have seen them change too many times under the dictation and lash of the leaders. They will not stand up.

Mr. SNYDER. They will this time.

Mr. BLANTON. They will not stand up when the leader comes in and tells them how they should vote. That is what I have seen since I have been in this House, and I have learned, just like great Champ Clark used to tell us, that when the House is in this kind of a mood not to get in the way of the steam roller, and I am keeping out of its way. I am safe, however, in using this five minutes, and I want to say that in spite of the steam roller I am going to vote to sustain the Begg amendment. [Applause.] I wish we could sustain the Wingo amendment. I am more concerned in protecting the rights of the people than in voting to accept this contract without changing the dotting of an "i" or the crossing of a "t."

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. WEFALD. Mr. Chairman, I move to strike out the last word.

Mr. JAMES. Mr. Chairman, I move that all debate on this section and all amendments thereto close in 15 minutes.

Mr. WINGO. Mr. Chairman, I will say to the gentleman that I had arranged to offer an amendment in line 14, and five minutes is all the time I care to have.

Mr. JAMES. Then I will make it 15 minutes; 5 minutes for the gentleman who now has the floor, 5 minutes for the gentleman from Arkansas [Mr. WINGO], and 5 minutes for the gentleman from Virginia [Mr. MOORE].

The CHAIRMAN. Does the gentleman from Minnesota yield for the purpose of the motion?

Mr. WEFALD. Yes.

The CHAIRMAN. The question is on the motion of the gentleman from Michigan that all debate on this section and all amendments thereto close in 15 minutes.

The question was taken, and the motion was agreed to.

Mr. WEFALD. Mr. Chairman, I do not like to disagree with my Democratic friends. I have voted with them on most of the important propositions that have so far come before the House, but I can not vote with them on this proposition. I do not think that if Henry Ford comes before this Congress as a special friend of the farmer that debate ought to be choked off here at this time.

I rise now to reply to the statement or the charge that was made by the chairman in charge of the bill when he said he could not understand how a man who represented a farming constituency, like I do, could knowingly or unknowingly do the bidding of the power trusts. I absolutely resent a charge of that kind. If he and every other man in this House would be so absolutely adamant against influence by power companies or any other big corporations as I am, there would be no danger about the legislation that will be passed here. [Applause.]

If I should know that by turning down the offer of Henry Ford this project would go to the Alabama Power Co., then I would vote for the Ford proposition, but I want this property held in the interest and in the hands of the United States. When I made a reference to the Teapot Dome scandal I did that for this reason: I think it would be a bigger calamity if we now should turn this valuable national resource over to a private individual than anything that has been done in the Teapot Dome scandal.

Mr. ALLGOOD. Will the gentleman yield?

Mr. WEFALD. When the Teapot Dome is drained the Tennessee River will flow on for years and years, and, as far as I am concerned, I would vote to hang every man that is involved in the Teapot Dome scandal. That ought to clear me on that score.

Mr. ALLGOOD. Will the gentleman yield?

Mr. WEFALD. I can not yield just yet.

We have heard much said about the Alabama Power Co. in this debate that is not very complimentary. I have heard it stated also that the powerful Mellon interests own the power rights on the same river above Muscle Shoals. For that reason it would seem that for the time being it would be a good thing to turn this property over to Mr. Ford; benefit would perhaps come quicker to the South, to Alabama and the surrounding States in the activity that would follow in the foot steps of Mr. Ford. But Mr. Ford is the greatest financial genius the world has ever seen, and as such he may easily become our most dangerous citizen; he may, if he gets this great gift, stand out for a while against both the Alabama Power Co. and the Mellon interests, but he may join hands with them, he may absorb them, and then where would we be?

I ask, Would not the interests of this country in all respects be safer in the hands of Uncle Sam when he retains full ownership and control over this great resource? Would not the interests of Alabama and of the whole South be safer that way?

The more I study this contract, the more one-sided I find it to be. Could it have been amended in only one or two respects I would have voted for the bill. If the time this contract is to run could have been cut down to 50 years I should perhaps, against many of my fears, have voted for the bill. But a hundred years is too long a time to give anyone the undisputed right to exploitation. No other country in the world now makes contracts of this kind for this length of time. Could a provision have been written into the bill that would have been any kind of a guaranty of a reasonable price that the farmers would have to pay for what products Mr. Ford will sell them I might have voted for the bill, even though it violates my principles of public ownership. But it was evident that even the chairman of

the committee in charge of the bill knew nothing of what the price guaranty in the bill meant when my amendment to reduce the guaranteed net profit was proposed. I am astonished that the representatives of the people in this House will vote a concession to a private individual for a term of a hundred years, write a profit-guaranty clause into the bill, and not one single man in this House can say what that profit clause means. The bill states that he shall be entitled to 8 per cent net profit, but it may turn out to be 150 per cent. This contract may become more profitable to Henry Ford than will be the Teapot Dome to those that got their hands on that property. The Teapot Dome may be recovered; we are doing business here so that Muscle Shoals will not be recovered after we have once given it away. I do not want to be a party to this gift contract.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. MOORE of Virginia. Mr. Chairman, I do not think the House is in the mood indicated by the gentleman from Texas [Mr. BLANTON]; but, on the contrary, is in a deliberative mood and perfectly able to pass on the question suggested. Without regard to the other features of the bill, without regard to the merits of the bill otherwise, I believe that the proposition is beyond contest—that if the Begg amendment standing alone should be adopted, or the Begg amendment modified by the Wingo suggestion should be adopted, Mr. Ford would be perfectly justified in declining to enter into the transaction, and he would be very foolish to enter into it.

Now, let us see what the Begg amendment does: It declares that if there is a default in respect to paragraph 1 of section 14, upon that default being brought to the attention of the President he can issue his proclamation and reclaim the ownership of the property. That, in spite of what my friend Mr. BEGG says, is the effect of what he desires the House to do.

When the President makes his proclamation, how can any court restrain him? Is there any court process to which he can be subjected? We all know that there is not. Forthwith, as soon as the President makes his proclamation to the country, the entire business will cease; Mr. Ford and his successors will be out of the situation. Every activity will be discontinued that is contemplated by the bill; all of it fades out of the picture.

Mr. BEGG. Will the gentleman yield?

Mr. MOORE of Virginia. Yes.

Mr. BEGG. The reason I asked the gentleman to yield is because I believe the gentleman is in error. How does the gentleman interpret the language of the amendment that if the company fails for two consecutive years then and in that event he forfeits it to the Government, provided the Government options to take it, and the Government's option to take it is ended by proclamation?

Mr. MOORE of Virginia. Yes.

Mr. BEGG. Then, in that event, how is that event to be ascertained if not through a court?

Mr. MOORE of Virginia. There is nothing in the amendment that says that the President's action shall depend on court action. The President's action depends altogether on the opinion of the President, which may be a whimsical opinion, as far as we know.

Mr. BEGG. Will the gentleman yield further?

Mr. MOORE of Virginia. Yes.

Mr. BEGG. I believe the gentleman has gone astray in his thinking at that point. How can the President issue a proclamation indicating that that Government chooses to exercise its option before the event has been ascertained?

Mr. MOORE of Virginia. The event is within the province of the President himself to ascertain.

Mr. BEGG. Oh, the gentleman is in error.

Mr. MOORE of Virginia. It is so substantially written in the amendment. The President need not consult a single human being; he can use his own judgment in the matter. He can use his own judgment and can declare by proclamation that the contracts are at an end.

Mr. GARRETT of Texas. Will the gentleman yield?

Mr. MOORE of Virginia. I will.

Mr. GARRETT of Texas. Let us suppose that in 10 or 15 years we had a President who believes in Government ownership. Then, for any little default, could he issue his proclamation?

Mr. MOORE of Virginia. Without reflecting, any President who is or may hereafter be in office, we all perfectly realize, unless we misunderstand the English language as written in the Begg amendment, that if it is adopted the power will rest wholly and exclusively with the Chief Executive to terminate the contracts. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. BLANTON].

The question was taken, and the amendment was rejected.

Mr. WINGO. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. WINGO: Page 16, line 14, after the word "mandamus," insert the words "recapture proceedings."

Mr. WINGO. Mr. Chairman, I call the attention of the gentleman from Tennessee [Mr. BYRNS], as well as of the committee, to a colloquy which occurred less than 15 minutes ago between the gentleman from Ohio [Mr. BEGG] and the gentleman from Tennessee [Mr. BYRNS], in which the latter stated that under section 18 the Government had a right to institute recapture proceedings.

Mr. BYRNS of Tennessee. I said the Government had the necessary right to protect the United States.

Mr. WINGO. Yes; but the specific proposition was the recapture proceedings. The gentleman said it had that right. Does the gentleman believe that it has that right under section 18?

Mr. BYRNS of Tennessee. The Government has a right to declare the contract forfeited.

Mr. WINGO. In other words, if the Government has the right to declare the contract forfeited, then it has the right to institute recapture proceedings?

Mr. BYRNS of Tennessee. Yes.

Mr. WINGO. So that the only objection the gentleman can offer to my amendment is that it is surplus language?

Mr. BYRNS of Tennessee. It says here—

or other process——

Mr. WINGO. Oh, that is the point; the gentleman is in error. I want to do what he says the Government has the right to do. Every lawyer here knows that the courts have from time to time declared—and I now challenge any lawyer to rise in his place and contradict me—that the right of forfeiture, or, as is more frequently said, the right of reversion, never exists in the grantor unless it is specifically reserved. Is there any lawyer who contradicts that?

Mr. WILLIAMSON. Mr. Chairman, will the gentleman yield?

Mr. WINGO. Does the gentleman contradict that?

Mr. WILLIAMSON. I do not.

Mr. WINGO. Then I decline to yield at this point. The gentleman from Tennessee [Mr. BYRNS] says that under section 18 of the bill the Government has the right to institute forfeiture proceedings. There is not a lawyer here who would risk his reputation as a lawyer and say that without a specific provision for recapture here the Government can institute recapture proceedings. If there is a lawyer here who wants to do that, I want him to stand up in his place now.

Mr. MOORE of Virginia. Mr. Chairman, I would like to say this——

Mr. WINGO. Does the gentleman challenge my statement?

Mr. MOORE of Virginia. I want——

Mr. WINGO. Then I shall not yield. If the gentleman challenges my statement, all right.

Mr. MOORE of Virginia. But the gentleman makes a statement that calls for a categorical answer that would not be illuminating to him or to anyone else.

Mr. WINGO. Oh, yes it would, because my friend is a good lawyer, and he forgets his usual calm demeanor when he does this, and I am not going to fall out with him. My question calls for a categorical answer. Have not the courts held in a long line of decisions that the right of recapture does not exist in the grantor except by express provision or by necessary implication?

Mr. MOORE of Virginia. I will answer the gentleman——

Mr. WINGO. Oh, let the gentleman answer yes or no.

Mr. MOORE of Virginia. I shall not do that.

Mr. WINGO. I shall leave it to the lawyers present whether or not that is not true. In a very late decision the Supreme Court denied the right of South Carolina to recapture a canal, because it said that the right to reentry or reversion is not to be presumed but must appear affirmatively in the grant. The gentleman says that this body is in a deliberative state of mind. It is not. If the gentleman from Tennessee [Mr. BYRNS] was right, then by my amendment I am not giving any right not now in the bill but only the right to maintain an action in recapture proceedings, and if they have not that right I want to give them that right. I shall test whether or not this is a deliberative body. If the Government has the right to go into court in a recapture proceeding, what is the objection to plainly saying here in enumerating the court processes that the Government may have the right to resort to recapture proceedings? That will test your sincerity; that will test your faith in your theory. Vote against my proposition and you announce

that you are insincere or that you do not know what you are talking about.

The CHAIRMAN. The time of the gentleman from Arkansas has expired. All time has expired. The question is on the amendment offered by the gentleman from Arkansas.

The question was taken; and on a division (demanded by Mr. McKENZIE) there were—ayes 45, noes 89.

So the amendment was rejected.

The Clerk read as follows:

Committee amendment: Page 16, line 17, amend by inserting the following:

"SEC. 19. The Gorgas steam plant and transmission line having been sold by the United States, and Henry Ford having included said steam plant and transmission line in his offer of May 31, 1922 (as found in section 12 and subsection (d) of section 11 of said offer), in order to provide a substitute steam plant the Secretary of War is hereby authorized and directed to acquire by purchase or condemnation a suitable site for a steam power plant to be located at or near Lock and Dam No. 17, Black Warrior River, Ala., together with a strip of land 100 feet wide to serve as a right of way between said steam power plant and nitrate plant No. 2, Muscle Shoals, Ala., with connection to Waco Quarry, near Russellville, Ala.

"The Secretary of War is further authorized and directed to contract with Henry Ford or the company to be incorporated by him for the construction at cost of a steam power plant having a generating capacity of approximately 30,000 kilowatt (40,000 horsepower), a transformer substation of similar capacity and a transmission line of suitable design and capacity connecting said steam power plant with nitrate plant No. 2 and the Waco Quarry, all under the supervision of the Chief of Engineers, United States Army. The plans and specifications for said power plant, substation, and transmission line shall be prepared by Henry Ford, or the company to be incorporated by him, and approved by the Chief of Engineers, United States Army.

"The expenditures authorized to be made for all purposes under this section shall not exceed a total of $3,472,487.25."

Mr. HULL of Iowa. Mr. Chairman, I rise in opposition to the committee amendment. This amendment proposes to appropriate three million four hundred and seventy thousand and odd dollars for private purposes. That is a very questionable proceeding. It not only does that, but in adopting the amendment we will establish a new principle in Government, so far as I know, and that is the right of the Government to condemn property, to take it from one private citizen and give it to another private citizen. That goes further than the Soviet State of Russia in the violation of private property. They take property for the use of the State, but you are taking property from one citizen and giving it to another. Where is your right of private ownership of property when you pass an amendment like that?

Mr. Chairman, there is a history to this Gorgas plant, and I want to tell you that the history of the bill is largely written around the Gorgas plant. I was on a committee which was sent by this Congress to investigate Muscle Shoals, and at the same time the great Committee on Agriculture of the Senate went to Muscle Shoals.

The very first day we got there we started in to investigate, and it took us an entire day to get down to see the Gorgas plant. When we got there we found we were 80 miles away from Muscle Shoals, over some hills and mountains, on another watershed, and there we saw a great plant, and every piece of real estate there belongs to the Alabama Power Co. You could not find where the Government had any rights at all to take that property and give it to another. There was not a member of the committee of the House or of the committee of the Senate but agreed that the demand of Henry Ford for the Gorgas plant should be withdrawn, and the local committee and everybody agreed to that. That night we asked them if they could not get Henry Ford to withdraw that; that we considered it immoral and unworthy of us to ask the Alabama Power Co. to give up their great plant to Henry Ford. They said yes; that they would see it was withdrawn. They sent a wire to Henry Ford that night, and the answer came back, as I understand it, from Henry Ford, in response to their request that he withdraw his demand for the Gorgas plant, that whenever he had anything new to offer he would let us hear from him. From that minute I have doubted the sincerity and the honesty of purpose of Henry Ford, because it is not honest to covet another man's property. That property belongs to the Alabama Power Co. Their plant was there before the war and all we had was an addition to their plant, all located on their land. Fortunately when the matter came up in committee there was one gentleman who agreed with me. That gentleman was the distinguished gentleman from Illinois [Mr. McKENZIE].

Mr. ALLGOOD. Mr. Chairman, will the gentleman yield?

Mr. HULL of Iowa. I have not the time. A very peculiar situation was created in the Committee on Military Affairs. There were 11 gentlemen who wanted to make a contract with Henry Ford and there were 10 who were practically opposed to doing so.

And now some gentlemen have raised the question of a man's sincerity of purpose because his record is not clear. Well, I do not charge anything, but I call the attention of the gentleman from Michigan [Mr. JAMES], who made a speech the other day calling in question my record—I call attention to this, that the gentleman from Michigan was one of nine gentlemen——

The CHAIRMAN. The time of the gentleman has expired.

Mr. HULL of Iowa. I ask that I may have five minutes additional.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent to proceed for five additional minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. HULL of Iowa. The gentleman from Michigan was one of nine who voted to report the bill out of the committee, and immediately set to work to file a minority report. Talk about a record! That was a remarkable record that he made. I do not call any gentleman in question. It was a parliamentary situation that developed. It is all right, but it shows when you make a record you are not always consistent with your former record.

Mr. WURZBACH. If the gentleman will allow me to say it, I think the gentleman is mistaken. The gentleman from Michigan [Mr. JAMES] and myself were the two Members on the Republican side who voted with the Democratic members of the committee and favored the acceptance of the Ford offer with the Gorgas plan, and I think the gentleman is a little mistaken in regard to the attitude of the gentleman from Michigan.

Mr. HULL of Iowa. There were nine——

Mr. WURZBACH. There were two Republicans.

Mr. HULL of Iowa. I did not say how many; I said there were nine. I did not mention any party at all.

Mr. WURZBACH. I misunderstood the gentleman.

Mr. HULL of Iowa. Certainly not. There were 11, and there were 2 who did not agree to the report.

Mr. McKENZIE. Will the gentleman yield?

Mr. HULL of Iowa. If the gentleman will give me more time.

Mr. McKENZIE. Did not the gentleman from Iowa have it in his power at that time to kill the whole Ford proposition?

Mr. HULL of Iowa. I do not think so, any more than the gentleman from Illinois.

Mr. McKENZIE. If the gentleman voted with the 10——

Mr. HULL of Iowa. I did not ask to kill the Ford offer. I do not ask for it to-day. I reserved the right to amend the bill, and that is all I am asking you to do. I can write a better bill and one that Henry Ford will accept. [Applause.] I do not believe Henry Ford will ever accept the bill that will come from the two Houses. Now, my friends, as I say, you are appropriating $3,400,000 there to a private citizen out of the Treasury of the United States, and when you do it you are getting $1,600,000 for over $80,000,000 worth of property. My friends, you have not heard the last of that bill. You will hear more of it.

Not only that, you are giving the hydroelectric power to Henry Ford that, as the former Secretary of War, Newton D. Baker, says is a gold mine; yes; a gold mine; and that is everlasting and increasing in value each year. You are turning that over to Henry Ford. You are giving him $80,000,000 worth of property for less than $1,500,000 in annual installments running into five years. You are giving him, as I have said, the hydroelectric power for $680,000 a year less than you are offered to-day for that power. Now, how are you going to justify future criticism of bureaus when they do things you think are wrong when you yourselves are establishing the most colossal example of wastefulness, stupidity, and incompetency in the House of Representatives in all the history of the world. [Applause.]

Mr. HILL of Maryland. Mr. Chairman, I offer a perfecting amendment to the committee amendment.

Mr. JAMES. Mr. Chairman, I am opposed to the amendment.

The CHAIRMAN. The Chair thinks the Chair should recognize the gentleman opposed to the amendment.

Mr. McKENZIE. Will the gentleman from Michigan permit me to inquire if we can not make some agreement as to time on this matter? I suggest, as the gentleman from Iowa [Mr. HULL] has already had 10 minutes, that debate end in 25 minutes, 15 minutes on our side and 10 on the other side.

Mr. BURTON. I desire between 5 and 10 minutes on this amendment myself; it is possible I may not take more than 5 minutes.

Mr. McKENZIE. Well, say 35 minutes.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent that all debate upon this amendment and all amendments thereto close in——

Mr. McKENZIE. Thirty-five minutes.

The CHAIRMAN. Thirty-five minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. JAMES. Mr. Chairman, the gentleman from Iowa [Mr. HULL] has told the House about some things which took place in our committee, and I will tell a few more.

When the Ford offer was before our committee two years ago, the gentleman from Pennsylvania [Mr. MORIN], the gentleman from Maryland [Mr. HILL], the gentleman from Massachusetts [Mr. FROTHINGHAM], and others voted for every amendment to cripple the Ford offer.

They also voted with the gentleman from Illinois [Mr. McKENZIE] and the gentleman from Iowa [Mr. HULL] to eliminate the Gorgas plant from the offer of Mr. Ford.

We supposed, of course, that all of these gentlemen would then vote to report out the Ford offer as they had amended it, but all of them voted against reporting out the same so that the House could consider it.

I then stated to the committee that the bill would die in the committee unless nine of us voted to report out a bill that we did not believe in and that it would be defeated by a vote of 19 to 2, the two being the gentleman from Illinois [Mr. McKENZIE] and his ally at that time, the gentleman from Iowa [Mr. HULL]. I then suggested to those that were in favor of the Ford offer in its entirety that we vote with the two to report out the bill but that it be understood that we reserved the right to put up a fight on the floor to put the item for the Gorgas plant back in the bill. The vote was taken and by a vote of 11 to 10 was reported out. We reserved the right to file a minority report stating our views on the Gorgas plant and this report was filed with the House.

As I stated the other day, if the gentleman from Iowa [Mr. HULL] had been against the Ford offer at that time it would have died in the committee by a vote of 11 to 10, but he was as enthusiastic a man as there was on the committee.

This time we again find the gentleman from Pennsylvania [Mr. MORIN] and the gentleman from Maryland [Mr. HILL] and the gentleman from Massachusetts [Mr. FROTHINGHAM] voting for every amendment, good or bad, and this time they are joined by their former enemy, the gentleman from Iowa [Mr. HULL].

I do not expect the ones that opposed it last time to vote for it this time, but I have hopes of some others that have voted for every amendment to cripple the offer.

The gentleman from Iowa [Mr. HULL] was for the Ford offer in its entirety, then he was for the offer with the exception of the Gorgas plant, then he saw some good things in the cost-plus offer of Mr. Engstrum, then he introduced a bill which seemed to indicate that he thought the matter should be turned over to the Secretary of War. At the beginning of this session his "mind was open" but not clear on the Ford offer. A little later he was aginst it, then he was in favor of the offer of the power companies and introduced several bills for them, then he seemed to veer to the Hooker offer, but the last few days he seems to have another change in heart, and now appears to favor Government operation and ownership.

However, there are several hours before we vote and I expect the colleague to make another lightning change. I would not be surprised when the band wagon pulls out soon to see the gentleman from Iowa make a flying leap for the wagon, climb into the front sent, lay his head on the shoulder of the gentleman from Illinois [Mr. McKENZIE], and whisper, like a prodigal son returned to his first home, "Back home again, John." [Applause.]

Mr. HILL of Maryland rose.

The CHAIRMAN. The gentleman from Maryland is recognized for five minutes.

Mr. HILL of Maryland. Mr. Chairman and gentlemen of the committee, we are nearing the end of one of the most actual and practical debates we have had for some time in the House of Representatives. It may not be a debate that has changed many votes, but I think it is a debate which has created a record which some portions of the American people may study with profit at some time in the future.

We have now arrived at that portion of the bill, section 19, in which the majority of the Committee on Military Affairs has offered an amendment to take out of the Treasury of the United States in good cold cash $3,450,487.25 in order to gild the lily. Not satisfied with turning over all the other resources to Henry Ford and to the imperial crown prince, Edsel Ford, of World War reputation, they now propose to build them a steam plant on the Warrior River, nearly 100 miles away. This is an amendment offered by the majority of the committee.

Under the parliamentary situation, therefore, it is the duty of those of us who oppose this unnecessary, gratuitous, and entirely absurd expenditure of public money for the benefit of Henry Ford to vote against this amendment.

When the committee went down to Muscle Shoals and investigated this steam plant we found that what the Government owned was an addition to an existing steam plant built before the World War by the Alabama Power Co., which addition was to furnish additional power for nitrate plant No. 2 at Muscle Shoals for war needs. This steam plant was afterwards sold by the United States.

Now section 19 provides for building by the United States Government, for the Ford interests, a new steam plant 90 miles from Muscle Shoals, and new transmission lines 90 miles long at a cost in cash of nearly $3,500,000. The reason alleged for this expenditure of United States cash in the Treasury is that the Gorgas plant was used as a part of the Muscle Shoals system during the war, although the Gorgas plant was on the Warrior River, nearly 100 miles away from the Muscle Shoals plant. I desire particularly to call your attention to section 19, which is as follows:

SEC. 19. The Gorgas steam plant and transmission line having been sold by the United States, and Henry Ford having included said steam plant and transmission line in his offer of May 31, 1922 (as found in section 12 and in subsection (d) of section 11 of said offer), in order to provide a substitute steam plant the Secretary of War is hereby authorized and directed to acquire by purchase or condemnation a suitable site for a steam power plant, to be located at or near Lock and Dam No. 17, Black Warrior River, Ala., together with a strip of land 100 feet wide to serve as a right of way between said steam power plant and nitrate plant No. 2, Muscle Shoals, Ala., with connection to Waco Quarry near Russellville, Ala.

The Secretary of War is further authorized and directed to contract with Henry Ford or the company to be incorporated by him for the construction at cost of a steam power plant having a generating capacity of approximately 30,000 kilowatt (40,000 horsepower), a transformer substation of similar capacity, and a transmission line of suitable design and capacity connecting said steam power plant with nitrate plant No. 2 and the Waco Quarry, all under the supervision of the Chief of Engineers, United States Army. The plans and specifications for said power plant, substation, and transmission line shall be prepared by Henry Ford, or the company to be incorporated by him, and approved by the Chief of Engineers, United States Army.

The expenditure authorized to be made for all purposes under this section shall not exceed a total of $3,472,487.25.

Now, gentlemen, we are nearing a final vote on this bill. The Muscle Shoals proposition was created for the production of nitrates in time of war and fertilizer in time of peace. The Secretary of War, in a letter which I put into the RECORD on Saturday, states that the nitrate plant No. 2, plus the Waco Quarry, is sufficient at the present time to equip two field armies of 1,000,000 men if the need arises. You propose to turn those propositions over to the Henry Ford corporation, later to be created. That is dealing with existing property of the United States. But, gentlemen, there is not even a justifiable pretense under section 19 of aiding that corporation to obtain fertilizer for the farmer, or a justifiable pretense of aiding it in obtaining nitrate in time of war and on no possible pretense can you substantiate the turning over of a brand new plant to be built by the Government with cash money costing $3,500,000 to the Ford interests, in addition to all the remainder that you are giving them by this bill. I wish to express this hope to the committee that they will vote against the committee amendment adding section 19, that they will not place in this bill section 19, which adds an additional expenditure of $3,500,000 to the cost to be incurred. [Applause.]

The Gorgas plant was sold under terms of the contract under which it was built. The following most excellent report from the Manufacturers Record is quite full and worthy of your consideration. It shows what the Government obtained from the sale of the Gorgas plant as compared with what it got from other war plants.

Here is the article:

[Reprinted from Manufacturers' Record, Baltimore, Md., issue October 4, 1923.]

THE MUSCLE SHOALS SITUATION AND THE SALE OF THE GORGAS PLANT.

The action of the Secretary of War in selling to the Alabama Power Co., as reported in the Manufacturers' Record last week, the Gorgas plant, about which there has been so much discussion, for $3,472,487.25 cash, after due notice to Mr. Henry Ford had been given by the Secretary, should close to the credit of the Government an issue which has been entirely too much confused.

From the very first discussion of Mr. Ford's offer in regard to Muscle Shoals, which included the Gorgas plant, the Manufacturers' Record took the position that whatever legal or moral rights might exist under any contract with the Government should be rigidly observed by the Government. This Government can not afford, even for any imaginary benefit, however great it might be, to dishonor its own contracts or to do anything which legally and ethically would not be upheld in the highest courts of justice.

The Government and the Alabama Power Co. entered into a contract during the war; the terms of that contract were plain. At that time the contract was considered to be of very great value to the Government. Mr. Henry Ford, in endeavoring to secure at an absurdly low price the control of the Muscle Shoals situation on a 100-year contract, sought to include in the purchase the Gorgas steam plant, which neither legally nor morally could the Government have granted, except with the permission of the second party to the contract, the Alabama Power Co.

In closing the contract with the Alabama Power Co. the Secretary of War has stood for integrity of contracts, and that is worth infinitely more to the people of this country than would have been the purchase of the entire Muscle Shoals situation by Mr. Henry Ford. With all due respect to Mr. Ford's phenomenal industrial development operations, and to his amazing genius as a business man, the Manufacturers' Record would far prefer that he should never come into the South for the establishment of a plant than that his coming should be based on the violation by the Government of legal and moral obligations. Maintenance of honor in the observance of a contract by the Government, as by individuals, is worth far more to national honor, and ultimately national wealth, than a "short cut" to supposed wealth by violating contracts.

The original cost of the Gorgas plant, built during the high prices of war times, was, as reported by the Government, about $4,750,000. Based on the advice of experts from the Ordnance Department and the Federal Power Commission in determining a fair value of the properties as they stand, the Alabama Power Co. and the Government agreed to a selling price of $3,472,487.25, an exceptionally small loss to the Government on the sale of a war plant in contrast with the tremendous losses made in the sale of other plants.

In connection with the small loss on the sale of this plant it is of interest to study a report recently issued by the Government showing the original cost and the sale price of many war properties. In a great many cases this report shows that the cost of properties was unknown when sales were effected. The report gives the following details:

Sale of land and buildings as reported to the director of sales.

(January, 1919, to April 15, 1923, inclusive.)

AIR SERVICE.

Location and description.	Sale price.	Cost.
Camp John Wise, Tex., sewage disposal plant	$25,300.00	$302,580.00
Morrow Field, Detroit, buildings	7,100.00	52,000.00
Taylor and Montgomery Fields, Ala., buildings	45,303.00	Unknown.
Hazelhurst and Roosevelt Fields, Long Island, buildings	100,000.00	Unknown.
Detroit, Mich., buildings and equipment	30,000.00	Unknown.
Morrison, Va., hangars	1,425.00	42,312.00
Miscellaneous small items, various locations	7,181.00	Unknown.
Do	12,144.96	61,353.66
Total	45,909.96	418,245.66
Selling price total (unknown cost)	182,484.00	

CHEMICAL WARFARE SERVICE.

Niagara Falls, N. Y., chemical plant	$7,200.00	$82,849.81
Kingsport, Tenn., plant facilities	13,748.00	249,638.58
Kingsport, Tenn., barracks	6,000.00	95,000.00
Edgewood, Md., temporary buildings	45,533.31	981,984.80
Charleston, W. Va., Bell plant (land and buildings)	300,000.00	800,000.00
Cleveland, Ohio, buildings and restoration of land to previous condition	3,253.24	77,010.85
Miscellaneous small items at various locations	5,218.00	82,918.25
Total	381,012.55	2,369,402.20

CORPS OF ENGINEERS.

Miscellaneous small items at various locations	$975.00	$3,268.00
Do	350.00	Unknown.

Sale of land and buildings as reported to the director of sales—Con.

SURPLUS PROPERTY, OFFICE QUARTERMASTER GENERAL.

Location and description.	Sale price.	Cost.
Miscellaneous small items at various locations	$10,185.72	$34,851.72

SALVAGE DIVISION, OFFICE QUARTERMASTER GENERAL.

Miscellaneous small items at various locations	$14,886.63	Unknown.

CONSTRUCTION DIVISION, OFFICE QUARTERMASTER GENERAL.

Unreported, entire plant	$24,100.00	$50,360.16
——, Tex., miscellaneous buildings	28,705.55	Unknown.
Camp Greene, N. C., entire camp	25,000.00	Unknown.
——, P. R., buildings	24,961.30	Unknown.
——, Calif., buildings	28,448.00	Unknown.
——, Tex., buildings	22,100.00	Unknown.
Camp Wheeler, Ga., entire camp	67,800.00	Unknown.
——, Calif., 151 acres	6,300.00	Unknown.
Unreported, entire camp less hospital and storage	38,500.00	Unknown.
Do	19,175.76	Unknown.
Do	10,000.00	Unknown.
Unreported, entire camp less storage building	66,000.00	Unknown.
Camp Logan, Tex., entire camp, less hospital	66,000.00	Unknown.
Gettysburg, Pa., entire Camp Colt	18,000.00	Unknown.
Columbia, S. C., entire Camp Jackson	17,000.00	Unknown.
Greenville, S. C., entire Camp Gervier	70,697.00	Unknown.
Fort Douglas, Utah, 201 buildings	20,500.00	300,911.40
Camp Wheeler, Ga., buildings	36,550.00	Unknown.
Camp Navesink, buildings, Highlands, N. J	500.00	32,132.50
Camp McArthur, Tex., water, sewer, and electric lines	40,666.00	Unknown.
McKinley Park, 10 buildings, Chicago, Ill	2,050.00	33,264.26
Camp Doniphan, camp buildings, Fort Sill, Okla	60,500.00	Unknown.
Ben Hur plant, Willoughby, Ohio, buildings	6,500.00	191,580.46
United States General Hospital, Colonial, N. J., Government property	103,940.00	Unknown.
Camp Bowie, Fort Worth, Tex., warehouse area	17,250.00	Unknown.
Camp Leach, D. C., buildings	30,500.00	Unknown.
Camp Mills, Long Island, buildings	327,300.00	Unknown.
Camp Merritt, N. J., entire camp	552,554.50	Unknown.
Carruthers Field, Tex., all Government improvements and buildings	43,500.00	Unknown.
Payne Field, Tex., all Government improvements and buildings	53,000.00	Unknown.
Camp Funston, Kans., 122 buildings	22,352.10	Unknown.
Camp Hancock, Ga., storage area	42,210.00	Unknown.
Camp Dodge, Iowa, 503 buildings	29,282.00	Unknown.
Vancouver Barracks, 185 buildings	18,775.00	257,825.00
Caldwell Rifle Range, N. J., buildings	15,000.00	200,000.00
Camp Sevier, S. C., buildings and improvements	40,000.00	Unknown.
Q. M. I. D., Jeffersonville, Ind., 14 buildings	2,155.00	69,812.37
Washington Barracks, D. C., 12 buildings	1,607.00	70,659.00
Fort Caswell, N. C., 41 buildings	740.00	221,618.26
Norfolk, Va., G. I. D., 117 buildings	4,000.00	40,500.00
Chickamauga and Chattanooga National Park, Fort Oglethorpe, Ga., 392 buildings	2,600.00	1,563,646.00
Camp Gordon, Ga., land and buildings	504,277.47	10,805,199.87
Williams Barracks, N. Y., hospital buildings and improvements	26,987.98	462,703.00
Neville Island, Pa., 134.588 acres and improvements	408,667.60	580,000.00
Newport News, Va., 4 bachelor quarters	20,000.00	Unknown.
Otisville, N. Y., Government-owned property	67,300.00	1,650,723.00
Speedway, Ind., Government-owned property	27,510.00	672,570.83
Gertner Field, La., buildings and improvements	42,500.00	2,725,337.71
Camp Humphreys, Va., 300 buildings	84,200.00	Unknown.
Detroit, Mich., target range	254,100.00	17,273.32
Camp Custer, Mich., Government-owned improvements	584,100.00	12,330,053.07
Erie, Pa., land and buildings	85,000.00	182,500.00
Pasadena, Calif., land and buildings	15,500.00	31,373.50
Long Island City, N. Y., cafeteria building	7,500.00	90,040.92
Ancor, Ohio, 273.003 acres	62,344.35	105,220.00
Camp Dodge, Iowa, 1,200 buildings	251,000.00	5,867,647.63
Camp Johnson, 450 buildings	36,215.25	Unknown.
Camp Sherman, Ohio, 199 buildings	28,580.40	Unknown.
Taliaferro Field, Tex., buildings and improvements	35,502.00	1,439,377.97
Barren Field, Tex., buildings and improvements	24,000.00	Unknown.
Rich Field, Tex., buildings and improvements	21,500.00	Unknown.
Camp Funston, Kans., 620 buildings	212,029.64	Unknown.
Camp Upton, N. Y., buildings and fixtures	281,000.00	13,923,497.63
Camp Grant, Ill., 328 buildings	50,000.00	Unknown.
Fort Moultrie, S. C., 15 buildings	330.00	77,219.03
Kearney, N. J., buildings and improvements	11,599.04	283,428.40
Camp Lee, Va., buildings and improvements	241,948.04	12,000,000.00
Charleston, S. C., buildings and equipment	12,445.50	405,000.00
Fort Harrison, Ind., 149 buildings	19,169.50	151,080.00
Hoboken, N. J., buildings and improvements	14,100.00	244,614.00
Governors Island, N. Y., buildings and improvements	43,550.00	812,911.00
Fort Stevens, Oreg., 37 buildings	3,377.00	105,500.00
Camp McClellan, Ala., 359 buildings	15,300.00	382,500.00
Camp Humphreys, Va., 182 buildings	32,420.00	518,800.00
Baltimore, Md., all buildings	298,637.28	1,909,000.00
Camp Pike, Ark., 315 buildings and improvements	109,713.45	6,899,723.00
Camp Dodge, Iowa, buildings and improvements	35,898.95	2,832,423.80
Camp Mercedes, Tex., buildings and improvements	7,500.00	113,931.00
Boston, Mass., railroad track, etc	8,100.00	117,610.00
Langley Field, Va., 12 buildings	300.00	102,240.00
Fort Douglas, Utah, 41 buildings	6,252.84	104,635.00
Fort Sheridan, Ill., buildings and improvements	46,781.00	1,298,425.00
Camp Kearney, buildings and improvements	25,575.00	603,965.00
Camp Pike, Ark., buildings and improvements	55,250.00	5,799,737.00
Pittsburgh, Pa., 62,507 square feet land and buildings	129,014.22	1,814,562.50
Hawthorne Race Track, buildings and improvements	5,000.00	172,104.00
Norfolk, Va., buildings and improvements	18,751.50	997,862.00

Sale of land and buildings as reported to the director of sales—Con.

CONSTRUCTION DIVISION, OFFICE QUARTERMASTER GENERAL—Continued.

Location and description.	Sale price.	Cost.
Morrison, Va., buildings and improvements	$20,000.00	$1,703,000.00
Camp Dix, N. J., buildings and improvements	10,000.00	125,405.00
Camp Funston, Kans., buildings and improvements	45,341.94	99,000.00
Chicago, Ill., land and building and improvements	855,000.00	4,065,912.00
Camp McAllen, Tex., buildings and improvements	15,100.00	109,122.00
Camp Shannon, N. Mex., buildings and improvements	6,580.00	125,130.00
Camp Lee, Va., buildings and improvements	25,306.00	471,488.00
Bureau of Standards, District of Columbia, 7 buildings	2,093.37	63,215.00
Miscellaneous small items at various locations	180,994.07	2,776,732.25
Do	1,059,593.08	Unknown.
Total	5,128,345.11	102,888,146.84
Selling price total (cost unknown)	3,442,090.58	

ORDNANCE DEPARTMENT.

Erie, Pa., Parkview Hotel	$28,000.00	$36,000.00
Erie, Pa., portable bungalows	75,000.00	141,000.00
Philadelphia, Pa., knocked down houses	45,275.00	54,895.00
Niagara Falls, N. Y., building and equipment	12,003.00	160,092.09
Elizabeth, N. J., toluol rectifying plant	6,150.00	90,000.00
Tacony, Pa., ordnance plant	1,250,000.00	3,460,613.51
Providence, R. I., toluol rectifying plant	15,000.00	195,396.32
Boston, Mass., toluol rectifying plant	20,000.00	273,699.40
Brunswick, Ga., land and incomplete picric acid plant	815,000.00	Unknown.
Hammond, Ind., buildings and equipment	900,000.00	Unknown.
Bridgeport, Conn., buildings and equipment	500,000.00	1,365,409.00
Bradford, Ontario, land and buildings	65,000.00	107,303.82
St. Louis, Mo., buildings and equipment	26,965.00	82,330.13
Peru, Ill., buildings and equipment	80,000.00	291,388.75
Milwaukee, Wis., buildings and equipment	185,000.00	580,847.25
Montreal, Canada, buildings	9,500.00	64,319.97
Montreal, Canada, land	200,000.00	254,843.62
Ancor, Ohio, barracks building	7,710.00	128,562.17
Nitro, W. Va., plant	8,551,000.00	60,000,000.00
Woolbury, N. J., dormitories	9,205.00	203,832.50
New York, 60 acres	4,660.00	48,570.42
Chattanooga, Tenn., buildings and equipment	110,000.00	212,112.71
Amatol, N. J., buildings	5,800.00	98,331.00
Little Rock, Ark., power plant	235,000.00	490,000.00
St. Louis, Mo., buildings	100,000.00	370,000.00
Ives, Wis., T. N. T. plant	94,010.00	286,943.94
Mount Union, Pa., 20½ acres and building	30,000.00	181,995.01
Erie, Pa., building	85,000.00	152,000.00
Minneapolis, Minn., toluol plant	16,150.00	90,438.00
Elizabethport, N. J., buildings and equipment	409,000.00	793,653.69
Perth Amboy, N. J., buildings	53,200.00	571,573.68
Milwaukee, Wis., phenol plant	146,000.00	1,199,918.97
Madison, Wis., buildings and equipment	207,745.00	625,305.65
Erie, Pa., frame building	35,500.00	440,069.07
Little Rock, Ark., 479 acres, buildings, and equipment	770,000.00	6,000,000.00
Bridgeport, Conn., 3 buildings	61,000.00	176,036.28
Aberdeen, Md., buildings	6,500.00	334,000.00
Indiana Harbor, Ind., buildings and equipment	33,000.00	184,765.63
New Diggins, Wis., buildings	45,011.00	326,588.56
Joliet, Ill., toluol plant	25,000.00	197,616.45
Jacksonville, Tenn., buildings	7,879.31	33,409.23
Baltimore, Md., buildings	11,393.00	62,637.91
Nashville, Tenn., entire plant	3,455,000.00	86,000,000.00
Mays Landing, N. J., land and buildings	500,000.00	7,500,000.00
Erie, Ohio, buildings	10,890.00	241,267.52
Pedricktown, N. J., 45 buildings	4,758.65	103,500.00
Hammonton, N. J., 221 buildings	4,264.95	81,200.06
Plainfield, N. J., buildings and equipment	15,000.00	101,899.47
Raritan Arsenal, N. J., 71 buildings	8,395.85	496,817.17
Findlay, Ohio, land and buildings	25,500.60	151,947.70
Aberdeen Proving Ground, Md., 3 steel buildings	3,100.00	224,000.00
Miscellaneous small items located at various places	1,259,726.29	7,236,432.78
Do	1,018,543.55	Unknown.
Total	18,856,729.05	182,503,737.29
Selling price, total (unknown cost)	2,733,543.55	

Some of the losses reported are staggering in amount. For instance, there was one property in North Carolina which cost $221,618, which sold for $740; one property in Otisville, N. Y., costing $1,650,723, sold for $67,300; one property in Georgia, costing $1,563,000, sold for $2,600. A Michigan property, costing $12,330,000, sold for $584,000. An Iowa property, costing $5,867,000, sold for $251,000. Camp Upton, in New York, sold for $281,000, while Camp Lee, in Virginia, costing $12,000,000, sold for $241,948; and Camp Dodge, $2,832,000, sold for $35,808.

The Nitro (W. Va.) plant costing $60,000,000 sold for $8,551,000, and a Tennessee plant costing $86,000,000 sold for $3,455,000.

In the light of such figures as these, the price secured by the Government for the Gorgas plant is remarkably high, and it is to the credit of the purchasing company that it was willing to abide by the judgment of Government experts in taking it at that price.

If Mr. Henry Ford, or any other individual, or any company desires to secure the Muscle Shoals development, no one should be allowed to do so on any such terms as Mr. Ford has thus far proposed. The inherent value of Muscle Shoals, one of nature's great wonders, an asset of immense value to the entire country, should not be parted with by the National Government except at a price somewhat commensurate with its real value. Nor should Mr. Ford be permitted to secure such a property on any financial basis other than backing it with his entire fortune or with a sufficient amount of capital to protect the Government and the country to the extreme. His suggestion of a $10,000,000 company to take over Muscle Shoals is in itself, and ought to be so regarded, absurd.

The same thing is true as to any other prospective purchaser. No company should be allowed to secure control of Muscle Shoals except on a financial basis sufficiently strong to safeguard the interests of the Nation of a property so immeasurably valuable. Nor should any control be given for more than 50 years, though Mr. Ford demanded 100 years. Far better would it be for the Government, instead of selling on a low basis of value, to maintain its ownership of that property and utilize it in one way or another for the safeguarding of the interests of the country by the production of nitrates in time of peace as well as in time of war.

There has been a good deal said about the alleged selfishness of the power companies making the offer represented by the Hull bill, now before the House. To me nothing can be more preposterous than the proposal of section 19 of the McKenzie bill to spend $3,472,487.25 of good, present, actual Government cash to build for the Ford interest a steam power plant, nearly 100 miles away from Muscle Shoals that has no possible relation to the Muscle Shoals water power or nitrate plants, except that during the war the Gorgas plant furnished extra power from the Alabama Power Co. to nitrate plant No. 2.

It will be of interest for you gentlemen to note what Secretary Baker said during the war about the Alabama Power Co. I also want you to hear the statement of that company and of the other two power companies as to the Gorgas plant.

Here is a letter I received to-day:

MARCH 7, 1924.

Hon. JOHN PHILIP HILL, M. C.,
House of Representatives, Washington, D. C.

DEAR SIR: In view of certain statements which have been made regarding two of the power companies joining in the offer for the Muscle Shoals property, I beg to call your attention to the following facts:

1. In 1918 the Alabama Power Co. owned the Muscle Shoals water-power sites. The Secretary of War desired to obtain immediate title to the Wilson site, so that the construction could proceed as a part of the program to obtain war nitrates. After some discussion, the board of directors of the Alabama Power Co. agreed to donate this property to the United States in order that the war emergency might be quickly met, the company's letter, dated February 18, 1918, saying:

> "In times like these, however, such considerations must be secondary to the urgent needs of the Nation to secure these properties immediately for the carrying out of the Government project for the production of war nitrates, and we have accordingly determined to donate our lands to the Government for this purpose."

Mr. Baker, the Secretary of War, wrote the company February 20, 1918, accepting the donation and acknowledging "with thanks the company's generous and public-spirited action." (House hearings, pp. 670–671.) Copies of letters are attached. It was shown that these properties donated cost the company about $500,000, for which the company received the Government's voucher for $1. It was further shown that the power company still owns the properties at dam site No. 3, which Mr. Ford desires the Government to develop for his use.

2. Under a contract with the Government in 1918 an addition was made to the Alabama Power Co.'s Warrior steam plant to enable the Government to obtain power at Muscle Shoals before the completion of the steam and water-power plants in that locality. The company's plant was located about 90 miles south of Muscle Shoals. For this purpose the Government advanced about $4,750,000 and the company constructed an addition to its plant and a transmission line, title to which was retained by the Government. In 1923 the Government's use having long ceased, the company purchased the Government's interest, paying therefor $3,472,487.25, a sum equal to nearly 80 per cent of the Government's war-time investment. The value was fixed by Government officers as the fair value of the Government's property, and the company paid the amount so fixed, thus fully complying in every respect with the contract.

Those who wish to criticize that contract should, therefore, in fairness, state that this contract realized for the Government perhaps the largest sum realized on any war-time contract.

3. Reference has been made by several speakers to litigation in Tennessee against the Tennessee Electric Power Co. Several years ago that company acquired several plants in Tennessee. The purchase was approved by the Tennessee Public Utilities Commission. Afterwards suit was instituted by the Attorney General to forfeit the charters of several of the companies. The chancery court decided against the State and dismissed the bill some time ago, the chancellor declaring:

> "It is difficult to reconcile with reason or simple justice that the State would punish a corporation for acts passed upon and approved by the State's commission."

4. Of the capital employed by the power companies making the Muscle Shoals proposal, more than 90 per cent is owned and held

by citizens of the United States, and with reference to the Alabama Power Co., the record shows that at this time about 83 per cent of its securities are held in the United States.

In simple justice to the companies mentioned, may we not ask that you kindly put this statement in the RECORD?

Yours very truly,

THE TENNESSEE ELECTRIC POWER CO.,
By C. M. CLARK, *Chairman.*
MEMPHIS POWER AND LIGHT CO.,
By J. H. PUTWILER, *President.*
ALABAMA POWER CO.,
By THOS. W. MARTIN, *President.*

ALABAMA POWER CO.,
Birmingham, Ala., February 18, 1918.

Col. C. KELLER,
Corps of Engineers, Office of the Chief of Engineers,
United States Army, Washington, D. C.

SIR: Following the several interviews which I have had with you recently on the subject of the desire of the Government to acquire the Muscle Shoals Hydroelectric Power Co., the dam site, and certain other properties at Muscle Shoals, I have conferred fully not only with the directors of that company but also with the representatives of the security holders of the Alabama Traction, Light & Power Co. (Ltd.). As I believe I explained to you, the last-mentioned company is interested by reason of its stock holdings in Alabama Power Co., which latter company owns the stock of the Muscle Shoals Hydroelectric Power Co.

The properties in question represent a very heavy investment by our company, and have occupied an important position in our plans for securing power for the future. For several years we have worked on plans for ultimately developing these water powers as an integral part of the hydroelectric system which will be required by our companies to meet the needs of the communities which they serve. Much of this work was done by us in collaboration with the Army engineers, looking toward a development in cooperation with the Government on some such plan as was favorably reported on by the Army engineers in House Document No. 1262, Sixty-fourth Congress, first session.

I am adverting briefly to these features, as I judge from the several interviews which I have had with you and with other representatives of the Government that you are fully aware of what the company has done in preparation for the ultimate development of this water power, and I believe you appreciate that it should receive consideration in the distribution of any surplus power not required for the needs of the Government.

From our recent interviews it is obvious that our respective views as to the value of our property and the price which you would agree to pay are quite irreconcilable. As directors of a large public-service corporation, we have always believed that in addition to the development of our water powers at Muscle Shoals being a very valuable and necessary complement to our system throughout the State, the large industrial community which would grow up at Muscle Shoals would add a special value to that power plant. In times like these, however, such considerations must be secondary to the urgent needs of the Nation to secure these properties immediately for the carrying out of the Government project for the production of war nitrates, and we have accordingly determined to donate our lands to the Government for this purpose. I have already given instructions to the company's attorneys for the preparation of the necessary deeds of conveyance.

It is our understanding from you that the Government only desires to acquire the site of Dam No. 2 and adjacent properties, with flowage easement on such of our other properties as may be affected by this development.

I need hardly assure you of the desire of the company to cooperate with the War Department to the fullest extent in placing at your disposition the benefit of all our engineering studies and records relating to the projected development.

I trust that this disposition of the matter meets with your views.

Yours very truly,

JAMES MITCHELL, *President.*

WAR DEPARTMENT,
Washington, February 20, 1918.

Mr. JAMES MITCHELL,
President Alabama Power Co., Birmingham, Ala.

DEAR SIR: Referring to your letter of the 18th instant, addressed to Colonel Keller, in which you express the willingness of your company to donate to the United States certain properties and flowage easements needed for the proposed Federal power development at Muscle Shoals, I beg to acknowledge with thanks the company's generous and public-spirited action.

The further steps necessary in regard to the matter will be given immediate attention.

Very respectfully,

NEWTON D. BAKER, *Secretary of War.*

In 1918 the Alabama Power Co. was considered by the Democratic Secretary of War as "generous and public spirited."

To-day Ford is regarded by those who favor this McKenzie bill as "generous and public spirited," but to me section 19 is neither generous or public spirited to the United States. The Ford interests will get enough otherwise by the McKenzie bill, and I hope you will not vote for the proposed amendment and take from the United States Treasury $3,472,487.25 by section 19 of the McKenzie bill. [Applause.]

Mr. ALMON. Mr. Chairman and gentlemen of the committee, I will detain the committee for only a few moments to make an explanation of this matter. I am not a member of the committee, but I am familiar with it.

The Government built at Gorgas, on the Warrior River, a steam plant of 30,000 horsepower during the war. It was built by the Alabama Power Co. at a cost and a fee of about $1,000,000. The Alabama Power Co. had no legal right to it. But during the recess of Congress the Secretary of War sold it to the Alabama Power Co. The Gorgas plant was included in Mr. Ford's offer. It is a material and essential part of his program, and all that this amendment calls for is an expenditure of the money realized on the Gorgas plant in the building of another plant.

Now, gentlemen, this is important. This plant was built at Gorgas, on the Warrior River, because that was in the coal-mining district. If Mr. Ford operates that plant and has this plant on the Warrior, it means a saving of a large amount in freight on coal.

This is commonly called the Madden amendment, and it simply authorizes the War Department to use the money that the Gorgas plant sold for to provide another plant in the same locality. I say and insist, and also urge, that everyone who is in sympathy with the acceptance of the Ford offer should vote for this amendment. This is a committee amendment. I think you understand it, and it is not necessary for me to say more.

I want to take this occasion to say that a vote for the Begg amendment and the Wingo amendment is a vote against the Ford offer. I opposed and voted against both of these amendments. I want everybody to fully understand when we get in the House and we have a separate vote on the Begg and Wingo amendments that if you are in favor of Mr. Ford's offer for Muscle Shoals you should vote against these amendments; their adoption would destroy the bill. [Applause.]

Mr. BURTON. Mr. Chairman, I desire to call attention at this time to the carelessness with which some of these provisions are drawn. On Saturday last I moved to strike out the language on page 10 relating to the reconstruction of the plant itself, which is followed by the words "or by war, strikes, accidents, fires, or other causes beyond its control."

It has been constantly alleged here that the offer of Henry Ford was sacrosanct; that we must follow it exactly; but Henry Ford himself did not ask exemption for time employed in reconstruction of the plant. His demand is set forth on page 27 of the majority report, section 14, in which it is stated that nitrate—

> shall be manufactured throughout the lease period, except as it may be prevented by strikes, accidents, fires, or other causes beyond control.

Now, some one has put in here—thrust upon Mr. Ford against his will, and varied from the contract as offered by him—the words "by reconstruction of the plant itself." Really that ought to be explained. I do not believe the gentleman from Illinois having charge of this bill inserted it, but some one has smuggled it in here, and it is a very substantial advantage to Mr. Ford and a very important restriction upon the rights of the Government.

Again I call attention to the fact that this agreement for a profit of 8 per cent—and that has been disclosed in the question I propounded to the gentleman from Illinois—is altogether indefinite. It does not show whether you mean 8 per cent on the value of the property owned by Mr. Ford and utilized for the manufacture of nitrate or not; it does not show whether there must be taken into account the amount he pays as rent on the lease of the water power; it is restricted to the very vague and uncertain expression, "not to exceed 8 per cent of the fair actual annual cost of production thereof." Does that merely mean cost of raw material and labor? What does it mean? The Government would find itself in the teeth of a lawsuit immediately with that uncertainty there.

I call attention to another thing in the very paragraph that is under consideration. There is no express statement in that paragraph or anywhere in the bill that the property substituted for the Gorgas plant is to be turned over to Henry Ford. I think by implication it would be interpreted that such was the clear intention of the bill, but in section 11

there is a specific enumeration of what is to be sold to Mr. Ford, and the new steam plant is not included.

Now, a few words about these Begg and Wingo amendments. I shall be surprised if you vote them out after they have been put into this bill in Committee of the Whole, one of them by a very large majority and with the approval of Mr. MCKENZIE, the Member in charge. I do not think it lies in the mouth of any Member of this House hereafter to talk about monopoly if he votes for this bill at all, but especially will anyone who votes against these amendments be hindered from doing so. The House is asked to grant an unprecedented monopoly. You are giving to Henry Ford an amount of power over and above that required for the manufacture of nitrates which is almost as large as the total amount developed on the American side at Niagara Falls, saying to him, "Use it as you please." You do not ask him to build the dams or the power. The United States builds them for him and leases them to him on terms more favorable than anyone has yet obtained, 4 per cent of the cost since May 31, 1922, disregarding the millions expended before that date. When I introduced an amendment the other day that half of the power—making a beggarly request for half of it—should be distributed upon reasonable terms for the use of the people, it was announced, and honestly, too, by the gentleman from Illinois that this could not be, that Mr. Ford must have it all, to use as he pleases, and you who are talking about the monopoly of the Alabama Power Co., when the proposition was made to put half of that power in competition with that company, in order to keep down their alleged monopoly, voted almost unanimously against it.

How are you going to explain all this? A great deal has been said and papers have been brought in here which look like the signs of the zodiac or like an astrological chart, to show what a wicked concern the Alabama Power Co. is, all of which has very little to do with this proposition, but you are refusing to loosen the grip of that monopoly which you so bitterly attack.

Now, gentlemen, if I may give you a word of warning, consider your votes on these amendments. I am opposed to this bill. Perhaps it would be policy for me to say, "Put in the worst provisions possible." I do not believe this will become a law. It does not seem to me possible. Not alone the Senate but the American people will condemn this measure, and if you wish to beat this bill, I say to you frankly, vote out of it in the House those two amendments that you voted for in the Committee of the Whole. I regard them as necessary restrictions although possibly some slight modification should be made in the language. I warn you again against voting them out. The name of every man will appear. We have not heard the last of this bill. In all my service, House or Senate, I have never known a proposition in which a privilege was granted to an individual or a corporation which was so free from restriction, so broad and comprehensive, so strong for the interest of the grantee as this one right here, and thus I have stood against it from the beginning. The House is thinking of giving away a most valuable asset. [Applause.]

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. GARRETT of Texas. Mr. Chairman and gentlemen of the House: As I stated three days ago, there is no reason or justification for any Member of this House to vote for or against this proposition under any misapprehension of the facts, and I can not appreciate the continued threats and innuendoes thrown into this debate that we are about to create another Teapot Dome scandal. The bill that is before this House is clearly and plainly drawn in black and white. The hearings are before you. You know what you want to do. You know the proposition you are dealing with and you know whether or not you want to dispose of Muscle Shoals in this manner. I can not understand how it is that these gentlemen now become so alarmed and so much interested in this great property at Muscle Shoals that lay there for 150 years in the life of this Government with nobody having a kind word to say for it; but after the war, and after some investments were made there for war purposes, and after the Government had spent millions of dollars fixing it so that perhaps somebody might take hold of it, we hear a great cry of interest in the project from those who cared but little before.

Mr. WILLIAMSON. Will the gentleman yield?

Mr. GARRETT of Texas. I can not yield now. I have only five minutes.

We hear a great deal about their interest in Muscle Shoals. Listen. You never heard a criticism of Henry Ford's proposition until the Alabama Power Co. and its allies had gotten hold of the Gorgas plant. They did not want Muscle Shoals. Two years ago they wanted Gorgas plant, and they got it. Not only that, but the Secretary of War advertised broadcast all over this country for somebody to come and take Muscle Shoals off of the hands of this Government, and not a soul answered, except Henry Ford, in all the world, much less the United States. The Alabama Power Co., owned and controlled by Canadian and British capital, knew that Muscle Shoals was there then, because they had been there with their engineers. They did not come to the rescue of the Government, and not a manufacturing company of fertilizer in the land made any offer for Muscle Shoals. They all hooted at the proposition and said Mr. Ford nor anyone else could profitably operate this great project successfully, but now, when they think it is going to be done, they become very much alarmed, and there is where the opposition to this proposition lies. You take out of the opposition to this proposition the organizations of the chemical companies and the manufacturers of fertilizers and the manufacturers of automobiles and the manufacturers of electrical energy, and you would have but little opposition to this bill to-day on the floor of this House. [Applause.]

The gentleman from Iowa [Mr. HULL] talked about section 19 and the right of eminent domain in taking property from one person and giving it to another. My God, the gentleman has not a foot of territory that a railroad runs over in his State that was not taken just as you propose to take this property. Every railroad in his State, under the right of eminent domain, took private property from one man and gave it to another.

Mr. HULL of Iowa. Will the gentleman yield? But they are public utilities and are under regulation, and are not private individuals.

Mr. GARRETT of Texas. And this will be under the strong hand of the Congress forever. [Cries of "Oh!" "Oh!"] I understand, of course, that you who are not for this proposition may hoot and you may laugh, but I pity the man upon the floor of this House who does not know that he represents a Government that is sovereign in its capacity and that Henry Ford and no corporation can ever take any public resource or any property of this country and keep it unless he shall operate in accordance with his agreement if the Government does not want him to.

Mr. WILLIAMSON. Will the gentleman yield now?

Mr. GARRETT of Texas. I can not yield. You talk about the Gorgas steam plant. The gentleman knows that the Gorgas steam plant was acquired under a contract by this Government that the Judge Advocate General's office said was null and void, and I want to read to you just what the Attorney General had to say about this contract, and I quote from his opinion, as follows:

> No one can carefully analyze the long and rather complex contract made with this company without being impressed with the harsh and even drastic provisions which it imposes on the Government. When its intricate provisions are closely scrutinized and their full significance realized, it becomes at once apparent that the company lost no opportunity of turning to its own advantage every possible change of circumstances. But however burdensome the agreement may be, the Government on its part must faithfully observe the obligations it assumed if they were in fact authorized by proper statutory power. I feel persuaded, however, that the option to purchase which the contract contains was unauthorized.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. MADDEN. Mr. Chairman, the Gorgas steam plant was built on property owned by the Alabama Power Co. It was built, so said the Alabama Power Co., with the understanding that the Government would move the plant off of their property whenever they were notified to do it. They did notify the Government. The result is the plant was sold to the power company. I do not believe it was necessary to sell the plant to the Alabama Power Co. It was sold, however, and sold after Ford had made his bid for the entire plant, and Ford's bid, by the sale of this property, was eliminated.

The people of the United States, or many of them, believe that Ford will develop this property to the advantage of the people, and I am one of those who believe that. If I did not believe it, I would not be here advocating it. There was only one way to make it possible for Ford to develop the property and that was to put him in the same position that he would have been in if the Gorgas plant had not been sold, and I assume the responsibility for the amendment which appears in this bill. The gentleman from Ohio [Mr. BURTON] said that names would appear and that probably scandal would ensue.

He did not make the statement in just those words, but I am not afraid that my name shall appear in what I believe to be the most meritorious proposition that has ever come before the House. [Applause.]

I believe that what we propose is in the interest of the public. I believe more, that Mr. Ford will dedicate every dollar he has to the development of agriculture through this institution. I believe that here we have an opportunity to show our wisdom, and it can not be better shown than by affording an opportunity for Mr. Ford to invest his millions in the development of an institution which will be dedicated to the American people. [Applause.]

The amendment upon which you are about to vote is an essential part of the bill before us. A vote against this amendment is a vote against the development of Muscle Shoals. Those who do not want Muscle Shoals developed should vote against this amendment. Those who want Muscle Shoals developed should vote for the amendment. Those who want this property to be developed for the purpose of manufacturing fertilizer for the American farmer will vote to adopt the amendment of the committee.

The CHAIRMAN. The time of the gentleman has expired, all time has expired, and the question is on the committee amendment as a new section.

The question was taken, and the committee amendment was agreed to.

Mr. GRAHAM of Illinois. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Amendment offered by Mr. GRAHAM of Illinois, inserting a new section at the end of section 19, on page 17 of the bill, to be known as 19 (a), and to read as follows:

"In order to further promote the manufacture of fertilizer the United States shall erect in connection with said nitrate plants at Sheffield, Ala., a residence to cost not less than $100,000, to be built by an agent of the United States, to be selected by said Henry Ford, and which shall be used by said corporation as a residence for Edsel Ford; there shall be in connection with said residence a suitable flagpole, and on the morning of each day during the residence of said Edsel Ford at said residence"——

Mr. BLANTON. Mr. Chairman, I make the point of order that the Clerk has read sufficient to show that the amendment is out of order.

Mr. GRAHAM of Illinois. I claim that the Clerk should finish the reading of the amendment.

Mr. McKENZIE. Mr. Chairman, I hope the gentleman from Texas will not make the point of order. This is the acme of the objection to the Ford offer. I think it ought to go in. [Laughter.]

The Clerk continued the reading of the amendment, as follows:

"said Edsel Ford shall raise a flag of the United States upon said flagpole, repeating while doing so, in an audible and vigorous tone, the American Creed of William Tyler Page. In order to amortise the cost of said residence said company shall pay to the United States annually $1.99. In case of destruction of said residence by fire or otherwise the United States, at its own expense, shall promptly rebuild the same. In case of war the United States may have the use of said residence or its equivalent at Detroit, Mich., or elsewhere by paying said company a reasonable rent therefor."

Mr. BLANTON. Mr. Chairman, I make the point of order—we are working under the rules of the House, and I make the point of order that the Clerk has read four times as far as necessary to demonstrate that the amendment is out of order. I ask a ruling as to whether the point of order is good, so that we may have the precedent.

Mr. GRAHAM of Illinois. Mr. Chairman, as a matter of fact no point of order is proper in the middle of an amendment. I think the amendment is germane to the bill, and the gentleman can not interrupt the reading of an amendment on a point of order.

Mr. BLANTON. The gentleman from Illinois knows better than that. The Clerk has read far enough to show that the amendment is out of order, and I can cite numerous precedents to the Chair to that effect.

The CHAIRMAN. The Chair thinks that the Clerk has read far enough to show that the amendment is not germane, and the Chair sustains the point of order.

The Clerk read as follows:

SEC. 19. Secretary of War is hereby authorized and directed to execute and deliver all necessary deeds of conveyance and to execute on the part of the Government all leases required to carry out the provisions of this act.

With the following committee amendment:

Page 17, line 21, strike out the figures "19" and insert "20," so it will read "Sec. 20."

The committee amendment was agreed to.

Mr. HULL of Iowa. Mr. Chairman, I move to strike out the last word. I do this in order to make a statement. Some question has arisen as to who wrote the minority report. Some one said that Thomas W. Martin wrote the minority report. I do not know as it is of any great value to the committee, but to keep the record straight I wish to say that the minority report was dictated in my office largely by myself. It was all written in my office, and Thomas W. Martin had nothing to do with it.

I want to call the attention of the gentleman from Illinois [Mr. MADDEN], who has at various times in the last nine years said something about Muscle Shoals—I think it was in February, 1921, in the consideration of the sundry civil bill, said that he did not want Muscle Shoals developed and, together with some other distinguished Republicans, took the stand that you would never have any value at Muscle Shoals, and that you ought to scrap it at that time. A few minutes ago the gentleman from Illinois said the Gorgas plant was built during the war. The gentleman shows the same amount of knowledge about Muscle Shoals that he has always shown; and that is, he is wrong. The Gorgas plant was not built during the war. The Gorgas plant was built before the war by the Alabama Power Co. on their own land. All the Government ever did was to go down there during the war and make an addition to the Alabama company's plant. You could not move it, because no one—and I examined it very carefully—no one knew where the Government property began and where the Alabama Power Co.'s left off.

Now, you have all had telegrams. In the remaining part of the five minutes left to me I will read some telegrams that I have received, and I have got a bunch of them—over 70 in all—and many more letters:

BIRMINGHAM, ALA., *March 8, 1924.*

HARRY E. HULL,
House Office Building, Washington, D. C.:

The vicious attacks on the Alabama Power Co. and its president by MADDEN and others are unwarranted, unjust, and unfair to the company and injurious to the welfare and progress of our State. As editor of three Alabama newspapers, and in touch daily with every section of the State, I know that the Alabama Power Co. stands high in the estimation of our people for the magnificent work it is doing. As representative of the people you should challenge these attacks and see to it that your challenge and this telegram is written into the RECORD. I hope you can do this for the fair-minded and loyal citizens of Alabama.

R. B. VAIL.

TALLASSEE, ALA., *March 7, 1924.*

HARRY E. HULL,
Washington, D. C.:

Your fight for nonacceptance of the Muscle Shoals offer of Henry Ford interests me to the extent that I send this message. Continue your fight. This natural resource of water power should not go to any private interest upon any terms.

DR. ROBERT H. CONER.

Mr. McKENZIE. Mr. Chairman, I move that all debate upon this section and all amendments thereto do now close.

The motion was agreed to.

The CHAIRMAN. Without objection, the pro forma amendment of the gentleman from Iowa will be withdrawn, and the Clerk will read.

The Clerk read as follows:

Committee amendment: At the end of section 20, page 18, line 1, insert the following:

"SEC. 21. The interest on account of lease of Dam No. 2 shall apply to all expenditures and obligations of the Government in connection with said dam which have been incurred since May 31, 1922.

"SEC. 22. The stock of the company to be formed by Henry Ford, referred to in section 1 of this act, shall be controlled after his death by his heirs or by American citizens, and no stock or bonds issued by any company or subsidiary company in connection with the lease of the dams referred to herein or in connection with nitrate plant No. 2, or any substitute therefor or addition supplementary thereto, shall be owned or controlled by any foreign corporation, citizen or subject.

"SEC. 23. All of the contracts, leases, deeds, transfers, and conveyances necessary to effectuate the acceptance of said offer shall be binding upon the United States and jointly and severally upon Henry Ford, his heirs, representatives and assigns, and the company to be incorporated by him, its successors and assigns."

Mr. WILLIAMSON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Page 18, lines 3 and 4, after the word "dam," in line 3, insert a period and strike out the balance of the line and all of line 4.

Mr. WILLIAMSON. I do not want to take up the time of the committee in discussing this amendment. I discussed the same proposition in connection with a similar amendment I offered a day or two ago. The purpose of it is to require Henry Ford to pay interest on the entire investment that the Government has in Dam No. 2, including the $17,000,000 expended by the Government prior to May 21, 1922. In all fairness I submit that interest should be computed on the entire cost of the dam. Even then, as I have previously shown, the actual interest, if computed from the time of the expenditure of Government funds, would amount to less than 3 per cent per annum.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from South Dakota to the committee amendment.

The amendment was rejected.

Mr. MADDEN. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. MADDEN: On page 18, amend section 23 by striking out after the figures "23" all of the section and substituting in lieu thereof the following: "Upon the acceptance of the Ford proposal, the promises, undertakings, and obligations shall be binding upon the United States and jointly and severally upon Henry Ford, his heirs, representatives, and assigns, and the company, its successors, and assigns, and all the necessary contracts, leases, deeds, and other instruments necessary or appropriate to effect the purposes of this proposal shall be duly executed and delivered by the respective parties above mentioned."

Mr. WILLIAMSON. Mr. Chairman, I desire to offer an amendment to the amendment.

The CHAIRMAN. The Chair would state that that would be an amendment in the third degree and would not be in order.

Mr. MADDEN. Mr. Chairman, section 23 as it appears in the committee print provides that—

all of the contracts, leases, deeds, transfers, and conveyances to effectuate the acceptance of the offer shall be binding upon the United States and jointly and severally upon Henry Ford, his heirs, representatives, and assigns, and the company to be incorporated by him, its successors and assigns.

A good many Members of the House feel that in view of the language of the proposal of Henry Ford there is some doubt as to whether this section as it appears in the bill carries out to its fullest extent the obligations contained in the proposal, and in order to obviate any question of doubt in the mind of anyone I simply offer the actual proposal made by Mr. Ford as a substitute for this abbreviated feature of the proposal now contained in section 23.

Mr. WILLIAMSON. Mr. Chairman, I offer the following substitute for that amendment, which I send to the desk.

The CHAIRMAN. The committee amendment and the amendment to the amendment are the only amendments that are in order at this time.

Mr. WILLIAMSON. But I offer this as a substitute for the proposed section 23 of the committee amendment.

The CHAIRMAN. That is only a part of the amendment.

Mr. QUIN. Mr. Chairman, I make the point of order that the amendment is out of order.

The CHAIRMAN. The Chair sustains the point of order. The question is on agreeing to the amendment offered by the gentleman from Illinois to the committee amendment.

The committee proceeded to divide.

Mr. WILLIAMSON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. WILLIAMSON. Would it be in order to request a separate vote upon the different sections of the committee amendment?

Mr. MADDEN. I make the point of order that that request comes too late.

Mr. FROTHINGHAM. But I make the point of order that the gentleman was on his feet trying to get recognition.

Mr. MADDEN. Very well. I have no objection.

Mr. WILLIAMSON. Mr. Chairman, I demand a separate vote.

Mr. LONGWORTH. Mr. Chairman, may I suggest that notwithstanding the fact that these three proposed sections were read as one committee amendment, unquestionably the gentleman from South Dakota has a right to offer an amendment to any one of the three sections.

The CHAIRMAN. The gentleman from Illinois [Mr. MADDEN] has offered an amendment to the committee amendment, and another amendment to that is an amendment in the third degree and would not be in order.

Mr. WILLIAMSON. I am offering a substitute for the Madden amendment to the committee amendment.

The CHAIRMAN. The Chair suggests that if the gentleman will offer an amendment to the whole of the committee amendment that will serve the purpose.

Mr. WILLIAMSON. Mr. Chairman, I desire to reoffer a substitute for the committee amendment embracing sections 21, 22, and 23 which I have sent to the Clerk's desk.

Mr. HASTINGS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HASTINGS. The committee had already voted by the ayes on the amendment offered by the gentleman from Illinois [Mr. MADDEN], but the other side of the question has not been put. Now, the inquiry I desire to make is, ought not we to vote upon the amendment and complete the vote?

The CHAIRMAN. As the gentleman from Oklahoma says, the vote had not been completed, and the Chair will recognize the gentleman from South Dakota for an amendment which is in order.

Mr. McKENZIE. Mr. Chairman, I ask that the substitute be read and be voted upon without discussion.

Mr. LAGUARDIA. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman from Illinois [Mr. McKENZIE] asks unanimous consent that there be no debate upon the proposed substitute offered by the gentleman from South Dakota [Mr. WILLIAMSON]. Is there objection?

Mr. WILLIAMSON. Mr. Chairman, I object.

Mr. LAGUARDIA. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LAGUARDIA. Under the present parliamentary situation would it be in order after the vote is taken to offer an amendment to section 23 of the committee amendment?

The CHAIRMAN. Any germane amendment will be in order.

Mr. LAGUARDIA. At this time or after the vote?

The CHAIRMAN. After the vote is taken. The clerk will report the amendment offered by the gentleman from South Dakota [Mr. WILLIAMSON].

The Clerk read as follows:

Amendment offered by Mr. WILLIAMSON as a substitute for committee amendment: Page 18, line 1, insert:

"SEC. 21. The interest on account of lease of Dam No. 2 shall apply to all expenditures and obligations of the Government in connection with said dam which have been incurred since May 31, 1922.

"SEC. 22. The stock of the company to be formed by Henry Ford referred to in section 1 of this act shall be controlled after his death by his heirs or by American citizens, and no stock or bonds issued by any company or subsidiary company in connection with the lease of the dams referred to herein or in connection with nitrate plant No. 2, or any substitute therefor or addition supplementary thereto, shall be owned or controlled by any foreign corporation, citizen, or subject.

"SEC. 23. All of the contracts, leases, deeds, transfers, and conveyances necessary to effectuate the acceptance of said offer and to carry out the purposes of this act shall be binding upon the United States, and jointly and severally upon Henry Ford, his heirs, representatives, and assigns, and the company to be incorporated by him, its successors and assigns, it being the intent hereof to bind Henry Ford, his heirs, representatives, and assigns upon all contracts, leases, deeds, transfers, and conveyances executed by said company as fully and completely as though he had personally executed such instruments."

Mr. WILLIAMSON. Mr. Chairman, I ask for recognition.

The CHAIRMAN. The gentleman from South Dakota.

Mr. WILLIAMSON. Mr. Chairman and gentlemen of the committee, if the proponents and advocates of this measure mean what they say and Henry Ford means what they say he means then the substitute for the Madden amendment ought to be adopted by this House. I have examined very carefully the proposed substitute offered by the gentleman from Illinois [Mr. MADDEN] which appeared in the RECORD some days ago. In my judgment that amendment to the committee amendment does not do all Mr. MADDEN claims for it. If you will adopt the substitute which I have offered I will guarantee to you that this section will be air-tight and that Henry Ford and his heirs will be bound to do what it is said he has promised to do and what gentlemen have repeatedly said they want him to do. A disposition has been shown all through the consideration of this bill to prevent any and all amendments, no matter how meritorious. There has been a complete refusal to consider

any proposed change in the bill upon its merits. Any attempt to protect the United States or succeeding generations has been frowned upon by the Ford advocates and voted down. The most valuable water-power site in America and the vast Government properties at Muscle Shoals are to be given away for a mess of pottage. Our children's birthright is to be given over to a $10,000,000 Ford corporation without even a clause in the bill to properly guarantee performance of such undertakings as are imposed upon the Ford corporation. Much has been said of Ford's millions being back of the proposal. I deny that they are back of the proposal as the bill now stands or as it will stand with the Madden amendment. My amendment will put them back of the proposals incorporated in the bill, such as they are.

The CHAIRMAN. The question is first upon the perfecting amendment.

Mr. McKENZIE. If the gentleman will permit, just what words does the gentleman put in?

Mr. WILLIAMSON. What I add to section 23 as it appears in the bill is as follows: Page 18, line 16, after the word "offer" I insert "and to carry out the purposes of this act," and after the word "assigns," in line 19 of the same page, I strike out the period, insert a comma, and add, "it being the intent hereof to bind Henry Ford, his heirs, representatives, and assigns upon all contracts, leases, deeds, transfers, and conveyances executed by said company as fully and completely as though he had personally executed such instruments," so that the section will read:

SEC. 23. All of the contracts, leases, deeds, transfers, and conveyances necessary to effectuate the acceptance of said offer and to carry out the purposes of this act shall be binding upon the United States and jointly and severally upon Henry Ford, his heirs, representatives, and assigns, and the company to be incorporated by him, its successors and assigns, it being the intent hereof to bind Henry Ford, his heirs, representatives, and assigns upon all contracts, leases, deeds, transfers, and conveyances executed by said company as fully and completely as though he had personally executed such instruments.

The CHAIRMAN. The question now is upon the perfecting amendment of the gentleman from Illinois [Mr. MADDEN].

The question was taken, and the amendment was agreed to.

The CHAIRMAN. The question now is upon the substitute offered by the gentleman from South Dakota [Mr. WILLIAMSON].

The question was taken, and the substitute was rejected.

The CHAIRMAN. The question now is upon the committee amendment as amended by the Madden amendment.

Mr. LAGUARDIA. Mr. Chairman, I have an amendment which I desire to offer to the amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. LAGUARDIA: Page 18, line 19, add another section: "It shall be unlawful for the company, or any director, officer, stockholder, or employee thereof, directly or indirectly, to contribute to any political campaign fund or to contribute, donate, or in any way to give money to assist, promote, or otherwise assist in the election of any public official, congressional candidate, or candidate for nomination for any office in a primary election."

Mr. BANKHEAD. Mr. Chairman, I make a point of order against the amendment.

Mr. LAGUARDIA. Mr. Chairman, I would like to be heard on the point of order.

The CHAIRMAN. The Chair is ready to rule. The point of order is sustained. The question is now on the committee amendment as amended by the amendment of the gentleman from Illinois.

The question was taken, and the amendment as amended was agreed to.

Mr. WINGO. Mr. Chairman, I desire to offer the following amendment.

The CHAIRMAN. The gentleman from Arkansas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 18, line 1, insert a new section, by Mr. WINGO, to read as follows:

"A compliance by the company with the requirements of this act with reference to the manufacture of nitrate and maintaining nitrate plant No. 2 in its present state of readiness or its equivalent for immediate operation in the manufacture of materials necessary in time of war for the production of explosives, except as it may be prevented by reconstruction of the plant itself, or by war, strikes, accidents, fires, or other causes beyond its control, shall constitute conditions subsequent upon which the right of the company shall depend, and a failure to substantially meet such conditions, or either of them, shall give the United States, in addition to any other right it may have, the right, by proper action in a court of competent jurisdiction, to recapture said nitrate plant No. 2."

Mr. WINGO. Mr. Chairman, I realize that possibly I am engaging in a last futile effort to appeal to the intelligence of the House to-day by doing what the gentleman from Texas [Mr. GARRETT], a member of the committee, a while ago said was the desire of his committee; that is, to keep the hands of the Government on this great property and control it. Now, what do I do by my amendment? It is an amendment for which, frankly, if you adopt it, I would be willing, but not otherwise, to abandon the amendment which you adopted on Saturday. It is not so drastic. It does not go far enough; but it does this: Compliance with two major agreements is all that is required; that is, the manufacture of nitrate, as provided by section 14, and the keeping of the plant in readiness for the needs of the Government in time of war. Those are the only two material requirements as conditions subsequent by which I seek to bind that corporation after Henry Ford is dead and gone; and I say if these requirements are not met, then the United States Government shall have what right? To declare the lease forfeited? Oh, no. I give my friend from Tennessee [Mr. BYRNS] his day in court. He knows that the Constitution already guarantees that. He seems to have overlooked it. My amendment provides that if the company fails to meet substantially those requirements, then the United States Government has the right to go into a court of competent jurisdiction and by proper action seek to recapture what? All the property? No; seek to recapture nitrate plant No. 2, the plant that must be kept for national security and national defense. That is all I do.

Mr. BEGG. Mr. Chairman, will the gentleman yield?

Mr. WINGO. Yes.

Mr. BEGG. What excuse is there to only take back part of it if they fail on the contract?

Mr. WINGO. Absolutely none; but I am trying to preserve the rights of the Government in connection with what I feel will be a duty devolving upon the company 50 years from now, when Henry Ford is dead and gone. I will be content if I can keep the plant manufacturing fertilizer in time of peace and in condition to manufacture explosives in time of war.

You say, "We must not amend this bill"; that "We must not lay our hands on this sacred thing." You can do that if you want to, gentlemen, but there is not a lawyer on the floor of this House who does not know that my amendment is right and that without the adoption of my amendment all control by the United States Government is gone, and gone for a hundred years, except the little right of action on breach of covenant, which is so unreliable and unsatisfactory.

Oh, gentlemen, you come and say, "Henry Ford will not accept your provisions." I challenge any man to stand up and make that statement to me now. They came in last Saturday and said they had fixed up the Begg amendment and the Henry Ford representatives would accept that. They came back this morning and they deny what they told us last Saturday. Yet they have gone out in the cloakroom and had a little meeting among themselves, a kind of little third House, and have said, "Let us put everything through as it is, and let the Senate amend it." Not one man who has discussed my amendment in private has denied my legal proposition, but has said, "Do not do this. We want to go over to the Senate with you and have it done there." Gentlemen, I hardly understand why it was that I was able to keep my temper and keep quiet on the proposition they presented to me. I do not want to wait until the Senate has had something done that no man will deny is right.

Mr. WILLIAMS of Michigan. Mr. Chairman, will the gentleman yield?

Mr. WINGO. Yes.

Mr. WILLIAMS of Michigan. I want to ask the gentleman this question: If Henry Ford should place upon that property there numerous factories, all of that property would revert to the Government?

Mr. WINGO. I know what the gentleman means. I am making a last effort to reserve something, and that is nitrate plant No. 2, against duplicity and bad faith on the part of the corporation after Henry Ford's death. That is all I am seeking to do. [Applause.]

Are you opposed to that? If so, why are you opposed to it? Is anybody authorized to say that Henry Ford will not accept that? I deny it, because I have faith in his intelligence and his integrity. You have got to prove to me that Henry Ford is guilty of duplicity and bad faith and is not willing for Congress to bind this corporation after he is dead and gone.

Mr. WURZBACH. Mr. Chairman, will the gentleman yield for a question?

Mr. WINGO. Yes.

Mr. WURZBACH. Assuming that the Government would recover under the gentleman's amendment nitrate plant No. 2, would the 100,000-water-power plant go with that?

Mr. WINGO. Nitrate plant No. 2 would be recaptured if the court, after hearing, had decided that this corporation had acted in bad faith and had failed to keep its contract to manufacture fertilizer in peace and explosives in time of war. But the burden would be on the Government to show such failure and bad faith. [Applause.]

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Arkansas [Mr. WINGO].

Mr. UPSHAW. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Georgia moves to strike out the last word.

Mr. UPSHAW. Mr Chairman and gentlemen of the House, I think enough has been said by the opposition in putting question points after the faith of the people in the Ford proposition to make it an opportunity to declare that as far as my observation goes the masses, especially the working masses, are overwhelmingly in favor of letting Henry Ford have Muscle Shoals. By the way, we remember that over at the other end of the Capitol the other day, the muse grew restive under the weight of prose in that august body and the clouds of angry debate were dissipated by a journey into the scintillating fields of poetry. Down in my district I have a genius of a constituent named F. W. Edwardy, who wrote and circulated a post card as follows:

> As Doctor Cone would say,
> Repeat this sentence every day:
> "Muscle Shoals in Alabam
> Without a Ford ain't worth 'a dam.'"

[Laughter and applause.]

Now you understand, gentlemen, that I do not "cuss," but the word "dam" has been used with shocking frequency here during this debate, and my poetic constituent who is a Ford "fan" insists, of course, that he is talking about a "tinker's dam" or the kind of a dam that stops a river.

Mr. HUDSPETH. A continental dam. [Laughter.]

Mr. UPSHAW. But there is one thing especially to which I wish to refer. I wish to take exception, without holding any brief for Mr. Ford, to one statement made by the gentleman from New York [Mr. LAGUARDIA] the other day when, in an unguarded moment, I am sure, he referred to Mr. Ford's "ill-gotten gains." I think he made that statement in the heat of debate; I think he meant to say Mr. Ford's fabulous wealth or something like that. I want to say that is the first statement I have ever heard anybody make that put a question point after the integrity of Henry Ford. I am sure my good friend from New York did not mean to make a deliberate reflection on Mr. Ford's personal honor or his business methods.

It was my privilege to spend a day, six years ago, in his wonderful plant, and I went through it from one end to the other. I was utterly amazed at the spirit of real, good Americanism that I saw. I visited and addressed his schools, where he was transforming many foreigners into intelligent, enthusiastic Americans. I have been impressed with Henry Ford as one of the few outstanding men who, having won great wealth by the wealth of his own genius and his own energy, has not left the envious masses at the bottom of the mountain after he has climbed to the top. Ordinarily men of great wealth leave those less fortunate down in the valley, muttering curses against those who have left them. But you will find that the humblest men everywhere have great faith in Henry Ford because he has proven that he loves humanity.

Dr. Samuel Marquis, the great preacher, who gave up his pulpit to look after the humanitarian side of Henry Ford's work, told me that when the plant was about half as large as it is now Henry Ford was then paying splendid salaries to 300 men and women who moved sympathetically among his 50,000 employees at the time and helped to contribute to their personal and domestic happiness. I believe we can trust a man like that. And it was a great lesson for all employers of labor that the very week after Henry Ford voluntarily raised all wages and reduced the hours of labor from nine to eight for the day the output of his plant leaped forward to a notable degree as the result of the impulse of gratitude for their great-hearted employer's humanitarian spirit.

The Bible declares that—

he who would have friends must show himself friendly.

And again:

All things whatsoever ye would that men should do to you, do ye even so to them.

All the human philosophy and the modern ethics on earth can not add to or even approach this divine wisdom of the golden rule of Christ, that would usher in, as Frances E. Willard declared, "the golden age of man." It is because Henry Ford and Pastor Marquis, who helped him to catch the vision, have let this beautiful spirit filter down through all the activities of big, wonderful achievements that "the man in overalls" everywhere declares, "Hurrah for Henry Ford!"

FARMERS HAVE FAITH IN FORD

I have found also that farmers far and wide have the same kind of faith in Henry Ford that inspires the workingmen everywhere. Such leaders as Charles S. Barrett, the first and only president of the National Farmers' Union, who has steered that great organization with such notable wisdom, and C. H. Cobb, the gifted and vigorous editor of the Southern Ruralist, the great magazine with half a million circulation, published in my home city of Atlanta, have declared with enthusiasm in favor of accepting the Ford offer, believing that it will mean cheaper fertilizers for the farmer and greater prosperity not only for the South but for the whole country. In a letter to me concerning this subject, the editor of the Southern Ruralist says:

Everything that has been done that sheds any light whatever on the Muscle Shoals proposition leads to just one conclusion. That one conclusion is that the Ford offer is the only offer that carries with it any assurance whatever that the public interest will be protected even in the slightest degree or that cheap fertilizer or nitrates for war purposes will be manufactured. One of the most vital considerations in this whole matter is that of moral responsibility and individual reliability. The records make it very clear that the Ford offer is the only one that deserves a moment's consideration on that basis. Doubtless those other concerns that are bidding will make rosy promises. * * * From all I can gather, the Alabama Power Co. is gifted along these lines. Probably they are helpless, inasmuch as they are dominated by capitalists who live clear outside of the United States and whose one interest is that of getting the maximum return upon their investment. Mr. Ford is not only a man of known moral integrity but he has ample capital of his own. This, too, is of vital importance. We must not forget that the Alabama Power Co. is owned almost wholly by British financiers. Mr. Ford is not only enormously wealthy but he has demonstrated a most extraordinary capacity to do big things and has come by his wealth in a manner known to be honorable to all our people. While amassing it he has at the same time shown a degree of fair-mindedness and good faith with his employees and with the public that puts his bid in a class to itself and beyond question of doubt. He proposes to do another thing besides the manufacture of fertilizer that in all probability troubles the private power concerns more than anything else. I have in mind the manner in which he proposes to pay off the indebtedness of the development at Muscle Shoals and free it from mortgages, bonds, and the like that now load down the old companies and will be carried forever because they carry a rather attractive rate of interest. Private concerns do not like the idea of paying off their debts. Neither do they like the idea of manufacturing fertilizer at a profit of just 8 per cent. This is something new, too. In my judgment Mr. Ford will not only help agriculture and free the War Department from dependence upon Chilean nitrates but will show this country how cheaply hydroelectric power can be developed and sold to the public.

My hope is that you will press for immediate action on the Ford offer. I can not but feel that those who turn the Ford offer down are wholly in the dark or are so blinded by prejudice that they can not distinguish between greed and the public welfare. Up to the present our natural resources have been regarded more or less as the heritage of a privileged few who had the money to exploit them. They have benefited the public only in an incidental way, and therefore precious little. So it does seem to me that with record after record of private exploitation and its blighting influence that Congress would hasten to do this one thing that is calculated to benefit all our people. It would be glorious to have one bit of private resource developed in the interest of the country, and it would be a national scandal that would make the Teapot Dome affair fade into insignificance if the private concerns have their way. If we can keep our hydroelectric power out of the hands of conscienceless exploitation, we have a most wonderful industrial future. Otherwise we shall go on through the years to come paying tribute where tribute is not due. The acceptance of the Ford offer is the only opportunity we have yet had to break through the wall that is being built around the hydroelectric power of this country. That is why so much money has been spent to defeat it; that is why there has been so much misleading propaganda, and undoubtedly why it has been delayed all these years.

Permit me to again say how greatly we appreciate the support you have given the Ford offer. You are rendering this country a great public service.

Very sincerely yours, C. A. COBB, *Editor.*

This vigorous letter, gentlemen of the House, is but a sample of the opinion and the faith of the agricultural leaders of the country concerning Henry Ford and his proposed development of this great national asset.

After all, gentlemen, one of the best reasons for the acceptance of Henry Ford's offer is the fact that the masses of the American people want him to have it. The people believe in Henry Ford's financial and moral integrity. [Applause.]

Mr. WRIGHT. Mr. Chairman, I rise in opposition to the amendment. I want to speak for just a minute on the amendment offered by the gentleman from Arkansas [Mr. WINGO]. I am opposed to his amendment, because there is already better language in the bill as reported than the language employed by Mr. WINGO in order to protect the Government.

Mr. MOORE of Virginia. Will the gentleman yield?

Mr. WRIGHT. Yes.

Mr. MOORE of Virginia. Section 18 gives several remedies. It gives the Government the right to go into court and claim a cancellation of all the contracts, which, if the case is made out, will at once do exactly what Mr. WINGO's amendment proposes: It gives the Government the right to apply for a mandatory injunction which will, if granted, compel Ford, or the company, to do the things stipulated in the contract; and it gives the right to use the process of mandamus, which would also require Henry Ford, or the company, to do what they contract to do. Further, the Government could ask for specific performance of its contracts.

Mr. WRIGHT. That is true.

Mr. WINGO. I would like to see the language in the bill which does that—which authorizes a cancellation.

Mr. WRIGHT. Now, my friend from Virginia [Mr. MOORE] has called attention to section 18 of the bill. I want to say in this connection, gentlemen, that this bill as reported is no haphazard matter; it was not written under excitement. Every word and every line in this bill was submitted to this House after the most mature and careful consideration by the Committee on Military Affairs; every word of it was weighed; its legal significance was taken into consideration; there was nothing omitted; and when this bill was brought here, it was brought by the Military Affairs Committee as a measure which protects the Government in every particular so far as the lease and sale of these properties to Henry Ford are concerned.

You are familiar with the provisions of section 19. That section provides as follows:

> And as a further method of procedure in the event of the violation of any of the terms of this proposal or any contracts made in furtherance of its terms the company agrees that the Attorney General may, upon the request of the Secretary of War, institute proceedings in equity in the District Court of the United States for the Northern District of Alabama for the purpose of canceling and terminating the lease of Dam No. 2 or Dam No. 3, or both of them, because of such violation or for the purpose of remedying or correcting by injunction, mandamus, or other process any act of commission or omission in violation of the terms of this proposal or any contract made in furtherance thereof.

This section, gentlemen, not only protects the Government, but Mr. Ford and his company agree by the terms of that section that a certain court of the United States will have jurisdiction of these matters; he submits himself to the jurisdiction of a given court, the United States District Court for the Northern District of Alabama. That section provides for every remedy open to the United States, not only as to a forfeiture or cancellation of these proposed contracts but as to any other remedy which the United States might employ in seeing that its rights under this proposed contract are enforced.

Mr. McSWAIN. Will the gentleman yield?

Mr. WRIGHT. Yes.

Mr. McSWAIN. In other words, the substance of it is this: The proposition so laid down there is that if he violates any of the terms of the contract—one of which is that he is to make fertilizer and another of which is that he is to make nitrates for war—then they will cut off the power from Dams 2 and 3, and when they cut off the power then the contract is worthless, is it not?

Mr. WRIGHT. Surely.

Mr. McSWAIN. That is the hammer with which they drive him to performance?

Mr. WRIGHT. Absolutely. In other words, every right the Government has under this contract can be enforced according to the provisions of section 18. [Applause.]

The CHAIRMAN. The time of the gentleman has expired. The question is on the amendment offered by the gentleman from Arkansas [Mr. WINGO].

The question was taken; and on a division (demanded by Mr. WINGO) there were—ayes 34, noes 98.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

> SEC. 20. The appropriations necessary to carry out the provisions of this act on the part of the Government are hereby authorized.

With the following committee amendment:

> Page 18, line 20, strike out the figures "20" and insert in lieu thereof the figures "24."

The CHAIRMAN. The question is on the committee amendment.

The question was taken, and the committee amendment was agreed to.

Mr. STRONG of Kansas. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Kansas moves to strike out the last word and is recognized for five minutes.

Mr. STRONG of Kansas. Mr. Chairman and gentlemen of the committee, I have been hoping that this contract for the gift or sale or the lease—whichever you wish to call it—of this great water power belonging to the people of this country at Muscle Shoals, Ala., and on which the Government has spent $117,000,000, might be amended so that I could go along with my southern friends and vote for it, and I have been trying to help so amend it that the rights of the people in this great property would be preserved.

I represent a great agricultural district and you all know I always work and vote to help agriculture; but if this bill should be fairly and properly amended so that I could feel warranted in voting for it, it would not be because I believe it would help the farmers in my district or in my State, for we do not use fertilizer in Kansas, but because it might help the cotton farmers of the South and preserve the nitrate plant, on which so many millions have been spent for the emergency of war.

It is evident, however, that no amendments will be permitted to the bill authorizing the transfer of this great property to a $10,000,000 corporation to be organized by Henry Ford. It is to be railroaded through the House, and as a lawyer and a business man I can not vote to give away this great property of the people of this country under the conditions prescribed in this bill.

I can not understand why the provisions of the bill, inadequate and unfair to the Government as they are, should be so loosely and carelessly drawn. I understand that Mr. Ford authorized his attorneys to draw a bill which would bind him to carry out the provisions that those who are supporting this measure say Mr. Ford agreed to and that when the same was prepared he refused to abide by it. This measure was then prepared to accept such propositions as Mr. Ford saw fit to offer. It is a case of anything to get the richest man in the world to become interested in Muscle Shoals, Ala.

Now, what is the proposition? Besides the great water-power interests of the Tennessee River, the Government owns 4,200 acres of land on which was expended during the war $80,000,000 in buildings and plants. There are two small cities with paved streets, sewers, and electric lights, all built at the expense of the taxpayers. For this great property the Ford corporation is to pay $5,000,000, out of which there must be deducted $3,472,487.25 to build a great steam power plant that will produce 40,000 horsepower, leaving a paltry $1,527,512.75 which the Government is to receive for $80,000,000 worth of property which, it is admitted, has a junk value of $16,000,000, but it will not be sold for junk. Mr. Ford is quoted as saying, "I will employ 1,000,000 men. I will build a city 75 miles long at Muscle Shoals." Already the land outside of the 4,200 acres we are to give Mr. Ford has been platted and is being sold in a great real-estate boom that is behind this proposition. The Ford corporation will make millions out of the property not a part of the water-power proposition that he is getting under this contract.

Now, what about the water-power rights, the most valuable yet remaining to the people? The Government has spent millions in the construction of two great dams and is to spend thirty and perhaps fifty millions more under the obligation this contract places upon us to complete the two dams, build power houses, and install hydroelectric machinery; and for this Henry Ford is to pay a rental of less than 4 per cent on only that portion of the cost that is expended after May 31, 1922. He is also to pay only $23,373 a year as a sinking fund to retire the cost of the building of these two great dams.

The Government is to be at the cost of operating the great locks through which the boats will pass—as a part of this scheme to make the Tennessee River navigable—and is to also be at the expense of the maintenance as well as the repair

of the dams, gates, and locks, while the Ford corporation is to pay only $35,000 annually toward such purpose at Dam No. 2 and $20,000 at Dam No. 3, which is about money enough to operate the gates and locks, and leave the Government to repair and maintain both dams. And this contract is to exist for a hundred years.

To sugar coat the proposition the Ford corporation agrees to turn over in case of war the nitrate plant, which is already completed and goes with the proposition, and is to manufacture not less than 40,000 tons of nitrate for the manufacture of fertilizer at a profit of 8 per cent.

I offered an amendment to cut such profit to 6 per cent, but, regardless of the fact that the Ford corporation is to pay the Government but 4 per cent on but a part of the cost of construction of the dams, the amendment was defeated.

Another amendment by Mr. BURTON, of Ohio, has been offered which would place the leasing of these great water-power rights under the water power leasing act of 1920, which would limit the term to 50 years and regulate the cost that could be charged for any electric current sold back to the people. This amendment has also been defeated.

A part of the propaganda used in favor of this measure was that through the building of electric lines and the cheap sale of electric current the drudgery was to be taken out of the life of the farmer and his housewife, yet when an amendment was offered providing that at least half of the power to be produced at Muscle Shoals should be sold and disposed of the amendment was defeated, which means that the Ford corporation for 100 years is to have all of this great power, to use it as it sees fit, save only enough to manufacture 40,000 tons of nitrate per annum; but when the gentleman from Ohio [Mr. BEGG] offered an amendment, which would work a forfeiture of the Ford corporation's rights under this contract if they failed to produce that amount of nitrate for two consecutive years, though the Members in charge of this bill consented to the amendment, we are now told it is to be defeated before the bill is passed.

Mr. QUIN. I would like to say to the gentleman that I did not vote in support of that amendment.

Mr. STRONG of Kansas. It is well understood that the amendment is to be defeated in the House, although under the agreement it was adopted by this committee, and you may have voted for it.

Mr. QUIN. No; I am going to vote it down. I said I did not support the amendment.

Mr. ALMON. I opposed it and voted against it.

Mr. STRONG of Kansas. Very well; then it is quite plain that it is to be voted down in the House. Now, gentlemen, without proper provisions that will bind the Ford Corporation to make nitrates for the cotton farmers of the South, why vote for it? The Begg amendment only seeks to forfeit the property back to the people if there is a failure to make nitrates as agreed to for two consecutive years.

Mr. STEAGALL. Will the gentleman yield?

Mr. STRONG of Kansas. Certainly.

Mr. STEAGALL. Would the gentleman rather have the contractee bound to manufacture 40,000 tons of fixed nitrogen every year or have him bound to manufacture that amount every two years?

Mr. STRONG of Kansas. I would rather have him bound to manufacture it every year.

Mr. STEAGALL. The bill as drawn binds him to manufacture not less than that amount every year.

Mr. STRONG of Kansas. I do not think so, and a good many Members of this House do not think so. If that is true, why do you object to a forfeiture if there is a failure to comply?

Mr. BOYCE. Because we want him bound to make it every year.

Mr. ALMON. And because it is a forfeiture clause.

Mr. STRONG of Kanasas. I want it to be a forfeiture clause, as the gentleman says.

Mr. ALMON. Without ever giving him a day in court.

Mr. STRONG of Kansas. Oh, I am in favor of giving every one his day in court, but if Mr. Ford means that the corporation he is to form is to make this nitrate as provided in the contract, why is it unfair to have a forfeiture clause that will enforce its manufacture? All we are asking is that the corporation that is to have this great property on which the Government has spent $117,000,000, and is to spend thirty to fifty million dollars more, is that it be so bound that the people can secure its return in case the contract is not carried out. I do not know Henry Ford. He may be willing as long as he lives to carry out the confract, but what will happen after he has passed away? The people will only have a contract with a corporation and nothing more. And if the contract is not so drawn as to protect the people and secure for them the small benefits for which they must pay the good profits provided in this bill, then this great property is lost to them for a century.

Gentlemen, I have tried to place amendments in this bill that will protect the rights of the people in this great property not only of this generation but of those to follow. I do not think the contract as presented by the committee will do so. I realize that you gentlemen of the South, who think that the benefits Mr. Ford is to receive will cause him to use his millions to develop a great industry in Alabama, with those on our side who favor the proposition because they want to get the Government away from it or because they are friendly to Mr. Ford, form a majority that intend to railroad this bill through just as the representatives of Mr. Ford desire it, but if the Begg amendment, to force the manufacture of nitrates under penalty of a forfeiture, and the Burton amendment, to bring the leasing of this great power under the control of existing law as provided in the water power act, are not placed in this bill I can not conscientiously vote for this bill and will not do so.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. BEGG. Mr. Chairman——

Mr. McKENZIE. If the gentleman will yield, I move, Mr. Chairman, that all debate on this section and all amendments thereto close in five minutes.

The question was taken, and the motion was agreed to.

Mr. BEGG. Mr. Chairman and gentlemen of the committee, I simply want to make one last appeal to protect what I believe the future will develop into one of the great natural resources in the eastern part of the United States.

I also want to reply to what the gentleman from Georgia [Mr. WRIGHT] said a moment ago, that section 18 gave the Government every right of forfeiture and reversion for a violation of any provision of the contract. If that is true, the only difference between my amendment and the statement of the gentleman from Georgia is that under the gentleman's statement if you go into court and sue for any cause whatsoever the judgment you get may be dollars or it may be an indemnification for a failure to perform; but if you keep my amendment in the bill I submit to you that you have not jeopardized the contract; you have not handicapped Mr. Ford one iota, but you have assured to generations yet unborn that if Mr. Ford fails to manufacture nitrates, which I maintain is the only reason in existence for being for the bill, the Government will again come into possession of this great national resource of probably 1,000,000 horsepower. But if you vote that out under hysteria or under excitement you can plead nothing other than that you were afraid to protect the interests of the posterity of the present generation. To me that is a serious proposition. I do not believe anybody could question my faith and my honesty in being for this proposition, but I would rather be defeated to-day by voting against a bill that I believe would harm my children's children than to save my political life and ruin their economic one. [Applause.]

The CHAIRMAN. Without objection, the pro forma amendment of the gentleman from Kansas [Mr. STRONG] is withdrawn, and the Clerk will read.

The Clerk read as follows:

SEC. 21. That all laws and parts of laws in conflict herewith be, and the same are hereby, repealed.

The following committee amendment was read:

Page 18, line 23, strike out the figures 21 and insert 25.

The committee amendment was agreed to.

Mr. RAKER. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 18, lines 23 and 24, strike out section 25, lines 23 and 24, on page 18, reading as follows:

"SEC. 25. That all laws and parts of laws in conflict herewith be, and the same are hereby, repealed."

Mr. RAKER. Mr. Chairman and gentlemen of the committee, there are only two provisions in the bill that are supposed to be law, and that is section 24, which you have just enacted, and section 25, now under consideration. The entire bill as to its provisions is what shall constitute the contract provided for on page 1, lines 4 and 5, which says—

that the Secretary of War is hereby authorized and directed for and in behalf of the United States of America to execute the following contracts.

That is all there is in the provision that we have been working on. Now, I am in favor of the legislation relating to the Muscle Shoals project. I want to call the attention of my friends who are in favor of this legislation to this particular provision of the bill. The bill provides what the contract shall contain and nothing else. It is a separate, special, individual contract, and a law directing the Secretary of War to enter into this contract as presented by Mr. Ford. This section is not in the Ford offer; it is not a part of it; it is a separate, independent provision. What I want to call the attention of the committee to is this: That this statute repeals all acts or parts of acts that may be in conflict with the provisions of this supposed contract. Now, you know what the provisions are of the water power law, and that they are in conflict with this contract.

Mr. WRIGHT. Has the gentleman considered that this may be in conflict with the national defense act?

Mr. RAKER. I am going to call attention to that. I am satisfied that it does conflict with sections of the law in the water power act. My contention is that the general law on the statute book relative to contracts, the notice required in the water power statute, are not affected by this legislation without this provision in it. I am convinced that every lawyer on the floor of this House is with me on that statement.

Now, you place in this statute here this provision where you say we are going to enter into a special contract with one man or one concern, and therefore we are going to wipe out of existence every act that may be inconsistent with this project of the contract. Gentlemen, you do not want to do it. My contention is that this act may be placed on the statute book and enforced in all its provisions without the slightest difficulty and that there is no need of this section under consideration.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. RAKER. Mr. Chairman, I ask for two minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. SNYDER. I object.

Mr. McKENZIE. Mr. Chairman and gentlemen of the committee, the amendment offered by the gentleman from California would absolutely nullify all we are going to do in this bill, because it would make it impossible to repeal section 124 of the national defense act, which provides for Government ownership and operation solely. We had this matter up in committee and discussed it very thoroughly, and we have some very good lawyers on the committee. It was determined that this would not in any way destroy the water power act. I hope that the amendment will be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California.

The question was taken, and the amendment was rejected.

Mr. BURTNESS. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 18, add new section as section 26:

"SEC. 26. Whenever the company shall render or supply any public service by way of distributing or supplying electric current or power for any use or purpose for sale to customers or consumers thereof, it shall abide by such laws and regulations as may from time to time be enacted or prescribed by the State or its duly constituted authorities in which the service is rendered or the rate charged. Whenever any service herein mentioned shall enter into interstate or foreign commerce, the company shall abide by the joint action of the duly constituted authorities of the States directly concerned, and if such States are unable to agree through their properly constituted authorities on the service to be rendered in interstate or foreign commerce or on the rates or charges of payment therefor, jurisdiction, during the time the authorities of such States may be in disagreement, is hereby conferred upon the Interstate Commerce Commission to enforce the provisions of this section to regulate and control so much of such service rendered and of the rates and charges of payment therefor as constitute interstate or foreign commerce. The administration of the provisions of this section by the Interstate Commerce Commission, as far as applicable, shall be according to the procedure and practice in fixing and regulating the rates, charges, and practices of railroad companies as provided in the act to regulate commerce, approved February 4, 1887, as amended, and the parties subject to such regulation and control shall have the same rights of hearing, defense, and review as said companies in such cases."

Mr. JAMES. Mr. Chairman, I make the point of order that that amendment has been once voted on by the committee and rejected.

Mr. BURTNESS. Mr. Chairman, I desire to be heard on the point of order. Similar language to the amendment I have offered was offered by the gentleman from Michigan [Mr. McLAUGHLIN] as a substitute for an amendment proposed by the gentleman from Kansas [Mr. HOCH], which in terms had been proposed as an addition to section 7 of the act.

The CHAIRMAN. The Chair will ask the gentleman if it was the identical language?

Mr. BURTNESS. The identical language, but offered to a separate section at a place which I believe is proper. If the Chairman will recall, there were many who contended that the McLaughlin amendment proposed as a substitute to the Hoch amendment was offered at the wrong place, and some Members had stated that they had agreed to the McLaughlin amendment if it should be proposed at a proper place in the bill. They urged many Members of the House to vote against it in that place, and said that it would be taken care of in the proper place in the bill. The bill has been read and the amendment has not been proposed by the proponents of the bill where they led the House to believe that it would be proper after that was voted down. For that reason it seems plain that the amendment ought to be in order now, particularly as it is now offered to an entirely different section.

The argument was well made at that time that the place where it was offered was not the preferable place at least.

Mr. BEGG. Mr. Chairman, I would like to offer the additional observation to the one made by the gentleman from North Dakota [Mr. BURTNESS], that if this amendment be held out of order upon the sole ground that it was once before offered and defeated, all that an enemy to a committee amendment in a bill would have to do to defeat that committee amendment would be to offer it in the wrong place, and the minority thereby could defeat the will of the majority.

Mr. WINGO. I suggest to the gentleman from Ohio that there are two other grounds on which this amendment should fall. One is that it changes the bill, and the other is that Henry has not O. K'd it.

Mr. BEGG. Mr. Chairman, I am offering my remarks in a serious vein. I contend that the precedent is well established that an amendment must be held out of order after having been once voted down, but I contend that if I wanted to defeat a committee amendment which is absolutely necessary to make the bill function all I would have to do as a minority—a lone member—would be to offer that amendment at the wrong place in the bill, where it could be held germane, and the only thing the committee could do to save its bill would be to vote my amendment down and thereby kill itself.

Mr. GARRETT of Tennessee. Mr. Chairman, with all due respect to the gentleman from Ohio [Mr. BEGG], I contend that his argument is not tenable for the simple reason that if an amendment were offered at the wrong place in the bill the point of order could be made for that reason, and naturally the committee, if it were on the alert as it should be, would protect itself by making the point of order.

Mr. BEGG. Mr. Chairman, will the gentleman yield?

Mr. GARRETT of Tennessee. Yes.

Mr. BEGG. The only observation I make on that is that I contend there are a number of places in any bill of this character where an amendment might produce a ludicrous situation where the point of order could not lie against it, because it was germane, and the amendment would not be offered with any other motive than to have it defeated so that it could not be offered at the right place.

Mr. GARRETT of Tennessee. Mr. Chairman, if it were germane, it would be going somewhat far afield to say that it would be ludicrous simply because it was not offered at some other place in the bill, but here is the other side of the situation. If the Committee of the Whole has had the opportunity of passing on an amendment, has debated the amendment, as is true in this case, and has voted upon it, then at some time there should be an end to committee consideration. Under the proposition laid down by the gentleman from Ohio, every amendment which has been offered and disposed of adversely heretofore, fully debated, could again be offered, unless, of course, the committee should determine to rise.

The CHAIRMAN. The Chair is ready to rule. The gentleman from North Dakota [Mr. BURTNESS] offers an amendment which he states is in the identical language of that offered by the gentleman from Michigan [Mr. McLAUGHLIN] at an earlier place in the bill. The Chair examined the amendment offered by the gentleman from Michigan somewhat carefully at the time it was offered. It seemed to be an amendment which was germane to the bill, more perhaps than being germane to any particular section. No point of order was raised to the amendment when it was offered as being not germane at the time. The Committee of the Whole had the amendment before it in a definite and concrete way. As suggested by the gentleman

from Tennessee [Mr. GARRETT], there would be no end to consideration of a bill in Committee of the Whole if an amendment could be offered and reoffered at different stages during the progress of the bill. The Chair therefore sustains the point of order.

Mr. BURTNESS. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. BURTNESS: Add a new section as section 26, as follows:

"SEC. 26. Whenever the company shall render or supply any public service by way of distributing or supplying electric current or power for any use or purpose for sale to customers or consumers thereof, it shall abide by such laws and regulations as may from time to time be enacted or prescribed by the State or its duly constituted authorities in which the service is rendered or the rate charged. Whenever any service herein mentioned shall enter into interstate or foreign commerce, the company shall abide by the joint action of the duly constituted authorities of the States directly concerned, and if such States are unable to agree through their properly constituted authorities on the service to be rendered in interstate or foreign commerce or on the rates or charges of payment therefor, jurisdiction, during the time the authorities of such States may be in disagreement, is hereby conferred upon the Federal Power Commission to enforce the provisions of this section to regulate and control so much of such service rendered and of the rates and charges of payment therefor as constitute interstate or foreign commerce."

Mr. BURTNESS. Mr. Chairman, if gentlemen will refer to page 3984 of the RECORD, at the top of the page, they will find the so-called McLaughlin amendment, which was proposed on Saturday as a substitute for the amendment offered by the gentleman from Kansas [Mr. HOCH]. I have changed the words "Interstate Commerce Commission" as they appear in the so-called McLaughlin amendment to the words "Federal Power Commission," and I have eliminated from the McLaughlin amendment the last sentence, which would be applicable only to the administration that would, under the McLaughlin amendment, have been vested in the Interstate Commerce Commission. In other words, all that my amendment does now is to leave to the authorities of the State of Alabama the power to prescribe rates for power sold within that State, and, in so far as charges upon business in interstate commerce is concerned, it would grant the power of such control to the Federal Power Commission in the event the joint State authorities should fail to agree. Under the present water power act, where there is a sale of hydroelectric power in interstate commerce, that commission has the power to regulate the rates where there are no State authorities for such purpose and has therefore the required machinery for such regulation. Personally I think that the Federal Power Commission is a better agency for that purpose than the Interstate Commerce Commission, because we all know that the latter is almost overwhelmed with applications of all sorts and it takes long enough now to get a decision from the Interstate Commerce Commission on matters of importance connected with railroad rates, and it would probably be unwise to add to their duties. In order, however, to inject no new issue but to agree with the views of the gentleman from Michigan, and in order to follow out the lines of the agreement which he stated he had made with the gentleman from Alabama [Mr. OLIVER], whom the gentleman from Michigan [Mr. MCLAUGHLIN] assured us was in favor of this sort of regulation, I offered the amendment first in the exact language of the McLaughlin amendment, but that has been eliminated by the point of order. For all practical purposes, however, the change is immaterial.

It does seem to me that if gentlemen who have been the proponents of this measure from the very beginning have been honest in their contentions that the States have the power under the bill as drawn to regulate these charges, charges that may be made 10 or 20 or 50 or 80 or 90 years from now, they can have absolutely no objection to writing such provision specifically into the law and leaving it to a fair and unbiased tribunal to determine whether or not the people purchasing power 20 or 40 or 60 years from now are getting a square deal from a corporation which gentlemen to-day have not the least idea about as to what its actions may be half a century from now. The people of all the surrounding States may sorely need this protection some day, and therefore let us give it to them now, when we have the chance.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Dakota [Mr. BURTNESS].

The question was taken, and the Chair announced the noes appeared to have it.

On a division (demanded by Mr. BURTNESS) there were—ayes 76, noes 129.

So the amendment was rejected.

Mr. MCKENZIE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman and gentlemen of the committee, we have now reached the conclusion of this most important bill. [Applause.] We will soon take up in the House the question of passing it. I hope the discussion will be of profit to the country. I hope it will be educational at least. I hope the purposes the committee had in mind in bringing this bill will eventually be realized and that the hopes of the people of this country that they will get something out of it will be fully realized. I want to say this: When this offer was submitted by Mr. Ford, after an invitation had been given all the people of the Nation, the power companies of the South, the Wall Street interests, rich men everywhere in our country to come in and help us out on this great problem we had at Muscle Shoals, he was the only man who submitted an offer that carries with it provisions worthy of serious consideration. When he offered it he said he submitted this proposition to be accepted in whole and not in part, and I want to say to my good friends here before casting their votes on this great proposition, any amendment in the way of a motion to recommit the bill that will change it in any of its essential features means the defeat of the entire proposition. So I say to you, my friends, look well to your ballots and make no mistake.

Now, Mr. Chairman, I move that the committee do now rise and report the bill to the House with the amendments, with the recommendation that the amendments be agreed to, and that the bill as amended do pass. [Applause.]

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. MAPES, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill H. R. 518, had directed him to report the same back to him with sundry amendments, with the recommendation that the amendments be agreed to and the bill as amended do pass.

The SPEAKER. By the rule the previous question is ordered. The question comes on the amendments. Is a separate vote demanded upon any amendment?

Mr. MADDEN. Mr. Speaker, I ask for a separate vote on the Begg-Wingo amendment.

Mr. MORIN. I ask for a separate vote on section 19.

The SPEAKER. Is a separate vote demanded on any other amendments? If not, the other amendments will be put in gross.

The question was taken, and the amendments were agreed to.

The SPEAKER. A separate vote is demanded on the amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BEGG: Page 11, line 11, after the word "explosives," strike out the period and insert a semicolon and add the following: "*Provided*, That if Henry Ford, his heirs, successors, or assigns, or the 'company' so to be organized, its successors or assigns, fail for two consecutive years, unless prevented by the action of the Government of the United States in the exercise of its rights under section 16 of this bill, to manufacture annually 40,000 tons or more of fixed nitrogen for exclusive use as fertilizer, or failure to comply with any of the other conditions and agreements set out in this act, then, and in that event, every contract of sale or lease made by the said United States with said Henry Ford, his heirs, successors, or assigns, or with said 'company' named in section 1, its successors, or assigns, shall, at the option of the United States, be void, such option to be exercised by Executive proclamation, and all property, real or personal, leases, rights, and other privileges held by any of the above-named persons at said Muscle Shoals shall revert to and become the property of the Government of the United States. The conditions herein provided shall become operative and in full force on and after two years from the date when structures and equipment of a capacity of 100,000 horsepower are constructed and installed and ready for service.

"This provision is intended and shall be construed as merely supplemental to all other rights and remedies of the United States as contained herein, and in no sense as an impairment or abridgment of such other rights and remedies of the United States, but as additional thereto, nor is this provision intended, nor shall it be construed, to in any way change or modify any of the promises, undertakings, and obligations assumed by and imposed on Henry Ford, his heirs, representatives, and assigns, and the company to be incorporated by him, its successors and assigns, but they are to be held bound to the same strict and faithful performance of every promise, undertaking, and obligation set out in this bill just as fully as they would be in the absence of this provision."

The SPEAKER. The question is on agreeing to the amendment.

The question was taken, and the Speaker announced the noes appeared to have it.

On a division (demanded by Mr. BEGG and Mr. MORIN) there were—ayes 117——

Mr. BLANTON. Mr. Speaker, I ask for the yeas and nays.

The SPEAKER. The gentleman from Texas demands the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 176, nays 197, answered "present" 1, not voting 57, as follows:

YEAS—176.

Ackerman	Fenn	Leatherwood	Schafer
Aldrich	Fish	Leavitt	Schall
Andrew	Fitzgerald	Lindsay	Schneider
Anthony	Fleetwood	Little	Scott
Ayres	Foster	Longworth	Simmons
Bacharach	Frear	McKenzie	Sinclair
Bacon	Free	McLaughlin, Mich.	Smith
Beck	Freeman	McLaughlin, Nebr.	Snell
Beedy	French	McLeod	Snyder
Beers	Frothingham	MacGregor	Speaks
Begg	Funk	MacLafferty	Sproul, Kans.
Blanton	Garber	Magee, N. Y.	Stalker
Boies	Gibson	Magee, Pa.	Stephens
Browne, Wis.	Gifford	Manlove	Stevenson
Buckley	Graham, Ill.	Merritt	Strong, Kans.
Burdick	Graham, Pa.	Mills	Strong, Pa.
Burtness	Green, Iowa	Minahan	Swoope
Burton	Greenwood	Mooney	Taber
Butler	Griffin	Moore, Ill.	Temple
Cable	Hadley	Moore, Ohio	Thatcher
Campbell	Hardy	Moores, Ind.	Thomas, Okla.
Celler	Haugen	Morgan	Thompson
Chindblom	Hawley	Morin	Tilson
Christopherson	Hersey	Murphy	Timberlake
Clague	Hickey	Nelson, Me.	Tinkham
Cole, Iowa	Hill, Md.	Newton, Minn.	Treadway
Cole, Ohio	Hoch	Nolan	Vaile
Connery	Howard, Okla.	O'Sullivan	Volgt
Cook	Hudson	Paige	Wainwright
Cooper, Ohio	Hull, Iowa	Parker	Wason
Cooper, Wis.	Hull, Morton D.	Patterson	Watkins
Crainton	Hull, William E.	Peavey	Watres
Crowther	Johnson, Wash.	Perkins	Wefald
Dallinger	Kearns	Phillips	White, Kans.
Darrow	Keller	Purnell	White, Me.
Denison	Ketcham	Rainey	Williamson
Dickinson, Iowa	Kiess	Ramseyer	Wingo
Dowell	King	Reed, N. Y.	Winslow
Doyle	Kopp	Robinson, Iowa	Winter
Dyer	Kuns	Robsion, Ky.	Wolff
Elliott	Kurtz	Rogers, Mass.	Wood
Evans, Iowa	LaGuardia	Rosenbloom	Woodruff
Fairchild	Lampert	Sabath	Yates
Faust	Larson, Minn.	Sanders, N. Y.	Young

NAYS—197.

Abernethy	Driver	Lineberger	Roach
Allen	Eagan	Linthicum	Rogers, N. H.
Allgood	Evans, Mont.	Logan	Romjue
Almon	Fairfield	Lowrey	Rouse
Arnold	Favrot	Lozier	Rubey
Aswell	Fisher	Lyon	Salmon
Bankhead	Fulbright	McDuffie	Sanders, Tex.
Barbour	Gardner, Ind.	McKeown	Sandlin
Barkley	Garner, Tex.	McNulty	Sears, Fla.
Bell	Garrett, Tenn.	McReynolds	Shallenberger
Bland	Garrett, Tex.	McSwain	Sherwood
Bowling	Gasque	McSweeney	Shreve
Box	Geran	Madden	Sinnott
Boyce	Gilbert	Major, Ill.	Smithwick
Boylan	Glatfelter	Major, Mo.	Steagall
Brand, Ga.	Goldsborough	Mansfield	Stedman
Briggs	Griest	Mapes	Stengle
Browne, N. J.	Hammer	Martin	Summers, Wash.
Browning	Harrison	Mead	Summers, Tex.
Buchanan	Hastings	Michener	Swank
Bulwinkle	Hayden	Miller, Wash.	Swing
Busby	Hill, Ala.	Milligan	Tague
Byrnes, S. C.	Hill, Wash.	Montague	Taylor, Colo.
Byrns, Tenn.	Holaday	Moore, Ga.	Taylor, Tenn.
Canfield	Hooker	Moore, Va.	Taylor, W. Va.
Cannon	Howard, Nebr.	Morehead	Thomas, Ky.
Carew	Huddleston	Morris	Tillman
Carter	Hudspeth	Morrow	Tucker
Casey	Hull, Tenn.	Nelson, Wis.	Tydings
Clancy	Humphreys	Newton, Mo.	Underwood
Clark, Fla.	Jacobstein	O'Connell, N. Y.	Upshaw
Cleary	James	O'Connell, R. I.	Vestal
Collier	Jeffers	O'Connor, La.	Vincent, Mich.
Collins	Johnson, Ky.	Oldfield	Vinson, Ga.
Colton	Johnson, Tex.	Oliver, Ala.	Vinson, Ky.
Connally, Tex.	Johnson, W. Va.	Oliver, N. Y.	Ward, N. C.
Corning	Jones	Park, Ga.	Weaver
Crisp	Kelly	Parks, Ark.	Williams, Ill.
Croll	Kent	Pou	Williams, Mich.
Crosser	Kerr	Prall	Williams, Tex.
Cullen	Kincheloe	Quayle	Wilson, Ind.
Cummings	Kindred	Quin	Wilson, La.
Curry	Langley	Ragon	Wilson, Miss.
Davis, Minn.	Lanham	Raker	Woodrum
Davis, Tenn.	Lankford	Rankin	Wright
Dickinson, Mo.	Larsen, Ga.	Rayburn	Wurzbach
Dominick	Lazaro	Reece	Zihlman
Doughton	Lea, Calif.	Reed, Ark.	
Drane	Lee, Ga.	Reid, Ill.	
Drewry	Lilly	Richards	

ANSWERED "PRESENT"—1.

Jost

NOT VOTING—57.

Anderson	Edmonds	McFadden	Sproul, Ill.
Berger	Fredericks	Michaelson	Sullivan
Bixler	Fuller	Miller, Ill.	Sweet
Black, N. Y.	Fulmer	O'Brien	Tincher
Black, Tex.	Gallivan	O'Connor, N. Y.	Underhill
Bloom	Greene, Mass.	Peery	Vare
Brand, Ohio	Hawes	Perlman	Ward, N. Y.
Britten	Johnson, S. Dak.	Porter	Watson
Brumm	Kahn	Ransley	Weller
Clarke, N. Y.	Kendall	Rathbone	Welsh
Connolly, Pa.	Knutson	Reed, W. Va.	Werts
Davey	Kvale	Sanders, Ind.	Wyant
Deal	Lehlbach	Sears, Nebr.	
Dempsey	Luce	Seger	
Dickstein	McClintic	Sites	

So the amendment was rejected.

The Clerk announced the following pairs:

Mr. Dickstein (for) with Mr. Michaelson (against).
Mr. Lehlbach (for) with Mr. Greene of Massachusetts (against).
Mr. Kendall (for) with Mr. Davey (against).
Mr. Vare (for) with Mr. Gallivan (against).
Mr. Brumm (for) with Mr. Wertz (against).
Mr. Clarke of New York (for) with Mr. McClintic (against).
Mr. Luce (for) with Mr. Peery (against).
Mr. Ransley (for) with Mr. Weller (against).
Mr. Wyant (for) with Mr. Black of Texas (against).
Mr. Jost (for) with Mr. Hawes (against).
Mr. Connolly of Pennsylvania (for) with Mr. O'Connor of New York (against).
Mr. Sullivan (for) with Mr. Fulmer (against).
Mr. Bloom (for) with Mr. Sites (against).

General pairs:

Mr. Brand of Ohio with Mr. [illegible] New York.
Mr. Sanders of Indiana with
Mr. Sweet with Mr. Deal.
Mr. McFadden with Mr. Berger.
Mr. Watson with Mr. Kvale.
Mr. Edmonds with Mr. O'Brien.

The result of the vote was announced as above recorded.

The SPEAKER. The next vote is on the amendment, which the Clerk will report.

The Clerk read as follows:

Page 16 after line 16 insert a new section to be known as section 19.

"SEC. 19. The Gorgas steam plant and transmission line having been sold by the United States, and Henry Ford having included said steam plant and transmission line in his offer of May 31, 1922 (as found in section 12 and in subsection (d) of section 11 of said offer), in order to provide a substitute steam plant the Secretary of War is hereby authorized and directed to acquire by purchase or condemnation a suitable site for a steam power plant, to be located at or near Lock and Dam No. 17, Black Warrior River, Ala., together with a strip of land 100 feet wide to serve as a right of way between said steam power plant and nitrate plant No. 2, Muscle Shoals, Ala., with connection to Waco Quarry, near Russellville, Ala.

"The Secretary of War is further authorized and directed to contract with Henry Ford or the company to be incorporated by him for the construction at cost of a steam power plant having a generating capacity of approximately 30,000 kilowatts (40,000 horsepower), a transformer substation of similar capacity and a transmission line of suitable design and capacity connecting said steam power plant with nitrate plant No. 2 and the Waco Quarry, all under the supervision of the Chief of Engineers, United States Army. The plans and specifications for said power plant, substation, and transmission line shall be prepared by Henry Ford, or the company to be incorporated by him, and approved by the Chief of Engineers, United States Army.

"The expenditures authorized to be made for all purposes under this section shall not exceed a total of $3,472,487.25."

The SPEAKER. The question is on agreeing to the amendment.

Mr. MORIN. Mr. Speaker, on this vote I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. GARRETT of Tennessee. Mr. Speaker, I was just about to ask, if it is in order, now that order has been restored, just what we are about to vote on?

The SPEAKER. The Chair will state that it is on inserting section 19, a committee amendment. As many as favor it will answer "yea"; those opposed will answer "nay."

The question was taken; and there were—yeas 229, nays 138, answered "present" 2, not voting 62, as follows:

YEAS—229.

Abernethy	Aswell	Bell	Boylan
Allen	Ayres	Bland	Brand, Ga.
Allgood	Bankhead	Bowling	Briggs
Almon	Barbour	Box	Browne, N. J.
Arnold	Barkley	Boyce	Browning

Buchanan	Goldsborough	McReynolds	Sanders, Tex.
Bulwinkle	Greenwood	McSwain	Sandlin
Burtness	Griest	McSweeney	Schall
Busby	Hammer	Madden	Sears, Fla.
Butler	Harrison	Major, Ill.	Shallenberger
Byrnes, S. C.	Hastings	Major, Mo.	Sherwood
Byrns, Tenn.	Hayden	Manlove	Shreve
Canfield	Hill, Ala.	Mansfield	Sinnott
Cannon	Hill, Wash.	Mapes	Smith
Carew	Hoch	Martin	Smithwick
Carter	Holaday	Mead	Speaks
Casey	Hooker	Michener	Steagall
Celler	Howard, Nebr.	Miller, Wash.	Stedman
Clancy	Howard, Okla.	Milligan	Stengle
Clark, Fla.	Huddleston	Minahan	Stevenson
Cleary	Hudson	Montague	Summers, Wash.
Collier	Hudspeth	Moore, Ga.	Summers, Tex.
Collins	Hull, Tenn.	Moore, Va.	Swank
Colton	Humphreys	Morehead	Swing
Connally, Tex.	Jacobstein	Morgan	Tague
Connery	James	Morris	Taylor, Colo.
Cook	Jeffers	Morrow	Taylor, Tenn.
Corning	Johnson, Ky.	Nelson, Wis.	Taylor, W. Va.
Cramton	Johnson, Tex.	Newton, Mo.	Thatcher
Crisp	Johnson, W. Va.	O'Connell, N. Y.	Thomas, Ky.
Croll	Jones	O'Connor, La.	Thomas, Okla.
Cullen	Kelly	Oldfield	Thompson
Cummings	Kent	Oliver, Ala.	Tillman
Curry	Kerr	Oliver, N. Y.	Tucker
Davis, Minn.	Ketcham	Park, Ga.	Tydings
Davis, Tenn.	Kincheloe	Parks, Ark.	Underwood
Dickinson, Iowa	Kindred	Porter	Upshaw
Dickinson, Mo.	King	Pou	Vincent, Mich.
Dominick	Langley	Prall	Vinson, Ga.
Doughton	Lanham	Purnell	Vinson, Ky.
Drane	Lankford	Quayle	Ward, N. C.
Drewry	Larsen, Ga.	Quin	Watkins
Driver	Larson, Minn.	Ragon	Weaver
Eagan	Lazaro	Rainey	Williams, Mich.
Evans, Mont.	Lea, Calif.	Raker	Williams, Tex.
Favrot	Lee, Ga.	Rankin	Wilson, Ind.
Fisher	Lilly	Rayburn	Wilson, La.
French	Lineberger	Reece	Wilson, Miss.
Fulbright	Logan	Reed, Ark.	Wingo
Gardner, Ind.	Lowrey	Reid, Ill.	Wolff
Garner, Tex.	Lozier	Richards	Woodrum
Garrett, Tenn.	Lyon	Roach	Wright
Garrett, Tex.	McDuffie	Rogers, N. H.	Wurzbach
Gasque	McKenzie	Romjue	Yates
Geran	McKeown	Rosenbloom	Zihlman
Gibson	McLaughlin, Mich.	Rouse	
Gilbert	McLeod	Rubey	
Glatfelter	McNulty	Salmon	

NAYS—138.

Ackerman	Fish	Leavitt	Schafer
Aldrich	Fitzgerald	Lindsay	Schneider
Andrew	Fleetwood	Linthicum	Scott
Anthony	Foster	Little	Simmons
Bacharach	Frear	Longworth	Sinclair
Bacon	Free	MacGregor	Snell
Beck	Freeman	MacLafferty	Snyder
Beedy	Frothingham	Magee, N. Y.	Sproul, Kans.
Beers	Funk	Magee, Pa.	Stephens
Begg	Garber	Merritt	Strong, Kans.
Blanton	Gifford	Mills	Strong, Pa.
Boies	Graham, Ill.	Mooney	Swoope
Browne, Wis.	Graham, Pa.	Moore, Ill.	Taber
Buckley	Green, Iowa	Moore, Ohio	Temple
Burdick	Griffin	Moores, Ind.	Tilson
Burton	Hadley	Morin	Timberlake
Cable	Hardy	Murphy	Tinkham
Campbell	Haugen	Nelson, Me.	Treadway
Chindblom	Hawley	Newton, Minn.	Valle
Christopherson	Hersey	Nolan	Vestal
Clague	Hickey	O'Connell, R. I.	Voigt
Cole, Iowa	Hill, Md.	O'Sullivan	Wainwright
Cooper, Ohio	Hull, Iowa	Paige	Wason
Cooper, Wis.	Hull, Morton D.	Parker	Watres
Crosser	Hull, William E.	Patterson	Wefald
Crowther	Johnson, Wash.	Peavey	White, Kans.
Dallinger	Kearns	Perkins	White, Me.
Darrow	Keller	Phillips	Williamson
Dowell	Kiess	Ramseyer	Winslow
Dyer	Kopp	Reed, N. Y.	Winter
Elliott	Kunz	Robinson, Iowa	Wood
Evans, Iowa	Kurtz	Robsion, Ky.	Woodruff
Fairfield	LaGuardia	Rogers, Mass.	Young
Faust	Lampert	Sabath	
Fenn	Leatherwood	Sanders, N. Y.	

ANSWERED "PRESENT"—2.

Jost	McLaughlin, Nebr.

NOT VOTING—62.

Anderson	Dickstein	Luce	Sproul, Ill.
Berger	Doyle	McClintic	Stalker
Bixler	Edmonds	McFadden	Sullivan
Black, N. Y.	Fairchild	Michaelson	Sweet
Black, Tex.	Fredericks	Miller, Ill.	Tincher
Bloom	Fuller	O'Brien	Underhill
Brand, Ohio	Fulmer	O'Connor, N. Y.	Vare
Britten	Gallivan	Peery	Ward, N. Y.
Brumm	Greene, Mass.	Perlman	Watson
Clarke, N. Y.	Hawes	Ransley	Weller
Cole, Ohio	Johnson, S. Dak.	Rathbone	Welsh
Connolly, Pa.	Kahn	Reed, W. Va.	Wertz
Davey	Kendall	Sanders, Ind.	Williams, Ill.
Deal	Knutson	Sears, Nebr.	Wyant
Dempsey	Kvale	Seger	
Denison	Lehlbach	Sites	

So the amendment was agreed to.

The Clerk announced the following additional pairs:

On this vote:

Mr. Black of Texas (for) with Mr. Wyant (against).
Mr. Michaelson (for) with Mr. Dickstein (against).
Mr. Greene of Massachusetts (for) with Mr. Lehlbach (against).
Mr. Brand of Ohio (for) with Mr. Bixler (against).
Mr. Davey (for) with Mr. Kendall (against).
Mr. Gallivan (for) with Mr. Vare (against).
Mr. McClintic (for) with Mr. Clarke of New York (against).
Mr. Peery (for) with Mr. Luce (against).
Mr. Hawes (for) with Mr. Jost (against).
Mr. O'Connor of New York (for) with Mr. Connolly of Pennsylvania (against).
Mr. Fulmer (for) with Mr. Sullivan (against).
Mr. Sites (for) with Mr. Bloom (against).
Mr. Denison (for) with Mr. Sweet (against).
Mr. Williams of Illinois (for) with Mr. Edmonds (against).
Mr. McLaughlin of Nebraska (for) with Mr. Sears of Nebraska (against).
Mr. Weller (for) with Mr. Ransley (against).

Until further notice:

Mr. McFadden with Mr. O'Brien.
Mr. Brumm with Mr. Doyle.
Mr. Perlman with Mr. Deal.
Mr. Sanders of Indiana with Mr. Black of New York.
Mr. Seger with Mr. Berger.
Mr. Watson with Mr. Kvale.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. MORIN. I make a motion to recommit the bill to the Committee on Military Affairs, with instructions to report the same back to the House with the necessary amendments to make it conform to the Federal water power act of 1920.

The SPEAKER. The gentleman from Pennsylvania moves to recommit the bill with instructions to report the same back with the necessary amendments to make the bill conform to the Federal water power act of 1920. The Clerk will report the motion.

The Clerk read as follows:

Mr. MORIN moves to recommit the pending bill H. R. 518 to the Committee on Military Affairs, with instructions to report the same back to the House with the necessary amendments to make said bill conform to the Federal water power act of 1920.

The SPEAKER. And upon that the gentleman from Pennsylvania demands the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

Mr. MORIN. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The SPEAKER. As many as are in favor of the motion to recommit will, when their names are called, answer "yea"; those opposed will answer "nay."

The question was taken; and there were—yeas 145, nays 224, answered "present" 1, not voting 61, as follows:

YEAS—144.

Ackerman	Fairfield	Lampert	Simmons
Aldrich	Faust	Leatherwood	Sinclair
Andrew	Fenn	Leavitt	Smith
Anthony	Fish	Lindsay	Snell
Bacharach	Fitzgerald	Linthicum	Snyder
Bacon	Fleetwood	Little	Speaks
Beck	Foster	Longworth	Sproul, Kans.
Beedy	Frear	Magee, Pa.	Stalker
Begg	Free	Magee, N. Y.	Stephens
Blanton	Freeman	Merritt	Strong, Kans.
Boies	French	Mills	Strong, Pa.
Browne, Wis.	Frothingham	Mooney	Swoope
Brumm	Funk	Moore, Ill.	Taber
Buckley	Garber	Moore, Ohio	Temple
Burdick	Gifford	Moores, Ind.	Tilson
Burtness	Graham, Pa.	Morin	Timberlake
Burton	Graham, Ill.	Murphy	Tinkham
Cable	Green, Iowa	Nelson, Me.	Treadway
Campbell	Griffin	Newton, Minn.	Valle
Celler	Hadley	Nolan	Vestal
Chindblom	Hardy	O'Connell, R. I.	Voigt
Christopherson	Haugen	O'Sullivan	Wainwright
Clague	Hawley	Paige	Wason
Cole, Iowa	Hersey	Parker	Watres
Cooper, Wis.	Hill, Md.	Patterson	Wefald
Cooper, Ohio	Hoch	Peavey	White, Kans.
Crosser	Hull, Iowa	Perkins	White, Me.
Crowther	Hull, Morton D.	Phillips	Williamson
Dallinger	Hull, William E.	Ramseyer	Winslow
Darrow	Johnson, Wash.	Reed, N. Y.	Winter
Dickinson, Iowa	Kearns	Robinson, Iowa	Wood
Dowell	Keller	Rogers, Mass.	Woodruff
Doyle	Kiess	Rosenbloom	Yates
Dyer	Kopp	Sabath	Young
Elliott	Kunz	Sanders, N. Y.	
Evans, Iowa	Kurtz	Schneider	
Fairchild	LaGuardia	Scott	

NAYS—224.

Abernethy	Eagan	Lineberger	Reid, Ill.
Allen	Evans, Mont.	Logan	Richards
Allgood	Favrot	Lowrey	Roach
Almon	Fisher	Lozier	Robsion, Ky.
Arnold	Fulbright	Lyon	Rogers, N. H.
Aswell	Gardner, Ind.	McDuffie	Romjue
Ayres	Garner, Tex.	McKenzie	Rouse
Bankhead	Garrett, Tenn.	McKeown	Rubey
Barbour	Garrett, Tex.	McLaughlin, Mich.	Salmon
Barkley	Gasque	McLeod	Sanders, Tex.
Beers	Geran	McNulty	Sandlin
Bell	Gibson	McReynolds	Schall
Bland	Gilbert	McSwain	Sears, Fla.
Bowling	Glatfelter	McSweeney	Shallenberger
Box	Goldsborough	MacGregor	Sherwood
Boyce	Greenwood	MacLafferty	Shreve
Boylan	Griest	Madden	Sinnott
Brand, Ga.	Hammer	Major, Ill.	Smithwick
Briggs	Harrison	Major, Mo.	Steagall
Browne, N. J.	Hastings	Manlove	Stedman
Browning	Hayden	Mansfield	Stengle
Buchanan	Hickey	Mapes	Stevenson
Bulwinkle	Hill, Ala.	Martin	Summers, Wash.
Busby	Hill, Wash.	Mead	Sumners, Tex.
Butler	Holaday	Michener	Swank
Byrnes, S. C.	Hooker	Miller, Wash.	Swing
Byrns, Tenn.	Howard, Nebr.	Milligan	Tague
Canfield	Howard, Okla.	Minahan	Taylor, Colo.
Cannon	Huddleston	Montague	Taylor, Tenn.
Carew	Hudson	Moore, Ga.	Taylor, W. Va.
Carter	Hudspeth	Morehead	Thatcher
Casey	Hull, Tenn.	Morgan	Thomas, Ky.
Clancy	Humphreys	Morris	Thomas, Okla.
Clark, Fla.	Jacobstein	Morrow	Thompson
Cleary	James	Nelson, Wis.	Tillman
Collier	Jeffers	Newton, Mo.	Tucker
Collins	Johnson, Ky.	O'Connell, N. Y.	Tydings
Colton	Johnson, Tex.	O'Connor, La.	Underwood
Connally, Tex.	Johnson, W. Va.	Oldfield	Upshaw
Connery	Jones	Oliver, Ala.	Vincent, Mich.
Cook	Kelly	Oliver, N. Y.	Vinson, Ga.
Corning	Kent	Park, Ga.	Vinson, Ky.
Cramton	Kerr	Parks, Ark.	Ward, N. C.
Crisp	Ketcham	Porter	Watkins
Croll	Kincheloe	Pou	Weaver
Cullen	Kindred	Prall	Williams, Mich.
Cummings	King	Purnell	Williams, Tex.
Curry	Langley	Quayle	Wilson, Ind.
Davis, Minn.	Lanham	Quin	Wilson, La.
Davis, Tenn.	Lankford	Ragon	Wilson, Miss.
Dickinson, Mo.	Larsen, Ga.	Rainey	Wingo
Dominick	Larson, Minn.	Raker	Wolff
Doughton	Lazaro	Rankin	Woodrum
Drane	Lea, Calif.	Rayburn	Wright
Drewry	Lee, Ga.	Reece	Wurzbach
Driver	Lilly	Reed, Ark.	Zihlman

ANSWERING "PRESENT"—1.

Jost

NOT VOTING—61.

Anderson	Edmonds	McLaughlin, Nebr.	Sproul, Ill.
Berger	Fredericks	Michaelson	Sullivan
Bixler	Fuller	Miller, Ill.	Sweet
Black, N. Y.	Fulmer	Moore, Va.	Tincher
Black, Tex.	Gallivan	O'Brien	Underhill
Bloom	Greene, Mass.	O'Connor, N. Y.	Vare
Brand, Ohio	Hawes	Peery	Ward, N. Y.
Britten	Johnson, S. Dak.	Perlman	Watson
Clarke, N. Y.	Kahn	Ransley	Weller
Cole, Ohio	Kendall	Rathbone	Welsh
Connolly, Pa.	Knutson	Reed, W. Va.	Wertz
Davey	Kvale	Sanders, Ind.	Williams, Ill.
Deal	Lehlbach	Schafer	Wyant
Dempsey	Luce	Sears, Nebr.	
Denison	McClintic	Seger	
Dickstein	McFadden	Sites	

So the motion to recommit was rejected.

The Clerk announced the following additional pairs:

On this vote:

Mr. Lehlbach (for) with Mr. Greene of Massachusetts (against).
Mr. Wyant (for) with Mr. Black of Texas (against).
Mr. Welsh (for) with Mr. Moore of Virginia (against).
Mr. Dickstein (for) with Mr. Michaelson (against).
Mr. Bixler (for) with Mr. Brand of Ohio (against).
Mr. Kendall (for) with Mr. Davey (against).
Mr. Vare (for) with Mr. Gallivan (against).
Mr. Clarke of New York (for) with Mr. McClintic (against).
Mr. Luce (for) with Mr. Peery (against).
Mr. Jost (for) with Mr. Hawes (against).
Mr. Connolly of Pennsylvania (for) with Mr. O'Connor of New York (against).
Mr. Sullivan (for) with Mr. Fulmer (against).
Mr. Bloom (for) with Mr. Sites (against).
Mr. Sweet (for) with Mr. Denison (against).
Mr. Edmonds (for) with Mr. Williams of Illinois (against).
Mr. Sears of Nebraska (for) with Mr. McLaughlin of Nebraska (against).
Mr. Ransley (for) with Mr. Weller (against).

Until further notice:

Mr. McFadden with Mr. O'Brien.
Mr. Brumm with Mr. Deal.
Mr. Sanders of Indiana with Mr. Berger.
Mr. Perlman with Mr. Black of New York.
Mr. Watson with Mr. Kvale.

Mr. SCHAFER. Mr. Speaker, I wish to vote "yea."

The SPEAKER. Was the gentleman in the Hall listening when his name was called?

Mr. SCHAFER. No; I happened to be out at the telephone at the moment.

The SPEAKER. The gentleman does not bring himself within the rule.

The result of the vote was announced as above recorded.

The SPEAKER. The question is now on the passage of the bill.

Mr. MORIN. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 227, nays 143, answered "present" 1, not voting 60, as follows:

YEAS—227.

Abernethy	Evans, Mont.	Lee, Ga.	Roach
Allen	Fairfield	Lilly	Robsion, Ky.
Allgood	Faust	Lineberger	Rogers, N. H.
Almon	Favrot	Logan	Romjue
Arnold	Fisher	Lowrey	Rosenbloom
Aswell	Fulbright	Lozier	Rouse
Ayres	Garber	Lyon	Rubey
Bankhead	Gardner, Ind.	McDuffie	Salmon
Barbour	Garner, Tex.	McKenzie	Sanders, Tex.
Barkley	Garrett, Tenn.	McKeown	Sandlin
Beers	Garrett, Tex.	McLaughlin, Mich.	Schall
Bell	Gasque	McLeod	Sears, Fla.
Bland	Geran	McReynolds	Shallenberger
Bowling	Gibson	McSwain	Sherwood
Box	Gilbert	McSweeney	Shreve
Boyce	Glatfelter	MacLafferty	Sinnott
Boylan	Goldsborough	Madden	Smithwick
Brand, Ga.	Greenwood	Major, Ill.	Steagall
Briggs	Griest	Major, Mo.	Stedman
Browne, N. J.	Hammer	Manlove	Stengle
Browning	Harrison	Mansfield	Stevenson
Buchanan	Hastings	Mapes	Summers, Wash.
Bulwinkle	Hayden	Martin	Sumners, Tex.
Busby	Hickey	Michener	Swank
Butler	Hill, Ala.	Miller, Wash.	Swing
Byrnes, S. C.	Hill, Wash.	Milligan	Tague
Byrns, Tenn.	Holaday	Minahan	Taylor, Colo.
Canfield	Hooker	Montague	Taylor, Tenn.
Cannon	Howard, Nebr.	Moore, Ga.	Taylor, W. Va.
Carew	Howard, Okla.	Moore, Va.	Thatcher
Carter	Huddleston	Morehead	Thomas, Ky.
Clancy	Hudson	Morgan	Thomas, Okla.
Clark, Fla.	Hudspeth	Morris	Thompson
Cleary	Hull, Tenn.	Morrow	Tillman
Collier	Humphreys	Nelson, Wis.	Tucker
Collins	James	Newton, Mo.	Tydings
Colton	Jeffers	Nolan	Underwood
Connally, Tex.	Johnson, Ky.	O'Connell, N. Y.	Upshaw
Connery	Johnson, Tex.	O'Connor, La.	Vestal
Cook	Johnson, W. Va.	Oldfield	Vincent, Mich.
Corning	Jones	Oliver, Ala.	Vinson, Ga.
Cramton	Kelly	Park, Ga.	Vinson, Ky.
Crisp	Kent	Parks, Ark.	Ward, N. C.
Croll	Kerr	Porter	Watkins
Cullen	Ketcham	Pou	Weaver
Cummings	Kincheloe	Prall	Williams, Mich.
Curry	Kindred	Purnell	Williams, Tex.
Davis, Minn.	King	Quin	Wilson, Ind.
Davis, Tenn.	Kurtz	Ragon	Wilson, La.
Dickinson, Mo.	Langley	Rainey	Wilson, Miss.
Dominick	Lanham	Raker	Wingo
Doughton	Lankford	Rankin	Wolff
Drane	Larsen, Ga.	Rayburn	Woodrum
Drewry	Larson, Minn.	Reece	Wright
Driver	Lazaro	Reed, Ark.	Wurzbach
Eagan	Lea, Calif.	Reid, Ill.	Zihlman
Elliott	Leavitt	Richards	

NAYS—143.

Ackerman	Evans, Iowa	Leatherwood	Schneider
Aldrich	Fairchild	Lindsay	Scott
Andrew	Fenn	Linthicum	Simmons
Anthony	Fish	Little	Sinclair
Bacharach	Fitzgerald	Longworth	Smith
Bacon	Fleetwood	McNulty	Snell
Beck	Foster	MacGregor	Snyder
Beedy	Frear	Magee, N. Y.	Speaks
Begg	Freeman	Magee, Pa.	Sproul, Kans.
Blanton	French	Mead	Stalker
Boies	Frothingham	Merritt	Stephens
Browne, Wis.	Funk	Mills	Strong, Kans.
Brumm	Gifford	Mooney	Strong, Pa.
Buckley	Graham, Ill.	Moore, Ill.	Swoope
Burdick	Graham, Pa.	Moore, Ohio	Taber
Burtness	Green, Iowa	Moores, Ind.	Temple
Burton	Griffin	Morin	Tilson
Cable	Hadley	Murphy	Timberlake
Campbell	Hardy	Nelson, Me.	Tinkham
Casey	Haugen	O'Connell, R. I.	Treadway
Celler	Hawley	O'Sullivan	Vaile
Chindblom	Hersey	Oliver, N. Y.	Voigt
Christopherson	Hill, Md.	Paige	Wainwright
Clague	Hoch	Parker	Wason
Cole, Iowa	Hull, Iowa	Patterson	Watres
Cole, Ohio	Hull, Morton D.	Peavey	Wefald
Cooper, Ohio	Hull, William E.	Perkins	White, Kans.
Cooper, Wis.	Jacobstein	Phillips	White, Me.
Crosser	Johnson, Wash.	Quayle	Williamson
Crowther	Kearns	Ramseyer	Winslow
Dallinger	Keller	Reed, N. Y.	Winter
Darrow	Kiess	Robinson, Iowa	Wood
Dickinson, Iowa	Kopp	Rogers, Mass.	Woodruff
Dowell	Kunz	Sabath	Yates
Doyle	LaGuardia	Sanders, N. Y.	Young
Dyer	Lampert	Schafer	

ANSWERED "PRESENT"—1.

Jost

NOT VOTING—60.

Anderson	Edmonds	McClintic	Seger
Berger	Fredericks	McFadden	Sites
Bixler	Free	McLaughlin, Nebr.	Sproul, Ill.
Black, N. Y.	Fuller	Michaelson	Sullivan
Black, Tex.	Fulmer	Miller, Ill.	Sweet
Bloom	Gallivan	Newton, Minn.	Tincher
Brand, Ohio	Greene, Mass.	O'Brien	Underhill
Britten	Hawes	O'Connor, N. Y.	Vare
Clarke, N. Y.	Johnson, S. Dak.	Peery	Ward, N. Y.
Connolly, Pa.	Kahn	Perlman	Watson
Davey	Kendall	Ransley	Weller
Deal	Knutson	Rathbone	Welsh
Dempsey	Kvale	Reed, W. Va.	Wertz
Denison	Lehlbach	Sanders, Ind.	Williams, Ill.
Dickstein	Luce	Sears, Nebr.	Wyant

So the bill was passed.

The Clerk announced the following additional pairs:

On this vote:

Mr. Black of Texas (for) with Mr. Wyant (against).
Mr. Greene of Massachusetts (for) with Mr. Lehlbach (against).
Mr. Michaelson (for) with Mr. Dickstein (against).
Mr. Brand of Ohio (for) with Mr. Bixler (against).
Mr. Davey (for) with Mr. Kendall (against).
Mr. Gallivan (for) with Mr. Vare (against).
Mr. McClintic (for) with Mr. Clarke of New York (against).
Mr. Peery (for) with Mr. Luce (against).
Mr. Hawes (for) with Mr. Jost (against).
Mr. O'Connor of New York (for) with Mr. Connolly of Pennsylvania (against).
Mr. Fulmer (for) with Mr. Sullivan (against).
Mr. Sites (for) with Mr. Bloom (against).
Mr. Denison (for) with Mr. Sweet (against).
Mr. Williams of Illinois (for) with Mr. Edmonds (against).
Mr. McLaughlin of Nebraska (for) with Mr. Welsh (against).
Mr. Weller (for) with Mr. Ransley (against).

Until further notice:

Mr. McFadden with Mr. O'Brien.
Mr. Sears of Nebraska with Mr. Deal.
Mr. Sanders of Indiana with Mr. Berger.
Mr. Perlman with Mr. Black of New York.
Mr. Watson with Mr. Kvale.

Mr. JOST. Mr. Speaker, I voted "no" on this proposition. I am paired with the gentleman from Missouri, Mr. HAWES, who, if present, would vote "aye." I would like to recall my vote and vote "present."

The result of the vote was announced as above recorded.

The title of the bill was amended to read as follows: "A bill to authorize and direct the Secretary of War, for national defense in time of war and for the production of fertilizers and other useful products in time of peace, to sell to Henry Ford, or a corporation to be incorporated by him, nitrate plant No. 1, at Sheffield, Ala.; nitrate plant No. 2, at Muscle Shoals, Ala.; Waco Quarry, near Russellville, Ala.; steam power plant to be located and constructed at or near Lock and Dam No. 17 on the Black Warrior River, Ala., with right of way and transmission line to nitrate plant No. 2, Muscle Shoals, Ala.; and to lease to Henry Ford, or a corporation to be incorporated by him, Dam No. 2 and Dam No. 3 (as designated in H. Doc. 1262, 64th Cong., 1st sess.), including power stations when constructed as provided herein, and for other purposes."

On motion of Mr. MCKENZIE, a motion to reconsider the vote by which the bill was passed was laid on the table.

ALLEGED CHARGES AGAINST TWO MEMBERS OF CONGRESS.

Mr. GRAHAM of Pennsylvania. Mr. Speaker, I desire to present the report of the House Committee on the Judiciary, to which was referred the communication of the Attorney General in reply to House Resolution 211, and ask that it be printed in the RECORD for the information of the Members.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent that the report of the Committee on the Judiciary be printed in the RECORD. Is there objection?

Mr. GARRETT of Tennessee. Mr. Speaker, may I ask the gentleman if the report is very long? Some of us would be very glad to have the report read.

Mr. GRAHAM of Pennsylvania. It is quite long.

Mr. LONGWORTH. Would the gentleman agree, under those circumstances, that there will not be any action on the report this evening? I think it very important that the House should have a chance to deliberate on the report.

Mr. GARRETT of Tennessee. I quite agree with the gentleman about that.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none, and the Clerk will read the report.

The Clerk read as follows:

ALLEGED CHARGES AGAINST TWO MEMBERS OF CONGRESS.

Mr. GRAHAM of Pennsylvania, from the Committee on the Judiciary, submitted the following report:

The Committee on the Judiciary, to which was referred the communication of the Attorney General in reply to House Resolution 211, directing the Attorney General of the United States to transmit to the House of Representatives the names of the two Members of Congress and the nature of the charges made against them under said Resolution 211, together with the report of the Attorney General thereon, with directions from the House to said Judiciary Committee to report at the earliest possible moment its conclusions and such recommendations as it may see fit to make, respectfully submit the following report:

STATEMENT OF FACTS.

The grand jury impaneled at the February term, 1924, in the District Court of the United States of America for the Northern District of Illinois, eastern division, made a special report to the court, which report, among other things, set forth the following:

"Incidental to the investigation of matters of which this grand jury had jurisdiction certain other facts not directly pertaining to the Veterans' Bureau were developed by counsel for the Government which we regard of great importance. There is no jurisdiction of them in the northern district of Illinois, but we are assured by Mr. Crim that he will lay them before the Attorney General and the President for consideration. We do not feel that it would subserve the best interests of the Government for this jury to make public at this time the details of these transactions. This jury feels it will suffice to report to your honor that they involve (1) speculation by one or more officials of the Government wherein it has been asserted that official information was used for purposes of speculation; (2) that certain sums of money were paid to two Members of Congress."

On the 6th day of March, 1924, the Committee on Rules of the House of Representatives presented to the House the following resolution:

ALLEGED CHARGES AGAINST TWO MEMBERS OF CONGRESS.

House Resolution.

"Whereas a grand jury of the District Court of the United States for the Northern District of Illinois, southern division, impaneled at the February term, 1924, has reported to that court that certain evidence has been submitted to them involving the payment of money to two Members of Congress;

"*Resolved*, That the Attorney General be directed to transmit to the House of Representatives the names of the two Members of Congress and the nature of the charges made against them."

This resolution was agreed to and forwarded at once to the Attorney General. In the meantime, certain newspapers and public rumors gave the names of two Members of the House of Representatives who were alleged to be the ones named in the report of said grand jury, and both of those Members, so accused, appeared before the House and emphatically denied any guilt and protested their innocence.

On the 8th day of March, 1924, the Speaker laid before the House of Representatives the following communication from the Attorney General in reply to said House Resolution 211:

DEPARTMENT OF JUSTICE,
OFFICE OF THE ATTORNEY GENERAL,
March 7, 1924.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: Resolution No. 211 of the House of Representatives of the United States passed March 6, 1924, directing me to transmit the names of the two Members of Congress mentioned in the report of the grand jury of the district court of the United States for the northern district of Illinois, eastern division, and the nature of the charges made against such Members of Congress can not be complied with by me for the reasons—

First. I am unwilling to make public the name of any man against whom any criminal charge has been made until the evidence in my possession convinces me that there is reasonable ground to believe that the person is guilty as charged and until proper legal steps shall have been taken to protect the public interests.

Second. To transmit to you the nature of the charges made against any persons under investigation in the Department of Justice is incompatible with the public interest and will tend to defeat the ends of justice.

If, however, the House of Representatives of the United States, acting within its constitutional power (under Article I) to punish its Members for disorderly behavior or to expel such Member, requests that all the evidence now in the possession of anyone connected with the Department of Justice shall be turned over to the House of Representatives to enable it to determine what action should be taken by the House in reference to the conduct of any of its Members, I will direct all such evidence, statements, and information obtainable to be immediately turned over to you or to such committee as may be designated by the House and will await the complete investigation of the facts of the House before continuing the investigation now being made by

the Department of Justice. To have two tribunals attempting to act upon the same facts and to hear the same witnesses at the same time will result in confusion and embarrassment and will defeat the ends of justice.

Until I am requested by a resolution of the House of Representatives to submit these matters to the jurisdiction of the House the investigation now being conducted of the matters referred to in said resolution will continue in accordance with the usual rules of the department.

Respectfully,

H. M. DAUGHERTY, *Attorney General.*

On the reading of said reply of the Attorney General, the gentleman from Ohio [Mr. LONGWORTH] made the following motion:

"Mr. LONGWORTH. Mr. Speaker, I move that the communication of the Attorney General be referred to the Committee on the Judiciary, with instructions to report at the earliest possible moment its conclusions and such recommendations as it may see fit to make."

After due consideration, your committee submits the following conclusions and recommendations:

CONCLUSIONS.

Under the reply of the Attorney General there is but one of two courses open to the House of Representatives:

(a) The House take full charge of the investigation and evidence of the alleged charges and relieve the Department of Justice from any further responsibility.

(b) Allow the Department of Justice to continue the investigation now being made.

While there is a difference of opinion among the membership of your committee as to the correctness of the position of the Attorney General that the ends of justice would be imperiled by giving to the House the names of the Members of the House and the charges against them as requested by the House, and while it is a high duty which the House owes to itself and to the country at large to purge itself at the quickest possible moment, of all those, if any there be, unworthy to sit in that body, your committee is unwilling to recommend to the House that it permit itself to be placed in the position of being responsible for the suspension of proceedings by the Attorney General in connection with this matter.

Your committee, therefore, recommends to the House that no further action be taken for the present by the House to procure from the Attorney General the information heretofore requested of the Attorney General by the House and submits the following resolution:

Resolved, That the House take no further action for the present to procure from the Attorney General the information heretofore requested of the Attorney General by the House under House Resolution 211.

MUSCLE SHOALS.

Mr. JEFFERS. Mr. Speaker, I have received some telegrams from Alabama which I wish to put in the RECORD.

These telegrams came in Saturday afternoon and Sunday morning. They have reference to some of the debate which has taken place here during the consideration of the McKenzie bill, which embraces the Henry Ford proposal for Muscle Shoals.

These telegrams are self-explanatory.

I wish to say that all of these gentlemen by whom these messages were sent are worthy and substantial citizens of the district which I have the honor to represent.

Regarding the matters mentioned in their telegrams, I have no fault to find with them. It is quite true that the Alabama Power Co. has developed much water power in the State of Alabama, and I have no contention with these gentlemen who have sent these telegrams relative to the services now being rendered by this company in these cities from which these messages have come.

So far as my position regarding the business which is under consideration here, namely, the adoption by Congress of a plan and a policy covering the disposition and the development and operation of the great governmental project at Muscle Shoals, is concerned, however, I desire to state that I feel sure that it is understood, both here and at home, that I am in favor of the comprehensive Ford offer for the Muscle Shoals plants and project, which offer has been so carefully gone over by the Military Affairs Committee of this House and has been indorsed by that committee as being the safest and most comprehensive proposition before Congress and the offer best providing for the common defense in time of war and for a source of nitrates for fertilizers for the farms of our country in time of peace.

With that statement I am glad to place in the CONGRESSIONAL RECORD the following telegrams:

SELMA, ALA., *March 8, 1924.*

Hon. LAMAR JEFFERS,
House of Representatives, Washington, D. C.:

Have heard of statement made on floor of House by Congressmen who favor Ford end of Muscle Shoals proposition that the Alabama Power Co. was without backing and had no friends in Alabama. This is not true. Am not in any way affiliated with the Alabama Power Co. nor have I ever averred that I was in favor of Alabama Power Co. on Muscle Shoals proposition, but the statement made on floor of House can not be supported by facts. The Alabama Power Co. does business in Selma, Ala., is giving eminent satisfaction, and doing constructive work and have many warm friends and supporters. You are authorized to make public this statement on floor of House.

ALEX D. PITTS, *Attorney and Counselor.*

SELMA, ALA., *March 8, 1924.*

Hon. LAMAR JEFFERS,
House of Representatives, Washington, D. C.:

The Alabama Power Co. is a conservative organization and performing a good service to this country. The present personnels are of the highest type and indicating they are looking after the interest of Alabama. As a whole, statements made on the floor of the House to the effect that the Alabama Power Co. is without friends or influence, is, I should say, unwarranted. Please read and have recorded in proceedings before the House. I am not interested financially or otherwise in the Alabama Power Co.

W. C. AGEE.

SELMA, ALA., *March 8, 1924.*

Hon. LAMAR JEFFERS,
House Office Building, Washington, D. C.:

I am in favor of Ford offer under Federal supervision as approved in Federal water power bill. I believe in competition in industries under Federal regulation. Alabama Power Co. has been the greatest industrial developmental influence in Alabama in 50 years. The statement that it is without friends or honor in this State is as absurd as it is untrue. I am neither a stockholder nor financially nor otherwise affiliated with the Alabama Power Co., except that I am told that I am the largest individual consumer of its power in Selma, as chief surgeon and manager of the Vaughan Memorial Hospital. Please read on floor in Congress for insertion in RECORD.

F. G. DUBOSE.

SELMA, ALA., *March 8, 1924.*

Hon. LAMAR JEFFERS,
Washington, D. C.:

I believe Alabama Power Co. performing splendid service for Alabama in distributing power, and regret that any slurs have been cast at this corporation.

H. C. ARMSTRONG.

TALLADEGA, ALA., *March 8, 1924.*

Hon. LAMAR JEFFERS, M. C.,
Washington, D. C.:

Alabama Power Co. has been of great service to Talladega and State at large. They are constructive, carry large deposits with local banks, furnish cheap power for our industries, are fair in all transactions, and furnish good and adequate service.

LEON G. JONES,
President Bank & Trust Co. of Talladega.

TALLADEGA, ALA., *March 8, 1924.*

Hon. LAMAR JEFFERS, M. C.,
Washington, D. C.:

Wish to take issue with statements recently read into RECORD that Alabama Power Co. is without friends in Alabama. Alabama Power Co. has been of great constructive service to State of Alabama and Talladega. Their service is good and adequate, and they furnish cheap power to our local industries. We find them fair in all their transactions. Please read this into the RECORD.

HUGH L. MCELDERRY,
President Talladega National Bank.

TALLADEGA, ALA., *March 8, 1924.*

Hon. LAMAR JEFFERS, M. C.,
Washington, D. C.:

Alabama Power Co. has many satisfied patrons. Its service is good, and it has many friends in Alabama. Please read into RECORD.

W. C. MCMILLAN.

ANNISTON, ALA., *March 8, 1924.*

Hon. LAMAR JEFFERS, M. C.,
Washington, D. C.:

This body to-day passed the following resolution:

Whereas it appears from the press reports received that Hon. MARTIN B. MADDEN, of the House of Representatives, attacked on March 6 the integrity of the Alabama Power Co.; and

Whereas in the opinion of this body such attack was wholly unjustified by facts: Therefore be it

Resolved, That the board of directors of the Anniston Junior Chamber of Commerce condemns such unfair and unwarranted attacks upon

a public utility of this State that has done and is doing so much for the upbuilding of Alabama and especially this district.

Resolved further, That this resolution, which shall not be construed as indorsing any particular offer for Muscle Shoals, shall be placed in the CONGRESSIONAL RECORD of the Muscle Shoals case, and that a copy of this resolution be wired to each Member of the Alabama delegation in Congress.

BOARD OF DIRECTORS JUNIOR CHAMBER OF COMMERCE.

ANNISTON, ALA., *March 8, 1924*.

Hon. LAMAR JEFFERS, M. C.,
Washington, D. C.:

This body to-day passed the following resolution:

Whereas the press of the country quoting Hon. MARTIN B. MADDEN, of House of Representatives, on March 6 as attacking the integrity of Alabama Power Co.; and

Whereas such attack in the opinion of this body is wholly unauthorized by the facts: Therefore be it

Resolved, That the board of directors of the Anniston Chamber of Commerce while indorsing no particular offer made for Muscle Shoals does nevertheless condemn such unfair and unwarranted attacks upon a public utility of this State that is doing so much for the upbuilding of the State, and especially the Anniston district.

Resolved further, That these resolutions be placed in CONGRESSIONAL RECORD in Muscle Shoals case and a copy wired to each Member of the Alabama delegation in Congress.

ANNISTON CHAMBER OF COMMERCE,
By L. C. WATSON, *Secretary*.

Mr. STEAGALL. Mr. Speaker, I desire to extend my remarks in the RECORD by inserting the following telegrams which I have received from citizens of Alabama in regard to the bill now pending for the acceptance of Henry Ford's offer for Muscle Shoals:

SAMSON, ALA., *March 8, 1924*.

Hon. HENRY B. STEAGALL,
House of Representatives, Washington, D. C.:

Reports have reached Samson to the effect that it has been stated in debate on the floor of the House that the Alabama Power Co. has no friends in Alabama. In justice to this great public utility this report should be corrected, as it is entirely erroneous. This corporation not only has a large following who believe that it is a great factor in the progress and prosperity of the State, but there are a large number of people throughout this section who favor the offer of the Alabama Power Co. for Muscle Shoals as opposed to the Ford offer.

J. S. BENNETT.

AUBURN ALA., *March 8, 1924*.

HENRY B. STEAGALL,
House of Representatives, Washington, D. C.:

The hard and unkind remarks made concerning Alabama Power Co. in Muscle Shoals debate is untrue. This company is one of the great developers of our State, and is doing a great work. Please read this into the records.

W. D. MARTIN.
B. W. JONES.

EUFAULA, ALA., *March 8, 1924*.

Hon. HENRY B. STEAGALL,
House of Representatives, Washington, D. C.:

The business interests of this section resent the imputation that the Alabama Power Co. has no friends in this part of the State. We believe a grave mistake will have been made if Congress accepts the Ford offer for Muscle Shoals.

T. F. PRUETT,
Editor Eufaula Daily Citizen.

UNION SPRINGS, ALA., *March 8, 1924*.

Hon. HENRY B. STEAGALL, M. C.,
Washington, D. C.

An election in favor of Alabama Power Co., serving this city, carried every vote except one. The company has been serving us some time and everybody is well pleased with service.

G. M. EDWARDS, *Mayor*.
AMERICAN BANK.
C. A. OWEN, *Tax Assessor*.
FIRST NATIONAL BANK.
W. C. THOMPSON, *Tax Collector*.
MERCHANTS' AND FARMERS' BANK.

UNION SPRINGS, ALA., *March 8, 1924*.

H. B. STEAGALL,
House of Representatives, Washington, D. C.:

Statements that power company has no friends in Alabama are deliberate, unqualified falsehoods. This city is a warm admirer of power company, and so are other places where steam rates have been cut in half by use of their power. Sixteen thousand dollars' worth of their bonds sold here last month. We have every confidence in their ability to manage Shoals for development of third district and all of Alabama. We know they will not build a city in one spot and let State suffer.

HOWARD C. SMITH, *Editor Herald*.

ANNISTON, ALA., *March 8, 1924*.

Hon. HENRY B. STEAGALL, M. C.,
Washington, D. C.:

This body to-day passed the following resolutions:

"Whereas the press of the country, quoting Hon. MARTIN B. MADDEN, of House of Representatives, on March 6 as attacking the integrity of Alabama Power Co.; and

"Whereas such attack in the opinion of this body is wholly unauthorized by the facts: Therefore be it

"*Resolved*, That the board of directors of the Anniston Chamber of Commerce, while indorsing no particular offer made for Muscle Shoals, does nevertheless condemn such unfair and unwarranted attacks upon a public utility of this State that is doing so much for the upbuilding of the State, and especially the Anniston district; be it further

"*Resolved*, That these resolutions be placed in congressional records in Muscle Shoals case and a copy wired to each Member of the Alabama delegation in Congress."

ANNISTON CHAMBER OF COMMERCE,
By L. C. WATSON, *Secretary*.

ANNISTON, ALA., *March 8, 1924*.

Hon. HENRY B. STEAGALL, M. C.,
Washington, D. C.:

This body to-day passed the following resolution:

"Whereas it appears from the press reports received that Hon. MARTIN B. MADDEN, of the House of Representatives, attacked on March 6 the integrity of the Alabama Power Co.; and

"Whereas in the opinion of this body such attack was wholly unjustified by facts: Therefore be it

"*Resolved*, That the board of directors of the Anniston Junior Chamber of Commerce condemns such unfair and unwarranted attack upon a public utility of this State that has done and is doing so much for the upbuilding of Alabama, and especially this district.

"*Resolved further*, That this resolution, which shall not be construed as indorsing any particular offer for Muscle Shoals, shall be placed in the congressional records of the Muscle Shoals case, and that a copy of this resolution be wired to each Member of the Alabama delegation in Congress."

BOARD OF DIRECTORS JUNIOR CHAMBER OF COMMERCE.

MIDLAND CITY, ALA. *March 10, 1924*.

Hon. HENRY B. STEAGALL, M. C.,
Washington, D. C.:

I am wiring you the sentiment of practically every man and woman in our section of country when I say lease Muscle Shoals to Henry Ford; one of the greatest opportunities now presents itself to do something for our people.

Dr. W. A. PARRISH.

Mr. ALMON. Mr. Speaker, by permission granted to extend my remarks in the RECORD on the bill providing for the acceptance of the offer of Henry Ford for Muscle Shoals, I wish to have printed in the RECORD the following telegrams from friends and constituents of mine who are leading business men in my district, as per their request, and also some telegrams of indorsement of the Alabama delegation in their support of this bill.

By reference to the RECORD of the speeches complained of it will be seen that their criticism of the Alabama Power Co. was largely based upon a resolution passed at a state-wide mass meeting held in the city of Montgomery, Ala., on March 1, 1922, which is also set out below:

COURTLAND, ALA., *March 8, 1924*.

Hon. E. B. ALMON, M. C.,
Washington, D. C.:

We are unequivocally for the Ford offer for Muscle Shoals. However, we protest against the unjust criticism of Alabama Power Co. and its president on the floor of the House. The Alabama Power Co. is doing constructive and appreciated work in Alabama. Read on floor.

HECTOR D. LANE.
R. H. TWEEDY.
H. D. BYNUM.
S. S. PIPPEN.
C. H. MEIGS, *Mayor*.
E. P. BYNUM, *Alderman*.
J. F. HOLLENBECK, *Alderman*.
C. C. HORTON, *Alderman*.

ATHENS, ALA., *March 7, 1924.*

Hon. E. B. ALMON, M. C.,
Washington, D. C.:

Athens is one of the few towns which refused to sell to the Alabama Power Co. its franchises for water and light. They only offered $12,000 for both, with entire outfit. George M. Forman & Co., Chicago bond dealers, rate these franchises at $185,000. The Alabama Power Co. refused then and still refuses to sell its power to Athens, attempting to force us to dispose of our plant and franchises to them.

C. W. SARVER,
Secretary, Athens Commercial Club.

SCOTTSBORO, ALA., *March 10, 1924.*

Hon. E. B. ALMON,
House of Representatives, Washington, D. C.

Alabama Power Co. is a useful corporation, aiding greatly in upbuilding State. Do not approve attacking it to further Ford cause. Ask you to bear this in mind and request you to have this message inserted in CONGRESSIONAL RECORD.

J. W. PAYNE, *Druggist.*
F. D. WEBB, *Contractor.*
J. C. JACOBS, *Banker.*

SCOTTSBORO, ALA., *March 10, 1924.*

Hon. E. B. ALMON,
House of Representatives, Washington, D. C.

Alabama Power Co. is a useful corporation, aiding greatly in upbuilding State. Do not approve attacking it to further Ford cause. Ask you to bear this in mind and request you to have this message inserted in CONGRESSIONAL RECORD.

J. W. WOODALL, *Merchant.*

HUNTSVILLE, ALA., *March 8, 1924.*

Hon. ED. B. ALMON,
Washington, D. C.:

The unwarranted, unjust, and unfair statements made on the floor of the House yesterday by certain Representatives about Alabama Power Co. must not be permitted to remain without comment. You know personally that Alabama Power Co. is a constructive force in the upbuilding of this State and I urge you to write this telegram into the CONGRESSIONAL RECORD.

F. H. FORD,
President Huntsville Fibre and Veneer Works.

HUNTSVILLE, ALA., *March 8, 1924.*

Hon. E. B. ALMON,
House Office Building, Washington, D. C.:

A gross injustice was done yesterday to the Alabama Power Co. Representatives who do not live in this section are not speaking the feeling and sentiment of our people. The Alabama Power Co. has never gone into any community without the consent of its people and without supplying electric service in a greater quantity and at a lower price than was otherwise possible. Industries throughout this State where service is available have made enormous savings by using this company's water power, and numerous towns have obtained their first electric lights from this source. Beyond the shadow of a doubt of any thinking man the Alabama Power Co. is a potent force for the good and benefit of our great State, and urge your placing this telegram into the CONGRESSIONAL RECORD.

DOUGLASS TAYLOR.

SCOTTSBORO, ALA., *March 10, 1924.*

Hon. E. B. ALMON,
House of Representatives, Washington, D. C.:

Alabama Power Co. is a useful corporation, aiding greatly in upbuilding State. Do not approve attacking it to further Ford cause. Ask you to bear this in mind, and request you to have this message inserted in CONGRESSIONAL RECORD.

J. ARTHUR WILLIAMS, *Merchants.*

CHASE, ALA., *March 8, 1924.*

ED. B. ALMON, M. C.,
Washington, D. C.:

Would like to hear that you had made some effort to refute GARRETT'S statement that Alabama Power Co. had forced Government into unconscionable contract when embarrassed by exigencies of war. Even the devil is entitled to his dues.

R. C. CHASE.

HUNTSVILLE, ALA., *March 8, 1924.*

Hon. E. B. ALMON,
House Office Building, Washington, D. C.:

Regard the Alabama Power Co. as a constructive force in this community; protest against statements made to the contrary. Please write this into the CONGRESSIONAL RECORD.

M. M. HUTCHENS,

ALBANY, ALA., *March 8, 1924.*

Hon. E. B. ALMON,
House Office Building, Washington, D. C.:

The Alabama Power Co. is a factor in Alabama development and does not merit the abuse and vindictiveness shown in speeches against it. We favor Ford's offer primarily, but do not approve of unwarranted abuse of an institution having such enormous developments on hand for the benefit of the State and making such large expenditures in the public interests. Please read this telegram into the RECORD.

T. R. RYAN,
W. M. CHURYLEAR,
Hartsells, Ala.

ALBANY, ALA., *March 8, 1924.*

Hon. E. B. ALMON,
House of Representatives, Washington, D. C.:

The Alabama Power Co. is a factor in Alabama development and does not merit the abuse and vindictiveness shown in speeches against it. We favor Ford's offer primarily, but do not approve of unwarranted abuse of an institution having such enormous developments on hand for the benefit of the State and making such large expenditures in the public interests. Please read this telegram into the RECORD.

A. A. HARDAGE. F. L. CHENOULT.
W. C. CLARK. D. L. BLACKWELL.
C. D. PATTERSON. W. R. SPEER.
J. C. SPARKMAN. J. V. MURPHREE.
T. M. PETTY. J. S. WYATT.

HUNTSVILLE, ALA., *March 8, 1924.*

Hon. E. B. ALMON,
House of Representatives, Washington, D. C.:

On reading the newspaper reports of the debate in the House on the Ford lease, I note that the Alabama Power Co. has been very unjustly criticized and statements made that they are not an asset to Alabama, unconscionable, etc. They are the only reliable source from which we can get electric power now and have done more to develop the local manufacturing enterprises than any other organization. Their dealings with their customers have always been honest and fair, and I want to have this telegram written into the CONGRESSIONAL RECORD.

C. M. GRACE.

GURLEY, ALA., *March 8, 1924.*

Hon. ED B. ALMON,
Washington, D. C.

I protest the unfair and untrue statements made about the Alabama Power Co. yesterday by certain Congressmen. This company always has been and is now a constructive force in the upbuilding of Alabama, and I request this wire placed in the CONGRESSIONAL RECORD.

W. A. GIVEN.

FLORENCE ALA., *March 11, 1924.*

Hon. ED B. ALMON, M. C.,
Washington, D. C.

Congratulations on the great victory. Through you we wish to express to every member of the Alabama delegation our appreciation of their great fight and decisive victory.

FLORENCE CHAMBER OF COMMERCE.

SHEFFIELD, ALA., *March 10, 1924.*

Judge E. B. ALMON,
House Office Building, Washington, D. C.:

Congratulations on result in House to-day.

J. L. ANDREWS.

FLORENCE, ALA., *March 10, 1924.*

Hon. ED. B. ALMON, M. C.,
Washington, D. C.:

Congratulations on the results; you and the Alabama delegation made a great fight.

MITCHELL & HUGHSTON.

SHEFFIELD, ALA., *March 10, 1924.*

Hon. E. B. ALMON, M. C.,
Washington, D. C.:

I congratulate you on to-day's victory. Kindest regards.

J. H. PALMER.

ALBANY, ALA., *March 10, 1924.*

Hon. E. B. ALMON,
House Office Building, Washington, D. C.:

Congratulations on yours and our great victory. Please extend our congratulations and appreciation to other members of Alabama delegation.

ALBANY DECATUR DAILY,

HUNTSVILLE, ALA., *March 10, 1924.*

Hon. ED. B. ALMON, M. C.,
House of Representatives, Washington, D. C.:
Congratulations to you and the House.

FARRALD, CLIFT, and KENNEY.

FLORENCE, ALA., *March 10, 1924.*

Hon. ED. B. ALMON, M. C.,
Washington, D. C.:
We wish to congratulate you upon your magnificent fight and glorious victory.

T. M. & B. A. ROGERS.

FLORENCE, ALA., *March 11, 1924.*

Hon. ED. B. ALMON, M. C.,
Washington, D. C.:
Putting over the McKenzie bill by a good majority a great victory; all well pleased, Democrats and Republicans; sorry there were Republicans who saw proper to oppose it. It was certainly a mistake to do so; the passage of the bill was the only logical thing to do.

R. M. SIMS.

MADISON, ALA., *March 11, 1924.*

Hon. ED. B. ALMON, M. C.,
Washington, D. C.:
Congratulations on your Ford victory.

BURTON AND HAGER.

MEMORIAL TO THE PRESIDENT AND CONGRESS OF THE UNITED STATES AND THE COMMITTEES OF CONGRESS, ADOPTED BY THE STATE-WIDE MASS MEETING HELD IN THE CITY AUDITORIUM AT MONTGOMERY ON WEDNESDAY, MARCH 1, 1922.

We, citizens of Alabama, 5,000 strong, representing county governments, municipal authorities, women's clubs, labor bodies, chambers of commerce, civic bodies, and farmers' organizations from every quarter of the State, in mass meeting assembled at Montgomery, with full confidence in both the justice and wisdom of the President and Congress, do hereby declare:

That while the entire Muscle Shoals stretch of the Tennessee River lies within the borders of this State, the right to control and regulate the river in the interest of the Nation's commerce has been ceded by the State of Alabama to the Federal Government. We recognize the fact that Muscle Shoals is the property of the Nation, belonging alike to the people of all of the States, and, while we claim no greater right than any other State to say what shall be done with Muscle Shoals, we believe that we but exercise the guaranties of the Federal Constitution when we petition Congress that this great national asset be not employed by the Government as an instrumentality for fastening upon us and upon our children and our children's children the yoke of an oppressive and burdensome monopoly.

We affirm that the Alabama Power Co. now owns and controls a number of splendid power sites on the Coosa River in this State; that it owns and controls all of the available power sites on Little River in Alabama; and that it owns the wonderful power site at Cherokee Bluffs on the Tallapoosa River in this State; that in the 14 years since its incorporation it has built one power dam in this State and commenced work on one other dam; that at the present rate of development of the power potentialities already under the control of this corporation more than 100 years will go by before all of these dormant water powers are harnessed; that it has been the policy of that corporation to develop only such power as can be sold in small units and at high prices; that controlling as it does all of the great water-power sites in a State blessed by God Almighty with wonderful power possibilities, it, a foreign-coptrolled corporation, is in position to litigate with any American-owned organization which may seek to develop any one of Alabama's wasting water powers, just as it now threatens to litigate with Henry Ford, or with the Government, if either seeks to build Dam No. 3 at Muscle Shoals, or to control the Government-built steam plant and transmission line at Gorgas; that in spite of the fact that this foreign-owned corporation has long enjoyed exemption from taxation in this State, it has been busy ever since its entrance into Alabama in preempting every great power site within our borders, and in so copper riveting its hold on all of Alabama's great hydroelectric potentialities as to prevent for all time their development by any possible competitor; that it has been its policy to buy these power sites at farm-land prices and to hold them in perpetuity as power sites; that it already controls the utilities in our principal cities and is year by year securing the control of the utilities in our towns and villages; and that if it secures Muscle Shoals it will have perfected its control of all of our great water powers and will hold in its selfish grasp all of these instrumentalities, placed within our borders by a beneficient providence for the promotion of the commercial and industrial welfare of all the people.

We hold that it would be a travesty on legislation if, after many years of congressional consideration of how best to conserve the power in our navigable streams for the benefit of all the people and how most surely to preserve them from being used as instruments of monopoly, the Nation's greatest water power should be handed over to the Alabama Power Co. under the national water power act; and we

Further hold that it would be the quintessence of legislative folly for the Government, after 10 years of investigation as to how best to free the United States from its dependence upon a foreign power for its supply of nitrogen for explosives, in the event of war, and after spending millions of dollars in the construction of the greatest nitrogen fixation plant in the world, to turn over the only power capable of successfully operating the nitrate plant to a corporation owned and controlled by foreigners.

We remind Congress that just as the Alabama Power Co. has returned evil for good to the people of Alabama, so it is the one corporation whose dealings with our country in the grim emergency of war was so shameless, selfish, and conscienceless that when its conduct was investigated by a select committee of Congress the minority members of this committee joined with the majority in denouncing its brazen and sordid betrayal of its duty to a war-beset Nation.

Again affirming our utmost confidence in the ability and the desire of the President and the Congress of the United States and the committees of Congress to reach the soundest solution of the pending questions relating to the disposition of Muscle Shoals, we wish to express ourselves with regard to Mr. Henry Ford's proffered contract with the Government. The subject is of such vital interest to the people of Alabama that with greatest enthusiasm they have assembled in this meeting for the purpose of making this memorial:

Upon mature deliberation, we, as citizens, do express our firm conviction that it is to the best interest of the United States and to the interest of the people of Alabama that the offer of Henry Ford be accepted and concluded as a binding contract, and for the following among other reasons:

The acceptance of the Ford offer would insure the operation in Alabama of at least two great organizations engaged in the development and sale of hydroelectric energy, and would further insure competition in the distribution and sale of power throughout the territory which can be reached by transmission lines from the several power sites on the Tennessee River whose development is within the contemplation of the Ford offer.

The Ford offer insures the operation of United States nitrate plant No. 2 for a period of 100 years for the production of fertilizers in time of peace and for the production of nitrates for explosives in the event of war.

It insures to the millions of farmers throughout the United States, whose organizations have with unanimity indorsed the offer of Henry Ford, the continuous operation of this Government-built plant for the production of nitrate fertilizers in competition with the present producers of nitrates, by a company whose profits will be limited to 8 per cent, and in sufficient volume to have a controlling influence in fixing the price of nitrates and nitrate fertilizers for agricultural uses.

The Ford offer insures to the people of the United States the operation of nitrate plant No. 2 and its maintenance in such a constant state of readiness, with a trained force of operatives, as to guarantee to the Government and its citizens an independent, internal supply of nitrates, in exact accord with the announced intention of Congress as expressed in section 124 of the national defense act of 1916.

The Ford offer guarantees the construction of Dam No. 3 and makes provision for use by the people of the United States for purposes of navigation of one of the country's largest and most important rivers, which is an integral part of the great Mississippi River waterways system.

In the consideration given to the various offers for Muscle Shoals much has been said about the profit and loss that would accrue to the Government of the United States and to its people from the acceptance or the rejection of the various offers. We respectfully urge a plan which looks to a constant supply of cheap fertilizers for the farmers of the Nation through a period of 100 years, which insures to American industry during that period the use of nearly 1,000,000 horsepower of electric energy, which provides for the security of the Nation in the event of war, and which guarantees the navigability of one of the country's greatest rivers for all time. These continuing additions to the resources of the Nation, if it were possible to express them in terms of dollars, with interest at 4 per cent, will in the course of 100 years add so vastly to the wealth of the Nation and the prosperity of its people that any difference in the price of the nitrate plant as fixed in the several offers, and any difference between the purchase price offered and the estimated possible scrap value of the property, is dwarfed into insignificance.

With these considerations in view and having in mind the freedom of our own people from a galling and oppressive water-power monopoly, the freedom of the American farmer from a burdensome and grinding fertilizer monopoly, the opening of a great river to navigation, and

the security of the country in the event of war, we urge the President and the Congress of the United States to accept the offer of Henry Ford, whom we verily believe seeks through his offer to dedicate to the American people, and especially to the farmers of America, his genius and his fortune.

We indorse the sentiment "America first" and Muscle Shoals first for Americans, and above all, for American farmers. Henry Ford is a typical American, who by his genius has done more for country people and country life than any other man of his time. A man who has the trust and confidence of the great masses of the common people, as evidenced by the resolutions adopted by every gathering of plain, ordinary Americans, including the representatives of 4,000,000 farmers, who have given voice to their sentiments in regard to his proposal for the development of Muscle Shoals.

We believe the issue in Congress is clearly drawn. It is a contest between the people and the interests which control the people's fertilizer and power resources.

On behalf of the army of the unemployed, in the interest of the great body of plain American citizens, in the name of millions of perplexed and burdened farmers, we beg our President and the Congress of the United States and its committees to promptly accept the offer of Henry Ford.

J. L. ANDREWS.
FRANCIS PATTERSON WALKER.
J. J. BUFFINGTON.
H. C. RANKIN.
EDW. A. O'NEAL.
S. P. MCDONALD.
CHAS. L. HAROLD.
EDWARD DOTY.

This resolution was unanimously adopted.

B. M. ALLEN, *Chairman.*
C. E. JOHNSON, *Secretary.*

Mr. JAMES. Mr. Speaker, under permission granted a few days ago to extend remarks I wish to insert some telegrams from Alabama and Tennessee. They would seem to indicate that in spite of telegrams received by several Members condemning the gentleman from Illinois [Mr. MADDEN], the gentleman from Tennessee [Mr. GARRETT], and myself for the truths we told regarding the Alabama Power Co., that others agree with us on the Ford offer:

TUSKEGEE, ALA., *March 11, 1924.*

Hon. W. FRANK JAMES,
House Office Building, Washington, D. C.:

To-day's papers announce passage of bill in House accepting Mr. Ford's offer. Agricultural and business interests of country and particularly Alabama are indebted to you for having made such determined and successful fight for passage of this bill. As principal of Tuskegee Institution and as president of the National Negro Business League and for the Negro race, particularly in the South, I wish to express my thanks and appreciation to you. The passage of this bill means more to us than I can here express.

R. R. MOTON,
Principal of Tuskegee Institution and President of National Negro Business League.

NASHVILLE, TENN., *March 12, 1924.*

Hon. W. FRANK JAMES, M. C.,
Washington, D. C.:

Your able advocacy of Ford offer and criticism of Representative HULL, its leading opponent, have won grateful remembrance of people of Tennessee and of South.

E. B. STAHLMAN,
Publisher of the Nashville Banner.

FLORENCE, ALA., *March 12, 1924.*

Hon. FRANK W. JAMES,
House Office Building, Washington, D. C.:

Accept our thanks and appreciation of your wonderful work in passing the McKenzie bill through the House accepting the Ford offer. We are grateful for all that you did and are not unmindful of the odds that you worked against. We extend our sincere thanks.

R. M. JONES,
Secretary Chamber of Commerce.

FLORENCE, ALA., *March 12, 1924.*

Hon. FRANK W. JAMES,
House of Representatives, Washington, D. C.:

The citizens of Alabama appreciate beyond expression the great loyalty and fidelity which you have shown in our Muscle Shoals campaign during the battle that has been waged in the House of Representatives for many days. Your matchless zeal and talents have carried us to a glorious victory, and we will never forget the wondrous cooperation which you have so graciously rendered.

N. C. ELTING.

(Mr. Elting is president of the First National Bank of Florence.)

JEFFERSON CITY, MO., *March 8, 1924.*

Representative JAMES,
House of Representatives, Washington, D. C.:

Missouri Farm Bureau Federation expresses appreciation for your work on McKenzie bill and urges your support and influence in securing final passage.

L. M. MONSEES,
President Missouri Farm Bureau Federation.

FLORENCE, ALA., *March 12, 1924.*

Hon. W. FRANK JAMES,
House of Representatives, Washington, D. C.:

The Kiwanis Club of Florence desires to express its appreciation of your fine work in connection with the Ford Muscle Shoals bill. The people in this section will always have a warm spot in their heart for you fraternally.

H. P. LUCAS, *President.*

DECATUR, ALA., *March 11, 1924.*

W. FRANK JAMES, M. C.,
Washington, D. C.:

On behalf of Albany Decatur Chamber of Commerce hearty congratulations are extended on passage McKenzie bill. Your good work greatly appreciated. This conveys sentiment of people of Alabama.

W. W. RAHM, *President.*

SHEFFIELD, ALA., *March 12, 1924.*

Hon. W. FRANK JAMES,
House Office Building, Washington, D. C.:

We wish to express our appreciation of the wonderful and successful fight for the acceptance of the Ford offer, which you have just brought to a close. The whole country, as well as this immediate section, owes you a great debt of gratitude.

W. S. HATCH,
Vice President The Sheffield Co.

SHEFFIELD, ALA., *March 12, 1924.*

Hon. W. FRANK JAMES,
House Office Building, Washington, D. C.:

We are deeply appreciative of the great victory you have just won for the Ford offer, and for your able efforts in our behalf we are very grateful.

J. F. GAMMON,
General Manager The Sheffield Co.

ALBANY, ALA., *March 12, 1924.*

W. F. JAMES, M. C.,
Washington, D. C.:

We congratulate you on your good work. Alabama will never forget you.

H. M. THOMPSON.

ALBANY, ALA., *March 12, 1924.*

W. F. JAMES,
Member of Congress, Washington, D. C.:

We congratulate you on your good work. Alabama will never forget you.

W. B. EDMUNDSON.

ALBANY, ALA., *March 12, 1924.*

W. F. JAMES,
Member of Congress, Washington, D. C.:

We congratulate you on your good work. Alabama will never forget you.

T. A. BOWLS.

(Mr. Bibb is president of the Citizens Bank.)

ALBANY, ALA., *March 12, 1924.*

W. F. JAMES,
Member of Congress, Washington, D. C.:

We congratulate you on your good work. Alabama will never forget you.

W. A. BIBB.

(Mr. Bibb is president of the Morgan County Bank.)

TUSCUMBIA, ALA., *March 11, 1924.*

Hon. W. FRANK JAMES,
Member of Congress, House Office Building, Washington, D. C.:

Accept appreciated thanks for service rendered in behalf Ford offer.

JAMES T. KIRK.
JOHN D. RATHER, JR.

(These gentlemen are prominent attorneys.)

SHEFFIELD, ALA., *March 11, 1924.*

Hon. W. FRANK JAMES,
House Office Building, Washington, D. C.:

We are deeply appreciative of your splendid work for the Ford offer.

SHEFFIELD KIWANIS CLUB.

SHEFFIELD, ALA., *March 11, 1924.*

To Hon. W. FRANK JAMES, M. C.,
House Office Building, Washington, D. C.:

Our people are deeply appreciative of the magnificant fight made by you for Ford, the farmers, and the common people, and against a selfish water-power monopoly.

J. L. ANDREWS.

(Mr. Andrews is president of the Sheffield National Bank.)

SHEFFIELD, ALA., *March 11, 1924.*

Hon. W. FRANK JAMES,
House Office Building, Washington, D. C.:

I wish to assure you of our sincere appreciation of the long and faithful fight you have made for the Ford Muscle Shoals bill, which means so much to the whole South and to other agricultural sections.

T. C. SANFORD,
Vice President Sheffield National Bank.

SHEFFIELD, ALA., *March 11, 1924.*

Hon. W. FRANK JAMES, M. C.,
House Office Building, Washington, D. C.:

Our people are deeply appreciative of your magnificant fight for the acceptance of the Ford offer.

P. S. MILNER.

MEMPHIS, TENN., *March 13, 1924.*

Hon. W. FRANK JAMES,
Congressional Building, Washington, D. C.:

Your excellent work on behalf of the Muscle Shoals project is greatly appreciated by all of us in this territory.

JOHN W. FALLS.

ALBANY, ALA., *March 11, 1924.*

W. F. JAMES, M. C.,
Washington, D. C.:

We congratulate you on your good work. Alabama will never forget you.

J. A. BUTTREY.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., March 13, 1924.

Col. I. W. WORTHINGTON,
285 Third Street SE., City.

MY DEAR COLONEL: I beg to inclose herewith copies of 20 telegrams received by me in regard to Muscle Shoals.

With best regards, I am,

Sincerely,

W. FRANK JAMES.

ST. PAUL, MINN., *March 10, 1924.*

Hon. W. FRANK JAMES, M. C.,
Washington, D. C.

MY DEAR SIR: Farmers in Minnesota, while they have no immediate fertilizer problem, have been intensely interested in the Muscle Shoals proposition from the very beginning. They have been interested in the Ford tender, and our members in this State's referendums in the past have shown that they were thoroughly committed to this proposition.

Now that it is about to go over, we wish to extend to you an acknowledgment of the services rendered by you in fighting for the Muscle Shoals bill.

Sincerely yours,

MINNESOTA FARM BUREAU FEDERATION,
J. S. JONES, *Secretary.*

MADISON, WIS., *March 11, 1924.*

Hon. W. FRANK JAMES, M. C.,
House Office Building, Washington, D. C.
House Office Building, Washington, D. C.

DEAR SIR: We understand that you took a leading part in securing the adoption of the Ford offer as just passed by the House of Representatives with such a large majority.

The farmers of Wisconsin are not so vitally interested in nitrate fertilizers, as we plan on securing most of these from home sources in our rotation, but we are interested in the general principles embodied in the disposition of our natural resources. May we hope that you will continue to support this measure with the same vigor and give assistance in its passage through the Senate.

Yours very truly,

WISCONSIN FARM BUREAU FEDERATION.
I. M. WRIGHT, *Secretary.*

Mr. GRIFFIN. Mr. Speaker, in ordinary business, whether it happens to be a swap or a purchase or sale, the average man puts to himself this question: "What do I get and what shall I pay?" And even though the Muscle Shoals proposition involves values infinitely greater than the transactions of ordinary, plain, everyday people, the essential factor in determining the wisdom or policy of consummating the contract is precisely the same.

The parties to this extraordinary proposal are the Federal Government and Henry Ford. We in this body represent the people of the United States as one of the contracting parties, and we must put the question to ourselves precisely as if we were acting for ourselves and had a vast property which some individual was seeking to acquire.

WHAT WE GIVE.

When we were engaged in the World War the Government launched the enterprise at Muscle Shoals for the purpose of furnishing nitrates for explosives. It was a far-reaching undertaking, planned on a tremendous scale. When the armistice came it found the project in the following shape:

The Government had completed—	
Nitrate plant No. 1 (including 1,900 acres of land), costing	$12,888,000
Nitrate plant No. 2 (including 2,300 acres of land), costing	68,174,000
Surplus material costing	1,500,000
It had bought and developed Waco Quarry (400 acres of land), costing	1,179,000
It had built the—	
Gorgas steam plant, on the property of the Alabama Power Co., at a cost of	5,337,000
Warrior substation, costing	384,000
Drifton Railroad	50,000
Warrior-Muscle Shoals transmission line	905,000
Total	88,417,000

WHAT WE GET.

The Ford offer contemplates paying for all of this the nominal sum of $5,000,000, less the sum of $3,472,000, which the Government must use in restoring a steam plant.

The reason for that is that the Gorgas steam plant, while the Ford offer had been pending, has been returned to the Alabama Power Co. for $3,472,000, and to make up for this deduction the Ford offer or demand is that out of the purchase price of $5,000,000 the United States Government build another steam plant to take the place of the Gorgas plant, to cost $3,472,000. So actually the Ford offer means that the Government shall deed over in fee simple to him, or to a corporation to be formed by him, $85,000,000 of valuable property for $1,528,000.

ITS VALUE AS SALVAGE.

Even if it were a mere salvage proposition, involving only the recovery of all that is humanly possible out of a war venture, this proposal of Henry Ford would not be worth considering, as it is admitted that he offers considerably less than the various properties would sell for on the auction block. In fact, its estimated value as scrap is $16,000,000.

But, it is argued, if the properties are sold as scrap that ends the usefulness of the entire venture, and the localities affected, as well as the entire country, would lose a great opportunity for the development of a signally important and beneficial enterprise.

This is true, and it is incumbent upon us to weigh the alternative, namely, the destruction of a great enterprise or to practically present it as a gift to one man.

It is also incumbent upon us to consider if these two proposals are in fact the only alternatives.

GOVERNMENT OWNERSHIP.

No matter how repulsive it may be to some there is a third alternative, namely, completion and operation by the Government. And if this is disagreeable there is yet a fourth alternative—the Government could complete the dams and turn them and the nitrate plants over to a private individual or a corporation for operation.

The advocates of this sacrifice of Government property, however, seem to be opposed either to Government ownership or operation. They are willing to have the Government go into the construction business and lay out millions of dollars to build, to plan, and construct; but when it comes to the point

of the Government obtaining any profit out of the enterprise they hold up their hands in horror and pretend to see the shadow of socialism.

I have only this to say to the opponents of Government ownership:

What I object to is that when you draw your cards you will not play with them. If you are for individual ownership and operation, stick to it. I have no complaint to offer; but do not hold up your hands in horror of public ownership and then ask the Government to stake you to your capital. Which is worse, for the Government to build and operate or to build and present it to some corporation on a platter?

THE FERTILIZER QUESTION.

The friends of this measure urge as a reason for this stupendous gift to Henry Ford his assurance that he will manufacture fertilizer to be sold cheaply to the farmers of the United States, and thus break the Fertilizer Trust. This is a very laudable aim, but they soft pedal the fact that he will only use one of the plants for that purpose. They keep in the background the fact that the other nitrate plant will be devoted to his own exclusive private business. They also slight the fact that in such manufacture of fertilizer as he may carry on he does not propose to indulge in charity or benevolence, but secures to himself, and his heirs an 8 per cent profit. This, of course, actually means nothing at all so far as assuring the farmer cheap fertilizer.

TRUST BUSTING.

But assuming that all that is promised in the way of breaking up the Fertilizer Trust is admitted as possible and assured, what have our friends to say about the precedent to be thus established whereby the Government in the future may be taxed with the task of breaking up other trusts? If it is right to give Henry Ford $85,000,000 of property for $1,500,000 upon his promise to break a trust, may we not be called on in the future to lend other wealthy capitalists vast sums of money for similar enterprises?

WAR SERVICE.

Then the proponents of this bill urge another argument in Ford's behalf. They say, "He will turn over the nitrate plant to the Government in time of war." Surely this is no consideration at all, for the Government would have the right to commandeer the plant in time of war whether it was or was not "nominated in the bond."

THE DAM QUESTION.

But even with all of these shortcomings, the wisdom of the acceptance or refusal of the offer might still be open to debate were it not for the fact that it has another phase. The Government sank $17,000,000 in the Wilson Dam and it is nearly half complete. It will cost $25,000,000 to complete it. The Government also planned the construction of another dam designated as Dam No. 3 on which nothing has been done whatever. Twenty-five million dollars must be spent for its construction.

The Ford offer demands that these projects shall be completed. In other words, the sale of $85,000,000 of property involved in the nitrate plants, the quarry, the railroad, and the town sites for $1,500,000 does not terminate the liability of the Government, but we must continue the dam construction at a total outlay of $67,000,000. And then, when the dams are completed, Ford will use them for his own purposes without restraint or control at a nominal rent per annum.

There is nothing in the measure before the House which binds him to furnish heat, light, and power to the vicinity, and if he should elect to do so there is no provision in his offer or in the act to subject his charges to review or modification. He has the whip hand throughout.

The whole transaction has the earmarks of an unconscionable bargain. The ordinary business man would consider he was driving a pretty shrewd bargain if he got $85,000,000 of property having a scrap value of $16,000,000 for only $1,500,000. One would think Ford would be sport enough to take the dams as they are with $17,000,000 of work, labor, and material upon them and complete them at his own expense. This is a better bargain than the usual water power corporation is able to secure under the water power act.

THE WATER POWER ACT.

Where a corporation aims to enter upon a water power project under the water power act the following conditions must be met:

a. It must acquire the land and water rights, build the dam, and install the turbines and machinery at its own expense. Ford wants the Government to do all of this for him.

b. Under the water power act a lease of only 50 years is granted. Ford wants his lease to run for 100 years.

c. The water-power company licensed under the act to install a dam and power plant must subject its charges for heat and power to governmental review and modification, a wise safeguard to prevent monopoly. Ford's offer and the measure before the House excuses his corporation from this salutary surveillance.

Efforts have been made on the floor and in Committee of the Whole to attach to the Ford contract these safeguards in consonance with the provisions of the water power act, which apply without distinction or exception to every other corporation engaged in the development of water power. All such attempts to modify the rigor of Ford's arrogant demands were relentlessly beaten down. His friends in this House have boldly thrown down the gauntlet and challenged the House to vote the Ford proposal "either up or down." In other words, "to take it or leave it."

What reason is there in the world to exempt Ford and the corporation to be formed by him from the wise and just limitations imposed on other water-power ventures?

BENEVOLENCE NOT A CORPORATE HERITAGE.

They eulogize him and point out his phenomenal success as an organizer and as a humane employer of labor. They paint him as a great benefactor of the human race. Perhaps he is. Every man who makes two blades of grass grow where only one grew before is an asset to the world; but it must be admitted that while he has been making men happy with "Lizzies" he has also piled up one of the greatest fortunes in the world. Furthermore, if this trust is reposed in him by the surrender of these vast water-power rights into his keeping, and if we assume that he will so manipulate and restrain his individual acquisitiveness so as to be content with moderate profits, what assurance is there that his son and successor, Edsel Ford, will manifest similar tenderness and consideration? And when Edsel passes away—for the lease is for 100 years, remember—are these noble attributes of tenderness, restraint, and moderation to pass on to the successors in control of the corporation as a beautiful, inevitable, and continuous heritage? Such bland and childlike confidence may be an admirable attribute in the relations between men and men—although few of those advocating this policy, I venture to say, would manifest it in his own business—but in the dealings between the Government and individuals posterity will be loath to praise a Congress so recreant to its trust and so lacking in ordinary precaution as not to bind the recipients of its favor to fair dealing.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had insisted upon its amendments to the bill (H. R. 6349) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1925, and for other purposes, disagreed to by the House of Representatives, had agreed to the conference asked by the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. WARREN, Mr. SMOOT, Mr. MOSES, Mr. OVERMAN, and Mr. GLASS as the conferees on the part of the Senate.

ENROLLED BILLS SIGNED.

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. R. 4577. An act providing for the examination and survey of Mill Cut and Clubfoot Creek, N. C.; and

H. R. 5557. A act to authorize the settlement of the indebtedness of the Republic of Finland to the United States of America.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted to Mr. LINEBERGER, for three weeks, to visit California on account of important public business.

ADJOURNMENT.

Mr. LONGWORTH. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 5 o'clock and 42 minutes p. m.) the House adjourned until to-morrow, Tuesday, March 11, 1924, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. GIBSON: Committee on the District of Columbia. H. R. 4805. A bill authorizing the extension of the park system of the District of Columbia; without amendment (Rept. No. 278). Referred to the Commitee of the Whole House on the state of the Union.

Mr. GRAHAM of Pennsylvania: Committee on the Judiciary. H. R. 7041. A bill to amend an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916; with amendments (Rept. No. 280). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. KNUTSON: Committee on Pensions. H. R. 7783. A bill granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors; without amendment (Rept. No. 279). Referred to the Committee of the Whole House.

Mr. GARRETT of Texas: Committee on Military Affairs. H. R. 58. A bill authorizing the Secretary of War to grant a right of way over the Government levee at Yuma, Ariz.; with an amendment (Rept. No. 281). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. KNUTSON: A bill (H. R. 7783) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors; committed to the Committee of the Whole House.

By Mr. CHINDBLOM: A bill (H. R. 7784) for reduction of income tax payable in 1924; to the Committee on Ways and Means.

By Mr. MINAHAN: A bill (H. R. 7785) to amend an act entitled "An act to amend an act entitled 'An act to codify, revise, and amend the laws relating to the judiciary,' approved March 3, 1911," approved February 25, 1919; to the Committee on the Judiciary.

Also, a bill (H. R. 7786) to amend an act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911; to the Committee on the Judiciary.

By Mr. HOWARD of Nebraska: A bill (H. R. 7787) to provide for the purchase of a site and the erection of a public building thereon at Schuyler, Nebr.; to the Committee on Public Buildings and Grounds.

By Mr. WINTER: A bill (H. R. 7788) to provide for refunds to veterans of the World War of certain amounts paid by them under Federal irrigation projects; to the Committee on Irrigation and Reclamation.

By Mr. KELLER: A bill (H. R. 7789) to provide for the conservation and utilization of the natural resources of the Nation, the coordination of flood control and navigation of streams, the development of hydroelectric energy and the distribution of the same, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SMITHWICK: A bill (H. R. 7790) to provide for the admission to the mails as second-class matter of periodical publications issued by State road departments or commissions; to the Committee on the Post Office and Post Roads.

By Mr. FREAR: A bill (H. R. 7791) to amend an act approved September 21, 1922, known as the tariff act; to the Committee on Ways and Means.

By Mr. LEE of Georgia: A bill (H. R. 7792) to establish a national park in the national forest reservation in the State of Georgia, and for other purposes; to the Committee on Agriculture.

By Mr. BELL: A bill (H. R. 7793) to establish a national park in the national forest reservation in the State of Georgia, and for other purposes; to the Committee on Agriculture.

By Mr. THOMAS of Oklahoma: A bill (H. R. 7794) to provide for the guaranty of deposits in banks having membership in the Federal reserve system, and for other purposes; to the Committee on Banking and Currency.

By Mr. QUAYLE: A bill (H. R. 7795) to authorize the United States Department of Justice to undertake to obtain appointment of committee for incompetent veterans of the World War, when such committee is required by the United States Veterans' Bureau in any case of compensation granted under the provisions of the war insurance act; to the Committee on World War Veterans' Legislation.

By Mr. HASTINGS: A bill (H. R. 7796) providing for the holding of the United States district and circuit courts at Okmulgee, Okla.; to the Committee on the Judiciary.

By Mr. SABATH: Joint resolution (H. J. Res. 214) for the appointment of a commission to investigate and review sentences imposed in the cases of military prisoners still confined in United States prisons or other penal institutions, and for other purposes; to the Committee on the Judiciary.

By Mr. CROWTHER: Memorial of the Legislature of the State of New York, urging Congress to speedily enact legislation calculated to equalize disability pay to veterans of all wars; to the Committee on World War Veterans' Legislation.

By Mr. TINKHAM: Memorial of the Legislature of the State of Massachusetts, favoring the enactment of legislation extending aid to disabled emergency officers of the United States Army; to the Committee on World War Veterans' Legislation.

Also, memorial of the Legislature of the State of Massachusetts, favoring a child-labor amendment to the Constitution of the United States; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BEGG. A bill (H. R. 7797) granting an increase of pension to Arvilla Hough; to the Committee on Invalid Pensions.

By Mr. BURDICK: A bill (H. R. 7798) granting a pension to Sarah Ida Rhodes; to the Committee on Invalid Pensions.

By Mr. CHINDBLOM: A bill (H. R. 7799) granting a pension to Margaret J. Billig; to the Committee on Invalid Pensions.

By Mr. COOPER of Wisconsin: A bill (H. R. 7800) for the relief of Edward R. Ledwell; to the Committee on Military Affairs.

By Mr. CROWTHER: A bill (H. R. 7801) granting an increase of pension to Jane L. Hewitt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7802) granting a pension to Elizabeth K. McFee; to the Committee on Invalid Pensions.

By Mr. DICKINSON of Missouri: A bill (H. R. 7803) granting a pension to Nancy J. Fuller; to the Committee on Invalid Pensions.

By Mr. FITZGERALD: A bill (H. R. 7804) granting an increase of pension to Samuel M. Griffith; to the Committee on Pensions.

By Mr. HUDSPETH: A bill (H. R. 7805) reconveying to Elizabeth Moore the camp site of Camp Robert E. L. Michie; to the Committee on Military Affairs.

By Mr. JOHNSON of West Virginia: A bill (H. R. 7806) for the relief of the legal representatives of George W. McGinnis; to the Committee on Claims.

Also, a bill (H. R. 7807) granting an increase of pension to Isabell Congo; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7808) granting a pension to Minnie Young; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7809) granting a pension to Rosalie Vincent; to the Committee on Invalid Pensions.

By Mr. KAHN: A bill (H. R. 7810) authorizing the reconveyance of the camp site of Camp Robert E. L. Michie; to the Committee on Military Affairs.

By Mr. LITTLE: A bill (H. R. 7811) granting an increase of pension to Martha Gruver; to the Committee on Invalid Pensions.

By Mr. MILLS: A bill (H. R. 7812) for the relief of Katherine Hanna; to the Committee on Claims.

By Mr. PERKINS: A bill (H. R. 7813) for the relief of Charles M. Le Furge; to the Committee on War Claims.

By Mr. STRONG of Kansas: A bill (H. R. 7814) granting an increase of pension to Sarah L. Headington; to the Committee on Invalid Pensions.

By Mr. WILSON of Indiana: A bill (H. R. 7815) granting an increase of pension to Mary E. Alexander; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1022. By the SPEAKER (by request): Petition of Tuscaloosa Cotton Seed Oil Co., E. B. Nuxum, president; J. L. Miller; A. C. Cade; Central Iron & Coal Co., J. L. Brierton, vice president; T. L. Beauchamp, J. S. Billings, and F. G. Blair, or Tuscaloosa, Ala., asking that favorable consideration be given to the proposals of the Alabama Power Co. in regard to Muscle Shoals; to the Committee on Military Affairs.

1023. Also (by request), petition of American citizens of Polish extraction of the State of Massachusetts, protesting against

the passage of the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1624. Also (by request), petition of Board of Aldermen of the city of New York, urging Congress to enact into law a bonus act for veterans of the World War; to the Committee on Ways and Means.

1625. By Mr. ALDRICH: Petition of Workmen's Circle, Branch No. 14, Providence, R. I., protesting against the passage of the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1626. By Mr. BOYLAN: Petition adopted at a mass meeting at the Academy of Music, Brooklyn, N. Y., requesting the release of Eamon DeValera; to the Committee on Foreign Affairs.

1627. By Mr. BURTON: Petition of divers citizens of Cleveland, Ohio, requesting passage of the Kelly-Edge bill to increase the salaries of postal employees; to the Committee on the Post Office and Post Roads.

1628. Also, petition of divers citizens of Cleveland, Ohio, urging passage of the Mellon taxation plan; to the Committee on Ways and Means.

1629. Also, petition of the Lithuanian Societies of Cleveland, Ohio, requesting the Government of the United States to take all necessary steps to see that the Memel district continues to remain an integral part of Lithuania; to the Committee on Foreign Affairs.

1630. By Mr. COOPER of Wisconsin: Petition of postal employees of Eagle, Wis., post office, asking for favorable consideration of the Kelly bill providing for the reclassification of postal employees; to the Committee on the Post Office and Post Roads.

1631. Also, memorial of Epworth League of the North Side Methodist Episcopal Church, of Racine, Wis., favoring a child-labor amendment to the Constitution; to the Committee on the Judiciary.

1632. Also, petition of postal employees of the Waukesha, Wis., post office, urging that legislation be enacted providing for the reclassification of postal employees; to the Committee on the Post Office and Post Roads.

1633. Also, petition of postal employees of Edgerton, Wis., post office, approving house bill 631; to the Committee on the Post Office and Post Roads.

1634. By Mr. CRAMTON: Petition of Mr. Albert Hass, assistant postmaster, and other employees in the post office at Bad Axe, Mich., in support of House bill 7016, a bill making provision for financing the proposed increase in salaries by raising the rates on parcel-post matter; to the Committee on the Post Office and Post Roads.

1635. Also, petition of Mrs. Florence L. Waring, corresponding secretary Ladies' Literary Club, Mount Clemens, Mich., on behalf of that organization, urging passage of the child-labor amendment; to the Committee on the Judiciary.

1636. By Mr. CROWTHER: Petition of the board of directors of the Maritime Association of the Port of New York, urging the early enactment of House bill 3933 providing for the acquirement by the United States of the Cape Cod Canal property; to the Committee on Interstate and Foreign Commerce.

1637. Also, petition of executive committee of the American Legion Auxiliary of the Department of New York, urging the enactment of pending legislation providing for adjusted compensation for former service men; to the Committee on Ways and Means.

1638. By Mr. GALLIVAN: Petition of American Legion Auxiliary to Norman D. Prince Post 182, Wenham, Mass., recommending early and favorable consideration of the adjusted compensation bill; to the Committee on Ways and Means.

1639. Also, petition of American Legion Auxiliary Unit 211, Georgetown, Mass., urging early and favorable consideration of the adjusted compensation bill; to the Committee on Ways and Means.

1640. By Mr. KAHN: Petition of citizens of New York City, together with representatives of various national organizations, protesting against the inactivity of Congress respecting legislation for the retirement of disabled emergency Army officers; to the Committee on World War Veterans' Legislation.

1641. Also, petition of Chamber of Commerce of the State of New York, urging that relief be extended to disabled war veterans; to the Committee on World War Veterans' Legislation.

1642. By Mr. LEAVITT: Petition of Judith River Rod and Gun Club, of Hobson, Mont., favoring early passage of the migratory bird refuge act; to the Committee on Agriculture.

1643. By Mr. MOORE of Illinois: Petition of banks and citizens of Decatur, Ill., protesting against the McNary-Haugen bill; to the Committee on Agriculture.

1644. Also, petition of Veterans of Foreign Wars, Decatur, Ill., favoring the adjusted compensation bill; to the Committee on Ways and Means.

1645. By Mr. O'CONNELL of Rhode Island: Petition of members of the Workmen's Circle, Branch No. 14, Providence, R. I., opposing the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1646. By Mr. O'CONNOR of New York (by request): Petition of the board of aldermen of the city of New York, February 19, 1924, against the enactment of the restrictive immigration bill; to the Committee on Immigration and Naturalization.

1647. By Mr. ROBINSON of Iowa: Petition of citizens of Franklin County, Iowa, asking that the McNary-Haugen bill become a law; to the Committee on Agriculture.

1648. By Mr. SCHALL: Petition of O. M. Thurber, assistant secretary Minnesota Implement Dealers' Association, indorsing House bill 4159 as the most practical plan for the relief of agricultural interests in the Northwest; to the Committee on Agriculture.

1649. Also, petition of public mass meeting of Greek, Italian, Jewish, Polish, Russian Slovak, and Ukrainian citizens of Minneapolis, protesting against the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1650. Also, petition of O. M. Thurber, assistant secretary of Minnesota Dealers' Association of Owatonna, Minn., indorsing increase of postage on second-class matter, reduction of 1 cent on drop and rural route letters; to the Committee on the Post Office and Post Roads.

1651. Also, petition of L. P. Johnson for farmers and citizens of Pipestone, Minn., indorsing the McNary-Haugen bill; to the Committee on Agriculture.

1652. Also, petition of Chicago County Republican Convention, by J. P. Holmberg, chairman, and Hjalmar Anderson, secretary, indorsing fourfold compensation to ex-service men; to the Committee on Ways and Means.

1653. Also, petition of Minnesota Republican Tenth Congressional District Convention, indorsing compensation to ex-service men; to the Committee on Ways and Means.

1654. By Mr. SNYDER: Petition of common council of the city of Rome, N. Y., protesting against the enactment of the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1655. By Mr. STRONG of Pennsylvania: Petition of members of Indiana Unit 141, American Legion Auxiliary, Indiana, Pa., in favor of adjusted compensation for World War veterans; to the Committee on Ways and Means.

1656. By Mr. THOMPSON: Petition of rural carriers of Columbus Grove, Ohio, asking for maintenance for rural carriers and a change in the retirement schedule; to the Committee on the Post Office and Post Roads.

1657. By Mr. TINKHAM: Petition of the American citizens of Polish extraction of the State of Massachusetts, protesting against the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1658. By Mr. WEFALD: Petition of 37 residents of Goodridge, Pennington County, Minn., urging the enactment of the McNary-Haugen bill into law; to the Committee on Agriculture.

1659. Also, petition of 25 legal women voters of Thief River Falls, Minn., urging the adoption of the soldiers' adjusted compensation bill (H. R. 6813), and also urging the United States Government to increase the volume of currency in circulation; to the Committee on Ways and Means.

1660. Also, petition of the Alfred Lockman Post, No. 53, of the American Legion, Breckenridge, Minn., signed by each member of that post, urging the passage of the adjusted compensation bill; to the Committee on Ways and Means.

1661. Also, petition of 46 legal voters of Thief River Falls, Minn., urging the passage of legislation substantially as provided for in the Norris-Sinclair and the McNary-Haugen bills with the amendment that where the proposed ratio price in the latter shall be found to be less than the average cost of production plus 6 per cent profit, to be determined by the Secretary of Agriculture, then such cost of production plus 6 per cent profit shall be established in place of the ratio price; and also urging the passage of House bill 6813, providing for adjusted compensation for ex-service men; to the Committee on Agriculture.

1662. Also, petition of all the members of the Johnson Post, No. 382, of the American Legion, Hawley, Minn., urging the passage of the adjusted compensation bill for ex-service men; to the Committee on Ways and Means.

1663. By Mr. WILLIAMS of Michigan: Petition of Rev. Florence E. Gilbert and 98 other residents of Battle Creek, Mich., in favor of uniform marriage and divorce laws and collateral matters; to the Committee on the Judiciary.

1664. By Mr. GARBER: Petition of citizens of Perry, Okla., and vicinity, Noble County, urging the passage of the bonus bill; to the Committee on Ways and Means.

SENATE.

TUESDAY, *March 11, 1924.*

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father, whether it is sunshine or cloud that hovers about us, Thou art the same in Thy dealings and constant in remembrance of our needs. We come seeking Thy blessing this morning and ask that every circumstance of life may be realized by us as of Thy good pleasure. Help us to submit to Thy dealings and to walk along the pathway of Thine ordination. We humbly ask in Jesus' name. Amen.

NAMING A PRESIDING OFFICER.

The Secretary (George A. Sanderson) read the following communication:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., March 11, 1924.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. WESLEY L. JONES, a Senator from the State of Washington, to perform the duties of the Chair this legislative day.

ALBERT B. CUMMINS,
President pro tempore.

Mr. JONES of Washington thereupon took the chair as Presiding Officer.

THE JOURNAL.

The reading clerk proceeded to read the Journal of yesterday's proceedings when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

CALL OF THE ROLL.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Ashurst	Fletcher	Ladd	Reed, Mo.
Ball	Frazier	Lodge	Reed, Pa.
Borah	George	McCormick	Sheppard
Brookhart	Gerry	McKellar	Shields
Bruce	Glass	McKinley	Shortridge
Cameron	Gooding	McLean	Simmons
Capper	Hale	McNary	Smith
Caraway	Harreld	Mayfield	Smoot
Colt	Harris	Moses	Spencer
Copeland	Harrison	Neely	Stephens
Couzens	Howell	Norris	Swanson
Curtis	Johnson, Minn.	Oddie	Trammell
Dale	Jones, N. Mex.	Pepper	Wadsworth
Edge	Jones, Wash.	Phipps	Warren
Ernst	Kendrick	Pittman	Watson
Ferris	Keyes	Ralston	Willis
Fess	King	Ransdell	

Mr. CURTIS. I wish to announce that the Senator from New Mexico [Mr. BURSUM], the Senator from Oregon [Mr. STANFIELD], the Senator from Montana [Mr. WALSH], and the Senator from Colorado [Mr. ADAMS] are engaged in a hearing before the Committee on Public Lands and Surveys.

The PRESIDING OFFICER. Sixty-seven Senators having answered to their names, there is a quorum present.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Chaffee, one of its reading clerks, announced that the House had passed a bill (H. R. 518) to authorize and direct the Secretary of War, for national defense in time of war and for the production of fertilizers and other useful products in time of peace, to sell to Henry Ford, or a corporation to be incorporated by him, nitrate plant No. 1, at Sheffield, Ala.; nitrate plant No. 2, at Muscle Shoals, Ala.; Waco Quarry, near Russellville, Ala.; steam-power plant to be located and constructed at or near Lock and Dam No. 17 on the Black Warrior River, Ala., with right of way and transmission line to nitrate plant No. 2, Muscle Shoals, Ala.; and to lease to Henry Ford, or a corporation to be incorporated by him, Dam No. 2 and Dam No. 3 (as designated in H. Doc. No. 1262, 64th Cong., 1st sess.), including power stations when constructed as provided herein, and for other purposes, in which it requested the concurrence of the Senate.

TWENTY-FIVE PER CENT REDUCTION IN TAXES (S. DOC. NO. 63).

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was read, referred to the Committee on Finance, and ordered to be printed:

To the Congress of the United States:

It had been my earnest hope that a 25 per cent reduction in taxes to be paid for the current year might be provided by law before the 15th of March current. Many people have been expecting that such would be the case and deferred their tax returns accordingly. It is a matter of such imminent importance that I have no hesitation in recommending that the public welfare would be much advanced by temporarily laying aside all other legislation and enacting a resolution for this purpose, which ought to be by unanimous consent. The taxpayers, the business interests, agriculture, industry, finance; in fact, all the elements that go to make up the economic welfare of the people of America would be greatly benefited by such action. It would remove an element of uncertainty from the current financial year at once, which would be a strong stimulant to business, with its resultant benefit to the wage earner and the agriculture of our country. It is impossible to see that any harm could accrue from this action, and there is every prospect of resulting benefits which would be very great. It would be a positive step in the right direction, which is much needed at this time to justify the confidence of the people that the Government is intent solely on the promotion of the public welfare, without regard to any collateral objects.

CALVIN COOLIDGE.

THE WHITE HOUSE, *March 11, 1924.*

RESIGNATION OF SENATOR LENROOT FROM COMMITTEE ON PUBLIC LANDS AND SURVEYS.

The PRESIDING OFFICER. The Chair lays before the Senate a communication, which will be read.

The reading clerk read as follows:

SOUTHERN PINES, N. C., *March 10, 1924.*

To the PRESIDING OFFICER OF THE SENATE:

I hereby resign as chairman and member of the Committee on Public Lands and Surveys.

IRVINE L. LENROOT.

Mr. WALSH of Montana. Mr. President, I am in receipt of a communication from the junior Senator from Wisconsin [Mr. LENROOT] explaining the tender of his resignation, which has just been made. I ask that the communication which I send to the Secretary's desk may be read to the Senate.

The PRESIDING OFFICER. The Senator from Montana asks that the communication submitted by him may be read. In the absence of objection, it will be read:

The reading clerk read as follows:

Senator LENROOT, in sending from Southern Pines, N. C., his resignation as chairman and member of the Committee on Public Lands and Surveys, gave out the following statement:

"Since coming to Southern Pines I have not recuperated as I had hoped, and it will not be possible for me to continue my work on the Committee on Public Lands and Surveys. I realized some time ago that I was nearing the point of exhaustion and stated upon the floor of the Senate that if the oil investigation continued indefinitely I would feel compelled to resign from the committee. I have given nearly four months of service in this investigation, trying as best I could to keep up with such other work as could not be neglected, with the result that I can not in my present state of health continue any longer.

"I hope to be able to return to Washington next week, but shall not attempt anything more than routine work of my office until my health is restored."

PETITIONS AND MEMORIALS.

Mr. LODGE. I present resolutions of the General Court of Massachusetts, favoring the passage of what is known as the Bursum bill, and also relative to a uniform child labor law. I ask that they be appropriately referred and printed in the RECORD under the rule.

The resolutions were referred as follows:

THE COMMONWEALTH OF MASSACHUSETTS, 1924.

Resolutions favoring the passage by Congress of legislation relative to the retirement of disabled emergency officers of the United States Army.

Whereas there is pending before the Congress of the United States Senate bill No. 33, known as the Bursum bill, being a bill making eligible for retirement under certain conditions officers of the Army of the United States, other than officers of the Regular Army, who incurred physical disability in line of duty while in the service of the United States during the World War; and

Whereas such proposed legislation is equitable and seeks to do justice to a class of worthy disabled officers, entitled because of their service, their wounds, and disabilities incurred therefrom to the same consideration and privileges as men of their rank who performed the same service but were of the Regular Army; and

Whereas the officers of such class are the only disabled officers to which the privileges of retirement have not been extended, the same class of officers of the Navy and Marine Corps already being retired under law: Therefore be it

Resolved, That the General Court of Massachusetts urges upon Congress the importance and desirability of speedily passing such legislation in order to extend the necessary aid to the surviving 800 wounded and disabled emergency officers of such class, who rendered such gallant and conspicuous service; and be it further

Resolved, That copies of these resolutions be sent by the secretary of the Commonwealth to the President of the United States and to each of the Senators and Representatives in Congress from Massachusetts.

In the house of representatives, adopted February 14, 1924.

In the Senate, adopted in concurrence February 19, 1924.

A true copy. Attest:

F. W. COOK,
Secretary of the Commonwealth.

To the Committee on Military Affairs.

THE COMMONWEALTH OF MASSACHUSETTS, 1924.

Resolutions in favor of an amendment to the Constitution of the United States authorizing Congress to enact a uniform child labor law.

Resolved, That because of the injustice and hardship to children in industry, and the harm to industry itself resulting from lack of uniformity in State legislation regulating child labor, the General Court of Massachusetts respectfully petitions Congress to propose an amendment to the Constitution of the United States authorizing Congress to enact uniform legislation as to child labor throughout the United States; and be it further

Resolved, That copies of these resolutions be sent by the secretary of the Commonwealth to the Presiding Officers of both branches of Congress and to each of the Senators and Representatives in Congress from Massachusetts.

In senate, adopted February 12, 1924.

In house of representatives, adopted, in concurrence, February 18, 1924.

A true copy. Attest:

F. W. COOK,
Secretary of the Commonwealth.

To the Committee on the Judiciary.

Mr. SMITH. I present a petition of the national executive committee, Private Soldiers and Sailors' Legion, relative to railway labor legislation, which I ask be printed in the RECORD and referred to the Committee on Interstate Commerce.

There being no objection, the petition was referred to the Committee on Interstate Commerce and ordered to be printed in the RECORD, as follows:

NATIONAL HEADQUARTERS
PRIVATE SOLDIERS AND SAILORS' LEGION
OF THE UNITED STATES OF AMERICA,
Washington, D. C., March 11, 1924.

To the honorable the Senate and House of Representatives of the United States of America:

The Private Soldiers and Sailors' Legion of the United States of America respectfully petitions that Senate bill No. 2646 and House bill No. 7358, by Senator R. B. HOWELL, of Nebraska, and Representative A. W. BARKLEY, of Kentucky, known as the "railway labor act," legislation planned to bring enduring peace to the entire transportation industry of the United States, be speedily enacted into law at this session.

This petition is presented following the unanimous action of our national executive committee last week, March 8, indorsing this legislation and requesting the Congress of the United States to enact the bills into law.

A large number of our members throughout the United States are railroad men, affiliated with the railroad brotherhoods and with other union labor organizations.

This legislation is solidly backed by more than 2,000,000 railroad workers and has the indorsement of union labor everywhere and our entire organization.

It is a carefully prepared measure and embodies the best features of other laws which have tended in the past to preserve peace between the railroads, the railroad workers, and the public.

We have previously asked for the repeal of the Esch-Cummins Act and are heartily in sympathy with the provisions of the pending act which would abolish the Railroad Labor Board.

The proposed legislation, in our opinion, would largely tend to prevent strikes and put the transportation business of the country on a sounder economic basis.

Our national executive committee for more than five years has carefully followed all proposed railroad legislation in Congress, and it believes that enactment of these bills into law would result in a square deal not only to the railroads and the workers but to the entire American public in all transportation matters.

Respectfully submitted.

NATIONAL EXECUTIVE COMMITTEE,
PRIVATE SOLDIERS AND SAILORS' LEGION,
[SEAL.] MARVIN GATES SPERRY, *National President.*
BENJ. BLANK, *National Secretary.*

Mr. SPENCER presented the petition of Frans E. Lindquist, of Kansas City, Mo., praying for the passage of legislation providing that bail shall be admitted as a matter of right upon all arrests in criminal cases and upon all appeals or writs of error in the Supreme Court of the United States and any United States court of appeals where the offense is not punishable by death, which was referred to the Committee on the Judiciary.

Mr. CURTIS presented a resolution of the Reserve Officers' Association, of Lawrence, Kans., favoring an appropriation sufficient to furnish summer camp training to reserve officers at the rate of one-third of the full number each year and for the maintenance of divisional and regimental headquarters, which was referred to the Committee on Appropriations.

He also presented a memorial of sundry citizens of Clay Center, Kans., remonstrating against the passage of the so-called McNary-Haugen bill providing aid to agriculture, which was referred to the Committee on Agriculture and Forestry.

He also presented a resolution adopted by the Seven Federated Shop Crafts, of Fort Scott, Kans., relative to the repeal of the transportation act of 1920, which was referred to the Committee on Interstate Commerce.

He also presented a memorial of sundry employees of the Kansas City Southern Railway Co., of Pittsburg, Kans., remonstrating against the passage of legislation amending the transportation act of 1920 at the present session of Congress, which was referred to the Committee on Interstate Commerce.

Mr. CAPPER presented a resolution of the Ashland (Kans.) Study Club, favoring the enactment of legislation restricting the production of narcotics to medical and scientific needs, which was referred to the Committee on Foreign Relations.

He also presented a petition of sundry citizens of Sterling, Kans., praying for the passage of the so-called Johnson immigration bill, which was referred to the Committee on Immigration.

He also presented a resolution of the Association of Mechanical and Power Plant Employees of the Rock Island Lines, of Horton, Kans., protesting against any amendment at this time to the transportation act of 1920, which was referred to the Committee on Interstate Commerce.

He also presented a resolution of the Reserve Officers' Association, of Sedgwick County, Kans., favoring adequate appropriations for the Officers' Reserve Corps in accordance with the recommendation of the War Department, which was referred to the Committee on Appropriations.

INVESTIGATION OF INTERNAL REVENUE BUREAU.

Mr. SMOOT. Mr. President, I ask unanimous consent that Senate Resolution 168, submitted by the Senator from Michigan [Mr. COUZENS] February 21, 1924, authorizing the appointment of a special committee to investigate the Bureau of Internal Revenue, be recommitted to the Committee on Finance.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SMOOT. I was authorized by the Committee on Finance to report back with amendments Senate Resolution 168, which was just recommitted.

The PRESIDING OFFICER. The resolution will be placed on the calendar.

REPORTS OF COMMITTEES.

Mr. RALSTON, from the Committee on Military Affairs, to which were referred the following bills, reported them each with amendments and submitted reports thereon:

A bill (S. 1790) for the relief of Herman O. Kruschke (Rept. No. 238); and

A bill (S. 1982) granting the consent of Congress to the construction, maintenance, and operation by the Chicago, Milwaukee & St. Paul Railway Co., its successors and assigns, of a line of railroad across the northwesterly portion of the Fort Snelling Military Reservation in the State of Minnesota (Rept. No. 239).

Mr. CARAWAY, from the Committee on the Judiciary, to which was referred the bill (S. 624) to amend the practice and

procedure in Federal courts, and for other purposes, reported it with amendments.

Mr. MAYFIELD, from the Committee on Claims, to which was referred the bill (S. 1929) to refund to Clinton G. Edgar income tax erroneously and illegally collected, reported it without amendment and submitted a report (No. 240) thereon.

Mr. HALE, from the Committee on Naval Affairs, to which was referred the bill (S. 350) to authorize the transfer of surplus books from the Navy Department to the Interior Department, reported it with an amendment and submitted a report (No. 241) thereon.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. RANSDELL:

A bill (S. 2801) to amend paragraph (5) of section 20 of the interstate commerce act; to the Committee on Interstate Commerce.

A bill (S. 2802) for the relief of Richard E. A. Thiele; to the Committee on Naval Affairs.

By Mr. GLASS:

A bill (S. 2803) to regulate within the District of Columbia the sale of milk, cream, and certain milk products, and for other purposes; to the Committee on the District of Columbia.

By Mr. CURTIS:

A bill (S. 2804) granting an increase of pension to Sarah A. James (with accompanying papers);

A bill (S. 2805) granting an increase of pension to Maggie Crouch (with accompanying papers);

A bill (S. 2806) granting an increase of pension to Martha L. Tedrick (with accompanying papers); and

A bill (S. 2807) granting an increase of pension to William H. Archer (with accompanying papers); to the Committee on Pensions.

By Mr. ASHURST:

A bill (S. 2808) for the relief of Jesse A. Frost (with accompanying papers); to the Committee on Claims.

By Mr. SPENCER:

A bill (S. 2809) to amend section 4076 of the Revised Statutes; to the Committee on Foreign Relations.

A bill (S. 2810) to amend an act entitled "An act to provide revenue, to regulate commerce with foreign nations, to encourage the industries of the United States, and for other purposes," approved September 21, 1922, commonly known as the tariff act of 1922; to the Committee on Finance.

A bill (S. 2811) granting a pension to Anna M. Knelbert (with accompanying papers); to the Committee on Pensions.

By Mr. BURSUM:

A bill (S. 2812) to extend the benefits of the employees' compensation act of September 7, 1916, to John F. Oglesby; to the Committee on Claims.

By Mr. HOWELL:

A bill (S. 2813) reaffirming the use of the ether for radio communication or otherwise to be the inalienable possession of the Nation, and for other purposes; to the Committee on Interstate Commerce.

By Mr. SPENCER:

A joint resolution (S. J. Res. 95) to authorize the American National Red Cross to continue the use of temporary buildings now erected on Square 172, Washington, D. C.; to the Committee on Public Buildings and Grounds.

HOUSE BILL REFERRED.

The bill (H. R. 518) to authorize and direct the Secretary of War, for national defense in time of war and for the production of fertilizers and other useful products in time of peace, to sell to Henry Ford, or a corporation to be incorporated by him, nitrate plant No. 1, at Sheffield, Ala.; nitrate plant No. 2, at Muscle Shoals, Ala.; Waco Quarry, near Russellville, Ala.; steam-power plant to be located and constructed at or near Lock and Dam No. 17 on the Black Warrior River, Ala., with right of way and transmission line to nitrate plant No. 2, Muscle Shoals, Ala.; and to lease to Henry Ford, or a corporation to be incorporated by him, Dam No. 2 and Dam No. 3 (as designated in H. Doc. No. 1262, 64th Cong., 1st sess.), including power stations when constructed as provided herein, and for other purposes, was read twice by its title and referred to the Committee on Agriculture and Forestry.

AGRICULTURAL DIVERSIFICATION.

Mr. WALSH of Montana submitted an amendment intended to be proposed by him to the bill (S. 2250) to promote a permanent system of self-supporting agriculture in regions adversely affected by the stimulation of wheat production during the war, and aggravated by many years of small yields and high production costs of wheat, which was ordered to lie on the table and to be printed.

INVESTIGATION OF DEPARTMENT OF JUSTICE BY SPECIAL COMMITTEE.

Mr. BROOKHART. I offer a resolution on behalf of the select committee investigating the Department of Justice.

The resolution (S. Res. 189) was read and referred to the Committee to Audit and Control the Contingent Expenses of the Senate, as follows:

Resolved, That Senate Resolution No. 157, agreed to February 29, 1924, be, and the same hereby is, amended to authorize the select committee created by said resolution, or any subcommittee thereof, to sit and perform its duties at such times and places as may be deemed advisable or necessary by said committee, and to empower the chairman of said select committee, or any member thereof, to summon witnesses by subpœna or otherwise and to administer oaths to them.

ACCOUNTS OF THE FARM LOAN COMMISSIONER.

Mr. HOWELL. I submit a resolution, which I ask may lie over.

The resolution (S. Res. 190) was read and ordered to lie over under the rule, as follows:

Resolved, That the Secretary of the Treasury be, and he is hereby, directed to furnish to the Senate a statement in detail of the funds that have been covered into the account of the Farm Loan Commissioner, together with a statement of the source of said funds in each case and the date of each disbursement from said account.

REPORT OF THE NATIONAL FORESTRY COMMISSION (S. DOC. NO. 59).

Mr. MOSES. I ask unanimous consent for the reconsideration of the vote by which Senate Resolution 186, to print the report of the National Forestry Commission as a Senate document, was agreed to.

The PRESIDING OFFICER. In the absence of objection, the vote by which the Senate agreed to the resolution is reconsidered.

Mr. MOSES. I request unanimous consent for the present consideration of the resolution.

There being no objection, the Senate proceeded to consider the resolution.

Mr. MOSES. I move to amend the resolution by adding at the end thereof the words "with illustrations."

The amendment was agreed to.

The resolution as amended was agreed to, as follows:

Resolved, That the report of the National Forestry Commission for the year ending June 30, 1923, be printed as a Senate document, with illustrations.

CHANGE OF DATE OF INAUGURATION.

The PRESIDING OFFICER. There being no resolution coming over from a previous day, routine morning business is closed. In pursuance of the unanimous-consent agreement heretofore entered into the Chair lays before the Senate Senate Joint Resolution 22.

The Senate, as in Committee of the Whole, proceeded to consider the joint resolution (S. J. Res. 22) proposing an amendment to the Constitution of the United States fixing the commencement of the terms of President and Vice President and Members of Congress, and fixing the time of the assembling of Congress, which had been reported from the Committee on the Judiciary with amendments.

Mr. NORRIS. I ask unanimous consent that the formal reading of the joint resolution be dispensed with and that it be read for amendment, the committee amendments to be first considered.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

The reading clerk proceeded to read the joint resolution.

The first amendment of the Committee on the Judiciary was, on page 2, line 3, after the word "President," to insert "in office at the time this amendment takes effect"; and in line 5, after the word "Representatives," to insert "then in office," so as to make the section read:

SECTION 1. The terms of the President and Vice President in office at the time this amendment takes effect shall end at noon on the third Monday in January and the terms of Senators and Representatives then in office at noon on the first Monday in January, of the year in which such terms would have ended if this article had not been ratified, and the terms of their successors shall then begin.

The amendment was agreed to.

The next amendment was, on page 2, after line 11, to strike out line 12 to line 17, both inclusive, as follows:

SEC. 3. If the House of Representatives shall not choose a President whenever the right of choice shall devolve upon them before the time fixed for the beginning of his term, then the Vice President shall act as President as in the case of the death or other constitutional disability of the President.

And in lieu thereof to insert:

SEC. 3. If the House of Representatives has not chosen a President, whenever the right of choice devolves upon them, before the time fixed for the beginning of his term, then the Vice President chosen for the same term shall act as President until the House of Representatives chooses a President; and the Congress may by law provide that in the event the Vice President has not been chosen before the time fixed for the beginning of his term, what officer shall then act as President, and such officer shall act accordingly until the House of Representatives chooses a President, or until the Senate chooses a Vice President.

The amendment was agreed to.

Mr. FLETCHER. Before we pass from the amendments, it seems to me that section 1 would read better if it read "the terms of the President and Vice President in office at the time this amendment takes effect and the terms of Senators and Representatives then in office shall end at noon on the first Monday in January of the year in which such terms would have ended," rather than as it now reads:

The terms of the President and Vice President in office at the time this amendment takes effect shall end at noon on the third Monday in January—

The joint resolution does not state what January—

and the terms of Senators and Representatives then in office at noon on the first Monday in January of the year—

And so forth.

Mr. NORRIS. That language indicates what January is meant.

Mr. FLETCHER. It does, but it is a little ambiguous as to the President. Would the resolution not read better if it provided?—

The terms of the President and Vice President in office at the time this amendment takes effect and the terms of Senators and Representatives in office shall end at noon on the third Monday.

Mr. NORRIS. No. The Senator from Florida will observe that it is proposed that the term of the President and Vice President shall end on a different day entirely from the day on which the terms of Members of Congress shall end.

Mr. FLETCHER. One is on the third Monday——

Mr. NORRIS. One is on the third Monday and the other is on the first Monday.

Mr. FLETCHER. I had not noticed that.

Mr. NORRIS. If the Senate may act on the pending amendment, I desire to suggest an amendment to the next committee amendment.

The PRESIDING OFFICER. The committee amendment last stated has been agreed to.

Mr. NORRIS. Very well.

The PRESIDING OFFICER. The next committee amendment will be stated.

The next amendment reported by the Committee on the Judiciary was, on page 3, after line 3, to insert the following clause:

SEC. 4. This amendment shall take effect on the 15th day of December after its ratification.

Mr. NORRIS. Mr. President, in the committee amendment which has just been stated, I am authorized, on behalf of the committee, to propose an amendment on page 3, line 5, after the words "day of," to strike out "December" and to insert "October."

The PRESIDING OFFICER. The Senator from Nebraska offers an amendment to the committee amendment, which will be stated.

The READING CLERK. On page 3, line 5, after the words "day of," it is proposed to strike out the word "December" and insert the word "October," so that the clause will read:

SEC. 4. This amendment shall take effect on the 15th day of October after its ratification.

Mr. WADSWORTH. Mr. President, I do not rise in a spirit of hostility to the joint resolution; but will the Senator from Nebraska explain why the change proposed by the amendment to the amendment is suggested?

Mr. NORRIS. The change is necessary for this reason: The Constitution at present provides that Congress shall assemble on the first Monday in December, unless otherwise provided by law. If this proposed legislation did not take effect until the 15th day of December, the new Congress would convene on the first Monday in January, but the old Congress, under the existing Constitution, the joint resolution not having gone into effect, would convene on the first Monday in December. It is to avoid the convening of the old Congress that the amendment to the amendment is proposed.

Mr. WADSWORTH. The old and the new Congresses would collide on midnight of the 14th of December.

Mr. NORRIS. Yes.

The PRESIDING OFFICER. Without objection, the amendment to the amendment is agreed to, and the amendment as amended is agreed to. The joint resolution is still before the Senate, as in Committee of the Whole, and is open to amendment.

Mr. REED of Missouri. Mr. President, I should like to inquire if it is to be undertaken to pass this kind of a measure through the Senate in the morning hour?

The PRESIDING OFFICER. There is a unanimous-consent agreement that the joint resolution shall be taken up at the conclusion of the routine morning business to-day. There is nothing in the unanimous-consent agreement, however, as to the final disposition of the joint resolution.

Mr. NORRIS. No; Mr. President, there will be no attempt to pass the joint resolution in the morning hour, if Senators desire to debate the measure longer. Routine morning business is over, but the morning hour, of course, is not ended. There is no limitation in the unanimous-consent agreement about debate or about taking a final vote.

Mr. REED of Missouri. Has the business of the morning hour been disposed of?

The PRESIDING OFFICER. The routine morning business has been concluded, and the Senate is now proceeding under the unanimous-consent agreement.

Mr. REED of Missouri. Mr. President, unfortunately for myself I have been absent from the Senate for several days. The joint resolution now under consideration by the Senate was before the Judiciary Committee when I left Washington, and I had no idea that it had been reported out from that committee. I should have liked to have had some time to prepare a thorough analysis of this joint resolution and to have gone into some of the historic questions relating to it.

Mr. NORRIS. Mr. President, may I interrupt the Senator?

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Nebraska?

Mr. REED of Missouri. I yield.

Mr. NORRIS. I have not been able to hear what the Senator said on account of the confusion around me, but does the Senator want more time to debate the joint resolution?

Mr. REED of Missouri. I do. I think the tinkering with the Constitution of the United States in a rapid fire manner is always a mistake. If I had been present in the Senate, there would have been no unanimous-consent agreement to set this matter down for discussion at this time. I have no complaint to make of the course which was followed, because it may readily be said that I could have been here, and I would have been had it been possible. I should like to have this matter go over to-day without any action. I think it is a very great mistake. I think it strikes at one of the big fundamentals that the framers of the Constitution intended to put into this document.

I know the cry is that the minute the election is over the new men elected ought instantly to assume power and immediately begin the business, as it is put, of carrying out the will of the people. It is a very seductive cry and a very dangerous cry. The checks and safeguards which were put into our Constitution were put there by very wise men and for very substantial reasons, and I am not in favor of taking them out. I should like to have the joint resolution go over until to-morrow. I should like to discuss it, and I should like a few hours to prepare some memoranda.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Nebraska?

Mr. REED of Missouri. I yield.

Mr. NORRIS. Let me suggest to the Senator that if we can make a unanimous-consent agreement that it shall go over until the conclusion and final disposition of the present unfinished business and that it shall then be taken up and shall not be laid aside except by unanimous consent until it is finally disposed of, I shall have no objection to making that kind of agreement. If such an agreement may be made, would that suit the Senator?

Mr. REED of Missouri. That would suit me. All that I want is full debate.

Mr. NORRIS. I think the Senator would, under the present unanimous-consent agreement, have opportunity for full debate, because the debate is not limited in any way; but I wish to accommodate the Senator, and I will submit, Mr. President, if the Senator will yield for that purpose, a request for unanimous consent.

Mr. REED of Missouri. I yield to the Senator from Nebraska.

Mr. NORRIS. I ask unanimous consent that the joint resolution may be taken up immediately after the disposition of the present unfinished business and that it shall not be laid aside, except temporarily by unanimous consent, until it is finally disposed of.

Mr. REED of Missouri. That might mean to-day, I presume.

Mr. NORRIS. It could come up to-day, but I will say to the Senator if he wants to debate it to-morrow and it should come up to-day, I will make no objection to laying it aside temporarily. I should like to take it up, so that it may take its place as the unfinished business; but I am not going to prevent the Senator from having full debate on the joint resolution by seeking to dispose of it to-day. I do not know how long the unfinished business will take.

Mr. REED of Missouri. Of course, I do not put this on any personal grounds, but I say we are tinkering with the Constitution, and we ought to be mighty careful what we do.

Mr. NORRIS. Mr. President, I agree that we ought to be careful as to what we do, and that is the reason I am making a proposition which it seems to me ought not to bring forth any objection.

Mr. REED of Missouri. Will it be agreeable to the Senator to put it down by unanimous consent for next Monday or Tuesday—say, Tuesday—then proceed with it until it is disposed of?

Mr. NORRIS. Mr. President, I should not have so much objection to that if I did not feel that by that time there will be other measures on the calendar which other Senators may desire to take up, and it might seriously interfere with some other arrangement. I will agree that if the unfinished business is disposed of and this is taken up, it shall be temporarily laid aside until 2 o'clock to-morrow, and then it shall be proceeded with, and not be laid aside, except temporarily by unanimous consent, until final disposition. It seems to me that is a fair proposition.

Mr. REED of Missouri. I shall not object to that.

The PRESIDING OFFICER. Will the Senator from Nebraska state his request?

Mr. NORRIS. I ask unanimous consent that Senate Joint Resolution 22, now before the Senate, be taken up immediately after the disposition of the present unfinished business; that if the present unfinished business is disposed of to-day, Senate Joint Resolution 22 shall be temporarily laid aside until 2 o'clock to-morrow, at which time it shall be taken up, and not laid aside, except temporarily by unanimous consent, until its final disposition.

Mr. KING. Mr. President, let me suggest to the Senator one qualification—that if the unfinished business which is now before the Senate shall not be concluded until to-morrow the joint resolution which the Senator has in charge shall be taken up the following day at 2 o'clock, and be proceeded with as indicated in the event that we shall take this matter up to-morrow.

Mr. NORRIS. Of course, under my unanimous-consent request if the present unfinished business should not be disposed of until to-morrow the joint resolution would not come up to-day.

Mr. KING. I am not sure about that.

Mr. NORRIS. Oh, yes.

Mr. KING. It would not come up to-day, but we would then take it up to-morrow at 2 o'clock and proceed with it.

Mr. NORRIS. Yes; if the unfinished business were not disposed of, then it would not come up, of course. Under my proposition it would not come up under any circumstances until the final disposition of the present unfinished business.

Mr. KING. The point I had in mind was that if the unfinished business should go over until to-morrow I should not want the joint resolution of the Senator voted upon to-morrow. I should like an intervening day.

Mr. NORRIS. I take it, from what the Senator from Missouri [Mr. REED] says, that it would not be voted on; there would be enough debate on it to take it over.

Mr. REED of Missouri. Let me make this suggestion as to the form of the unanimous-consent agreement: That at 2 o'clock of the day succeeding the disposition of the present unfinished business the joint resolution shall be taken up and proceeded with to final disposition, unless it shall be laid aside temporarily by unanimous consent.

Mr. NORRIS. The difficulty with that is that the unfinished business may not be disposed of at that time.

Mr. REED of Missouri. No; the Senator does not quite follow me. My suggestion is that at 2 o'clock of the day succeeding the disposition of the present unfinished business the joint resolution shall be taken up and proceeded with to final disposition, unless temporarily laid aside by unanimous consent. That is the form in which I would put it. That would mean that if we got through to-day it would then come up to-morrow at 2 o'clock. If we do not get through until to-morrow, it would then come up the next day at 2 o'clock; but there is that interregnum allowed, so that we do not do anything until the next day.

Mr. NORRIS. Let me see if I can state it in accordance with the Senator's suggestion: That at 2 o'clock following the day on which the present unfinished business is disposed of this joint resolution, S. J. Res. 22, shall be taken up, and not laid aside, except temporarily by unanimous consent, until its final disposition.

Mr. REED of Missouri. That is agreeable.

Mr. NORRIS. All right.

The PRESIDING OFFICER. The Senator from Nebraska asks unanimous consent that at 2 o'clock on the day following the disposition of the unfinished business this joint resolution shall be taken up, and not be laid aside, except temporarily and by unanimous consent, until final disposition. Is there objection? The Chair hears none, and the agreement is entered into.

AMENDMENTS TO THE CONSTITUTION.

Mr. WADSWORTH. Mr. President, I think this an opportune and proper moment to call the attention of the Senate to Senate Joint Resolution No. 4, which is No. 214 on the calendar, and which also proposes an amendment to the Constitution of the United States—an amendment which has already been mentioned casually in debate here, in fact at some length, and very informingly, by the Senator from Arizona [Mr. ASHURST]. I desire to say that at the conclusion of the consideration of Senate Joint Resolution No. 22, in connection with which a unanimous-consent agreement has just been reached, I shall ask the Senate to proceed to the consideration of Senate Joint Resolution No. 4.

THE CALENDAR.

The PRESIDING OFFICER. The calendar under Rule VIII is in order.

Mr. CURTIS. I ask unanimous consent that we begin at the number where we left off yesterday.

The PRESIDING OFFICER. The Senator from Kansas asks unanimous consent to begin with Order of Business No. 161, that being where the Senate left off the consideration of the calendar the last time it was before the Senate. Is there objection? The Chair hears none, and the Secretary will proceed with the call of the calendar in accordance with the agreement.

ST. CROIX RIVER BRIDGE.

The bill (H. R. 5337) granting the consent of Congress to construct a bridge over the St. Croix River between Vanceboro, Me., and St. Croix, New Brunswick, was announced as first in order on the calendar.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the State of Maine to construct, maintain, and operate jointly with the Dominion of Canada a bridge to be located over the St. Croix River at a point suitable to the interests of navigation, between Vanceboro, State of Maine, and St. Croix, Province of New Brunswick, in accordance with the provisions of the act entitled "An act

to regulate the construction of bridges over navigable waters," approved March 23, 1906: *Provided*, That the construction of said bridge shall not be commenced until the consent of the Parliament or other proper authority of the Dominion of Canada for the erection of the structure shall have been obtained.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

ST. JOHN RIVER BRIDGE.

The bill (H. R. 5348) granting the consent of Congress for the construction of a bridge across the St. John River between Fort Kent, Me., and Clairs, Province of New Brunswick, Canada, was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted for the construction, maintenance, and operation by the State of Maine and the Dominion of Canada, jointly, of a bridge to be erected across the St. John River, at a point suitable to the interests of navigation, between Fort Kent, Me., and Clairs, Province of New Brunswick, Canada, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906: *Provided*, That the construction of said bridge shall not be commenced until the consent of the proper authorities of the Dominion of Canada for the erection of the structure shall have been obtained.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

OHIO RIVER BRIDGE.

The bill (H. R. 5624) authorizing the construction of a bridge across the Ohio River to connect the city of Benwood, W. Va., and the city of Bellaire, Ohio, was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That the Interstate Bridge Co., a corporation organized and existing under the laws of the State of Ohio, its successors and assigns, is hereby authorized to construct, maintain, and operate a bridge and approaches thereto across the Ohio River, at a point suitable to the interests of navigation, to and into the city of Benwood, Union District, County of Marshall, in the State of West Virginia, from the central part of the city of Bellaire, County of Belmont, in the State of Ohio, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

INTERNATIONAL STATISTICAL BUREAU AT THE HAGUE.

The joint resolution (S. J. Res. 76), authorizing the maintenance by the United States of membership in the International Statistical Bureau at The Hague, was considered as in Committee of the Whole and was read, as follows:

Resolved, etc., That the Secretary of State is hereby authorized and directed to contribute such a sum as may be annually appropriated by Congress to the International Statistical Bureau at The Hague, to enable the United States to maintain a membership therein.

Mr. KING. Mr. President, I should like to have the Senator from Massachusetts [Mr. LODGE], who is the author of the joint resolution, make some explanation in regard to it. Furthermore, if it is pertinent to the situation, I should like to have the Senator explain why we should not obtain the information desired through the instrumentalities set up by the league, which have broader information than this organization?

Mr. LODGE. Mr. President, in the first place, on the point the Senator has just raised, the league has joined this statistical bureau. It has been established for some time at The Hague, and it is thought to be a very valuable source of information. The passage of this joint resolution was recommended to the committee by the State Department, of course, and it was unanimously reported by the committee. I think the annual cost will be $2,000. It was thought to be a very valuable bureau for us to join; and, as I say, the league has already joined it, I understand.

Mr. KING. I have no objection to the joint resolution. Upon the contrary, I favor any measure that will bring us legitimately into contact with other nations for the purpose of stabilizing industrial and economic and political conditions, and promoting world amity and peace. I regret that we do not avail ourselves more of the instrumentalities of the League of Nations, which instrumentalities are doing a vast amount of good in obtaining information of an economic and political character, and are doing a great deal toward promoting peace throughout the world.

May I say at this point that I have pending before the Senator's committee a resolution which asks for the calling of a world conference to consider economic and industrial and financial problems with a view to stabilizing exchange, rehabilitating Europe, expanding our foreign markets, and directly as a result of those activities promoting peace throughout the world? I certainly should be glad if the Senator's committee would report the resolution for the consideration of the Senate.

I think no more forward step could be taken at the present time than for President Coolidge to call a world congress, perhaps two congresses, one to consider the question of disarmament, the other to consider financial and economic problems. Mr. Dawes is in Europe now—not officially, but unofficially—and I feel hopeful that his services there may be of some avail. If our Government should take adequate steps, I am sure that it could do much toward promoting the return of prosperity to Europe, which means prosperity to the United States.

The PRESIDING OFFICER. The joint resolution is before the Senate as in Committee of the Whole and open to amendment. If there be no amendment to be proposed, the joint resolution will be reported to the Senate.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

PAN AMERICAN SANITARY CONFERENCE AT HABANA, CUBA.

The joint resolution (S. J. Res. 77) authorizing the appointment of delegates to represent the United States at the seventh Pan American Sanitary Conference to be held at Habana, Cuba, in November, 1924, was considered as in Committee of the Whole and was read, as follows:

Resolved, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $3,000 for the purpose of defraying the cost of representation of the United States by four delegates in the seventh Pan American Sanitary Conference to be held at Habana, Cuba, in November, 1924.

The joint resolution was reported to the Senate without amendment.

Mr. FLETCHER. Mr. President, the calendar says that this joint resolution is reported with an amendment.

The PRESIDING OFFICER. The Chair is informed by the clerks at the desk that the print of the joint resolution does not show any amendment.

Mr. LODGE. There is no amendment that I know of. I think it is a mistake of the calendar.

Mr. FLETCHER. The calendar says that it was reported by the Senator from Massachusetts from the Committee on Foreign Relations, with an amendment.

Mr. LODGE. That is evidently a mistake.

The PRESIDING OFFICER. The joint resolution is in the Senate and open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

PROPOSED TAX PLANS (S. DOC. NO. 62).

Mr. SIMMONS. Mr. President, out of order I ask unanimous consent to have printed as a public document a certain table about which I have spoken to the Senator from Utah [Mr. SMOOT], the chairman of the Finance Committee, and also the Senator from Kansas [Mr. CURTIS], a member of the Finance Committee, giving the amount of income taxes under the present law, the Mellon bill, the Garner plan, and the Longworth plan, giving also the amount of reduction of total taxes under these three different plans, and giving also the percentage of reduction of total taxes under these three plans. The table begins with an income of $3,000 and embraces all incomes up to $5,000,000.

I think this will be a very helpful document. It was prepared by a thoroughly competent expert who has been with the Ways and Means Committee for many years. I ask unanimous consent also that it be printed in the CONGRESSIONAL RECORD.

The PRESIDING OFFICER. Is there objection to the request of the Senator from North Carolina that the table referred to be printed as a public document, and also printed in the CONGRESSIONAL RECORD? The Chair hears none, and it is so ordered.

The table is as follows:

Comparison of the Mellon, Garner, and Longworth tax plans with the present law (married persons without dependents), on basis of unearned income.

Income.	Amount of tax under—				Amount of reduction of total tax under—			Percentage of reduction of total tax under—		
	Present.	Mellon.	Garner.	Longworth.	Mellon.	Garner.	Longworth.	Mellon.	Garner.	Longworth.
$1,000										
$2,000										
$3,000	$20.00	$15.00		$10.00	$5.00	$20.00	$10.00	25.00	100.00	50.00
$4,000	60.00	45.00	$20.00	30.00	15.00	40.00	30.00	25.00	66.67	50.00
$5,000	100.00	75.00	40.00	50.00	25.00	60.00	50.00	25.00	60.00	50.00
$6,000	160.00	120.00	80.00	80.00	40.00	80.00	80.00	25.00	50.00	50.00
$7,000	250.00	180.00	120.00	130.00	70.00	130.00	120.00	28.00	52.00	48.00
$8,000	340.00	240.00	160.00	180.00	100.00	180.00	160.00	29.41	52.94	47.06
$9,000	430.00	300.00	220.00	250.00	130.00	210.00	200.00	30.23	48.84	46.51
$10,000	520.00	360.00	280.00	280.00	160.00	240.00	240.00	30.76	46.15	46.15
$11,000	620.00	430.00	340.00	355.00	190.00	280.00	265.00	30.64	45.16	42.74
$12,000	720.00	500.00	400.00	430.00	220.00	320.00	290.00	30.55	44.44	40.28
$13,000	830.00	580.00	470.00	512.50	250.00	360.00	317.50	30.12	43.37	38.25
$14,000	940.00	660.00	540.00	595.00	280.00	400.00	345.00	29.78	42.55	36.70
$15,000	1,060.00	750.00	620.00	685.00	310.00	440.00	375.00	29.24	41.51	35.38
$16,000	1,180.00	840.00	700.00	775.00	340.00	480.00	405.00	28.81	40.68	34.32
$17,000	1,310.00	940.00	790.00	872.50	370.00	520.00	437.50	28.24	39.69	33.40
$18,000	1,440.00	1,040.00	880.00	970.00	400.00	560.00	470.00	27.77	38.89	32.64
$19,000	1,580.00	1,150.00	980.00	1,075.00	430.00	600.00	505.00	27.21	37.97	31.96
$20,000	1,720.00	1,260.00	1,080.00	1,180.00	460.00	640.00	540.00	26.74	37.21	31.40
$21,000	1,880.00	1,380.00	1,190.00	1,300.00	500.00	690.00	580.00	26.59	36.70	30.85
$22,000	2,040.00	1,500.00	1,300.00	1,420.00	540.00	740.00	620.00	26.47	36.27	30.39
$23,000	2,210.00	1,630.00	1,420.00	1,547.50	580.00	790.00	662.50	26.24	35.75	29.98
$24,000	2,380.00	1,760.00	1,540.00	1,675.00	620.00	840.00	705.00	26.05	35.29	29.62
$25,000	2,560.00	1,900.00	1,670.00	1,810.00	660.00	890.00	750.00	25.78	34.77	29.30
$26,000	2,740.00	2,040.00	1,800.00	1,945.00	700.00	940.00	795.00	25.54	34.31	29.01
$27,000	2,930.00	2,190.00	1,940.00	2,087.50	740.00	990.00	842.50	25.25	33.79	28.75
$28,000	3,120.00	2,340.00	2,080.00	2,230.00	780.00	1,040.00	890.00	25.00	33.33	28.53
$29,000	3,320.00	2,500.00	2,230.00	2,380.00	820.00	1,090.00	940.00	24.69	32.83	28.31
$30,000	3,520.00	2,660.00	2,380.00	2,530.00	860.00	1,140.00	990.00	24.43	32.39	28.13
$31,000	3,730.00	2,820.00	2,540.00	2,687.50	900.00	1,190.00	1,042.50	24.12	31.90	27.95
$32,000	3,940.00	3,000.00	2,700.00	2,845.00	940.00	1,240.00	1,095.00	23.85	31.47	27.79
$33,000	4,170.00	3,180.00	2,870.00	3,017.50	990.00	1,300.00	1,152.50	23.74	31.18	27.64
$34,000	4,400.00	3,360.00	3,040.00	3,190.00	1,040.00	1,360.00	1,210.00	23.63	30.91	27.50
$35,000	4,630.00	3,550.00	3,220.00	3,362.50	1,080.00	1,410.00	1,267.50	23.32	30.45	27.38
$36,000	4,860.00	3,740.00	3,400.00	3,535.00	1,120.00	1,460.00	1,325.00	23.04	30.04	27.26
$37,000	5,100.00	3,940.00	3,590.00	3,715.00	1,160.00	1,510.00	1,385.00	22.74	29.61	27.16
$38,000	5,340.00	4,140.00	3,780.00	3,895.00	1,200.00	1,560.00	1,445.00	22.47	29.21	27.05
$39,000	5,590.00	4,340.00	3,980.00	4,082.50	1,250.00	1,610.00	1,507.50	22.36	28.80	26.97
$40,000	5,840.00	4,540.00	4,180.00	4,270.00	1,300.00	1,660.00	1,570.00	22.26	28.42	26.88
$41,000	6,100.00	4,750.00	4,390.00	4,465.00	1,350.00	1,710.00	1,635.00	22.13	28.03	26.80
$42,000	6,360.00	4,960.00	4,600.00	4,660.00	1,400.00	1,760.00	1,700.00	22.01	27.67	26.73
$43,000	6,630.00	5,170.00	4,820.00	4,862.50	1,460.00	1,810.00	1,767.50	22.02	27.30	26.66
$44,000	6,900.00	5,380.00	5,040.00	5,065.00	1,520.00	1,860.00	1,835.00	22.03	26.96	26.59
$45,000	7,180.00	5,590.00	5,270.00	5,275.00	1,590.00	1,910.00	1,905.00	22.14	26.60	26.53
$46,000	7,460.00	5,800.00	5,500.00	5,485.00	1,660.00	1,960.00	1,975.00	22.25	26.27	26.47
$47,000	7,750.00	6,020.00	5,740.00	5,702.50	1,730.00	2,010.00	2,047.50	22.32	25.94	26.41
$48,000	8,040.00	6,240.00	5,980.00	5,920.00	1,800.00	2,060.00	2,120.00	22.38	25.62	26.37
$49,000	8,340.00	6,460.00	6,230.00	6,145.00	1,880.00	2,110.00	2,195.00	22.54	25.30	26.32
$50,000	8,640.00	6,680.00	6,480.00	6,370.00	1,960.00	2,160.00	2,270.00	22.68	25.00	26.27
$51,000	8,950.00	6,900.00	6,740.00	6,602.50	2,050.00	2,210.00	2,347.50	22.90	24.69	26.23
$52,000	9,260.00	7,120.00	7,000.00	6,835.00	2,140.00	2,260.00	2,425.00	23.11	24.41	26.19
$53,000	9,580.00	7,350.00	7,270.00	7,075.00	2,230.00	2,310.00	2,505.00	23.27	24.11	26.15
$54,000	9,900.00	7,580.00	7,540.00	7,315.00	2,320.00	2,360.00	2,585.00	23.43	23.84	26.11
$55,000	10,230.00	7,810.00	7,820.00	7,562.50	2,420.00	2,410.00	2,667.50	23.65	23.56	26.08
$56,000	10,560.00	8,040.00	8,100.00	7,810.00	2,520.00	2,460.00	2,750.00	23.86	23.30	26.04
$57,000	10,900.00	8,270.00	8,390.00	8,065.00	2,630.00	2,510.00	2,835.00	24.12	23.03	26.01
$58,000	11,240.00	8,500.00	8,680.00	8,320.00	2,740.00	2,560.00	2,920.00	24.37	22.78	25.98
$59,000	11,590.00	8,740.00	8,980.00	8,582.50	2,850.00	2,610.00	3,007.50	24.59	22.53	25.95
$60,000	11,940.00	8,980.00	9,280.00	8,845.00	2,960.00	2,660.00	3,095.00	24.79	22.28	25.92
$61,000	12,300.00	9,220.00	9,590.00	9,115.00	3,080.00	2,710.00	3,185.00	25.04	22.03	25.89
$62,000	12,660.00	9,460.00	9,910.00	9,385.00	3,200.00	2,750.00	3,275.00	25.28	21.72	25.87
$63,000	13,030.00	9,700.00	10,240.00	9,662.50	3,330.00	2,790.00	3,367.50	25.55	21.41	25.84
$64,000	13,400.00	9,940.00	10,580.00	9,940.00	3,460.00	2,820.00	3,460.00	25.82	21.04	25.82
$65,000	13,780.00	10,190.00	10,930.00	10,225.00	3,590.00	2,850.00	3,555.00	26.05	20.68	25.80
$66,000	14,160.00	10,440.00	11,290.00	10,510.00	3,720.00	2,870.00	3,650.00	26.27	20.27	25.78
$67,000	14,550.00	10,690.00	11,660.00	10,802.50	3,860.00	2,890.00	3,747.50	26.53	19.86	25.76
$68,000	14,940.00	10,940.00	12,030.00	11,095.00	4,000.00	2,910.00	3,845.00	26.77	19.48	25.75
$69,000	15,340.00	11,190.00	12,410.00	11,395.00	4,150.00	2,930.00	3,945.00	27.05	19.10	25.72
$70,000	15,740.00	11,440.00	12,790.00	11,695.00	4,300.00	2,950.00	4,045.00	27.31	18.74	25.70
$71,000	16,150.00	11,700.00	13,180.00	12,002.50	4,450.00	2,970.00	4,147.50	27.55	18.39	25.68
$72,000	16,560.00	11,960.00	13,570.00	12,310.00	4,600.00	2,990.00	4,250.00	27.78	18.06	25.66
$73,000	16,980.00	12,220.00	13,970.00	12,625.00	4,760.00	3,010.00	4,355.00	28.03	17.73	25.65
$74,000	17,400.00	12,480.00	14,370.00	12,940.00	4,920.00	3,030.00	4,460.00	28.28	17.41	25.63
$75,000	17,830.00	12,740.00	14,780.00	13,262.50	5,090.00	3,050.00	4,567.50	28.55	17.11	25.62
$76,000	18,260.00	13,000.00	15,190.00	13,585.00	5,260.00	3,070.00	4,675.00	28.81	16.81	25.60
$77,000	18,700.00	13,270.00	15,610.00	13,915.00	5,430.00	3,090.00	4,785.00	29.04	16.52	25.59
$78,000	19,140.00	13,540.00	16,030.00	14,245.00	5,600.00	3,110.00	4,895.00	29.26	16.25	25.57
$79,000	19,590.00	13,810.00	16,460.00	14,582.50	5,780.00	3,130.00	5,007.50	29.50	15.98	25.56
$80,000	20,040.00	14,080.00	16,890.00	14,920.00	5,960.00	3,150.00	5,120.00	29.74	15.71	25.55
$81,000	20,500.00	14,350.00	17,330.00	15,265.00	6,150.00	3,170.00	5,235.00	30.00	15.46	25.54
$82,000	20,960.00	14,620.00	17,770.00	15,610.00	6,340.00	3,190.00	5,350.00	30.25	15.22	25.53
$83,000	21,430.00	14,900.00	18,220.00	15,962.50	6,530.00	3,210.00	5,467.50	30.47	14.98	25.51
$84,000	21,900.00	15,180.00	18,670.00	16,315.00	6,720.00	3,230.00	5,585.00	30.68	14.75	25.50
$85,000	22,380.00	15,460.00	19,130.00	16,675.00	6,920.00	3,250.00	5,705.00	30.92	14.52	25.49
$86,000	22,860.00	15,740.00	19,590.00	17,035.00	7,120.00	3,270.00	5,825.00	31.15	14.30	25.48
$87,000	23,350.00	16,030.00	20,060.00	17,402.50	7,330.00	3,290.00	5,947.50	31.39	14.09	25.48
$88,000	23,840.00	16,320.00	20,530.00	17,770.00	7,540.00	3,310.00	6,070.00	31.63	13.88	25.46
$89,000	24,340.00	16,590.00	21,010.00	18,145.00	7,750.00	3,330.00	6,195.00	31.84	13.68	25.45
$90,000	24,840.00	16,880.00	21,490.00	18,520.00	7,960.00	3,350.00	6,320.00	32.04	13.49	25.44
$91,000	25,350.00	17,170.00	21,980.00	18,902.50	8,180.00	3,370.00	6,447.50	32.27	13.29	25.43
$92,000	25,890.00	17,460.00	22,470.00	19,285.00	8,400.00	3,390.00	6,575.00	32.43	13.11	25.42
$93,000	26,380.00	17,750.00	22,970.00	19,675.00	8,630.00	3,410.00	6,705.00	32.71	12.93	25.41
$94,000	26,960.00	18,040.00	23,470.00	20,065.00	8,860.00	3,430.00	6,835.00	32.94	12.75	25.41
$95,000	27,430.00	18,340.00	23,970.00	20,462.50	9,090.00	3,460.00	6,967.50	33.14	12.61	25.40
$96,000	27,960.00	18,640.00	24,420.00	20,860.00	9,320.00	3,490.00	7,100.00	33.33	12.48	25.39
$97,000	28,500.00	18,940.00	24,970.00	21,265.00	9,560.00	3,530.00	7,235.00	33.54	12.39	25.39
$98,000	29,040.00	19,240.00	25,470.00	21,670.00	9,800.00	3,570.00	7,370.00	33.74	12.29	25.38
$99,000	29,590.00	19,540.00	25,970.00	22,082.50	10,050.00	3,620.00	7,507.50	33.97	12.23	25.37
$100,000	30,140.00	19,840.00	26,470.00	22,495.00	10,300.00	3,670.00	7,645.00	34.17	12.18	25.36
$150,000	58,140.00	35,340.00	51,470.00	43,495.00	22,800.00	6,670.00	14,645.00	39.21	11.47	25.19

Comparison of the Mellon, Garner, and Longworth tax plans with the present law (married persons without dependents), on basis of unearned income—Continued.

Income.	Amount of tax under—				Amount of reduction of total tax under—			Percentage of reduction of total tax under—		
	Present.	Mellon.	Garner.	Longworth.	Mellon.	Garner.	Longworth.	Mellon.	Garner.	Longworth.
$200,000	$86,640.00	$50,840.00	$76,470.00	$64,870.00	$35,800.00	$10,170.00	$21,770.00	41.32	11.74	25.13
$250,000	115,640.00	66,340.00	101,470.00	86,620.00	49,300.00	14,170.00	29,020.00	42.63	12.25	25.09
$500,000	260,640.00	143,840.00	226,470.00	195,370.00	116,800.00	34,170.00	65,270.00	44.81	13.11	25.04
$1,000,000	550,640.00	298,840.00	476,470.00	412,870.00	251,800.00	74,170.00	137,770.00	45.72	13.47	25.02
$2,000,000	1,130,640.00	608,840.00	976,470.00	847,870.00	521,800.00	154,170.00	282,770.00	46.15	13.64	25.01
$3,000,000	1,710,640.00	918,840.00	1,476,470.00	1,282,870.00	791,800.00	234,170.00	427,770.00	46.28	13.69	25.01
$4,000,000	2,290,640.00	1,228,840.00	1,976,470.00	1,717,870.00	1,061,800.00	314,170.00	572,770.00	46.35	13.72	25.00
$5,000,000	2,870,640.00	1,538,840.00	2,476,470.00	2,152,870.00	1,331,800.00	394,170.00	717,770.00	46.39	13.73	25.00

TRAFFIC IN PISTOLS BETWEEN THE STATES.

Mr. SHIELDS. Mr. President, I wish to have printed in the RECORD a report made to the City Club of Memphis, a civic organization of that city, upon the subject of pistols that are carried as concealed weapons. Some time ago I introduced a bill, which is now before the Committee on the Judiciary, to suppress the traffic in pocket pistols and weapons of that kind manufactured and used for purposes of assassination, for they can be used for no other purpose.

The various States have laws upon this subject, but they are absolutely unable to enforce them because of the interstate commerce in those weapons through the mails and through the interstate commerce carriers. The object of my bill is to prohibit the carrying of such weapons through the mails and by interstate commerce carriers. There has been a general demand for such legislation recently on account of the very great number of crimes committed with this particular class of weapons. The statistics show that about 70 per cent of crimes committed in violence, felonious assaults, and homicides are committed with pistols.

This report to the City Club of Memphis is very illuminating upon this subject, and it also tends to explain a publication that has frequently been made to the effect that Memphis has more homicides than any other city of its size in the United States. I think in justice to that city great publicity ought to be made of the real facts. I ask that this report be printed in the RECORD, without reading.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Tennessee? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

The governing board handed in a resolution. It is as follows:

"Whereas, it has come to the attention of the city club that there was reintroduced into Congress on January 14, 1924, a bill 'to prohibit the entry into the United States, and to levy an excise tax on certain weapons,' being Senate bill No. 1960; and

"Whereas, despite the fact that the sale of pistols and the carrying of them concealed is contrary to law in practically every State in the Union, there is an enormous traffic in pistols between the States, which, so long as it is allowed to continue, will largely nullify whatever efforts any community may put forth to correct the evils resulting from their lawless use; and

"Whereas, the effect of such bill, if passed, will be to largely discourage the manufacture and original sales of pistols, and thereby curb the transportation of them in interstate commerce and through the mails, thus minimizing the sales of such weapons in local communities: Therefore be it

"*Resolved by the City Club of Memphis*, That we heartily indorse said Senate bill No. 1960. Be it further

"*Resolved*, That a copy of this resolution be forwarded to the Senators from Tennessee, and to the Congressmen from this district, and that a copy be given to the press."

* * * * * * *

CRIME, CRIMINALS, AND LAW ENFORCEMENT.

Mr. Randolph, on the 19th, speaking on this subject, beginning at the point where he left off on the 12th, in substance, said:

Prosecutions for major crimes in Shelby County are largely a failure. Punishment meted out to the malefactors is shockingly inadequate. These assertions are made as statements of fact. The criminal records of this county for the past several years justify the assertions.

It seems idle to seek to center the responsibility whether it be in the city police department, in the county law-enforcing officials, in the courts, including juries, in the pardon board, or in the governor's mansion. There is blame enough for all.

Let us analyze the homicide record of Memphis for 1923:

Total homicide cases (one killed two)		77
Deduct:		
Murderers who committed suicide	3	
Killed by each other	2	
		5
Leaves		72
Deduct:		
At large (all negroes)	15	
Unsolved	4	
		19
		53
Deduct:		
Exonerated by cornor's jury	11	
Exonerated by grand jury	8	
Exonerated by Federal grand jury	1	
		20
Leaves		33
Cases awaiting trial (14 persons)		12
		21
Nolle pros		1
Tried		20
Acquitted		3
Convictions (two convicted in one case)		17

Seventy-five cases offered opportunities for arrest; 64 persons were arrested in 56 cases. Of this 64, 20 were exonerated in the preliminary stages. We will exclude three accidental shootings. This leaves 17 exonerated. Think of it! Inquisitorial juries said there were 17 justifiable murders in Memphis last year! Twenty cases were actually tried; 18 persons in 17 cases were convicted; 14 persons in 12 cases are awaiting trial.

On that record will anyone challenge the statement that as to homicides committed in Memphis last year prosecutions were largely a failure? And remember that as to the 12 cases awaiting trial, punishment delayed is virtually punishment defeated.

Analyze the 17 convictions in relation to sentences passed:

Life term (three persons in two cases)	2
Twenty-one years	4
Ten years	1
Five to ten years	4
One to five years	6
	17

Not a case in which a murderer received capital punishment! And bear in mind, judging from past experience, how many of the 17 before their terms shall have expired will have received executive clemency? Does not this record warrant the statement that punishment woefully miscarried?

In justice to the police department of Memphis, it must be said that out of a possible 75 cases for arrests only 4 cases were unsolved, 15 murderers are at large, and there were arrests in 56 cases—about 75 per cent, which is a pretty fair record.

Mr. Wm. C. Cherry, in his very excellent article, "Crime, criminals, and law enforcement," in the November number of the Tennessee Law Review, makes the statement that 95 per cent of homicides would not occur if the slayer had to go a mile for the weapon. Do the statistics bear out this statement? Referring again to the Memphis 1923 homicide record, the weapons responsible for those 78 deaths were:

Shot with pistol	51
Stabbed with knife	18
Shot with shotgun	5
Stabbed with ice pick	2
Shot with rifle	1
Clubbed to death	1
Total	78

The colored women seem to have discovered a new deadly weapon, to wit, the ice pick.

In a very recent letter, Senator JOHN K. SHIELDS states that he has reintroduced in Congress his bill to prohibit the transportation of pistols in interstate commerce and through the mails. He requests the assistance of the City Club in favoring this legislation. Such a bill would go a long way toward controlling the enormous traffic in that weapon now prevailing. Senator SHIELDS says that the opposition to the bill has always come from the manufacturers of pistols in Connecticut and Massachusetts, and has so far been able to block the legislation.

The pistol responsible for 51 out of the 78 deaths—over 65 per cent! And "Arkansas toothpicks" and dirks were responsible for another 18—25 per cent, total, 90 per cent. Is the inference not justifiable that the great majority of those homicides were committed because at the instant

the intent to commit the murder seized the person, he had concealed about his body the deadly weapon? And is it not a reasonable assumption that if the person had not had at hand the weapon, but had had to go a distance to arm himself, he would have had time to reason out his contemplated act and he would not have committed the murder?

I am not unmindful that of these 78 homicides 3 were committed by officers in their line of duty. Rarely does an officer shoot to kill unless in self-defense, or when he is in grave apprehension of danger. The point is: If the officer could feel reasonably sure that the lawless element would not have the advantage over him by bearing concealed firearms (and no criminal becomes a potential murderer until he arms himself with a concealed deadly weapon), it would not be necessary for an officer to be armed. If this were so, in the vast majority of cases the officer could protect himself against any other weapon. But the officer's pistol is his surest protection from harm from those who carry concealed firearms. May we see the day when our policemen, like the English "bobby," in order to enforce the supremacy of the law, need carry only his night stick or "billy."

Were there 17 justifiable homicides in Memphis last year? (I have eliminated the three accidental killings). Coroner's juries and grand juries have said there were, so we will accept their verdicts. But it does seem to be an outrageously large number of people who had, for justifiable causes, to be killed by their fellow men. The law says life can justifiably be taken only to protect life. Hence, we will assume each justifiable homicide was committed to prevent the victim killing another. If the victim had not had the weapon with which he was making the demonstration it would not have been necessary to have used such a drastic preventive on him—another "justifiable homicide" would have been avoided.

The statement is often made that the statisticians do Memphis an injustice in the murder rate assigned to it. And we hear the excuse that Memphis, because of its location, attracts the riffraff from the Tri-States which furnish a large percentage of its murderers. It is well to have these statistics corrected and to get our published murder rate as low as possible. But, with every correction made that we can honestly claim, our murder rate will be deplorably high. Memphis can not change its location. So let us stop fooling ourselves and become active to see if we can not check the fashion of murder so prevalent in our midst. Reduce the number of murders and statistics will take care of themselves. We thus will be saved the humiliation of making excuses for our apparent lawlessness.

We have depended upon our present system for the apprehension and punishment of major criminals and it seems to have failed us—at least, there is no apparent change for the better in the number of murders committed yearly, yet our law-enforcing officials have been at work steadily and our courts have been sitting constantly. The first statement is not literally true, for Memphis in 1923 showed an improvement over Memphis in 1922—one less homicide better—78 as against 79. At any rate, Memphis is running true to form.

Some say we can not hope to better conditions until our criminal courts mete out speedier and severer punishment and the pardon board and the governor refrain from setting at naught the effect of convictions through the pardoning power. We can only hope that the officials assigned the duty of prosecuting those charged with crime will see that these trials are speeded up; that juries will begin to understand that the law expects capital punishment to be inflicted when the facts demand it; and that the executive department, except in the most cogent cases, will let convictions take their course. We have been waiting patiently for these things to occur and we are still waiting—but not so patiently.

Others say relief lies in new laws simplifying our criminal procedure and in making jury service in criminal cases not so onerous. There is much force in this. But shall we remain quiescent awaiting the next session of the legislature in 1925 with the probability that any law for suggestive reform in criminal procedure will receive scant recognition at the hands of the legislature?

Still others say it can not be expected that the law against homicide will be rigidly enforced as long as public opinion is opposed to the rigid enforcement of the laws against gambling, "pistol toting," "bootlegging" and the various other laws which our people violate with impunity. Surely public sentiment is overwhelmingly opposed to homicide. If our citizens become accustomed to the rigid enforcement of the law against murders and to the not infrequent infliction of capital punishment when the crime demands it, public opinion will soon rally to the support of the officials seeking to enforce the laws against lesser crimes, not to mention the salutary effect the infliction of a few speedy capital punishments will have upon future potential murderers.

The conditions demand that murder be not so common as it is now in this community.

If law enforcement is largely a failure, let us turn our attention to crime prevention. Let us as a novelty seek to prevent the commission of crime rather than to devote our entire energy to the punishment of crime after its commission. Let us seek to prevent the act of the potential criminal, thereby preventing the necessity for his apprehension and prosecution for the commission of the contemplated crime, and save his becoming a charge on the public. By minimizing the commission of crime, we lessen the opportunity to criticize and condemn the failure of prosecution and the inadequacy of punishment.

Our brothers in medicine do not permit a contagious disease to become epidemic in the community and then strive to cure the unfortunates who become afflicted. They seek to isolate the contagion in its inception and to prevent any others from becoming affected. A crime wave is not unlike a virulent epidemic. If I may borrow an expression, let us have diagnosis and cure, rather than autopsy and verdict, in the suppression of lawlessness in this community. The germ, so to speak, of the murder epidemic is the pocket pistol. Isolate this weapon and the murder rate will immediately fall. The people should grapple with the situation and attack it in its most vulnerable spot—homicides.

How can homicides in Memphis be best reduced? Will statistics answer this? Ponder again the record of Memphis for 1923:

	White.	Colored.
Males murdered	12	49
Females murdered	4	13
Total	16	62

Sixty-two negroes murdered as against 16 whites!

Some may assuage their feelings of remorse by the thought that 85 per cent of those murdered were of the colored race. Rather, should we not feel a greater degree of shame and responsibility in that we, being the ruling race, should permit this to occur?

Statistics make no distinction in color. A homicide in the world's murder record is a homicide, be the victim black or white. The outside world does not know the proportion of whites and blacks, either of the murderers or the murdered. It judges us simply on our record.

What say statistics as to the race and sex of these 78 murdered?

	White.		Colored.	
	Male.	Female.	Male.	Female.
Killed by colored males	2	.....	25	11
Killed by colored females	.....	.....	14	2
Killed by white males	8	4	7	.....
Killed by white females	1	.....	.....	.....
Killed by unknown parties	1	.....	3	.....
Total	12	4	49	13

Fifty-three negroes killed by negroes. Only seven negroes killed whites. Only two whites killed by negroes—one a white burglar and the other assassinated by negro bandits.

How clearly the record localizes the canker on the community. Eighty-three per cent of 75 homicides (excluding accidental killings) were negroes killed by negroes. If the record showed a greater percentage of whites killed by whites, or if it disclosed a pregnant danger of racial conflict, the situation would be far more appalling and difficult of solution. Can not we, the dominant race, upon whom depends the enforcement of the law, so enforce the law that we will prevent the colored people from preying upon each other? Does the fault not rest squarely on our shoulders? But we can make no progress until we begin respecting and obeying the law much more than we do now, and set the example for these colored persons to obey and respect the law also.

Here we have laid bare the principal cause for the high murder rate in Memphis—the carrying by colored people of a concealed deadly weapon, most often a pistol. Can not we cope with this situation? It is unlawful for them to carry such weapons. But it is just as unlawful for a white person to carry a like weapon. Are we to admit that in this particular the colored people have gotten beyond the control of the law? That can not be. Yet, it will be folly to seek to enforce the "pistol toting" law against the blacks and not against the whites.

It is said that public sentiment is opposed to the rigid enforcement of the law against "pistol toting." If this be so, it must be because our white people feel it is necessary that they go secretly armed for self-protection. It is unspeakable that there is public sentiment among the whites that negroes should not be disturbed in their carrying of concealed weapons.

I deny that the time has come when our white citizens are compelled to go secretly armed for self-protection. But if this time has come, it is better far that we carry our arms in plain view so that the thugs will have visible evidence that we are prepared for the emergency.

Neither do we need pistols for the protection of our homes. If we need a firearm to repel a burglar, a sawed-off shotgun with its load of buckshot is far more deadly and surer than the pistol. One has to be somewhat expert to use a pistol under stress of danger or excitement with accuracy.

The only excuse for the pocket pistol is to give one an advantage over another; to permit one to deceive his fellow man by an outward display of peaceful intentions, but a secret preparedness to do him bodily injury

by surprise. It should be abhorrent to a (supposedly) law-abiding citizen to carry a concealed weapon, and so long as this practice is indulged in by that class, little progress can be made toward preventing a like practice by the lawless.

What becomes of all the pistols that come into the possession of the law enforcing authorities through arrests? Are they destroyed, or do they again get into circulation? Is not the latter the case? If records of pistols could be kept, no doubt the police department would recognize from time to time pistols that have records for murder and attempted murder as appalling as the records of hardened criminals.

Why not destroy every pistol that was being unlawfully carried which comes into the possession of the law-enforcing authorities? If destroyed, certainly that particular weapon could not later be the instrument in a major crime. If such a pistol is in the possession of the law-enforcing officer, it is the height of folly to again reissue that pistol into circulation, it makes no difference to whom given, for at that instant it again becomes the instrument of a potential murder.

To illustrate: An estimable citizen went to a law-enforcing officer for permission to have a pistol in his home. He was not only given the permission upon signing a permit, but he was even given the pistol with the remark that it had been the pistol of a notorious character. This weapon that had possibly been the instrument of a murder, instead of being destroyed, was here again started out in the world as an instrument for potential crime—not in the hands of the estimable citizen to whom it was given, but who knows who else, at some time, may come into its possession?

Some may say the law-enforcing officials have not the legal right to destroy these weapons. Let them assume the right. At most, what is involved? Merely the value of the weapon destroyed. And it would be better far that the city and the county pay the value of every pistol found on those arrested than to permit them again to get into circulation as instruments of destruction.

REDUCTION OF TAXATION THROUGH TARIFF LAWS.

Mr. JONES of New Mexico. Mr. President, much has been said recently in the Congress and in the press of the country about the reduction of the burdens of Government. I believe that the time is near at hand when the attention of the country should be directed to the question of the reduction of taxation through the tariff laws of this country.

I do not care to discuss that question now, but Mr. CORDELL HULL recently prepared a short article upon that subject which was published in the Forum. It is a very brief statement, bearing upon that most important question, and I ask unanimous consent that it may be printed in the RECORD.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Mexico? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

NINETEEN HUNDRED AND TWENTY-FOUR CAMPAIGN ISSUES.

THE TARIFF: THE DEMOCRATIC ARGUMENT—PROTECTION FALLACIES.

(By CORDELL HULL, chairman Democratic National Committee.)

Every sound economic law proves the futility of such measures as the Fordney-McCumber tariff, according to Democratic opinion, which is quick to pounce on discrepancies between the professions and the practices of Republicans in dealing with this issue. In place of the present policies a program of reconstruction is advocated, embracing moderate revenue tariffs, removal of economic barriers, international finance, trade cooperation, and maintenance of healthy trading.

Why is the tariff a subject of never-ending controversy? The true answer is not taxation but selfishness and greed. Tariff beneficiaries never cease to demand their pound of flesh, and the helpless victims as often register bitter complaint. At present the Fordney-McCumber tariff looms large in our domestic and international economic situation, because it flies in the face of every sound economic law of to-day. It is not a question of a new country protecting young industries. Greed and pelf alone offer the real basis for the existing extortionate and unconscionable high tariff with its train of excesses, evils, and injustices.

The most striking truth which recent tariff history reveals is the great contrast between the professions and practices of Republicans in dealing with the tariff. They have invented many different formulas and catch phrases to define the Republican tariff theory, such as protection of "our manufacturers," "our home industries," "our home markets," "American labor," a tariff that will equal "the difference in the cost of production at home and abroad plus a reasonable profit," and, finally, that will equal "the difference in the cost of production at home and abroad." Dominant Republicans, at the same time, have pursued a uniform but vastly different practice in applying their tariffs. Disregarding all their professed tariff theories and formulas, when in control of the Government they permit all interested manufacturers or producers, who, as a rule, have first made large campaign contributions, to send their lobbyists to Washington and with graft aforethought write their own high arbitrary, prohibitive rates in utter defiance of every sound rule of even protective tariff taxation. Republican tariffs are thus framed, and the lobbyists departing sing with glee—

"I care not for the stars that shine,
I only know that I've got mine."

While the Fordney-McCumber bill was pending in Congress during 1922 the efforts to procure facts as to relative production costs proved utterly futile. Besides, the foreign exchanges were constantly and violently changing so that the drafting of a tariff measure based on any sound rules or definite cost comparisons or any consideration other than high, haphazard rates, was wholly impossible. Confronted with this dilemma, the Republicans inserted the so-called flexible tariff provisions, which were loudly proclaimed as the saving provisions that would enable the President to make such changes as would develop a scientific tariff law. These flexible clauses were branded as unconstitutional and as a fraud at the time, and have since proved entirely unworkable. It has, of course, been impossible to procure foreign costs. The present situation is that America is cursed with the most unscientific, inflexible structure of high tariff guesswork in economic history. "The very maximum rates" was the slogan. The outstanding lesson the people have learned is that Republican practice, and not profession, presents the true Republican tariff attitude. The difference between their tariff theory and practice is wide and deep, and within itself offers a complete tariff issue.

In determining a wise and sound tariff policy for the United States, following the war a consideration of the new and changed financial, business, and economic conditions became all important. America was no longer a debtor Nation. Our productive capacity had increased 30 or 40 per cent over the pre-war level. Our exports had jumped from $2,428,506,000 in 1913 to $8,000,000,000 in 1920. America was the recognized financial, commercial, social, and moral leader of the world. We possessed nearly one-half of the world's gold. We had built a great merchant marine. Our productive machinery and our intelligent skilled labor were the very best. Our foodstuffs and raw materials such as cotton, copper, coal, lumber, oil, iron ore, and other minerals were unexcelled and almost unlimited in variety and quantity. The balance of the world was flat on its back, economically. No nation ever had such an opportunity to move forward along stable lines, financially, industrially, and economically. America only had to realize her strength and her wonderful position of advantage. Republicans flouted all these basic facts and conditions.

The situation and the best interests of the United States did not call for an impregnable tariff wall and all other economic barriers possible to erect, as was decreed by the Republican administration, but instead they strongly demanded a competitive tariff for revenue, based on the policy of the Underwood law, with moderate rates which would not destroy or seriously injure any domestic industry economically justifiable, but which would prevent domestic monopoly and excessive prices. In the light of developments here and everywhere since 1918, it is manifest that such democratic tariff-for-revenue policy alone was and is calculated to bring to America sound, stable, permanent prosperity.

The time was ripe for the removal of other trade barriers. America after the war should have called an international trade-agreement congress, if necessary to supplement other international organizations, with the object of eliminating, by mutual agreement of the commercial nations, every possible economic and trade barrier, including discriminations such as bounties, drawbacks, rebates, subsidies, subventions, colonial preference save to a nominal extent, preferential entry to port, monopoly of raw materials in weak and backward countries by strong nations, and all other unfair preferences and trade practices possible to be abandoned in the interest of fair and friendly trade relations and equal economic opportunities among all commercial nations. Republicans, instead of initiating this wise policy at a crucial stage, faced the other way, pursued the course of hermit isolation, and set the world example of erecting every sort of economic barriers—an example most other nations naturally followed—with most disastrous results.

It is interesting here to enumerate some of the economic paradoxes and contradictions which the new Republican tariff law presents. This utterly selfish and shortsighted measure was based upon the absurd theory that America could forever sell and not buy.

McKinley exposed and condemned the fallacy as far back as 1901. It was based upon the ridiculous notion that America could develop and maintain a merchant marine which would carry freight only one way. It was based upon the blind policy that Europe and the world should pay their debts of nearly $18,000,000,000 due America, although payment can only be made in gold, goods, or services, while we have most of the gold and decline to take goods or services. It was based upon the absurdity that a great creditor nation, producing vast surpluses of foodstuffs, raw materials, and manufactures which must be exported, can thrive best under a high tariff which grently obstructs the normal flow of commerce between nations, depresses the foreign exchanges, and destroys sound reciprocal trade relations. It was based upon the pretended fear that the prostrate countries of Europe, without money, credit, foodstuffs, or raw materials, might immediately arise

and inflict commercial destruction upon America, the greatest financial, commercial, and industrial giant of all time.

Among the destructive effects of the Fordney-McCumber tariff, the biggest are the twin evils of the high cost of living and an artificially high level of the costs of production in the United States. The Republican platform of 1920 solemnly promised to reduce the high cost of living and to prosecute the profiteers. Their subsequent high tariff policy has directly resulted in artificial price increases of almost every article the American people wear or use, and has multiplied profiteers. Farm products are the chief exceptions. These high tariffs, too, have artificially enhanced the prices of almost all construction materials, the immediate effects of which are most seriously to handicap the general building business and the repairs, improvements, extensions, and equipment of railroads. The tariff is thus a prime factor in building costs and in high freight rates. It likewise increases by tens of millions the cost of farm operations by raising the prices of iron, steel, and other commodities which the farmer must use.

This artificially high level of production costs in America operates in innumerable ways to obstruct, disorganize, and dislocate our foreign-trade situation. It not only prevents exchange of goods but prevents America from selling her immense surpluses in all lines in foreign markets in competition with other countries. The result is that America can only "dump" her surplus at reduced prices or restrict her output to the limit of our home needs. She is already doing both. Our exports have slumped from $8,000,000,000 in 1920 to $3,840,000,000 in 1923. The inevitable outcome will be that American labor will greatly suffer from the coming curtailment of production while much capital will be unemployed. Our present volume of imports reflects a purely temporary and abnormal situation which our high tariff has considerably aggravated. This tariff largely contributed as a trade barrier to driving down the foreign exchanges, and with foreign purchases paid for in very low exchange and an artificially high American market to attract, it is clear that they assist importers to jump over our very high tariff barriers the more easily. The finance, credit, exchange, and trade facilities of most of the world have largely broken down, with our tariff a strong contributing factor, and our foreign-trade situation will continue to grow worse so long as we maintain high tariffs to prevent a reasonable exchange of goods.

The fact can not be ignored that for four years of war America ceased improvements, extensions, and construction, adopted the skimping policy, and sent her surpluses of every kind to Europe. During the past two years she has been importing not competitive manufactures but principally raw materials in order to bring our domestic production up with our domestic consumption. Some industries already have caught up, and, for lack of foreign trade, are curtailing or shutting down. This condition will become more general from month to month. Our imports of competitive manufactures, considering the different price levels, were far less under the Underwood than under the Fordney tariff.

Underwood law: Imports of manufactures, nine months ending September, 1922, $484,862,000.

Fordney law: Imports of manufactures, nine months ending September, 1923, $568,219,000.

This fact destroys the chief Republican bogey.

Time overtakes even an economic falsehood. For two generations the American people have been taught that Republican tariffs were an infallible assurance of prosperity. The truth is that every panic, beginning with that of 1873, has occurred either under Republican administrations or Republican legislation.

The American farmers recently learned by the clearest demonstration that under Republican high tariffs prices of most of their products went lower, their foreign markets went to pieces, while the prices of all they must buy went skyward. Farmers now realize that they were not saved from ruin by the Morrill high tariff during the panic of 1873, nor by the McKinley high tariff during the panic of 1890–1893, nor by the Dingley high tariff during the panic of 1907, nor by the farmers' high tariff during the panic of 1921–22.

The American people have recently experienced much tariff disillusionment. They now know that every industry producing a substantial surplus must depend upon stable foreign markets and that the latter are the chief factors in fixing domestic prices in America. This desired end requires moderate tariffs, efficient production costs, and economic cooperation in order to maintain sound reciprocal trade and market conditions. In the face of Republican pretense that high tariffs increase wages, labor has discovered that brick masons, carpenters, artisans, and most other labor in the unprotected industries receive higher wages than most of that in the protected industries. In the most highly protected industries—the textiles—labor for 40 years has received the lowest wages.

All financial, commercial, and trade developments but serve to expose the utter unsoundness of Republican post-war economic policies, both domestic and international, while they strongly confirm the wisdom and timeliness of the great Democratic reconstruction program which embraced moderate revenue tariffs, the general removal of economic barriers, international finance, credit, and trade cooperation, the maintenance of a healthy growing foreign trade, and stable domestic prosperity.

CHANGE OF DATE OF ANNUAL SESSIONS OF CONGRESS.

Mr. KING. Mr. President, under the latitude of debate I want to submit an observation or two in regard to the proposed constitutional amendment reported by the Senator from Nebraska [Mr. NORRIS], which was under consideration this morning.

A few days ago I introduced a bill providing—

That the first annual session of each Congress shall be upon the 6th day of April next following the election of such Congress; the second annual session of Congress shall be upon the 2d day of January next following; and the third annual session of the Seventieth Congress and of each alternate Congress thereafter shall be upon the 2d day of January next following the appointment of the electors of the President and the Vice President.

I offered this measure for the purpose of avoiding, if we possibly could, a constitutional amendment, as I am very much averse, in the language of the Senator from Missouri [Mr. REED], to constantly tinkering with the Constitution of the United States. In support of this measure, and as a reason for it, I ask to be permitted to offer a few observations.

The Constitution provides that—

Congress shall assemble at least once in every year, and such meeting shall be on the first Monday in December, unless they shall by law appoint a different day.

The bill to appoint the days for the annual sessions of Congress fixes the date for the first annual session upon the 6th day of April next following the election of such Congress, and the date for the second annual session upon the 2d day of January next succeeding. Provision is also made for a third session on January 2, following the election of the President of the United States, this short session before the end of a presidential term being necessary in order to canvass and declare the vote of the Electoral College for the President and Vice President. This short third session will only be held by alternate Congresses.

The four months intervening between the election in November and the inauguration of the President in March is not too great a time to enable the outgoing President to clear up the work of his administration and to afford the new President time to select his Cabinet and prepare for the assumption of the duties of the presidential office. The short session of the old Congress preceding the change in administrations will also be of advantage for disposing of pending business.

But the interval of 13 months between the election and the first annual session of Congress is too great, and the bill shortens this interval to five months. This interval could be further shortened by providing for the election of Congress in January which might also cool the judgment of the people. The new Congress assumes office on the 4th of March, and one month later on the 6th of April meets in regular session. This affords the new President one month for the preparation of his message and is as early a date as would be proper for the assembling of Congress.

April 6, 1789, was the day upon which the first Congress assembled in the city of New York, canvassed the vote of the Electoral College, declared that George Washington had been chosen President, and organized the Government of the United States under the Constitution. This date, April 6, instead of March 4, should have been accepted as the date for the beginning of the terms of office prescribed in the Constitution, as the Government under the Constitution, both in the de facto and dejure sense, had its beginning upon that day.

It is not necessary to amend the Constitution. The day for the election may be moved up as near the 4th of March as may be desired, and the day for the convening of Congress may be moved back as near the 4th of March as may be desired. The fixing of the days for the election and convening of Congress is within the express powers conferred upon Congress by the Constitution.

Mr. President, I hope that Senators will do me the honor to read what I have said upon this subject before they vote upon the proposed amendment to the Constitution which has been reported from the Committee on the Judiciary by the distinguished senior Senator from Nebraska [Mr. NORRIS]. In my judgment, there is no necessity for amending the Constitution of the United States. We can reach reasonably satisfactory results by executing the plan I have suggested in the bill which I just read to the Senate.

INTER-AMERICAN COMMITTEE ON ELECTRICAL COMMUNICATIONS.

The PRESIDING OFFICER. The next business on the calendar will be proceeded with.

The joint resolution (S. J. Res. 79) to provide for the representation of the United States at the meeting of the Inter-American Committee on Electrical Communications to be held in Mexico City beginning March 27, 1924, was considered as in Committee of the Whole and was read, as follows:

Resolved, etc., That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $33,000 to defray the cost of representation of the United States at the meeting of the Inter-American Committee on Electrical Communications to be held in Mexico City, Mexico, beginning March 27, 1924.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

EXPERIMENTS IN RURAL POSTAL SERVICE.

Mr. HARRIS. Mr. President, there is on the calendar a bill introduced by me, and requests for unanimous consent to consider it were objected to by the Senator from Utah [Mr. KING]. I see that Senator now present, and I move that the Senate proceed to the consideration of that bill. I will say that I do not believe there would be two votes against the bill. A motion to take it up is the only way I can get it considered, because the Senator from Utah was frank enough to say he would object to its consideration under the five-minute rule.

The PRESIDING OFFICER. The Chair understands that under the rule the Senator can not make the motion before 1 o'clock.

Mr. CURTIS. Under the unanimous-consent agreement can the motion be made then? We began the consideration of the calendar with a bill beyond the order of business the Senator is seeking to have called up.

The PRESIDING OFFICER. The Chair did not understand the Senator from Kansas, his attention having been directed to another matter.

Mr. CURTIS. As I understand it, under the unanimous-consent agreement we began the consideration of bills on the calendar with Order of Business No. 161, and the one to which the Senator refers is previous to that on the calendar. Therefore, under the unanimous-consent agreement, I do not think the Senator's motion would be in order to-day.

The PRESIDING OFFICER. As the Chair understands it, the Senate is considering the calendar under the rule and not by unanimous consent, but unanimous consent was given that the consideration of bills on the calendar should begin at a certain number.

Mr. CURTIS. My understanding of Rule VIII is this—and I think the Chair will agree with me if he will read it—that where a bill is called up and objection is made, then, after 1 o'clock, any Senator may move that the Senate shall proceed to its consideration. But in this case we began with a bill appearing on the calendar after the Senator's bill. I think, if we began at the beginning, at the next call of the calendar the Senator could, when his bill was reached, move to proceed to its consideration.

The PRESIDING OFFICER. The Chair thinks he was in error in his statement. The language of the rule is, "Until the morning business shall have been concluded and so announced from the Chair." The morning business has been concluded, and the Chair thinks the motion of the Senator from Georgia would be in order. The Chair is also of the opinion that the mere fact that by unanimous consent we commenced at a certain number on the calendar would not preclude any Senator from making a motion to take up a bill. So the Chair will entertain the motion of the Senator from Georgia.

Mr. HARRIS. Mr. President, I will state to the Senate that this is a measure allowing the Postmaster General to experiment on rural routes on rural free delivery. The Postmaster General has recommended it, the Senate Post Office Committee has unanimously reported it, and I do not believe there would be very much objection to it. I therefore move that the Senate proceed to the consideration of Calendar No. 150.

The PRESIDING OFFICER. The Chair understands that under the rule this motion must be determined without debate. The Senator from Georgia moves that the Senate proceed to the consideration of Senate Joint Resolution 60.

Mr. KING. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state his inquiry.

Mr. KING. The Senator from Kansas asked unanimous consent that until 2 o'clock we proceed with the consideration of the calendar, beginning at a certain number.

The PRESIDING OFFICER. The Chair will say that the Senator is mistaken in that. The Senate proceeded under the rule to the consideration of the calendar, and then the Senator from Kansas asked unanimous consent that we begin with a certain number. That was the only thing involved in the unanimous-consent agreement—that we begin with a certain number on the calendar.

Mr. KING. The parliamentary inquiry which I submit and which may have been submitted by the distinguished Senator from Kansas is, Does not the unanimous consent preclude the return to measures that are farther back on the calendar? Would we not be compelled, if we desired to take up a measure out of order, to find a measure ahead of the point where we began, rather than go back over ground which has already been covered?

The PRESIDING OFFICER. If we had proceeded with the calendar in accordance with a unanimous-consent agreement, the Chair thinks that would be true; but the Chair does not think that the unanimous-consent request submitted by the Senator from Kansas precludes any Senator from making a motion to take up a particular bill under the rule.

Mr. KING. Another parliamentary inquiry, Mr. President. If this motion should prevail—and it is a motion to proceed to the consideration of a bill which, in my opinion, is of very great importance and may project the Government into the expenditure of millions and tens of millions of dollars—would it be debatable, or would we be limited by the five-minute rule?

The PRESIDING OFFICER. The bill would be debatable, as the Chair understands it, if it were taken up by motion, without the five-minute limitation.

Mr. KING. Of course if Senators vote to take up this bill, they will displace the calendar, because the discussion of it may consume the rest of the morning.

Mr. EDGE. Will the Senator yield for a question?

Mr. KING. Certainly.

The PRESIDING OFFICER. The motion to take up the joint resolution is not debatable.

Mr. HARRISON. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state his inquiry.

Mr. HARRISON. We entered into a unanimous-consent agreement to proceed with the calendar. I have no objection in the world to the motion of the Senator from Georgia. I am with him in his proposition, but have we not a unanimous-consent agreement that after the morning hour is concluded we shall proceed with the so-called Norbeck bill?

The PRESIDING OFFICER. That is the unfinished business. It will come up at 2 o'clock as the unfinished business.

Mr. HARRISON. I had understood that the morning hour was over and was so announced by the Chair.

The PRESIDING OFFICER. The morning hour is not over. Routine morning business has been concluded. The question is on the motion of the Senator from Georgia to proceed to the consideration of Senate Joint Resolution No. 60. [Putting the question.] In the opinion of the Chair the nays have it.

Mr. HARRIS. I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. GLASS (when his name was called). I have a general pair with the junior Senator from Connecticut [Mr. MCLEAN]. In his absence I withhold my vote.

Mr. LODGE (when his name was called). I have a general pair with the Senator from Alabama [Mr. UNDERWOOD]. I transfer that pair to the Senator from Vermont [Mr. GREENE] and vote "nay."

Mr. McCORMICK (when his name was called). I have a general pair with the Senator from Oklahoma [Mr. OWEN]. I transfer that pair to the Senator from West Virginia [Mr. ELKINS] and vote "nay."

Mr. MOSES (when his name was called). I have a pair with the Senator from Louisiana [Mr. BROUSSARD]. I transfer that pair to the Senator from California [Mr. SHORTRIDGE] and vote "nay."

Mr. PHIPPS (when his name was called). I have a pair with the junior Senator from South Carolina [Mr. DIAL]. I am informed that he would vote as I intend to vote, and therefore I am at liberty to vote. I vote "nay."

Mr. REED of Pennsylvania (when his name was called). I have a general pair with the junior Senator from Delaware [Mr. BAYARD]. I transfer that pair to the senior Senator from Maryland [Mr. WELLER] and vote "nay."

Mr. WARREN (when his name was called). I have a standing pair with the junior Senator from North Carolina [Mr.

OVERMAN], who is detained from the Chamber, and I therefore withhold my vote.

The roll call was concluded.

Mr. JONES of New Mexico. I transfer my general pair with the Senator from Maine [Mr. FERNALD] to the junior Senator from Alabama [Mr. HEFLIN] and vote "yea."

Mr. SIMMONS. I desire to announce that my colleague [Mr. OVERMAN] is absent on account of illness. He is paired with the Senator from Wyoming [Mr. WARREN].

Mr. SMITH. I have a general pair with the Senator from South Dakota [Mr. STERLING]. I transfer that pair to the Senator from Arkansas [Mr. CARAWAY] and vote "yea."

Mr. WADSWORTH. Mr. President, is a parliamentary inquiry in order at this time?

The PRESIDING OFFICER. It is not.

The result was announced—yeas 34, nays 31, as follows:

YEAS—34.

Adams	George	McNary	Simmons
Borah	Gerry	Mayfield	Smith
Bruce	Harris	Neely	Stephens
Capper	Harrison	Ralston	Swanson
Copeland	Johnson, Minn.	Ransdell	Trammell
Dill	Jones, N. Mex.	Reed, Mo.	Walsh, Mass.
Edwards	Jones, Wash.	Sheppard	Walsh, Mont.
Ferris	Kendrick	Shields	
Fletcher	McKellar	Shipstead	

NAYS—31.

Ball	Fess	Lodge	Pittman
Brookhart	Frazier	McCormick	Reed, Pa.
Colt	Gooding	McKinley	Smoot
Couzens	Hale	Moses	Stanfield
Curtis	Harreld	Norris	Wadsworth
Dale	Keyes	Oddie	Watson
Edge	King	Pepper	Willis
Ernst	Ladd	Phipps	

NOT VOTING—31.

Ashurst	Dial	La Follette	Spencer
Bayard	Elkins	Lenroot	Stanley
Brandegee	Fernald	McLean	Sterling
Broussard	Glass	Norbeck	Underwood
Bursum	Greene	Overman	Warren
Cameron	Heflin	Owen	Weller
Caraway	Howell	Robinson	Wheeler
Cummins	Johnson, Calif.	Shortridge	

So Mr. HARRIS's motion was agreed to.

The PRESIDING OFFICER. The Senate will proceed to the consideration of Senate Joint Resolution 60.

Mr. FLETCHER. Does not the Senator from Georgia mean to correct the statement of the Chair? The bill he described is Order of Business 111 on the calendar, Senate bill 2111.

The PRESIDING OFFICER. The Senator from Georgia referred to it as Calendar No. 150 and the Chair repeated it several times.

Mr. FLETCHER. He described the resolution, which is not the right number.

The PRESIDING OFFICER. The Senate has voted to proceed to the consideration of Senate Joint Resolution 60, which was also introduced by the Senator from Georgia [Mr. HARRIS].

Mr. WALSH of Montana. Mr. President, when I came into the Chamber I found the vote was being taken. I inquired what the matter was and was advised that it was an amendment to the pending bill providing for experimentation in the transportation of farm products by rural free delivery. I voted under that apprehension. If the motion is to displace the pending bill and take up another one, as I now understand is the case, I voted under a misapprehension.

The PRESIDING OFFICER. The Chair will state that it was a motion in the morning hour to proceed to the consideration of a bill on the calendar.

Mr. HARRIS. Mr. President, it was my error in calling the wrong calendar number, and I regret it. The bill I described is a bill that has come up on the call of the calendar several times, and the Senator from Utah [Mr. KING] has objected each time. I want to say to Senators on the other side of the aisle who voted against taking up the bill that it has come up several times on the call of the calendar and has been objected to. I have been in the Senate five years and never objected to a unanimous-consent request, and hope never to do it, but I am going to get the bill considered. It is on the calendar and has been unanimously recommended by the committee. If I fail to get it considered, I shall object to other measures being taken up by unanimous consent. Any Senator has the right to oppose the bill and object to it, but I am not going to let one Senator—and there is only one objection to this—keep me from having a bill considered here. I put the Senate on notice.

The PRESIDING OFFICER. The Senator's motion was to proceed to the consideration of Senate Joint Resolution 60.

Mr. CURTIS. Mr. President, I simply want to state to the Senator from Georgia that Senators on this side of the aisle did not vote against taking up the measure because they are opposed to the measure. They voted against proceeding to its consideration at this time because they object to displacing the calendar now. They feel that we should proceed with the call of the calendar according to the unanimous-consent agreement.

Mr. KING. Mr. President, the Senator from Georgia has exhibited a spirit of acerbity that is not compatible with the situation. He seems to take it as a personal affront because somebody objects to his unanimous-consent request that the Senate proceed to the consideration of the joint resolution. I stated to the Senator that I objected under the five-minute rule to a measure as important as that coming up to be considered. I stated to the Senator from Georgia then and I state now that if he would move to take it up at any time except under the five-minute rule I would join with him. It is absurd to make the statement he did, and it is totally unfair and unkind.

Mr. HARRIS. The Senator from Utah has forgotten. I went to him after he objected to the consideration of the bill when it came up on the calendar at different times and asked him if he would object to my making a motion to bring it up at another time. He told me that he was opposed to the bill, that it was a bad bill, and that he would object to it. I have shown him every courtesy. He has a perfect right to oppose the bill, but the bill is going to be considered by the Senate. I am entitled to that.

Mr. McKELLAR. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state the parliamentary inquiry.

Mr. McKELLAR. What resolution have we taken up? Is it Senate Joint Resolution 60?

The PRESIDING OFFICER. The Senate has voted to take up Senate Joint Resolution No. 60, Order of Business 150.

The Senate now has before it Joint Resolution No. 60, being Order of Business 150.

Mr. CURTIS and Mr. KING addressed the Chair.

Mr. HARRIS. Mr. President——

Mr. FLETCHER. I ask unanimous consent that the Senate proceed to the consideration of Order of Business 111, being Senate bill 2111, in lieu of the measure which was taken up, for evidently Senators thought they were voting to take up the bill for which I have asked consideration.

Mr. KING. Mr. President——

The PRESIDING OFFICER. Let the Chair first state the request of the Senator from Florida. The Senator from Florida asks unanimous consent that Calendar No. 111, being Senate bill 2111, be substituted for the joint resolution which was just voted to be taken up by the Senate. Is there objection to that request?

Mr. KING. Mr. President, I object. I challenge the accuracy of the Senator from Georgia——

Mr. HARRIS. Mr. President——

Mr. KING. I have the floor. It is not true that I objected to the consideration of Senate bill 2111. I do object to its consideration under the five-minute rule. If the Senator from Georgia can get the bill considered at any other time I shall join with him in order that there may be a full discussion of the measure.

Mr. HARRIS. Mr. President, the Senator from Utah either misstated my request or misunderstood what I said to him in a courteous way. I move that the Senate proceed to the consideration of Senate bill 2111, being Calendar No. 111, instead of the other measure.

The PRESIDING OFFICER. The question is on the motion of the Senator from Georgia that the Senate proceed to the consideration of Order of Business 111, being Senate bill 2111.

The motion was agreed to, and the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 2111) authorizing the Postmaster General to conduct an experiment in the Rural Mail Service, and for other purposes, which had been reported from the Committee on Post Offices and Post Roads with an amendment.

The PRESIDING OFFICER. The Secretary will read the bill.

Mr. KING. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KING. I have been advised, contrary to what I understood the Chair to rule—not the present occupant of the chair, who was not then presiding—that the consideration of the pending measure will not be under the five-minute rule.

The PRESIDING OFFICER. The bill will not be considered under the five-minute rule. There is no limit on the debate on the measure now.

Mr. HARRIS. I called the bill up at this time because it would not be considered under the five-minute rule. The Senator from Utah stated he would object to the consideration of the bill under the five-minute rule. I was therefore forced to do what I did not like to do.

The PRESIDING OFFICER. The Secretary will read the bill.

The reading clerk read the bill, as follows:

Be it enacted, etc., That during the 12 months next succeeding the approval of this act the Postmaster General be, and he is hereby, authorized to conduct experiments in the operation of not more than 50 rural routes, in localities to be selected by him; said experiments shall be designed primarily to develop and to encourage the transportation of food products directly from producers to consumers or vendors, and, if the Postmaster General shall deem it necessary or advisable during the progress of said experiments, he is hereby authorized, in his discretion, on such number or all of said routes as he may desire, to reduce to such an extent as he may deem advisable the rate of postage on food products mailed directly on such routes for delivery at the post offices from which such routes start, and to allow the rural carriers thereon a commission on the postage so received at such rate as the Postmaster General may prescribe, which commission shall be in addition to the carriers' regular salaries. The amounts due the carriers for commissions shall be determined under rules and regulations to be prescribed by the Postmaster General, and when so determined and properly certified to the Comptroller General shall be payable monthly by warrant directly from the appropriation for Rural Delivery Service: *Provided*, That the amount so paid shall in no case exceed the actual amount of revenue derived from this experimental service.

A report on the progress of this experiment shall be made to Congress at the next regular session.

The PRESIDING OFFICER. The bill is before the Senate, as in Committee of the Whole, and is open to amendment.

Mr. KING. Let the report be read.

Mr. HARRIS. Mr. President——

Mr. KING. I waive the request if the Senator from Georgia desires to be heard.

Mr. HARRIS. Mr. President, the pending bill, if enacted, will not require an appropriation. As I just now stated, the Postmaster General and the Post Office Department have considered the bill carefully and approve of the measure. The Post Office Committee of the Senate has also approved it unanimously at an almost full meeting of the committee. The bill proposes to enable the rural carriers to carry certain articles, starting from the place where they begin carrying the mail and back to that point, but not beyond that. Such carriage is confined to the route of the rural carrier, and he is not permitted to carry articles beyond the boundaries of his route.

The bill proposes to allow the Postmaster General to experiment along that line and to let the rural carriers bring in at a smaller postage rate butter, eggs, or other articles which are raised on the farm.

Every day some farmer throws away, say, a pound of butter or vegetables or other articles which he could send to town by the carrier. He can not afford to hitch up his horse or to take his automobile and go 10 or 12 miles merely to carry small quantities of butter, fruit, or vegetables to market. For that reason I thought the Postmaster General, if he should experiment by having these carriers transport such articles, giving them a commission so as to interest them in the proposition, would accomplish a useful end.

The greatest problem on the farm to-day, Mr. President, is getting a market for produce. I believe the measure, if enacted, will go a long way to meet that end.

I am not going to consume the time of the Senate in a discussion of the bill, but I hope the Senate will approve of it.

Mr. KING. Mr. President, as I interpret the Senator from Georgia [Mr. HARRIS], his position is that whenever a Senator seeks for the consideration of any measure assent should immediately be given. He seems to feel affronted if opposition is suggested to any measure which he may offer. I have stated to the Senator that I had no objection to the consideration of his bill, although I was opposed to it, if it were brought to the attention of the Senate at a time when its provisions could be fully examined and its consequences thoroughly explored. Under the five-minute rule, or during the morning hour, it is impossible to consider fully and carefully measures brought before the Senate, and I suggested to the Senator that if he would call up his measure upon an occasion where there would be full opportunity to canvass its merits and demerits I should not object. We are now, if not under the five-minute rule, operating within the morning hour, and this measure, which I regard as an important one, can not be fully considered before 2 o'clock, when the unfinished business will be taken up for consideration.

Mr. President, I am in sympathy with any measure which will tend to relieve agriculture from burdens which oppress it and from obstacles which it encounters. No one can deny the importance of agriculture. It is the basic industry, and the prosperity of the farmers is essential to the prosperity of the Nation. However, Congress must keep in view always the limitations which are imposed upon it, and must also in considering proposed measures not be influenced by mere sentiment, or controlled by hysteria, or directed by conditions—unfortunate and deplorable though they may be—for which no proper palliative may be offered.

I sometimes think that much of the legislation of Congress is the result of pressure or propaganda or emotionalism, without due consideration to the ultimate results and to the precedents which such legislation may establish. We are too prone to regard mere palliatives as cures for disorders. The physician seeks from the symptoms in the patient to discover the cause of the malady. The quack is satisfied with some temporary treatment. A palliative is given to the patient, but the disorder still persists. Agriculture is suffering and suffering seriously. There is a deep-seated disease in our economic life. It is important that we discover the cause of the disease and then proceed with courage to cure the ailment, no matter how drastic the remedy prescribed.

Oftentimes legislation may be projected which affords temporary relief and extends benefits to a class or within a circumscribed area, but its ultimate effects may be most injurious and its consequences to the country most serious. The proposition before us on its face is very attractive. It is particularly inviting when we consider that some of the evils afflicting agriculture result from the lack of markets and from a failure of the agriculturists to properly cooperate to dispose of their products. An examination of the measure before us reveals, as I understand it, the purpose back of it. And that purpose is to project the Government into the business of transporting the products of the farm; and, of course, if it becomes a common carrier of agricultural products, it must become a common carrier for manufactured and all other commodities. It is an attractive proposition to have the Government provide means for transporting the products of the field and the farm to the consuming markets, and yet if that proposition is adopted by the Government it means that the Government will ultimately take over the transportation system and become a common carrier for all the people.

It is true that the bill before us merely authorizes an experiment to be conducted for the purpose of demonstrating what can be done by the Post Office Department in carrying farm products from the producers to the consumers. It is idle to say that those who projected the scheme have only in mind a simple experiment. Undoubtedly the purpose is to have a nation-wide system established which will require the Government, through the Post Office Department, to haul the products of the farms from a place of origin to a place of consumption. Undoubtedly, it is expected that the department will select routes where the experiment will demonstrate that commodities may be transported from the farm to the city, and it is expected that the department will report favorably upon the proposition.

Experience has demonstrated that departments have encouraged measures which extended their jurisdiction, augmented their powers and increased their personnel. Little organizations established by Congress have grown like the green bay tree until they overshadowed the land. Executive agencies are always ambitious and anxious for additional power. Some officials in the Post Office Department undoubtedly would be glad to see the Post Office Department converted into a common carrier. They would be glad to see tens of thousands more of employees and an enormous business organization established to carry the freight of the country.

There are those in the department, and there are many outside of the department who would be glad to see the Government control all transportation, including railroads, telegraph and telephone companies, and whatever facilities may be devised for the conveyance of passengers or freight or the transfer of information. So we might as well at the outset say that the measure before us has in view the ultimate establishment, under the control of the Post Office Department, of a vast network of transportation which will convey from field and farm and range and plantation and mill, all forms of agricultural products. And, as I have stated, when such system shall have been established demands will be made for its extension until all branches of industries may avail themselves of such instrumentalities and utilize it as a national common carrier.

During the incumbency of Mr. Burleson as Postmaster General a plan was proposed something like the one under consideration. It contemplated the establishment of a motor transport system to convey farm products from producer to consumer. As I recall, the proposition was debated and finally defeated upon the floor of the Senate. It was felt by many Senators that if the scheme were adopted it would expand into a stupendous organization.

Such a movement as I have understood this bill contemplates, if started, could not be arrested. The Senator from Georgia has stated that the object of the bill is to experiment with small products, such as eggs and butter, and he has said that many of the small products of the farm are of little value and the farmers can not afford the time and the trouble of hauling the same to market. He conveys the idea that the plan will be limited to the hauling of these less important and comparatively few products. However, the bill contains no limitations, and the Senator knows that if the plan is adopted no limitations will be imposed. If the Government may become a common carrier for butter and milk and eggs, why not for other farm products? Indeed, the farmers would demand that its activities be expanded. It will be impossible to draw the line between the small and unimportant products and the large and important products. There is no limit as to the number of pounds that shall be carried or, as stated, the articles which shall be carried. And I state, without any fear of successful contradiction, that if the scheme shall be accepted and the Government shall inaugurate a plan to carry products from the farm to the city, and from the producer to markets, all agricultural products will come within the category of transportable commodities, whether the commodities are animate or inanimate.

Provision will therefore have to be made under such a system for instrumentalities to convey all of the products that are to be shipped from the farms. Livestock, beef cattle, hogs, sheep, hay, wheat, corn, rye, barley, and, indeed, all things which are produced upon the farm and upon ranches will come within the scope of the plan and provisions will be made for their transportation.

Senators may say that Congress will limit the activities of the Post Office Department. Mr. President, that will not be done and Senators know that it can not be done. It was understood when the parcel-post system was established that it was to be confined to small parcels; but we find now that the Government is carrying all kinds of freight labeled "Parcel post." Lumber, coal, ore, livestock, freight of all kinds are now transported by the Post Office Department under the classification of parcel post. The Government is losing millions of dollars annually in carrying these bulky commodities. If sent by train or by private carriers of freight, the costs would be very much greater, and accordingly the Post Office Department is being utilized to convey these bulky and heavy commodities.

It will be the same if this plan goes through with respect to the products of the ranch and the field and the farm; and, as I have stated, and I repeat it, if the Government transports commodities from the farm, it will be required to engage in a general transportation business and it will become a nation-wide common carrier.

May I call attention briefly to the fact that most of the interurban railroad systems, which have contributed so much to the development of the rural and agricultural districts of our country, are in the hands of receivers? These important agencies, which have tied together the towns and cities and the rural districts, have served a very useful purpose in our economic life. They have brought the farms and the people in the rural districts into touch with the cities. They have sought to accommodate the people and to increase their business. The milk and the butter and the fresh vegetables are daily conveyed by these railroads from the farms to the cities and the towns.

It looked a few years ago as if there would be a continual development of the interurban railroad system. Thousands of miles were constructed and a most efficient system of railroad transportation was established. But, as stated, many of these systems, for lack of patronage or for other reasons, have gone into the hands of receivers. The advent of the truck and the automobile militated very much against these interurban electric roads. The result is that there has been a practical suspension of electric road construction in all parts of the United States. If the Government shall now embark upon the business of transportation, it means, of course, that there will be a complete suspension of electric railway construction, and undoubtedly such action upon the part of the Government will curtail the construction of steam railroads. For a number of years it was the policy of the steam railroad companies to extend branches out into growing and thriving agricultural districts. If the Government shall become a common carrier and transport the commodities of the people from the farms and ranches and rural districts to the cities, then there will be a restriction of steam railway building, and particularly of branch lines into the agricultural districts.

The far-reaching consequences of the embarkation by the Government upon a scheme such as is contemplated by this bill can not be fully comprehended. But earnest consideration of the subject will compel the conclusion that the measure before us should receive most careful consideration. Most evil precedents were the results of conditions which seemed to call for a departure from accepted policies. There is a saying among lawyers that hard cases make hard law; and so in legislation, hard situations, profound economic disturbances, are used as excuses for socialistic and paternalistic legislation, and for the inauguration of policies which are at variance with the principles which underlie this Republic.

Mr. President, it is important that there be new capital invested in railroads, both steam and electric. It is important that our transportation system be improved by private capital, not by the Government. It is important for those within the cities, as well as for the agriculturists, that markets for the products of the manufacturers, as well as the farmers, should be expanded, and that freight rates should be reduced to the lowest possible level. The projection of the Government into the transportation field will, of course, react immediately upon the transportation system of the United States; and I call attention to the fact that corporations are being formed for the transportation by truck and automobiles of freight and passengers between cities and towns. Wherever we go we encounter the freight trucks and the passenger automobiles. They go into the country and into the villages and the rural communities and serve the people. As the needs of the people increase, additional corporations will be formed. But if the Government enters into this field, then, of course, private capital will be driven out. Of course, the Government can not operate as cheaply and as efficiently as can individuals; but the Government has a long purse, and the Treasury is inexhaustible. It may be empty to-day, but the taxing power will fill it to-morrow. And though people can successfully compete against the Government, if the standards applied are efficiency and economy, private persons can not compete, if governmental agencies may thrust their hands into the Treasury to make up deficits and to bear the expense of governmental operation.

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Iowa?

Mr. KING. I yield.

Mr. BROOKHART. The Senator seems to have objection to developing the rural route service for the farmers partly on the ground that it would cause a deficit. Is it not a fact that the Steel Trust, while the farmers are going bankrupt, is making enormous profits right now, and would it not be just to restore the excess-profits tax on the Steel Trust and like combinations in order to pay that deficit and give this service?

Mr. KING. Mr. President, my objection to the plan back of this bill is not because there will be a deficit in operating a governmental transportation system. Perhaps that is one reason for my objection, but my primary objection is that in the long run the farmers will not be benefited by having the Government enter into the transportation business. They might obtain temporary benefit by having the Government buy trucks and vehicles for the purpose of carrying to market their products, but I insist that the initiation of such a policy would culminate in the erection of a nation-wide transportation system, operated by the Government, which would be so inefficient, so expensive, so wasteful, as to become a burden upon the taxpayers and an injury to the farmers, as well as to all classes.

My position is that the farmers stand a better chance to have cheap transportation from farm to city and city to farm by private enterprise than by governmental owned, operated, and controlled instrumentalities of transportation. Whatever increase in taxation occurs, it hurts the farmer. And I am certain that deficits would result from the operation of a transportation system by the Government, as deficits have resulted from the operation by the Government of the ships controlled by the Shipping Board.

A democracy such as ours is not as efficient in its administration as a well-organized monarchy or a militarism. There are other gains, of course, in a democracy which more than compensate for losses resulting from the efficiency of militarism.

Mr. President, the latter part of the Senator's suggestion about the Steel Trust is not quite germane to the question under consideration.

Mr. BROOKHART. Are not all these questions related? Should we not consider every one of them in the light of every other one?

Mr. KING. In a sense, Mr. President, most of these are related directly or indirectly. When we come to discuss the revenue bill, then we can consider the question of excess profits as well as the earnings of the Steel Trust, and if it, as well as other corporations, should be taxed more than they are now taxed legislation should be enacted which will accomplish the result.

The question of the Government entering upon the business of the common carrier is one thing, and I respectfully submit that it is not directly related to the fact, if it be a fact, that some corporations are not taxed sufficiently, nor is it related to the fact that there is no excess-profits tax now collected from the corporations of the United States. I am in favor, Mr. President, of a just system of taxation. I believe that wealth should bear its full share of the burdens of taxation.

I have offered a bill which relieves the farmers and those of small incomes of taxes levied under existing law. Permit me to say, however, Mr. President, that the earnings of rich men and corporations, as a rule, go back into business. They constitute capital which is invested, and an investment of this new capital develops new enterprises which in turn affects the products of the farm and the field and the mine and furnishes employment to a greater number of people.

I am sure no Senator desires to deny profits, either to individuals or to corporations. Speaking for myself, I would like to see all business enterprises, whether conducted by individuals or corporations, make profits, because such profits would be invested and such investment would add to the prosperity of all the people.

It is desirable that we have more savings, more earnings, more enterprises developed and employment furnished to a larger number of people.

Mr. BROOKHART. Will the Senator yield?

The PRESIDING OFFICER (Mr. FESS in the chair). Does the Senator from Utah yield to the Senator from Iowa?

Mr. KING. I yield.

Mr. BROOKHART. It seems to me that the Senator is not considering the basic proposition, and that is this: All the work of all the people of all the United States, added to all the earnings of all the capital in all the United States, added to all the unearned increment of all the capital in all the United States increases the national wealth only about 6 per cent a year. I want to ask the Senator, if that be true, if these stabilized industries that earn more than that are not getting more than their share in every instance, and is not that an unjust charge upon labor and farmers and other people who pay it, and is there any other way to reach it except by giving these farmers and other people their rights under the law and then taxing those excess profits back?

Mr. KING. We must not confuse the issue before us. Of course, the earnings of all classes are contributions to the national wealth, but as the Senator knows, only from the savings are investments to be had. Of course, the ideal social and economic system would be that which permits all to make profits, from which profits capital is found for further investment. But under our system of government we may not take the profits away from one person and give them to another. We may and should adopt a rational and just system of taxation, and those of large earnings should pay large taxes, and those of small earnings should pay small taxes. But the system of taxation should not be capricious or discriminatory, nor can we justify paternalism or communism or the embarkation of the Government upon socialistic schemes merely because some are rich and may not be sufficiently taxed. If they are not paying the taxes which they should the legislatures of the States and of the Federal Government are at fault. We may not under our Constitution correct one wrong by resorting to another nor remedy evils which can be remedied by embarking the Government upon policies contrary to the theory of our Constitution and to the principles of individualism which underlie our political and economic system.

I admit there are corporations and individuals who are evading taxation. I admit there has been discriminatory legislation which has contributed to the amassing of large fortunes by individuals and by corporations. I admit that the protective tariff has been employed to enrich certain classes; that it has been an instrument of oppression to agriculture and to the consuming masses of the country, but while admitting all these things I can not find reasons which I consider sufficient to justify me in supporting the Government in taking over the railroads, in becoming a common carrier, and in entering into those fields of private industry which are occupied by the people of this great and growing Republic.

If I believed that the Government could conduct all the affairs of the people better than they can themselves, and that its ownership of all the property would bring greater happiness and peace to the people, I might then become a communist. But I believe that communism is a blight upon the people; that it retards growth and development; that it paralyzes industry and reduces the people to a condition of mental torpor and industrial stagnation.

Mr. President, I would help all agriculturists. I would do so by lightening taxation, by reducing the expenses of the Government. I would encourage self-initiative, a strong spirit of local self-government—those primitive and virile qualities exemplified in the early days of this Republic. I would repress illegal trusts and combinations in restraint of trade. I would see that there was a free field of opportunity for all; that there were no special privileges, and that the flag of this Republic meant equality and an equal opportunity for every person who lives under it.

I would expand the markets of the farmer; I would aid in finding foreign consumers for his products; I would remove the exploiting and criminal tariffs which increase the prices of commodities which the farmer is compelled to buy, in order that the purchasing power of his products would be enhanced and his prosperity increased. I would provide a just and fair system of rural credits; I would aid in every legitimate and proper way every cooperative movement to enable the farmers to conserve and dispose of their products. Indeed, Mr. President, recognizing the importance of agriculture, I would do all within my power to establish our international as well as our national policies to advance the interests of agriculture, keeping in mind always our form of government and the limitations which are placed upon the General Government of the United States.

But, Mr. President, returning to the subject matter under discussion, I believe that the farmers will not be benefited by the governmental system of transportation. The waste and inefficiency of bureaucrats preclude the successful operation of the railroads and transportation system and the great industries which have contributed so much to the development of this Republic.

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah further yield to the Senator from Iowa?

Mr. KING. If the Senator desires to ask a question, yes.

Mr. BROOKHART. Being a strong believer in the Government of the United States, I am willing to defend it even against the charge of inefficiency and waste.

Mr. KING. I would rather the Senator would ask me a question, and make speeches in his own time.

Mr. BROOKHART. Here is the question: Does the Senator know that in spite of all of the newspaper criticism of the operation of the railroads by the Government, in spite of all the bad McAdoo management that we hear about, the first 10 months after the roads were turned back their operating expenses in private hands increased by $1,485,000,000, or nearly a billion and a half?

Mr. KING. I have seen a multitude of statements affirming what the Senator says, and I have seen many statements denying the correctness of those figures.

Mr. BROOKHART. If I furnish the figures from the reports of the Interstate Commerce Commission, and give the book and the page, will that be satisfactory?

Mr. KING. I have investigated that question at some length, and when the railroad question comes before the Senate for consideration I shall give it my best attention; but I want to say to the Senator in all good faith that I do not believe in governmental ownership and operation——

Mr. BROOKHART. Of anything?

Mr. KING. Of railroads and ships and other instrumentalities which under our theory of government should be operated by private individuals.

Mr. BROOKHART. The Senator would turn back the post office to private corporations, would he?

Mr. KING. It is so strongly intrenched that I would not do so; but I will say very frankly that in my opinion the Post Office Department could be operated more efficiently and economically than it is now for one-half the present expense if it were controlled by private individuals.

Mr. BRUCE and Mr. BROOKHART addressed the Chair.

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). Does the Senator from Utah yield, and to whom?

Mr. KING. If the Senator from Iowa will pardon me, I will yield now to the Senator from Maryland.

Mr. BRUCE. Mr. President, I should like to remind the Senator, in connection with what he has just said, that a few years ago Postmaster General Burleson testified, in the course of an investigation by Congress, that if the rural mail service were let out to private contract it could be conducted at a reduction in cost of some $18,000,000 a year.

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Iowa?

Mr. KING. I yield for a question.

Mr. BROOKHART. On that proposition, I want to challenge that statement—I do not care who made it—and I want to assert that the Post Office Department, with all its defects, is more efficiently managed than any private business of its magnitude in the world. When we consider the profits and the charges that we have to pay in private business, the cost to the people is far greater than it is in the Post Office Department. Every profit of private business is paid for by the work of somebody; and with those profits going above the earnings of all the work and all the capital and all the unearned increment added together, we know that somebody is making more than his share. The Post Office Department is not, and never has been.

Mr. WADSWORTH. Mr. President, will the Senator yield at that point?

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from New York?

Mr. KING. I yield to the Senator from New York.

Mr. WADSWORTH. I imagine that the criticism, implied or actual, against the Post Office Department is not justified in whole, because the Post Office Department must operate under statutes enacted by the Congress, and there is injected the element of politics. For example, if the Post Office Department were left to its own free will in the fixing of postal rates so that they would meet the cost of transporting the mail matter I do not believe that the second-class mail matter would be transported at a loss, but the Congress insists that the second-class mail matter shall be transported at a loss, and does so for purely political reasons. Congress is afraid of the persons who publish second-class mail matter. The rural mail delivery is operated at a loss, purposely so, because the Congress has enacted statutes which govern the rates to be charged, thinking in its wisdom—and I do not deny this—that it is worth while for the Government to lose money in that service in order to give a more prompt mail service to the people who live in remote rural districts. So the blame, if there is to be any blame at all, should not be directed solely against the Post Office Department or its management, because it is not a free business agent, and the trouble with Government operation of any commercial business is that it never can be a free business agent.

It will always be restricted or directed by statutes emanating from the legislative branch of the Government, and back of many of which is a political purpose.

Mr. KING. Mr. President, undoubtedly the facts stated by the Senator from New York are largely responsible for the increased cost over what otherwise would be the cost of operating the Post Office Department and perhaps other activities and agencies of the Government.

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Iowa?

Mr. KING. I do.

Mr. BROOKHART. In answer to the suggestion of the Senator from New York, I suggest that this interference with government is an interference from private business. It is private business coming into government in a way that it has no right to come, and then these injustices result. The fact is, here is the United States Chamber of Commerce being organized as a sort of supergovernment of the United States to supervise and direct everything that we do down here, and it is this business in government that is the cause of these discrepancies. I think we will have to get some of that system of business out of government and let the Government attend to its business.

Mr. WADSWORTH. May I be impertinent enough to ask whether the Senator from Iowa would vote for an amendment to the postal laws providing that the second-class mail matter should pay postage sufficient to meet the cost of transportation?

Mr. BROOKHART. I think probably I would. I certainly would if it levied a tax on the Saturday Evening Post and the other reactionary journals that are getting the benefit of the present rate and making their millions out of it.

Mr. KING. Mr. President, I do not want to be considered as indicting in a wholesale way the Post Office Department or the administrative and executive branches of the Government; but I think it may be said with much certainty and assurance that the Government, in its efforts to manage many of these great enterprises, such as the ships and the railroads and other activities to which reference might be made, because in part of the influences referred to by the Senator from New York and the hampering legislation by Congress, has been unable to bring about those economies and to accomplish the work with that efficiency that would characterize the efficient business organization of the American people.

The American people, generally speaking, are efficient in the management of their own affairs; and under the competitive system there has been developed an alertness and business capacity that has given to this Nation a preeminent place industrially among the nations of the world.

The spirit of individualism and of proper integration which exists among the American people, together with our democratic institutions and political ideals, is responsible for the great triumphs which have come to this Republic, and for the position of primacy which it occupies in the industrial, economic, and political world.

If America had been a paternalistic government, if it had been a socialism, if the Federal Government had taken over the activities which belong to private individuals, we would not have had $300,000,000,000 of private property. We would not have been the financial power in the world which all concede the United States to be.

It is true, as indicated by the Senator from Iowa, that some corporations have grown too large. I do not agree with the position of Mr. Roosevelt that corporations may not be too large. I think they may be too large; and, as was pointed out by Mr. Justice Brandeis, corporations may become so big as to become unwieldy and inefficient and unable to compete with smaller organizations which are directing their energies along the same lines.

In the same way, the Government may become so big, so unwieldy that it will cease to properly function. That is the condition, many believe, of our Government to-day. It is becoming paternalistic, bureaucratic, and inefficient. It can not properly manage the affairs which legitimately belong to it. We spend our time in creating commissions and bureaus and agencies to take over and contest a multitude of matters which belong to the States. This is a Government of and by commissions who frame laws and regulations by which the people are governed. And Senators on both sides of the Chamber are adding to the responsibilities and duties of the Federal Government by imprudent and often unwise and unconstitutional legislation, and we are contributing to the inefficiency and incompetency of the Federal Government by devolving upon it duties and responsibilities with which it is not charged under the Constitution, and which it can not economically or properly perform.

But, to come back to the measure before us, Mr. President, I think every Senator is in sympathy with the farmers and would be glad to do everything possible for their relief. If this measure, waiving the question of the paternalism and the constitutionality of the scheme which it contemplates, would be of aid to the farmer, I should support it, but in my opinion it would not. It will prevent the organization of private companies to engage in rural transportation. In many sections of the country—I know in some parts of my own State—private persons have organized companies to operate motors and transport to the cities the products of the farm and to the rural districts the commodities desired by the farmers. That will be done more generally throughout the United States as time goes on.

Such a transportation system or something needed by the people can not be developed in a day; but it will be developed as the needs of the people require. But if the Government is projected into this business, it will arrest, indeed prevent, private activity. And with the Government carrying on a business of such magnitude it will mean hundreds of thousands of additional Federal employees and a bureaucratic system that will be oppressive and inefficient. It will mean that thousands and tens of thousands of busses and automobiles and trucks must be purchased by the Government; that thousands of garages must be built; that Federal machinery must be provided for caring for freight; warehouses will ultimately be needed and all of the machinery set up by transportation companies. In other words, if the Government embarks upon this scheme as it is contemplated, it will eventuate in the engaging in all forms of transportation in all parts of the land.

Mr. BRUCE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Maryland?

Mr. KING. I yield.

Mr. BRUCE. I want to ask the Senator from Utah whether in his conclusions he does not to some little extent lose sight of the fact that this bill contemplates purely an experimental project? Do his arguments apply with full force to such a case as is presented by the bill? It provides for experimentation by the Post Office Department on rural routes to see how far it is possible to transport agricultural products directly from the producer to the consumer and to find out what the cost of that may be. Anyhow, is it not likely that very much valuable information would be elicited by this experiment so that we may be able to see how much good this would do if it should be carried into effect?

I quite agree with the principles which underlie the argument of the Senator. I am sure he is not more strongly impressed with the correctness of those principles than I am myself, but it seems to me he loses sight a little bit of the fact that what is to be inaugurated by this enactment is an experiment, and it seems to me that after that experiment had been made we could tell better than we can tell now how far the scheme was chimerical and how far it was not.

Mr. KING. Mr. President, if the Senator will permit me, I do not say the scheme is chimerical; that is, that it can not be carried out. It is an unwise and unpolitic scheme. It will prove a costly and dangerous scheme. It will project the Government into policies which will be harmful to all classes of people. But so long as the Treasury of the United States is behind it, it can succeed; but the annual deficit will be colossal. Germany is in the transportation business; though, of course, she is losing billions of marks every day. Other governments have undertaken the business of common carriers but without success. I ask the Senator if this experiment is not for the purpose ultimately of projecting the Government into the transportation business?

Mr. BRUCE. I suppose it is, provided it develops results sufficiently beneficial to the public to warrant the extension of the experiment.

Mr. KING. Does the Senator desire that the Government of the United States, through the Post Office Department or through any other department, shall be a common carrier of freight, farm products, and all other products?

Mr. BRUCE. Indeed I do not, on any general scale; but it seems to me there might be some reasonable expansion of the postal facilities, perhaps, for the relief of the farmers.

Mr. KING. May I ask the Senator where he would stop? If we inaugurate this system, and transport farm products from the country to Baltimore, where will we stop? Will it be with butter and eggs? The Senator knows that we do not stop in the parcel-post system with small articles; freight is hauled. I have seen iron rails hauled and I have seen livestock hauled, with great loss to the Government.

Mr. BRUCE. I think it should be limited to portable articles, of course; articles more or less readily portable.

Mr. KING. But we do not limit it.

Mr. BRUCE. I know that. There are anomalies under the present system, but I think those might be corrected. I mean to say that if we reached the point where the Government found itself fairly embarking in the business of transportation on a large scale, then we would find ourselves face to face with the question of whether the Government should not own and operate the railroads, and the Senator from Utah is not more inflexibly antagonistic to that idea than I am.

Mr. KING. The Senator from Maryland is a man of large experience and a valuable addition to the Senate. I ask the Senator now, Does he not believe that if the Post Office Department reports that this experiment has been a success it will inaugurate a system under which the Government of the United States will carry the products of the farm, because if the plan is put into operation in one State it will be extended to all States, and soon the Government would have a nation-wide organization carrying the freight of the people—farmers and manufacturers and all others?

Mr. BRUCE. I personally believe that the result of this experiment will be to establish the utter inadvisability of continuing on any very considerable scale the present rural mail-delivery system; but it seems to me, all the same, that the experiment might be tried, and we could judge ourselves, the Senator from Utah and I and every other citizen of the United States could judge for ourselves how far the experiment suggested the wisdom of any further extension of the operation.

Mr. KING. Mr. President, I think when the able Senator from Maryland concedes, as his replies have conceded, that if this experimentation shows, as it will show, that the products of the farms can be carried to the cities, then it will be inevitable that the pressure will be so great by officials of the Government and others that the plan will be imposed upon the Government and put into operation.

There are many who believe that we can not keep out of it and that the Government will take over the railroads. I hope the time will not arrive when that will be done. But I feel quite sure that if we shall inaugurate the plan contemplated by this measure, and begin the expansion of that plan, the demand will be made that the Government shall take over the railroads and perhaps other public utilities; already there is a demand for the Government to build power plants at various parts of the United States and to engage in various kinds of business which private enterprise has developed.

I have just been in a country where there is state capitalism. They had communism at first, but it brought starvation and death and economic ruin. A change resulted in a form of state capitalism as to the "big" or "key" industries; but there is still confusion and poverty and evils and sorrows which we can not understand and appreciate. Then the railroads are being operated by the Government at an enormous loss. Twenty-five to thirty per cent of all taxes levied in Russia go to make up this deficit. A large part goes to pay the deficits arising from the operation of the ships upon the Volga, upon the Caspian and the Black Seas, and a large part of it goes to meet the deficits resulting from operating the sugar factories and the textile mills and the iron mills, those key and basic industries which lie at the foundation of prosperity, aside from agriculture, of any progressive and enterprising state.

Those great industries are running behind to the extent of hundreds of millions of rubles annually, though there is no competition. The inefficiency of the government, the red tape, the huge bureaucracy established under a paternalistic form of government forbid economy, forbid efficiency, and in the long run must culminate in the destruction of the industries.

Mr. President, let me repeat that in my opinion the farmers will not profit by this bill or the plan which it is the precursor of. They will be better served by private enterprise than by the Government; they will get their products to market much more cheaply by private carriers than by the United States.

Under this bill we are giving the Post Office Department a great deal of discretion. It may reduce the postage on food products. It has discretion to determine what the rates shall be, whether high or low. Rates may be higher in one section, on one route, than on some other routes.

AGRICULTURAL DIVERSIFICATION.

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, Senate bill 2250.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 2250) to promote a permanent system of self-supporting agriculture in regions adversely affected by the stimulation of wheat production during the war and aggravated by many years of small yields and high production costs of wheat.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from Kansas suggests the absence of a quorum. The Secretary will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Ferris	King	Ralston
Ball	Fess	Ladd	Ransdell
Borah	Fletcher	Lodge	Reed, Mo.
Brookhart	Frazier	McCormick	Reed, Pa.
Bruce	George	McKellar	Sheppard
Bursum	Hale	McKinley	Shields
Cameron	Harreld	McLean	Smith
Capper	Harris	McNary	Smoot
Copeland	Harrison	Moses	Spencer
Couzens	Howell	Neely	Stanfield
Curtis	Johnson, Minn.	Norris	Stephens
Dale	Jones, N. Mex.	Oddie	Trammell
Dill	Jones, Wash.	Pepper	Wadsworth
Edge	Kendrick	Phipps	Walsh, Mont.
Edwards	Keyes	Pittman	Willis

The PRESIDING OFFICER. Sixty Senators having answered to their names, there is a quorum present.

Mr. HARRISON. Mr. President, I desire to perfect an amendment that was pending yesterday when the Senate adjourned. I have changed the wording somewhat of the first amendment that was offered, but the amendment which I am about to offer carries the same idea. I ask unanimous consent that the amendment which I now send to the desk may be pending instead of the other amendment, and that the amendment offered by the Senator from Florida [Mr. TRAM-

MELL] shall apply to this amendment the same as it did to my former amendment.

The PRESIDING OFFICER. The Senator has a right to modify his own amendment. The Secretary will report the amendment as now proposed by the Senator from Mississippi.

The READING CLERK. On page 1, line 4, after "United States" strike out down to and including line 3 on page 2, and insert in lieu thereof a comma and the following:

particularly in the wheat areas dependent almost entirely upon a single crop, resulting from the stimulation of production of a single crop during the recent war and aggravated during subsequent years by low yields and high cost of production, but also in other areas dependent almost entirely upon a single crop, where conditions warrant it, as determined by the Secretary of Agriculture, should be changed through the encouragement of a system of agriculture not dependent for its success upon a single crop, but one which would include the raising of livestock, such as dairy and beef cattle, hogs, sheep, poultry, and the products thereof.

On page 3, line 2, after "cropper" strike out down to "no loan" on line 9, and insert in lieu thereof the following:

Loans and advances shall be made only to such farmers in the areas of the country embraced within the provisions of this act as are not reasonably able through their own resources or through existing credit facilities to initiate upon their farms a system of diversified farming, but who show their willingness to enter upon such an undertaking and who may be reasonably expected to develop such a system if given aid and opportunity.

The PRESIDING OFFICER. The Chair understands the amendment of the Senator from Florida [Mr. TRAMMELL] applies to this amendment and is pending.

Mr. McKELLAR. Mr. President, I regret very much that I am unable to cast my vote for the proposed legislation. There are two reasons for my regret. The first is that I realize that the condition of the farmers of the country and especially those out West is a very serious one. Their plight is one with which I believe we all sympathize, and I do especially. I have always voted for farmers' measures, except when a high tariff was proposed as a means of helping them, and I think when I voted against those high-tariff provisions I did not vote against the farmers, but for their benefit. The very wheat farmers who are the beneficiaries of the proposed legislation were not benefited by the heavy tariff of 30 cents a bushel on wheat. The President has since added another 12 cents, and even a tariff of 42 cents a bushel does not help the farmers, and we all know that it does not help them. Time and experience has shown that a high tariff on wheat does not really affect the price. It is a fallacy.

However, I regret very much that I can not support the measure because of the plight of the farmers.

In the next place, I feel very kindly disposed toward the proponent of the bill, the Senator from North Dakota [Mr. LADD]. He is an able and splendid Senator, and I know that anything to which he gives his heart and mind is, in his judgment, worthy. I regret to have to differ with him about a matter that he considers so important.

I want to read a part of the second section of the bill, as follows:

SEC. 2. That from the approval of this act and until June 30, 1926, the Secretary of Agriculture shall be empowered and authorized to make advances or loans to farmers, as defined and limited in this section, in a sum not exceeding $1,000 for the purchase of livestock, including dairy and beef cattle, hogs, sheep, and poultry suitable for the development of a system of agriculture as contemplated by the purposes of this act. The Secretary may purchase such livestock and supply same to the borrower at cost; such advances, loans, or sales shall be made upon such terms and conditions and subject to such regulations as the Secretary may prescribe, including provision for the repayment thereof by amortization or otherwise—

And so forth.

We who have been here for several years, or ever since the war, at any rate, recall that during the war the Government stimulated the production of wheat, but that at the same time, from the beginning of its stimulation, it has likewise stimulated wheat prices. We who were here at the time recall with a great deal of clearness that a fixed price of $2.26 a bushel was established by the Congress. All the wheat farmers wanted it, and the bill was passed for their benefit. I notice by reading the act approved March 4, 1919, that the Government appropriated $1,000,000,000 to make that guarantee of the price fixed good. We authorized it to be paid out of the Treasury of the United States; yet it is claimed now by the friends of the pending bill that because the Government then fixed the price of wheat and stimulated the production of wheat it is our duty, when the price of wheat is low, to furnish the farmer money with which to rotate his crops and engage in some other kind of farming business, namely, that of livestock, hogs, and poultry.

Mr. REED of Missouri. Mr. President——

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Missouri?

Mr. McKELLAR. I yield to the Senator.

Mr. REED of Missouri. Did I understand the Senator from Tennessee to say that the Government paid out a billion dollars to the wheat farmers?

Mr. McKELLAR. I read from the act, not that the Government had paid it out but that Congress appropriated money for the purpose of carrying the act into effect.

Mr. REED of Missouri. Did we ever pay out any money?

Mr. McKELLAR. I do not know how much we paid out, but I will read from the act for the benefit of the Senator from Missouri.

Mr. REED of Missouri. I know what the act provided, but, as a matter of fact, was not wheat in Europe being bought by the European Governments at very much above that price?

Mr. McKELLAR. I can not say as to that.

Mr. FLETCHER. Will the Senator from Tennessee yield to me?

Mr. McKELLAR. I yield to the Senator from Florida.

Mr. FLETCHER. There were some $3,000,000 expended under that act for seed purposes.

Mr. REED of Missouri. That sum was expended for seed; but what I am speaking about is keeping up the price of wheat.

Mr. McKELLAR. I have no doubt in the world that the guaranty by the United States Government had the effect of raising the price very considerably more than it would have been if that guaranty had not been made. However, that may be, I will say to the Senator and to the Senate that the wheat farmers of the country wanted the price fixed at that time. The then Senator from North Dakota, Mr. McCumber, the then Senator from Oklahoma, Mr. Gore, the former Senator from Illinois, Mr. Sherman, and various other Senators who were here and spoke on the bill——

Mr. NORRIS. Mr. President, may I interrupt the Senator from Tennessee?

Mr. McKELLAR. I will yield in just one moment. All those Senators argued at that time that that was the purpose of the then pending bill. That was in 1919. If the Senator from Nebraska [Mr. NORRIS] will excuse me a moment, I desire to read from a speech which was delivered by the then Senator from Illinois, Mr. Sherman, at that time. Mr. Sherman said:

I have no doubt of that. Congress must accept its share of the responsibility.

I remember when Senators voted here, it was argued that there ought to be a guaranty on wheat prices in order to stimulate production. The argument was adopted, "It is an artificial stimulus, it is true; but the conditions are artificial." The war conditions being abnormal, as they were, Congress deemed itself justified in making that guaranteed price. That is illustrative of the finite wisdom of mankind. Before we get through we shall have more of that, but this illustrates, so far as we have traveled, the utter unreliability of human judgment when men begin to interfere with markets. The Senate, the House, and the executive department undertook to perform a task that the business men—the producers and the distributors of a hundred million people—were carrying. We shouldered that burden. I think it was a short-sighted policy. I voted for some of it. It was a war policy, and I am willing now to vote for appropriations to buy the wheat or to change the price and to pocket the loss. We had better do that than to keep up the price of wheat and its resulting products in the Atlantic seaboard towns or to millions of private consumers.

Mr. SMITH. Mr. President——

Mr. McKELLAR. Just one moment. I promised first to yield to the Senator from Nebraska [Mr. NORRIS], and then I will yield to the Senator from South Carolina.

Mr. NORRIS. The question which I desire to ask the Senator from Tennessee is whether he does not realize from the debates which then took place here that it was the understanding of the Congress that the price then fixed should not be the maximum price, but that we were fixing the minimum price, which, by action of the Government, became the maximum price?

Mr. McKELLAR. It became the maximum price, but I have no doubt in my mind that the act affected the price of wheat.

Mr. NORRIS. The price of wheat was going to take its ordinary course according to the law of supply and demand so long as it remained above the price fixed.

Mr. McKELLAR. Yes.

Mr. SMITH. I wanted to call the Senator's attention to the fact that when that bill was reported here and was being debated the whole debate revolved around the fact that the price fixed was a minimum, below which the Government would make it good, and that above that price the sky was the limit, no matter from what source the price was derived.

The PRESIDING OFFICER. The time of the Senator from Tennessee has expired.

Mr. McKELLAR. I will now speak to the amendment for a few moments.

The PRESIDING OFFICER. The Chair understands that the Senator has been talking to the amendment.

Mr. McKELLAR. Then I will speak to the bill.

The PRESIDING OFFICER. Very well. The Senator is recognized for 10 minutes on the bill.

Mr. McKELLAR. Mr. President, there are one or two things I wish to say.

Mr. SMITH. Mr. President——

Mr. McKELLAR. I yield to the Senator, but I hope he will be as brief as possible.

Mr. SMITH. I wanted to explain to the Senator that what I have stated being the fact, I do not believe there was a member of the committee who understood that there was what was popularly known as a "joker" in the bill. There was a clause toward the end of the bill which provided that the food controller should have the right to name a price, beyond which he would consider it profiteering, and therefore any higher price was estopped. The bill had hardly passed Congress, however, before he made the guaranty price, the price above which profiteering would start, and made the minimum the maximum.

Mr. REED of Missouri. Does the Senator from South Carolina——

Mr. McKELLAR. Mr. President, I have just a very few moments.

Mr. REED of Missouri. I will take but a moment, if the Senator will yield.

Mr. McKELLAR. Very well.

Mr. REED of Missouri. Does the Senator from South Carolina not remember that the committee did not so understand it, and that I called attention to its effect about fifty times on the floor?

Mr. SMITH. The argument was made that, perhaps, the Senator from Missouri was mistaken, but the bill was hardly more than passed before it was put into effect in the manner I have suggested.

Mr. REED of Missouri. They found out that I was not mistaken.

Mr. SMITH. That is true.

Mr. McKELLAR. Mr. President, what I said was that the farmers were here asking for that legislation, just as they are here, through their representatives, asking for the passage of the pending measure. That is shown by the speech of Senator Gore, of Oklahoma, in February, 1919, and the speech of Senator McCumber about the same time, and by the speeches of those who had charge of the legislation.

I am not here to criticize that legislation. In view of the condition which then existed, perhaps Congress was wise in attempting to remedy it to the best of its ability at that time. I regret that this bill does not remedy the present grave situation. I wish this were such a bill that we all could vote for it in the interest of the farmer. I want to see the farmer prosper, because I know that the prosperity of the whole country is dependent upon the prosperity of the farmer, and we ought to see to it by all proper legislation that he shall be aided whenever it is right for the Congress to do so.

Mr. President, what will be the natural result of this measure? Suppose we lend the farmers in the wheat-growing regions a thousand dollars each to enable them to go into the cattle business and into the poultry business and into the hog business and they go into any of those lines of business; and suppose that conditions should arise next fall or the fall following under which wheat should command a greater price than it does now, then it would be exceedingly advantageous to those farmers if they had wheat on hand to sell; but by reason of this action of Congress they will not have the wheat. They will have hogs; they will have poultry; they will have cattle instead of wheat, and those commodities perhaps will be at a low price. What will be the result? If the reasoning behind this bill is correct, then it will be the duty of the Congress to step forward and say, "We caused you to make that mistake; we stimulated the hog industry and the chicken industry and the cattle industry; we caused you, by lending you money, to change your crop from wheat to livestock, and therefore we must make that good." Where are we going to stop? Mr. President, I say this legislation is indefensible when the light of reason is brought to bear upon it. I do not see how any Senator can vote to establish such a policy in our legislation. It is undemocratic; it is unwise. I hope that the Agricultural Committee, whether this bill shall pass or not, will get together and report out a wiser and better measure in which all of the Members of the Senate can join in order to help the farmer, because we all want to do what is best for him as well as what is best for the country.

I ought not to predict—it is ordinarily unwise to make a prediction—but when it was contended during the course of the debate on the tariff bill that a high tariff on wheat would benefit the farmers, I said then that, in my judgment, a high tariff on wheat would never materially aid the farmers, and that prediction has been verified; so I will venture to say that the pending bill, which proposes to loan $75,000,000 to certain farmers, will not have any better result. It will not help the wheat farmers as a whole; it will not help them individually; it will probably get a lot of them into trouble which they would not get into if the bill were not passed. The wise thing to do, Senators, is to defeat this measure, and I am going to vote against it. The passage of such a bill will be a waste of fifty or seventy-five millions of the people's money without any corresponding benefit to the wheat farmers. We can not have tax reduction if we indulge in such legislation—such ill-considered and ill-advised legislation—as this.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Florida [Mr. TRAMMELL].

The amendment was rejected.

The PRESIDING OFFICER. The queston is on the amendment proposed by the Senator from Mississippi [Mr. HARRISON], on which the Chair understands the yeas and nays have been ordered.

Mr. TRAMMELL. Mr. President, I desire to make a few comments on the pending amendment. I have spoken once; I do not know whether my time was charged to the amendment or charged to the bill.

The PRESIDING OFFICER. The present occupant of the chair does not know, because he was not in the chair at that time.

Mr. TRAMMELL. It is immaterial, for I think I have at least 10 minutes on one or the other.

The PRESIDING OFFICER. The Chair is advised that the Senator spoke on his own amendment, and the Senator has 10 minutes on the amendment of the Senator from Mississippi if he desires to use it in that way.

Mr. TRAMMELL. I will take time on that amendment.

Mr. President, I proposed the amendment to strike out the word "particularly," referring to the wheat areas, because I wanted it made clear to the officers who are to administer this legislation, if it shall be enacted into law, that it was not in the mind of Congress that the benefits under this measure should be restricted to the wheat areas and that Congress had fully determined that question as expressed by the legislation. Without a record vote, it seems to be the desire of probably a majority of the Senate that we make it very plain that that is the principal object and purpose of the legislation, namely, to furnish aid within the wheat areas of the country only. I think if we are going to enact legislation along this line, we should certainly adopt the amendment proposed by the Senator from Mississippi and in the form in which he has proposed it.

I can see no justification whatever from the argument which has been advanced here for appropriating $50,000,000 of the taxpayers' money, funds which are to be raised from every State within the Union, for the purpose of assisting some three or four States that suffered following the war on account of the depression in wheat prices, which was very unfortunate and which was lamented by myself and by the people quite generally throughout the country. Yet, in fact, the purpose of this measure is to require the taxpayers of 43 or 45 other American States to raise funds by income taxes, nuisance taxes, or whatever it may be, for the purpose of expending $50,000,000 in three or four States. Why? On the ground that they suffered from the low price of wheat at a time when it is claimed there was overproduction, and then, as stated in the bill, later there was underproduction. If that were a condition unlike the condition which has been experienced in many States of the Union by our agricultural interests, then there might possibly be some excuse for the discrimination, but the condition which existed in that limited area, involving disaster and misfortune, is not unlike what was experienced in many sections throughout our

country. In fact, very largely our farmers suffered from one consequence or another following the war or during the war.

In my State, just as was true in the wheat-growing States, the Government appealed for increased crops. To the Northwest the Government said: "Increase and enlarge your wheat production." In my section of the country, where we produce other crops—potatoes, for instance, Florida having become quite a potato-producing State—the Government appealed for an increase of the production of potatoes. We produce early vegetables there to a large extent. The Government appealed to us to enlarge and extend our cabbage crop, and this applied all along the line. We produced sweet potatoes, for instance. The Government even carried on a campaign down there for the production of sweet potatoes. Then they appealed to us to extend our farming operations to include the production of castor beans used in connection with the production of oil for the airplane, and our people with patriotism and zeal engaged largely in an attempt to raise these beans. In consequence, Senators, following the war hundreds upon hundreds of acres of cabbages were plowed up in my State, with no market for them. Sweet potatoes were allowed to rot and decay for lack of a market. Thousands upon thousands of barrels of Irish potatoes would not bring in the market the cost of gathering and the freight charges to the market. The citrus fruit growers also suffered loss in 1920. The people of my State following the war suffered, I believe, at a reasonable estimate $30,000,000 or $40,000,000 in the depreciation of their crops and their inability to sell those crops at fair prices.

We have not asked for any legislation to relieve that situation. The people of the State of Florida have courageously and bravely faced the situation, and have tried to overcome those disasters following as a consequence of the war; but we take the position that if you are going to try to adjust such situations every State in the Union is entitled to be considered, and you should not pass legislation that will apply only to a small part of the Republic.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Nebraska?

Mr. TRAMMELL. If the Senator will pardon me, I have only 10 minutes, and I shall be glad if he will speak in his own time.

Mr. NORRIS. I have not any time.

Mr. TRAMMELL. If you are going to adjust the situation, why not make a survey of the agricultural conditions throughout the country and see who suffered and who did not suffer by virtue of alluring invitations to engage more extensively in agriculture and in the production of various crops, instead of attempting to adopt legislation the object and purpose of which is to assist a very limited number of farmers in a very limited number of States? In order to give them this assistance, you propose to tax the entire American people in every State in the Union to the extent of $50,000,000. That is what it means. You propose to take $50,000,000 from the pockets of the taxpayers of all the other States in this Union and give it to them to assist them in remedying the misfortunes of war. Not only agriculture, but manufacturing industries and almost all kinds of business in this country, taking them in groups and in classes, at some time or other, either during the war or following the war, suffered disaster.

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Iowa?

Mr. TRAMMELL. If the Senator will pardon me, I have only 10 minutes. We are under the limitation of debate now. I dislike not to yield to the Senator, but we have only 10 minutes each, and this is my last minute, if the Senator will pardon me.

We have that situation. In my State the mining and the shipping and the marketing of phosphates was a very profitable enterprise. In that industry millions upon millions of dollars are invested. Within one county of the State we have over $150,000,000 invested in phosphate mines and plants. That industry was reasonably prosperous prior to the war, but in consequence of the war we were unable to get vessels in which to transport our phosphates. That paralyzed the phosphate business for a time, and within my home county, which is quite a phosphate section, there were 4,000 or 5,000 men in idleness for want of employment who had been previously engaged in the phosphate mines, and yet they could not get employment because the mines had to be closed down in consequence of the war and on account of the inability of the operators to procure ships to transport the phosphates. The lumber industry in my State was hampered for quite a while.

The naval-stores industry was paralyzed and thousands and millions of dollars lost. So I say if we are going to attempt to make readjustments with our people on account of the misfortunes of war, we have quite an undertaking on hand; and if we are going to make a complete and a just restitution we should take into consideration the misfortunes which befell the agricultural interests and other interests in the various States throughout the Union, and not restrict it to three or four States.

Mr. BROOKHART. Mr. President, I can not feel that the Senator from Florida [Mr. TRAMMELL] has given due consideration to the importance of agriculture. I remember that when the railroads were turned back to their private owners we took a great many times $50,000,000 out of the Treasury of the United States, not to make up a deficit or a loss, but to make up profits to the railroads on their investment. Altogether, we have given them perhaps about $1,800,000,000 that they were not entitled to when we come to consider their relation to everything else.

Agriculture is about one-third of all the United States. About one-third of all the property wealth is invested in agriculture, and the last census shows that 51,000,000 of our people are agriculturists. Agriculture at this time is in a prostrate condition as a result of governmental action. It is a result of the Federal reserve deflation policy, which was a governmental action. It is a result of the high profits of the Steel Trust, the Sugar Trust, the Tobacco Trust, and all the other big combinations which agriculture must pay for what it uses in its business; and those high prices are promoted by tariff legislation, direct governmental action. The credit system of the United States, charging agriculture perhaps an average of at least 7 per cent interest when it ought to be not higher than 4 per cent, is built up under a system of enactments of the Government of the United States. Yet this great business, with its sixty billions of capital since it was deflated—more than eighty billions before—this great business, with all these people engaged in it is on the verge of bankruptcy. Practically every farmer in the United States at this moment is in fear of losing his home. These few States in the wheat-growing corner are the worst off of all.

I do not think this bill is a cure for the whole situation, or anything of the kind. I would rather have a great bill that did meet the whole situation, but I see no good chance of that. I hope we will amend the McNary-Haugen bill and pass it, following this bill. It is not in conflict with this emergency measure. Therefore I think, in view of the extravagant use of governmental money for other instrumentalities in this matter, that $50,000,000 is a little bit of a mite for these great States.

I desire to ask the Senator from Mississippi something about his amendment. I do not believe it was understood. As I understand the purpose of that amendment it is not to defeat this bill, but it is offered as a prelude to taking out that $25,000,000 item. Is that correct?

Mr. HARRISON. May I say to the Senator that whether the item of $25,000,000 which was added by the committee is adopted or not the amendment I have offered should be adopted, for the reason that there is a difference of opinion on the other side among Senators as to what is in the wheat area. Some say that the wheat area is North and South Dakota, Minnesota, Montana, and part of Wyoming. Nebraska might be construed as not being in the wheat area. Kansas or Iowa might be considered as not being in the wheat area. So I have included a proposition there putting it in the discretion of the Secretary of Agriculture, where the conditions warrant it, to make loans to farmers in other parts of the country outside of the wheat area.

Mr. BROOKHART. Does it include all crops, or is it based upon wheat crops in all parts of the country?

Mr. HARRISON. It includes country that is almost a one-crop country, and its purpose is to encourage diversification.

Mr. BROOKHART. Whether it is wheat or some other crop?

Mr. HARRISON. Whether it is wheat or cotton or what not. It is to encourage diversification where the farmers are in a very bad condition, leaving it in the discretion of the Secretary of Agriculture to make the advancements.

Mr. BROOKHART. Really, Mr. President, I can see no objection to that amendment, and can see no reason why it should defeat the whole bill if it is adopted.

Mr. WILLIS. Mr. President, I have already spoken on the amendment. I desire to speak for a minute or two on the bill, merely for the purpose of pointing out what seems to me to be two fundamental errors in the argument made by the Senator from Florida [Mr. TRAMMELL].

In the first place, it is not contemplated, as his remarks seem to contemplate, that whatever advances are here made are to be in the nature of gifts. The bill distinctly provides in section 2:

> Such advances, loans, or sales shall be made upon such terms and conditions and subject to such regulations as the Secretary may prescribe, including provision for the repayment thereof by amortization or otherwise, but no loan or advance shall be made for a period of more than five years from the date thereof.

In other words, it is not a gift at all; it is simply a loan, to be repaid. So it is unfair, or leads to an unfair conclusion, to say that we are proposing to take $50,000,000 and give it to somebody.

The second point, and it seems to me the fundamental one to be considered in favor of this bill without the amendments, is the fact that the condition by which the wheat farmers of the country have been confronted is a condition produced very largely by the Government of the United States itself. The Senator from Florida referred to the fact that fruit growers and vegetable growers experienced difficulties. No doubt; but that was incidental and unavoidable. In this particular case, however, the evil by which the wheat growers were confronted was in part, at least, due to legislation that was enacted by Congress in undertaking to fix the price of wheat, legislation about the wisdom of which I should have very serious doubts, but at all events the situation so far as it affects the wheat growers was different from that which affected other farmers.

Mr. TRAMMELL. Mr. President, I desire to offer an amendment to the amendment of the Senator from Mississippi [Mr. HARRISON]. I propose to strike out the words "where the conditions warrant it, as determined by the Secretary of Agriculture."

The PRESIDING OFFICER. The Senator from Florida offers an amendment to the amendment of the Senator from Mississippi, which will be stated by the Secretary.

The READING CLERK. It is proposed to strike from the modified amendment the words "where the conditions warrant it, as determined by the Secretary of Agriculture."

Mr. TRAMMELL. Mr. President, with the amendment I have proposed added, the amendment offered by the Senator from Mississippi would specify one group which would be entitled to benefits under this measure, and then would prescribe a general group to which benefits may be extended, and would not restrict it to the discretion of the Secretary of Agriculture to make further investigations and determining that question. In other words, Congress would specifically express itself in favor of two groups which would be entitled to the benefits under this measure, those within the wheat area and those not in the wheat area who are similarly situated; and I think that if we are to deal fairly with all sections of the country it should be so provided.

Of course, we know largely the history of this legislation. It is brought about by those who expect to get aid for the wheat areas and no one else. We have not heard of the Secretary of Agriculture suggesting any assistance to anybody else. As far as we know he does not maintain any particularly sympathetic attitude toward assisting farmers engaged in any other particular class of agriculture. I think Congress should make the bill include benefits to the farmers within the Cotton Belt, which would cover a great many of our Southern States, and in my own State we grew cotton rather extensively prior to the advent of the boll weevil. The industry is reviving considerably at the present time. By the way, we never got any assistance on account of the boll weevil devastating the farms throughout the northern part of my State for a period of years. Our farmers never received any assistance in diversifying their crops, and they needed it, and needed it just as sorely as do the wheat producers in the areas referred to in this bill. We have enjoyed our seasons of prosperity and plenty, but, on the other hand, we have at times suffered great loss.

In regard to the question of the payments to the railroads, which has been raised in the Senate, that is a question which should stand on its own merits. So far as I am concerned, when the legislation providing for the payments to the railroads was pending, I voted against the loans, and I voted against the payments which were made to the railroads. I also voted against giving them a guaranty. So no one can accuse me of any inconsistency in my attitude on that point. The whole trouble with the pending legislation is that it only provides for aid for a limited number of farms in only three or four States. It is the game of taxing the many for the benefit of the few. For every farmer you would aid you propose to tax 50 other farmers, thousands of whom were just as unfortunate as the few the bill would aid.

We are proposing to raise $50,000,000. We are proposing to lend it; and I believe even the friends of this idea do not contend that more than 60 or 75 per cent will ever be returned. I think in a large measure we will have a repetition of the history of the advances made to the arid-land projects in the West. Congress advanced millions and millions of dollars on account of arid-land reclamation; and, of course, every time an appropriation was made we heard that it was to be returned, but no very great percentage of the loans have been returned. Session after session we are called upon to enact legislation to relieve those people from the payments of interest for given periods.

After all, whether this is to be in the nature of a loan or an advance, or whatever it is to be, it means that the American people will have to furnish $50,000,000 for that purpose. That is what it means; and yet we are talking about tax reduction.

Practically every Senator who is going to vote for this has been heralded throughout the country as being in favor of tax reduction. Yet it resolves itself to this, that it is proposed that we tax the American people for the purpose of raising $50,000,000 to assist a group of citizens engaged in agriculture within 3 or 4 States, and I think that the people of the other 44 or 45 States have a little to say about it. We should deal with the people with equal justice, and afford to the farmers located within the other States the same privileges and advances and loans to recuperate from their disastrous misfortunes which we extend to the farmers in those 3 or 4 States.

I have always been sympathetic with agricultural interests. I have done all in my power for them in many respects, and I do not believe that the farmers of the country have a better friend in the United States Senate than myself; but when I am befriending farmers and agriculture I do not restrict my sympathy, my interest in them, and my desire to aid them to those of only 3 or 4 States and bar from the munificent provisions of legislation the agricultural interests of, say, 44 or 45 other States. The measure we are considering embraces just such form of discrimination. I think we should deal equitably and fairly with the agricultural interests generally, and not pick out just a few.

Of course, if these limited number had had a different experience from others, it would be a different question; but that is not true, as far as the misfortunes of the war are concerned. Much is said about the question of wheat prices during the war and what Congress did. I remember quite well that the wheat producers came here seeking a price-fixing law, and when they first came they were willing to accept less than the $2.20, at which figure the price was finally adjusted. I remember at first they said, "Give us a guaranty of $1.75 for wheat." Then the price of wheat advanced a little and they said $2, and finally it resulted in Congress enacting legislation fixing the minimum price of wheat, as I recall, at either $2.20 or $2.26.

Mr. SMITH. Two dollars and twenty cents.

Mr. TRAMMELL. That legislation was enacted at the request and under the inspiration of the agricultural interests of this country who were engaged in wheat production. Then, because wheat happened to go higher later on, they claimed as one of the misfortunes of war that they lost some money on some wheat following the war.

Down in my State we have thousands and thousands of people engaged in different agricultural pursuits who would have been delighted to have Congress fix minimum prices for the products of the farms of my State, instead of them suffering a loss throughout the entire period of the war, and for probably one or two years following the war. Yet, because those wheat farmers had that misfortune, they want the American people to raise $50,000,000 more, which we would take from the taxpayers of the 45 or 46 other States of the Union, and put the money down there to assist them.

I do not think we should discriminate in this way. I would like to help the farmers of the wheat area, but in justice I can not sit idly by and see the people of my State and of the dozens of other States taxed for the purpose of raising money to assist the wheat farmers when the pending bill discriminates against and refuses the same measure of relief to the people of my State.

The PRESIDING OFFICER. The time of the Senator has expired. The question is upon the amendment proposed by the Senator from Florida [Mr. TRAMMELL] to the amendment offered by the Senator from Mississippi [Mr. HARRISON].

Mr. REED of Missouri. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Adams	Fess	King	Reed, Mo.
Ball	Fletcher	Ladd	Reed, Pa.
Borah	Frazier	Lodge	Sheppard
Brookhart	George	McCormick	Shields
Bruce	Gerry	McKellar	Simmons
Bursum	Glass	McLean	Smith
Cameron	Gooding	McNary	Smoot
Capper	Hale	Moses	Stanfield
Copeland	Harris	Neely	Stephens
Couzens	Harrison	Norris	Swanson
Curtis	Howell	Oddie	Trammell
Dale	Johnson, Minn.	Pepper	Wadsworth
Dill	Jones, N. Mex.	Phipps	Walsh, Mass.
Edge	Jones, Wash.	Pittman	Walsh, Mont.
Edwards	Kendrick	Ralston	Warren
Ferris	Keyes	Ransdell	Willis

The PRESIDING OFFICER. Sixty-four Senators having answered to their names, there is a quorum present.

Mr. REED of Missouri. Mr. President, I would like to have the proposed amendment reported as offered by the Senator from Mississippi, together with the amendment which is offered to it by the Senator from Florida.

The PRESIDING OFFICER. The Secretary will read as requested.

The READING CLERK. The modified amendment offered by the Senator from Mississippi is as follows:

On page 1, line 4, after "United States," strike out down to and including line 3, on page 2, and insert in lieu thereof a comma and the following:

particularly in the wheat areas dependent almost entirely upon a single crop, resulting from the stimulation of production of a single crop during the recent war and aggravated during subsequent years by low yields and high costs of production, but also in other areas dependent almost entirely upon a single crop, where conditions warrant it, as determined by the Secretary of Agriculture, should be changed through the encouragement of a system of agriculture not dependent for its success upon a single crop, but one which would include the raising of livestock, such as dairy and beef cattle, hogs, sheep, poultry, and the products thereof.

The Senator from Florida proposes to amend the modified amendment by striking out the words "where conditions warrant it, as determined by the Secretary of Agriculture."

Mr. REED of Missouri. If the amendment of the Senator from Florida is agreed to, the amendment of the Senator from Mississippi would then read—

particularly in the wheat areas dependent almost entirely upon a single crop, resulting from the stimulation of production of a single crop during the recent war, and aggravated during subsequent years by low yields and high costs of production, but also in other areas dependent almost entirely upon a single crop, should be changed through the encouragement of a system of agriculture not dependent for its success upon a single crop, but one which would include the raising of livestock, such as dairy and beef cattle, hogs, sheep, poultry, and the products thereof.

The first remark I want to make is that in that form it would be the most remarkable specimen of the English language which has yet been engraven in the statute books of the United States. I think that sentence is without subject, predicate, or object as I hastily read it through. A clause is taken out of the middle of the amendment, leaving it in that condition.

Mr. TRAMMELL. Mr. President, the amendment of the Senator from Mississippi is not printed, and I had to read it hurriedly and prepare my amendment hastily. It may be that the whole provision will have to be rewritten. Of course, the Senator understands what I want to eliminate.

Mr. REED of Missouri. Yes; I do.

Mr. TRAMMELL. If I had a printed copy of the bill with the amendment before me, I could present the amendment to the amendment a little more artistically than I have done.

Mr. REED of Missouri. I am charging neither of the Senators with writing bad English, but when they collaborate together, the one in producing and the other in reducing, they have a residuum here that is a little mixed. I suggest to them that if they are going to offer the amendment in the form in which it is now proposed to be amended by the Senator from Florida it would be well to have a committee on style revise it.

Mr. President, I have watched with some curiosity and a little amusement the course of the debate. It reminds me of Hogarth's The Rake's Progress. It has been going from bad to worse. We start in with a proposition that we are going to aid a small section of the United States where wheat has been largely grown. We are going to do nothing for the wheat farmers outside of that section.

Immediately that point is raised it is seen at once that the wheat grower just outside of that particular territory which seems to be in the minds of the drafters of the bill is entitled to just the same treatment as the wheat grower inside of it. That is so logical that it is proposed to amend the bill to include all the wheat growers. Then it is immediately seen that to limit the measure to the wheat grower who has suffered and to cut out the man who has raised something else and has suffered is also inequitable and that the benefits of the bill should be extended to him. Of course it follows that then we ought to extend the benefits of the bill to anybody else who suffered misfortunes.

Incidentally why not extend the benefits of the bill equally to all the people of the United States by not levying taxes upon them all for the benefit of a certain particular portion of the community? The progress of the bill leads to that. You admit you have no right to help the wheat grower of a particular section and not of the other. You admit that there is no reason why the wheat grower should be singled out. But you now seek to extend the benefit to other products. You admit by these various steps that it is inequitable to distribute the money unless you distribute it equitably. You can not distribute it equitably unless you distribute it to everybody, and you have to take it from everybody to distribute it back to everybody.

The truth about the matter is that this is a piece of unconscionably vicious legislation. We talk here out of one corner of our mouths about economy in Government, about cutting down taxes, and then the first time there is a propaganda brought forward for the expenditure of a huge amount of money we proceed to vote the money out. Then we justify it by the singular logic I have heard advanced here that we have wasted money on other things, so why not waste some more? Having passed this bill, if we do pass it, it is an additional precedent for expending more money in a wasteful way, for we will then say, in addition to all the other waste we have indulged in, "Well, we gave $50,000,000 to the wheat farmer in addition to everything else, and now, therefore, we ought to disregard our duty here and give something to somebody else," and so keep on shoveling out the money at one side of the Treasury and grasping it from the people at the other and letting one wrong justify the doing of another wrong. That is where the logic ends, and it ought not to be heard in this Chamber. The thing to do now is to stop the waste of the people's money and not expend a dollar except where it is necessary to expend it for the proper purposes of the Government. Cut down our taxes, reduce our burdens, and stop attempting to make the United States Government a wet nurse for every unfortunate man there is in the land.

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Iowa?

Mr. REED of Missouri. I do. I have very little time, but I yield as much as I can.

Mr. BROOKHART. Does the Senator from Missouri think that the money given to the railroads was wasted?

Mr. REED of Missouri. I do not propose to discuss the merits of this question by measuring up the rights or wrongs of the question against the rights or wrongs of something that has already happened. That is a strange kind of logic. That is a good deal like saying that a man robbed you of your purse yesterday, and, hence, somebody has a right to rob you of your purse to-day. It is a good deal like saying you committed a crime yesterday, and, therefore, it is all right to commit another crime to-day. I can not go into the railroad question and the voting of money in comparison with the one before us. The two questions are not allied. There are many distinctions. I am not responsible for the railroad legislation. I voted against that measure.

The PRESIDING OFFICER. The time of the Senator from Missouri has expired.

Mr. HARRISON. Mr. President, in order that the minds of Senators may not be confused, I want to draw their attention to the fact that the bill carries two provisions for appropriations. One is for carrying out the purposes of the act in respect to wheat areas, for which there is appropriated $50,000,000, and another is for carrying out the purposes of the act with respect to other areas, for which there is appropriated $25,000,000. When we look at the proposition as originally presented it confines itself solely to wheat areas, and the language of the bill must be changed to conform to those provisions which attach to the appropriations. That is the sole object of the amendment I have offered.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Florida to the amendment of the Senator from Mississippi.

The amendment to the amendment was rejected.

Mr. HARRISON. The yeas and nays have been ordered on my amendment.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Mississippi upon which the yeas and nays have been ordered. The Secretary will call the roll.

The reading clerk proceeded to call the roll.

Mr. JONES of New Mexico (when his name was called). I transfer my general pair with the Senator from Maine [Mr. FERNALD] to the Senator from Alabama [Mr. HEFLIN], and vote "yea."

Mr. LODGE (when his name was called). I have a pair with the Senator from Alabama [Mr. UNDERWOOD]. I transfer that pair to the Senator from Vermont [Mr. GREENE], and vote "nay."

Mr. MOSES (when his name was called). I have a general pair with the junior Senator from Louisiana [Mr. BROUSSARD]. In his absence, I transfer my pair to the senior Senator from Maryland [Mr. WELLER], and vote "nay."

Mr. PHIPPS (when his name was called). I am paired with the junior Senator from South Carolina [Mr. DIAL], and therefore withhold my vote.

Mr. PITTMAN (when his name was called). I am paired with the senior Senator from Connecticut [Mr. BRANDEGEE] on this amendment. I understand that if he were present he would vote "nay," and, if at liberty to vote, I should vote "yea."

Mr. SIMMONS (when his name was called). I desire to inquire whether the junior Senator from Oklahoma [Mr. HARRELD] has voted?

The PRESIDING OFFICER. He has not.

Mr. SIMMONS. I have a pair with that Senator, and find I am unable to obtain a transfer. I will announce that if I were permitted to vote, I should vote "yea," but as I am not permitted to vote I shall withhold my vote.

I wish to announce, while on my feet, that my colleague, the junior Senator from North Carolina [Mr. OVERMAN], is detained from the Senate by reason of illness. If my colleague were present, he would vote "yea." He is paired, however, with the Senator from Wyoming [Mr. WARREN].

Mr. SMITH (when his name was called). I have a general pair with the Senator from South Dakota [Mr. STERLING]. I transfer that pair to the Senator from Arkansas [Mr. CARAWAY], and vote "yea."

Mr. WARREN (when his name was called). Again announcing my pair with the junior Senator from North Carolina [Mr. OVERMAN], I withhold my vote.

The roll call was concluded.

Mr. WALSH of Massachusetts. On this question I am paired with the junior Senator from Wisconsin [Mr. LENROOT]. I transfer that pair to the junior Senator from Delaware [Mr. BAYARD], and will vote. I vote "nay."

Mr. McCORMICK. I have a standing pair with the Senator from Oklahoma [Mr. OWEN]. I am unable to transfer my pair, and therefore withhold my vote.

Mr. CURTIS. I desire to announce that the junior Senator from Kentucky [Mr. ERNST] is paired on the pending amendment with the senior Senator from Kentucky [Mr. STANLEY].

The result was announced—yeas 15, nays 49, as follows:

YEAS—15.

Brookhart	Fletcher	Mayfield	Smith
Bursum	Harris	Ralston	Stephens
Cameron	Harrison	Sheppard	Trammell
Dill	Jones, N. Mex.	Shipstead	

NAYS—49.

Adams	Fess	King	Reed, Pa.
Ball	Frazier	Ladd	Shields
Borah	George	Lodge	Shortridge
Bruce	Gerry	McKellar	Smoot
Capper	Glass	McLean	Spencer
Colt	Gooding	McNary	Stanfield
Copeland	Hale	Moses	Swanson
Couzens	Howell	Norris	Wadsworth
Curtis	Johnson, Minn.	Oddie	Walsh, Mass.
Dale	Jones, Wash.	Pepper	Walsh, Mont.
Edge	Kendrick	Ransdell	Watson
Edwards	Keyes	Reed, Mo.	Willis
Ferris			

NOT VOTING—32.

Ashurst	Ernst	McCormick	Robinson
Bayard	Fernald	McKinley	Simmons
Brandegee	Greene	Neely	Stanley
Broussard	Harreld	Norbeck	Sterling
Caraway	Heflin	Overman	Underwood
Cummins	Johnson, Calif.	Owen	Warren
Dial	La Follette	Phipps	Weller
Elkins	Lenroot	Pittman	Wheeler

So Mr. HARRISON's amendment was rejected.

Mr. HARRISON. Mr. President, of course I appreciate the fact that there are many committees at work, and for that reason Senators can not remain continuously on the floor of the Senate. Consequently they sometimes come in and, asking some other Senator what is the question before the Senate, vote hastily and without due consideration of the pending matter.

I desire, however, to call the attention of the Senate to the meaning of the vote which has just been taken. Here is a bill about which Senators from the wheat section differ as to whether its provisions will apply to only four States or five States or six States. Nearly all of them agree that it does not apply to Kansas, for instance; that it does not apply to Nebraska, for instance; that it would not apply, perhaps, to Idaho; and yet, when I seek to amend and clarify the proposition by stating in an amendment that where farmers of those States are pressed down by such conditions they should have the same opportunity as farmers who live, perhaps, in Minnesota or North Dakota or Montana to get a thousand dollars in order to diversify their farming I see Senators representing those States vote against the amendment that would permit those farmers to come here and secure relief under the provisions of the bill.

I see the Senators from Kansas take that position and vote against the amendment; I see the Senators from Idaho take that position; I see the Senators from Oregon take that position; I see the Senators from Nebraska taking that position, and also Senators from Ohio taking that position, and on down the line, as the RECORD will reveal. Perhaps those Senators will answer to their constituents next November why it was when they had an opportunity by voting for an amendment which if adopted would provide that the farmers of their States who are in distress, perhaps just as much so as the farmers who live in the wheat area, should have this relief, they did not vote for the amendment which would give them the permission to come to the Secretary of Agriculture, make their application for a thousand dollars, and get the money.

Mr. BORAH. Mr. President, the Senator from Idaho will say that he is prepared to apply the same rule against the farmers of Idaho that he has just applied against the farmers of Mississippi. I am against the bill and all amendments to it, because I do not believe the bill, if it becomes a law, will help the farmers; and it will be used to defeat other bills, such as the McNary bill, which, if enacted, will help the farmers.

Mr. McCORMICK. May I ask if I have heard the first lamentation over the dissolution of the farm bloc?

Mr. HARRISON. If the Senator from Illinois would stay here and not be aroused so much by the opposition back in Illinois, he would know what the farm bloc is doing; but I noticed the Senator from Illinois did not vote upon my amendment at all. I do not know what he will say to the farmers of Illinois when he returns to take up his campaign in that State.

The PRESIDING OFFICER. The Secretary will state the first committee amendment.

The READING CLERK. In section 2, on page 3, line 4, before the word "loans," and on the same page, line 11, after the word "opportunity," it is proposed to strike out the parentheses; in line 12, before the word "who," to strike out "farmers" and insert "any farmer"; in the same line, after the word "who," to strike out "have" and insert "has"; in line 14, after the word "upon," to strike out "their" and insert "his"; and on page 4, line 9, after the word "and," to strike out "transportating" and insert "transporting," so as make the section read:

SEC. 2. That from the approval of this act and until June 30, 1926, the Secretary of Agriculture shall be empowered and authorized to make advances or loans to farmers, as defined and limited in this section, in a sum not exceeding $1,000 for the purchase of livestock, including dairy and beef cattle, hogs, sheep, and poultry suitable for the development of a system of agriculture as contemplated by the purposes of this act. The Secretary may purchase such livestock and supply same to the borrower at cost; such advances, loans, or sales shall be made upon such terms and conditions and subject to such regulations as the Secretary may prescribe, including provision for the repayment thereof by amortization or otherwise, but no loan or advance shall be made for a period of more than five years from the date thereof, and all loans shall bear interest at a rate not to exceed 6 per cent per annum and shall be secured by lien on the livestock obtained through the means thereof and upon all the natural increase of such livestock, which said lien shall have priority in payment over all other liens on such livestock and their natural increase.

For the purposes of this act a farmer is defined as a person engaged in and dependent upon agriculture for the support of himself and his family whether in the capacity of owner, tenant, or cropper. Loans and advances shall be made only to such farmers in the wheat areas of the country as are not reasonably able through their own resources or through existing credit facilities to initiate upon their farms a system

of diversified farming, but who show their willingness to enter upon such an undertaking and who may be reasonably expected to develop such a system if given aid and opportunity. No loan shall, however, be made to any farmer who has overdue principal and interest or general obligations likely to result in early foreclosure of mortgages or other liens upon his farm lands or necessary farm equipment unless extension shall be granted by his creditors in such form as will give him a reasonable opportunity to work out his future and to get an ultimate benefit from such loan. The application for a loan or advance shall include an agreement by each farmer to use the proceeds thereof for the purchase of livestock as contemplated by the provisions of this act.

The Secretary shall avail himself of such information as can be furnished by the agricultural colleges of the various States and other agricultural authorities and agencies, including also the Federal land bank system and the intermediate credit system, in determining what may be appropriate systems of agriculture for a given area and for information with reference to all related subjects. The Secretary shall arrange with county boards, county commissioners, or other local advisory committees or agencies for initial assistance and subsequent supervision as it may deem proper to promote the efficient accomplishment of the purposes of this act and may do all things necessary in locating, purchasing, and transporting the required suitable livestock. The Secretary may also, in his discretion, utilize agencies existing at State agricultural colleges, including cooperative agricultural extension forces, to assist him in carrying out the provisions of this act and may reimburse such colleges for the necessary expenses incurred at the request of the Secretary: *Provided*, That regular employees of agricultural colleges or cooperative extension workers shall not be authorized to pass upon applications for loans, nor shall they be utilized in other than a general advisory capacity in the purchase of livestock: *Provided further*, That there shall be no preference for or discrimination against members of any farm organization in carrying out the provisions of this act.

The amendment was agreed to.

The next amendment was, in section 3, on page 4, after line 21, to strike out "That for carrying out the purposes of this act, it is hereby authorized to be appropriated the sum of $50,000,000, of which not more than $20,000,000 shall become available during the present fiscal year, not more than $20,000,000 during the fiscal year ending June 30, 1925, and not more than $10,000,000 during the fiscal year ending June 30, 1926, but any portion so authorized to be appropriated and remain available for the ensuing fiscal year. When made available said amounts may be paid to the Secretary from time to time as he may certify its requirements to the Secretary of the Treasury of payments from borrowers whether of principal or interest made during the period in which the Secretary exercises his loaning powes are to be credited by the Treasury to the Secretary and may be expended by the Secretary within the purposes of this act," and insert:

That for carrying out the purposes of this act in respect of wheat areas there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $50,000,000, of which $20,000,000 shall be available during the fiscal year ending June 30, 1924, $20,000,000 during the fiscal year ending June 30, 1925, and $10,000,000 during the fiscal year ending June 30, 1926, but any amount so appropriated for and not expended during any such fiscal year shall remain available for expenditure until June 30, 1926.

For carrying out the purposes of this act in respect of other areas, there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $25,000,000, of which $10,000,000 shall be available during the fiscal year ending June 30, 1924, and $15,000,000 during the fiscal year ending June 30, 1925, but any amount so appropriated for and not expended during any such fiscal year shall remain available for expenditure until June 30, 1926.

Mr. REED of Missouri. I inquire what the question is, Mr. President?

The PRESIDING OFFICER. The question is on the adoption of the committee amendment to strike out and insert.

Mr. REED of Missouri. Have the words proposed to be substituted been read?

The PRESIDING OFFICER. The Secretary has just completed reading the proposed substitute.

Mr. REED of Missouri. Mr. President, I call attention to the fact that this appropriation runs for two years in the future. Nobody can tell anything about what the conditions will be then; $20,000,000 can be expended up to June of this year, $20,000,000 next year, and $10,000,000 the year after that.

If this is an emergency, if some people in that country are suffering, if we are giving this out to afford temporary relief, it seems to me utterly indefensible to make provision for the appropriation of money to be expended two years from this date. If these people are suffering, they are suffering now. If they need help, they need it this year; and we could very well afford, even if we were going to give them help for this year, if that was concluded to be wise, to leave to the next Congress the appropriations for succeeding years.

It seems to me there is absolutely no defense whatever that can be made of a proposition to appropriate now money to be expended three years from now, when in the meantime Congress will be in session; so I move to strike out of the committee amendment all after the figures "1924," in line 16, all of the remainder of the paragraph down to and including line 21.

The PRESIDING OFFICER. The Senator from Missouri offers an amendment to the committee amendment, which will be stated.

The READING CLERK. On page 5, commencing on line 16, it is proposed to strike out:

Twenty million dollars during the fiscal year ending June 30, 1925, and $10,000,000 during the fiscal year ending June 30, 1926, but any amount so appropriated for and not expended during any such fiscal year shall remain available for expenditure until June 30, 1926.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Missouri to the committee amendment.

Mr. REED of Missouri. On that I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. JONES of New Mexico (when his name was called). Making the same announcement as on the previous vote as to my pair, I vote "nay."

Mr. LODGE (when his name was called). Making the same announcement of my pair as before, I vote "nay."

Mr. MOSES (when his name was called). Repeating the announcement of my pair and its transfer as on the previous ballot, I vote "nay."

Mr. SIMMONS (when Mr. OVERMAN'S name was called). I make the same announcement that I have heretofore made with reference to my colleague [Mr. OVERMAN].

Mr. PHIPPS (when his name was called). Repeating the announcement made on the previous vote, I withhold my vote.

Mr. SMITH (when his name was called). Announcing the same pair and transfer as before, I vote "nay."

Mr. WALSH of Massachusetts (when his name was called). Making the same announcement as before, I vote "yea."

Mr. WARREN (when his name was called). Repeating the announcement of my pair, I withhold my vote.

The roll call was concluded.

Mr. McCORMICK. Making the same announcement as before, I withhold my vote.

Mr. PITTMAN. I have a pair with the senior Senator from Connecticut [Mr. BRANDEGEE]. I therefore withhold my vote.

Mr. CURTIS. I desire to announce that the junior Senator from Kentucky [Mr. ERNST] has a general pair with the senior Senator from Kentucky [Mr. STANLEY].

The result was announced—yeas 22, nays 38, as follows:

YEAS—22.

Adams	Ferris	McKellar	Stephens
Borah	Fletcher	Reed, Mo.	Swanson
Bruce	George	Reed, Pa.	Trammell
Couzens	Glass	Shields	Walsh, Mass.
Edge	Howell	Simmons	
Edwards	King	Smoot	

NAYS—38.

Bursum	Gooding	McLean	Shipstead
Cameron	Hale	McNary	Smith
Capper	Harreld	Mayfield	Spencer
Copeland	Harrison	Moses	Stanfield
Curtis	Johnson, Minn.	Neely	Wadsworth
Dale	Jones, N. Mex.	Norris	Walsh, Mont.
Dill	Jones, Wash.	Oddie	Watson
Fess	Kendrick	Pepper	Willis
Frazier	Ladd	Ralston	
Gerry	Lodge	Sheppard	

NOT VOTING—36.

Ashurst	Dial	La Follette	Ransdell
Ball	Elkins	Lenroot	Robinson
Bayard	Ernst	McCormick	Shortridge
Brandegee	Fernald	McKinley	Stanley
Brookhart	Greene	Norbeck	Sterling
Broussard	Harris	Overman	Underwood
Caraway	Heflin	Owen	Warren
Colt	Johnson, Calif.	Phipps	Weller
Cummins	Keyes	Pittman	Wheeler

So the amendment of Mr. REED of Missouri to the amendment of the committee was rejected.

Mr. WARREN. Mr. President, earlier in the consideration of the bill I sent to the desk two necessary amendments. The first one is, on line 13, page 5, after the word "hereby," to insert "authorized to be," so that it will be authorized to be appropriated.

The PRESIDING OFFICER. The Senator from Wyoming offers an amendment to the committee amendment, which will be stated by the Secretary.

The READING CLERK. On page 5, line 13, before the word "appropriated," it is proposed to insert the words "authorized to be."

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Wyoming to the amendment of the committee.

Mr. HARRISON. Mr. President, what does this amendment propose to do—to make an authorization instead of making an appropriation?

Mr. WARREN. The bill as it was originally drawn authorized the appropriation of the money, as such bills always are drawn and always should be drawn. If the Senator will look on page 4, line 23, he will see the words "is hereby authorized to be appropriated."

Mr. HARRISON. Yes.

Mr. WARREN. We are now legislating, and, of course, the Committee on Appropriations appropriates under these bills. It should read, "is hereby authorized to be appropriated," with an appropriation to follow.

Mr. HARRISON. May I ask the Senator from North Dakota [Mr. LADD] whether he agrees to that amendment? That was a question which came up in the committee, and the committee recommended an appropriation instead of an authorization. I am just wondering if the Senator agrees to it.

Mr. LADD. Mr. President, I should not object to it in this particular place, but I am going to suggest that we vote against the committee amendment. The committee amendment was inserted because the Senator from Mississippi [Mr. HARRISON] was very anxious to have the $25,000,000 included. I did not want to see the bill defeated in the committee and I consented to put it in; but I am convinced now that it is unwise, and I suggest that we vote in this case against the committee amendment and carry it back to the language of the original bill.

Mr. WARREN. Mr. President, as I understand the Senator, he wishes to strike out all of this language in italics and reinstate the former language?

Mr. LADD. I do.

Mr. WARREN. That would take out the language that I have asked to amend; and I dare say that to amend it as I have proposed would still leave it open to striking out, as the Senator has suggested.

Mr. HARRISON. Mr. President, I move that this bill be recommitted to the Committee on Agriculture and Forestry, and on that motion I ask for the yeas and nays.

The PRESIDING OFFICER. The Senator from Mississippi moves that the bill be recommitted to the Committee on Agriculture and Forestry, and on that motion he asks for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. JONES of New Mexico (when his name was called). I transfer my pair with the senior Senator from Maine [Mr. FERNALD] to the junior Senator from Montana [Mr. WHEELER] and vote "nay."

Mr. LODGE (when his name was called). Making the same announcement of the transfer of my pair as before, I vote "nay."

Mr. MOSES (when his name was called). Repeating the announcement of my pair and its transfer, I vote "yea."

Mr. PHIPPS (when his name was called). Making the same announcement of my pair as before, I withhold my vote.

Mr. PITTMAN (when his name was called). Making the same announcement as before regarding my pair, I withhold my vote.

Mr. REED of Pennsylvania (when his name was called). I have a general pair with the junior Senator from Delaware [Mr. BAYARD], but I am advised that if he were here he would vote as I intend to vote. Therefore I feel free to vote. I vote "yea."

Mr. SMITH (when his name was called). Making the same announcement as before as to my pair, I withhold my vote.

Mr. WALSH of Massachusetts (when his name was called). Making the same announcement as before concerning the transfer of my pair, I vote "yea."

The roll call was concluded.

Mr. CURTIS. I desire to announce that the junior Senator from Kentucky [Mr. ERNST] is paired with the senior Senator from Kentucky [Mr. STANLEY].

Mr. McCORMICK. Making the same announcement as before, I withhold my vote.

The result was announced—yeas 27, nays 33, as follows:

YEAS—27.

Ball	Fletcher	McKellar	Spencer
Borah	George	Moses	Stephens
Bruce	Gerry	Pepper	Swanson
Couzens	Gooding	Reed, Mo.	Trammell
Edge	Harrison	Reed, Pa.	Wadsworth
Edwards	Howell	Shields	Walsh, Mass.
Ferris	King	Simmons	

NAYS—33.

Adams	Fess	Lodge	Shipstead
Brookhart	Frazier	McLean	Smoot
Bursum	Hale	McNary	Stanfield
Cameron	Harreld	Neely	Walsh, Mont.
Capper	Johnson, Minn.	Norris	Watson
Copeland	Jones, N. Mex.	Oddie	Willis
Curtis	Jones, Wash.	Ralston	
Dale	Kendrick	Ransdell	
Dill	Ladd	Sheppard	

NOT VOTING—36.

Ashurst	Ernst	Lenroot	Robinson
Bayard	Fernald	McCormick	Shortridge
Brandegee	Glass	McKinley	Smith
Broussard	Greene	Mayfield	Stanley
Caraway	Harris	Norbeck	Sterling
Colt	Heflin	Overman	Underwood
Cummins	Johnson, Calif.	Owen	Warren
Dial	Keyes	Phipps	Weller
Elkins	La Follette	Pittman	Wheeler

So the Senate refused to recommit the bill.

The PRESIDING OFFICER. The question now is upon the amendment offered by the Senator from Wyoming [Mr. WARREN] to the committee amendment.

The amendment to the amendment was agreed to.

Mr. WARREN. I offer the same amendment, to be inserted on line 23, page 5.

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. On page 5, line 23, before the word "appropriated," insert the words "authorized to be."

The amendment to the amendment was agreed to.

Mr. BURSUM. Mr. President, I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The question first is on the amendment of the committee to strike out section 3 and insert the italics to line 5, page 6, as amended.

Mr. NORRIS. On that I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. LADD. Mr. President, I suggest that this committee amendment be not approved.

Mr. FLETCHER. We can not hear the Senator.

Mr. LADD. I suggest that those who are in favor of the bill vote against the committee amendment, and that would carry it back to its original form.

Mr. HARRISON. As I understand it, this latter proposition already has been adopted. Both the appropriations have been changed to authorizations. I understand the amendments offered by the Senator from Wyoming have been adopted, and that the Senator from New Mexico has offered an amendment upon which the yeas and nays have been ordered.

The PRESIDING OFFICER. No; the Senator from Mississippi is mistaken. The Senate has not passed upon the committee amendment as amended by the amendments offered by the Senator from Wyoming. That question is now being submitted to the Senate.

Mr. HARRISON. The Senator from North Dakota is not seeking to knock out this $25,000,000 for the areas other than the wheat area, is he?

Mr. LADD. I am seeking to go back to the section of the bill as originally introduced.

Mr. WADSWORTH. Mr. President, I may be guilty of making an impertinent inquiry, but do I understand now, and is the Senate to understand, that the Committee on Agriculture and Forestry is requesting the Senate to reject a committee amendment?

Mr. LADD. That is what I suggested, that the committee amendment be rejected, and that will carry it back to the lines which are crossed out.

Mr. WADSWORTH. I assume, then, the Senator speaks for the committee?

Mr. LADD. I do not know that we have had a committee meeting, but I know that this is the consensus of many of the committee; not all.

Mr. HARRISON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state his inquiry.

Mr. HARRISON. Carrying out that suggestion, then, the Senate would vote down everything on page 5, including

lines 12 to 25, and on page 6 down to and including line 5, would it?

The PRESIDING OFFICER. That is the way the Chair understands it. The committee has stricken out section 3 and proposes a substitution, which goes down to section 4, and now the question is on adopting the committee amendment.

Mr. HARRISON. I merely desire to say that of course many Senators realizing that they made a mistake before when they voted to give to these wheat areas opportunities that they were not willing to give to the farmers in their own section they have a right now to vote to give their farmers an opportunity to get something. Of course, in voting to strike this provision down you are voting against your own farmers. I merely suggest that.

Mr. REED of Missouri. Mr. President, I am a little curious to know just what kind of proceedings we are inaugurating. The Committee on Agriculture and Forestry meet and amend the bill, and report a bill as the action of the committee. In that way it gets before the Senate. Then we are told by one of the members of that committee that the reason they permitted one particular amendment in the committee was in order to get the bill reported, that there were some people in the committee who would not vote for the bill without the amendment, and consequently, not being able to report the bill without the votes of those members, they inserted an amendment which would satisfy those gentlemen, and got them to vote for the report of the committee by putting in the amendment.

Having gotten the bill before the Senate in that way, they now "double cross" their associates, if I may use the expression in this dignified body, and say that they are going now to ask that the thing they did in order to get a report shall be undone in the Senate. Is that to be the new style of ethics we are to have here? It seems to me that if this bill got here by any such means as that it ought to go back to the committee, and we ought to find out what the committee means.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Idaho?

Mr. REED of Missouri. I yield.

Mr. BORAH. I am not so much interested in how the bill got here as I would like to know how one is to vote who is against the bill. I am rather dazed on this subject.

Mr. REED of Missouri. It seems to be a question of "pork." There is one group of gentlemen who want $50,000,000 for their section and do not want anybody else to have anything. There is another group of gentlemen who could not vote for that sort of a measure unless they could solace their conscience—and their constituency—by having a provision that their constituency should get something also. Of course the question as to the fairness of the division does not appear to enter into it. About four States are to get $50,000,000, and about 44 States are to get $25,000,000. Nevertheless, the committee arranged to distribute that $25,000,000 to the 44 States in order to get some help from some of the Representatives of those 44 States, who were willing to take the rind while the other gentlemen took the bacon.

Then we have the astonishing statement that that sort of a game was played to get the bill into the Senate. In the 12 years I have been in the Senate I never before heard such a statement made. What a pitiful thing it is to find men who, instead of passing upon these questions upon their merits, are passing upon them upon the basis of how much they are to get in their part of the country, and what a defenseless bill you have here that is put forward with the cry that there is an immediate emergency, that it is almost a case of charity to help people over a present distress, and you propose to expend some fifty or sixty million dollars, not this year, but next year and the following year. If we pursue this sort of policy we can bankrupt this Government, we can keep adding to the burden of taxation. If we are to take care of this condition which happens to exist in the Northwest, then why not take care of everybody in this country who has suffered by reason of the war? Why not take care of everybody who suffered by reason of a drouth? Why not take care of everybody who has made an improvident investment? If any man in the Northwest or elsewhere ought to have been raising cattle when he was only raising wheat that was his mistake. The people in my State who have raised wheat and who have raised all other farm products are suffering. The farmers are not starving, but they have suffered great losses.

It is proposed to tax the people of my section of the country who did have diversified farming for the benefit of those who saw fit to put their eggs all in one basket. Then it is proposed to tax the people all over the United States who are engaged in enterprises which they have made successful or partially successful, or in which they have failed, for the benefit of a few people in the United States. That is paternalism run mad. It will not even carry you on in the election. If the Government is to do things of this kind, there is no end and no limit. The Government ought to constitute itself a guardian ad litem for every misadventure there is in the United States. When we get down to the final argument on this question we always go back to the claim that we did something of a bad character in the past. If we did, it is time to stop it right now.

Mr. NORRIS. Mr. President, being a member of the committee who voted against the amendment in the committee, and representing here a constituency that will not get a dollar under the provisions of the bill, I think I can consistently come to the defense of those who believe that the amendment of the committee ought to be defeated. The bill was framed on a certain condition that, in my judgment and in the judgment of the committee, was fully established before the committee, to meet a certain condition which I fully explained once before and which I am not going to explain now. Then came the committee amendment on which we are now about to vote. It does not comply with the theory of the bill at all. It proposes an appropriation of $25,000,000 in addition and in no sense carries out the theory of the bill.

I am not criticizing any Senator who believes that our theory is wrong. As I said, I was against it in the committee. We had hearings, and those who appeared before the committee convinced me and convinced the committee. The amendment was not put on until after long deliberation by the committee in executive session on other amendments that have already been agreed to. It was offered then when there was nothing else left at the succeeding day, after we had worked all day on the bill and came together again, and it was voted in without five minutes of consideration. A majority of the committee voting for it, it was put in and of course became a committee amendment. I do not know of anything, and there was nothing said, at least in the committee, to show that anyone voted for the amendment because he thought it would help to pass the bill when it got into the Senate. Whether any member of the committee had such an idea I have no knowledge and say nothing in regard to it. The facts are that it went in and became a committee amendment.

I announced at the beginning that if the amendment, together with other amendments and one still to be offered, should be agreed to, they were completely at variance with the theory that was had in drafting the bill and in bringing it before the Senate. Therefore, it seems to me that if we want to carry out the provisions of the bill we ought to defeat the amendment.

I ought to add that the defeating of the amendment, even if the bill is passed, will save $25,000,000 to the Treasury of the United States. It will make the bill appropriate $50,000,000 instead of $75,000,000. The $25,000,000, as the Senator from Mississippi [Mr. HARRISON] has said, would apply to the entire country. Everybody knows that that would not amount to anything, and that it would take a good many times $25,000,000 if we are going to help everybody who has lost money in agriculture by reason of the war. I can not see any reason for it unless we discard entirely the theory of those who have drafted the bill, and arrange a bill to pay money to everybody who has lost money in agriculture. That was not the idea of those who favored the bill. It seems to me, therefore, that the committee amendment ought to be defeated.

Mr. LODGE. Mr. President, I think there is some misunderstanding about the vote which is about to be taken. The vote is to be taken on the committee amendment. Those who desire to retain the language in the bill will vote "yea," and those who desire to strike it out will vote "nay." Am I not correct?

The PRESIDING OFFICER. The committee amendment strikes out a part of the original text of the bill and substitutes other language. A vote "yea" will strike out and insert. A vote "nay" will retain the original language of the bill.

Mr. HARRISON. Mr. President, may I say——

Mr. NORRIS. I am perfectly willing to ask unanimous consent for the Senator to talk again on the amendment. He has already spoken once.

Mr. HARRISON. I have not spoken on the pending amendment.

Mr. NORRIS. The Senator has not?

Mr. HARRISON. No. I talked on the amendment which I offered and which was defeated, and I talked 10 minutes on the bill, but I have not talked on the pending amendment.

The PRESIDING OFFICER. The Senator from Mississippi talked on the amendment offered by the Senator from Wyoming to the amendment, and is entitled to speak on the pending amendment.

Mr. HARRISON. I do not want a false impression to get out with reference to the Senator from North Dakota [Mr. LADD]. In the Committee on Agriculture and Forestry the Senator from North Dakota was opposed to the $25,000,000 amendment, the same as the Senator from Nebraska [Mr. NORRIS]. The majority of the committee, however, were in favor of it. May I say that the overwhelming majority of the committee were in favor of the legislation. I do not think that the amendment being incorporated in the bill influenced or helped to get the bill out of the committee. It would have been reported out of the committee whether the amendment increasing the amount $25,000,000 had been adopted or not. I pointed out to the committee, when I presented the amendment in the committee, that there were certain people suffering in my section of the country, for instance, not because of an overproduction of crops but because of the ravages of the boll weevil that left the farmers, who in previous years had raised 42 bales of cotton on their farms, with only 2 bales of cotton last year, and that they were one-crop farmers, and they have the same right to relief as have the wheat farmers in the wheat section of the country where conditions warrant it, whether it was in the Northwest or in New England or anywhere else in the country. That was the sole object in presenting my amendment.

I merely rose to say that the Senator from North Dakota has acted in good faith throughout. He opposed the amendment in the committee and he has opposed it here. I never expected him to be in favor of the amendment. The amendment had no influence at all in getting the bill reported to the Senate.

Mr. NORRIS. Mr. President, will the Senator permit me to interrupt him?

Mr. HARRISON. Certainly.

Mr. NORRIS. I wish merely to state that the Senator from Mississippi has stated the facts accurately as I understand them.

Mr. HARRISON. May I say further that the amendment which I offered this morning was to clarify the language of the bill. The amendment I offered would have been a necessary amendment had the $25,000,000 provision, which is now sought to be stricken from the bill, been incorporated originally in the bill. When my amendment was defeated, which it was overwhelmingly, I realized that it carried with it the defeat of the $25,000,000 provision that is to be voted on now, because if the $25,000,000 provision should be retained in the bill we must go back and incorporate in the bill my amendment that was voted on and defeated earlier in the day.

Mr. NORRIS. Mr. President, may I interrupt the Senator again?

Mr. HARRISON. Certainly.

Mr. NORRIS. The Senator will remember that when he offered his amendment I suggested that we should vote on the committee amendment first.

Mr. HARRISON. Yes.

Mr. NORRIS. I did that because I thought if this language stayed in the bill, then the other amendments were necessary. I agree with the Senator that if the amendment stays in we ought to adopt the other amendment which the Senator has offered, and which was defeated.

Mr. HARRISON. Absolutely.

Mr. COPELAND. I would like to ask the Senator from Mississippi if he has overlooked the title of the bill, which is as follows:

A bill to promote a permanent system of self-supporting agriculture in regions adversely affected by the stimulation of wheat production during the war, etc.

I take it that is to give relief in a territory where they are now without financial credit and can not get it.

Mr. HARRISON. That was the object of the bill, but there are certain sections of the country that are in a condition just as deplorable as the wheat areas, and those persons should have the same opportunities under the bill to get the money as these other people.

Mr. COPELAND. I agree perfectly with the Senator from Mississippi, but there should be another bill for that purpose. This bill was for the specific purpose of relieving the conditions in the wheat-growing section of the country.

Mr. GLASS. Does not the Senator from New York think that if we get many more bills of this nature here we would have to present a bill to increase rather than decrease taxes?

Mr. COPELAND. Oh, undoubtedly.

The PRESIDING OFFICER. The question is on the committee amendment, on which the yeas and nays have been ordered. Those in favor of the adoption of the committee amendment will vote "yea" and those opposed to the adoption of the committee amendment will vote "nay." The Secretary will call the roll.

The reading clerk proceeded to call the roll.

Mr. JONES of New Mexico (when his name was called). Making the same announcement regarding my pair as upon the previous vote, I transfer that pair to the Senator from Montana [Mr. WHEELER] and vote "yea."

Mr. LODGE (when his name was called). Making the same announcement as before, I vote "nay."

Mr. MOSES (when his name was called). Repeating the announcement of my pair as previously made, I vote "nay."

Mr. PHIPPS (when his name was called). Making the same announcement as before in reference to my pair, I withhold my vote.

Mr. PITTMAN (when his name was called). I am paired with the senior Senator from Connecticut [Mr. BRANDEGEE]. I understand if present he would vote "nay." If permitted to vote, I should vote "yea." In his absence I withhold my vote.

Mr. REED of Pennsylvania (when his name was called). Making the same announcement as before in relation to my pair and its transfer, I vote "nay."

Mr. SMITH (when his name was called). Transferring my pair with the Senator from South Dakota [Mr. STERLING] to the Senator from Alabama [Mr. HEFLIN], I vote "yea."

Mr. WALSH of Massachusetts (when his name was called). Making the same announcement as before relative to my pair and its transfer, I vote "nay."

Mr. WARREN (when his name was called). Making the same announcement as before as to my pair, I withhold my vote.

The roll call was concluded.

The result was announced—yeas 12, nays 52, as follows:

YEAS—12.

Bursum	Harrison	Mayfield	Smith
Dill	Jones, N. Mex.	Ralston	Stephens
George	McNary	Sheppard	Trammell

NAYS—52.

Adams	Ferris	Keyes	Reed, Mo.
Ball	Fess	King	Reed, Pa.
Borah	Fletcher	Ladd	Shields
Brookhart	Frazier	Lodge	Shipstead
Bruce	Gerry	McKellar	Smoot
Cameron	Glass	McKinley	Spencer
Capper	Gooding	McLean	Stanfield
Copeland	Hale	Moses	Swanson
Couzens	Harreld	Neely	Wadsworth
Curtis	Howell	Norris	Walsh, Mass.
Dale	Johnson, Minn.	Oddie	Walsh, Mont.
Edge	Jones, Wash.	Pepper	Watson
Edwards	Kendrick	Ransdell	Willis

NOT VOTING—32.

Ashurst	Elkins	Lenroot	Shortridge
Bayard	Ernst	McCormick	Simmons
Brandegee	Fernald	Norbeck	Stanley
Broussard	Greene	Overman	Sterling
Caraway	Harris	Owen	Underwood
Colt	Heflin	Phipps	Warren
Cummins	Johnson, Calif.	Pittman	Weller
Dial	La Follette	Robinson	Wheeler

So the committee amendment was rejected.

The PRESIDING OFFICER. The Secretary will state the next committee amendment.

The next committee amendment was, on page 6, after line 5, to insert a new section as follows:

SEC. 4. The Secretary is authorized to provide by regulation or otherwise for the repayment or collection of all amounts, including interest, in respect of any sale, advance, or loan made under the provisions of this act. There is hereby established in the Treasury a fund to be known as the "livestock loan fund," and all such amounts repaid or collected shall be covered into such fund, and are reserved, set aside, and appropriated, to be available until June 30, 1926, for the use of the Secretary in accordance with the provisions of this act. After June 30, 1926, all amounts remaining in such fund, and all amounts, including interest, repaid or collected in respect of any such sale, advance, or loan, shall be covered into the Treasury as miscellaneous receipts.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The next committee amendment will be stated.

The SECRETARY. The next committee amendment is, on page 6, to renumber section 4, making it section 5.

The amendment was agreed to.

The next committee amendment was, on page 7, to renumber section 5, making it section 6.

The amendment was agreed to.

Mr. WALSH of Montana. Mr. President, there is a very considerable portion of the pending bill which, to my mind, has little, if any, significance whatever. If I may have the attention of the Senator from North Dakota [Mr. LADD], I desire to say that I refer to the portion of section 2 commencing in line 22, on page 2, down to and including line 21, on the next page.

Mr. LADD. I will be glad to hear the suggestions of the Senator from Montana.

Mr. WALSH of Montana. The portion of the bill to which I refer reads as follows:

The Secretary shall avail himself of such information as can be furnished by the agricultural colleges of the various States and other agricultural authorities and agencies—

Of course the Secretary of Agriculture could get information from those sources and from any other sources; but the bill continues—

including also the Federal land bank system and the intermediate credit system, in determining what may be appropriate systems of agriculture for a given area and for information with reference to all related subjects.

That is merely in the nature of an admonition or suggestion; it is not legislation at all.

The Secretary shall arrange with county boards, county commissioners, or other local advisory committees or agencies for initial assistance and subsequent supervision as it may deem proper to promote the efficient accomplishment of the purposes of this act—

Of course, being given power to carry out the act, he is given power to make use of such agencies as may be available—

and may do all things necessary in locating, purchasing, and transporting the required suitable livestock. The Secretary may also, in his discretion—

That is, he may or may not, as he sees fit—

utilize agencies existing at State agricultural colleges, including cooperative agricultural extension forces—

That is, he may use them or not, as he sees proper—

to assist him in carrying out the provisions of this act and may reimburse such colleges for the necessary expenses incurred at the request of the Secretary: *Provided*, That regular employees of agricultural colleges or cooperative extension workers shall not be authorized to pass upon applications for loans, nor shall they be utilized in other than a general advisory capacity in the purchase of livestock: *Provided further*, That there shall be no preference for or discrimination against members of any farm organization in carrying out the provisions of this act.

Mr. President, I offer as a substitute for the language which I have read a few lines which it seems to me will accomplish the purpose and are in the nature of legislation. This bill authorizes the Secretary of Agriculture to make certain loans. It, therefore, authorizes him to establish any independent machinery that he may care to set up. We ought to exercise every possible economy in the distribution of this fund, in making every dollar of it available for the purposes for which the legislation is intended and is so much needed, as has been so succinctly and forcefully set forth repeatedly upon this floor. There is an existing governmental agency altogether appropriate to the purpose of making these loans under the direction of the Secretary; that is, the agricultural credit system. Why not simply say that the Secretary shall avail himself of the agricultural credit system for the purpose of making these loans? I express that idea in the following:

The Secretary in executing the functions vested in him by this act shall, so far as practicable, utilize the Federal intermediate credit bank system, and the Federal Farm Loan Board and the directors and officers of the Federal intermediate credit banks shall cooperate with the Secretary for such purpose.

The Senator from North Dakota will remember that all of the loans made in that section of the country, I think, have been made in this way through the farm loan banks. So why not utilize those existing agencies whose business it is to make loans to the farmers, either the Federal Farm Loan Board or other agencies. The bill says the Secretary may, in his discretion, make use of them just as he sees fit, and undoubtedly he will employ them; but it will be observed that the bill does not require him to make use of them, and neither does it specify the manner in which he is to make use of them. I would eliminate all of that language, because it really means nothing, and not empower the Secretary of Agriculture to set up another piece of expensive machinery for the purpose of making these loans.

Mr. LADD. The purpose was to have the work done by the Secretary of Agriculture directly with the farmers themselves, as was done in the seed loans, by the utilization of the county agents, the experiment station men, and the county commissioners, who might volunteer, where it was deemed necessary, without going through the banks at all, thus saving any unnecessary expense.

Mr. WALSH of Montana. The Secretary, of course, may do that, but that would involve the creation of a new organization, and where would the power rest? Of course the Secretary can not personally make the loans.

Mr. LADD. Neither did he make the loans personally in the several States of North and South Dakota, Montana, Minnesota, and Idaho in the case of the seed-wheat loans.

Mr. WALSH of Montana. That is correct.

Mr. LADD. He utilized the same agencies we provide for here, except that an additional agency, the county commissioners, is provided for, but he did not utilize the banks except such banks as he wanted to make deposits in.

Mr. WALSH of Montana. But the difficulty about that is that the boards of county commissioners and farm bureau agencies and that kind of thing are not skilled in the making of loans. We ought to safeguard this measure by putting it in the hands of some one whose business it is to weigh securities. The Federal farm banks, it seems to me, are the appropriate agencies through which to get the recommendations. Of course, there is no difficulty about using the agricultural extension agencies and the boards of county commissioners and the farm bureaus and all of those instrumentalities for the purpose of gathering information as to the responsibility of borrowers or persons who desire to borrow, or getting information concerning the particular kind of agricultural activity that is suited to a particular place. All that information can be secured; but we must lodge the power to make the loans somewhere. Now, this bill, of course, lodges it with the Secretary of Agriculture, and my amendment will not change that, but the question is what agencies in the field are going to recommend these loans?

Mr. LADD. The agencies which the Secretary of Agriculture employs for that purpose.

Mr. WALSH of Montana. Exactly.

Mr. LADD. If it is left to the farm loan banks, the Federal land banks, or the intermediate credit banks, there is only one in an entire district, and it will be from six months to a year behind before deciding whether or not a farmer is entitled to receive money.

Mr. WALSH of Montana. Let me remark to the Senator that so far as that is concerned it will not delay the procedure at all, because the Secretary of Agriculture has to get the information in just exactly the same way that the institutions named get the information; through their local representatives, whomsoever they shall designate for that purpose.

Now, what I am endeavoring to avoid, let me say to the Senator—and, of course, I want to give the bill my support—is the utilization of a considerable portion of this fund for the purpose of supporting an independent piece of machinery which the Secretary of Agriculture may set up in the various States when we already have governmental machinery for making these loans.

Mr. LADD. I do not believe that the cost was any greater or even as great in handling the loans for seed wheat as it would have been if they had gone through these banks and the banks had to send their agents out or had employed a large corps of agents to go out and do the same thing. Here we have the agents in the field. County agents are in nearly every county in the State of North Dakota, for example.

The PRESIDING OFFICER. The time of the Senator from Montana has expired. The Chair suggests that he send his amendment to the desk so that the Secretary may read it.

The READING CLERK. The Senator from Montana proposes to strike out, on page 3, lines 22, 23, 24, and 25, and all of page 4 down to section 3, on line 21, and to insert in lieu thereof the following:

The Secretary, in executing the functions vested in him by this act, shall, so far as practicable, utilize the Federal intermediate credit bank system; and the Federal Farm Loan Board and the directors and officers of the Federal intermediate credit banks shall cooperate with the Secretary for such purpose.

Mr. GEORGE. Mr. President, what difference does it make whether this fund is to be administered through a regular banking channel, accustomed to make loans and accustomed to weigh securities, or administered through the Secretary of Agriculture?

Some days ago, when the Senator from Nebraska [Mr. NORRIS] was talking, I asked the direct question if it was intended to make this a commercial transaction between the Government and the farmers, and he said very frankly that it was not. He did argue that the Government would not necessarily lose a great deal of this money, but he did not deny nor did he hesitate to affirm that the Government would lose a portion of the money, and that the transaction was not intended to be a commercial transaction between the Government and the borrowers. It might be just as appropriate not only to eliminate the language in the bill but to reject the amendment suggested by the Senator from Montana and substitute some political committee. If it is not to be a commercial transaction between the Government and the men who are to receive the money and to promise solemnly to repay it, then it must be some other kind of transaction that is proposed here in this utterly defenseless legislation.

All the time it has been insisted that there did apply to these four Northwestern States some peculiar reason that did not apply to any other section of the country, and all the time it has been pointed out that there was just as much a one-crop-slavery system in the South as there was in the Northwest, and all the time it has been pointed out that the conditions were just as bad in the South as they were in the Northwest. Indeed, the very candid and frank and most admirable Senator from Nebraska [Mr. NORRIS] admitted that the conditions were as bad, but he insisted that the conditions were due to different reasons.

We are told here that we ought to vote this aid when it is not even pretended that it is a business transaction nor yet a sound commercial transaction, for what reason? Because the wheat farmers of the Northwest, perchance through the action of the Congress or through the misapprehension of the wheat farmers in interpreting that action, greatly increased their acreage in wheat. What has come upon the farmers of the South? The boll weevil, perhaps an act of Providence; but there is very little difference between suffering from an act of Providence and suffering upon the part of a section resulting from misinterpreting the action of the Congress with respect to an increase of acreage because perchance it was assumed that the war would go on and that there would be a need for wheat production. But, Mr. President, let me say now that just the same appeal was made to the South and to the East and to the Central West that was made to these four States in the Northwest, and that appeal was to produce food crops and to produce food crops without stint; and the farmers all over America reorganized their farming and tried to produce food crops.

Mr. President, let us face the situation frankly, and let us say that there is no need to select the agricultural colleges to afford a means of administering your fund, because it is openly confessed that it is not a commercial, it is not a business, it is not a defensible piece of legislation; and let us reject, Mr. President, so far as I am concerned, any suggestion that it be administered through a business instrumentality already existing under this Government, because what is here proposed is not a business proposition at all. It is a pure gift out of the pockets of the taxpayers of 48 States into the pockets of a single class of the taxpayers of 4 States in the Northwest. That is all it is. It is not individualism, it is not socialism; it is not one-thousandth time as defensible as a socialistic scheme and as a socialistic state. It is a proposal to subsidize individuals, not named in the bill it is true, but a proposal nevertheless to subsidize individuals, and the very identity of the individuals is located by reason of the fact that they must be residents of those four States in the Northwest.

Mr. President, I come from an agricultural State. I have all of my personal investments in agriculture. I know what the condition of the farmer has been and is, but I know that the American farmer never will be assisted back to his feet by any proposal that simply piles up upon the whole body of the people an enormous burden of taxation, a continual and mounting burden of taxation; and the farmer never will be put back upon his feet by these paternalistic schemes of government. Disguise them as you may, find for them an excuse in previous mistakes of the Congress, if you please, and you have laid the foundation for a communism in this country that is destructive of our Government and of every principle that has made the American farmer the one independent and conservative and outstanding element in our history.

Mr. President, the whole legislation is nothing but a faulty and cheap bid for something that does not come through business channels. It is not good even as an election measure. I dare say that any man who will go into the States of Senators who vote for this measure and submit it to the people fairly and squarely will find that it is not even good as a campaign measure.

I have heard it intimated and suggested in the public press that the President of the United States is himself favorable to this legislation. I do not believe it and I will not believe it until he has affixed his signature to a piece of legislation a proponent of which, the admirable and candid Senator from Nebraska [Mr. NORRIS], admits is to be an uncommercial and therefore an unbusinesslike transaction, justified upon the assumption that in previous years the Congress itself has laid the foundation for this sort of indefensible socialistic legislation by its own mistakes.

Mr. President, ordinarily I should have said nothing; but when it is proposed to use the established agencies of Government, that can do American agriculture some service, to administer a fund which is not supposed in any sense to be a fund to be administered as a sound commercial proposition, then I think I have the right to voice my sentiments here. Senators from the South, at least, will find when they go back to face the hard-pressed taxpayers of the South that they have added nothing to themselves politically. I dislike to use the term "political," but if it is not commercial, if it not businesslike, if every Senator knows that it means a loss to this Government, then what else is it?

The PRESIDING OFFICER. The time of the Senator from Georgia has expired.

Mr. HOWELL. Mr. President, I am in favor of the purpose of this measure, but I also believe that when the Government steps in to aid any industry it should do so upon purely business principles; that it should adopt methods whereby it will be assured of the return of all, or at least the greater part, of every dollar invested.

It is proposed in this measure to afford assistance—funds, livestock, in fact—to those who may not be entitled to credit according to the usual rules of business. The Government can no more afford to loan to a man who has no credit than an individual can afford to loan to a man who has no credit; but when it comes to the sale of merchandise—yes, livestock—there is a method that can be adopted that is approved by business experience. That method is utilized all over this country to furnish merchandise to individuals who have no credit in the commercial sense, and that method is the contract installment plan.

The principle involved is this: A sale is made, but the title to the property does not pass until the property is paid for. That is the method that is adopted by every furniture installment house, by every installment house doing business in other lines, dealing with people with no commercial credit.

Mr. BRUCE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Maryland?

Mr. HOWELL. I do.

Mr. BRUCE. May I suggest to the Senator one question? If no title would pass, how would the farmer dispose of the increase of the cattle? Or how would he be able to put the possession of the livestock to any useful purpose of any description?

Mr. HOWELL. I will come to that shortly. As I have stated, there is a method that will enable a person to sell to one without commercial credit and yet be assured of a return of his property, or of collecting the amount charged for that property.

It is extraordinary what a small loss is entailed in doing this character of business. I happen to be familiar with this kind of business, as I managed for several years the publicly owned gas plant in Omaha, and one of our activities was the conduct of an appliance store, which, during the past three and a half years, has sold something less than $1,000,000 worth of merchandise, and our average losses were less than a quarter of 1 per cent upon the sales, and not over 10 per cent was required to be paid down at the time of purchase. We simply investigated to determine that the person was an upright individual, and, irrespective of his means, we sold him the merchandise, and we collected the money. Experience in various lines of business has taught that this can be done, and be done successfully, and if Congress proposes to aid the farmers in question it ought to adopt business methods well recognized as sound for such an emergency.

As a consequence, I have prepared a substitute for this bill, which I will offer later, which provides how the Secretary of Agriculture can proceed, and I will read just one clause of it. It provides that he shall be authorized to purchase livestock, including dairy and beef cattle, hogs, and sheep, suitable for

the development of a system of agriculture as contemplated for the purposes of this act, and to sell the same to farmers upon the contract installment plan, all deferred payments to bear interest at not to exceed 6 per cent per annum.

No contract shall run for more than five years or be for more than $1,000, and the title to the livestock, including the natural increase thereof, shall remain in the United States until paid for. Such contract shall be in the form prescribed by the Secretary of Agriculture. That answers the question of the Senator from Maryland.

Mr. BRUCE. Mr. President, I do not think it answers my question at all. Suppose——

Mr. HOWELL. I was about to explain.

Mr. BRUCE. Very well.

Mr. HOWELL. The contract may be made to provide that if it is wise to sell a portion of the stock to be slaughtered or of the increase for other purposes application may be made therefor and the transaction carried out upon the payment of a certain proportion of the whole of the return to the Government at that time, as deemed proper. In other words, this contract can be made to cover every contingency of that character. Moreover, the Government will be in a position in case of failure on the part of the purchaser to properly take care of his livestock or for other reason to take possession of it and to sell it as seen fit. In other words, the Government will be in a position to protect itself under any conditions.

Mr. BROOKHART. Mr. President, I would like to ask the Senator if these questions are not mere matters of administration rather than of principle involved in the bill, and would it not be better to amend the bill and let the bill be handled in that way than to defeat the bill?

Mr. HOWELL. I have a substitute measure here which covers this feature, and which also includes all the provisions of the bill which have been thus far approved and adopted by the Senate. The only change is that it provides for the contract installment sales plan instead of the loan plan as provided in the pending measure; that is, transferring the property, the title passing to the purchaser, and the Government having a lien for the money advanced.

Mr. BRUCE. Mr. President, I would like to ask the Senator from Nebraska one question. Of course, under the provisions of this bill the Government could lend a farmer money for the purpose of buying chickens.

Mr. HOWELL. Just a moment. May I say that in my substitute I have cut out poultry.

Mr. BRUCE. The Senator has cut out poultry?

Mr. HOWELL. I have.

Mr. BRUCE. That is a confession of weakness in the bill in the beginning, of course.

Mr. HOWELL. So far as I am concerned, I do not think poultry should be included in the bill.

Mr. BRUCE. Of course, generally, when money is loaned on livestock, or on tangible property of any kind, the security to the man who makes the loan consists in the fact that he retains possession of the pledge. Under this bill, of course, the Government would not have possession of the pledge at all. The Senator says he has eliminated chickens. I commend the Senator for the very fine discretion he has exhibited in that respect, at least, because I could not conceive of anything that would be more hopelessly precarious than a lien reserved on a rooster or a hen, when we reflect, in the first place, that they are very much in the habit of going about at their own sweet will, and, as I pointed out to the Senator the other day, they are subject to the depredations of hawks and minks and weasels——

The PRESIDING OFFICER. The time of the Senator from Nebraska has expired.

Mr. BRUCE. I suppose I will have to die with it.

Mr. HOWELL. I offer the amendment in the nature of a substitute for the bill, and I ask that it may be printed and lie on the table.

The PRESIDING OFFICER. The amendment will be printed and lie on the table.

EXECUTIVE SESSION.

Mr. CURTIS. I understand that final action on the bill can not be had this evening, so I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 10 minutes spent in executive session the doors were reopened, and the Senate (at 5 o'clock p. m.) adjourned until to-morrow, Wednesday, March 12, 1924, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate March 11, 1924.

GEODETIC SURVEY.

TO BE AIDS, WITH RELATIVE RANK OF ENSIGN IN THE NAVY, BY PROMOTION FROM JUNIOR ENGINEER.

Lansing Grow Simmons, of the District of Columbia, vice T. B. Reed, promoted.

Earl Mowbray Buckingham, of Montana, vice R. W. Knox, promoted.

Philip Chester Doran, of Connecticut, vice J. A. Kibler, promoted.

TO BE AIDS, WITH RELATIVE RANK OF ENSIGN IN THE NAVY, BY PROMOTION FROM DECK OFFICER.

Charles William Nies, of New York, vice R. W. Byrns, promoted.

Chester Lovering Nyman, of Massachusetts, vice Frank Larner, promoted.

George Thomas Gilman, of Massachusetts, vice H. M. Hill, promoted.

POSTMASTERS.

ALABAMA.

Guy Walker to be postmaster at Somerville, Ala., in place of C. P. Johnston. Office became third class October 1, 1923.

Glenn E. Guthrie to be postmaster at Townly, Ala., in place of M. D. King. Incumbent's commission expired February 11, 1924.

George B. Pickens to be postmaster at Moundville, Ala., in place of G. B. Pickens. Incumbent's commission expired February 11, 1924.

Virgil B. Huff to be postmaster at Brundidge, Ala., in place of J. L. Dickinson. Incumbent's commission expired February 11, 1924.

ARIZONA.

Clarence J. Wilson to be postmaster at Casa Grande, Ariz., in place of L. D. Park. Incumbent's commission expired February 11, 1924.

ARKANSAS.

Joseph S. Ottinger to be postmaster at Pea Ridge, Ark., in place of I. T. Sharp. Office became third class October 1, 1923.

CALIFORNIA.

Doris R. Coon to be postmaster at Dunsmuir, Calif., in place of S. A. Porter. Incumbent's commission expired August 29, 1923.

COLORADO.

Roy McWilliams to be postmaster at Ault, Colo., in place of Roy McWilliams. Incumbent's commission expired February 18, 1924.

CONNECTICUT.

Walter R. King to be postmaster at Willimantic, Conn., in place of John O'Rourke. Incumbent's commission expired February 4, 1924.

Clarence B. Emery to be postmaster at Terryville, Conn., in place of D. P. Hurley. Incumbent's commission expired August 1, 1923.

IDAHO.

Walter A. Shear to be postmaster at Filer, Idaho, in place of W. P. Shinn. Incumbent's commission expired February 4, 1924.

John M. Butler to be postmaster at Burley, Idaho, in place of R. B. Haskell. Incumbent's commission expired August 20, 1923.

ILLINOIS.

Thomas J. Perks to be postmaster at Mound City, Ill., in place of T. J. Perks. Incumbent's commission expired March 9, 1924.

John W. Nelson to be postmaster at Donovan, Ill., in place of J. W. Nelson. Incumbent's commission expired March 9, 1924.

KANSAS.

Ethel White to be postmaster at Merriam, Kans., in place of D. H. White, resigned.

Charles T. Murray to be postmaster at Isabel, Kans., in place of J. R. Bell, resigned.

James P. Pratt to be postmaster at Syracuse, Kans., in place of Henry Block. Incumbent's commission expired July 28, 1923.

LOUISIANA.

Phillip B. Allbritton to be postmaster at Clarks, La., in place of P. B. Allbritton. Incumbent's commission expired February 11, 1924.

MAINE.

Emily E. Pynes to be postmaster at Sangerville, Me., in place of E. E. Pynes. Incumbent's commission expired February 11, 1924.

Charles C. McLaughlin to be postmaster at Harmony, Me., in place of C. C. McLaughlin. Incumbent's commission expired February 11, 1924.

MARYLAND.

John W. Brittingham to be postmaster at Pittsville, Md., in place of D. M. Farlow. Incumbent's commission expired February 24, 1924.

MICHIGAN.

Estella R. Newcomb to be postmaster at Le Roy, Mich., in place of E. R. Newcomb. Incumbent's commission expired March 3, 1924.

MINNESOTA.

Clara M. Hjertos to be postmaster at Middle River, Minn., in place of C. M. Hjertos. Incumbent's commission expired February 18, 1924.

Margaret E. Thompson to be postmaster at Grey Eagle, Minn., in place of M. E. Thompson. Incumbent's commission expired February 18, 1924.

MISSOURI.

Tyree C. Harris to be postmaster at Windsor, Mo., in place of R. M. Owsley. Incumbent's commission expired August 12, 1923.

NEBRASKA.

Charles W. Fritts to be postmaster at Crawford, Nebr., in place of J. J. Adams, jr., resigned.

NEW JERSEY.

Everett N. Crandell to be postmaster at North Hackensack, N. J., in place of E. N. Crandell. Office became third class January 1, 1924.

NORTH CAROLINA.

James E. Wallace to be postmaster at Stanley, N. C., in place of Frank Boyd. Office became third class October 1, 1923.

Joseph B. Harrell to be postmaster at Marshville, N. C., in place of J. L. Bivens, resigned.

Burnice R. Cahoon to be postmaster at Columbia, N. C., in place of W. S. Carawan, resigned.

Arthur L. Beaman to be postmaster at Snow Hill, N. C., in place of R. L. Chestnutt. Incumbent's commission expired February 20, 1924.

Jesse W. Wood to be postmaster at Littleton, N. C., in place of I. W. Wood. Incumbent's commission expired February 20, 1924.

OHIO.

Nathan H. Powell to be postmaster at Pleasant Hill, Ohio, in place of I. A. Deeter. Incumbent's commission expired August 5, 1923.

Plummer D. Folk to be postmaster at Leipsic, Ohio, in place of O. T. Place. Incumbent's commission expired February 24, 1924.

Clifford B. Hyatt to be postmaster at Killbuck, Ohio, in place of C. B. Hyatt. Incumbent's commission expired February 24, 1924.

Charles H. Morrison to be postmaster at Hebron, Ohio, in place of D. A. Taylor. Incumbent's commission expired February 24, 1924.

OKLAHOMA.

Margaret E. Williamson to be postmaster at Wanette, Okla., in place of F. F. Mitchell. Incumbent's commission expired January 28, 1924.

OREGON.

Richard J. Hill to be postmaster at Kerry, Oreg., in place of C. G. Shaw, resigned.

William R. Logus to be postmaster at Oregon City, Oreg., in place of J. J. Cooke. Incumbent's commission expired February 11, 1924.

Jason T. Anderson to be postmaster at Harrisburg, Oreg., in place of J. T. Anderson. Incumbent's commission expired February 11, 1924.

PENNSYLVANIA.

John N. Snyder to be postmaster at Williamstown, Pa., in place of J. R. Hancock, resigned.

Samuel M. Carnell to be postmaster at Dott, Pa., in place of S. M. Carnell. Office became third class October 1, 1923.

Mary K. Schambach to be postmaster at Beaver Springs, Pa., in place of C. B. Aurand, resigned.

SOUTH CAROLINA.

James D. Mackintosh to be postmaster at McClellanville, S. C., in place of C. L. Kirkley. Office became third class October 1, 1923.

TENNESSEE.

Christine M. Meister to be postmaster at Loretto, Tenn., in place of C. M. Meister. Office became third class October 1, 1923.

John B. Morris to be postmaster at Brunswick, Tenn., in place of J. B. Morris. Office became third class July 1, 1923.

TEXAS.

Olive Raoul to be postmaster at Gustine, Tex., in place of Isaiah Sadler, resigned.

Annie K. Turney to be postmaster at Alpine, Tex., in place of J. J. Allen, removed.

Tolbert Hannon to be postmaster at Richmond, Tex., in place of F. P. Bell. Incumbent's commission expired January 31, 1924.

Amos E. Duffy to be postmaster at Matagorda, Tex., in place of A. E. Duffy. Incumbent's commission expired February 24, 1924.

Robert F. Myers to be postmaster at Ferris, Tex., in place of L. E. Holloway. Incumbent's commission expired January 31, 1924.

VIRGINIA.

James O. Dameron to be postmaster at Weems, Va., in place of J. O. Dameron. Office became third class October 1, 1923.

John M. B. Lewis to be postmaster at Lynchburg, Va., in place of I. H. Adams, jr. Incumbent's commission expired February 14, 1924.

Waverly S. Barrett to be postmaster at Dendron, Va., in place of W. S. Barrett. Incumbent's commission expired February 14, 1924.

CONFIRMATIONS.

Executive nominations confirmed by the Senate March 11, 1924.

RECEIVER OF PUBLIC MONEYS.

Alfred Hogensen to be receiver of public moneys at Boise, Idaho.

PROMOTIONS IN THE ARMY.

Clarence Humbert Murphy to be captain, Cavalry.

John Harvey Madison to be first lieutenant, Coast Artillery Corps.

George Edward Bruner to be first lieutenant, Infantry.

James Ault Ramsey to be first lieutenant, Medical Administrative Corps.

POSTMASTERS.

CONNECTICUT.

Clifford E. Chapman, Niantic.

FLORIDA.

Mary Joyner, Bagdad.
William J. Carter, Homestead.
Guy K. Masten, Vero.

KENTUCKY.

Arta Henderson, Eubank.

NEBRASKA.

Edwin P. Clements, jr., Ord.

NEW YORK.

Fred W. Ravekes, Ardsley on Hudson.
Charles A. Partridge, Berkshire.
Robert L. McBrien, Huntington.
Kate L. Holden, Peru.
Charles Blackburn, Southampton.
Harry B. McHugh, Wallkill.

HOUSE OF REPRESENTATIVES.

TUESDAY, *March 11, 1924.*

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O God, Thou dost manifest Thyself toward us in teacher, friend, and father. We ask Thee, blessed Lord, to give us strength to rise above human nature so that languor shall not be in our hearts, weariness on our brows, and weakness in our lives. Forgive our sinful thoughts and faltering steps, and make our sense of right more acute and our power of resistance more courageous. The Teacher of Nazareth is the way of God to us; oh, may He be the way of us to God. Help us to dedicate our powers to Thee and to Thine. Let us feel the working of a noble discontent that cries for a better day, a better country, and a better world. Bless us with souls tempered with fire, fervent, heroic, and friends of man. Through Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had passed bills and Senate concurrent resolution of the following titles; in which the concurrence of the House of Representatives was requested:

S. 1703. An act for the relief of J. G. Seupelt;

S. 2315. An act to amend an act entitled, "An act for the division of the lands and funds of the Osage Indians in Oklahoma, and for other purposes," approved June 28, 1906, and acts amendatory thereof and supplemental thereto;

S. 2169. An act to amend in certain particulars the national defense act of June 3, 1916, as amended, and for other purposes;

S. 2392. An act authorizing an appropriation to indemnify damages caused by the search for the body of Admiral John Paul Jones;

S. 2198. An act to grant the consent of Congress to the Southern Railway Co. to maintain a bridge across the Tennessee River at Knoxville, in the county of Knox, State of Tennessee;

S. 2332. An act granting the consent of Congress to the State of South Dakota for the construction of a bridge across the Missouri River between Hughes County and Stanley County, S. Dak.

Senate Concurrent Resolution 5.

Resolved by the Senate (the House of Representatives concurring), That there shall be compiled, printed with illustrations, and bound, as may be directed by the Joint Committee on Printing, 25,000 copies of the oration delivered by the Hon. Charles Evans Hughes in the House of Representatives during the exercises held in memory of the late President Warren G. Harding on February 27, 1924, including all the proceedings and the program of exercises, of which 8,000 copies shall be for the use of the Senate and 17,000 copies for the use of the House of Representatives.

The message also announced that the Senate had passed without amendment bills of the following titles:

H. R. 2818. An act to grant the consent of Congress to construct, maintain, and operate a dam and spillway across the Waccamaw River in North Carolina;

H. R. 3845. An act to authorize the construction of a bridge across the Little Calumet River at Riverdale, Ill.;

H. R. 4120. An act granting the consent of Congress to the Greater Wenatchee Irrigation District to construct, maintain, and operate a bridge across the Columbia River;

H. R. 4182. An act authorizing the city of Ludington, Mason County, Mich., to construct a bridge across an arm of Pere Marquette Lake;

H. R. 4187. An act to legalize a bridge across the St. Louis River in Carlton County, State of Minnesota;

H. R. 4984. An act to authorize the Clay County bridge district, in the State of Arkansas, to construct a bridge over Current River;

H. R. 4457. An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Cherokee Indians may have against the United States, and for other purposes; and

H. R. 6901. An act to amend section 252 of the revenue act of 1921 in respect of credits and refunds.

SENATE BILLS REFERRED.

Under clause 2 of Rule XXIV, Senate bills and Senate concurrent resolution of the following titles were taken from the Speaker's table and referred to their appropriate committees, as indicated below:

S. 2392. An act authorizing an appropriation to indemnify damages caused by the search for the body of Admiral John Paul Jones; to the Committee on Foreign Affairs.

S. 1703. An act for the relief of J. G. Seupelt; to the Committee on Indian Affairs.

S. 2169. An act to amend in certain particulars the national defense act of June 3, 1916, as amended, and for other purposes; to the Committee on Military Affairs.

S. 2315. An act to amend an act entitled "An act for the division of the lands and funds of the Osage Indians in Oklahoma, and for other purposes," approved June 28, 1906, and acts amendatory thereof and supplemental thereto; to the Committee on Indian Affairs.

S. 2332. An act granting the consent of Congress to the State of South Dakota for the construction of a bridge across the Missouri River between Hughes County and Stanley County, S. Dak.; to the Committee on Interstate and Foreign Commerce.

Senate Concurrent Resolution 5.

Resolved by the Senate (the House of Representatives concurring), That there shall be compiled, printed with illustrations, and bound, as may be directed by the Joint Committee on Printing, 25,000 copies of the oration delivered by the Hon. Charles Evans Hughes in the House of Representatives during the exercises held in memory of the late President Warren G. Harding on February 27, 1924, including all the proceedings and the program of exercises, of which 8,000 copies shall be for the use of the Senate and 17,000 copies for the use of the House of Representatives.

To the Committee on Printing.

ENROLLED BILL AND JOINT RESOLUTION SIGNED.

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill and a joint resolution of the following titles, when the Speaker signed the same:

H. R. 6901. An act to amend section 252 of the revenue act of 1921 in respect of credits and refunds; and

S. J. Res. 91. Joint resolution to authorize the National Society United States Daughters of 1812 to place a marble tablet on the Francis Scott Key Bridge.

COINAGE OF COMMEMORATION COINS.

Mr. VESTAL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill S. 684 and place the same upon its passage.

The SPEAKER. The gentleman from Indiana asks unanimous consent to take from the Speaker's table the bill S. 684 and place it upon its passage. The Clerk will report the title of the bill.

The Clerk read as follows:

A bill (S. 684) to authorize the coinage of 50-cent pieces in commemoration of the commencement on June 18, 1923, of the work of carving on Stone Mountain, in the State of Georgia, a monument to the valor of the soldiers of the South, which was the inspiration of their sons and daughters and grandsons and granddaughters in the Spanish-American and World Wars, and in memory of Warren G. Harding, President of the United States of America, in whose administration the work was begun.

The SPEAKER. Is there objection to the present consideration of the bill? [After a pause.] The Chair hears none.

The Clerk read as follows:

Be it enacted, etc., That in commemoration of the commencement on June 18, 1923, of the work of carving on Stone Mountain, in the State of Georgia, a monument to the valor of the soldiers of the South, which was the inspiration of their sons and daughters and grandsons and granddaughters in the Spanish-American and World Wars, and in memory of Warren G. Harding, President of the United States of America, in whose administration the work was begun, there shall be coined at the mints of the United States silver 50-cent pieces to the number of not more than five million, such 50-cent pieces to be of the standard troy weight, composition, diameter, device, and design as shall be fixed by the Director of the Mint, with the approval of the Secretary of the Treasury, which said 50-cent pieces shall be legal tender in any payment to the amount of their face value.

SEC. 2. That the coins herein authorized shall be issued only upon the request of the executive committee of the Stone Mountain Confederate Monumental Association, a corporation of Atlanta, Ga., and upon payment by such executive committee for and on behalf of the Stone

Mountain Confederate Monumental Association of the par value of such coins, and it shall be permissible for the said Stone Mountain Confederate Monumental Association to obtain said coins upon said payment, all at one time or at separate times and in separate amounts, as it may determine.

SEC. 3. That all laws now in force relating to the subsidiary silver coins of the United States and the coining or striking of the same, regulating and guarding the process of coinage, providing for the purchase of material and for the transportation, distribution, and redemption of coins, for the prevention of debasement or counterfeiting, for security of the coin, or for any other purposes, whether said laws are penal or otherwise, shall, so far as applicable, apply to the coinage herein authorized: *Provided*, That the United States shall not be subject to the expense of making the necessary dies and other preparations for this coinage.

The bill was ordered to be read the third time, was read the third time, and passed.

Mr. VESTAL. Mr. Speaker, I ask unanimous consent that the bill H. R. 5259, of exactly the same tenor as this bill, be laid on the table.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

CALL OF THE HOUSE.

Mr. DYER. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. It is clear there is no quorum present.

Mr. LONGWORTH. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

Abernathy	Fleetwood	Little	Rogers, N. H.
Aldrich	Fredericks	Logan	Rosenbloom
Anderson	Frothingham	Luce	Sanders, Ind.
Anthony	Fulmer	McClintic	Sanders, N. Y.
Black, N. Y.	Funk	McDuffie	Seger
Black, Tex.	Gallivan	Michaelson	Sites
Britten	Goldsborough	Miller, Ill.	Sullivan
Browne, Wis.	Greene, Mass.	Morin	Sweet
Cable	Hawes	Nelson, Me.	Taber
Connolly, Pa.	Johnson, S. Dak.	Newton, Mo.	Taylor, Colo.
Corning	Jost	Nolan	Tincher
Croll	Kahn	O'Brien	Vare
Curry	Kendall	Paige	Voigt
Davey	Kiess	Peery	Wainwright
Deal	Knutson	Perlman	Ward, N. C.
Dempsey	Kvale	Phillips	Wertz
Denison	Larsen, Ga.	Porter	Williams, Ill.
Dickstein	Lee, Ga.	Quayle	Wolff
Eagan	Lehlbach	Rathbone	Wood
Edmonds	Lineberger	Reed, W. Va.	Wright
Fairchild	Linthicum	Reid, Ill.	Wyant

The SPEAKER. Three hundred and forty-six Members have answered to their names; a quorum is present.

Mr. LONGWORTH. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

A QUESTION OF PERSONAL PRIVILEGE.

Mr. ZIHLMAN. Mr. Speaker, I rise to a question of personal privilege.

The SPEAKER. The gentleman from Maryland rises to a question of personal privilege. The gentleman will state his question of personal privilege.

Mr. ZIHLMAN. Mr. Speaker, my name has been printed in the newspapers of the country——

The SPEAKER. The gentleman need not proceed further; the gentleman is recognized on a question of personal privilege.

Mr. ZIHLMAN. Mr. Speaker, I rise at this time because I went to the chairman of the Committee on the Judiciary and asked that I be recognized first on this resolution which is coming up before the House and which recites, "*Resolved*, That the House take no further action for the present to procure from the Attorney General the information heretofore requested of the Attorney General under House Resolution 211." Now, I ask the Members of this House to put themselves in my position for just a moment and in their own minds review this entire procedure. The first intimation I had of this coupling of my name with the charges before the Chicago grand jury was, I think, last Tuesday night, when Mr. Arthur Henning, of the Chicago Tribune, called me up over the telephone about midnight, awakened me from my sleep, and told me that the New York newspapers were publishing my name as one of those referred to in the report of the Chicago grand jury. I asked Mr. Henning what the charges were, and he told me he had been informed that I had accepted a bribe of $30,000 for securing the parole of certain Federal prisoners. I said, "Mr. Henning, in the seven years I have been in the Congress I have only gone once personally to the Department of Justice in a parole case, and that was a young man recently who was accused—in fact, pleaded guilty—of robbing the mails of $32, a man with a wife and two children, of Hagerstown, Md."; and that is the only parole case in the seven years I have been in Congress that I ever went to the Department of Justice on in person, although my office force has handled many cases of a minor nature. Then later there come other charges, not from any official source, not from the Department of Justice, I am informed; but, notwithstanding, charges were made against my name and against my character.

Gentlemen, I have been in public life for 15 years. I have searched every official act in this last trying week and I am absolutely conscious of having done no wrong at any time, and I resent with all that is in me the methods which have been used to wipe me off the slate by one stroke of the pen without giving me an opportunity to be heard and without knowing what the charges are except insinuations, except accusations which, according to the statement of the majority leader on this floor, come from crooks and criminals. [Applause.] Now, it is proposed by the great Judiciary Committee to refer this matter back to the Department of Justice for further investigation. Well, matters have been referred to the Department of Justice before, and I have known of cases which are marked to be investigated up there for two years, and I can not afford, gentlemen of the House, to labor under these charges until [applause] the Department of Justice gets ready to investigate them upon the acknowledged statement of the gentlemen who wrote the report of the grand jury in Chicago that they were made merely upon the statements of acknowledged crooks and criminals. And so I believe I have a right to ask that other action be taken, that if this House feels that I am guilty of any wrongdoing it ought to investigate the alleged acts of wrongdoing and ought either to exonerate me or ought to kick me out of that door, because I have no right to sit in this body. But in the absence of definite information I have been unable to meet these charges. I have not talked to a single member of the Committee on the Judiciary, except the gentleman from Missouri [Mr. DYER], the acting chairman, on the floor yesterday after they made up the report, so far as I can remember. I have not talked to the Speaker or others, because I have been in a maze and unable to know just how to proceed. But this morning early Mr. Crim called me on the telephone and asked me to stop and see him at the Hamilton Hotel, and told me, quoting his words, "I am free to admit that in your case the charges are not supported by evidence, and I would not indict any man on the word of a crook."

Now, I did not go to see Mr. Crim. I told him that this matter was coming up in the House this morning, and I felt that my duty to myself compelled me to be here when this matter was before the House, but that I would come with some one to talk with him later, but I could not and would not come to see him this morning. [Applause.]

I did not seek this interview. It came from Mr. Crim, and I am sure that when the membership of the House realize that an attempt has been made to absolutely ruin two innocent men, guilty of no wrongdoing, by one of the strangest procedures that has ever taken place in this country, they will give me and give my colleague [Mr. LANGLEY] what we are entitled to, a complete and full investigation by the membership of this House, and I believe that when I obtain that investigation they will exonerate me absolutely of any wrongdoing. [Applause.]

This procedure is not going to stop the Department of Justice. This letter of the Attorney General, stating that he could not send up here the official records or the evidence, is mere quibbling about details. Surely the Department of Justice has or can make two sets of records if they have any evidence. Let them lay before a committee of the House one set of records in this case and let them proceed under their constitutional authority and by due process of law to take such action as they feel the evidence in this case justifies.

I am opposed to this resolution in its present form. I have no objection to that part of the Committee on the Judiciary's recommendation that the matter be referred back to the Attorney General. Let them proceed to the fullest extent, but this House owes it to me and it owes it to itself to conduct an investigation of these charges and these allegations against my character at the earliest possible moment. [Applause.]

Mr. GRAHAM of Pennsylvania. Mr. Speaker, I desire to call up a report from the Committee on the Judiciary and the resolution thereto appended.

The SPEAKER. The gentleman from Pennsylvania calls up a resolution from the Committee on the Judiciary. The Clerk will report the resolution.

The Clerk read as follows:

Resolved, That the House take no further action for the present to procure from the Attorney General the information heretofore requested of the Attorney General by the House under House Resolution 211.

Mr. DOMINICK. Mr. Speaker, will the gentleman yield while I offer an amendment?

Mr. GRAHAM of Pennsylvania. Yes.

Mr. DOMINICK. I just want to state at this time, Mr. Speaker, to the House and for the information of the House that while no formal minority report has been filed by me, I gave notice to the committee of a verbal objection to the report, and I wanted that to go into the RECORD as my formal minority report against the recommendation of the committee, and that I would have a substitute to offer at the proper time to the recommendation of the committee. I believe that is correct, Mr. Chairman, is it not?

Mr. GRAHAM of Pennsylvania. Yes.

Mr. DOMINICK. Mr. Speaker, will the gentleman from Pennsylvania yield again?

The SPEAKER. Does the gentleman yield?

Mr. GRAHAM of Pennsylvania. For a question.

Mr. DOMINICK. I thought that possibly, just at this time, it might be well for my substitute to be presented for the information of the House. It is very brief. I mean, to have it read, not to offer it, at this time.

Mr. GRAHAM of Pennsylvania. I certainly will yield, for that purpose only.

Mr. DOMINICK. Just to have it read for the information of the House.

The SPEAKER. The Clerk will report it for the information of the House.

The Clerk read as follows:

Resolved, That the reply of the Attorney General, under date of March 7, 1924, to House Resolution No. 211 is not responsive to the inquiry of the House nor satisfactory to the House. The attention of the Attorney General is called to the House resolution, and he is hereby directed to transmit to the House of Representatives the names of the two Members of Congress and the nature of the charges made against them, as directed in that resolution.

[Applause.]

Mr. LONGWORTH. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. LONGWORTH. I could not hear what the gentleman said. That is simply submitted for information?

The SPEAKER. Yes; for information.

Mr. GRAHAM of Pennsylvania. That is all, sir.

Mr. DOMINICK. It will be offered.

Mr. GRAHAM of Pennsylvania. Mr. Speaker, I will say to the House that I sympathize most deeply with the gentleman who has just addressed you [Mr. ZIHLMAN] under a question of privilege, explaining his position and his wishes regarding this matter. I am very sure there is no one who is more solicitous for his good name, not even himself, than I am in connection with this matter. You in your wisdom, gentlemen, saw fit to refer to your Committee on the Judiciary a communication from the Attorney General in response to House Resolution No. 211. Your committee undertook to discharge the duty imposed on them by you in a spirit of fairness, in a spirit of calmness, with a desire to do that which the law, the dignity, and the honor of the House require, and to report back to you their very best judgment as to what procedure should be adopted.

I wish to say to the House that this is not a matter for a hysterical disposition. This is a matter which sets a precedent. We want to act with the dignity and propriety that belong to a great legislative body. Let me ask your attention to the facts and circumstances, as I have gleaned them, not only from the address of the gentleman who preceded me but from the action of the House and the press. No one living mortal has accused any Member of this House of any impropriety of action or conduct by name. Now, then, how has this matter come about? A newspaper man called a Member of the House on the telephone and said, "Your name is connected thus and so with this public matter." What ought to have been the reply of the Member of Congress in question? "You print a syllable of that in a newspaper in this land and I will arrest you for libel and prosecute you to prison." [Laughter.] That is right, and you may laugh, but that was his duty, and that is the course I would have pursued if a man had called me over the phone and told me my name was to be published in connection with a charge of this kind.

There is no responsible accusation from any quarter.

Mr. STEVENSON. Will the gentleman yield?

Mr. GRAHAM of Pennsylvania. No; not just now. You take the letter of the Attorney General, sent to the House in reply to the resolution:

I am unwilling to make public the name of any man against whom any criminal charge has been made until the evidence in my possession convinces me that there is reasonable ground to believe that the person is guilty as charged and until proper legal steps shall have been taken to protect the public interests.

What right have we to compel an official of the executive department of the Government to proclaim the names of persons who have been mentioned in the report of a grand jury or referred to in the report of a grand jury when there is not sufficient evidence to warrant an accusation? The Attorney General said he would not expose to the community, with the official stamp of the Department of Justice, the name of any man unless, after investigation, there was sufficient evidence to warrant such a course.

Mr. GARRETT of Tennessee. Will the gentleman yield?

Mr. GRAHAM of Pennsylvania. Yes; I will yield to the minority leader.

Mr. GARRETT of Tennessee. If the Attorney General had stopped there the situation, to my mind, would have been entirely different, but the Attorney General went much further than the sentence which the gentleman from Pennsylvania has just quoted.

Mr. GRAHAM of Pennsylvania. Of course, it is impossible for me to anticipate or interpret what is in the mind of the gentleman from Tennessee in making this interruption and making this statement.

Mr. GARRETT of Tennessee. I have no hesitation in stating what is in my mind.

Mr. GRAHAM of Pennsylvania. Well, the gentleman will have an opportunity to state it; there is no difficulty about that. I have not confined my remarks and do not propose to confine my remarks to that single quotation from the letter of the Attorney General. You can consider only one quotation at a time, and that one I have stated with reference to the duty of the Attorney General regarding the publishing of names when he has not sufficient evidence to warrant him in making any names public.

Now, then, it is further stated in the letter of the Attorney General:

To transmit to you the nature of the charges made against any persons under investigation in the Department of Justice is incompatible with the public interest and will tend to defeat the ends of justice.

If, however, the House of Representatives of the United States, acting within its constitutional power (under Article I), to punish its Members for disorderly behavior or to expel such Member, requests that all the evidence now in the possession of anyone connected with the Department of Justice shall be turned over to the House of Representatives—

Then all the information he possesses will be placed at its disposal.

In the opinion of your committee that answer presented a perfectly proper and natural answer from the head of that department of the Government. There was no infringement of the dignity of this House.

Let us take the case—and in saying this I have no relation whatever in my mind to the men who have voluntarily placed themselves before the House as suspected Members—and suppose that this House, in the flush of excitement, in the heat of sympathy and overflowing kindheartedness, were to take up and investigate and declare that there was nothing against the men who thus came before the House for inspection and examination, and then suppose that the investigation of the Department of Justice in this supposed case went on to a grand jury, went on into a court, went on to a trial and a conviction, what a position this House would be in, having assumed, out of generosity and a spirit of kindness, to proceed at once, and then face the possibility of finding a verdict that would be entirely different from the conclusion which they had reached.

Now, I am debating simply the question of what the duty of the man holding the office of Attorney General would be under the nature of the inquiry which was addressed to him by the House. He has a right to look at the matter in its broadest light and with all its possibilities. He must determine whether or not he has the evidence to warrant even an accusation. He did not make the accusation; neither did his department. I say, he did not make the accusation; it came through the action of the grand jury of a county in a sister State.

This man, pursuing the rule that governs in such matters, has replied to the letter of inquiry in the only legal way it

could be answered. No lawyer, when he stops to reflect and disassociates in his mind the question of personal sympathy and personal relationship, will dare say that any other course or conduct could have been adopted under the rules and regulations and the procedure that should govern in such matters as these.

Mr. NEWTON of Minnesota. Will the gentleman yield?

Mr. GRAHAM of Pennsylvania. Yes; I will yield for a question.

Mr. NEWTON of Minnesota. I want to ask the gentleman about the report of the grand jury and as to just how that report happened to have been made public. The report of a grand jury is ordinarily for the prosecuting officials and the judge. Now, did the gentleman's committee inquire into that in any way?

Mr. GRAHAM of Pennsylvania. That was not referred to us and we did not inquire into it. I wish to say to the gentleman that the information, so far as it has come to me, is this: Not through the Department of Justice, and not through the action of a court, but through an outsider the information got to members of the press, and, with the avidity which they always display for a sensational item, they got on this movement for names and brought forward these suggestions, and they finally reached the ears of certain men who seemed to think they related to them.

Mr. LONGWORTH. Will the gentleman yield?

Mr. GRAHAM of Pennsylvania. Yes.

Mr. LONGWORTH. It was stated by Mr. Crim, in the presence of several gentlemen, that he had written the report at the request of the grand jury; that the report was thereafter submitted to the judge, but whether any request was made of the judge to have the report sealed does not appear.

Mr. GRAHAM of Pennsylvania. No.

Mr. LONGWORTH. As a matter of fact, the report was made public and was accessible to all the newspapers.

Mr. GRAHAM of Pennsylvania. Certainly.

Mr. GRAHAM of Illinois. Will the gentleman yield?

Mr. GRAHAM of Pennsylvania. Yes.

Mr. GRAHAM of Illinois. I want to know, as a matter of practice, about something with which I am not cognizant. Is the report of a grand jury in a Federal district court made a matter of public record or is it held private?

Mr. GRAHAM of Pennsylvania. Unless it is ordered to be sealed it is made a matter of public record and can be consulted by anyone.

Mr. GRAHAM of Illinois. Was that true in this case?

Mr. GRAHAM of Pennsylvania. Yes.

Mr. KING. Will the gentleman yield?

Mr. GRAHAM of Pennsylvania. Yes.

Mr. KING. Do I understand that there were indictments found in these cases?

Mr. GRAHAM of Pennsylvania. There were no indictments found.

Mr. MONTAGUE. Will the gentleman yield?

Mr. GRAHAM of Pennsylvania. Yes; yes.

Mr. MONTAGUE. I wish to suggest to my colleague, as pertinent to the inquiry respecting Mr. Crim, that that gentleman himself submitted to the chairman of the Judiciary Committee a letter in which he disavowed, as strongly as possible, that he ever disclosed any information or any intimation as to the grand jury report, but that he only spoke of it to those who were in an official position to have such information.

Mr. GRAHAM of Pennsylvania. The gentleman from Virginia is quite right. Mr. Crim called at the committee room and furnished a letter which I exhibited to the members of the committee, and I ask unanimous consent of the House to spread that letter on the RECORD as part of my remarks in an extension of my remarks.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to extend his remarks in the RECORD for the purpose indicated. Is there objection? [After a pause.] The Chair hears none.

Mr. BUTLER and Mr. ROACH rose.

The SPEAKER. Does the gentleman yield; and if so, to whom?

Mr. GRAHAM of Pennsylvania. I can not yield just now.

Mr. Crim distinctly avers in the most earnest and positive manner that he never communicated this matter to anyone, except in the line of his duty to those who were over him; that he never gave out one single item of information to the press in any direction or spoke to anyone else outside of those who had to hear from him in the line of his duty.

Mr. CLARK of Florida. Will the gentleman yield? I want to ask the gentleman a question for information, if the gentleman will permit me. The gentleman states, and the gentleman is recognized as one of the ablest lawyers in this House, that it was the duty of the Member when awakened at night to threaten a suit for libel. Does not the gentleman know, as a matter of law, that a grand jury report or a court proceeding is absolutely privileged and not libelous.

Mr. GRAHAM of Pennsylvania. The gentleman is quite correct.

Mr. CLARK of Florida. And the newspapers can print that.

Mr. GRAHAM of Pennsylvania. But the gentleman must remember that this grand jury report mentioned no names.

Mr. CLARK of Florida. Certainly not.

Mr. GRAHAM of Pennsylvania. Therefore when the man's name was to be put in public print, the responsibility rested upon the paper, and I would have guaranteed his conviction in any court of justice in this land if he had dared to name me in connection with a matter of that sort and publish it to the world, even though a grand jury had mysteriously asserted that somebody had been impugned in his conduct who was a Member of this House.

Mr. CLARK of Florida. Does not the gentleman think, if the gentleman will permit one more question, that when a libel has been published involving 435 Members of this House, the House ought to take action? [Applause.]

Mr. UPSHAW. Will the gentleman yield? Considering the matter of publicity, does not the gentleman remember that the gentleman from Maryland [Mr. ZIHLMAN] said in his first statement that Mr. Crim telephoned his, ZIHLMAN'S, name to several different people as soon as he arrived in Washington.

Mr. GRAHAM of Pennsylvania. I wish to say to the gentleman that that is not true. I do not mean your statement is not true, sir; but that Mr. Crim telephoned to anybody, I am satisfied, is not true.

Mr. UPSHAW. The issue then is between Mr. Crim and Mr. ZIHLMAN.

Mr. OLIVER of New York. Will the gentleman yield?

Mr. GRAHAM of Pennsylvania. No; I can not yield now. I wish to say that I have met Mr. Crim once or twice in my life.

Mr. ZIHLMAN. Mr. Speaker, will the gentleman yield?

Mr. GRAHAM of Pennsylvania. Yes.

Mr. ZIHLMAN. I wish to say that I did say in my brief statement a few days ago, Saturday I think it was, that I had been informed by men of absolute reliability that he had telephoned the names; but I stated that merely upon the information given me. I have no positive knowledge about that, and the RECORD will bear out the fact that I stated that it was upon the authority of some one who had given it to me.

Mr. GRAHAM of Pennsylvania. That is what I understood, and in saying that it was not true I had that in mind.

Mr. GARNER of Texas. Will the gentleman yield for a question along a different line from the questions that have been asked and in connection with another phase of the matter? Why is it the Attorney General did not follow the custom of 100 years or more and have the President of the United States tell the Congress that it was incompatible with the public interest rather than to take the responsibility himself?

Mr. GRAHAM of Pennsylvania. I can not tell you that. I do not know that it is the practice of 100 years. I can tell you of one incident that comes to my knowledge. I think the gentleman from Virginia looked at the same precedent, where the official of the department replied—and it is true that later the President himself sanctioned what had been done—and this was in the administration of that very great man, Grover Cleveland, when he was President of the United States, and he took the ground, in opposition to what Senator Edmunds had contended for, that his department, as an executive department of this Government, could not be forced to give the information sought at the dictation of a committee, although in that case it would seem to have been almost a proper thing to do, for the Senate was about to pass upon the question of an appointment in which they acted cooperating with the President of the United States.

Mr. GARNER of Texas. Will the gentleman yield further?

Mr. GRAHAM of Pennsylvania. Just for a question.

Mr. GARNER of Texas. I wonder why your committee did not see proper to get the present President of the United States to back up the Attorney General in saying it was incompatible with the public interest.

Mr. GRAHAM of Pennsylvania. That question is unworthy of an answer, and I am surprised that the gentleman from Texas would put it.

Mr. GARNER of Texas. Of course, that is the gentleman's viewpoint about it.

Mr. GRAHAM of Pennsylvania. The gentleman knows perfectly well that was not referred to our committee, and it would

have been a piece of impudence and impertinence for us to have intruded along that line. [Applause.]

Mr. STEAGALL. May I ask the gentleman a question now?

Mr. GRAHAM of Pennsylvania. Yes.

Mr. STEAGALL. The newspapers carried a report to the effect that the special agent of the Department of Justice, Mr. Crim, stated in an interview, before the department had been called on by this House to furnish any information, that he was going to pursue this inquiry in the courts; that he did not know how long it would take, and that it might take considerable time; but that he would not in the meantime divulge the information to the House. Is not that true?

Mr. GRAHAM of Pennsylvania. No; it is not.

Mr. STEAGALL. Did the committee make any inquiry as to whether that statement, which was carried in the press, was correct or not?

Mr. GRAHAM of Pennsylvania. I have a statement that amply convinces me that is not true.

Mr. STEAGALL. One other question——

Mr. GRAHAM of Pennsylvania. Listen just a moment. We were not appointed to go on a fishing expedition as to what any newspaper might have published in connection with this thing. That was not the duty of a dignified committee of this House and the question that was submitted to us involved no such consideration. It is perfectly ridiculous to put it to us in that way.

Mr. STEAGALL. Mr. Speaker, will the gentleman yield for an inquiry?

Mr. GRAHAM of Pennsylvania. I will, if it is simply an inquiry and not a statement.

Mr. STEAGALL. Is not this true that the papers at the same time carried the statement that Mr. Crim had reported to the President, and the statement from the President saying that he would have a full investigation made of this matter, but not by the Congress.

Mr. GRAHAM of Pennsylvania. I simply say that I am sure that that is not true. It is a newspaper article that the gentleman quotes from. I do not know what newspaper he quotes, nor what the source of the information of that paper was, but I assure the gentleman that that is not the fact.

Mr. KING. Mr. Speaker, will the gentleman yield?

Mr. GRAHAM of Pennsylvania. Yes.

Mr. KING. Does the gentleman know whether Mr. Crim assisted the grand jury in Cook County in writing that report of the grand jury which appears on the first page of the report filed by the gentleman's committee?

Mr. GRAHAM of Pennsylvania. My information in regard to that is this: That the grand jury through a witness that came before them got this information about these two Members of Congress and they threatened to make it public and send a communication to the President of the United States upon the subject, and to avoid that and protect the names they were told that their only duty would be to report it to the court that had appointed them, and that information and instruction was sound. That is the only thing they ought to have done.

Mr. KING. Was this special report which is printed on the first page of the report of the gentleman's committee made by Mr. Crim, or under his advice?

Mr. GRAHAM of Pennsylvania. I can not tell the gentleman who aided or assisted in making the report for the grand jury, but if the grand jury had something they wanted to disclose and insisted upon disclosing it, whoever was in charge of the case would have to assist them in putting it into proper legal form. I do not believe that Mr. Crim was in any manner responsible for the insertion of that paragraph in the report. That was the act of the grand jury.

Mr. McSWAIN. Mr. Speaker, will the gentleman yield for an inquiry?

Mr. GRAHAM of Pennsylvania. Yes.

Mr. McSWAIN. The gentleman having assured us of the falsity of certain reports and the credibility of certain persons, how did the distinguished gentleman and his dignified committee ascertain these facts extraneous of the record without doing a little outside fishing?

Mr. GRAHAM of Pennsylvania. That question ought to get its answer by a response of silence. I did not say what the gentleman says. I said here to this House that the evidence satisfied my mind, knowing what I do about the publications, that it was not true as reported in the newspaper.

Mr. McSWAIN. Will the gentleman yield?

Mr. GRAHAM of Pennsylvania. No.

Mr. McSWAIN. Then I ask the gentleman——

The SPEAKER. The gentleman declines to yield.

Mr. STEAGALL. Will the gentleman yield to me to call attention to one brief statement in the report?

Mr. GRAHAM of Pennsylvania. I decline to yield to the gentleman again.

Mr. TUCKER. Mr. Speaker, will the gentleman yield?

Mr. GRAHAM of Pennsylvania. I yield to the gentleman from Virginia.

Mr. TUCKER. I find in the report of the committee the following statement:

> Under the reply of the Attorney General there is but one of two courses open to the House of Representatives:
>
> (a) The House take full charge of the investigation and evidence of the alleged charges and relieve the Department of Justice from any further responsibility.

I do not understand that. As I understand it, the Department of Justice is charged with the duty of investigating breaches of the law. This House is charged with the duty of investigating of breaches of propriety, and I do not see what the committee means.

Mr. GRAHAM of Pennsylvania. I shall answer the gentleman from Virginia to the best of my ability, that the situation presented one of two alternatives, and I am not speaking of the law but of the fact. The Attorney General reported that it would be inadvisable to have two investigations proceeding at the same time, hunting for the same witnesses and going over the same ground, but that if the House wished under the proceeding which it had a right to institute to examine into the question of the conduct of its Members, if it wanted to proceed in that way, then he would wait until that was concluded, so that the alternative was presented by the situation itself of the House attempting to proceed to examine into the question of the conduct of its Members, suspending for the time being the investigation by the Department of Justice; and we concluded that we ought not to relieve the Department of Justice from the duty of going on with their investigation.

Mr. TUCKER. Suppose we appoint a committee to investigate this at the instance of the gentleman from Maryland [Mr. ZIHLMAN], and suppose the Attorney General is summoned before that committee, will he give evidence?

Mr. GRAHAM of Pennsylvania. I reply to that by saying that in his letter he has tendered it to the committee. He does not ask for subpœna. He says that if we decide upon such course all of the facts—everything that is in his possession—will go to the service of the House. That is the attitude of the Department of Justice upon that subject.

Mr. GRAHAM of Illinois. Mr. Speaker, will the gentleman yield?

Mr. GRAHAM of Pennsylvania. Yes.

Mr. GRAHAM of Illinois. This thought is in my mind about this whole proposition: Ordinarily when matters of this kind are investigated by congressional committees, immunity is conferred upon the persons who are charged with crime, especially if they testify before such a congressional inquiry. Suppose this House takes up these matters and investigates for itself. In case there was any crime attaching to it, would it confer immunity upon those who were guilty of such crime? Has the gentleman investigated that?

Mr. GRAHAM of Pennsylvania. I have not.

Mr. GRAHAM of Illinois. That is a very pertinent matter here. The question is whether a congressional investigation will immunize anyone who had committed any crime.

Mr. GRAHAM of Pennsylvania. In most cases it does, but as to whether it would in this investigation of disorderly conduct of a Member or not I am unwilling to put my opinion on record.

Mr. GRAHAM of Illinois. I know that I have investigated it to some extent, and that where a person charged with crime testifies to the same matter before a congressional committee and does not waive immunity, it does confer immunity.

Mr. GRAHAM of Pennsylvania. I am inclined to think that the gentleman from Illinois is correct.

Mr. BUTLER. Mr. Speaker, will the gentleman yield?

Mr. GRAHAM of Pennsylvania. Yes.

Mr. BUTLER. As I understand it, a crook was called before a certain grand jury, and in the course of the hearing he said that two Members of Congress are charged with wrongdoing. Did the crook mention the names of the two Members? Has my friend any information about that?

Mr. GRAHAM of Pennsylvania. I am unable to state, but I am sure that they must have been mentioned. They were not mentioned in the report of the grand jury.

Mr. BUTLER. Has my friend learned how that information was carried to the public?

Mr. GRAHAM of Pennsylvania. Oh, the report of the grand jury was published.

Mr. BUTLER. I understand the two Members are not named in the report.

Mr. GRAHAM of Pennsylvania. No names were mentioned, but you see how easy it would be of an inquiring reporter to go after the witness who was before the grand jury and ask about the names. How easy when you remember there are 23 men on the grand jury from whom there could be a leak. Is it an unusual thing to find a leakage in an investigation of this kind?

Mr. BUTLER. If the gentleman will yield again. Did not the gentleman learn the names of the persons who conveyed this information to the public?

Mr. GRAHAM of Pennsylvania. It is impossible to learn that.

Mr. BUTLER of Pennsylvania. Another question. Under these circumstances do we not owe it to ourselves to inquire who these Members of Congress are and what the charges are? [Applause.] Should not we punish these two men or at least make this inquiry? There is no better prosecuting officer in America than the gentleman I am now addressing, and he knows how long it takes to drag out a libel suit against a newspaper.

Mr. GRAHAM of Pennsylvania. I wish to say to the House most earnestly that in the opinion of our committee, with the exception of the minority report which was presented by one, that it was agreed that it was unwise for this House to proceed further along the line of this resolution and that the proper course to pursue would be for the present, as this resolution says, to permit the Department of Justice to go on with this examination in its regular and orderly course, and if within a reasonably short time there is not a report that will satisfy this House, then it is in our power to proceed further in this matter and endeavor to get it cleared up; but it is considered unwise for this House to start an investigation against two of its Members on the thought that they have been accused of disorderly and improper conduct when there is no official accuser, no responsible accuser, and cross-purposes with the Department of Justice in their investigation.

Mr. WINGO. Will the gentleman yield?

Mr. GRAHAM of Pennsylvania. Pardon me just a second. The Attorney General has practically said to this House there is insufficient evidence in his hands and in his possession to present the names of any gentleman to the House. He wants, as his duty requires, to inquire further, and in all human probability you will find that within a few days you would get an exoneration of everybody in this House on a report from the Department of Justice that there is no responsible accuser nor sufficient evidence. How much better that is than for the House in the warmth of its affection for an individual Member or in the enthusiasm of individual friendship to proceed with an investigation which might be characterized through circumstances developed afterwards as a whitewash by the House of its own Members. Understand, gentlemen, I am not saying one word against these two men who have spoken on the floor in connection with this matter. I personally believe in their integrity, and will so believe until the evidence comes, if it should come, that can shake that belief. But I say for their sake, as well as for the sake of the dignity and the honor of the House, we ought to permit this matter to proceed in a regular and orderly course in which, if we adopt this resolution, it is about to be pursued.

Mr. WINGO. Will the gentleman now yield?

Mr. GRAHAM of Pennsylvania. I do.

Mr. WINGO. I notice in the answer to the Attorney General that the second ground for his refusal is—

> To transmit to you the nature of the charges made against any persons under investigation in the Department of Justice is incompatible with the public interests and will tend to defeat the ends of justice.

In the judgment of the committee how would it be incompatible with the public interest and defeat the ends of justice for this House to be advised of the nature of the charges against Members who are under charge and the names of the Members?

Mr. GRAHAM of Pennsylvania. The Department of Justice has not made any charge against any Member.

Mr. WINGO. The gentleman did not get my inquiry.

Mr. GRAHAM of Pennsylvania. But it can make an investigation, and that investigation may disclose that no charges are to be made against anybody and ought not to be made.

Mr. WINGO. But the gentleman did not get the question.

Mr. GRAHAM of Pennsylvania. Here is an officer of the Government charged with the duty of administering the office to which an investigation of criminal charges is a part of his work, and if he is called upon to disclose the charges and to make known what to rely upon, any man who has ever held the office of a prosecuting officer can readily see how that might interfere with the Department of Justice and defeat the efforts of the investigator.

Mr. WINGO. If the gentleman will yield. I fear the gentleman did not get my question exactly. I am inquiring in reference to the facts, and I am not thinking about the personal sympathy side but thinking about the public interest and the question of defeating the ends of justice. And my question is not at all antagonistic. Now the facts are that the statement has been made by the grand jury that evidence has come before it which shows that two Members of Congress have accepted money in such a way as to call for a criminal investigation. Now, assuming that the House can be trusted as much as the grand jury, how would it be incompatible with the public interest and how could it defeat the ends of justice for us to ascertain and expel a Member who may be guilty of misconduct?

Mr. GRAHAM of Pennsylvania. Because the House has nothing to do with the question except the question of propriety and conduct of a Member. There are only two things the House can do, one is to censure or expel. That does not reach the crime, and what the House might disclose or ascertain might be practically to defeat the ends of justice.

Mr. WINGO. Just how would the ends of justice be defeated?

Mr. GRAHAM of Pennsylvania. That was the unanimous decision of the committee, with the exception of one.

Mr. DOMINICK. Not unanimous.

Mr. GRAHAM of Pennsylvania. I said except one.

Mr. WINGO. Just how would it defeat it?

Mr. DOMINICK. Not a unanimous agreement.

Mr. GRAHAM of Pennsylvania. Yes; I say you excepted.

Mr. WINGO. That is the point I want to get your judgment on as a lawyer. How would it grant immunity if we refused to grant immunity to the witnesses who came before us, and how would it defeat an indictment by a grand jury by direction of the district attorney, laying the evidence before it, for this House to get the facts without granting immunity to any witness upon which we could discharge our duty and expel a Member if the facts justified it? How would that interfere? The assumption is that the House would not grant immunity to anybody, and unless we grant immunity and take testimony——

Mr. GRAHAM of Pennsylvania. If immunity follows a committee of investigation, it follows as a matter of law. The House will have nothing to do with it unless it changes the law, and that requires the consent of Congress.

Mr. WINGO. The gentleman is familiar with the law, he knows they may waive immunity.

Mr. GRAHAM of Pennsylvania. I can not yield further. Mr. Speaker, I reserve the balance of my time.

Mr. DOMINICK rose.

The SPEAKER. The Chair recognizes the gentleman from South Carolina. The gentleman from Pennsylvania reserves the balance of his time.

Mr. GRAHAM of Pennsylvania. Mr. Speaker, I yield——

The SPEAKER. The Chair did not understand. The gentleman is entitled to one hour. He used 40 minutes and reserved the balance. The gentleman from South Carolina sought recognition, and the Chair recognized him.

Mr. GRAHAM of Pennsylvania. I wanted to know what the rule is. I was going to yield him time.

I ask to have printed as a part of my remarks the following letter:

> Hon. GEORGE GRAHAM,
> *"The House," Washington, D. C.*
>
> MY DEAR MR. GRAHAM: If you have the opportunity, please state in the most emphatic way with reference to the report of the grand jury at Chicago that I have not in any manner indicated nor mentioned the names of the Members of Congress referred to therein to any person other than officials, and to them only in strict accordance with my official duty.
>
> Sincerely,
>
> JOHN W. H. CRIM.

Mr. DOMINICK. I do not ask for any time.

The SPEAKER. The gentleman from Pennsylvania could have yielded, but he had only 20 minutes to yield. The Chair not understanding that, recognized the gentleman from South Carolina.

Mr. COOPER of Wisconsin. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. COOPER of Wisconsin. In view of the conversation about the parliamentary status, I desire to ask the Speaker if there is to be but one hour's discussion of this resolution, to be controlled by the gentleman from Pennsylvania?

The SPEAKER. No. That is for the House to decide. The Chair has recognized the gentleman from South Carolina, and he is entitled to an hour.

Mr. DOMINICK. I do not suppose that is to be taken out of my time.

The SPEAKER. Of course not.

Mr. DOMINICK. Mr. Speaker and gentleman of the House, on the 6th day of March there was passed a resolution by the House, the resolving words being "That the Attorney General be directed to transmit to the House of Representatives the names of the two Members of Congress and the nature of the charges made against them." In response to that direction of the House the Attorney General wrote back a letter to the House, through the Speaker, in which, as some Members characterized it, there was practically a defiance of the House, and denying their authority, saying that he would do certain things and furnish certain testimony and certain evidence if a proper resolution was passed by the House calling on him to furnish it, and practically threatening that in the event he was called upon for this information he would stop or practically suspend any further investigation in regard to the matter.

That, to my mind, was one of the most curious positions I have ever seen taken by any man who claims to be a good lawyer, and especially a man who is at the head of the Department of Justice, taking the position, in effect, that if we proceeded with an investigation here in the House he would not do anything in the Department of Justice. These matters are entirely separate. Under the law this House has the right to control its membership and regulate the conduct of its Members. They can suspend or expel Members, and if they are suspended or expelled for a crime, that action on the part of the House in regulating the conduct of its Members does not affect any criminal prosecution that might be brought against them whatsoever.

Mr. McKEOWN. Mr. Speaker, will the gentleman yield for a question?

Mr. DOMINICK. Yes.

Mr. McKEOWN. Does the gentleman think this resolution exonerates our colleagues, and says in effect that they have not violated the proprieties of the House, and if the Attorney General has got any prosecution let him bring it.

Mr. DOMINICK. We have all gone afield to a large extent in the discussion of this question. We started discussing it last Saturday afternoon at half past 2 o'clock in the Committee on the Judiciary and we were in session two or three hours, and on Monday morning we started at 9 o'clock and continued until 2 o'clock, and then from 2.30 we continued until 4.30. The discussion has gone afield both in our committee and in the proceedings here to-day. The question is not, gentlemen, as to whether or not we shall have an investigation of JOHN LANGLEY and FRED ZIHLMAN, but the question is a higher one to my mind, as to whether or not the honor and dignity and the prerogatives and the rights of this House shall be respected by a Cabinet officer that we have. [Applause.]

This is a threefold question. It has various angles to it. When I heard the gentleman from Kentucky [Mr. LANGLEY] and when I heard the gentleman from Maryland [Mr. ZIHLMAN], I could imagine their feelings under these charges and rumors that have been made. That is one feature of the matter. They have a right to know whether they are the charged ones or not. And then next to that here are 433 other Members of this House. There is not a Member of this House that has not had claims before the Veterans' Bureau, that has not had claims before the Pension Bureau, that has not had matters up before the Department of Justice; and yet to-day when we have only newspaper reports as to who these suspected men are, every man on the floor of this House can just as easily be charged, on account of the fact that he had written a letter to the Veterans' Bureau or to the Pension Bureau.

Now, while the newspapers have fixed these two names, these two Members have come before the House and they have disclaimed any knowledge of any wrongdoing. Where does that put the balance of you? At the same time we are informed that the Department of Justice and the President of the United States have been advised by a representative of the Government of the names of these Members. Why can we not get those names and settle it and fix it? Then after we get those names and the charges against them, it is up to the House to decide whether or not it shall take any action or wait for the action of the courts. Those Members will at least have their names, and the balance of us will have our names, expunged from this suspicion. Is not that a fair proposition?

We have not asked the Department of Justice for any evidence. We have not asked it for any affidavits. We have simply asked it for the names of these two alleged Members of Congress, with the nature of the charges, whether they are guilty of embezzlement or bribery. We have not even asked it for a copy of the indictment, if an indictment has been rendered.

Now, gentlemen, I do not know that the matter really requires any discussion. As I stated a little while ago, it is really amusing to see that the Attorney General would attempt to relieve himself from his duty by saying that if he furnished anything to us he would have to stop. As I stated, the two proceedings are entirely separate and distinct.

In the Senate case of Joseph R. Burton, in the Fifty-ninth Congress, the question arose as to whether or not a Senator, having been convicted in the courts under section 1782, Revised Statutes, the conviction would ipso facto vacate the seat of the convicted Senator. The question came before the Supreme Court of the United States, and in the opinion of the court, rendered May 21, 1906, by Mr. Justice Harlan, it is stated:

> In our judgment there is no necessary connection between the conviction of a Senator of a public offense prescribed by statute and the authority of the Senate in the particulars named. While the framers of the Constitution intended that each department should keep within its appointed sphere of public action, it was never contemplated that the authority of the Senate to admit to a seat in its body one who had been duly elected as a Senator, or its power to expel him after being admitted, should in any degree limit or restrict the authority of Congress to enact such statutes, not forbidden by the Constitution, as the public interests required for carrying into effect the powers granted to it.

Now, another matter, gentlemen, that is a little curious to me. I hate at any time to find myself not in accord with my associates on the Judiciary Committee. I have been on that committee for three years, and in my opinion it is one of the least partisan committees we have in the House, and I hate to find myself in the lonesome minority of one on this question. But you can read the report as prepared by a subcommittee, and thrashed out for five or six hours in executive session, and you do not see a single authority or a single precedent cited in that report. So far as the committee report is concerned, and I might add so far as the discussion goes, there was very little attention paid to any precedents, and some of them say we have no precedents in this matter.

Mr. McSWAIN. Will the gentleman yield?

Mr. DOMINICK. Yes.

Mr. McSWAIN. Talking about the matter of precedents, suppose we accept the conclusion of the committee and back off; will it not establish beyond doubt the proposition that we are helpless to obtain information from any executive officer?

Mr. DOMINICK. There is no doubt at all about that. I now want to refer to page 186, section 1886, Hinds' Precedents. The House having asserted its right to direct the heads of the executive departments to furnish information, the Secretary of War returned an answer to a portion of the inquiry, declining to respond to the remainder. On December 2, 1861 (2d sess., 37th Cong., Jour., p. 10), the House agreed to the following resolution:

> *Resolved*, That the Secretary of War be requested, if not incompatible with the public interest, to report to the House whether any, and if any, what measures have been taken to ascertain who is responsible for the disastrous movement of our troops at Balls Bluff.

The Secretary of War having replied that a compliance with the resolution would, in the opinion of the General in Chief, be injurious to the public service, on January 6, 1862, Mr. Roscoe Conkling, of New York, submitted the following:

> *Resolved*, That the said answer is not responsive nor satisfactory to the House, and that the Secretary be directed to return a further answer.

In the debate on this resolution it was urged, on the one hand, that the management of the Armies belonged to the executive department of the Government, and that an investigation into failures belonged rather to the military tribunals than to the House. On the other hand, it was urged that as the Congress raised the Armies it had a right to direct the heads of the executive departments to furnish information, and that this right, exercised also by the Parliament of Great Britain,

had been recognized by the rule of the House adopted in 1820. The House agreed to the resolution—yeas 80, nays 54.

And yet, gentlemen, they say we have no precedents in the matter. I want to say, my friends, that if we have not any precedents, or if the Congress, or either House of the Congress, finds itself in a situation where it can not call for information from the heads of departments, then it is high time for us to be passing some legislation by which we can require information that is desired by our House. [Applause.]

Mr. STEVENSON. Will the gentleman yield?

Mr. DOMINICK. Yes.

Mr. STEVENSON. I desire to direct the gentleman's attention to the fact that this concerns the honor of every Member of this House, which is a much more pertinent matter than even that matter to which the gentleman has referred.

Mr. DOMINICK. I stated that a few moments ago in the early part of my remarks.

Now, Mr. Speaker and gentlemen, as a substitute for what has been offered, and in the nature of a minority report, I have offered the resolution which has already been read from the desk, and I will read it again for the information of some of the membership who probably were not here at the time it was read:

Resolved, That the reply of the Attorney General under date of March 7, 1924, to House Resolution No. 211 is not responsive to the inquiry of the House or satisfactory to the House.

The attention of the Attorney General is called to the House resolution, and he is hereby directed to transmit to the House of Representatives the names of the two Members of Congress and the nature of the charges made against them, as directed in that resolution.

In my closing remarks, gentlemen, I want to remind you of one thing that I have been trying to stress in all my discussions of this question: The matter now before the House is not whether we will make an investigation of any charges that have been made, but the question is whether or not we will require the Attorney General of the United States to furnish the information that has been requested by a proper resolution of this House; and if you will keep that in mind, stick to the issue, and not let it be muddied by other propositions, I have no doubt as to the result of a vote on this question. [Applause.]

Mr. Speaker, I reserve the balance of my time.

Mr. SUMNERS of Texas. Mr. Speaker and gentlemen of the House, as one of the members of your Judiciary Committee it is my duty to give to the House the benefit of the judgment and conclusion at which I have arrived.

I am not unmindful of the temper of the House; I am not unmindful of the disposition of the House to get this information from the Attorney General, but I am going to discharge my duty when I shall have done so; then the responsibility is yours.

There are one or two things which I believe it would be helpful to eliminate from our consideration at the beginning. In my judgment the adoption of this resolution would establish no precedent, as some gentlemen seem to fear. You will observe that the language of the resolution is that for the present the House do not insist further upon the Attorney General complying with the request. There is no abandonment, no surrender of claim of right. If it wants to do it, it can renew its request at any time in the future. It also leaves the House free to do anything which the House may desire to do with reference to the appointment of a committee to investigate the matter of these charges.

Now, as to the subject matter submitted to your Judiciary Committee. It was the reply of the Attorney General. Let us get this narrowed down as rapidly and as completely as we can. The Attorney General said to the House, in substance, "I will comply with your request for the names and the charges." There is no question about that. He imposed a condition, however, gentlemen, to that reply which, in my judgment—and I have thought over it for a good while—it would be unwise to accept. The Attorney General says that if this request is renewed he will comply and will also send data, and so forth, and suspend until the House shall have concluded its investigation. This is the legislative branch of a Government which has three coordinate branches. The Attorney General belongs to the executive branch of the Government. It is the duty of the Attorney General to prosecute offenses against the laws which we as the legislative branch enact. That is his business.

The Attorney General says that he is in the midst of an investigation to ascertain whether or not the laws enacted by the Congress have been violated. We have that information. Now, whether we believe the Attorney General is a good man or a bad man, whether we believe he is sincere or not, he is the responsible agent under the President charged with the enforcement of the law. He got his commission from the President and the Senate, and the President and the Senators get their power to create the present incumbent, Attorney General, from the people of the United States. Standing upon his official responsibility, with a discretion which we know he has, the Attorney General says that it is his purpose when he complies with any further request for this information, if made by the House, to suspend the efforts of his office while the House is proceeding.

Now, I do not agree with him. I think the Attorney General ought to have sent the names and the charges and proceeded with the matter. But it is not my judgment, or the judgment of the House, which would or could control this exercise of executive discretion. It is his discretion, received from the same source from which we have received our legislative discretion, the Constitution. It is his judgment that controls within the scope of his discretion. Let us get the situation clearly. He says that he will send the names, that he will send the charges; he will send everything he has. There is no use of this House discussing its inability to get from the Attorney General what it wants. It can get it. And when the Attorney General sends it down here he will dump on this House the full responsibility, and that is the fact. I am not talking about any legal or speculative fact. I am talking about the actual fact; responsibility for any failure to indict, and responsibility for any failure to convict, and responsibility for the failure of full and complete vindication, which otherwise would come from such failure to indict or convict. We are dealing with an actual situation and not a theory.

Mr. STEVENSON. Will the gentleman yield?

Mr. SUMNERS of Texas. No; not now. I will directly. All right; I will yield now. Perhaps that would be better.

Mr. STEVENSON. I want to ask the gentleman if he thinks the Attorney General has the right to put that alternative to the House and say you either have got to keep out or I will keep out? Has not the House the right to determine the fitness of its Members to sit, and has not the Attorney General the right to determine whether Members shall be prosecuted for crime, and are they not two entirely separate and distinct propositions?

Mr. SUMNERS of Texas. I am not discussing the rights; I am discussing the power to do it. I do not believe he has the right, but he has the discretion and the power to do it, and he has told us that is what he proposes to do. I am talking about what you will get. We are not dealing with a theory; we are dealing with a situation. What are you going to do with these names and these charges and this evidence when the Attorney General sends them down here to the House and suspends action? I say I do not think the Attorney General ought to do it, but he has the power to do it; and what are you going to do with it when you get it? The House can not prosecute. It can not convict. It can not even impeach one of its Members. It can only expel.

If there be a man in this House guilty of the offense charged, he deserves a penalty and a punishment greater than expulsion. If there be a man in this House under the suspicion of a direct charge, that man deserves a greater vindication, a more complete vindication, than his fellows of this body can give to him. [Applause.] Those are the facts of this situation. There is a way for the House to proceed to purge itself without affording either reason or excuse for the Attorney General to pass his responsibility to the House. At least the House should make reasonable effort to proceed in that way before permitting the Attorney General to excuse himself even temporarily.

Mr. WARD of North Carolina. Will the gentleman yield?

Mr. SUMNERS of Texas. I regret I can not at this point. I want the guilty convicted. I want the House purged if there be any guilty among us, and I want with all intensity of desire the innocent vindicated. Vindication is not an act. Vindication means a restoration of proper relationship in the confidence of good people. That is what it means. I want us so to proceed that all innocent men under any sort of a cloud will have that sort of vindication. There is one of two things about this situation: Either the Attorney General is proceeding in good faith in the position which he has taken or he wants to get rid of this business. Suppose he is not proceeding in good faith and you insist and get this whole matter in the House.

The Attorney General will step aside, and you will have walked into the prettiest little trap that has ever been laid since my experience in this Congress. What are you going to do with this responsibility when you get it? You may say that the

responsibility is not yours; that the Attorney General ought to proceed. But you can not escape the responsibility of having done that which the Attorney General told you would result in his suspending procedure.

Suppose you do this and render a verdict of "not guilty" and retain these men here. We are dealing with a situation, and an unusual situation. What then? I want these men, if they are free, to walk among their fellows and no human ever be able to say that these men are wearing a coat of whitewash put on them by their colleagues. You are not dealing with any theory here, gentlemen. You are dealing with reputation, with the psychology of the country, as well as with great public interest. Here are two men whose names have been associated with these alleged offenses. I do not believe the Attorney General treated them or this House right. I do not believe Mr. Crim discharged his duty as he ought to have discharged it. I read a statement from the witness from whom it is alleged Mr. Crim got this information, printed in the Chicago Tribune of the 7th of this month. He said that Mr. Crim was looking through some papers, and in these papers he discovered some documents out of which these rumors, this hurt to individuals, and this hurt to public confidence in the responsible agents of the Government grew. If this statement is true, Mr. Crim, knowing that the Chicago grand jury had no jurisdiction, ought to have put those papers in his pocket and brought them back and submitted them to a grand jury that did have jurisdiction. [Applause.] It was a dastardly thing for any man in power and with responsibility to permit those names to go before that grand jury, which had no jurisdiction and could do nothing more than to submit a report from which suspicion could fly abroad through the land to the hurt of men, to the hurt not of the House of Representatives merely but to the Nation. I do not say there was any purpose to divert suspicion to make the country talk about somebody else for a while; but if there was any such purpose, this procedure at Chicago and what has happened here would be about what would be expected in the carrying out of that purpose. The Chicago grand jury reports that Members of Congress are charged by witnesses with illegal acts. Rumors are turned loose in Washington and elsewhere.

The Chicago grand jury can not proceed because it has no jurisdiction. Persons named can not meet charges there because there is no indictment. They can not meet them here because there is none. They can not meet them in the House because even the names are uncertain and the offense is not named. In the meantime the whole House is placed under a blanket suspicion, which the Attorney General will not help remove, except upon a shift of responsibility which the House can not afford to accept. Of course, you gentlemen resent this. Of course the grand jury had no right to make such a public report. Mr. Crim was there. He doubtless helped prepare that report. These names were given publicity in violation of every public and private duty. And gentlemen with fire in their eyes propose to walk into this trap. That is what you are fixing to do. Why are you going to do this? Use your heads. This House has the power to appoint a special committee if it wants to, to go to the bottom of this thing. The Attorney General's office is not the only source of information. You can go to the people from whom Mr. Crim got his information if you want to. Why do you insist on taking hold of the hot end of the poker which the Attorney General is handing to you. Do you not see it is hot? When the Attorney General comes to me and says, "Yes; you can have it; and you can have the whole thing," I say, "No; thank you, Mr. Attorney General; you keep it; we will go somewhere else and get what we want, if we want it; we may come to you later, but not now." They started the matter, and now let them finish it. What are you going to do? It is your responsibility. To-morrow or the day after or the next week, if you should appoint this committee and it finds that it can not get the information from any other source, then you can go to the Attorney General, if you desire to do so.

Mr. DOMINICK. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. DOMINICK. Is there any suggestion in resolution No. 212, or any request of the Attorney General, as to any investigation upon the part of the House?

Mr. SUMNERS of Texas. No.

Mr. DOMINICK. The House has asked only for the names of the two Members who are mentioned and the nature and character of the crimes charged.

Mr. SUMNERS of Texas. But my colleague is too wise to believe that all the House would do would be to get the names of the two men from the Attorney General and then remain impotent, silent, inactive while the accentuated suspicion resulting from that act rested against them. It would be a crime for the House to do that. [Applause.]

Mr. DOMINICK. Does the gentleman think it is for the Attorney General to advise the House as to this procedure?

Mr. SUMNERS of Texas. No; I do not. I do not think so for a minute. The House submitted to us the concrete proposition of what we should do with regard to the reply of the Attorney General. Nothing else was within our jurisdiction. We have reported as to nothing else.

Mr. CLARK of Florida. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. CLARK of Florida. I would like to know if the gentleman does not believe that when the two names and the nature of the charges are furnished, the House would certainly follow it up by a committee to investigate?

Mr. SUMNERS of Texas. I think so. I think the House would. That is the point I just made. I stated that as clearly as I could. And I ask my friend from Florida, whose sound judgment I have learned to rely upon, if you believe, as you must, that you have a considerable probability of getting the names and the nature of the charges from another source, which would not give the Attorney General any excuse to lie down on this matter, if I should put it that way, does not your judgment suggest that you explore that source first before asking the Attorney General again for the information, when he has told you as plainly as he could that he would give you everything that he has and stand aside while you wrestled with it?

Mr. CLARK of Florida. Mr. Speaker, will the gentleman permit one more question?

Mr. SUMNERS of Texas. Yes.

Mr. CLARK of Florida. The office of the Attorney General is a statutory office, created by the Congress?

Mr. SUMNERS of Texas. Yes.

Mr. CLARK of Florida. He is our creature. We direct him to do a certain thing. He threatens us in his reply by saying that if we force him to do this he is going to throw up his hands and not perform his duty.

Mr. SUMNERS of Texas. Yes.

Mr. CLARK of Florida. Does the gentleman think that is right?

Mr. SUMNERS of Texas. No; I do not. It may provoke, even anger us. But I think the smartest thing that ever came from human lips is the saying that he whom the gods would destroy they first make mad. [Applause.] We must not act on this proposition because we may be provoked at the Attorney General and do not believe that he did as he ought to have done. He has a very shrewd mind which is working quite calmly these days. I have not examined the question, but I do not raise any question as to the power of the House in this particular matter to summon the Attorney General and compel his testimony, but at the same time I know there is no power in this House to compel the Attorney General to proceed with these transactions after the House has taken jurisdiction. There is no power in this House to prevent the Attorney General, when this House has taken jurisdiction, from failing to go ahead with his matters. If the Attorney General's prosecution falls down, there is no power to prevent the Attorney General from saying that he would have convicted if the House had not interfered, and there is nothing to prevent a lot of good people from believing it. This House owes a duty not to itself alone but to the people of the Nation so to proceed as to hold the confidence of the country. We come and we go, but the House is a permanent entity. It will be here when we are all gone.

Mr. CLARK of Florida. I wish the gentleman would explain to this House how in the name of heaven an investigation here with these alleged charges can even tend to defeat the ends of justice. These men ar not going to run away; they can not escape if they tried to do it.

Mr. SUMNERS of Texas. The gentleman entirely misunderstood my statement. I never said anything of the kind. I said that you could not prevent the Attorney General from saying it. Can you? Is not my statement sound?

Mr. CLARK of Florida. You can not prevent him from saying something; that is true; yes. The Attorney General did say in his reply that it might defeat the ends of justice.

Mr. SUMNERS of Texas. Suppose you were the prosecuting attorney engaged in the investigation and somebody else received from you—you surrendered to somebody else—documentary proof that you had. Then suppose the prosecution fails. Would not you as prosecuting attorney have a pretty good excuse to offer? You would at least have a better one than if you had not surrendered the custody of your documents. If somebody should ask you why you did it and you could answer that you were requested by a high authority and you sent all

that would help some, would it not? That is just common horse sense.

Mr. HOCH. Does the gentleman think that if the House should have an investigation such as he suggests, and such as rather appeals to me, without the calling upon the Attorney General, the Attorney General would then have an excuse that the investigation of the House interfered with his investigation?

Mr. SUMNERS of Texas. I do not think so. Certainly not so good an excuse. It is my idea, gentlemen, that the House should consider first whether it desires to investigate these charges. It has never formally decided. If so, then it should create a special committee to make inquiry from sources other than the Attorney General. The committee would have sense enough to do that without instruction. If that committee should report to the House after it had undertaken to make that exploration that it could not progress satisfactorily, then for the first time, in my humble opinion, should the House consider permitting the Attorney General to dump into the laps of this House the documents which he has and the responsibility which he has. If that is not good sense, then I must confess I have not got any.

I now yield to the gentleman from Georgia [Mr. UPSHAW].

Mr. UPSHAW. Does not the gentleman recognize this fact, that this question that is before this House can not be disposed of by a mere brush of the hand, and the nicety of the situation is this: This provides for the Department of Justice pursuing an offense against the Federal law, but it does not provide for its pursuing an offense against the honor of the House of Representatives and against its membership.

Mr. SUMNERS of Texas. I agree thoroughly, but in the discharge of any duty the House owes it ought not to put forth any excuse for an officer connected with another branch of the Government. That is the point I am trying to make. If I have not made that point, then I have spoken in vain. That is the only point I am insisting upon, that the House in discharging the duty which it owes to its membership and to the country ought not, in the first instance, do that which will afford any excuse for any man connected with any branch of the Government not to discharge it to his fullest and complete responsibility.

I yield to the gentleman from North Carolina [Mr. WARD].

Mr. WARD of North Carolina. Reference having been made in this debate to a very serious doubt of whether the Department of Justice can make out a case, I put this question to the gentleman. Suppose no case developed by the Department of Justice, suppose there is no true bill returned and nothing done by this House, how does the House get from under the aspersion already cast upon it? What remedy have these two Members whose names were singled out or mentioned, or any other Member?

Mr. SUMNERS of Texas. In my judgment the failure of the grand jury to indict or the failure to convict, and I speak with deep sympathy for my brethren whose names are involved, would be the one and only complete vindication possible in the present situation.

Mr. WARD of North Carolina. Now this question. Realizing the fact that no action for libel nor indictment will lie against the newspapers for publishing a fair and ungarbled report of the proceedings of a grand jury, which represents the highest privilege under the law of this land, therefore withdraw the House resolution, which is the effect of the report of the committee, and I understand the effect of your conclusion to be that until the dawn of eternity no proceeding will be had nor can be had by which these Members can make and establish a permanent record of innocence which they assert.

Mr. SUMNERS of Texas. No; the House to-morrow, and always until the day of its adjournment, will have all the power to investigate and vindicate the Members whose names have been mentioned and remove the suspicion that may rest against this body as it has now. Gentlemen, do not permit the House with its power unimpaired now make it possible for an Attorney General and Mr. Crim, if they should be so disposed, to pass——

Mr. JONES. The buck.

Mr. SUMNERS of Texas. The buck, as my colleague from Texas puts the words in my mouth.

Mr. GARRETT of Texas. Will the gentleman yield?

Mr. SUMNERS of Texas. I do.

Mr. GARRETT of Texas. If I understand my colleague's position, it is that the House shall remain in a state of inactivity until the Attorney General's office shall make an investigation and report. Now, if that is the gentleman's point, what would prevent any of the bureaus of the department from having all kinds of charges against various Members of the House, without divulging their names, and going on indefinitely?

Mr. SUMNERS of Texas. I am sorry I have not made myself clear.

Mr. GARRETT of Texas. I understand my colleague's position well. My colleague wants to wait and let the Attorney General——

Mr. SUMNERS of Texas. No; I do not, and I have never said it.

Mr. GARRETT of Texas. That is what is recommended.

Mr. SUMNERS of Texas. I did not say so. This is what we recommend: That we do not at this moment further insist upon getting the names and charges from the Attorney General, because he tells us that if he gives to us those names and charges he will cease activity until the House has finished. We do not want to have the House responsible for the Attorney General suspending, whether for good cause or mere excuse——

Mr. SCOTT. Will the gentleman yield?

Mr. SUMNERS of Texas. I will.

Mr. SCOTT. Both the gentleman from Maryland [Mr. ZIHLMAN] and the gentleman from Kentucky [Mr. LANGLEY] in the presence of this House waived all their immunity; how does the gentleman figure that under that position the Department of Justice can evade any responsibility?

Mr. SUMNERS of Texas. Not actual responsibility, but we are dealing pretty largely with the psychology of a situation. These men do not appear to be concerned about the final results of any investigation or prosecution. They say they are innocent. But it is the psychology of the country and of their constituents, of honest men generally, which concerns them. That is the terrible tragedy of a thing like this. At least that is one phase of it.

Mr. DYER. In line with the question propounded by one gentleman, let me call attention to the resolution of the House itself, which says the House would take no further action for the present. That does not mean we are going to give the Department of Justice absolute time. Unless they responded promptly and immediately the House would take action.

Mr. COOPER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. COOPER of Wisconsin. I understand from the gentleman's argument that he favors the House doing nothing at this time and turning this case over to the Attorney General.

Mr. SUMNERS of Texas. If at first you do not succeed, try, try again. No, sir.

Mr. COOPER of Wisconsin. You do not want the committee appointed to investigate that?

Mr. SUMNERS of Texas. I did not say that. There is nothing in the resolution that says that.

Mr. COOPER of Wisconsin. What does the gentleman propose that the House shall do?

Mr. SUMNERS of Texas. I propose that the House do not further pursue at this time the effort to get this information from the Attorney General. It was not submitted to the Committee on the Judiciary to recommend to the House what it should do with reference to the general subject matter.

Mr. COOPER of Wisconsin. The gentleman is not in favor of the adoption of the proposed substitute resolution which would secure, if adopted, the appointment of a committee immediately by the House to take charge of the investigation? The gentleman is opposed to the adoption of that substitute resolution?

Mr. SUMNERS of Texas. I have not investigated the substitute resolution.

Mr. COOPER of Wisconsin. It proposes the appointment of a subcommittee for that duty.

Mr. SUMNERS of Texas. I would not oppose that. You understand I am speaking personally.

Mr. COOPER of Wisconsin. I understand the gentleman is speaking generally in favor of delay on the part of the House?

Mr. SUMNERS of Texas. No.

Mr. COOPER of Wisconsin. Then I am unable to interpret the gentleman's words.

Mr. SUMNERS of Texas. I can not help it.

Mr. COOPER of Wisconsin. Be that as it may, let me ask the gentleman another question. On Thursday last the floor leader [Mr. LONGWORTH] described an interview which on that day he had with Mr. Crim, the gentleman who conducted the proceedings in behalf of the Government before the grand jury in Chicago, and Mr. Seymour, Acting Attorney General of the United States, and the gentleman from Ohio said this:

Mr. Crim stated that a very large part of the evidence used in investigating the War Veterans' Bureau case came from crooks and criminals who were turning State's evidence, and that in asking them questions their answers frequently led far afield and that he was compelled to follow those clues as far as they went.

Now, those thieves and criminals in the presence of the grand jury gave such evidence that that grand jury, a thousand miles away from the Veterans' Bureau, indicted the chief, and in their report they say that, besides the matter relative to the Veterans' Bureau—

> Certain other facts not directly pertaining to the Veterans' Bureau were developed by counsel for the Government, which we regard as of great importance, and among those certain moneys were paid to two Members of Congress.

Now, the gentleman from Texas knows that that grand jury, in saying that, meant that those payments were corrupt payments, because payments in the legitimate transaction of business would not have been mentioned. Therefore an impartial grand jury, unacquainted with the situation, in investigating one corrupt bureau of the Government, found transactions which they deemed of great importance reflecting upon the integrity of every Member of the House because we are unable from their statements to identify the two Members. By the statement of an impartial jury we have two unidentified corrupt men on the floor of this House, and that evidence was adduced from the same men whose evidence led to the indictment of the former Director of the Veterans' Bureau.

I will ask the gentleman from Texas the question after I read this. Mr. LONGWORTH said—and it is a part of the same speech of the gentleman from Ohio:

> Gentlemen, that is the position this House is in to-day, with these gross slurs and insinuations cast upon Members of our body and no assurance whatever that anything is going to be done within months from now.

The gentleman from Texas understands that that means not until after the primaries have been held; not until after conventions are held; and the honest men on this floor want to be investigated now. The Republican leader said also——

Mr. SUMNERS of Texas. Mr. Speaker, I am afraid I can not yield further to the gentleman.

Mr. COOPER of Wisconsin. I ask that the gentleman have another 20 minutes. Does the gentleman believe that the House of Representatives should turn over to Mr. Daugherty, whose assistant says there may be no trial for months, this question as to whether there are guilty men on this floor?

Mr. FOSTER. If the gentleman will yield, I would suggest that the gentleman from Wisconsin [Mr. COOPER] misunderstands what the Dominick substitute is if he thinks it provides for the appointment of a committee at this time. The substitute merely asked for the information requested in Resolution No. 211 and stops there.

Mr. JONES. Will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. JONES. I just want to ask a question for information. I sympathize with a goodly portion of what the gentleman has said, but I was wondering whether we could not adopt this resolution and adopt an amendment providing for a special committee to make an independent investigation on the part of the House without interfering with the Attorney General.

Mr. SUMNERS of Texas. Certainly.

Mr. MONTAGUE and Mr. DOMINICK rose.

Mr. SUMNERS of Texas. I can not yield further, because I want to conclude with just this statement: There is not involved in this resolution that which as a precedent, if adopted, would limit the powers of the House. That is avoided by the words in the resolution "at this time." I am not going to argue that. There is not involved a determination whether or not the House shall appoint a special committee immediately thoroughly to investigate the matters which grow out of these charges. There is not involved in this resolution anything which would later on prevent the House from asking the Attorney General for this information.

This is what is involved, and this is all that is involved in this resolution: Whether or not this House at this time shall renew its request of the Attorney General, and have the Attorney General send the names, send the charges, send every record, and step aside until the House gets through. Now, then, the question is: Do you or do you not want that to be done? If you do not want that done, vote this resolution up. If you want that done, defeat the resolution.

Mr. DOMINICK. Will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. DOMINICK. I do not think there has been any proposal here on the part of anybody to have the Attorney General send any records.

Mr. SUMNERS of Texas. Now, gentlemen, let us see about that.

Mr. DOMINICK. That was the suggestion in the letter of the Attorney General.

Mr. SUMNERS of Texas. Ah, yes; that is true.

Mr. DOMINICK. But I have not heard any proposal before our committee or on the floor of the House about records.

Mr. SUMNERS of Texas. There are two parties dealing with this—the Congress and the Attorney General.

Mr. DOMINICK. I understand.

Mr. SUMNERS of Texas. Now, when a man says to you, if you ask me to send a horse, "I will send a horse with a saddle and a bridle." That is what he has told you. You know it. Then if you send word up to that man to send down a horse, can you pretend to be surprised when you look at the horse and find he has the saddle and a bridle with him?

Is there a man on the floor of this House who does not this minute know, with all the certainty that a mind can have in regard to a thing which is to transpire in the future, that if we renew this request, whether the Attorney General ought to send them or not, that he will send the names and the charges and step aside until we get through? Is there any man who can pretend he is ignorant of that?

Mr. STEAGALL. Will the gentleman yield?

Mr. SUMNERS of Texas. No; I will not, and I do not mean to be discourteous. Can any man pretend to be ignorant of the consequences which will flow from a renewal of that request? Now I yield to the gentleman from Alabama [Mr. STEAGALL], to whom I was, unfortunately, a little discourteous.

Mr. STEAGALL. The question I wanted to ask was this: Does the gentleman think anything the Attorney General's office can do with this matter is more important to the country than the exercising by this House of its right and duty to deal with this matter in order, if a corrupt Member sits here, that we may take proper action?

Mr. SUMNERS of Texas. No; but does the gentleman at this time and at this stage of the proceedings want to be understood—I do not ask him the question because he might ask to interrupt me again—as believing that the Attorney General's office is the only source from which we can get information?

Mr. VESTAL. Will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. VESTAL. The fact that the House passes this resolution would not in any wise prevent the House from appointing a special committee to investigate the acts of these Members, would it?

Mr. SUMNERS of Texas. Not at all; and I have said that over and over again.

Mr. BARKLEY. Will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. BARKLEY. Of course, we are all assuming that nobody is guilty until they are proven to be so, but suppose it should transpire that we require the production of this evidence, the names, and the nature of the charges, and that whatever evidence the department has is not sufficient to justify conviction at this time, and acting upon that evidence the House proceeds to exonerate its Members, but that later the department finds, by running out these leads from place to place, that there is evidence which would prove guilt, what position will the House be in if it should have already exonerated its Members?

Mr. SUMNERS of Texas. I can not say. Now, gentlemen, I want to thank you for your consideration. I have discharged my duty; the responsibility is yours, and if you want this matter from the Attorney General you can get it; if you want to take this responsibility you can do it. There is no uncertainty as to how to proceed to get it and no uncertainty as to the consequences of such procedure.

Mr. DOMINICK. Mr. Speaker, I yield to the gentleman from South Carolina [Mr. BYRNES].

The SPEAKER. The gentleman from South Carolina [Mr. BYRNES] is recognized for five minutes.

Mr. LONGWORTH. Mr. Speaker, will the gentleman yield to me for a moment? I wonder if we could arrive at an understanding as to the length of this debate?

Mr. DOMINICK. I think I have 40 minutes remaining, and I have applications for enough time to consume all of that and more. I want to get through with this matter, of course, as soon as possible.

Mr. LONGWORTH. As the parliamentary situation stands now, any gentleman who obtains recognition obtains it for one hour, and I was wondering whether we could have an understanding that the debate should close at the end of the gentleman's hour and at the end of the hour of the gentleman from Pennsylvania.

Mr. DOMINICK. I have no objection to an arrangement along that line. I think I can conclude my requests within the time remaining. I believe I have 40 minutes remaining.

Mr. LONGWORTH. Then I ask unanimous consent, Mr. Speaker, that at the end of the hour controlled by the gentleman from Pennsylvania and the hour controlled by the gentleman from South Carolina that debate shall be closed on this resolution.

Mr. MONTAGUE. Reserving the right to object, Mr. Speaker, I, as a member of the Committee on the Judiciary and its subcommittee, have given a great deal of thought to this matter. I desire to have adequate time to express my views to the House. I very seldom vex this House with a speech.

Mr. LONGWORTH. How much time would the gentleman like?

Mr. MONTAGUE. I am not accustomed to speaking long, and if you do not impose any limitations upon me I think I will get through quicker than to have some compulsion behind me all the time.

Mr. LONGWORTH. Then, Mr. Speaker, I modify my request to include half an hour after the conclusion of the hour of the gentleman from Pennsylvania and the hour of the gentleman from South Carolina and ask unanimous consent that thereafter a vote be had on the resolution and all amendments.

Mr. DYER. That time to be controlled by the gentleman from Virginia [Mr. MONTAGUE]?

Mr. LONGWORTH. That half hour to be controlled by the gentleman from Virginia.

Mr. MONTAGUE. As far as I am individually concerned, Mr. Speaker, I do not care to control the time of debate. If it is only half an hour I must apportion that out to other gentlemen who desire to speak and that means that I can not present my views to this House. I must have my own time. Of course, I do not mean to impose conditions on the House, but I know my own limitations and I desire to speak without any compulsion as to time.

Mr. LONGWORTH. Then I modify my request to include at the conclusion of the remarks of the gentleman from Virginia [Mr. MONTAGUE].

The SPEAKER. The gentleman from Ohio asks unanimous consent that after the conclusion of the hour of the gentleman from South Carolina and the hour of the gentleman from Pennsylvania and the conclusion of the remarks of the gentleman from Virginia [Mr. MONTAGUE] debate close. Is there objection?

Mr. COOPER of Wisconsin. Mr. Speaker, reserving the right to object, I would like to ask how much time there is remaining upon this side?

The SPEAKER. The gentleman from South Carolina [Mr. DOMINICK] has 40 minutes remaining and the gentleman from Pennsylvania [Mr. GRAHAM] has 20 minutes remaining.

Mr. LONGWORTH. Mr. Speaker, just one suggestion. Of course, the request would include the right of the gentleman from Pennsylvania [Mr. GRAHAM] to close the debate. It is merely a limitation on the time.

The SPEAKER. The gentleman from Pennsylvania [Mr. GRAHAM] has 20 minutes and can use that as he pleases.

Mr. LONGWORTH. Of course the gentleman from Virginia could speak before that.

Mr. DOMINICK. Mr. Speaker, reserving the right to object, I want to have it understood as to whether or not all of my time should be used before the time of the gentleman from Virginia [Mr. MONTAGUE] is used.

Mr. LONGWORTH. I think, Mr. Speaker, the gentleman from Pennsylvania undoubtedly has the right to close the debate.

Mr. DOMINICK. I understand that; but I would like, probably, to reserve some of my time.

Mr. LONGWORTH. I think the gentleman could have an understanding with the gentleman from Virginia about that.

Mr. COOPER of Wisconsin. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from Ohio to give me 10 or 15 minutes to speak on this very important subject.

Mr. LONGWORTH. Then I will add to my request 15 minutes for the gentleman from Wisconsin [Mr. COOPER].

The SPEAKER. Is there objection?

Mr. DOMINICK. Reserving the right to object further, Mr. Speaker, I stated a moment ago I thought that possibly I could get through with the remaining time I had and comply with my requests, but in looking over the list and at the suggestion of some others who have asked me for time, and in view of the fact that the opposition to the committee report has used only one hour, I think the gentleman had better give me at least a half hour more. That would give the opposition, or the minority, in so far as this resolution from the Judiciary Committee is concerned, one hour and a half, and as it is now the gentleman from Pennsylvania has one hour, the gentleman from Texas has an hour, and the gentleman from Virginia has half an hour or more. That is two hours and a half, and I will have had only one hour.

Mr. DYER. The gentleman from Wisconsin [Mr. COOPER] was going to speak on the gentleman's side.

Mr. DOMINICK. That would give me 1 hour and 15 minutes. I hope the gentleman from Wisconsin will speak for my side.

Mr. DYER. Does not my colleague think that it is fair for one member of the committee to control that much time as against 19 members?

Mr. DOMINICK. It is not a question of a member of the committee controlling time; it is a question of division of debate on a question that is being debated before the House.

Mr. DYER. But members of the committee on this side have to forego speaking because of the gentleman.

The SPEAKER. Is there objection?

Mr. DOMINICK. I ask that the request be modified in order to extend me an additional half hour.

Mr. LONGWORTH. Of course, the gentleman is speaking on his own amendment and that does not necessarily mean the minority. The minority, in effect, are those opposed to the resolution of the Committee on the Judiciary, and the gentleman is speaking on a particular amendment. I think my request is a fair one, I will say to the gentleman.

Mr. DOMINICK. I filed it as a minority report.

Mr. DYER. Oh, no; the gentleman stated in the committee he would not file a minority report.

Mr. DOMINICK. The gentleman stated no such thing. The gentleman stated he would file a minority report, but it would not be formal and it would not be in writing; and the gentleman stated in his remarks this morning that his resolution was filed in the nature of a minority report.

Mr. DYER. The record of the committee will show that the gentleman did not file a minority report.

Mr. LONGWORTH. I hope the gentleman will not object.

Mr. DOMINICK. If you will add that time, I will try not to use any more time than possible, but otherwise I will have to object.

Mr. LONGWORTH. I can not accept that, Mr. Speaker.

Mr. DOMINICK. I object.

The SPEAKER. The gentleman from South Carolina [Mr. BYRNES] is recognized for five minutes.

Mr. BYRNES of South Carolina. Mr. Speaker and gentlemen of the House, I regret exceedingly that I can not agree with the position of the gentleman from Texas [Mr. SUMNERS]. He does not doubt the power of the Attorney General to prosecute the persons involved, irrespective of any investigation by the House, but he assumes from the letter of the Attorney General that the Attorney General will fail to do his duty, and because he believes the Attorney General will fail to do his duty, thinks that we should fail to do what we conceive to be our duty to the House and to the Members of the House.

The gentleman from Texas [Mr. SUMNERS] assumes from the letter of the Attorney General that he will fail to prosecute this case if the House undertakes an investigation. How did this question arise? It arose in investigating charges against Forbes.

Those charges grew out of a congressional investigation. Over in the Senate, when the Senate committee was investigating the oil scandal, the Attorney General had his assistant, Mr. Holland, present at the hearings, and he announced that he was following the testimony and just as soon as that investigation was completed he would proceed on the part of the Department of Justice to determine whether or not there should be a criminal prosecution. Why should he not follow the same course in this matter? How can he say that in this case, if there be an investigation, he will fail to prosecute? The gentleman from Texas [Mr. SUMNERS] says that he does not question the fact that he would have power to prosecute regardless of our action, but he does question the fact that he will, that he is laying a trap for us, and that we will walk into it. I shall not walk into a trap, but I say let us call his bluff because it is a bluff. If a congressional committee determines that the evidence justifies prosecution he will not dare to fail to prosecute. If he does, if he neglects his duty, then we have our remedy in such a case. We can impeach the Attorney General, and he ought to be impeached in such case. On the other hand, if as the result of the investigation it appears that there is no evidence to justify prosecution, then immediately justice will be done to the House and to the two Members who have

been charged by the grand jury. If gentlemen will look on page 3733 of the RECORD they will find the statement of the grand jury report, which we are told was written by Mr. Crim, or which he assisted in writing. That report says:

Incidental to the investigation of matters of which this grand jury has jurisdiction certain facts not directly pertaining to the Veterans' Bureau were developed by counsel for the Government which we regard of great importance.

The report then goes on to refer to charges against two Members of Congress. That proves that the charges against these Members of Congress were developed by the representatives of the Department of Justice, and the Department of Justice can not now escape the responsibility for the blanket charge against the House of Representatives.

The gentleman from Texas says that we should not by any action of ours give excuse to the Attorney General to say that we prevented the prosecution. If we governed our action here upon the theory that we are going to prevent faithless officials from having excuses for their own negligence, then we could never function. Suppose we followed the gentleman from Texas and did nothing, but left the matter to the Department of Justice. He believes the Department of Justice has no evidence, in which case the Department of Justice will never act. Six months from now, when nothing has been done, if you are going to base your action merely upon what people may say about it, the people will say that JOHN LANGLEY and FRED ZIHLMAN went down and used their influence with the Department of Justice to prevent the department from bringing indictments against them, that political influence was exercised by the party in power and that indictments were stopped, and these two men, if they are the men, will remain under suspicion forever, because the Department of Justice will never take formal action, but will simply fail to prosecute because the evidence does not justify prosecution. I do not know that we can be assured that these two Members of the House are the ones referred to. Mr. ZIHLMAN said that he was informed by newspaper men that his name was mentioned, and that Mr. Crim talked to him this morning and told him that there was not sufficient evidence in his hands to justify a prosecution, or the making public of the names. But I do not know who mentioned the name of LANGLEY, and so far as the record goes this is an indictment against 435 Members of this House, against each and every one of us. There is not one of us who could tell his constituents, with assurance of having the statement accepted in every case, that ZIHLMAN and LANGLEY were the Members in question. The Department of Justice may hereafter say that some other Member was intended and was under investigation. As long as the special representative developed the testimony before the grand jury, he ought to have kept out of the report any reference to Members of Congress unless he had testimony. If he has the evidence he ought to name the men. And we should call at once for the information asked for in the resolution. The Attorney General says that if we assume responsibility for it he will send it to us. Why, he can not read. We have already assumed responsibility for it. The majority leader advocated it, the minority leader advocated it, and the House adopted it. We have called for it in order that we may pass upon the conduct of our Members. I hope that the substitute of my colleague will be adopted, insisting upon the Attorney General giving to the House the information that the House asked for in its resolution previously adopted. [Applause.]

Mr. DOMINICK. Mr. Speaker, I yield five minutes to the gentleman from Florida [Mr. CLARK].

Mr. CLARK of Florida. Mr. Speaker and gentlemen, two of my committees are now in session and I want to get to both of them, so that I am not going to detain you more than a minute or two. I have heard some most remarkable arguments in this House to-day, coming from lawyers—good lawyers. Being a sort of half-handed crossroad lawyer myself, I thought I would learn wisdom from these gentlemen. But neither the Attorney General nor any other lawyer can convince me that his compliance with the request of this House would even tend toward the defeat of justice. Two men, Members of Congress, are charged with some offense, we know not what; evidently, however, involving their integrity. How could they escape the processes of the courts in this country? How could they, by knowledge of it, defeat the ends of justice. When this Government was first organized it was provided in the Constitution that a Member of Congress in going to or returning from a session or in attending a session could be arrested only for a breach of the peace, for a felony, or for treason against the Government. The reason for that was that the minority, by having warrants issued for members of the majority, might absolutely control the action of the Congress. Suppose we submit to this. Suppose a department of this Government or every department of this Government should promulgate that certain Members of the House had been guilty of offenses—it might be the majority; it might be the minority—and by putting these men under that kind of ban they could absolutely control the legislation in the House of Representatives. If you vote for the resolution of the majority of this committee, I will tell you what the country is going to say. It will say that Daugherty has the goods on us and that we are afraid to come forward and ask for the evidence. [Applause.] As one Member of this House, having been here for 10 years, I defy the Department of Justice and all of its minions to do me any harm, and the other membership of this House ought to take that same position and tell Mr. Daugherty to come up here and put his cards on the table right here.

If he knows these men, he should tell us who they are. We are not asking him to furnish evidence. He does not have to disclose his evidence. We will get that, but we are asking him to say who they are and with what they are charged, and then we will appoint or have the Speaker appoint a special committee to investigate the charges and purge this body, if it needs purging. I believe it is all a bluff. I do not believe this body needs purging. I have been here for 17 years with JOHN LANGLEY, and while he has got his faults, just as I have and as all the rest of us have, I do not believe dishonesty is one of them, and I am from Missouri on that proposition.

They have got to show me. If they do show me, although he is my friend, I will vote to protect the integrity of this House. I have known ZIHLMAN for the seven years he has been here. I do not believe that young man is dishonest, but if they show me that he is, I will vote to protect the integrity of the House of Representatives because I regard it of higher dignity than any man or any two men or any majority even of this House. The resolution of the gentleman from South Carolina [Mr. DOMINICK] ought to be adopted and compel the creature of the Congress to do his duty. It can not interfere with his prosecution. The oil matter is being prosecuted, is it not, and yet a committee in another body is investigating it, and why can not they go along side by side? Let us do our duty and let the Attorney General do his and not tell us what we ought to do. [Applause.]

The SPEAKER. The time of the gentleman has expired.

Mr. MONTAGUE. Mr. Speaker, I earnestly request that I have the attention of the House, certainly until I can feel myself free from any self-consciousness in pursuit of the argument which I desire to submit. It may be best first to recur to the authority under which the Committee on the Judiciary acted.

Resolved, That the Attorney General be directed to transmit to the House of Representatives the names of the two Members of Congress and the nature of the charges made against them.

Mr. SNYDER. I suggest, Mr. Speaker, a point of no quorum. I think this thing is of enough importance for Members to be in attendance and listen to the argument.

Mr. MONTAGUE. I prefer the gentleman will not do that, as it will consume some time. I hope the gentleman will withdraw his request, though I appreciate the implied compliment.

Mr. SNYDER. I withdraw it.

Mr. MONTAGUE. The House in this resolution directs the Attorney General of the United States—who I may observe in passing is an arm of the President of the United States, the alter ego of the President, one of the three original Cabinet officers so-called, though legally we have no Cabinet officers—asks of him information upon two points and two points alone, namely, that he give the names of the two Members and the charges against them, not the evidence to sustain those charges, not the testimony relevant or irrelevant to the charges, but the bare names and the nature of the charges. The Attorney General in his reply does not comply with that request save conditionally. Now, the minority report is that this House resolution be reaffirmed and the request or direction be specifically renewed. Is not that the purport of the minority report? If not, I am subject to correction by the gentleman from South Carolina. We are asking again from the Department of Justice——

Mr. DOMINICK. I may state to the gentleman that in the resolution there is a statement that the reply of the Attorney General is not responsive to the inquiry of the House or satisfactory.

Mr. MONTAGUE. I may say that it is not satisfactory to me, but I am not willing to state that it is unresponsive. But the point is that the minority report asks the House to reaffirm this resolution; that is, to give us the names of the Members

and the charges against them. Where are we when the Attorney General gives the House this precise information? What an unfortunate position.

Mr. DOMINICK. Will the gentleman yield?

Mr. MONTAGUE. Let me conclude. This House, then, would be in a position of having information exculpating the entire House, but with no information whatever as to the guilt or innocence of the two named, thus selfishly clearing ourselves and charging two others. [Applause.] You can not escape that conclusion.

Mr. DOMINICK. I would like to ask the gentleman in regard to the situation we would find ourselves in case he complied with this last request?

Mr. MONTAGUE. The gentleman's request.

Mr. DOMINICK. Would there be any difference in our situation if he complied and gave the information?

Mr. MONTAGUE. No; we ask for nothing and we would get nothing if replied to. We ask for barren information, and if given we would be in the same position, and no better position, so far as the merits of the case are concerned, than if not given.

Mr. DOMINICK. We would ask for something.

Mr. MONTAGUE. I have just expressed my opinion upon that, though I may be wrong. But if we have the answer, namely, the names of the Members and the charges against them, what is our position? I repeat regretfully that then the House will be plainly in the attitude of exculpating all of its Members save the two charged, and the burden of these two will be all the heavier, for no information as obtained or asked for will throw any light upon their guilt or innocence. I have the greatest sympathy and regard for these two Members, and I am unwilling to leave them alone and without protection, unless we take additional action by an additional resolution.

We are dealing here with the power of the House of Representatives, not with that of the Congress; and we are dealing with the powers of the House of Representatives in its relation to two other departments of the Government, the executive department and the judicial department, the executive department so far as it relates to the Attorney General's administration per se, and the judiciary department so far as it relates to criminal proceedings by indictments and trials. There is an old principle involved that may be considered perhaps somewhat of a last year's bird's nest, but it is the constitutional establishment of three departments of government that are separate, distinct, and independent, and therefore we have no more authority to interfere with such prosecutions in the courts than these departments of the Government have to come here and direct the legislation and mode of procedure of the House, save in the few instances wherein such power in a modified sense is expressly conferred by the Constitution.

Mr. WINGO. If the gentleman will permit, is not the reverse of that true, that the Department of Justice, the executive, or the judicial has no part in the discharge of our constitutional rights to determine whether or not a Member shall sit on this floor?

Mr. MONTAGUE. Oh, yes; I would not gainsay that. I would not say the gentleman is not entirely right about that. But some of the Members of the House seem to be of a wholly wrong impression. I do not controvert the power of this House to deal with the conduct of its own Members and to censure or expel them. That is all we can do. You can not impeach them.

Mr. RAKER. Mr. Speaker, will the gentleman yield?

Mr. MONTAGUE. Yes.

Mr. RAKER. There are two branches of the Government involved——

Mr. MONTAGUE. Just ask the question, please.

Mr. RAKER. The judicial and the executive. The judicial has this information, namely, the members of the grand jury. Can this House compel the members of the grand jury to divulge the names of these men? Can we not?

Mr. MONTAGUE. In reply to that question I beg to state that we have the right to the names of the witnesses who appeared before the grand jury. We have no right, however, to take such testimony out of the hands of the prosecuting attorney, but we can examine those witnesses and make them tell everything they told the grand jury and the Attorney General, and our power is as great as his.

Mr. RAKER. I mean we can summon the jury.

Mr. MONTAGUE. I mean to say you can not make a grand juror tell or reveal what the witnesses testified to before the grand jury, but you can make a grand juror state who testified. We can bring members of the grand jury here and interrogate them as to the names of their witnesses.

I am now discussing the power of the department and not the rightfulness or the expediency of its exercise; with the power alone and not whether it ought or ought not to be exercised. I contend it is wholly beyond the power of the House to supervise or interfere in any way with a criminal prosecution pending in any court or in the hands of the prosecuting officer of any of the executive departments of this Government.

That question is not a new one. It has been suggested by the chairman of the committee that when Mr. Cleveland was President his Attorney General was directed by the Senate to submit certain records relating to the removal of a United States attorney and his conduct of the office. The Attorney General declined to comply on the ground that it was incompatible with the public interest. Mr. Cleveland, if I recall correctly, latterly made an able argument denying the request of the Senate, and contending that this legislative branch of the Government was transcending its powers in desiring to compel the submission of such information. It was wholly within the power of the Executive to give it or not give it. It is true that Senator Edmunds, one of the ablest lawyers in America, held the contrary view, but a minority view of very able lawyers took the view I take, and that view prevailed and no reply was made by the then Attorney General.

Mr. WINGO. Before the gentleman leaves that point may I ask him this, whether the major right involved here is not the executive right or judicial right, but the right of the legislative? Is not that the major right?

Mr. MONTAGUE. Yes; but no major right given by the Constitution as applying to this. There is no major right of one department of Government to override another department of Government, judicial or executive.

Mr. WINGO. Is it not true that the assumption that in order for us to inquire into the fitness of these two men we would override the executive or judicial department is a wrong assumption? Why can not——

Mr. MONTAGUE. I hope the gentleman will not argue the question now, because I have not taken that position. The gentleman must have misunderstood me.

Mr. WINGO. If the gentleman will permit me, that was one of the errors in the reasons assigned by the Attorney General. I was seeking as an humble Member of the House to get information from the committee that had reported to the House.

Mr. MONTAGUE. Will the gentleman please repeat the question he desires to present? Perhaps I did not catch it fully.

Mr. WINGO. The Attorney General takes the position that there is an antagonism in the motives and in the ultimate action of the House and of the judiciary of the country. In other words, he says it would be confusing and defeat the ends of justice for us to undertake to investigate and go into this matter, when, as a matter of fact, is not just the opposite true, that the presumption is that the House of Representatives is just as much interested in seeing that the ends of justice are served as the Department of Justice, and that both of us can pursue the same object, animated by the same motive, and that the House can be trusted to discharge its duties with just as much intelligence and, if I may be permitted to say, with just as much fidelity?

Mr. MONTAGUE. I have not disputed or controverted that statement. The House can go on at this moment and institute a trial or investigation of these two Members by a special committee. This resolution does not impair that right of the House. There seems to be a misapprehension on the part of some Members of the House as to what this committee has reported. Now I read again:

Resolved, That the House take no further action for the present to procure from the Attorney General the information heretofore requested of the Attorney General by the House under House Resolution 211.

That is, that the House will not take any further action at present to secure the information we have asked. That the House leave the Attorney General alone, and resultantly that the House may proceed in its own time and way to do as it pleases; that for the present we will not again ply the Attorney General for this barren information.

Mr. BUTLER. Will the gentleman yield?

Mr. MONTAGUE. Yes.

Mr. BUTLER. I am very sorry I did not hear all of the gentleman's remarks, but if this House should order, by a special committee, an examination made of the facts about which we are talking, will it in any way interfere with the Department of Justice in the prosecution of the case?

Mr. MONTAGUE. I think not, and even if it should, we have a right to do it, a perfect right to do it, and the adoption of this report in no way precludes or impairs the exercise of this right.

The committee was confronted with this: That the reply of the Attorney General—I assume for the purpose of argument—

was unsatisfactory, and that he did not give the information the House had asked except conditionally. What was that condition? That if it would aid the House in the discharge of its functions, under the Constitution relating to the misconduct of its own Members, he would be glad to put such information as he possessed in the hands of the House. Not the names, but the information that would necessarily include the names and the charges. He says, in effect, "I will give you everything that is in my possession." Then he goes on to make a statement which, if not made, would have carried the inexorable implication, namely, that during that time, having parted with the information, he would suspend for the time being further investigation of the case. And what other Attorney General would not have done the same thing if he once dispossessed himself of such information? What could he otherwise do in the absence of the testimony?

Mr. WINGO. If the gentleman will permit—and I am not asking this in a controversial spirit——

Mr. MONTAGUE. I want to yield to the gentleman from Georgia.

Mr. UPSHAW. I think the gentleman has almost answered the question I had in mind. The question I had in mind was this: Would the Attorney General be absolved from pursuing his plain duty to prosecute a Federal violation if we should insist upon the question we have a right to ask of him?

Mr. MONTAGUE. If he had simply given us the names of the two Members and the charges, I do not think it would interfere, but I do not think it would help the House in the discharge of its duties. I really think we asked for nothing and we got nothing.

Mr. WINGO. I could not follow the gentleman. The gentleman said, "Suppose he did come down here and give us the information the House said it wanted"; that was simply the names and the nature of the charges. The House did not ask the Attorney General to turn over the files. But assuming we do insist that he furnish the House the information it has asked for and he places before the House all the evidence he has. Then will the minds of the Attorney General and of his assistants be blank, so that they will not know the names of the witnesses to bring before the grand jury and will not be able to proceed? How will anybody be given immunity by that proceeding?

Mr. MONTAGUE. I am not discussing immunity.

Mr. WINGO. Well, I am. The gentleman raised the question and said: "What benefit would it be to have the information, and what would prevent the department from going on?"

Mr. MONTAGUE. If I were Attorney General and turned over every bit of information I had to the House of Representatives, I should consider that ordinary courtesy would require me to suspend further action until the House got through with its consideration of the testimony submitted by me to it.

Mr. WINGO. The Attorney General has failed to show comity, but he has volunteered this.

Mr. MONTAGUE. I hope the gentleman will not inject his own views into my remarks. I would like to hear him in his own time, because he is able and can make his own argument. I desire to get along with my discussion.

Mr. WINGO. I was trying to follow the gentleman, and the gentleman has not yet told me what——

Mr. MONTAGUE. I am sorry I am unable to impart the information the gentleman desires; that is my misfortune.

Mr. WINGO. The gentleman's sarcasm is wasted on me.

Mr. MONTAGUE. I do not intend to be sarcastic.

Mr. WINGO. The gentleman is not now addressing the House as a single Member, but he is the representative of the committee, and I am asking what, in his judgment, would be incompatible with the public interest if the Attorney General should give us what we ask for?

Mr. MONTAGUE. That is a question I can not answer because I do not know what will be done. It depends upon the temperament and good sense of the Department of Justice, and also upon the exigencies of the occasion. I can not forecast that; I am not a mind reader and I can not tell the gentleman.

I come now to the point that the Attorney General says he will give the information, but pending that he will suspend further investigation. And it was upon that the committee was unwilling to accept the conditions imposed in his reply. The committee said, "We are unwilling to accept from you any conditions which would relieve the Department of Justice from the responsibility of the prosecution of this case," but with the inexorable reservation that the House had and has the complete and ample right to deal with this matter in its own way and under its full constitutional powers. That is the condition and that is the way we met and surmounted it.

Mr. GRAHAM of Illinois. Will the gentleman yield?

Mr. MONTAGUE. Yes.

Mr. GRAHAM of Illinois. What idea did the Assistant Attorney General give your committee about how soon he thought the Department of Justice could become active in this matter?

Mr. MONTAGUE. The committee had no information on that subject at all.

Mr. GRAHAM of Illinois. Has the gentleman any information?

Mr. MONTAGUE. None whatever. I have never knowingly seen the Attorney General of the United States.

Mr. GRAHAM of Illinois. Does the gentleman know whether there is now a grand jury in session in the District of Columbia?

Mr. MONTAGUE. I have heard there was none. I do not know whether that be true or not. All of these are questions as to the prosecution of the case I thought belonged to the judiciary department of the Government. I have never thought it was the function of the House of Representatives to supervise prosecutions, and therefore, for one Member, I was unconcerned about matters of that nature.

Now, gentlemen, I have taken, perhaps, more time than I should, but I would like to impress upon the gentlemen of the House my idea as to what is the conclusion of the committee, and that is that the committee did not intend to do anything else save what this resolution avers; that is, that the House will take no further action for the present to procure from the Attorney General the information heretofore requested. That is all. We are not estopped to institute an investigation or to establish the appropriate machinery for that investigation at this hour.

All we conclude is that we will not accept the Attorney General's reply with the limitations imposed by that reply. Therefore the committee has put itself in the position of leaving with the Department of Justice the things that belong to that department, reserving to ourselves all the powers and rights that belong to the legislative department of the Government.

Mr. McKEOWN. Will the gentleman yield?

Mr. MONTAGUE. I will.

Mr. McKEOWN. Does not the resolution of the committee virtually say that this House has every confidence in these gentlemen and that they have not even violated the proprieties that would require an investigation?

Mr. MONTAGUE. I do not know that the resolution says or does not say that. It is susceptible of that interpretation, I would say, by the able gentleman from Oklahoma.

Now, gentlemen, I would add another word in the most unpresumptious spirit. I have been a Member of your House about 11 years. I have an exalted appreciation of this body. I have never seen a moment when I desired to impair, but rather to enhance, its dignity and its prestige among the people of America; but public agencies are no stronger than the public support they receive, especially the legislative department of the Government. The power of the official classes of America is a vague and futile power unless sustained by an enlightened, moral, intellectual public sentiment. [Applause.]

The dignity of this House is enhanced in following strictly its own constitutional pathway. We of this House are the legislative branch of the Government, and when we exercise judicial powers, such as the purging of our membership or the exculpation or the restoration of our membership, we have complete and ample power to do that, and this resolution has not interfered with our power at all.

We simply say to the Attorney General, "You go on with your work," and it follows as a necessary conclusion we can go on with ours in our own way as we see fit. I maintain that if we do that, we have preserved in full the beneficent separation of the departments of government, a policy that has so attracted the publicists and statesmen since our Government was founded, and that we thereby enhance the House's dignity, influence, and power among the American people [applause], which is far more important than the guilt or innocence of any Member of this body.

We all bear a certain modicum of odium by reason of what has been termed the blanket indictment of the House. This is unfortunate, but it is a circumstance that the House did not bring about. Unfortunately, the political department of our Government is the one great department that is always most subject to criticism. A great House of 435 Members very easily excites or provokes criticism. Its motives are very easily to be impugned, its conduct very easily to be misconstrued, but we must accept democratic or republican forms of government, with their advantages and disadvantages. We will have to work our institutions the best we can under the terms and nature of their organic life with patriotism and

loyalty to these great organic commands, instructed by precedents and nourished by traditions.

Mr. Speaker, I submit that this committee, after a great deal of thought, adopted this report. The subcommittee spent the whole of the day immediately after this resolution was referred. We sat nearly the whole of Sunday and almost all day yesterday in full committee. There was not the purpose of a single member of that committee to do any injustice to any Member or to impair the dignity or to embarrass the freedom of this House.

We had only one course to pursue; a judicial course, in conformity to law, in conformity to the Constitution, and in conformity to plain, natural justice; and we have followed what Burke would call "virtuous expediency." [Applause.]

Mr. HOCH. Will the gentleman yield?

Mr. MONTAGUE. Yes.

Mr. HOCH. I have been impressed with the gentleman's argument and have a very high regard for his judgment.

Mr. MONTAGUE. I thank the gentleman.

Mr. HOCH. I am wondering if the gentleman has reached a conclusion as to whether it would be wise, if this resolution were adopted, to follow it with an independent investigation on the part of the House, regardless of the Attorney General's investigation.

Mr. MONTAGUE. The gentleman will appreciate that I have been addressing myself to one line of thought, and that related to the report alone, and I have a delicacy at this particular juncture in advising the House what I think it should do when it takes up the matter independently. I simply wish to impress upon the House the fact that it has ample power to do what the gentleman suggests it may do.

Mr. HOCH. I do not mean to press the inquiry, but I would be glad to have the gentleman's judgment, if he cares to state it. Of course, if he does not care to state it or has not arrived at an opinion, I would not want to press the inquiry.

Mr. MONTAGUE. I would reply generally in this way, that the House should take appropriate action to see that no injustice is done any Member of this body and that full justice is done all the Members of this body. [Applause.]

Mr. DOMINICK. Mr. Speaker, I yield five minutes to the gentleman from Virginia [Mr. WOODRUM].

Mr. WOODRUM. Mr. Speaker and gentlemen of the House, no matter has been debated on the floor of this House since I have been here that has interested me quite as much as the matter we have been debating to-day. I believe that the hour has struck when we are to determine whether or not a Member of Congress, that body which has boasted to be the greatest legislative body in the world, is to go about feeling that he is a respected citizen, or is to walk about with his head hung in shame expecting everybody who sees him and recognizes him as a Member of Congress to be wondering what his police record is. It is said that there was a day when to be a Roman was greater than to be a king. There was a day when a man would throw out his chest and raise his head and strut about in this community and in his home community and boast that he was a Member of Congress, but now he must, because of this unprecedented situation, rest under the cloud of suspicion thrown over every Member of this body by the indefensible action of the agent of the Department of Justice in permitting the indiscriminate use of names of Members of this body in connection with grave charges.

Gentlemen, here is the situation. One of two things has happened. Either there are sitting in this great body two men who have been corrupted, or else a most outrageous crime has been committed against two Members of this body. That is simple. There can be no gainsaying that. Let me direct your attention to this. While I respect everything that my distinguished colleague, our ex-governor of Virginia, a Member of this body [Mr. MONTAGUE], has said about these two departments being distinct and separate, yet I respectfully suggest that this charge in that grand jury report in Chicago is almost tantamount to a direct charge coming from the Department of Justice against two Members of Congress. That is what it amounts to. Why? Because a representative of the Department of Justice was there supervising the proceedings in Chicago. If matters relating to the dishonesty of two Members of this House came up in that investigation, knowing that that grand jury had nothing to do with it, it was the least he could do to so advise the grand jury and prevent that thing going into the report, and come back to Washington, report to this House that we had two crooks in this body, and institute proceedings in the courts here.

Yet he does not do that. He allows a report to come in here that two Members of Congress are involved. Then the papers blossomed out and mentioned two Members of the House, and those two men get up on the floor and deny it altogether, and I submit to you that there is not a man here who heard their statements who will believe—I will not—that either Mr. ZIHLMAN or the distinguished gentleman from Kentucky [Mr. LANGLEY] is involved. I ask you, then, who under high heaven are these men that are involved? Talk about an investigation. Whom are you going to investigate until you know the two men the grand jury was talking about? You certainly would not in the face of the statements of Mr. LANGLEY and Mr. ZIHLMAN inaugurate investigations against them. They say that they are not guilty. There is nothing to investigate. But, gentlemen, there is a "nigger in the woodpile somewhere." I ask you to carefully read the statement of the Attorney General and to digest it.

Some people have more confidence in that gentleman's integrity than I have, and I have before expressed that on the floor of this House. I have very little confidence in any investigation or in any prosecution that Mr. Daugherty will ever make in this or any other case. I do not want to do the gentleman any injustice, and I say nothing that I am not willing to put into the RECORD on my responsibility as a Representative. I have no confidence in him. Mr. Daugherty is a discredited public official and is now merely being tolerated as a member of the Cabinet, and to-day he has himself all that he can do in taking care of the investigation of himself. He has not any time to investigate a Member of this body or anybody else. Here is what he says. He says, "I will not send you the two names and the charges against the two men, but I will tell you what I will do; I will send you all of the evidence in my various departments—all of the departments of justice—against all of your Members, 'any of your Members,' and when I dump that onto you I shall wash my hands of the whole mess." I submit that a fair construction of the reply of the Attorney General warrants the belief that he has charges against other Members of Congress than the two men referred to; and if it does not, then I can not read the English language and digest it. In my judgment the biggest issue before this body is to go into this matter without fear or favor. If there has been a violation of his office by a Member of this body, put him out of Congress, no matter who he is. If the report is untrue, then let the country know it and raise the cloud of suspicion that rests upon every Member of this body.

The SPEAKER. The time of the gentleman from Virginia has expired.

Mr. DOMINICK. Mr. Speaker, I yield five minutes to the gentleman from Alabama [Mr. STEAGALL].

Mr. STEAGALL. Mr. Speaker and gentlemen of the House, this is about the most remarkable situation of which I have ever known. I have had some experience as prosecuting attorney and in conducting cases before grand juries. I never knew a case until this one came to my attention in which a prosecuting attorney presented matters to a grand jury and had them made the subject of reports when such grand jury was without jurisdiction to deal with the questions raised. It is, to say the least of it, a most unusual transaction. It is not true that these matters were brought up by jurors not learned in the law and who did not understand that they were dealing with matters outside their authority, as has been suggested in this debate. This unusual action was brought about by the special agent of the Department of Justice. The report of the grand jury at Chicago, as carried in the press, specifically states that the charges involving Members of this House were developed by the special agent of the Department of Justice. Let me quote from that report:

> Incidental to the investigation of matters of which this grand jury had jurisdiction certain other facts not directly pertaining to the Veterans' Bureau were developed by counsel for the Government which we regard of great importance. There is no jurisdiction of them in the northern district of Illinois, but we are assured by Mr. Crim that he will lay them before the Attorney General and the President for consideration. We do not feel that it would subserve the best interests of the Government for this jury to make public at this time the details of these transactions. This jury feels it will suffice to report to your honor that they involve (1) speculation by one or more officials of the Government wherein it has been asserted that official information was used for purposes of speculation; (2) that certain sums of money were paid to Members of Congress.

In this report is the statement that the special agent of the Department of Justice had assured the grand jury that he would report these facts to the Attorney General and to the President. Gentlemen now insist that no such report was made to President Coolidge. I hold in my hand what purports to be an interview given out at the White House by the Secretary to the President to the effect that immediate instructions had

been given to the Department of Justice to proceed diligently to prosecute the cases against the two Members of this House referred to in the Chicago grand jury report. The announcement from the White House is as follows, as published in the Washington Post:

The President immediately, on noting the newspaper reports this morning that evidence before the grand jury at Chicago mentioned two Members of Congress, gave immediate instructions to Mr. Seymour, Acting Attorney General, and reiterated the instructions again this evening to Mr. Seymour that prompt and immediate steps be taken to place the evidence before a grand jury, and that he proceed with every diligence with the prosecution of the cases.

I have a statement by Special Assistant Crim, in the same paper, and which has never been repudiated so far as I know, in which the statement is made that he proposed to continue the investigation and did not know how long it would take, and that he did not propose to divulge the information in his hand. The following is the statement of Mr. Crim:

I am working on all these matters; I can't finish them in a day. It may require many days for me to finish my investigation. As the situation develops, I will report from time to time to my superiors. I have not reported to them; I will not report to them unless they send for me until I have exhausted the entire situation; I do not propose at this time to make public what I have done and I do not propose to prophesy as to what I will do in the future.

In the face of all this, criticism is indulged against the press for carrying this news throughout the land. I think the press was entirely within their rights. I think the newspapers would have been derelict in their duty if they had not published all the facts to the country as they got them.

Is it not remarkable that the Attorney General should go out of his way to submit these charges and information to a grand jury in Chicago, which was entirely without jurisdiction, and then back off and refuse to give the information to the House of Representatives, which, under the Constitution, has got specific jurisdiction to deal with the entire matter, and which has the power and the duty to take the most important action that can be had by any tribunal? There is no conflict between the duty that should be exercised by this House and that which should be exercised by the courts. Each power is separate and distinct and has its own particular field of operation and usefulness. But we should not forget in considering this matter that any action that a grand jury may take this year or next year, or that a petit jury may take in the next year or three years, as the case may be, is a trifling thing compared to the importance of the proper exercise of the duties of this House under the Constitution to see to it that any corruption in our ranks is speedily exposed and punished.

I do not speak in a spirit of partisanship. We are dealing with things about which there is no room for anything of that sort. But I want to say that the thing in which the people of this country are interested above all things else is that official life in Washington shall be clean and above reproach. If Members of this House have been guilty of corruption, our first duty is to expose and punish them. If Members who are innocent are being falsely accused and their characters assailed, it is likewise our duty to take proper action for their protection. I have always been taught that it is the duty of any citizen to respond to a summons of any court at any time and give testimony that will be helpful to that tribunal in developing the proof and dealing justly with any matter under its jurisdiction. A good citizen should not wait for a summons if he has knowledge that is essential to the proper administration of justice. What would the country think if a Member of this House should attempt to refuse to furnish information gathered through congressional investigation when such information would be helpful to the courts in dealing with matters under their jurisdiction and in dispensing justice? The Attorney General is not alone bound in all good faith to prosecute these charges in the courts of the country, but he can not live up to his duty unless he brings to the aid of the House all knowledge and all information at his command that will be helpful to the House in dealing intelligently and justly with these charges, which involve so much to the honor and dignity of the House and to the welfare of the country. [Applause.]

The SPEAKER. The Chair of course prefers to recognize members of the committee. The gentleman from South Carolina has 20 minutes, and the gentleman from Pennsylvania has 20 minutes.

Mr. DOMINICK. I was going to suggest to the gentleman from Pennsylvania that I have been using my time and he might use some of his, so as to have a little variety.

Mr. GRAHAM of Pennsylvania. I understood there was some reserved for the gentleman from Wisconsin [Mr. COOPER].

The SPEAKER. There was no agreement made in the House at all. The parliamentary situation is this: The gentleman from Pennsylvania has 20 minutes remaining of his hour; the gentleman from South Carolina has 20 minutes remaining of his hour. The Chair feels he must recognize members of the committee as long as that time remains; and then if the House desires further debate, the Chair will recognize any gentleman claiming the floor.

Mr. COOPER of Wisconsin. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. COOPER of Wisconsin. What became of the request of the gentleman from Ohio to which I objected?

The SPEAKER. That was objected to.

Mr. COOPER of Wisconsin. That was a unanimous-consent request?

Mr. GRAHAM of Pennsylvania. I yield five minutes to the gentleman from South Dakota [Mr. CHRISTOPHERSON].

Mr. CHRISTOPHERSON. Mr. Speaker and gentlemen of the House, I have listened with much interest to the many splendid arguments which have been made pro and con in reference to this resolution this afternoon. I have a high appreciation of the sentiments animating the minds of Members of this House in regard to this matter. I think we all feel a desire for a sincere criticism of the most severe kind of the person or persons who gave out that veiled and obscure information when it found its way to the grand-jury room in Chicago. That information, obtained as it was in another proceeding and based upon testimony or statements of a questionable character, should most assuredly have been kept in secret by the officials until its truth or falsity had been determined and until the department was ready to proceed, but that was not done. It was given out and by the publicity of that information a most serious reflection was directed against the integrity of every Member of this body, and it follows naturally that there should be a keen and earnest desire to investigate and bring out the true facts. That was the purpose of Resolution 211, and it was perfectly proper and within the province of the House to pass that resolution and the Attorney General made prompt answer to it. He has stated that he does not care to and he does not believe it is within the province of his official duty to give the names of those Members or to give the information now in possession of the Department of Justice, which means that he does not care to place the stamp of his office upon that information and thereby give further weight thereto. He further states, however, if we, exercising our rights, insist thereon, he will deliver to the House, or any committee designated, all information and papers in possession of his department, but in such event and during such investigation on the part of the House he will suspend his activities. That makes the issue clear as to whether we are going to further insist upon the surrender to us of this information or leave it with him to proceed with the investigation now in progress. Arguments have been advanced here this afternoon in reference to the rights of the House of Representatives. I do not consider that question enters into this case at all for the reason the Attorney General is willing to submit this information to us if we ask for it.

It has been suggested here on the floor, as I understood it, that this information has been given out to others by the department; that the President of the United States has the names of those Members. My information is to the effect—and I believe I am correctly informed—that the President does not have this information and does not know who the Members are, except as has been stated in the newspapers. Further, that the Attorney General himself has no official information as to who the Members are. We must bear in mind that Mr. Crim, who investigated the matter at Chicago, is special counsel, and therefore very likely did not report to the Attorney General. Now, as has been so ably pointed out here by others, what will be the result if we insist upon this information coming to us from the Attorney General. If we do this, we must proceed, and if we should fail to find evidence sufficient to sustain the charges intimated in the grand jury report, if we should fail in the prosecution, the people generally would feel that we had interfered with the department's orderly prosecution of these cases; that we had hindered and delayed, yes, defeated the due administration of justice by preventing that department from proceeding with the investigation now in hand.

In fact, our insistence upon the evidence and papers the Attorney General now has, in view of the statement in his reply, would give weight to the thought that the House did not

wish to have the Department of Justice pursue this investigation further; that we are afraid of such an investigation. Further, and especially so, if the investigation we make should fail to substantiate the charges, it would immediately be claimed that we had dispossessed the Attorney General, who was making a real investigation; had "whitewashed" the accused and incidentally ourselves. The charges that were alluded to in the grand-jury report are serious and affect every Member of this House. We are entitled to and should have an investigation by a body separate and distinct from the House—an investigation free from the influence of the good fellowship that is naturally supposed to prevail between the membership of this House. The proper place, it appears to me, for that investigation is in the Department of Justice; it has the machinery to do so, detectives and special agents skilled and trained in the business of collecting and marshaling evidence; it is the department charged by the Constitution and laws with the prosecution of crimes and bringing to the bar of justice persons accused of crime.

These charges, if true, then the guilty ones should not only be deprived of membership in this House but should be given sentence in a degree commensurate with the offense committed. Only in a court of competent jurisdiction can this be done. All that the House could do with the offenders, if found guilty by us, would be expulsion from the House.

We should not be misled by any arguments as to the rights or authority between the House and the Department of Justice in this matter. Remember, the Attorney General does not decline to give the facts but states it would be embarrassing for two tribunals to conduct an investigation of the same matter at the same time. We should not take it away from him. If a crime or crimes of the serious import mentioned have been committed, the membership of this House and the people of this Nation are entitled to have the same sifted to the bottom and the guilty, if any, duly punished. That and nothing less will satisfy public opinion; nothing less should satisfy us. If guilty, suitable punishment; if innocent, vindication in a court of law. Therefore let us adopt the resolution of the Committee on the Judiciary and leave the matter with the Attorney General, and in so doing it does not preclude this House from taking such independent action as it may see fit; it does not foreclose us from any further steps or independent investigation this House may later conclude to make. I hope the report and resolution of the committee will have the approval of the House. [Applause.]

The SPEAKER. The time of the gentleman has expired.

Mr. LONGWORTH. Mr. Speaker, I desire again to prefer a unanimous-consent request. I ask unanimous consent that the time of the gentleman from Pennsylvania [Mr. GRAHAM] be extended 20 minutes, of which time he will yield 15 minutes to the gentleman from Wisconsin [Mr. COOPER], and, at the conclusion of the time of the gentleman from South Carolina, that the time of general debate shall close.

The SPEAKER. The gentleman from Ohio asks unanimous consent that the time of the gentleman from Pennsylvania be extended for 20 minutes with the condition as stated, and at the expiration of that time and the expiration of the time of the gentleman from South Carolina debate shall close. Is there objection? [After a pause.] The Chair hears none.

Mr. GRAHAM of Pennsylvania. Mr. Chairman, I yield to the gentleman from Wisconsin [Mr. COOPER] 15 minutes. [Applause.]

Mr. COOPER of Wisconsin. Mr. Speaker, I listened attentively, as I always do, with much pleasure, to the distinguished gentleman from Virginia [Mr. MONTAGUE], who dealt largely in technicalities and discussed elaborately the constitutional divisions between the departments of our National Government. But, with entire respect for my distinguished friend, I do not think that the constitutional question as to the separation of the departments of the Government is of primary importance in the discussion of the pending question. Now, what is the question? Two Members of this body, the public press reports, are charged in the finding of a grand jury with having corruptly received money—that is with having taken bribes. The gentlemen thus accused have in open session of the House asked for an immediate hearing on those charges by a special committee; and yet the report of the Judiciary Committee which we are now considering says, "We will let Mr. Daugherty attend to your request when he gets ready."

Now, what a strange answer that is to give men who feel within themselves the stigma put upon every Member of the House by the finding of that grand jury in Chicago. Those two Members, Mr. LANGLEY and Mr. ZIHLMAN, both my friends, have risen here and forcefully and eloquently protested their innocence, and, as I repeat, demanded an immediate hearing. But we propose by adopting this resolution on what I think a mere quibble to deny them the privilege of a prompt trial, which you, sir, and you, and you, as honest men, would ask for yourselves if the accusation had been leveled against you.

Is there a man on this floor with a conscience so callous who, if he were named in the papers as having received money corruptly, would ask that his vindication be delayed until Mr. Daugherty should find time to act? You would, if innocent, arise, as these two men have arisen, and demand an immediate hearing. I can not understand how an innocent man, under circumstances like these, could ask for delay.

Now, in that connection I want to invite your attention to one or two things that have been said here which I think are erroneous and likely to mislead, although, of course, not so intended. It has been said here that if we should proceed with an examination, the Attorney General will do nothing more. And yet that is in direct contravention of the pledge, the written pledge, of the Attorney General himself. In his letter he says:

> If the House proceeds with this investigation, I shall direct all evidence, statements, and information obtainable to be immediately turned over to you or to such committee as may be designated by the House, and will await the complete investigation of the facts of the House before continuing the investigation now being made by the Department of Justice.

In other words, he will, he promises, let the House committee investigate and report, and then he will continue his own investigation. And yet the gentleman from Texas [Mr. SUMNERS] and others have intimated that the Attorney General will not do anything of the kind. I thought some of the gentlemen dealing with the political side ought to have said he will not. They have intimated, however, that Mr. Daugherty will break the promise he has made to the House. Gentlemen, this is no time for quibbling. The honor of this House and your individual honor has been openly attacked.

Now please listen to what the distinguished gentleman from Ohio [Mr. LONGWORTH], the leader on the floor, said on Thursday last:

> This morning two gentlemen connected with the Department of Justice, Mr. Crim and Mr. Seymour, now Acting Attorney General, requested an interview with the Speaker, the gentleman from Tennessee [Mr. GARRETT], and myself, in which they explained how this whole thing had arisen.

Why should those two officials seek three Members of this House in order to explain how this whole thing had arisen? Their business is in the Department of Justice, not down here seeking to extenuate and excuse the action of that grand jury. But they sought to explain to men who are of great influence on the floor of this House and in politics generally. They could not influence the gentlemen to whom they explained, of course; I know that. But it shows that as appointees they were thinking about their positions, and are afraid that politics will interfere with them.

Mr. GARRETT of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. COOPER of Wisconsin. Yes.

Mr. GARRETT of Tennessee. Let me say, in view of the fact that the gentleman mentioned me now, and in view of the fact that I was at the conference, that I myself did not know of any particular reason why I should be there. There ought to have been at the beginning a subcommittee created on this matter. [Applause.]

Mr. COOPER of Wisconsin. That is right.

But now, gentlemen, listen to this from the gentleman from Ohio [Mr. LONGWORTH]. This is from the same speech of last week:

> Mr. Crim—

Mr. Crim, the man who conducted the investigation before the Chicago grand jury—

> stated that a very large part of the evidence used in investigating the War Veterans' Bureau case came from crooks and criminals who were turning State's evidence.

Now, why should Mr. Crim tell these three prominent gentlemen of the House the things he told them about the Government witnesses upon whose testimony the former Director of the Veterans' Bureau was indicted?

Why should this same Mr. Crim, the Government's lawyer, brand his own witnesses as crooks and criminals who have turned State's evidence? Mr. Forbes is to be tried. Millions of dollars have been taken from the Veterans' Bureau funds. The people of the United States feel a sense of indescribable

outrage that helpless veterans have, as is apparently well established, been taken advantage of and the Treasury robbed by villains in the Veterans' Bureau. Some of them have been indicted. And yet Mr. Crim, in charge of the prosecution, comes here and announces that the witnesses are crooks and criminals. Whatever his motive in saying these things about his own witnesses, he ought to be reminded that crooks and criminals in carrying out their schemes usually deal with other crooks and criminals. What a preposterous thing it is for him to be explaining the finding of an indictment out there and apologizing for the report and suggestions made by that grand jury! And then Mr. LONGWORTH goes on to say:

The whole thing would not be so bad, gentlemen, if the Department of Justice had its case ready for immediate presentation, but Mr. Crim and Mr. Seymour were unable to assure us of any trial of these two Members of Congress for weeks to come, because the matter must be brought before a grand jury impaneled in the District of Columbia; their evidence is not ready and many of their witnesses, being crooks and criminals, are not immediately available because they do not know where they are or whether they can get them.

Later he says:

Gentlemen, that is the position this House is in to-day, with these gross slurs and insinuations cast upon Members of our body and no assurance whatever that anything is going to be done within months from now. We thought this morning—the Speaker, the gentleman from Tennessee [Mr. GARRETT], and I—that we ought to take action at once. Here is a grand jury that presents to a court a statement which is made public and that among other persons suspected are two Members of Congress, but they decline to reveal their names.

And still later, said the gentleman from Ohio:

That will be for the House, in its wisdom, to decide; but that can not come until later. I am talking about what we ought to do here and now in order to purge the House of these charges.

Yet the pending report says:

We will pay no attention to it, but leave it all to Mr. Daugherty.

Do you want a charge that you, a national lawmaker, are a bribe taker, to be left to Mr. Daugherty before your honor shall be vindicated? Mr. Daugherty says that, whatever this House does, he will proceed with this investigation. Therefore why should we delay for one minute?

Mr. MONTAGUE. Will the gentleman yield?

Mr. COOPER of Wisconsin. Yes.

Mr. MONTAGUE. The committee says it will only leave with Mr. Daugherty the names and the charges, and that is all that was asked of Mr. Daugherty.

Mr. COOPER of Wisconsin. I know; but the committee was authorized, by the motion made by the gentleman from Ohio [Mr. LONGWORTH], to make such recommendations as it might see fit to make. This is Mr. LONGWORTH's language:

Mr. Speaker, I move that the communication of the Attorney General be referred to the Committee on the Judiciary, with instructions to report at the earliest possible moment its conclusions and such recommendations as it may see fit to make.

So the committee could have made any recommendation it might wish to make. It could have recommended the appointment of a committee, but it did not. It simply recommended that the House do nothing.

The gentleman from Kentucky [Mr. LANGLEY] has asked for an immediate hearing and the gentleman from Maryland [Mr. ZIHLMAN] has asked for an immediate hearing. Their names are besmirched. We are asked to refuse their request. And the evidence is that whatever is done is to be done by Mr. Crim, and that it will be months before anything can be done. Is that just to ZIHLMAN? Is that just to LANGLEY? Is it just to you? [Applause.] Both have said here on this floor, "We are not guilty," and with hands raised to heaven have appealed to the God omnipotent to bear witness to the truth of their declarations of innocence. They want a hearing, and why should we deny it to them?

Gentlemen, I have had many astonishing propositions presented by committees on this floor, but in view of the circumstances in this case, in view of the publicity given the names of these two men—in whose innocence we must believe until they are proven guilty; we do believe they are innocent—it is wrong for us to say that we will pay no attention to their demands, but that we will let it go for weeks, probably for months, until such time as Mr. Daugherty may get ready to act. What recourse have they? Take it home to yourself. A just man considers the rights of his neighbor as sacred as are his own, and if your good name as a Member of the House were thus jeopardized, what would you say to a man who, when you should demand an immediate hearing and opportunity for vindication, denied it to you and turned your plea over to Mr. Daugherty? What you would demand for yourself you ought not to deny to a fellow Member. Every Member of the House should be possessed of what Burke calls, "that chasity of honor which feels a stain like a wound." [Applause.]

The SPEAKER. The time of the gentleman has expired.

Mr. GRAHAM of Pennsylvania. Mr. Speaker, I yield five minutes to the gentleman from Maine [Mr. HERSEY].

The SPEAKER. The gentleman from Maine is recognized for five minutes.

Mr. HERSEY. Mr. Speaker, as a member of the Judiciary Committee, which had this resolution under consideration and made the report to the House, I want to make a statement for myself alone.

I am a lawyer of 40 years at the bar, and I look at things from a lawyer's standpoint, and I must necessarily. This is strictly a matter of plain business without sympathy; we have before us the plain facts and our plain duty. If there is one prayer to-day that any Member of this House should make who feels himself under accusation, it is, "O God, save me from my friends." In this time when we get excited, when we lose our heads and everybody in public life is being accused of wrongdoing, we ought to act judicially and act upon our oaths here as Members of this House.

I can add very little to the judicial interpretation of this matter which has been given by my friend from Virginia, Judge MONTAGUE, whom I greatly love and admire. He has stated the facts to you much better than I could along the line he has pursued.

I wish to briefly say this: When this matter is ended in this House and in the courts of this land, I want a verdict from both the House and the courts not only reliably and honestly arrived at, but I want it to be absolute and conclusive, so that the people shall be satisfied that justice has been done all Members accused of any wrongdoing.

Now, there is somebody back home watching us here. The first question they are going to ask us is, "Are you going to whitewash yourselves?" The second question they are going to ask is, "Is the Department of Justice going to do its duty and treat Members of this House the same as everybody else?" There are two departments of this Government under the eyes of the people to-day—the Department of Justice and the House of Representatives, and we both ought to act in our own jurisdiction. The Attorney General was right when he said there can not be two tribunals attempting to act upon the same facts, and attempting to hear the same witnesses at the same time, such an attempt would result in confusion and embarrassment and will defeat the ends of justice.

We have by resolution passed yesterday given to the Attorney General full power and jurisdiction over this matter with special instructions to go ahead at once with the investigation which he says is now being conducted by his department. To-day we are asking the Attorney General to hand us over the evidence and names of witnesses, that a committee to be appointed by this House may take this matter away from the grand jury and the courts and make ourselves ridiculous in the eyes of the country. I want you to think this over carefully, and as men without any prejudices. When you have obtained that information, what are you going to do with it? Let us assume the Attorney General gives the information, and that information states that the two Members of this House accused are HERSEY of Maine and MONTAGUE of Virginia. Having that information, what are you going to do about it?

Well, I suppose the first thing to be done, if you are going to pursue the course that the House is now about to, would be to take up the matter and to refer it to a select committee of this House, which committee would investigate the truth of the information you have received. You go ahead with the investigation. If you find that HERSEY and MONTAGUE are not guilty, the whole country would say, "They whitewashed their Members." And I would not stand for it and you would not stand for it. You would not stand for such a vindication as that, and my friends ZIHLMAN and LANGLEY ought not to stand for anything of the kind, and we are not their friends, in my opinion, who advise them to do that. They are presumed to be innocent and stand before the House and the country as innocent. You want to remember the fact that the matter is in the Department of Justice to-day being investigated and we ought to await the final action of the courts.

Mr. DOMINICK. Mr. Speaker, I yield five minutes to the gentleman from Texas [Mr. CONNALLY].

The SPEAKER. The gentleman from Texas is recognized for five minutes.

Mr. CONNALLY of Texas. Mr. Speaker and gentlemen of the House, the Constitution of the United States provides that this House shall have the power to punish its Members for disorderly conduct, and to expel or suspend them if it finds it is wise or desirable to do so. The exercise of that power under the Constitution was made independent of any court action. It was placed in the House of Representatives to be exercised by this body free from any outside influence or agency. There is no provision of limitation that only after conviction in the courts the House may expel or suspend Members, but the provision is that the House in its own right, whenever it may find just cause, may expel or suspend its Members. And why was it so provided? It was so provided, not for the purpose of visiting private punishment upon the Members of this House for the commission of crime but the reason why that provision was included in the Constitution was to give this body, independent of any court, and independent of every other branch of government, the power to preserve the purity of this Chamber and the power to keep its reputation spotless and so to deserve and preserve the confidence of the public in this body. The integrity of the House of Representatives, the confidence of the public in its membership and in its honesty and honor, and the high privilege of the House to expel and punish Members guilty of wrongdoing, transcend in importance the infliction of private punishment of an individual in the courts. For such reasons the Constitution gives such power to this House

And so it provides a method whereby this House could preserve its own dignity and could hold the confidence and the respect of the people whom we represent. In the exercise of that power the other day the House of Representatives passed a resolution directing the Attorney General to transmit to this House the names, not the evidence, but the names and the nature of the offenses alleged to have been committed by two Members of this House—alleged not by some private individual but by the Department of Justice. In the exercise of our constitutional power we called on the Department of Justice to give us that information; and what do we have in reply? We have a communication in response to that demand to the effect that the Attorney General will transmit to the House the information called for only upon a condition prescribed by the Attorney General himself—he will comply with the demand of the House if the House will appoint a committee, and if we do appoint a committee he will transmit the names and the charges to that committee and will then undertake to wash his hands of responsibility to perform his own duty. Gentlemen say the divulgence to the House of the names and the character of the charges will interfere with the investigation by the Department of Justice of a criminal offense. I want to remind gentlemen of the House that the Attorney General's department divulged the names to the President of the United States. It was so published in the papers and some one gave out a statement from the White House. That did not disturb the prosecution in the courts. The White House gave out a statement directing the Attorney General to prosecute these Members. That did not disturb the Attorney General. Some one, presumably the Attorney General's office or some of his employees, gave the information to gentlemen sitting yonder in that press gallery. That did not disturb the course of the Department of Justice in the prosecution of these Members; but the Attorney General makes a reply to this House that in a manner is insulting to its dignity, because he essays to prescribe the terms and the conditions upon which he will divulge this information. Now, there is no conflict in the two jurisdictions. One is a criminal prosecution of individuals in a court; the other involves the conduct of Members and their right to sit in this House.

Mr. GARRETT of Tennessee. Will the gentleman yield?

Mr. CONNALLY of Texas. I yield.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. DOMINICK. I yield the gentleman two minutes additional.

Mr. GARRETT of Tennessee. Is it not the meaning of the Attorney General's statement, in the latter part of his letter, that if the Congress proceeds to perform its duty, he will refuse to perform his duty? [Applause.]

Mr. CONNALLY of Texas. Exactly. I will say that the gentleman from Tennessee has placed his finger upon the very heart of this question. Gentlemen in this House on the Judiciary Committee acknowledge that it is the right and the duty of the House to investigate the accused Members, and yet acknowledging that it is our duty, acknowledging that we possess the power, they are willing to abdicate that power because the Attorney General says that if the House exercises its power and its duty he will fail and refuse to perform his duty.

Mr. HERSEY. Will the gentleman yield?

Mr. CONNALLY of Texas. Not for a moment. If the gentleman will give me the time, I would like to have two more minutes.

Mr. THOMAS of Kentucky. Will the gentleman yield?

Mr. CONNALLY of Texas. I want to say that the duty of this House is to perform its own duty first, and if the Department of Justice, as an excuse for its action, fails to perform its duty, the House of Representatives then has a remedy by which it can hold responsible the Department of Justice for dereliction of its duty. I yield now to the gentleman from Kentucky.

Mr. THOMAS of Kentucky. I wish to say to the gentleman from Texas that so far as I am concerned regarding his remarks about the Judiciary Committee the gentleman is covering a little too much territory. I did not sign that report. [Applause.]

Mr. CONNALLY of Texas. I will absolve the gentleman from Kentucky.

The duty of this House is to perform its function and its responsibility to the country first, and if the Department of Justice does not want to perform its functions and its duty and its responsibility we can take care of that question when we meet it. [Applause.]

The SPEAKER. The time of the gentleman from Texas has again expired.

Mr. DOMINICK. I yield five minutes to the gentleman from Louisiana [Mr. O'CONNOR].

Mr. O'CONNOR of Louisiana. Mr. Chairman and gentlemen of the House, if I have the opportunity, I intend to vote for the substitute or motion submitted by the gentleman from South Carolina [Mr. DOMINICK]. I am sorry that the Judiciary Committee did not avail itself of the privilege it had of recommending that a special committee be created for the purpose of trying this case. I am glad that the majority leader has suggested what in all probability is in the minds of a good many of his friends on the Democratic side and, I hope, in the minds of a good many on the Republican side, and that is the appointment of a special committee to try this case at once without regard to any action that may be taken by the Attorney General.

We are quibbling, gentlemen, with a situation with which we should not quibble. We ought to appoint a special committee with full powers to administer oaths, to summon persons and papers, to bring the judge of the court to which this report was made, to bring the report itself to us, to summon the members of the grand jury and to secure from them a list of the witnesses that attended that court, and thereby get to the very bottom of this whole situation. [Applause.]

It has been intimated in more or less clear language that the report of the grand jury referred to in these proceedings and discussions is to some extent and for some unassigned and unfathomable reason more or less of a frame up for the purpose of ruining two Members of Congress and directing the finger of suspicion at the whole body with a view of effecting results more or less vague. The gentlemen charged or accused have intimated it, and rumor, which hath so many evil tongues, has alleged in colorful stories.

Mr. MONTAGUE. Will the gentleman yield?

Mr. O'CONNOR of Louisiana. No; I have only five minutes.

Mr. MONTAGUE. I just wanted to ask the gentleman if the resolution prohibited you from doing that if you wanted to do it.

Mr. O'CONNOR of Louisiana. I understand the resolution. What is the use of quibbling with a situation when it is within the power of this House to free itself from any slurring insinuations that may be cast upon it throughout the length and breadth of this country? Of course it is desirable, and everyone knows it, to prosecute criminal cases through the Department of Justice, and thousands and thousands of cases are being prosecuted successfully and unsuccessfully throughout the length and breadth of this land, and they do not create a ripple on the sea of American life; but the suggestion that has been carried broadcast throughout this country that corruption and crookedness is rampant in Congress does mean a great deal to this House and to the American people.

Higher and above the rights of any man before a criminal court and the privileges of the Department of Justice or any

other prosecuting agency are the rights and the obligations of this House to maintain itself free from unfair and unjust criticism at all times, and it is only by taking proper procedure that it can maintain that course. If representative government is to last, if the Republic is to endure, its temples of liberty and freedom, the House and Senate must remain pure and unsullied, unstained and untarnished, and, like Cæsar's wife, be above suspicion.

Why, Mr. Chairman, our course is clear. A special committee with full power to act in the case should be appointed that will investigate it from end to end and give to the country what these two accused men are themselves demanding—a fair and square trial for themselves, expeditiously carried out, and a fair and square trial for this House, whose honor, whose prestige, whose history, and whose glory must be maintained by the eternal vigilance to keep it free from stain or stigma or discolorization. The reputation of this House is higher and above the mere privileges that a man might claim for himself in a criminal proceeding or that the Department of Justice arrogates to itself.

Transcending immeasurably the outcome of any prosecution that may be instituted in the courts by the Government is the sacred duty to retain the confidence of the people. "Each House shall be the judge of the elections, returns, and qualifications of its own Members," saith the Constitution. That is not a direction to the Attorney General as to what he should or should not do in the conduct of his office. It is a solemn mandate to the House and Senate—to "each House," to use the language of the Constitution—to maintain inviolate the honor, the integrity, the grandly magnificent place in the soul of America, a representative assembly, free from blemish, unscarred, undimmed, "Sans peur et sans raproche"—without fear and without reproach.

And that mandate can be discharged only by trying Members who are so unfortunate as to be mentioned in such a way as to make themselves and Congress the subject of national conversation and comment. The two gentlemen are everlastingly right in demanding an immediate trial from the House. The House would be recreant to its duty to the country and its own splendid history if it did not move up and show the American people whom we represent that we are alive to the maxim that the honor of Congress is the sacred trust of its Members.

These two Members, I repeat, are right in crying for a trial by their peers in this House at once. Let the committee be appointed and if found innocent let the vindication of rumor's victims go to the world. If found guilty, let them be expelled. That is the course suggested by themselves. I hope for these men's sake, for their families, and above everything else for the honor of this House that the alleged charges will prove to be the vilest of villifications. I do not want to be misunderstood. I know I will not be misunderstood. I thoroughly understand the presumption of innocence. It goes with a person charged with a criminal act from the time that he is charged until he is found guilty, and in proportion to the enormity of the offense committed is that presumption enlarged, increased, and accentuated. It is far greater in a capital offense than in misdemeanor. It is greater still when it affects the honor of a Member of Congress and the historic and honorable traditions of a great House. But correlatively there is the great duty resting upon us of preserving against unjust criticism the reputation of this House and its rights to keep it free from evil judgment, to keep itself free from stigma, by prompt and decisive action when the circumstances warrant it. If we hesitate, if we deal in attenuated refinements of historical traditions, procrastinate and quibble over precedents, the country will have a right to believe that we are faltering, that we are dallying with a situation that demands immediate action. That special committee ought to be appointed, it ought to be given full power to act, and I hope the minority leader will crystallize his thought into parliamentary action.

Mr. MONTAGUE. Does the gentleman think that the substitute resolution will give us immediate action?

Mr. O'CONNOR of Louisiana. No; but it will do a lot more than the majority resolution will.

Mr. MONTAGUE. Oh, no; the majority gives us every right that the gentleman wants. The House can establish its committee any time it gets ready to do so.

Mr. O'CONNOR of Louisiana. The committee should have recommended the establishment of an independent committee, as was suggested by the last speaker.

The SPEAKER. The time of the gentleman from Louisiana has expired.

Mr. DOMINICK. Mr. Speaker, a parliamentary inquiry. In order to get my substitute properly before the House so as not to be precluded by a motion for the previous question, will I not have to formally offer it and present it in my own time?

The SPEAKER. The gentleman will.

Mr. DOMINICK. Then I offer that resolution now.

The SPEAKER. The gentleman presents a substitute resolution which has already been reported. Does the gentleman wish to have it reported again?

Mr. DOMINICK. I should be glad to have it again reported.

The SPEAKER. The Clerk will again report the substitute.

The Clerk again reported the Dominick resolution.

Mr. DOMINICK. Mr. Speaker, I yield three minutes to the gentleman from South Carolina, [Mr. MCSWAIN.]

Mr. McSWAIN. Mr. Speaker and gentlemen, I wish merely to submit this observation, that the Judiciary Committee, by its chairman, has asked us to take as facts in connection with the credibility of Mr. Crim certain things that are entirely outside of the record and are contrary to the opinion as to the reliability and credibility of this same man, brought upon the floor of this House several days ago by the gentleman from Illinois [Mr. KING], who said upon his responsibility here that Mr. Crim was the man who gave away the Government's case in what is known as the Harness case. As a result of the investigation by the Graham committee, charges were preferred, in nature a conspiracy, to the effect that certain Army officers, who had held temporary commissions in time of war, had resigned from their positions as Army officers, and had gotten together on the outside and formed a sort of roll-top desk corporation, calling themselves the "United States Harness Co.," and had gone back to the other officers as though they were bona fide civilians, and made a deal with their friends and associates still remaining as Army officers on the inside. What do the records of the Department of Justice show?

The report of the eminent counsel from St. Louis, who tried that case, shows that when it was tried in Clarksburg last month some of these Army officers and their friends and associates were there creating sentiment in the hotel and in the community, seeking to bring about the acquittal of the men so charged. Mr. King said the defendants did not constitute all that ought to have been indicted in order to establish conspiracy. Some of the conspirators to this movement to defraud our Government were not indicted. Such things as that are what constitute the gravamen of the complaint of the ex-service men for adjustment of compensation. When they realize that they and their children and their grandchildren have to pay the $23,000,000,000 still piled up as war obligations of the Nation, and when they realize that they have been cheated by those who were trusted to protect the Treasury of this Government in time of war and in settling the accounts of the Government after war, then they say that this demand for adjustment of compensation is the only possible public protest, the only public evidence of their righteous indignation against the way the rights of the people and the resources of the Public Treasury were squandered in time of war.

The SPEAKER. The time of the gentleman from South Carolina has expired.

Mr. DOMINICK. Mr. Speaker, I yield the remainder of my time to the gentleman from Tennessee [Mr. GARRETT].

Mr. GARRETT of Tennessee. Mr. Speaker, it is not my purpose to indulge in any criticism of the Attorney General in a personal way, nor of the assistant of the Department of Justice who seems to have had charge of affairs before the Chicago grand jury when the report which occasioned this condition was made. We are confronted, as I have said in the discussions before, with a very delicate situation, but it is one with which we have to deal. I can not agree with the statement made in the report of the Committee on the Judiciary as it appears near the top of the first column on page 3929 of the RECORD under the head "Conclusions." Under that head we find the following:

> Under the reply of the Attorney General there is but one of two courses open to the House of Representatives:
>
> (a) The House take full charge of the investigation and evidence of the alleged charges and relieve the Department of Justice from any further responsibility.

I can not agree to that. As a legal proposition, with all due deference to the learned gentlemen who are members of that committee, the great law committee of the House, it is incorrect. The Attorney General was not justified in saying in his letter to the House of Representatives in substance: "If you insist upon obtaining from this department certain evidence with which to prosecute your inquiries under your con-

stitutional power, obligation, and duty, I shall refuse to perform my duties as a statutory officer of the head of the Department of Justice." And that was what I had in mind when I interrogated the gentleman from Pennsylvania [Mr. GRAHAM] in his opening remarks.

Mr. GRAHAM of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. GARRETT of Tennessee. Certainly.

Mr. GRAHAM of Pennsylvania. The gentleman says that the Attorney General said that he would refuse to discharge his duties.

Mr. GARRETT of Tennessee. That is the meaning of it.

Mr. GRAHAM of Pennsylvania. Let me quote from the Attorney General's letter:

> If, however, the House of Representatives * * * requests that all the evidence now in the possession of anyone connected with the Department of Justice shall be turned over, I will direct all such evidence * * * to be turned over * * * and will wait the complete investigation of the facts of the House before continuing the investigation now being made by the Department of Justice.

Is that cutting off his liability or responsibility?

Mr. GARRETT of Tennessee. I can see no reason why the Department of Justice should wait.

Mr. GRAHAM of Pennsylvania. As an act of courtesy when we were pursuing the investigation here. Of course he would have to wait.

Mr. GARRETT of Tennessee. Not at all, because he is proceeding along lines of criminal prosecution, while the House is proceeding along lines of ascertaining whether its Members have been guilty of conduct that would require the House to purge itself of them. [Applause.]

I have been greatly puzzled over this matter, Mr. Speaker. It has been a troublesome proposition. I think I shall have to vote for the substitute offered by the gentleman from South Carolina. But let me say this before my time has ended. The House is coming back within a few days, if not now—I think we might as well do it after we have disposed of this resolution this evening—to an acceptance of the proposition that ought to have been accepted in the beginning and which if accepted would have relieved the House of all the embarrassment that it is in now, and that is the creation of a special committee to investigate the conduct of its Members, and whichever of the propositions pending may be adopted, that proposition must follow and follow very quickly. [Applause.]

Mr. THOMAS of Kentucky. Mr. Speaker, will I ever get the floor? I am on the committee.

The SPEAKER. By vote of the House all time is exhausted except 15 minutes, which is controlled by the gentleman from Pennsylvania.

Mr. GRAHAM of Pennsylvania. Mr. Speaker and gentlemen of the House, you will be asked in a few minutes to vote for the adoption of the committee's resolution or the adoption of the substitute which has been offered, which means simply to refer this back to the Attorney General and insist upon a more complete answer. I desire within my time to suggest the adoption of a second resolution which is an amendment to the committee's resolution which was agreed to by a majority of the committee and only withdrawn out of deference to one, and I hand this amendment to the Clerk to be read.

The SPEAKER. Does the gentleman offer the amendment?

Mr. GRAHAM of Pennsylvania. I do.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

> *Resolved*, That in view of its extreme importance to the House the Attorney General be, and is hereby, requested to proceed at once and give preference and precedence to this investigation and report the result to this House.

Mr. GRAHAM of Pennsylvania. Now, it is immaterial to me——

Mr. GARRETT of Tennessee. Will the gentleman yield to me in reference to the amendment?

Mr. GRAHAM of Pennsylvania. Not now.

Mr. GARRETT of Tennessee. I reserve a point of order on the amendment.

Mr. GRAHAM of Pennsylvania. All right. First, I wish to say that there has been a degree of personal criticism and allusion inserted into this debate that ought to have had no place in it. I want to say to the Members of the House, so far as Mr. Crim is concerned and the discussion of these leather frauds the gentlemen referred to, that there was a distinguished Democratic lawyer, one of the very best for the purpose, allowed by the Attorney General to prosecute that case to its finality.

Mr. McSWAIN. Will the gentleman yield?

Mr. GRAHAM of Pennsylvania. And Mr. Crim had no responsibility for it, he assures me absolutely.

Mr. McSWAIN. Has the gentleman seen the report of the distinguished gentleman, the attorney who tried the case?

Mr. GRAHAM of Pennsylvania. I decline to yield. If I were standing here as a brother of the men whose names have now been connected with this matter, and moved with the strongest personal affection existing between men, I ask what course would and ought I to pursue. Advise an investigation by this House? Nothing of the kind. I would ask the Attorney General to proceed at once and give us the result of that investigation, which in all human probability will clear everybody and the House itself of every question and imputation. I would say that the proceeding by a committee of this House might appear to be the proper thing in the enthusiasm of friendship, but it is an injustice to the men you would serve. What avails an acquittal at the hands of their colleagues in the House if the matter is not carried out to its conclusion and determined according to law and the facts? A whitewash by his colleagues would be no justification to a man accused if the case itself should proceed to a finality that was different from that conclusion which the House had reached. Gentlemen, I say be patient; I say be temperate. Exercise your calm judgment, and without prejudice give this matter a fair consideration. Let this resolution be adopted calling upon the Attorney General to complete this work at once. If he does not, then the remedy is in your hands and can be rightfully pursued. Mr. Speaker, I yield the balance of my time, except a half minute, to the gentleman from Ohio [Mr. LONGWORTH]. [Applause.]

The SPEAKER. The gentleman from Ohio is recognized for ten and a half minutes.

Mr. LONGWORTH. Mr. Speaker and gentlemen, I believe it to be my duty both as a Member in my private capacity and also in my capacity as majority leader, which I hold by virtue of the expressed confidence of my colleagues, to support the report of the Committee on the Judiciary. I regret I can not agree with my friend, the gentleman from Tennessee, for I know that his position, like mine, is actuated only by a desire best to maintain the honor and dignity of this House. I hope we can consider this question without any partisan or personal feeling. No man holds in higher esteem the two gentlemen whose names have become regretfully conspicuous in this affair than I. I will go even further and say that I have absolute and complete confidence in the integrity of both the gentleman from Kentucky and the gentleman from Maryland. [Applause.] I want to do not only what is best for this House but what is best for them, and I am certain that the best thing we can do is not to act hastily in this matter. I agree with my friend from Tennessee that the inevitable result of voting down the recommendation of the Committee on the Judiciary is to have an independent investigation by a committee appointed by this House——

Mr. GARRETT of Tennessee. Does the gentleman agree with me further that if the report of the Committee on the Judiciary is adopted it will also be necessary to have an investigation?

Mr. LONGWORTH. I should doubt that, I say to my friend, because I am in hope that if we do not now interfere with the course the Department of Justice is expected to pursue we will have it in our hands, if there is any undue delay in the prosecution of this case, to demand a committee which will investigate this matter on our own account.

Mr. MONTAGUE. Will the gentleman from Ohio permit me to ask him a question?

Mr. LONGWORTH. Yes; but I have only a short time.

Mr. MONTAGUE. I will be brief. Does the gentleman believe that the adoption of this report will preclude an investigation by the House?

Mr. LONGWORTH. No; I want to make it clear that if there is any delay, any unreasonable delay, in the prosecution of these cases on the part of the Department of Justice, I shall be glad to advocate the creation of a committee to investigate on the part of the House. [Applause.]

Now, let us look the facts squarely in the face. The only reason we have to ask for this evidence now in possession of the Department of Justice is to exercise our constitutional right to punish Members; to criticize their course, not to approve it. I am not willing to say that an investigation of this sort would result in the punishment of two Members of this House. As I said before, my belief is that their records are absolutely clean. What, then, can it advantage us or them if we delay—as we must inevitably delay if we demand for the prosecution of this case—the evidence in the possession of the Department of Justice?

What are the facts in this whole unfortunate matter? The facts are that this jury in Illinois, which had no possible jurisdiction in this case, insisted that a supplemental report be drafted and submitted to the judge of the northern district of Illinois urging that other cases involving turpitude, among them these accusations against two Members of Congress, be prosecuted in another jurisdiction. Personally I think it was an outrage that that report was ever made public. [Applause.] The moment it became public it was inevitable that the names of these two unnamed Members of Congress would leak out and everybody would know it.

I do not know whose fault it was, but certainly had that been a sealed report this situation never would have confronted us. But it does confront us now. How are we going to benefit the situation, gentlemen, by demanding our constitutional right to get this evidence in order to punish or expel Members—because that is the only reason we have for demanding this evidence from the Department of Justice? In my view a demand to take over and inspect that evidence and proceed on our own account can do nothing else but delay the inevitable conclusion of this unfortunate affair. We can not go ahead as two coordinate branches of the Government, acting upon the same evidence and summoning the same witnesses.

I do not believe, reasoning it out calmly, that would be the best thing either for the majority of this House or for the two gentlemen who have been named. I can not tell, I have no means of knowing, how long it may take the department to proceed in this investigation. We could get no definite assurance from Mr. Crim or from the Acting Attorney General. I would hope that it would not take a long time, particularly now that they well know that Congress is going to insist that there shall be no delay in this matter.

Mr. DYER. Mr. Speaker, will the gentleman yield?

Mr. LONGWORTH. Yes.

Mr. DYER. I will say that my information is that the matter will be finished or in shape so that the House may know the situation within two weeks.

Mr. LONGWORTH. Well, I am very glad to hear that from the gentleman, and I hope his information is accurate; but whether it be true or not is it not best to proceed in an orderly way, to wit, by allowing the Department of Justice to go ahead?

I think we accomplished a great result by passing the resolution instructing the Attorney General to reveal the names and offenses, regardless of whether he has seen fit to comply with our direction or not, because to-day, as the result of all this hallabaloo, there are but two names which have been mentioned—mentioned by the gentlemen themselves. There is not another man upon whom the faintest aspersion has been cast in the whole House of Representatives. Under these circumstances is not the safe and wise thing to do, gentlemen, to allow this matter to proceed in due course, reserving to ourselves always the right, when it shall appear to us that there is any undue delay, to at once create a committee of this House to proceed with an investigation on its own account? [Applause.]

Mr. GRAHAM of Pennsylvania. Mr. Speaker, I move the previous question upon the resolution reported by the Committee on the Judiciary and all amendments or substitutes therefor to final passage.

Mr. THOMAS of Kentucky. Mr. Speaker, I ask unanimous consent to address the House for seven minutes.

The SPEAKER. The gentleman from Pennsylvania [Mr. GRAHAM] moves the previous question on the resolution and all amendments.

Mr. THOMAS of Kentucky. Mr. Speaker, I want unanimous consent to address the House for seven minutes. I am a member of this committee.

The SPEAKER. The gentleman from Kentucky asks unanimous consent to address the House for seven minutes. Is there objection?

Mr. DYER. I object.

The SPEAKER. Objection is heard.

Mr. GARRETT of Tennessee. Mr. Speaker, when will that point of order be considered?

The SPEAKER. The Chair will now hear the gentleman.

Mr. GARRETT of Tennessee. I make a point of order on the amendment offered by the gentleman from Pennsylvania.

The SPEAKER. The Chair will hear the gentleman from Tennessee later. The question is on ordering the previous question.

The previous question was ordered.

The SPEAKER. The next question comes upon the amendment offered by the gentleman from Pennsylvania, which the Clerk will report.

The Clerk read as follows:

Resolved, That in view of its extreme importance to the House, the Attorney General be, and is hereby, requested to proceed at once and give preference and precedence to this investigation and report the results to this House.

Mr. GARRETT of Tennessee. Mr. Speaker, I make a point of order that it is not germane to the resolution before the House.

The SPEAKER. The Chair will hear the gentleman.

Mr. GARRETT of Tennessee. The resolution before the House reads:

Resolved, That the House take no more action for the present.

Mr. GRAHAM of Pennsylvania. Will the gentleman permit me to add one word to the resolution by unanimous consent? Add the words "And be it further resolved." That is the way I want to have the resolution read.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to modify his amendment in the manner indicated. Is there objection? [After a pause.] The Chair hears none.

Mr. GARRETT of Tennessee. The only thing before the House for action, so far as the report of the Judiciary Committee is concerned, is a simple resolution containing a very few lines.

Resolved, That the House take no further action for the present to procure from the Attorney General the information heretofore requested of the Attorney General under House Resolution 211.

There was nothing whatever in House Resolution 211 which in any way referred to prosecutions or investigations by a grand jury or any procedure whatever in the courts of the United States, except the grand jury that heard the case in Chicago. Therefore, all that House Resolution 211 contained was a request for certain names or, rather, directed the submission of certain names and the nature of the charges against them.

Now, the amendment offered by the gentleman from Pennsylvania [Mr. GRAHAM] proposes to expand the committee proposition so as to go far beyond anything that was contained in resolution 211, upon which it is based, which resolution directed the Attorney General of the United States to do certain things.

Of course, Mr. Speaker, I pass by the humiliating situation in which the House would place itself if the House itself asked the Attorney General to do that which it refuses to do, namely, to make an investigation of its Members. [Applause.] But, Mr. Speaker, I rest upon the parliamentary ground that it is not germane to the resolution.

The SPEAKER. The Chair thinks the objection made is extremely technical. The resolution is not based entirely on Resolution 211, but it is based explicitly on the letter from the Attorney General which was referred to the Committee on the Judiciary with instructions to report thereon. The action of that committee was based on the letter from the Attorney General. In that letter the Attorney General specifically speaks of the investigation being made by him. I forget whether he speaks of a grand jury or not, but he does say that there can not be two proceedings at once, one by a committee of the House and another by the courts, and one of the objections to the inquiry was that the tribunals under his jurisdiction were also investigating. So the Chair thinks the amendment is pertinent, relevant, and germane to the resolution. The point of order is overruled.

Mr. MOORE of Virginia. Mr. Speaker, may I have unanimous consent to ask the gentleman from Pennsylvania [Mr. GRAHAM] one question.

The SPEAKER. The previous question has been ordered, and, of course, that is not in order except by unanimous consent.

Mr. MOORE of Virginia. I ask for unanimous consent simply to make an inquiry that will not take a quarter of a minute.

The SPEAKER. The gentleman from Virginia asks unanimous consent to address the House for a quarter of a minute. Is there objection?

Mr. CLARKE of New York. Mr. Speaker, I object.

The SPEAKER. Objection is made. The question first comes on the amendment offered by the gentleman from Pennsylvania.

Mr. CLARK of Florida. Mr. Speaker, may we have the amendment again reported?

The SPEAKER. Without objection, the amendment will be again reported.

The Clerk again read the amendment.

The SPEAKER. The question is on agreeing to that amendment.

The question was taken; and on a division (demanded by Mr. GARRETT of Tennessee) there were—ayes 129, noes 123.

Mr. GARRETT of Tennessee. Mr. Speaker, I ask for the yeas and nays.

Mr. LONGWORTH. Will the gentleman from Tennessee yield? I hope the gentleman will not ask for the yeas and nays. We ought not to have any division on this question, and I am perfectly willing to accept any vote either by tellers or otherwise. I think it would be a mistake to have any division.

Mr. TUCKER. Then withdraw the amendment.

Mr. GARRETT of Tennessee. I think it is a great mistake to offer the amendment. It has changed the whole idea. I am willing to take a teller vote on it but I also reserve the right to call for the yeas and nays after the teller vote.

Mr. LONGWORTH. Well, if the gentleman thinks that is advisable, all right.

Mr. ROUSE. Mr. Speaker, I demand the regular order.

The SPEAKER. The gentleman from Tennessee [Mr. GARRETT] demands the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 178, nays 162, answered "present" 1, not voting 90, as follows:

YEAS—178.

Ackerman	Fenn	Little	Sinnott
Aldrich	Fish	Longworth	Smith
Andrew	Fitzgerald	McKenzie	Smithwick
Anthony	Fleetwood	McKeown	Snell
Bachmrach	Foster	McLaughlin, Mich.	Snyder
Bacon	Fredericks	MacGregor	Speaks
Barbour	Free	MacLafferty	Sproul, Ill.
Barkley	Freeman	Madden	Sproul, Kans.
Beck	French	Magee, N. Y.	Stalker
Beedy	Gibson	Magee, Pa.	Stephens
Beers	Gifford	Manlove	Strong, Kans.
Begg	Graham, Ill.	Mapes	Strong, Pa.
Bixler	Graham, Pa.	Merritt	Summers, Wash.
Boies	Green, Iowa	Michener	Swing
Browne, Wis.	Griest	Miller, Wash.	Swoope
Burdick	Griffin	Moore, Ohio	Taylor, Tenn.
Burtness	Hadley	Moores, Ind.	Temple
Burton	Hardy	Morehead	Thatcher
Butler	Haugen	Morgan	Thompson
Byrns, Tenn.	Hawley	Murphy	Timberlake
Campbell	Hersey	Nelson, Wis.	Tinkham
Carter	Hickey	Newton, Minn.	Treadway
Chindblom	Hill, Md.	Newton, Mo.	Underhill
Christopherson	Hoch	Paige	Vaile
Clague	Holaday	Parker	Vestal
Clarke, N. Y.	Hudson	Peavey	Vincent, Mich.
Cole, Iowa	Hull, Iowa	Perkins	Voigt
Colton	Hull, Morton D.	Phillips	Ward, N. Y.
Connolly, Pa.	Hull, William E.	Purnell	Watres
Cooper, Ohio	James	Ramseyer	Watson
Cooper, Wis.	Johnson, Wash.	Ransley	Wefald
Cramton	Kearns	Reece	Welsh
Crowther	Keller	Reed, N. Y.	White, Kans.
Curry	Kelly	Roach	White, Me.
Dallinger	Ketcham	Robinson, Iowa	Williams, Mich.
Darrow	Kiess	Robsion, Ky.	Williamson
Deal	King	Rogers, Mass.	Winter
Dickinson, Iowa	Kopp	Schafer	Wood
Dowell	Kurtz	Schall	Woodruff
Dyer	LaGuardia	Schneider	Wurzbach
Elliott	Lampert	Scott	Yates
Evans, Iowa	Langley	Sears, Nebr.	Young
Fairchild	Larson, Minn.	Shallenberger	Zihlman
Fairfield	Leatherwood	Simmons	
Faust	Leavitt	Sinclair	

NAYS—162.

Allen	Cullen	Jeffers	O'Connor, La.
Allgood	Cummings	Johnson, Tex.	O'Connor, N. Y.
Almon	Davis, Tenn.	Johnson, W. Va.	O'Sullivan
Arnold	Dickinson, Mo.	Jones	Oldfield
Aswell	Dominick	Kent	Oliver, Ala.
Ayres	Doughton	Kincheloe	Oliver, N. Y.
Bankhead	Drane	Kindred	Park, Ga.
Bell	Drewry	Kunz	Parks, Ark.
Bland	Driver	Lanham	Pou
Bloom	Eagan	Lankford	Prall
Bowling	Evans, Mont.	Larsen, Ga.	Quayle
Box	Favrot	Lazaro	Quin
Boyce	Fisher	Lea, Calif.	Ragon
Brand, Ga.	Fulbright	Lindsay	Rainey
Briggs	Gardner, Ind.	Lowrey	Raker
Browning	Garner, Tex.	Lozier	Rankin
Buchanan	Garrett, Tenn.	Lyon	Rayburn
Bulwinkle	Garrett, Tex.	McNulty	Reed, Ark.
Busby	Gasque	McReynolds	Richards
Byrnes, S. C.	Geran	McSwain	Romjue
Canfield	Gilbert	McSweeney	Rouse
Cannon	Glatfelter	Major, Ill.	Rubey
Carew	Greenwood	Major, Mo.	Salmon
Celler	Hammer	Mansfield	Sanders, Tex.
Clancy	Hastings	Martin	Sandlin
Clark, Fla.	Hayden	Mead	Sears, Fla.
Cleary	Hill, Ala.	Milligan	Sherwood
Collier	Hill, Wash.	Minahan	Steagall
Connally, Tex.	Hooker	Montague	Stedman
Connery	Howard, Nebr.	Mooney	Stengle
Cook	Howard, Okla.	Moore, Va.	Stevenson
Corning	Huddleston	Morris	Sullivan
Crisp	Hudspeth	Nelson, Me.	Sumners, Tex.
Croll	Humphreys	O'Connell, N. Y.	Swank
Crosser	Jacobstein	O'Connell, R. I.	Tague
Taylor, W. Va.	Underwood	Weaver	Wingo
Thomas, Ky.	Upshaw	Weller	Wolff
Thomas, Okla.	Vinson, Ga.	Williams, Tex.	Woodrum
Tillman	Vinson, Ky.	Wilson, Ind.	Wright
Tucker	Ward, N. C.	Wilson, La.	
Tydings	Watkins	Wilson, Miss.	

ANSWERED "PRESENT"—1.

Wason

NOT VOTING—90.

Abernethy	Frear	Lineberger	Reed, W. Va.
Anderson	Frothingham	Linthicum	Reid, Ill.
Berger	Fuller	Logan	Rogers, N. H.
Black, N. Y.	Fulmer	Luce	Rosenbloom
Black, Tex.	Funk	McClintic	Sabath
Blanton	Gallivan	McDuffie	Sanders, Ind.
Boylan	Garber	McFadden	Sanders, N. Y.
Brand, Ohio	Goldsborough	McLaughlin, Nebr.	Seger
Britten	Greene, Mass.	McLeod	Shreve
Browne, N. J.	Harrison	Michaelson	Sites
Brumm	Hawes	Miller, Ill.	Sweet
Buckley	Hull, Tenn.	Mills	Taber
Cable	Johnson, Ky.	Moore, Ga.	Taylor, Colo.
Casey	Johnson, S. Dak.	Moore, Ill.	Tilson
Cole, Ohio	Jost	Morin	Tincher
Collins	Kahn	Morrow	Vare
Davey	Kendall	Nolan	Wainwright
Davis, Minn.	Kerr	O'Brien	Wertz
Dempsey	Knutson	Patterson	Williams, Ill.
Denison	Kvale	Peery	Winslow
Dickstein	Lee, Ga.	Perlman	Wyant
Doyle	Lehlbach	Porter	
Edmonds	Lilly	Rathbone	

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Davis of Minnesota (for) with Mr. Linthicum (against).
Mr. Porter (for) with Mr. Black of New York (against).
Mr. Greene of Massachusetts (for) with Mr. Dickstein (against).
Mr. Edmonds (for) with Mr. Boylan (against).

Until further notice:

Mr. Wason with Mr. Rogers of New Hampshire.
Mr. Denison with Mr. Taylor of Colorado.
Mr. Morin with Mr. Fulmer.
Mr. Seger with Mr. Buckley.
Mr. Frothingham with Mr. Black of Texas.
Mr. Lineberger with Mr. Collins.
Mr. Shreve with Mr. Moore of Georgia.
Mr. Wertz with Mr. Harrison.
Mr. Mills with Mr. Hawes.
Mr. Luce with Mr. Goldsborough.
Mr. Vare with Mr. Gallivan.
Mr. Wyant with Mr. Sites.
Mr. Johnson of South Dakota with Mr. Abernethy.
Mr. Williams of Illinois with Mr. Jost.
Mr. McFadden with Mr. Hull of Tennessee.
Mr. Moore of Illinois with Mr. Davey.
Mr. Brand of Ohio with Mr. O'Brien.
Mr. Patterson with Mr. Morrow.
Mr. Brumm with Mr. Sabath.
Mr. Lehlbach with Mr. Lee of Georgia.
Mr. McLaughlin of Nebraska with Mr. Logan.
Mr. Sanders of Indiana with Mr. Casey.
Mr. Sweet with Mr. Doyle.
Mr. Tilson with Mr. Johnson of Kentucky.
Mr. Winslow with Mr. Lilly.
Mr. Michaelson with Mr. Kerr.
Mr. Kendall with Mr. Blanton.
Mr. Reed of Illinois with Mr. Peery.
Mr. Perlman with Mr. Kvale.
Mr. Kahn with Mr. Browne of New Jersey.
Mr. Miller of Illinois with Mr. McClintic.
Mr. Cole of Ohio with Mr. McDuffie.
Mr. Frear with Mr. Berger.

The result of the vote was announced as above recorded.

The SPEAKER. The question now is on the amendment, in the nature of a substitute, offered by the gentleman from South Carolina [Mr. DOMINICK].

Mr. DOMINICK. Mr. Speaker, I ask that the substitute be again reported.

The SPEAKER. Without objection, the substitute will be again reported.

There was no objection.

The Clerk again reported the substitute.

The SPEAKER. The question is on the amendment, in the nature of a substitute, offered by the gentleman from South Carolina [Mr. DOMINICK].

The question was taken; and on a division (demanded by Mr. DOMINICK) there were—ayes 143, noes 177.

Mr. DOMINICK. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 152, nays 184, answered "present" 3, not voting 92, as follows:

YEAS—152.

Allen	Bland	Busby	Cleary
Allgood	Bloom	Byrnes, S. C.	Collier
Almon	Bowling	Canfield	Connally, Tex.
Arnold	Box	Cannon	Connery
Aswell	Briggs	Carew	Cook
Ayres	Browne, Wis.	Carter	Cooper, Wis.
Bankhead	Browning	Celler	Crisp
Beck	Buchanan	Clancy	Croll
Bell	Bulwinkle	Clark, Fla.	Crosser

Cullen	Howard, Okla.	Mead	Sears, Fla.
Cummings	Huddleston	Milligan	Sherwood
Davis, Tenn.	Hudspeth	Minahan	Sinclair
Deal	Jacobstein	Mooney	Sproul, Kans.
Dickinson, Mo.	James	Moore, Ga.	Steagall
Dominick	Jeffers	Moore, Va.	Stedman
Drane	Johnson, Tex.	Morris	Stengle
Drewry	Johnson, W. Va.	O'Connell, N. Y.	Stevenson
Driver	Jones	O'Connell, R. I.	Sullivan
Eagan	Keller	O'Connor, La.	Summers, Wash.
Evans, Mont.	Kelly	O'Connor, N. Y.	Swank
Favrot	Kent	Oldfield	Tague
Fisher	Kincheloe	Oliver, Ala.	Taylor, W. Va.
Frear	Kindred	Oliver, N. Y.	Thomas, Ky.
Fulbright	King	Park, Ga.	Thomas, Okla.
Gardner, Ind.	Kunz	Parks, Ark.	Tucker
Garner, Tex.	Lampert	Peavey	Tydings
Garrett, Tenn.	Lankford	Pou	Underwood
Garrett, Tex.	Larsen, Ga.	Prall	Upshaw
Gasque	Lazaro	Quayle	Vinson, Ga.
Geran	Lindsay	Quin	Ward, N. C.
Glatfelter	Lozier	Rainey	Watkins
Greenwood	Lyon	Rankin	Wefald
Hastings	McNulty	Reed, Ark.	Weller
Hayden	McReynolds	Salmon	Wilson, La.
Hill, Ala.	McSwain	Sanders, Tex.	Wilson, Miss.
Hill, Wash.	Major, Ill.	Sandlin	Wingo
Hooker	Mansfield	Schafer	Wolff
Howard, Nebr.	Martin	Schneider	Woodrum

NAYS—184.

Ackerman	Fleetwood	MacGregor	Simmons
Aldrich	Foster	MacLafferty	Sinnott
Andrew	Fredericks	Madden	Smith
Bacharach	Free	Magee, N. Y.	Smithwick
Bacon	Freeman	Magee, Pa.	Snell
Barbour	French	Major, Mo.	Snyder
Barkley	Gibson	Manlove	Speaks
Beedy	Gifford	Mapes	Sproul, Ill.
Beers	Gilbert	Merritt	Stalker
Begg	Graham, Ill	Michener	Stephens
Bixler	Graham, Pa.	Miller, Wash.	Strong, Kans.
Boles	Green, Iowa	Montague	Strong, Pa.
Boyce	Griest	Moore, Ohio	Summers, Tex.
Brand, Ga.	Griffin	Moores, Ind.	Swing
Buckley	Hadley	Morehead	Swoope
Burdick	Hammer	Morgan	Taylor, Tenn.
Burtness	Hardy	Murphy	Temple
Burton	Harrison	Nelson, Me.	Thatcher
Butler	Haugen	Nelson, Wis.	Thompson
Byrns, Tenn.	Hawley	Newton, Minn.	Tillman
Campbell	Hersey	Newton, Mo.	Timberlake
Chindblom	Hickey	O'Sullivan	Tinkham
Christopherson	Hill, Md.	Paige	Treadway
Clague	Hoch	Parker	Underhill
Cole, Iowa	Hudson	Perkins	Vaile
Colton	Hull, Iowa	Phillips	Vestal
Connolly, Pa.	Hull, Morton D.	Purnell	Vincent, Mich.
Cooper, Ohio	Hull, William E.	Ragon	Vinson, Ky.
Corning	Humphreys	Raker	Ward, N. Y.
Cramton	Johnson, Wash.	Ramseyer	Watres
Crowther	Ketcham	Ransley	Watson
Curry	Kopp	Rayburn	Weaver
Dallinger	Kurtz	Reece	Welsh
Darrow	LaGuardia	Reed, N. Y.	White, Kans.
Dickinson, Iowa	Lanham	Richards	White, Me.
Doughton	Larson, Minn.	Roach	Williams, Mich.
Dowell	Lea, Calif.	Robinson, Iowa	Williams, Tex.
Dyer	Leatherwood	Robsion, Ky.	Williamson
Elliott	Leavitt	Rogers, Mass.	Wilson, Ind.
Evans, Iowa	Little	Romjue	Winter
Fairchild	Longworth	Rouse	Wood
Fairfield	Lowrey	Rubey	Woodruff
Faust	McKenzie	Schall	Wright
Fenn	McKeown	Scott	Wurzbach
Fish	McLaughlin, Mich.	Sears, Nebr.	Yates
Fitzgerald	McSweeney	Shallenberger	Young

ANSWERING "PRESENT"—3.

Langley	Wason	Zihlman

NOT VOTING—92.

Abernethy	Edmonds	Lehlbach	Rathbone
Anderson	Frothingham	Lilly	Reed, W. Va.
Anthony	Fuller	Lineberger	Reid, Ill.
Berger	Fulmer	Linthicum	Rogers, N. H.
Black, N. Y.	Funk	Logan	Rosenbloom
Black, Tex.	Gallivan	Luce	Sabath
Blanton	Garber	McClintic	Sanders, Ind.
Boylan	Goldsborough	McDuffie	Sanders, N. Y.
Brand, Ohio	Greene, Mass.	McFadden	Seger
Britten	Hawes	McLaughlin, Nebr.	Shreve
Browne, N. J.	Holaday	McLeod	Sites
Brumm	Hull, Tenn.	Michaelson	Sweet
Cable	Johnson, Ky.	Miller, Ill.	Tuber
Casey	Johnson, S. Dak.	Mills	Taylor, Colo.
Clarke, N. Y.	Jost	Moore, Ill.	Tilson
Cole, Ohio	Kahn	Morin	Tincher
Collins	Kearns	Morrow	Vare
Davey	Kendall	Nolan	Voigt
Davis, Minn.	Kerr	O'Brien	Wainwright
Dempsey	Kiess	Patterson	Wertz
Denison	Knutson	Peery	Williams, Ill.
Dickstein	Kvale	Perlman	Winslow
Doyle	Lee, Ga.	Porter	Wyant

So the substitute was rejected.

The Clerk announced the following additional pairs:

On this vote:

Mr. Linthicum (for) with Mr. Davis of Minnesota (against).
Mr. Black of New York (for) with Mr. Porter (against).
Mr. Dickstein (for) with Mr. Greene of Massachusetts (against).
Mr. Boylan (for) with Mr. Edmonds (against).
Mr. Lineberger (for) with Mr. Clarke of New York (against).

Until further notice:

Mr. Wason with Mr. Rogers of New Hampshire.
Mr. Kiess with Mr. Berger.
Mr. Seger with Mr. Collins.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on agreeing to the resolution.

Mr. GARRETT of Tennessee. Mr. Speaker, I ask for the yeas and nays.

The SPEAKER. The gentleman from Tennessee demands the yeas and nays.

Mr. GARRETT of Tennessee. Mr. Speaker, when is it in order to move to recommit?

The SPEAKER. It was in order before this vote was taken.

Mr. GARRETT of Tennessee. Mr. Speaker, this was not a bill reported from the Committee of the Whole. Is it now in order to make a motion to recommit?

The SPEAKER. The Chair has put the question on agreeing finally to the resolution, and the gentleman from Tennessee has demanded the yeas and nays. Obviously, it is too late. The gentleman from Tennessee demands the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 222, nays 108, answered "present" 4, not voting 97, as follows:

YEAS—222.

Ackerman	Fairfield	McKenzie	Simmons
Aldrich	Faust	McKeown	Sinclair
Andrew	Fenn	McLaughlin, Mich.	Sinnott
Arnold	Fish	McSweeney	Smith
Ayres	Fisher	MacGregor	Smithwick
Bacharach	Fitzgerald	MacLafferty	Snyder
Bacon	Fleetwood	Madden	Speaks
Barbour	Foster	Magee, N. Y.	Sproul, Ill.
Barkley	Frear	Magee, Pa.	Sproul, Kans.
Beck	Fredericks	Major, Mo.	Stalker
Beedy	Free	Manlove	Stedman
Beers	Freeman	Mapes	Stephens
Begg	French	Merrittt	Strong, Kans.
Bixler	Gardner, Ind.	Michener	Strong, Pa.
Boles	Gibson	Miller, Wash.	Summers, Wash.
Boyce	Gifford	Montague	Sumners, Tex.
Brand, Ga.	Gilbert	Mooney	Swing
Browne, Wis.	Graham, Ill.	Moore, Ohio	Swoope
Buchanan	Graham, Pa.	Moores, Ind.	Taylor, Tenn.
Buckley	Green, Iowa	Morehead	Temple
Bulwinkle	Griest	Morgan	Thatcher
Burdick	Griffin	Morris	Thompson
Burtness	Hadley	Murphy	Tillman
Burton	Hammer	Nelson, Me.	Timberlake
Butler	Hardy	Nelson, Wis.	Tinkham
Byrns, Tenn.	Harrison	Newton, Minn.	Underhill
Campbell	Hastings	Newton, Mo.	Underwood
Canfield	Haugen	O'Connell, R. I.	Vaile
Cannon	Hawley	O'Sullivan	Vestal
Carter	Hersey	Paige	Vincent, Mich.
Chindblom	Hickey	Parker	Vinson, Ga.
Christopherson	Hill, Md.	Peavey	Vinson, Ky.
Clague	Hoch	Perkins	Volgt
Cleary	Hudson	Phillips	Ward, N. C.
Cole, Iowa	Hull, Iowa	Purnell	Ward, N. Y.
Colton	Hull, Morton D.	Ragon	Watres
Connolly, Pa.	Hull, William E.	Rainey	Watson
Cook	James	Raker	Weaver
Cooper, Ohio	Johnson, Wash.	Ramseyer	Wefald
Cramton	Kearns	Ransley	Welsh
Croll	Kelly	Rayburn	White, Kans.
Crosser	Ketcham	Reece	White, Me.
Crowther	Kindred	Reed, N. Y.	Williams, Mich.
Cummins	Kopp	Richards	Williams, Tex.
Curry	Kurtz	Roach	Williamson
Dallinger	LaGuardia	Robinson, Iowa	Wilson, Ind.
Darrow	Lampert	Robsion, Ky.	Winter
Deal	Lanham	Rogers, Mass.	Wood
Dickinson, Iowa	Larson, Minn.	Romjue	Woodruff
Doughton	Lea, Calif.	Rouse	Wright
Dowell	Leatherwood	Rubey	Wurzbach
Dyer	Leavitt	Schall	Yates
Elliott	Little	Schneider	Young
Evans, Iowa	Longworth	Scott	Zihlman
Evans, Mont.	Lowrey	Sears, Nebr.	
Fairchild	Lyon	Shallenberger	

NAYS—108.

Allen	Davis, Tenn.	Hudspeth	Moore, Ga.
Allgood	Dickinson, Mo.	Humphreys	Moore, Va.
Almon	Dominick	Jacobstein	O'Connell, N. Y.
Aswell	Drane	Jeffers	O'Connor, La.
Bankhead	Drewry	Johnson, Tex.	O'Connor, N. Y.
Bell	Driver	Johnson, W. Va.	Oldfield
Bland	Eagan	Jones	Oliver, Ala.
Bloom	Favrot	Kent	Oliver, N. Y.
Bowling	Fulbright	Kincheloe	Park, Ga.
Box	Garner, Tex.	Lankford	Parks, Ark.
Briggs	Garrett, Tenn.	Larsen, Ga.	Prall
Browning	Garrett, Tex.	Lazaro	Quayle
Busby	Gasque	Lindsay	Quin
Byrnes, S. C.	Geran	Lozier	Rankin
Carew	Glatfelter	McNulty	Reed, Ark.
Celler	Greenwood	McReynolds	Salmon
Collier	Hayden	McSwain	Sanders, Tex.
Connally, Tex.	Hill, Ala.	Major, Ill.	Sandlin
Connery	Hill, Wash.	Mansfield	Schafer
Cooper, Wis.	Hooker	Martin	Sherwood
Corning	Howard, Nebr.	Mead	Steagall
Crisp	Howard, Okla.	Milligan	Stengle
Cullen	Huddleston	Minahan	Stevenson

Sullivan	Thomas, Ky.	Upshaw	Wilson, Miss.
Swank	Thomas, Okla.	Watkins	Wingo
Tague	Tucker	Weller	Wolff
Taylor, W. Va.	Tydings	Wilson, La.	Woodrum

ANSWERED "PRESENT"—4.

Keller	Langley	Snell	Wason

NOT VOTING—97.

Abernethy	Edmonds	Lilly	Reid, Ill.
Anderson	Frothingham	Lineberger	Rogers, N. H.
Anthony	Fuller	Linthicum	Rosenbloom
Berger	Fulmer	Logan	Sabath
Black, N. Y.	Funk	Luce	Sanders, Ind.
Black, Tex.	Gallivan	McClintic	Sanders, N. Y.
Blanton	Garber	McDuffie	Sears, Fla.
Boylan	Goldsborough	McFadden	Seger
Brand, Ohio	Greene, Mass.	McLaughlin, Nebr.	Shreve
Britten	Hawes	McLeod	Sites
Browne, N. J.	Holaday	Michaelson	Sweet
Brumm	Hull, Tenn.	Miller, Ill.	Taber
Cable	Johnson, Ky.	Mills	Taylor, Colo.
Casey	Johnson, S. Dak.	Moore, Ill.	Tilson
Clancy	Jost	Morin	Tincher
Clark, Fla.	Kahn	Morrow	Treadway
Clarke, N. Y.	Kendall	Nolan	Vare
Cole, Ohio	Kerr	O'Brien	Wainwright
Collins	Kiess	Patterson	Wertz
Davey	King	Peery	Williams, Ill.
Davis, Minn.	Knutson	Perlman	Winslow
Dempsey	Kunz	Porter	Wyant
Denison	Kvale	Pou	
Dickstein	Lee, Ga.	Rathbone	
Doyle	Lehlbach	Reed, W. Va.	

So the resolution was agreed to.

The Clerk announced the following additional pairs:

On the vote:

Mr. Davis of Minnesota (for) with Mr. Linthicum (against).
Mr. Porter (for) with Mr. Black of New York (against).
Mr. Greene of Massachusetts (for) with Mr. Dickstein (against).
Mr. Edmonds (for) with Mr. Boylan (against).
Mr. Treadway (for) with Mr. Clark of Florida (against).
Mr. Snell (for) with Mr. Pou (against).

Until further notice:

Mr. Wason with Mr. Rogers of New Hampshire.
Mr. Shreve with Mr. Sears of Florida.
Mr. Cable with Mr. Kunz.
Mr. Wertz with Mr. Clancy.

Mr. SNELL. Mr. Speaker, I have a pair with the gentleman from North Carolina, Mr. POU, and I desire to withdraw my vote of "yea" and answer "present."

Mr. KING. Mr. Speaker, I desire to vote "yea."

The SPEAKER. Was the gentleman present, listening, when his name was called?

Mr. KING. I heard my name called on the electrical device as I was coming through the hall below in the basement.

The SPEAKER. The gentleman does not bring himself within the rules.

The result of the vote was announced as above recorded.

Mr. GARRETT of Tennessee. Mr. Speaker, I offer the following privileged resolution, which I send to the desk and ask to have read.

Mr. GRAHAM of Pennsylvania. Mr. Speaker, I move to reconsider the vote by which the resolution was passed and to lay that motion on the table.

The SPEAKER. Without objection, it will be so ordered.

Mr. GARRETT of Tennessee. Mr. Speaker, I object. I think we may have to have a division of the question.

The SPEAKER. The gentleman from Tennessee objects.

Mr. GARRETT of Tennessee. Mr. Speaker, I have offered a privileged resolution, and possibly after that is disposed of there will be no objection to the motion of the gentleman from Pennsylvania.

Mr. SNELL. Mr. Speaker, would the gentleman be willing to let that go over until to-morrow?

Mr. GARRETT of Tennessee. I am going to take the ruling of the Speaker on the proposition of whether the resolution I offer is privileged.

Mr. CRAMTON. Mr. Speaker, in time I shall ask recognition to call up a conference report.

The SPEAKER. Of course, a conference report is of the very highest privilege; but perhaps this resolution is also privileged. The Chair will examine the resolution.

Mr. GARRETT of Tennessee. Mr. Speaker, I think it should be reported.

The SPEAKER. This resolution is in connection with the same subject which the House has been considering and, of course, it is a matter of the privilege of the House. The Chair is not certain which is of the highest privilege—a conference report or the resolution.

Mr. SNELL. Mr. Speaker, could we not have the resolution read for information?

The SPEAKER. The conference report has not been read, either. The Chair thinks the motion to reconsider comes first. The gentleman from Pennsylvania moves to reconsider the vote by which the resolution was passed and to lay that motion on the table. Without objection, it will be so ordered.

There was no objection.

Mr. GARRETT of Tennessee. Do I understand, Mr. Speaker, that the ruling of the Chair is that this resolution which I send to the desk is privileged?

The SPEAKER. That is the ruling of the Chair. The Clerk will report the resolution.

The Clerk read as follows:

House Resolution 217.

Whereas a grand jury of the District Court of the United States for the Northern District of Illinois, southern division, impaneled at the February term, 1924, has reported to that court that certain evidence has been submitted to them involving the payment of money to two Members of Congress;

Whereas the honor and dignity of the Congress require that the facts be immediately ascertained, to the end that such action as is essential for the Congress itself to take may be promptly taken: Therefore be it

Resolved, That a select committee of five Members of the House shall be appointed by the Speaker thereof whose duty it shall be to proceed forthwith to make an investigation of such allegation and ascertain—

(a) Whether said "two Members of Congress" so charged are Members of the House of Representatives; and

(b) If so, to make such further investigation as may be essential to establish the truth or falsity of said allegation.

Said committee shall have power to send for persons and papers and administer oaths and shall be permitted to sit during the sessions of the House and any recess thereof and at such place or places as may be necessary to discharge the duties herein imposed.

Resolved further, That the Speaker is hereby authorized to issue subpœnas to witnesses upon the request of the committee or any subcommittee thereof at any time, including any recess of the Congress; and the Sergeant at Arms is hereby empowered and directed to serve all subpœnas and other processes put into his hands by said committee or any subcommittee thereof.

Resolved further, That said committee shall report to the House as promptly as possible the results of its inquiries together with such recommendations as it may deem advisable.

Mr. CRAMTON. Mr. Speaker, I make the point of order on the resolution that the subject matter upon which this motion rests for its privileged status has already been subject to action by the House and has been disposed of.

The SPEAKER. The Chair did not hear the reading of the resolution, but just looked at it, and while it was being read the Chair has been examining the precedents on the question of which has the highest privilege, such a motion or a conference report.

Mr. GARRETT of Tennessee. Mr. Speaker, if the gentleman has made the point of order that it is not privileged at all, now let me say if it be privileged—and I think the Speaker indicated it was——

The SPEAKER. It seemed so to the Chair.

Mr. GARRETT of Tennessee. So far as I am concerned I am willing for it to go over until to-morrow and have a vote upon it and give way to the other matter.

Mr. SNELL. I think it would be better.

Mr. LONGWORTH. Would the gentleman be satisfied to have it referred to the Committee on Rules?

Mr. GARRETT of Tennessee. It has been before the Committee on Rules substantially.

Mr. SNELL. That exact resolution has not been considered, I think, and I think it would be better for it to hold its status until to-morrow morning.

Mr. GARRETT of Tennessee. I am willing to have it voted upon to-night. I am willing to give way upon the other proposition and let the conference report be called up, but I did want the question of privilege determined.

The SPEAKER. The Chair would be glad to wait until to-morrow, but the Chair thinks it is privileged.

Mr. GARRETT of Tennessee. Then, Mr. Speaker, I ask unanimous consent that its consideration may go over until to-morrow and come up immediately after the reading of the Journal.

Mr. SNELL. What will be the situation with reference to Calendar Wednesday?

Mr. LONGWORTH. May I suggest to the gentleman that to-morrow is Calendar Wednesday, and it has been dispensed with a number of times——

Mr. GARRETT of Tennessee. I will let it go over until Thursday.

Mr. MADDEN. Let us take a little survey of Thursday. Mr. Speaker, I submit this to the consideration of the House: The Committee on Appropriations has all its bills but two

ready. We have not had a calendar for five weeks, and we came in here this morning expecting to go on with the deficiency bill. There is a very large amount of money involved in the deficiency bill and over 100,000 claims.

Mr. GARRETT of Tennessee. I am perfectly willing to dispose of it at once. I will be very glad to accommodate the gentleman.

Mr. SNELL. Do I understand the gentleman's interests will be as well served if it goes over until Thursday?

The SPEAKER. It is a privileged proposition and——

Mr. GARRETT of Tennessee. I am simply trying to call attention——

Mr. SNELL. The gentleman from Illinois, I think, will agree to that.

Mr. GARRETT of Tennessee. Mr. Speaker, I move the previous question on the resolution. I am perfectly willing to agree with gentlemen about the matter. I am willing to agree—does the Speaker rule that it could come up to-morrow?

The SPEAKER. Yes; the Chair thinks so.

Mr. GARRETT of Tennessee. Mr. Speaker, I am perfectly willing that it be disposed of to-morrow, immediately after the reading of the Journal, without debate.

Mr. LONGWORTH. The gentleman would be entitled to have an hour and can move the previous question.

Mr. GARRETT of Tennessee. As I say, I am willing for it to come up without debate.

Mr. SNELL. Let us decide on that to-morrow. [Cries of "Vote!"]

The SPEAKER. The Chair did not understand whether an agreement had been reached or not.

Mr. GARRETT of Tennessee. Mr. Speaker, there has been no agreement reached. I will ask—it is not necessary to ask unanimous consent. Mr. Speaker, I will simply give notice that to-morrow immediately after reading of the Journal I shall ask for the consideration of the resolution.

INTERIOR DEPARTMENT APPROPRIATION BILL.

Mr. CRAMTON. Mr. Speaker, I call up the conference report on the Interior Department appropriation bill.

The SPEAKER. The gentleman from Michigan calls up a conference report, which the Clerk will report.

The Clerk read the conference report.

CONFERENCE REPORT.

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5078) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1925, and for other purposes, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 2, 6, 10, 34, 40, 52, 53, 54, 55, 56, 57, and 59.

That the House recede from its disagreement to the amendments of the Senate numbered 3, 5, 7, 8, 9, 11, 12, 13, 21, 22, 24, 25, 26, 28, 29, 30, 31, 32, 33, 37, 41, 42, 43, 45, 46, 48, 49, 50, 51, 61, and 62, and agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment, amended to read as follows: "$9,000: *Provided*, That the four inspectors shall not receive per diem in lieu of subsistence for a longer period than 30 days at any one time at the seat of government"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment, insert the following: "and each of said tribal attorneys: *Provided further*, That the Commissioner of Indian Affairs shall dispense with the attorney for the Creek Tribe not later than September 1, 1924, and the commissioner shall dispense with any other tribal attorneys at any time their services are no longer needed"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment, insert: "$7,500"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment, amended to read as follows: ": *Provided*, That except upon the individual order of the Secretary of the Interior, no part of this appropriation shall be used for the support or education at said school of any native pupil brought from Alaska who enters after January 1, 1925"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment, as follows: In lieu of the sum proposed, insert: "$160,000"; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment, amended to read as follows: ": *Provided further*, That no part of the money appropriated under this paragraph shall be expended for the development of electric power until the Secretary of the Interior shall have secured, subject to the needs of the Boise project, a contract with the Gem irrigation district providing for the purchase by that district, for a period to be determined by the Secretary of the Interior, of the electric power necessary for the irrigation of the lands of said district: *And provided further*, That the rates in such contract shall be sufficient to include interest at 5 per centum per annum on the cost of such power development, plus a reasonable depreciation on the power plant, as found by the Secretary of the Interior, and that the contract shall provide that before delivery of power in any season the district shall furnish security satisfactory to the Secretary of the Interior to insure payment to the Government of the power charges for such season, and that such contract shall be entered into only in the event that the holders of not less than 90 per centum of the face value of the bonded and warrant indebtedness of the district shall subordinate their claims to the obligations of the district to the Government under such contract: *And provided further*, That in the event power is furnished from the said power plant to more than one contractor, then the rates for power shall be fixed so that each such contractor, including said district, shall pay only its proper proportionate share of said interest and depreciation, as found by the Secretary of the Interior"; and the Senate agree to the same.

Amendment numbered 44: That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment as follows: In lieu of the sum proposed insert: "$1,706,482"; and the Senate agree to the same.

The committee of conference have not agreed on amendments numbered 1, 15, 16, 17, 18, 19, 36, 38, 39, 47, 58, and 60.

LOUIS C. CRAMTON,
FRANK MURPHY,
C. D. CARTER,
Managers on the part of the House.

REED SMOOT,
CHARLES CURTIS,
WM. J. HARRIS,
Managers on the part of the Senate.

STATEMENT.

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5078) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1925, and for other purposes, submit the following statement explaining the effect of the action agreed on by the conference committee and submitted in the accompanying conference report:

On No. 2: Appropriates $77,000, as proposed by the House, instead of $80,000, as proposed by the Senate, for contingent expenses of the Department of the Interior.

On No. 3: Permits the purchase of supplies and equipment or the procurement of services in open market, without compliance with sections 3709 and 3744 of the Revised Statutes, when the aggregate amount of the purchase or service does not exceed $100 in any instance, as proposed by the Senate, instead of similar permission, as proposed by the House, when the aggregate amount of the purchases or the services does not exceed $100 in any month.

On No. 4: Appropriates $9,000, instead of $6,000, as proposed by the House, and $10,000, as proposed by the Senate, for travel and subsistence for four inspectors, and restores the language proposed by the House and stricken out by the Senate limiting to 20 days the period of time the inspectors may receive per

diem in lieu of subsistence while on duty at the seat of government, amended so as to extend the time to 30 days.

On No. 5: Appropriates $124,000, as proposed by the Senate, instead of $110,000 as proposed by the House, for salaries in the office of solicitor.

On No. 6: Appropriates $175,000, as proposed by the House, instead of $191,590, as proposed by the Senate, for offices of surveyors general.

On No. 7: Appropriates $700,000, as proposed by the Senate, instead of $650,000, as proposed by the House, for surveying public lands.

On Nos. 8, 9, and 10: Provides, as proposed by the Senate, for the consolidation of the offices of registers and receivers at Harrison, Ark., and Clayton, N. Mex.; and restores the House language, stricken out by the Senate, providing for such consolidation of the offices of register and receiver at Rapid City, S. Dak.

On No. 11: Provides for one special Indian Service inspector, at $3,500 per annum, and four Indian Service inspectors, at $2,500 per annum each, as proposed by the Senate, instead of five Indian Service inspectors, at $2,500 per annum each, as proposed by the House.

On No. 12: Appropriates $56,000, as proposed by the Senate, instead of $50,000, as proposed by the House, for survey of Indian lands.

On Nos. 13 and 14: Provides one attorney each for the Choctaw, Chickasaw, and Creek Tribes, as proposed by the Senate, instead of a single attorney for all three of the tribes, as proposed by the House; authorizes expenses for said attorneys in the sum of $1,500 per annum each, instead of $1,000 per annum, as proposed by the House, and instead of the Senate language providing that such expenses shall be determined and limited as now provided by law; and strikes out the language inserted by the Senate directing the Commissioner of Indian Affairs to dispense with the services of any of the attorneys at any time such services are no longer needed, and inserts in lieu thereof language directing the Commissioner of Indian Affairs to dispense with the attorney for the Creek Tribe not later than September 1, 1924, and to dispense with the services of any other tribal attorneys when no longer needed.

On No. 20: Fixes a maximum of $7,500, instead of $5,000, as proposed by the House, and $10,000, as proposed by the Senate, which may be expended for new construction, without express authorization, out of the appropriation for construction, etc., of school buildings in the Indian Service.

On No. 21: Appropriates $18,000, as proposed by the Senate, instead of $12,000, as proposed by the House, for general repairs and improvements at Haskell Institute, Lawrence, Kans., and makes the amount immediately available, as proposed by the Senate.

On No. 22: Appropriates $15,000, as proposed by the Senate, instead of $10,000, as proposed by the House, for general repairs and improvements for the Chemawa Indian School at Salem, Oreg.

On No. 23: Restores the language stricken out by the Senate amended so as to provide that, except upon the individual order of the Secretary of the Interior, no part of the appropriation for the Chemawa Indian School at Salem, Oreg., may be expended for the support or education of any native pupil brought from Alaska who enters after January 1, 1925, instead of July 1, 1924, as proposed by the House.

On No. 24: Corrects the total of the appropriation for Indian boarding schools so as to conform to the changes involved in the amendments of the Senate, agreed to by the House conferees, making the total $2,541,000, as proposed by the Senate, instead of $2,530,000, as proposed by the House.

On No. 25: Appropriates $3,000 out of tribal funds, as proposed by the Senate, for employment of counsel for the Wichita and affiliated bands of Indians of Oklahoma.

On No. 26: Designates the appropriation for the Choctaw Indians of Mississippi as being for "general support and civilization" of such Indians, as proposed by the Senate, instead of for "the relief of distress among" said Indians, as proposed by the House.

On No. 27: Appropriates $160,000 for expenses of administration of the Five Civilized Tribes, instead of $150,000, as proposed by the House, and $165,000, as proposed by the Senate.

On Nos. 28, 29, and 30: Appropriates out of tribal funds $110,000, as proposed by the Senate, instead of $125,000, as proposed by the House, for support and civilization of Indians under the Klamath, Oreg., agency; and provides, as proposed by the Senate, that $7,500 thereof may be expended for construction, upkeep, and repair of buildings for administrative purposes.

On No. 31: Appropriates out of tribal funds $75,000, as proposed by the Senate, instead of $60,000, as proposed by the House, for the construction at Redby, Minn., of a sawmill and other buildings for the Red Lake Band of Chippewa Indians in the State of Minnesota.

On No. 32: Strikes out the language proposed by the House appropriating out of tribal funds $8,000 for one-half the cost of constructing a bridge across the Washita River within the Kiowa Indian Reservation, N. Mex.

On No. 33: Appropriates $82,200, as proposed by the Senate, for the construction of steel bridges across the Rio Grande within the Cochiti and San Juan Pueblo Indian grants, N. Mex.

On No. 34: Limits the appropriation of $250,000 for the construction of a hydroelectric power plant at the siphon drop on the main canal of the Yuma irrigation project in the manner and in the language proposed by the House, instead of as proposed by the Senate.

On No. 35: Inserts a substitute for the limitation inserted by the House and stricken out by the Senate upon the expenditure of money for the development, in connection with the Boise project, Idaho, of electric power for sale to the Gem irrigation district, Idaho.

On No. 37: Restricts expenditures on the so-called American Falls Reservoir on the Minidoka project, Idaho, in the manner and in the language proposed by the Senate instead of that proposed by the House.

On No. 40: Appropriates $500,000 for topographic surveys, as proposed by the House, instead of $540,711, as proposed by the Senate.

On Nos. 41 and 42: Appropriates $333,722 for geologic surveys, as proposed by the Senate, instead of $300,000, as proposed by the House, and makes $15,000 of the sum immediately available for arsenic-bearing ores, as proposed by the Senate.

On No. 43: Appropriates $280,000, as proposed by the Senate, instead of $250,000, as proposed by the House, for examination and classification of lands.

On No. 44: Corrects the total for the Geological Survey so as to conform to the action of the conferees on the various amendments, making the figure $1,706,482, instead of $1,642,760, as proposed by the House, and $1,747,193, as proposed by the Senate.

On Nos. 45 and 46: Appropriates $359,768, as proposed by the Senate, instead of $350,000, as proposed by the House, for investigations as to the causes of mine explosions.

On No. 48: Appropriates $78,000, as proposed by the Senate, instead of $63,000, as proposed by the House, for Hot Springs National Park, Ark., including, as proposed by the Senate, $18,000 for construction of physical improvements, of which $15,000 is made available for sewer construction to connect with sewer system of city of Hot Springs.

On Nos. 49 and 50: Appropriates $336,800, as proposed by the Senate, instead of $330,000, as proposed by the House, for administration, protection, and maintenance of Yellowstone National Park, Wyo.

On No. 51: Appropriates $20,750, as proposed by the Senate, instead of $15,750, as proposed by the House, for administration, etc., of national monuments, and makes immediately available, as proposed by the Senate, $5,000 thereof for construction of physical improvements of Carlsbad Cave National Monument.

On Nos. 52 and 53: Appropriates $150,000, as proposed by the House, instead of $153,000, as proposed by the Senate, for care of insane in Alaska, and limits the annual per capita cost of such maintenance to $600, as proposed by the House, instead of $624, as proposed by the Senate.

On No. 54: Appropriates $1,000,000, as proposed by the House, instead of $1,250,000, as proposed by the Senate, for maintenance and operation of railways in Alaska.

On No. 55: Appropriates $25,000, as proposed by the House, instead of $50,000, as proposed by the Senate, for maintenance and operation of river steamers on the Yukon River, Alaska.

On Nos. 56 and 57: Appropriates $7,000, as proposed by the House, instead of $10,000, as proposed by the Senate, for the salary of the Governor of Hawaii.

On No. 59: Strikes out the Senate language appropriating for Howard University $370,000 for additions to medical school building and $130,000 for equipment therefor.

On Nos. 61 and 62: Appropriates $80,000, as proposed by the Senate, instead of $80,060, as proposed by the House, for personal services for Freedmen's Hospital.

The committee of conference have not agreed upon the following amendments of the Senate:

On No. 1: Relating to the purchase of newspapers by the Department of the Interior.

On Nos. 15 and 16: Relating to the appropriation for irrigation on the Flathead Indian Reservation, Mont.

On No. 17: Relating to the appropriation for irrigation on the Fort Peck Indian Reservation in Montana.

On Nos. 18 and 19: Relating to the appropriation for irrigation on the Blackfeet Indian Reservation, Mont.

On No. 36: Relating to the appropriation for the Minidoka irrigation project, Idaho.

On No. 38: Relating to the appropriation for the Newlands irrigation project, Nevada.

On No. 39: The total for Reclamation Bureau.

On No. 47: Relating to the purchase of Bright Angel Toll Road and Trail, Grand Canyon National Park, Ariz.

On Nos. 58 and 60: Relating to the appropriations for Howard University.

LOUIS C. CRAMTON,
FRANK MURPHY,
C. D. CARTER,
Managers on the part of the House.

Mr. CRAMTON. Mr. Speaker, at this time I shall not take any long time in presenting the report beyond any questions that may be asked me. I may say this: That the bill when it was reported to the House carried $261,727,965, and the report of the conferees that is now before you, and the further action which the House conferees will further recommend, if concurred in by the House and ultimately by the Senate, will only produce a bill of $262,565,455 outside of the tribal funds, or a net increase of the bill above the figure reported to the House of about $800,000. Of that increase a round $600,000 comes from the reclamation fund, a revolving fund, which is set apart from other purposes. So from the general funds of the Treasury the increase of the bill, as we hope to have it when we finally get it through the conference, would be about a quarter of a million dollars' increase on the $261,000,000.

Mr. BYRNS of Tennessee. Mr. Speaker, will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. BYRNS of Tennessee. The gentleman referred to the amount of the bill as reported to the House. Just what did it carry when it left the House?

Mr. CRAMTON. It carried only a little less than $20,000 more than when it was reported by the committee. I quote the figure as it left the committee, because that is what the committee had approved at that time.

Mr. BYRNS of Tennessee. I was under the impression that it carried more, because I recall that they put in $253,000 for land offices.

Mr. CRAMTON. Yes; but some reductions were made that offset that.

Mr. FRENCH. Mr. Speaker, will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. FRENCH. Amendment No. 37 contains one subdivision, No. 3, which requires the American Falls Reservoir district and the Empire irrigation district, in respect to a certain contract—article 46—to rescind or eliminate that part of the contract before the Government will proceed. That part of the contract is a part that guarantees to this district the right to participate in any additional storage which might be developed if additional storage shall be provided for in that reservoir. It is my understanding that in all irrigation districts where additional storage has been provided and which is supplied by the reservoir they shared in the additional storage, and the contract merely recites that which now is the policy of the department. Is that correct?

Mr. CRAMTON. The language in question is a modification by the Senate of language that was inserted on the floor of the House, on my amendment, and covers conditions precedent to any further use of money on the American Falls Reservoir construction. Section 46 of the contract, as to the private districts, as it stands is a very ambiguous section. In the first clause it says that these private districts—the Shepherd district and the others—shall not have any preferential rights to partake in the enlargement of the reservoir. The other part of section 46 says they shall have.

Personally I have felt that it is the natural thing that an existing project that has participated in the construction of the reservoir should have consideration when there comes an enlargement of the reservoir and an increase of water. But I have a deep-rooted objection to tying the hands of the Government perpetually. But I trust that when the time does come when there is an enlargement the authorities at that time will treat the existing districts fairly, and the elimination of that part of section 46 in this bill does not foreclose proper recognition of the existing districts when that enlargement is made and is not intended to foreclose such consideration; but it is to save the Government from the perpetual lien upon such enlargement in favor of the existing districts.

Mr. FRENCH. And you would want these two districts to simply have the same policy applied to them as is applied to other districts?

Mr. CRAMTON. I trust that when the time comes that they will have proper consideration, and in view of the fact that they are populated, while the public lands are not, I presume they will always be in a position to secure proper consideration.

Mr. Speaker, I will ask unanimous consent to extend my remarks in the RECORD with reference to this particular item in the report. It is understood that payments by the private districts under the text of the bill shall cover the advances heretofore made and interest thereon as indicated by this computation by the service.

The SPEAKER. The gentleman from Michigan asks unanimous consent to extend his remarks in the manner indicated. Is there objection?

There was no objection.

Mr. CRAMTON. Mr. Speaker, under leave to extend my remarks in the RECORD on the conference report on the bill (H. R. 5078) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1925, and so forth, I include the following letter:

DEPARTMENT OF THE INTERIOR,
BUREAU OF RECLAMATION,
OFFICE OF THE COMMISSIONER,
Washington, February 13, 1924.

Hon. LOUIS C. CRAMTON,
House of Representatives.

MY DEAR MR. CRAMTON: Reference is again made to your letter of February 1 concerning expenditures on the American Falls development under the Minidoka Federal irrigation project in Idaho, and there are inclosed four tables as follows:

1. Status of allotment for fiscal year 1924.
2. Allocation of expenditures by Government.
3. Summary of Table 2.
4. Interest on payments due under article 43 of contract.

To secure a more accurate result, in Table 2 we have made computations on a monthly instead of a quarterly basis, which we assume will be satisfactory to you.

Table 3 contains, in addition to a summary of Table 2, an allocation of estimated expenditures from January 1 to March 31, 1924.

I trust these inclosures will give you the information you desire. If they do not do so, will you kindly advise.

Very truly yours,

D. W. DAVIS, *Commissioner.*

TABLE 1.—*Status of allotment, fiscal year 1924, American Falls development.*

Allotment fiscal year 1924		$435,500.00
Disbursements to December 31, 1923		60,881.24
		374,618.76
Contract liabilities		74,133.29
Balance		300,485.47

[NOTE.—Since December 31, 1923, the following contracts have been negotiated. All of these contracts have been fully executed and approved with the exception of three. The contract with the Colorado Fuel & Iron Co. is with the company for execution. The contract with the Wheelwright Co. is being prepared in the field for transmittal to the company for execution. The contract with the Oregon Short Line R. R. Co. has been executed and is with the Secretary for final approval.]

The Colorado Fuel & Iron Co., Denver, Colo., (cast-iron pipe and specials)	$15,494.77
American Wood Pipe Co., Tacoma, Wash. (fir water pipe)	19,716.00
D. C. Dunbar Co., Salt Lake City, Utah (fire hydrants, valves, and valve boxes)	3,957.00
Chris Adolf (hauling gravel)	7,200.00
Mrs. Jennie Rogers (land purchase)	12,500.00
The Wheelwright Co., Ogden, Utah (construction water system) (estimated)	18,000.00
Denver Instrument Co., Denver, Colo	61.50
Continental Oil Co., American Falls, Idaho	150.00
Oregon Short Line R. R. Co. (moving tracks)	200,000.00
Total	277,079.27

TABLE 2.—*American Falls Reservoir (1,040,000 acre-feet capacity), showing net cost and accrued interest to December 31, 1923.*

[NOTE: For convenience of computation, columns showing cost figures are cumulative, while interest figures are otherwise.]

Month.	Gross cost reservoir and town site.	Revenues and forfeited payments 10 cents per acre-foot.	Net cost.	American Falls reservoir district, 300,000 acre-feet.		Empire irrigation district, 110,000 acre-feet.		Snake River irrigation district, 20,000 acre-feet.		New Sweden irrigation district, 25,000 acre-feet.		Milner low lift irrigation district, 20,000 acre-feet.	
				Portion of net cost.	Accrued interest.	Portion of net cost.	Accrued interest.	Portion of net cost.	Accrued interest.	Portion of net cost.	Accrued interest.	Portion of net cost.	Accrued interest.
1920.													
Aug. 31	$2,457.68	.....	$2,457.68	$708.95	$3.55	$259.95	$1.30	$47.26	$0.23	$59.08	$0.30	$47.26	$0.23
Sept. 30	6,516.75	.....	6,516.75	1,879.84	9.40	689.27	3.45	125.32	.63	156.65	.78	125.32	.63
Oct. 31	12,329.65	.....	12,329.65	3,556.63	17.78	1,304.10	6.52	237.11	1.19	296.38	1.48	237.11	1.19
Nov. 30	26,578.08	.....	26,578.08	7,666.75	38.33	2,811.14	14.06	511.12	2.56	638.90	3.19	511.12	2.56
Dec. 31	42,291.49	$9,927.00	32,364.49	9,335.91	46.68	3,423.17	17.12	622.39	3.11	778.00	3.89	622.39	3.11
1921.													
Jan. 31	89,885.69	9,927.00	79,958.69	23,065.00	115.33	8,457.17	42.29	1,537.67	7.69	1,922.08	9.61	1,537.67	7.69
Feb. 28	173,763.63	9,927.00	163,836.63	47,280.58	295.30	17,328.87	86.64	3,150.70	15.75	3,938.87	19.69	3,150.70	15.75
Mar. 31	205,153.95	9,927.00	195,226.95	56,315.47	281.58	20,649.00	103.25	3,754.36	18.77	4,692.93	23.46	3,754.36	18.77
Apr. 30	242,017.33	9,927.00	232,090.33	66,949.12	334.75	24,548.02	122.74	4,463.28	22.32	5,579.09	27.90	4,463.28	22.32
May 31	295,423.13	9,927.00	285,496.13	82,643.11	413.22	30,302.48	151.51	5,509.54	27.55	6,886.93	34.43	5,509.54	27.55
June 30	410,011.79	11,198.64	408,813.15	117,926.88	589.64	43,239.85	216.20	7,861.79	39.31	9,827.24	49.14	7,861.79	39.31
July 31	441,716.08	11,827.00	429,889.68	124,000.63	620.03	45,469.10	227.35	8,267.11	41.34	10,333.89	51.67	8,267.11	41.34
Aug. 31	454,897.27	12,427.00	442,470.27	127,635.65	638.18	46,799.75	234.00	8,509.05	42.55	10,636.30	53.18	8,509.05	42.55
Sept. 30	462,174.98	15,527.00	446,647.98	128,840.76	644.20	47,241.61	236.21	8,589.38	42.95	10,736.75	53.68	8,589.38	42.95
Oct. 31	473,433.09	16,327.00	457,106.09	131,857.52	659.29	48,347.76	241.74	8,790.50	43.95	10,988.13	54.94	8,790.50	43.95
Nov. 30	483,767.31	17,127.00	466,640.31	134,607.77	673.04	49,356.18	246.78	8,973.85	44.87	11,217.31	56.09	8,973.85	44.87
Dec. 31	499,574.24	17,971.00	481,603.24	138,924.02	684.62	50,938.80	254.69	9,261.60	46.31	11,577.00	57.89	9,261.60	46.31
1922.													
Jan. 31	509,371.28	18,595.57	490,775.71	141,569.92	707.85	51,908.97	259.54	9,438.00	47.19	11,797.48	58.99	9,438.00	47.19
Feb. 28	517,431.68	19,468.64	494,963.04	142,777.80	713.89	52,351.86	261.75	9,518.52	47.59	11,898.15	59.49	9,518.52	47.59
Mar. 31	540,194.61	20,477.64	519,716.97	149,918.04	749.59	54,970.17	274.85	9,994.58	49.97	12,493.22	62.47	9,994.58	49.97
Apr. 30	544,478.94	20,684.93	523,794.01	151,094.42	755.05	55,401.29	277.06	10,072.96	50.36	12,591.20	62.96	10,072.96	50.35
May 31	551,180.69	21,416.48	529,764.21	152,816.60	764.08	56,032.75	280.16	10,187.77	50.94	12,734.72	63.67	10,187.77	50.94
June 30	556,584.57	21,983.00	535,071.57	154,347.57	771.74	56,594.10	282.97	10,289.84	51.45	12,862.30	64.31	10,289.84	51.45
July 31	560,150.77	22,549.00	537,601.77	155,077.43	775.39	56,861.72	284.31	10,338.50	51.69	12,923.12	64.62	10,338.50	51.69
Aug. 31	562,239.05	23,115.00	539,124.05	155,516.55	777.58	57,022.74	285.11	10,367.77	51.84	12,959.71	64.80	10,367.77	51.84
Sept. 30	563,960.44	23,681.00	540,279.44	155,849.84	779.25	57,144.94	285.72	10,389.99	51.95	12,987.49	64.94	10,389.99	51.95
Oct. 31	566,080.70	24,247.00	541,833.70	156,298.17	781.49	57,309.33	286.55	10,419.88	52.10	13,024.84	65.12	10,419.88	(1)
Nov. 30	568,912.11	24,813.00	544,099.11	156,951.67	784.76	57,548.94	287.75	10,463.44	52.32	13,079.31	65.40	10,463.44	.....
Dec. 31	573,514.59	25,378.00	548,136.59	158,116.32	790.58	57,975.99	289.88	10,541.09	52.75	13,176.36	65.88	10,541.09	.....
1923.													
Jan. 31	576,405.04	26,327.00	554,078.04	159,830.10	799.15	58,604.41	293.02	10,655.35	53.28	13,319.18	66.60	10,655.35	.....
Feb. 28	579,436.62	27,627.00	551,808.62	159,175.56	795.88	58,364.37	291.82	10,611.70	53.06	13,264.63	66.32	10,611.70	.....
Mar. 31	582,295.70	29,027.00	553,268.70	159,598.76	797.98	58,518.51	292.59	10,639.78	53.20	13,299.73	66.50	10,639.73	.....
Apr. 30	585,395.11	31,277.00	554,118.11	159,841.75	799.21	58,608.64	293.04	10,656.12	53.28	13,320.15	66.60	10,656.12	.....
May 31	588,643.08	34,277.00	554,366.08	159,913.29	799.57	58,634.87	293.17	10,660.89	53.30	13,326.11	(2)	10,660.89	.....
June 30	1,876,804.63	37,277.00	1,839,527.63	530,632.97	2,653.16	194,565.42	972.82	35,375.53	176.88	44,219.41	.....	35,375.53	.....
July 31	1,881,355.22	40,527.00	1,840,828.22	531,008.14	2,655.04	194,702.98	973.51	35,400.54	177.00	44,250.68	.....	35,400.54	.....
Aug. 31	1,885,264.64	44,127.00	1,841,137.64	531,097.40	2,655.49	194,735.71	973.68	35,406.49	177.03	44,258.12	.....	35,406.49	.....
Sept. 30	1,914,497.18	47,527.00	1,866,970.18	538,549.09	2,692.75	197,468.00	987.34	35,903.27	(3)	44,879.09	.....	35,903.27	.....
Oct. 31	1,919,186.54	50,914.55	1,868,271.99	538,924.61	2,694.62	197,605.69	988.03	35,928.31	.....	44,910.38	.....	35,928.31	.....
Nov. 30	1,933,715.60	53,721.04	1,880,004.56	542,309.01	2,711.54	198,846.64	994.23	36,153.93	.....	45,192.42	.....	36,153.93	.....
Dec. 31	1,955,656.32	57,373.77	1,898,302.55	547,587.27	2,737.93	200,782.00	1,003.91	36,505.82	.....	45,632.27	.....	36,505.82	.....
Total	1,955,656.32	57,373.77	1,898,302.55	547,587.27	37,949.49	200,782.00	13,918.66	36,505.82	1,808.23	45,632.27	1,529.99	36,505.82	854.06

[1] Second payment made October 22. [2] Second payment made May, 1923. [3] Second payment made September, 1923.

TABLE 3.—*American Falls-Minidoka project, Idaho.*

Gross cost of American Falls to December 31, 1923	$1,955,656.32
Miscellaneous revenues, including 10 cents per acre-foot payments forfeited	57,353.77
Net cost to December 31, 1923	1,898,302.55

The following gives the portions of the net cost chargeable to the cooperating districts, assuming 1,040,000 acre-feet as the capacity of the reservoir:

District.	Portion of net cost.	Amount paid.	Balance.	Accrued interest at 6 per cent under article No 43 of contract.
American Falls, 300/1040	$547,587.27	$14,325	$533,262.27	$37,949.49
Empire, 110/1040	200,782.00	0	200,782.00	13,918.66
Snake River, 20/1040	36,505.82	102,000	[1] 65,494.18	1,808.26
New Sweden, 25/1040	45,632.27	127,500	[1] 81,867.73	1,529.99
Milner low lift, 20/1040	36,505.82	152,000	[1] 115,494.18	854.06
Total, 475/1040	867,013.18	395,825	471,188.18	56,060.46

[1] Credit.

Using $150,000 as the estimated cost for the period January 1 to March 31, 1924, the following amounts would be the additional portions due from the districts:

American Falls district, 300/1040	$43,269.24
Empire district, 110/1040	15,865.39
Snake River district, 20/1040—paid in advance	0
New Sweden district, 25/1040—do	0
Milner low lift district, 20/1040—do	0
Total	59,134.64

TABLE 4.—*Bureau of Reclamation—American Falls Reservoir.*[1]

(Interest at 10 per cent under article No. 43 of contract.)

ON FIRST PAYMENT OF 10 CENTS PER AMERICAN FALLS.

Districts.	Date due.	Amount.	Paid.		Balance due.	Interest.
			Date.	Amount.		
American Falls	June 15, 1923	$30,000	(2)	$14,325	$15,675	$854.60
Empire	....do	11,000	.....	.....	11,000	600.00
Snake River	Nov. 15, 1920	2,000	Oct. 20	2,000	.....	.....
New Sweden	Nov. 12, 1923	2,500	...do	2,500	.....	.....
Milner low lift	....do	2,000	...do	2,000	.....	.....
		47,500	.....	20,825	26,675	1,454.60

ON SECOND PAYMENT OF $2 PER AMERICAN FALLS.

American Falls	Sept. 17, 1923	$600,000	.....	.....	$600,000	$17,260.00
Empire	Sept. 24, 1923	220,000	.....	.....	220,000	b, 846.60
Snake River	Sept. 17, 1923	40,000	Sept. 23	$100,000	.....	.....
New Sweden	....do	50,000	May 23	125,000	.....	.....
Milner low lift	....do	40,000	Sept. 22	150,000	.....	.....
		950,000	.....	375,000	820,000	23,106.60

[1] Letter of June 15, 1923, from the American Falls Reservoir district to the Secretary provides that no demands shall be made upon the district under the said contract until the Indian lands are secured and that the district shall not be considered as being delinquent in any of the payments referred to in contract. At the time this letter was approved it was understood that all of the other cooperative contractors should be given the same privilege.

[2] Credit.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

A message in writing from the President of the United States was communicated to the House of Representatives by Mr. Latta, one of his secretaries, who also informed the House of Representatives that the President had approved and signed bills of the following titles:

On March 10:

H. R. 4121. An act to extend the provisions of certain laws to the Territory of Hawaii.

On March 11:

H. R. 584. An act to authorize the county of Multnomah, Oreg., to construct, maintain, and operate a bridge and approaches thereto across the Willamette River, in the city of Portland, Oreg., in the vicinity of present site of Sellwood Ferry;

H. R. 3265. An act to authorize the construction of a bridge between the Boroughs of Brooklyn and Queens, in the city and State of New York;

H. R. 3681. An act to authorize the building of a bridge across the Waccamaw River in South Carolina;

H. R. 4807. An act granting the consent of Congress to the State Highway Commission of Louisiana to construct, maintain, and operate a bridge across West Pearl River in the State of Louisiana; and

H. R. 4808. An act granting the consent of Congress to the construction, maintenance, and operation of a bridge across the Pearl River between St. Tammany Parish in Louisiana and Hancock County in Mississippi.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States, for his approval, the following bills:

H. R. 3444. An act for the relief of certain nations or tribes of Indians in Montana, Idaho, and Washington;

H. R. 4577. An act providing for the examination and survey of Mill Cut and Clubfoot Creek, N. C.; and

H. R. 5557. An act to authorize the settlement of the indebtedness of the Republic of Finland to the United States of America.

PRESIDENT'S MESSAGE—INCOME-TAX REDUCTION (S. DOC. NO. 63).

The SPEAKER laid before the House the following message from the President of the United States, which was read and referred to the Committee on Ways and Means:

To the Congress of the United States:

It had been my earnest hope that a 25 per cent reduction in taxes to be paid for the current year might be provided by law before the 15th of March current. Many people have been expecting that such would be the case and deferred their tax returns accordingly. It is a matter of such imminent importance that I have no hesitation in recommending that the public welfare would be much advanced by temporarily laying aside all other legislation and enacting a resolution for this purpose, which ought to be by unanimous consent. The taxpayers, the business interests, agriculture, industry, finance; in fact, all the elements that go to make up the economic welfare of the people of America would be greatly benefited by such action. It would remove an element of uncertainty from the current financial year at once, which would be a strong stimulant to business with its resultant benefit to the wage earner and the agriculture of our country. It is impossible to see that any harm could accrue from this action, and there is every prospect of resulting benefits which would be very great. It would be a positive step in the right direction, which is much needed at this time to justify the confidence of the people that the Government is intent solely on the promotion of the public welfare without regard to any collateral objects.

CALVIN COOLIDGE.

THE WHITE HOUSE, *March 11, 1924.*

LEAVE OF ABSENCE.

Mr. ALMON, by unanimous consent, was granted leave of absence, for the remainder of the week, on account of official business.

INTERIOR DEPARTMENT APPROPRIATION BILL.

Mr. CRAMTON. Mr. Speaker, there are certain amendments which have not yet been acted upon by the House.

The SPEAKER. The Clerk will report the amendments.

Mr. RAKER. Mr. Speaker, the gentleman does not intend to dispose of these amendments to-night, does he?

Mr. CRAMTON. Those on which there is no serious controversy. There is a group of three amendments in Montana which I do not desire to dispose of to-night, because I have an understanding with respect to them with Members interested. There is also an amendment in regard to Howard University.

Mr. RAKER. There is no controversy as to that.

The Clerk read as follows:

Senate amendment No. 1: Page 3, line 25, after the word "offices," insert the following: "not exceeding $450 for the purchase of newspapers, notwithstanding the provisions of section 192 of the Revised Statutes of the United States."

Mr. CRAMTON. Mr. Speaker, I move that the House recede and concur.

The SPEAKER. The gentleman from Michigan moves that the House recede and concur. The question is on agreeing to that motion.

The motion was agreed to.

Mr. CRAMTON. I ask unanimous consent, Mr. Speaker, that amendments 15, 16, 17, 18, and 19, or amendments 15 to 19, inclusive, may be passed over for the present.

The SPEAKER. The gentleman from Michigan asks unanimous consent that amendments 15 to 19, inclusive, may be passed over for the present. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the next Senate amendment.

The Clerk read as follows:

Senate amendment No. 36: Page 70, line 6, strike out "$380,000" and insert "$1,045,000."

Mr. CRAMTON. Mr. Speaker, I move that the House recede and concur.

The SPEAKER. The gentleman from Michigan moves that the House recede and concur.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment on page 73, line 12: Strike out the figures "$155,000" and insert in lieu thereof "$400,000, of which amount $245,000 shall be used for drainage purposes when the water users of the Truckee-Carson irrigation district have voted for a contract binding themselves to reimburse the Federal Government for the cost thereof."

Mr. RICHARDS. Will the gentleman from Michigan yield?

Mr. CRAMTON. I will.

Mr. RICHARDS. I note, according to the Senate amendment, that the appropriation has been increased to the original Budget figures. Is that correct?

Mr. CRAMTON. Yes. The Senate proposes the restoration of the Budget figures, but for a different purpose.

Mr. RICHARDS. And the language added, to my way of thinking, is partially in compliance with the idea suggested by the chairman in the original committee hearings.

Mr. CRAMTON. Yes. It has seemed to me, in view of recent controversies, that hereafter, whenever there is an extension to an irrigation project which involves increase in cost, the Government should not proceed with such expenditure until the district to be benefited clearly commits itself to that proposition; and that is the purpose of the further language. I may add that the Reclamation Service has suggested some modification which I think should have consideration by the conferees if they should conclude to accept the amendment.

Mr. RICHARDS. May I ask the chairman this question: If recommitted to conference, does he think the House Members will go into conference with an open mind and give this matter proper consideration?

Mr. CRAMTON. The gentleman is well aware that he himself, Mr. Vincell, a representative of the district, and the Reclamation Service have strongly indorsed this item. Of course, I would not want to commit the House conferees at this time, but I will say to the gentleman that we have open minds and will give it careful consideration when it goes back to conference.

Mr. Speaker, I move that the House further insist on its disagreement.

The SPEAKER. The gentleman from Michigan moves that the House further insist on its disagreement.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment No. 39, page 76, line 12: Strike out "$9,946,000" and insert in lieu thereof "$10,156,000."

Mr. CRAMTON. Mr. Speaker, I move that the House further insist upon its disagreement to that amendment. It is simply a total which is dependent upon the disposition of the prior amendment.

The SPEAKER. The gentleman from Michigan moves that the House further insist upon its disagreement.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment.

The Clerk read as follows:

Amendment No. 47: Page 87, line 24, strike out "For the purchase of the Bright Angel Toll Road and Trail within the Grand Canyon National Park, Ariz., as contemplated by the 'Act to establish the Grand Canyon National Park in the State of Arizona,' approved February 26, 1919, $100,000, to be available until expended for payment to the county of Coconino, State of Arizona, for the construction, under the supervision of the National Park Service, of a road from Maine, Ariz., to the south boundary of the Grand Canyon National Park: *Provided*, That no part of such sum shall be expended until after the delivery of a good and sufficient deed by the proper authorities of said county conveying to the United States full and complete title to the said Bright Angel Toll Road and Trail, and acceptance thereof by the Secretary of the Interior."

Mr. CRAMTON. Mr. Speaker, I offer a motion which I send to the Clerk's desk.

The SPEAKER. The gentleman from Michigan offers a motion, which the Clerk will report.

The Clerk read as follows:

That the House recede from its disagreement to the Senate amendment No. 47, and concur therein with an amendment as follows:

In lieu of the matter proposed to be stricken out by said amendment insert: "For the construction of trails within the Grand Canyon National Park, $100,000, to be immediately available and to remain available until expended: *Provided*, That said sum may be used by the Secretary of the Interior for the purchase from the County of Coconino, Ariz., of the Bright Angel toll road and trail within said park, under such terms and conditions as he may deem proper, and the Secretary of the Interior is authorized to construct an approach road from the National Old Trails Highway to the south boundary of said park."

Mr. CRAMTON. Mr. Speaker, with reference to that amendment, I will only take time at this time to state that the effect of the language is to broaden the scope of the item, but continuing the same amount. While the former language was restricted to the purchase of an existing trail, this gives authority either to purchase or to build. In connection with that the conferees had before them a letter from one RALPH H. CAMERON, setting forth certain statements with reference to Bright Angel Trail, which reads as follows:

MARCH 5, 1924.

In re item appropriating $100,000 for the purchase of the Bright Angel Trail, Grand Canyon National Park.

Hon. REED SMOOT,
Chairman Senate Conferees on H. R. 5078,
United States Senate, Washington, D. C.

MY DEAR SENATOR: Section 2418, Revised Statutes of Arizona (1913), providing for the jurisdiction and powers of the board of supervisors, sub. 10, provides that the board shall have power to "sell at public auction at the courthouse door, after 30 days' previous notice given by publication in a newspaper in the county, and convey to the highest bidder for cash any property, real or personal, belonging to the county, paying the proceeds into the county treasury for the use of the county. The item referred to in the bill provides that the said sum of $100,000, if appropriated, "to be available until expended for payment to the county of Coconino, State of Arizona, for the construction, under the supervision of the National Park Service, of a road from Maine, Ariz., to the south boundary of the Grand Canyon National Park," etc. It will be seen, therefore, that the proposed item of $100,000, if appropriated, will not be paid over to the county of Coconino and deposited in the county treasury. In other words, the consideration proposed to the county of Coconino for this toll road or trail is a remote promise to expend $100,000 on a road almost wholly within forest areas.

Senator ASHURST in his remarks on this item on February 25, 1924, CONGRESSIONAL RECORD, page 3053, says:

> "In other words, the $100,000 to be appropriated is not to be paid into the treasury of the county to become cash assets of the county; the $100,000 will be expended, I repeat, under the supervision of the National Park Service for the construction of a road some 62 or 63 miles in length to the national park from the grand artery of auto traffic, the Santa Fe Trail, to the Grand Canyon."

Under the statutes of Arizona, before the board of supervisors can sell real property—for instance, a road or trail—the same must, under appropriate proceedings, be declared of no longer a public use, be condemned, and then sold. According to the figures of the Department of the Interior, from October, 1922, to September 20, 1923, the number of persons who used this trail were 7,130, and the net source of revenue from such use to the county was some $4,000. Can it be said, therefore, that this trail has no public use in order to come within the statute for condemnation? It is a question in my mind, should the board of supervisors of Coconino County transfer this toll road and trail contrary to the statute, and in doing so not receive and place in the treasury of the county the consideration therefor, whether they would not be liable to indictment.

It has been stated that I have an interest in certain mining claims within the Grand Canyon National Park which have been the subject of litigation. I reiterate that I have not at the present time, and have not had for many years prior to the date of the creation of the Grand Canyon National Park in 1919, any interest in claims title to which is being litigated by the Government of the United States.

It has also been stated that the water from two springs on the Bright Angel Trail have been polluted with typhoid germs. Title to one of these springs is in the county of Coconino, Ariz.; the other in a mining location in which I have had no interest for many years.

I wish to add, further, should the $100,000 be paid to the county of Coconino, as proposed by this legislation, the whole amount thereof could not be applied to the building of the proposed road, under the laws of the State of Arizona.

Therefore, in view of the law, it is my opinion, if this proposed legislation is enacted, it can not be consummated, and is illegal.

With kind personal regards, I am,

Sincerely yours, RALPH H. CAMERON.

It is not possible for me, of course, to say who RALPH H. CAMERON is; that is, who is the RALPH H. CAMERON who writes this letter. There is nothing upon the carbon copy which I have to indicate it. I am sure it can not be the RALPH H. CAMERON I discussed on the floor the other day, because this RALPH H. CAMERON states, "I have not at the present time, and have not had for many years prior to the date of the creation of the Grand Canyon National Park in 1919 any interest in claims, title to which is being litigated by the Government of the United States," whereas the statement which I made on the floor the other day showed that RALPH H. CAMERON was a party to the case of Cameron et al. *v.* United States (252 U. S. 450), and that the Secretary of the Interior has just called upon the Attorney General of the United States to take appropriate action to protect the interests of the United States and the public in the Grand Canyon National Park against unlawful encroachments maintained by that RALPH H. CAMERON in that park in defiance of that decision of the United States Supreme Court. The RALPH H. CAMERON who was, in 1920, in litigation with the United States over the claims discussed in Two hundred and fifty-second United States, 450, soon will be in litigation again concerning the same claims unless he bows to and obeys that decision, as the following letter from the Attorney General indicates:

DEPARTMENT OF JUSTICE,
Washington, D. C., March 5, 1924.

The SECRETARY OF THE INTERIOR.

SIR: Receipt is acknowledged of your letter of February 28, 1924, with respect to the failure of RALPH H. CAMERON and others to fully comply with the decrees rendered against them in certain cases which involved asserted mining claims affecting lands within the Grand Canyon National Park, and in which you also called attention to certain mining claims located in January, 1919, by associates of CAMERON.

I have referred the matter to the United States attorney at Tucson, Ariz., with instructions to give these matters immediate attention; to obtain such order or orders as may be necessary to secure full compliance with the decrees already entered, with such exceptions as you have noted in your letter; also, to take up for immediate action by way of suit the matter of these other claims.

Very respectfully,

(Signed) ALBERT OTTINGER
(For the Attorney General),
Assistant Attorney General.

I also referred the other day to a RALPH H. CAMERON, who is a party to litigation with the United States, concerning the validity of certain other claims in the Grand Canyon, 28 in number, discussed on page 3497 of the RECORD, wherein I stated that a hearing set for February 29, 1924, had been continued to next summer on request of Mr. CAMERON. That same RALPH H. CAMERON is a party to this pending litigation and is interested in it is indicated by the following letter:

DEPARTMENT OF THE INTERIOR,
Washington, January 15, 1924.

Hon. RALPH H. CAMERON.

MY DEAR SIR: Reference is had to your personal conference with me wherein you requested the postponement of the hearing ordered and now set for February 29, at Flagstaff, Ariz., in the case of The United States *v.* R. H. Cameron et al., involving a group of 28 mining claims in which you are personally interested. You informed me that it was your desire to be present at the taking of testimony, but that your duties * * * would prevent your attendance on the date named.

You requested a continuance be granted until after the adjournment of the present session of Congress.

It is believed that under the circumstances the public interest will in no wise suffer by granting the continuance requested, and the chief of field division of the General Land Office at Santa Fe has been instructed to postpone further action until after the present session of Congress has adjourned.

Very truly yours,

E. C. FINNEY,
First Assistant Secretary.

DEPARTMENT OF THE INTERIOR,
GENERAL LAND OFFICE,
Washington, January 15, 1924.

Mr. JOHN T. MURPHY,
Chief of Field Division, G. L. O.,
Federal Building, Santa Fe, N. Mex.

MY DEAR MR. MURPHY: Reference is had to the case of the United States v. R. H. Cameron et al., involving the Alta Bueno et al. mining claims in the Grand Canyon National Park, of Arizona, in which the taking of testimony has been set before the clerk of the superior court, at Flagstaff, on February 29, 1924.

R. H. CAMERON, a party in interest, desires to be present at the taking of testimony in this case, but states that his duties will prevent his presence thereat on the date now set. He has asked that the hearing be postponed until after the adjournment of the present session of Congress.

Believing the public interest will not suffer through a reasonable continuance, you are instructed to postpone the taking of testimony in this case until the present session of Congress has adjourned or until you are further advised by this office.

Very respectfully,

WM. SPRY, *Commissioner.*

So it is apparent that one RALPH H. CAMERON is very much concerned with litigation with the United States concerning claims in the Grand Canyon.

The letter to Senator SMOOT which I have quoted further says of the water available at Indian Gardens, in the canyon:

It has also been stated that the water from two springs on the Bright Angel Trail have been polluted with typhoid germs. Title to one of these springs is in the county of Coconino, Ariz., the other in a mining location in which I have had no interest for many years.

Again it is evident this can not be the RALPH H. CAMERON I have been talking about.

And let us understand. The water in the springs is pure, but the brook flowing from them is contaminated by the corral and waste and closet pits maintained by one RALPH H. CAMERON at Indian Gardens. And the caretaker, who has at times forbidden use of the water from the springs by park visitors, who has continuously torn down signs warning the public of the impurity and danger of the water in the stream, is an employee of RALPH H. CAMERON and gets his orders from him. Note the statement on page 3499 of the RECORD, where Mr. Burlew says, after phoning Mr. CAMERON on March 1, Mr. CAMERON promised to "wire the custodian of the property to allow them to go ahead and use the water."

And that this caretaker or custodian who gets his orders from RALPH H. CAMERON is still holding the fort in defiance of public need and common decency is evident from the following papers just received by the Interior Department:

THE SECRETARY OF THE INTERIOR,
Washington, March 8, 1924.

Hon. L. C. CRAMTON,
House of Representatives.

MY DEAR MR. CRAMTON: In response to your letter asking to be kept advised of developments at the Grand Canyon, so far as the Bright Angel Trail is concerned, I am forwarding to you herewith copies of several letters and telegrams from the superintendent of Grand Canyon National Park bearing on the utilization of the spring at Indian Gardens, which reached the department since March 1, when similar material was furnished you.

Very truly yours,

HUBERT WORK.

DEPARTMENT OF THE INTERIOR,
NATIONAL PARK SERVICE, GRAND CANYON NATIONAL PARK,
Grand Canyon, Ariz., March 1, 1924.

The DIRECTOR NATIONAL PARK SERVICE,
Washington, D. C.

DEAR MR. MATHER: We have to-day wired you as per inclosed confirmation. We have also wired the county health officer as per inclosed copy. If the State verifies the analysis of water at Indian Gardens, as I have no doubt they will, we are in a deplorable condition, and unless the service uses every possible means to remove this menace at the earliest possible moment we are deserving of the harshest criticism. In the meantime the Harvey Co. are carrying water from the rim. Aside from the inconvenience, the water is too warm for drinking purposes after it has been carried for several hours. They have suggested discontinuing the trip, and I have told them it would be a good thing to do, providing the State verifies previous analyses.

Clarkson, Tillotson, Scoyen, and I went down the trail in question on February 27 and placed signs at danger points; a large sign had been previously placed at the head of the trail. On the return trip, February 29, Clarkson and I, who preceded Tillotson and Scoyen, noticed some of the most important signs had been removed. We did not see the caretaker. Tillotson and Scoyen passed Indian Gardens about an hour later, and the caretaker gave them an awful bawling out in front of a lot of tourists. It would serve no purpose to repeat his expressions; but in view of the fact that CAMERON stated * * * that he long ago sold his interests along the Indian Gardens trail, one sentence is significant—"I get my orders from Washington, and that is where your superintendent had better get his unless he wants to follow Reaburn and Crosby." The caretaker stated that he had no objection to warning signs being posted, but under no circumstances would he permit signs to be posted directing visitors to the spring. Recent analyses indicate that water in the spring only is pure.

The Harvey people insist that the time has come to adopt aggressive measures in this matter and we thoroughly agree with them. Under verbal instructions I was to report developments to you, leaving decisions as to actions to be taken to your office. If something is not done at once the caretaker, judging by his present attitude, will try to run us out of the park.

Sincerely yours,

J. R. EAKIN, *Superintendent.*

[Telegram.]

GRAND CANYON, ARIZ., *March 1, 1924.*

The DIRECTOR NATIONAL PARK SERVICE,
Washington, D. C.:

Sign warning against danger of water at lunch station Indian Gardens torn down by caretaker. Refuses to permit use of water at spring. Situation impossible. Something must be done. Have not received analysis from State.

J. R. EAKIN, *Superintendent.*

DEPARTMENT OF THE INTERIOR,
NATIONAL PARK SERVICE,
GRAND CANYON NATIONAL PARK,
Grand Canyon, Ariz., March 3, 1924.

Director NATIONAL PARK SERVICE,
Washington, D. C.

DEAR SIR: Mr. Shirley, of the transportation company, has just informed me that the caretaker now permits his guides to take water from the spring for use of members of parties they are conducting. His attitude toward the erecting of signs has not changed.

Very truly yours,

J. R. EAKIN.

Care Mr. ALBRIGHT.

[Western Union Telegram.]

GRAND CANYON, ARIZ., *March 4, 1924.*

The DIRECTOR NATIONAL PARK SERVICE,
Washington, D. C.:

Retel fourth have not been advised of action mentioned. Caretaker very irascible and changes orders to us from day to day. Now permitting guides to get water for parties. Attitude toward signs unchanged.

J. R. EAKIN, *Superintendent.*

STEPHEN T. MATHER,
National Park Service:

Re telegram 9th. Situation stands as stated in my letters and telegrams. Have not received analysis from State. Will wire new developments.

EAKIN.

The time for equivocating, of yielding to high official influence, is past. The Grand Canyon must be opened to the public and made safe for the public, and any Ralph H. Cameron who is not interested in the controversy may well stand aside while Uncle Sam eliminates the RALPH H. CAMERON who is asserting rights in the canyon that have no basis in law or equity.

That there may be no question as to the nature of the agreement made by the authorities of Coconino County with the gentleman from Oklahoma [Mr. CARTER] and myself, I offer this letter from the supervisors of that county, but unsigned:

COUNTY OF COCONINO,
OFFICES OF BOARD OF SUPERVISORS,
Flagstaff, Ariz., July 16, 1923.

The Honorable SECRETARY OF THE INTERIOR,
Washington, D. C.

DEAR SIR: Replying to your letter of July 6, 1922, requesting terms upon which Coconino County will convey to the Government Bright

Angel Trail, in Grand Canyon National Park, in accordance with section 4 of the act of February 26, 1922:

In the event that Congress shall appropriate not less than the sum of $100,000 to be expended upon the construction of a road between Maine, Ariz., and the south boundary of Grand Canyon National Park, which will be the park's most important approach highway, the county of Coconino will execute and deliver to the United States Government a good and sufficient deed to the Bright Angel toll road and trail, conveying all its right, title, and interest therein to the United States of America.

Respectfully, ——— ———,
——— ———,

The reasons for not signing are set forth in the following letter of same date from the Board of Supervisors of Coconino County:

COUNTY OF COCONINO,
OFFICES OF BOARD OF SUPERVISORS,
Flagstaff, Ariz., July 16, 1923.

The honorable SECRETARY OF THE INTERIOR,
Washington, D. C.

DEAR SIR: Referring to the tentative agreement between Chairman CRAMTON and other members of the Appropriations Committee and officials of the National Park Service and the Board of Supervisors of Coconino County, Ariz., for the sale by Coconino County to the United States of the Bright Angel toll road and trail in the Grand Canyon National Park, our attention has been called by our county attorney to subdivision 10 of paragraph 2418 of civil code, Arizona, 1913, page 848, reading as follows: "To sell at public auction at the court-house door, after 30 days' previous notice given by publication in a newspaper of the county, and convey to the highest bidder for cash and property, real or personal, belonging to the county, paying the proceeds into the county treasury for the use of the county."

Our delay in writing you making a proposition in accordance with our tentative agreement has been due to the uncertainty as to our right to carry out this agreement without first putting the property up for sale at public auction.

It is the desire of the board to carry out our tentative agreement to the letter, and our only question is the proper method to follow. We hereby formally propose to convey to the United States all right, title, and interest of the county of Coconino to the Bright Angel Trail in accordance with the letter dictated by Government officials and others while in conference, with the understanding that the property first be offered for sale at public auction, in accordance with statutes above mentioned, and with the distinct understanding that at the time of said sale a bid be made by a representative of your office of at least $100,000, to be expended by the county of Coconino or under its direction upon the construction of a road between Maine and the south boundary of the Grand Canyon National Park. It is understood that said bid shall be conditional upon an appropriation by Congress of such a sum as may be offered for said trail, not to be less, however, than the sum of $100,000.

A copy of the letter making the proposal agreed upon is attached hereto. It has not been signed by reason of a possible legal objection. This letter nevertheless embodies the proposal we have desired to make, and do now desire to make, subject to our legal right to make it in this form under our statutes. After considering this letter and the legal objections raised by our county attorney, we shall welcome any suggestions you may have that will simplify the transfer of the trail in accordance with our original agreement.

Assuring you of our desire to live up to the letter and spirit of our tentative agreement, we beg to remain,

Respectfully yours, R. E. TAYLOR,
JOHN LOY,
Members Board of Supervisors.

The amendment I have offered makes it possible to build one or more trails with the $100,000, in the Grand Canyon, if political influence prevents carrying out the agreement entered into. I move to recede and concur as stated.

Ralph H. Cameron in Arizona, who does have interests on that trail, very evidently is not the Ralph H. Cameron who addressed the letter to the Senate conferees, because the facts are entirely different as to the two Ralph H. Camerons.

The SPEAKER. The gentleman from Michigan moves to recede and concur with an amendment.

The motion was agreed to.

ADJOURNMENT.

Mr. CRAMTON. Mr. Speaker, the next two amendments pertain to Howard University. As I have already said, I think I am under obligation not to take them up now, due to the absence of one or two gentlemen who did not have notice that the conference report would be taken up this afternoon. Therefore I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 54 minutes p. m.) the House adjourned until to-morrow Wednesday, March 12, 1924, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

395. Under clause 2 of Rule XXIV, a letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on a survey of Calaveras River, Calif., with a view to the control of its floods (H. Doc. No. 217), was taken from the Speaker's table and referred to the Committee on Flood Control and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. LEAVITT: Committee on the Public Lands. H. R. 4840. A bill authorizing the Secretary of War to transfer jurisdiction over a portion of the Fort Keogh Military Reservation, Mont., to the United States Department of Agriculture for agricultural experimental purposes; without amendment (Rept. No. 284). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. ELLIOTT: Committee on Invalid Pensions. H. R. 7816. A bill granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war; without amendment (Rept. No. 283). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 7772) granting an increase of pension to Richard B. Abston; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 7775) granting a pension to James Fletcher; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 7774) granting an increase of pension to Alfred D. Burns; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 7776) granting a pension to Alvin L. Piercey; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 7777) granting an increase of pension to George Roberts; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 7778) granting a pension to Robert Roberts; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. ELLIOTT: A bill (H. R. 7816) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war; committed to the Committee of the Whole House.

By Mr. LEAVITT: A bill (H. R. 7817) to add points to the Civil Service Commission ratings of veterans of wars participated in by the United States in the appointment of postmasters, and for other purposes; to the Committee on the Civil Service.

Also, a bill (H. R. 7818) to give preference to honorably discharged veterans of wars participated in by the United States in postmastership appointments, and for other purposes; to the Committee on the Post Office and Post Roads.

By Mr. QUAYLE: A bill (H. R. 7819) to provide for the purchase of a site and the erection of a public building thereon at the city of Brooklyn, in the State of New York, near the Plaza, at the east end of the Williamsburg Bridge; to the Committee on Public Buildings and Grounds.

By Mr. HUDDLESTON: A bill (H. R. 7820) to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. HAWLEY: A bill (H. R. 7821) to convey to the city of Astoria, Oreg., a certain strip of land in said city; to the Committee on Public Buildings and Grounds.

By Mr. GRIEST: A bill (H. R. 7822) to safeguard the distribution and sale of certain dangerous caustic or corrosive

acids, alkalies, and other substances in interstate and foreign commerce, and in the Territories, the District of Columbia, and other places within the exclusive jurisdiction of the United States; to the Committee on Interstate and Foreign Commerce.

By Mr. SWING: A bill (H. R. 7823) to extend the boundaries of the Cleveland National Forest in Riverside County, Calif., and to create therein a national game preserve under the jurisdiction of the Secretary of Agriculture, and to authorize an exchange of Government land for privately owned land within the area of said preserve; to the Committee on the Public Lands.

By Mr. ROGERS of Massachusetts: A bill (H. R. 7824) to amend an act entitled "An act making appropriations for the Post Office Department for the fiscal year ending June 30, 1923, and for other purposes," approved June 19, 1922; to the Committee on World War Veterans' Legislation.

By Mr. GRAHAM of Pennsylvania: Resolution (H. Res. 218) for the immediate consideration of H. R. 7041; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DARROW: A bill (H. R. 7825) for the relief of William C. Gray; to the Committee on Naval Affairs.

By Mr. DEAL: A bill (H. R. 7826) for the relief of George T. Easton; to the Committee on Claims.

By Mr. FAVROT: A bill (H. R. 7827) authorizing and directing the Secretary of War to cause to be made a preliminary examination and survey of the Bayou Des Ourse in Louisiana; to the Committee on Rivers and Harbors.

By Mr. GLATFELTER: A bill (H. R. 7828) granting an increase of pension to Catherine Ernst; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7829) granting a pension to Thomas A. Smith; to the Committee on Invalid Pensions.

By Mr. HAYDEN: A bill (H. R. 7830) for the relief of Jesse A. Frost; to the Committee on Claims.

By Mr. McLEOD: A bill (H. R. 7831) granting a pension to Ann E. Allen; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7832) granting a pension to Mary Barney; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7833) granting a pension to Gustav F. Breiter; to the Committee on Pensions.

Also, a bill (H. R. 7834) granting a pension to Albert B. Mosinsky; to the Committee on Invalid Pensions.

By Mr. MOORE of Virginia: A bill (H. R. 7835) for the relief of Frank L. Smith; to the Committee on Claims.

By Mr. OLIVER of New York: A bill (H. R. 7836) for the relief of John Tully; to the Committee on the Civil Service.

By Mr. PATTERSON: A bill (H. R. 7837) granting an increase of pension to Mary Boylen; to the Committee on Invalid Pensions.

By Mr. STRONG of Pennsylvania: A bill (H. R. 7838) for the relief of Martha D. McCune; to the Committee on Military Affairs.

By Mr. TINKHAM: A bill (H. R. 7839) granting a pension to Everett Braley; to the Committee on Pensions.

Also, a bill (H. R. 7840) granting an increase of pension to Gustave Pinksohn; to the Committee on Pensions.

By Mr. WARD of North Carolina: A bill (H. R. 7841) for the relief of Abram L. Alexander, postmaster of Plymouth, N. C., for postal funds stolen from the post office in said town; to the Committee on Claims.

By Mr. WEAVER: A bill (H. R. 7842) for the relief of J. C. Herbert; to the Committee on Claims.

By Mr. WILLIAMS of Texas: A bill (H. R. 7843) granting an increase of pension to Elizabeth Stokes; to the Committee on Invalid Pensions.

By Mr. WOOD: A bill (H. R. 7844) granting an increase of pension to Nancy Leming; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1665. By Mr. ALDRICH: Petition of Roger Williams Council, No. 29, Sons and Daughters of Liberty, Wickford, R. I., urging passage of the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1666. By Mr. ANDREW: Petition of Grain Board, Boston Chamber of Commerce, Boston, Mass., protesting against adoption of McNary-Haugen bill; to the Committee on Agriculture.

1667. Also, petition of patients' committee of the United States Veterans' Hospital, No. 89, at Rutland, Mass., protesting the enactment into law of section 10 of the preliminary report of the select committee of the Senate appointed to investigate the Veterans' Bureau; to the Committee on World War Veterans' Legislation.

1668. By Mr. CULLEN: Petition of the New York Assembly of American Train Dispatchers' Association, favoring the passage of House bill 3674 for the purpose of giving military status to the officers of the Russian Railway Service Corps, which was organized in 1917 by authority of the President of the United States; the appointments to the different ranks, from second lieutenant to colonel, being made by the President through the War Department, such officers entertaining the belief when they voluntarily entered the service thus organized that they were a part of the United States Army; to the Committee on Military Affairs.

1669. Also, petition of the committee to review cases of military prisoners of the World War, favoring a careful review of the case of each military prisoner of the World War now imprisoned, by a board or commission of civilians authorized by Congress, with sessions open to the public as are our civil courts, to the end that justice and the spirit of American fairness, free from influences created by war and violence, may be extended in every case; to the Committee on the Judiciary.

1670. By Mr. GALLIVAN: Petition of League of Jewish Women's Organizations, Boston, Mass., protesting against the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1671. Also, petition of Boston Central Labor Union, Boston, Mass., recommending early and favorable consideration of House bill 487, known as the Fitzgerald compensation bill; to the Committee on the District of Columbia.

1672. By Mr. GARBER: Petition of members of American Legion and citizens of Ponca City, Okla., urging passage of adjusted compensation measure; to the Committee on Ways and Means.

1673. By Mr. McNULTY: Petition of Slavish-American Citizens' Club of Bayonne, N. J., protesting against the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1674. By Mr. MAGEE of Pennsylvania: Petitions of Duquesne Council 110, O. of I. A.; Pittsburgh Pirory, No. 16; Francis Pershing Temple 216, L. G. E.; Penelope Club; Redstone Lodge 74, B. of R. T.; J. P. Winoiver 618, Jr. O. U. A. M.; Catalpa Club, Clan-Na-Gail; Council of Borough of Carrick; and McKeesport Lodge, No. 136, B. P. O. E., all of Pittsburgh, Pa., favoring increased compensation to postal employees; to the Committee on the Post Office and Post Roads.

1675. Also, petitions of Schiller Glocke G. & T. V.; National Protective Association; Birmingham, No. 48, I. O. O. F.; International Association of Machinists; Memorial Art Club; Fur Workers' Union 73; Western Pennsylvania Veterinary Club; and Swift Mission Brigade, all of Pittsburgh, Pa., favoring increased compensation to postal employees; to the Committee on the Post Office and Post Roads.

1676. Also, petitions of Schenley Review, No. 140, W. B. A.; G. R. C. Knights of St. George, Branch No. 8; Hibernian Building & Loan Association; Bottler's Protective Association; Allegheny County Board Ladies' Auxiliary A. O. H.; Branch 147, L. C. B. A.; South Side Turners; Lodge No. 44, I. O. B. B.; Hope Lodge, No. 243, Knights of Pythias; Arthur C. Woestehoff Post, 435, V. of F. W.; General Thomas Circle, No. 24, G. A. R.; Smoky City Council, 119, Jr. O. U. A. M.; B. and M. I. U. of Pennsylvania; Olive Branch Sisterhood, D. of M., No. 155; and Sylvian Musical Club, all of Pittsburgh, Pa., favoring increased compensation to postal employees; to the Committee on the Post Office and Post Roads.

1677. Also, petitions of Millvale Business Men's Association; Brotherhood, Grace Lutheran Church; St. Clair Literary and Beneficial Association; Heidelberg Men's Bible Class; Washington Heights Board of Trade; Troy Hill Council, 319, F. P. A.; Dormont Chamber of Commerce; Fort Pitt Division, 672, Railroad Conductors; Thor Lodge, No. 1171, I. O. O. F., all of Pittsburgh, Pa., favoring increased compensation to postal employees; to the Committee on the Post Office and Post Roads.

1678. Also, petitions of Fort Pitt Chapter, No. 130, O. E. S.; George S. Morris Lodge, 431, I. O. O. F.; and Smoky City Lodge, 392, K. of P., all of Pittsburgh, Pa., favoring increased compensation to postal employees; to the Committee on the Post Office and Post Roads.

1679. By Mr. ROUSE: Petition of citizens of Kenton County, Ky., indorsing the passage of an immigration bill; to the Committee on Immigration and Naturalization.

1680. By Mr. TINKHAM: Petition of the Affiliated Technical Societies of Boston, indorsing House bill 4522, authorizing the

completion of the topographical mapping of the United States; to the Committee on Interstate and Foreign Commerce.

1681. By Mr. WEFALD: Petition of the Twin City Carpenters' Union, St. Paul, Minn., urging the defeat of House bill 691, providing for the registration, photographing, and finger printing of the foreign-born workers, like criminals, and urging the defeat of House bill 2900, providing for the scrutiny of prospective immigrants in their native country before allowing them to enter or leave for the United States; to the Committee on Immigration and Naturalization.

1682. Also, petition of a public mass meeting arranged by Greek, Italian, Jewish, Polish, Russian, Slovak, and Ukranian citizens of Minneapolis, Minn., at the assembly room of the courthouse, protesting against the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1683. Also, petition of the Cooperative Livestock Shippers' Association, St. Paul, Minn., urging the passage of House bills 5003, 4823, and 4824, amending the packers and stockyards act; to the Committee on Agriculture.

1684. Also, petition of the Commercial Club of East Grand Forks, Minn., urging the passage of the McNary-Haugen bill (H. R. 5563) providing for the relief of agriculture; to the Committee on Agriculture.

1685. Also, petition of the farmers and business men of Pipestone, Minn., urging the passage of the McNary-Haugen bill, providing for the relief of agriculture; to the Committee on Agriculture.

1686. Also, petition of the Crookston (Minn.) Central Labor Union, urging the passage of House bill 487, providing for workmen's compensation for the District of Columbia; to the Committee on the District of Columbia.

1687. Also, petition of the Kittson County (Minn.) Export League, urging the enactment of the McNary-Haugen bill, providing for the relief of agriculture, into law; to the Committee on Agriculture.

SENATE.

WEDNESDAY, *March 12, 1924.*

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Our Father and our God, we would to-day rest in the sunshine of Thy love and would ask Thee so to qualify us in heart and will that we may be glad to do that which is in accordance with Thy mind. Help us more and more to realize that the things that are eternal are the things which are infinitely worth while, and so regulate our conduct and dispose of our opportunity that we may fulfill the high, enduring pleasure of seeing Thee, who art invisible. We ask in Jesus' name. Amen.

NAMING A PRESIDING OFFICER.

The Secretary (George A. Sanderson) read the following communication:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., March 12, 1924.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. CHARLES CURTIS, a Senator from the State of Kansas, to perform the duties of the Chair this legislative day.

ALBERT B. CUMMINS,
President pro tempore.

Mr. CURTIS thereupon took the chair as Presiding Officer.

THE JOURNAL.

The reading clerk proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. JONES of Washington and by unanimous consent, the further reading was dispensed with and the Journal was approved.

CALL OF THE ROLL.

Mr. JONES of Washington. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Copeland	Frazier	Jones, N. Mex.
Ashurst	Couzens	George	Jones, Wash.
Bayard	Curtis	Gerry	Kendrick
Borah	Dale	Glass	Keyes
Brandegee	Dill	Gooding	King
Brookhart	Edge	Hale	Ladd
Broussard	Edwards	Harreld	Lodge
Bruce	Ernst	Harris	McCormick
Bursum	Ferris	Harrison	McKellar
Cameron	Fess	Howell	McKinley
Capper	Fletcher	Johnson, Minn.	McLean
McNary	Pittman	Simmons	Walsh, Mass.
Mayfield	Ransdell	Smith	Walsh, Mont.
Moses	Reed, Mo.	Smoot	Warren
Neely	Reed, Pa.	Spencer	Watson
Norris	Robinson	Stephens	Weller
Oddie	Sheppard	Swanson	Wheeler
Pepper	Shields	Trammell	Willis
Phipps	Shipstead	Wadsworth	

The PRESIDING OFFICER. Seventy-five Senators having answered to their names, a quorum is present.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had passed without amendment the bill (S. 684) to authorize the coinage of 50-cent pieces in commemoration of the commencement on June 18, 1923, of the work of carving on Stone Mountain, in the State of Georgia, a monument to the valor of the soldiers of the South, which was the inspiration of their sons and daughters and grandsons and granddaughters in the Spanish-American and World Wars, and in memory of Warren G. Harding, President of the United States of America, in whose administration the work was begun.

ENROLLED BILL AND JOINT RESOLUTION SIGNED.

The message also announced that the Speaker of the House had signed the following enrolled bill and joint resolution, and they were thereupon signed by the Presiding Officer [Mr. CURTIS] as Acting President pro tempore:

H. R. 6901. An act to amend section 252 of the revenue act of 1921, in respect of credits and refunds; and

S. J. Res. 91. Joint resolution to authorize the National Society United States Daughters of 1812 to place a marble tablet on the Francis Scott Key Bridge.

ADDRESS BY SENATOR ROBINSON.

Mr. PITTMAN. Mr. President, I ask unanimous consent to have printed in the RECORD an address by the senior Senator from Arkansas [Mr. ROBINSON] delivered in New York on Friday, March 7, 1924, entitled "The Relation of Business to Government."

The PRESIDING OFFICER (Mr. CURTIS in the chair). Is there objection? The Chair hears none, and it is so ordered.

The address is as follows:

ADDRESS OF SENATOR JOSEPH T. ROBINSON AT ANNUAL MEETING OF ARKANSAS SOCIETY, NEW YORK CITY, FRIDAY, MARCH 7, 1924.

THE RELATION OF BUSINESS TO GOVERNMENT.

Senator ROBINSON. Mr. President, in the political campaign of 1920 the slogan "We want more business in government and less government in business" was used effectively to discredit the party then in power. Many measures enacted by the Congress to help win the war had imposed restraints on industry and enterprise. They proved harassing while the war lasted and became intolerable after the return of peace. Some of these measures had been only lately repealed, while others were still in force, and the phrase "less government in business" induced support for Mr. Harding from thousands of electors who did not take the trouble to recall that all war measures were passed well-nigh unanimously and without the slightest division on party lines.

The policy of "less government in business and more business in government" is correct in principle but quite impracticable of application under existing conditions and in the present state of the public mind. There should be as little governmental interference in private industry as may be consistent with the general welfare. Initiative and enterprise manifestly are hampered and restricted under too rigid regulation, so that timidity and hesitation are often displayed by individuals and corporations where courage and quick decision are required to promote prosperity.

Desirable as the end would be, it is impossible wholly to divorce Government from business without revolutionizing both. No satisfactory method has been proposed to restore governmental functions to that simplicity which existed prior to the appearance of the dominating influences which have their origin in "big business." The trust problem appeared in the United States after the close of the Civil War. The forces and conditions, however, which produced that problem had long been at work. It was inevitable that the combinations of resources essential to the development of unpopulated areas and unused resources should result in coalitions of brain power certain to produce monopolies.

INFLUENCE OF TRUST AND MONOPOLIES.

The 30 years which immediately followed the close of the Civil War were marked by the multiplication and growth in power of monopolies, so that by 1890 the paramount public problems relating to American business was not how to procure capital for the promotion of large and beneficial enterprises but how to restrain monopolies from exercising sovereignty—how to prevent the trusts from controlling the Government. The act to regulate commerce, enacted in 1887, and

amendments adopted from time to time, and the Sherman antitrust law of 1890 were legislative expressions of the popular will to curb the growing power of business combinations over the life and the happiness of the citizens.

Government interference with business became necessary when business interfered too much with Government.

What would have happened if no effort had been made, if no laws had been enacted, and if no court proceedings had been instituted to protect the public against the greed and avarice of the trusts? Some think that gigantic combinations of capital are to be regarded always as benevolent factors in our civilization, but too many instances are known where they have proved destructive of liberty—instances in which helpless and deserving individuals have been driven mercilessly into bankruptcy and ruin merely because of the competition, sometimes actual, sometimes only potential, between them and their oppressors. Modern business organizations by unfair methods in many cases have made governmental regulation imperative to protect the public against exploitation and oppression.

INFLUENCE OF THE PROTECTIVE-TARIFF SYSTEM ON GOVERNMENT.

The protective-tariff system has not only invited powerful business interests to attempt control of Government agencies; it has put a premium on selfishness and corruption in politics. When the Government lends itself to exploiting the entire population—to taxing 110,000,000 people in order to maintain high prices, which is the underlying principle of the present protective tariff law—it recognizes the right of selfish interests to employ and control the authority and agencies of sovereignty. Such a system could not lead anywhere except to the deplorable political status in which the American people now find themselves. Corruption is the natural, if not the inevitable, result of the political theory that government exists to award special advantages and to promote special interests. It is not a far step from the abuse of power employed in levying a tax to maintain excessive prices to the shocking moral delinquency exemplified when the beneficiaries are permitted to name at will tax rates for their own protection which, of course, result in the spoliation of consumers.

A distinction, however, is attempted by a class of political leaders who imagine they discriminate between the immorality of extorting campaign funds from tariff barons and the corrupt act of procuring loans through granting oil leases on the public domain.

GOVERNMENT THROUGH PROPAGANDA.

As a result of the reciprocal efforts of Government and business to control each other, we have an era of propaganda. Blocs, alleged reform agencies, and secret combinations are formed for the purpose of securing special advantages for the gratification of the peculiar class consciousness of their members. There is only one thing on which they all seem to agree, and that is that the inclusion of an appropriation of Federal moneys usually is an act of virtue partially redeeming from objection measures which extend the sphere of Federal activity to every phase of life.

ECONOMY.

Everyone advocates economy in general terms, but no one seems consistently to support it in specific instances. This is why the United States now expends annually between $3,000,000,000 and $4,000,000,000. It partially accounts for the prevailing high taxes which everyone desires reduced. While propaganda is occasionally directed against appropriations, always there are organized groups driving relentlessly every comprehensive plan proposed for increasing Federal expenditures.

Only by heroic reforms—by restoring the Government to greater simplicity, by abolishing bureaus and repealing laws which extend Federal action and multiply Federal agencies, only by abandoning or reducing appropriations for internal improvements and for Federal service can the Budget be brought within reasonable bounds. The accomplishment of such an end is associated with difficulties not likely soon to be overcome. The moment Congress attempts to cut down the sphere of Federal activity and reduce the number of Federal employees a cry of protest is sounded and hosts of propagandists march with measured tread and deafening shout against the Capitol. The struggle to prevent Government interference with business will not succeed until the necessity for separating business from Government has ended. Higher ideals are required in politics and in business to safeguard the honor of the Nation against disgraceful abuses such as have occurred in connection with the Veterans' Bureau and the naval oil reserve leases.

Just as the majority of men prominent in business affairs are honest and incorruptible, so as a rule those who have attained to eminence in public life are upright in motives and in conduct. Nevertheless, shocking evidences of dereliction, incompetence, and corruption on the part of a number of Federal officers have given force to the growing conviction in the minds of many citizens that the Government is corrupt throughout and hardly worth preserving.

OIL-LEASE SCANDALS.

The oil-lease disclosures constitute the principal cause for the prevailing suspicion of public men and mistrust of the Government as now administered.

It appears essential to familiarize the public with the true conditions at the Capitol. In no other way can a complete "housecleaning" be accomplished and the stain of dishonor upon the Nation's record be obliterated. A fair, if necessarily incomplete, outline of the uncontradicted evidence will define the personal responsibility of certain prominent public officers and establish the relationship which their acts bear to the ignominious oil-lease transaction.

WITHDRAWALS OF PUBLIC LANDS.

The policy of conservation with respect to natural resources may be said to have originated during the administration of President Roosevelt. As early, however, as 1865 the Commissioner of the Public Land Office directed the local land office at Humboldt, Calif., to withhold from entry small areas supposed to contain petroleum. It was not until 1900, 1901, and 1902 that further withdrawals were made, the lands being situated in California, Wyoming, and Oregon.

On September 27, 1909, President Taft issued his famous withdrawal orders setting aside from private entry 3,000,000 acres in California and Wyoming, and subsequent withdrawals were accomplished in 1909 and 1910 of areas aggregating several million acres in the Western States.

An issue arose as to whether the President was authorized to withdraw public lands from private entry for the purpose of conserving for the benefit of the general public the mineral resources within the public domain. The authority was finally sustained in a decision rendered by the Supreme Court, February 23, 1915.

ACT OF CONGRESS AUTHORIZING AND RATIFYING WITHDRAWALS.

In the meantime to settle the doubt expressed by many lawyers as to the President's power, Congress passed a law, June 25, 1910, expressly authorizing the Chief Executive to make withdrawals of lands and confirmed the orders previously issued.

The President immediately confirmed the withdrawals already made and executed additional orders. Restorations from time to time of public lands to private entry and additional withdrawals left remaining in the petroleum reserves, December 1, 1921, approximately 230,000 acres in Arizona, 1,200,000 in California, 500,000 in Louisiana, 1,350,000 in Montana, 85,000 in North Dakota, almost 2,000,000 in Utah, and 1,120,000 in Wyoming, aggregating a total of more than 6,600,000 acres in the petroleum reserves.

NAVAL PETROLEUM RESERVES.

The Elk Hills, California, naval oil reserve was created by order of the President out of lands already withdrawn, September 2, 1912, and embraced a little less than 40,000 acres. The Buena Vista Hills reserve was created in the same manner, December 13, 1912, and extended over a little less than 30,000 acres.

The Teapot Dome, Wyoming, reserve was created by Executive order, April 30, 1915, and embraced not quite 10,000 acres. The object in creating the naval oil reserves was to hold in storage under ground a supply of fuel adequate for the use of the Navy in case of war or other emergency. This policy has been clearly defined and is generally regarded as well settled.

ACT OF JUNE 4, 1920.

The leases which have occasioned so much discussion were not made under the general mineral lease law of February, 1920, but under the naval appropriation act of June 4, 1920. This authorized the Secretary of the Navy to take possession of all properties within the naval oil reserves upon which applications for private leases were not pending and to conserve, develop, use, and operate the same in his discretion and to use, store, exchange, or sell the oil and gas products for the benefit of the United States. This authority is generally construed as a conservation measure, limiting development to defensive wells to be drilled for the purpose of protecting the reserves from waste through operations on private or leased lands. This construction prevailed in the Navy Department until the beginning of President Harding's administration. It has been unanimously approved by joint resolution of Congress.

THE EXECUTIVE ORDER.

An Executive order was issued by President Harding May 31, 1921, attempting to transfer the naval oil reserve from the control and administration of the Secretary of the Navy, where the act of Congress vested them, to the Secretary of the Interior. A little less than one year later, after prolonged secret negotiations, leases were made to the Sinclair interests of the reserves in Wyoming and to Doheny of the reserves in California.

WHO IS RESPONSIBLE?

Congress under the Constitution is empowered to legislate for the control and disposition of the public domain. Clearly the President had no power to transfer the control of public lands from one depart-

ment, where Congress had vested their administration, to another. What actually prompted the execution of this order has given rise to rumors and suspicions of the darkest character.

The admitted facts are that Secretary of the Navy Denby assumed responsibility for initiating and encouraging the proposal, and cooperated with Secretary of the Interior Fall to induce the President to sign the order. Almost every officer in the Navy, other than the Secretary and Assistant Secretary Roosevelt, opposed transferring the naval oil reserves to the Interior Department. Admiral Griffin, the head of the bureau having jurisdiction of the subject, vigorously protested the proposal. Contrary to the custom of all the departments in such cases, the Executive order agreed upon between the two Secretaries was transmitted to the President by Assistant Secretary Roosevelt without any letter of explanation and unaccompanied by the protest of Admiral Griffin.

ASSISTANT SECRETARY ROOSEVELT'S PART IN THE TRANSACTION.

Assistant Secretary Roosevelt, who had been an original stockholder and director in the Sinclair companies, and who, when he entered the Army, had sold his stock and resigned as a director; whose wife had purchased a thousand shares of stock in one of the Sinclair companies in 1920 and sold the same at a loss about the time the leases were made; whose brother was a vice president in one of the Sinclair companies, receiving a salary of $25,000 per year, personally took the Executive order to the President and verbally informed him that Secretaries Fall and Denby had agreed upon it. Neither Assistant Secretary Roosevelt nor Secretary Denby has made clear the reason for the unusual course pursued in securing the President's signature. The fact that no legal opinion was procured as to the validity of the order is a circumstance of additional significance.

LEASES SECRETLY NEGOTIATED.

Almost one year after the date of the Executive order, leases were secretly negotiated by the two Secretaries of the Wyoming and California reserves to Sinclair and Doheny, respectively. The transactions were enveloped in mystery and concealment. It was two weeks after the instruments had been signed before it became known that the leases had been executed. Secretary Denby has never attempted any explanation for carrying on the transactions in secret, and the reasons assigned by Secretary Fall were so absurd that they intensified suspicion. He said that he regarded the subject as a military secret to be divulged only by the Commander in Chief of the Army and Navy, and in a letter to Secretary Denby he expressly cautioned against publicity until another lease could be consummated.

In every court secrecy under such circumstances is regarded as a badge of fraud. The negotiation of the Executive order, the secret execution of the leases, and the concealment of the transactions brand them as questionable, and impose upon all responsible the obligation of justifying their acts and methods. This they have totally failed to do. The lack of information displayed by both Secretary Denby and Assistant Secretary Roosevelt is unaccountable. Neither was able to explain the important features of the transactions. Both of them answered almost every material question, "I do not know—I can not say," or "I can not answer without referring to the record." The implication that either Secretary Denby or his assistant, Mr. Roosevelt, acted corruptly is not supported by the evidence. While neither can be charged with corruption, the course of both of them exemplifies gross incompetence and inefficiency.

April 29, 1922, the Senate passed a resolution authorizing the Committee on Public Lands and Surveys to investigate the entire subject of leases on naval oil reserves. To one member of the committee more than to all others credit is due for persistency and diligent effort in uncovering not only circumstances which show incompetence and inefficiency on the part of high officers but also facts which tend to show that bribery was employed to secure the leases. Senator WALSH of Montana, without the assistance of investigators, and with only limited funds at his command, has uncovered facts which impeach the competency of every public officer responsible for the leases and which puts them on the defensive respecting their good faith and honesty. One hundred thousand dollars sent by Doheny in a satchel, Doheny's son the messenger bearing the "loan" to Fall! Twenty-five thousand dollars in Liberty bonds loaned by Sinclair to Fall, and $10,000 advanced as expense money in connection with negotiations by Fall as Sinclair's agent for Russian oil concessions! The events were so closely and suspiciously connected that they indicate the alleged loans as mere concealment of bribery.

EMPLOYMENT OF FORCE.

It is humiliating to recount the employment of marines under the order of Assistant Secretary of the Navy Roosevelt in the forcible ejectment of alleged trespassers drilling wells on private claims within the reserves. Captain Schaler, who commanded the marines, declared in an interview in the New York Times, February 29, that Secretary Fall told him that President Harding had only reluctantly consented to the use of force. True, he states, that Mr. Fall ascribed an unworthy motive to the Chief Executive, that of protecting an officer of the Mutual Oil Co., who had contributed liberally to the Republican campaign fund. Nevertheless, Captain Schaler says that under the orders of Assistant Secretary Roosevelt, and after conference with Secretary Fall, deliberately planning to avoid or disregard legal process, he compelled the claimants to suspend drilling under threat of using marines.

The Congress has authorized and the President has employed special counsel to institute and prosecute proceedings for the recovery of the Government's property and rights recklessly bartered away by Secretaries Fall and Denby. The story of their breach of trust is sickening, disheartening. It brings regret to all who hear it.

UNDER THE GREAT WHITE DOME.

Revolting cartoons representing the Capitol as a teapot or an oil can, recently published in newspapers and magazines, portray and at the same time encourage lack of confidence in Government and contempt for public men. The indifference to honest administration disclosed by Cabinet officers may well arouse anxiety for the permanence of American political institutions.

In spite of these considerations, we are justified in presenting a more attractive picture. The people are themselves the source of power. So long as they are not corrupted by avarice or blinded by prejudice, they can effectively condemn and punish dishonesty and inefficiency in office and premiumize the sane administration of their affairs. They can and will, through the simple process of elections, reform flagrant abuses against them and their Government. Heartening effects already may be felt from the exposures of fraud and inefficiency at Washington. Let the investigation be thorough to the end that never again shall such disgusting incidents and shocking betrayals of public trust occur.

THE MERCHANT MARINE.

Mr. JONES of Washington. Mr. President, preparatory to submitting a request to print in the RECORD, I wish to speak for about a minute and a half.

When the merchant marine act of 1920 was being considered it was thought wise to insert certain provisions designed to overcome the handicap imposed upon American ships in foreign trade by reason of the higher standards of American living. One of the provisions which became a part of this law was what is known as section 28 of the merchant marine act, which section, in brief, provides that a shipper sending goods or products from the interior of the United States to a foreign port on a through bill of lading would be allowed a lower railroad rate on the transportation of his goods from the interior of the country to the seacoast than he would otherwise obtain, provided he employed an American vessel to complete the transportation of his goods from the seaport to which they had been brought by rail to the foreign port which was to be their final destination.

The same rule was to apply to imports; that is, cargoes brought from a foreign country to the United States and destined for some interior point of the United States would be entitled to a cheaper railroad rate from the seacoast to their destination, if they were imported in American vessels, than would otherwise be the case. Provision was made that upon certification by the Shipping Board that there was not sufficient tonnage available to supply the needs of American commerce this portion of the act might be held in suspense until the Shipping Board withdrew its certificate of tonnage inadequacy. That time, in the opinion of the Shipping Board, now has arrived; and in view of the evident misunderstanding of this action and of the law itself, as indicated by some newspaper comments, I feel it would be proper to insert in the RECORD this explanation of the effect of this act as set forth by the vice chairman of the Shipping Board in a recent address. Therefore I ask unanimous consent that the address may be printed in the RECORD. In connection with the same matter and attached to the papers is an extract from Fair Play which I would also like to have printed in the RECORD in connection with my remarks.

The PRESIDING OFFICER (Mr. CURTIS in the chair). Without objection, it is so ordered.

The matter referred to is as follows:

ADDRESS OF E. C. PLUMMER, VICE CHAIRMAN UNITED STATES SHIPPING BOARD, BEFORE THE PROPELLER CLUB OF THE PORT OF NEW YORK, AT A LUNCHEON HELD AT THE RAILWAY CLUB, 30 CHURCH STREET, NEW YORK CITY, AT 12.30 P. M., WEDNESDAY, MARCH 5, 1924.

The merchant marine act of 1920 provides that railroads shall make no reduced rates on through shipments of exports or imports unless the vessels upon which the goods are to be carried to foreign ports, or upon which they have been brought into the United States from foreign ports, are American.

This section of the law would have gone into effect more than three years ago had not the Shipping Board caused its suspension.

The board's action in causing this suspension was necessitated by the fact that in 1920 we had not sufficient American tonnage adequately to serve the trade of this country. With the completion of our World War fleet and the establishment of efficient ocean services under our flag, that condition disappeared. For more than two years there has been adequate service by American shipping for the foreign trade of this country. The board, however, continued to hold section 28 of this law in suspension in order to give our competitors every opportunity to adjust themselves to the active presence of American ships, to give the Interstate Commerce Commission ample time to make such rearrangements as might be required to protect the railroad-rate system of this country so that all United States ports might enjoy equally those advantages accruing from low export and import rates when American ships were employed, and to demonstrate fully the ability of American vessels to handle the bulk of our foreign commerce.

Here it is important to make clear exactly what the recent action of the Shipping Board in connection with this section 28 means.

It is not an aggressive movement on the part of the board. On the contrary, the board merely has withdrawn its suspending certificate and permitted the law to go into effect in accordance with the mandate of Congress. In reality it is Congress that is acting now, not the Shipping Board.

This procedure of the board, having a tendency to benefit American shipping, will, of course, be subject to all sorts of unfair criticisms. Among those already appearing is one to the effect that there will not be sufficient American tonnage properly to care for our traffic. This claim is merely a profession of ignorance. There is nothing in the law now permitted to become active which prevents any or all of the exports and imports of this country traveling in foreign ships. If an exporter prefers to use a foreign ship, that is his privilege. If his love for the foreigner is such that he wants his imported goods delivered to him by alien craft, there is nothing in section 28 to deprive him of that pleasure. The only changed condition produced by the release of this law is that if his through shipments are handled by American vessels he gets a lower railroad rate for such goods when they are being brought from the interior to the seaboard or are being carried from the seaboard to interior points than he can get if he patronizes foreign ships. There will be just as much tonnage available with section 28 active as there is with section 28 passive, but a lower railroad rate will be available for patrons of American ships. This lower railroad rate will help fill American vessels now sailing partly empty and thus reduce ship losses without increasing ship rates.

Another claim is that this section will upset our railroad rate structure. The claim is absurd, but like so many other claims affecting American shipping it is boldly made, either because of ignorance on the part of the claimer or assumed ignorance on the part of the claimee.

Some of our ports already have export and import rates. They are ready to do business now. Therefore it is necessary merely to establish similar rates at other ports to put all the ports of this country on an equality. Such action in no way affects established rate structures, because it does not change them in the least. It merely provides for a lower rate on through shipments to and from foreign ports handled by American vessels.

This rate might be arrived at by merely providing for, say, a 10 per cent reduction from domestic rates. That simple change certainly would not affect the general rate structure, but it would give a financial reason for patronizing American vessels in our foreign trade and solve the problem without resort to "higher mathematics."

But even if important changes were involved, even if rates would need to be readjusted, this can not affect the fact that Congress has issued its mandate. That mandate can not be disregarded or defeated by any administrative department of the Government merely because it involves work.

Some of those who always are searching for obstacles to throw in the way of any attempt to aid American shipping are advising that hearings should be held before this section of the law goes into effect. There is nothing to hear. Congress enacted that this preference should be given to American ships. Now that the Shipping Board has withdrawn its suspending order the law automatically goes into effect.

It will be recalled that more than a year ago the board held public hearings in different parts of the country to satisfy itself as to transportation facilities and to give exporters and importers full opportunity to prepare for this improvement. It did not ask the people to come to it; it went to them. There is no excuse for further delay.

During the two years the board has held section 28 in suspense its operating department has cooperated in every way with foreign ships. It has entered into and faithfully respected the terms of all rate conferences. It has provided an abundance of tonnage and given all shippers every opportunity to patronize American craft on the same terms as offered by the foreigner. It has given a two-year test to that threadbare asseveration that ocean commerce is free to all and equal service will mean an equal share of the business.

As a net result of this very thorough test we find that our ships last year handled but 24 per cent of our transoceanic exports and but 17 per cent of our corresponding imports—the percentages are even lower to-day.

It is suggested by some that if Americans would show the same preference for home ships that foreigners show for theirs section 28 would not be required. With equal logic it might be said that if all the people in New York would show a due respect for law there could be a material reduction in the number of policemen employed there.

One trouble with both these propositions is that they ignore existing facts.

But the greatest fault with this proposition that we try to get along without aid for our ships is that it overlooks the main purpose of the merchant marine act of 1920. The end sought to be attained by that law is an American merchant marine privately owned, not that the Government should continue to run ships and the public keep paying their losses.

Now, it costs more to operate a ship under the American flag than it does under foreign flags. Since the statement of Mr. P. A. S. Franklin that "the *Minnekada* is costing us twice as much in wages under the American flag as under the British flag, and she has not a single, solitary advantage," there is less foolish denial of that fact than theretofore. But its importance is sometimes forgotten.

Section 28 is designed to help overcome this handicap. It is the same provision of law which did so much to give Germany her great merchant marine.

No nation raised the question of treaty rights while Germany was enjoying the advantages of this legislation. Germany realized its value and proceeded to use it. It will be interesting to note what attitude will be assumed now that the United States is to be the beneficiary. It will be, indeed, a remarkable incident if semi-Americans let an opportunity like this go by without raising an objecting voice.

Once more let me recall this fact: Congres has declared its aim to be a merchant marine sufficient to handle a major portion of the foreign commerce of the United States.

It has recognized that only by Government aid can such a merchant fleet be maintained.

By the act of 1920 it provided certain aids for the merchant ships of this country.

Section 28 is one of those aids. It is law, and as law should be enforced.

The Shipping Board now has done its part to have it enforced.

STATES AND SHIPPING.

[From Lloyd's List and Shipping Gazette, Thursday, February 28, 1924, p. 8.]

One of the most pronounced effects of the Great War has been the stimulation of the maritime ambitions of foreign nations. In order to develop their shipping and shipbuilding industries numerous countries have not hesitated to resort to risky experiments in State shipowning and to costly subsidies to shipbuilders. There is, of course, the outstanding case of the United States, but that great country is far from being alone in its attempt to build up a shipping fleet by artificial aid. Our own Dominions of Canada and Australia have instituted State shipping and shipbuilding programs—of doubtful value so far—and India is now seeking to develop a fleet of her own by adventitious means. In Europe, France and Italy have both embarked on State-assisted shipbuilding, while Germany has made the most strenuous attempt to resuscitate her mercantile marine by a system of subsidies to shipowners, which has cost the country an enormous sum, even if it is in process of succeeding in its purpose. Spain, too, it will have been seen from an announcement made in our columns yesterday, has a system of subsidies to shipbuilders which, as modified by a royal decree issued a few days ago, provides for payments ranging from 118 pesetas per ton gross for wooden sailing vessels to 407 pesetas per ton gross for iron or steel power-driven passenger ships, with an additional 10 per cent premium on the latter for each mile if the trial speed of the vessel exceeds 14 miles an hour. The maximum sum to be applied to payment of these subsidies has been fixed at 8,000,000 pesetas per annum, and the Government reserves the right to control coastal freights when that is considered desirable.

FEDERAL AID AND NATIONAL FORESTS ROADS.

The PRESIDING OFFICER laid before the Senate a communication from the Secretary of Agriculture, transmitting, pursuant to law, a report for the fiscal year ended June 30, 1923, concerning the appropriations for the construction of rural post roads in cooperation with the States, the Federal

administration of this work, and the survey, construction, and maintenance of roads and trails within or only partly within the national forests, which was referred to the Committee on Agriculture and Forestry.

PETITIONS AND MEMORIALS.

Mr. ROBINSON presented a petition of sundry citizens in the State of Arkansas, praying for the enactment of legislation repealing or reducing the so-called nuisance and war taxes, especially the tax on industrial alcohol, which was referred to the Committee on Finance.

He also presented a resolution of the Business and Professional Women's Club, of Texarkana, Ark., favoring the passage of legislation creating a Federal department of education, which was referred to the Committee on Education and Labor.

He also presented a resolution of the Business and Professional Women's Club, of Texarkana, favoring an amendment to the Constitution regulating child labor, which was referred to the Committee on the Judiciary.

He also presented a resolution of the Rotary Club, of Helena, Ark., protesting against the passage of any restrictive legislation relating to the operation of railroads, which was referred to the Committee on Interstate Commerce.

Mr. FRAZIER presented resolutions of Harley Salzman Post No. 5, the American Legion, of Beach; of Matthew Brew Post No. 3, the American Legion, of Dickinson; and of the Commercial Club, of Wahpeton, all in the State of North Dakota, favoring the passage of legislation granting adjusted compensation to veterans of the World War, which were referred to the Committee on Finance.

He also presented a petition of the Nekoma Farmers' Club, of Nekoma, N. Dak., praying for the passage of the so-called McNary-Haugen bill, providing aid to agriculture, which was referred to the Committee on Agriculture and Forestry.

He also presented the petition of Christ Braner and 41 other citizens of La Moure County, N. Dak., praying for the passage of legislation increasing the tariff duty on wheat and the repeal of the drawback provision and the milling-in-bond privilege of the Fordney-McCumber tariff act of 1922, which was referred to the Committee on Finance.

He also presented a resolution of the Commercial Club, of Grand Forks, N. Dak., protesting against the making of any change in the transportation act of 1920 at this time, which was referred to the Committee on Interstate Commerce.

He also presented letters and papers in the nature of petitions of Nick Weiand and 6 other citizens of Beulah; of Cass L. Weber and 6 other citizens of Goodrich; of L. C. Odegard and 1 other citizen of Buxton; of the Trades and Labor Assembly of Grand Forks; of Ole Stamnes and 24 other citizens of Arnegard; of A. B. Landt and 39 other citizens of Northwood; of R. H. Horne and 13 other citizens of Havelock; of Henry Kinkead and 21 other citizens of Brisbane; of J. E. Watson and 16 other citizens of York, and of Mrs. George Whitehead and 8 other citizens of Tuttle, all in the State of North Dakota, praying for the passage of the so-called Norris-Sinclair bill, providing aid to agriculture, which were referred to the Committee on Agriculture and Forestry.

Mr. JOHNSON of Minnesota presented the petition of Rud Stensrud and 33 other citizens of Redwood Falls, Minn., praying a repeal or reduction of the excise taxes on motor vehicles and parts, which was referred to the Committee on Finance.

He also presented the petitions of E. W. Arnold and 55 other citizens of Adrian, of Louis A. Zenman and 107 other citizens of Chaska, and of George E. Austin and 55 other citizens of Lake Crystal, Minn., praying for the passage of legislation granting adjusted compensation to veterans of the World War, which were referred to the Committee on Finance.

He also presented the petition of Harry Tague and 113 other citizens of Minnesota, praying for the enactment of legislation repealing or reducing the so-called nuisance and war taxes, especially the tax on industrial alcohol, which was referred to the Committee on Finance.

He also presented the petition of Norman Rosholt and 28 other citizens of Climax, Minn., praying for the enactment of legislation placing a 60-cent tariff duty on wheat, which was referred to the Committee on Finance.

He also presented the petition of Andrew Tobiason and 64 other citizens of Montevideo, in the State of Minnesota, praying for the passage of legislation placing a 75-cent tariff duty on wheat, and also modifying the drawback privilege, which were referred to the Committee on Finance.

He also presented the petitions of O. A. Knoeck and 12 other citizens; of Jacob Bauer and 30 other citizens of Dumont; of Lloyd A. James and 72 other citizens of Two Harbors; of J. P. Jensen and 36 other citizens of Goodridge; and of Albert Kramer and 26 other citizens, all in the State of Minnesota, praying for the passage of the so-called McNary-Haugen bill, providing aid to agriculture, which were referred to the Committee on Agriculture and Forestry.

He also presented the petitions of Harry Larson and 260 other railway postal clerks, of St. Paul; of J. C. Whitney and 5 other postal employees of the Moorhead post office; and of F. J. Fleming and 70 other employees of the St. Paul post office, all in the State of Minnesota, praying for the passage of legislation granting increased compensation to postal employees, which were referred to the Committee on Post Offices and Post Roads.

He also presented the petition of Charles W. Turner and 168 other citizens of Aitkin, Todd, and Crow Wing Counties, in the State of Minnesota, praying for the passage of the so-called Norris-Sinclair bill, providing aid to agriculture, which was referred to the Committee on Agriculture and Forestry.

He also presented the petition of August J. Rick and 29 other veterans of the Spanish-American War, Philippine insurrection, and China relief expedition, now invalid members of the Minnesota Soldiers' Home, praying for the passage of the so-called Bursum and Knutson bills, granting pensions to veterans of the Spanish-American War, the Philippine insurrection, and the China relief expedition, which was referred to the Committee on Pensions.

He also presented resolutions of the Lincoln Lodge; the Young Workers' League; the Styrbjorn Lodge, No. 46, I. O. V.; the Housewives' Union; the Carpenters' Union, No. 7; and Viking Lodge, No. 10, of T. O. G. F., all of Minneapolis, and of Twin City Carpenters' District Council of St. Paul, all in the State of Minnesota, protesting against the passage of legislation to register, photograph, and fingerprint foreign-born workers, which were referred to the Committee on Immigration.

Mr. SHIPSTEAD presented a resolution adopted by the delegates of the Minnesota Eighth Congressional District Board, at Cloquet, Minn., protesting against the practice of ex-service men in hospitals being required to allot three-quarters of their monthly compensation to dependents, and the placing with the Treasurer of the United States the funds of veterans having no dependents, to be paid to them upon leaving such hospitals, which was referred to the Committee on Finance.

He also presented a resolution of the Commercial Club, of Sleepy Eye, Minn., protesting against the making of any material change in the transportation act of 1920 at this time, which was referred to the Committee on Interstate Commerce.

He also presented a resolution of Ambrose Kelly Post, No. 429, Veterans of Foreign Wars, of St. Paul, Minn., favoring the official adoption of the Star-Spangled Banner as the national anthem, which was referred to the Committee on the Library.

He also presented resolutions adopted at the third annual meeting of the Minnesota Cooperative Creameries' Association (Inc.), at St. Paul, Minn., favoring the passage of legislation increasing the tariff duty on butter, oils, fats, and casein, which were referred to the Committee on Finance.

He also presented a resolution of Melvin Daskam Post, No. 38, the American Legion, of Redwood Falls, Minn., favoring the passage of legislation granting adjusted compensation to veterans of the World War, which was referred to the Committee on Finance.

He also presented a resolution adopted by the Chisago County Republican Convention at North Branch, Minn., favoring the passage of the so-called fourfold adjusted compensation bill for ex-service men, which was referred to the Committee on Finance.

He also presented a resolution of the Commonwealth Club of Minneapolis, Minn., favoring the adoption of Senate resolution 34, submitted by Mr. KING, instructing the Committee on Indian Affairs to investigate the controversy between the Chippewa Indians of Minnesota and the Government of the United States, which was referred to the Committee on Indian Affairs.

He also presented a resolution adopted by the Minnesota Wheat Growers' Cooperative Marketing Association of Sacred Heart Township, Renville County, Minn., favoring the passage of the so-called McNary-Haugen bill, providing aid to agriculture, which was referred to the Committee on Agriculture and Forestry.

He also presented resolutions of the Kiwanis Club and of the Crookston Association of Public Affairs, both of Crookston, Minn., favoring the passage of legislation granting increased compensation to postal employees, which were referred to the Committee on Post Offices and Post Roads.

He also presented a resolution of City Firefighters' Union, No. 21, of St. Paul, Minn., favoring the passage of legislation

granting increased compensation to postal employees, which was referred to the Committee on Post Offices and Post Roads.

He also presented resolutions adopted at a mass meeting of citizens of Greek, Italian, Jewish, Polish, Russian, Slovak, and Ukranian extraction of Minneapolis; members of the Italian Americanization Club of Duluth; and of Eveleth Chapter Hadassah, Women's Zionist Organization, of Eveleth, all in the State of Minnesota, protesting against the passage of the so-called Johnson selective immigration bill, which were referred to the Committee on Immigration.

He also presented resolutions of the Moose Lake Commercial Club, of Moose Lake; the Owatonna Commercial Club, of Owatonna; and of the Minnesota Implement Dealers' Association (Inc.), of Owatonna, all in the State of Minnesota, favoring a 1-cent "drop" letter postage rate, etc., which were referred to the Committee on Post Offices and Post Roads.

Mr. CAPPER. I present a resolution adopted by the Panhandle Producers' Association at its annual convention in Amarillo, Tex., in favor of the repeal of section 15a of the transportation act, which I ask be referred to the Committee on Interstate Commerce and printed in the RECORD.

There being no objection, the resolution was referred to the Committee on Interstate Commerce and ordered to be printed in the RECORD, as follows:

Resolution.

Whereas Senator ARTHUR CAPPER, of Kansas, has introduced in the Senate of the United States a bill known as S. 91 to repeal section 15a of the transportation act that fixes a method of making rates on a basis of paying 5½ per cent on the aggregate value of all railroad property of the country, that has resulted in the enormous increases in rates since the war and limited the power and judgment of the Interstate Commerce Commission to that sort of a standard and at the same time taken away in its effect the power of the State commission to make reasonable rates not in conformity therewith and abridged the remedies of the shipper to correct exorbitant rates; and

Whereas said bill (S. 91) would restore to the Interstate Commerce Commission and to the State commission the power to adjust and prescribe rates according to the facts, so as to make them just and reasonable to the shipper, the public, and the carrier, as that power existed and was successfully and fairly exercised before the war, according to the sound judgment of the commission in such case; and

Whereas all of the livestock producers' associations, State and National, have repeatedly demanded the repeal of section 15a, as have State legislatures and State railroad commissions throughout the country; and the American National Live Stock Association at its recent convention at Omaha and the Kansas State Live Stock Association at its recent convention at Wichita indorsed said bill, which, if enacted, means a return to the standard of reasonableness according to the judgment of the commission upon full hearing of the facts of each case and restoration of the shippers' rights and remedies: Now therefore be it

Resolved by the Panhandle Producers' Association at its annual convention at Amarillo, Tex., March 4 and 5, 1924, That we indorse said bill and urge our Congressmen to work for the enactment of the same, and that copies of the resolution be sent to Senator CAPPER and our Congressmen and Senators.

(Signed) H. C. HARDING, *Secretary*.

REPORTS OF COMMERCE COMMITTEE.

Mr. LADD, from the Committee on Commerce, to which were referred the following bills, reported them each with amendments and submitted reports thereon:

A bill (S. 2488) to authorize the city of Minneapolis, in the State of Minnesota, to construct a bridge across the Mississippi River in said city (Rept. No. 242); and

A bill (S. 2538) to extend the time for the completion of the construction of a bridge across the Savannah River between the counties of Aiken, S. C., and Richmond, Ga. (Rept. No. 243).

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. EDGE:

A bill (S. 2814) to provide for the method of measurement of vessels using the Panama Canal; to the Committee on Interoceanic Canals.

Mr. EDGE. I ask unanimous consent that the Committee on Interoceanic Canals be discharged from the further consideration of the bill (S. 2400) providing that the Panama Canal rules shall govern in the measurement of vessels for the imposition of tolls, and that it be indefinitely postponed. The bill just introduced by me takes its place.

The PRESIDING OFFICER. Without objection, the bill mentioned will be indefinitely postponed.

By Mr. GOODING:

A bill (S. 2815) for the relief of Jacob Mull; to the Committee on Military Affairs.

By Mr. JONES of Washington:

A bill (S. 2816) for the relief of Levi B. Rouse; to the Committee on Military Affairs.

By Mr. BURSUM:

A bill (S. 2817) granting a pension to Ascension S. de Wheeler; to the Committee on Pensions.

By Mr. WALSH of Montana:

A bill (S. 2818) for the relief of Stella M. Musselman; to the Committee on Claims.

By Mr. LODGE:

A joint resolution (S. J. Res. 96) authorizing appropriations for the payment of expenses of delegates to represent the United States at the general assembly of the International Institute of Agriculture, to be held at Rome in May, 1924, and for the payment of the quotas of Hawaii, the Philippines, Porto Rico, and the Virgin Islands, for the support of the institute for the calendar year 1924; to the Committee on Foreign Relations.

REDUCTION OF TAXATION.

Mr. FLETCHER submitted an amendment intended to be proposed by him to House bill 6715, the revenue bill, which was referred to the Committee on Finance and ordered to be printed.

PLAN FOR MAKING THE FOREST RESERVES PRODUCTIVE.

Mr. FLETCHER. I ask to have printed in the RECORD a very thoughtful article by the Hon. Martin Dodge, former Director United States Public Roads, entitled "A plan for making the forest reserves productive."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A Japanese statesman recently said, "The American cares for his country because he believes it belongs to him; a Japanese cares for his country because he believes he belongs to it." This marks the most fundamental difference between the oriental attitude of mind to society and country and the western or newer and prevailing attitude of mind as to the social fabric, the country, and its government. Our people think well of their country because they think they own it, and the reason why they think so is because, as a general rule, it has proved to be true from the earliest settlements in our country up until the present time, or at least quite recently. This idea of ownership is based primarily and originally upon the ownership of land, and the ownership of agricultural land since the formation of the Republic has been quite equally distributed.

Under the homestead law, 160 acres has generally been allowed to each claimant and 320 acres has generally been the maximum. The long and uniform operation of this law has resulted in a just apportionment of the public domain into the hands of the most numerous and most useful body of our citizens. It has given employment to the unemployed; it has turned the wilderness into an empire and it has made the desert blossom like a rose. The bridle path has been changed into a double-track railroad and the land value of a single county has become equal to the purchase price of the Louisiana Territory.

SOURCES OF WEALTH.

This just and liberal distribution of our public lands became the moving cause which determined our people to turn their backs on the ocean and their faces to the land, and it was only on account of this that we developed our great inland empire and added within 50 years tenfold to the commonwealth of the Nation. Our people made no mistake when they turned their backs on the god of the ocean and joined in their devotion to the gods of the hills and the gods of the valleys, because it is out of these hills and valleys that we take our mighty wealth and our mighty industry.

Many think we have now come to a crisis in the destiny of our country, and possibly in the destiny of the world, and at this time of crisis it behooves us to examine the foundation upon which our prosperity has been built and see if we have removed any of the supports that have contributed to its support.

All ancient empires regarded the subject as belonging to the empire, and this ancient idea has been handed down for the most part to the present day as expressed by the Japanese statesman when he says that his countrymen belong to his country. How lately and how narrowly we have escaped from that attitude of mind can be shown by referring to the feudal system which prevailed for a thousand years in western Europe. And in the early history of the Colonies in this country it was largely enforced. The three great States of Virginia, Maryland, and Pennsylvania were granted almost entirely to three great landed proprietors: Lord Fairfax, Lord Baltimore, and William Penn. Had we not escaped that feudal tenure of land and substituted for it our new and more equitable distribution of the pub-

lic lands under the General Government, it is hardly possible that we could have witnessed the beneficial results which are so apparent in the development of our country, and especially when we remember that the tenure of land formerly controlled the tenure of office, and does yet, to a great extent, in many places.

QUOTING FROM WEBSTER.

Daniel Webster, the great expounder of the Constitution, said in his speech on the two hundredth anniversary of the landing of the Pilgrims that—

> "A republican form of government rests not more on political constitutions than on those laws which regulate the descent and transmission of property. * * * The true principle of a free and popular government would seem to be so to construct it as to give to all, or at least to a very great majority, an interest in its preservation, to found it as other things are founded—on men's interests. * * * The freest government, if it could exist, would not be long acceptable if the tendency of the laws were to create a rapid accumulation of property in few hands and to render the great mass of the population dependent and penniless. * * * In the nature of things, those who have not property and see their neighbors possess much more than they think them to need, can not be favorable to laws made for the protection of property. When this class becomes numerous, it grows clamorous; it looks on property as its prey and plunder and is naturally ready at all time for violence and revolution."

The great number of unemployed in this country at the present time and the heavy taxation of business and property and the consequent derangement of our industries and transportation make many wonder if anything better remains for the people than to pay in peace and die in war. The accumulated wisdom of a thousand years should teach us that we can not retain and maintain a republican form of government without a just and reasonable distribution of property.

The only great republic that ever existed before ours made it a cardinal point to distribute its public lands equitably among its people, and when they finally failed to secure that the great republic passed away.

There is a remarkable similarity between the tenure of land under the Roman Republic and the tenure of land under our Republic. The agrarian laws of Rome caused the greatest division among her people and brought on the civil war between the tribunes of the people and the senate. The Gracchi brothers contended for the distribution of the land that no one could own more than 500 Roman acres (jugera), each containing 28,000 square feet. Our acre contains 43,560 square feet. Five hundred Roman acres are almost exactly equal to 320 of our acres, the variation being less than a quarter of an acre. These two greatest of the Roman tribunes both gave up their lives in trying to resist the encroachments of the great landowners upon the smaller landowners. And when the time came that the small landowner, like our homesteader, was overshadowed by great estates and great interests the republic was lost. It is startling to consider how parallel the contention in Rome was to that which has happened in our own country, not only to the exact quantity that might be held by any one person but to the difficulty of the smaller claimant holding out against the large one.

PUBLIC LANDS "EXHAUSTED."

A Senator in Congress and a Commissioner of the Land Office were both indicted for complicity in transferring land from the small holder to the large holder, contrary to the intention of the law. Nearly every senator in the Roman senate was engaged in similar transactions, and with their own hands struck down Tiberius Gracchus, who introduced the agrarian law which sought to limit the number of acres to exactly the limit which we have fixed in our own homestead act.

I have heard all my life that the last of the public lands had been exhausted. I used to suppose, of course, that this was all true, but I have lived to see that it was only apparently true; that in reality most of the great inland empire which was thought to be undesirable or worthless turned out to be exceedingly valuable, and there is yet remaining in the public lands vast areas more suitable for human habitation than much of that that has been already appropriated under the homestead act.

The Government itself, of late years, instead of regarding itself as trustee for its citizens in the ownership of land, has reversed the former policy and has become an imperial landlord, having withdrawn from the citizens the right of the homestead act as applied to all forest lands, stone and timber lands, oil lands, gas lands, water-power lands, and coal lands; in fact, all the valuable lands have been denied to our citizens. And to that extent we are by this new policy adopting the autocratic method by which the citizen no longer owns the country but the country owns the citizen. This, the writer thinks, is a fundamental error unjustified by any precedent, by any principle, or by any necessity; but, on the contrary, is attended by many harmful results which border on danger and even on destruction. Much of the vast areas covered by the forest reserve are not covered with timber at all, and all that is covered by timber is suitable for human habitation. The theory of the conservationist is that this timber will be needed for other people in the distant future. That is very unlikely, because timber has lost its value as a fuel and almost lost its use as necessary building material. Very little timber is allowed in fireproof construction which is required in increasing proportions by city building regulations. In bridges, docks, and viaducts, and nearly all forms of permanent construction it has ceased to be a component part. It is not only not allowed, but it is undesirable.

THE WRITER'S PLAN.

My plan to utilize this great area to a greater extent and to a more beneficial use is to amend the homestead act so that every alternate section of this land shall be opened up to the homestead settler. That is not a new method. The western railroads, except the Great Northern, were promoted by the Government's granting every alternate section to the railroad company which should build the road. The remaining alternate sections were to be raised from $1.25 to $2.50 per acre, so that the total receipts from the sale of land would not be diminished. This worked abundantly well and gave us the greatest and best system of cheap long-distance overland transportation that was ever seen in the history of the world. The wisdom of that enterprise is shown by the fact that the Government got the full price for the land, got the railroad, and, most of all, got the development of the country, which added so manyfold to its value. Now, this can be duplicated in a very simple way by allowing each homesteader to take up 160 acres of land located in any of the alternate sections, according to the checkerboard method by which our lands are laid out. Each section contains 640 acres, or enough for four 160-acre farms. For the purpose of communication between these sections, a road 60 feet wide shall be designated along every section line. There will be no loss to the Government in giving this advantage to the citizen, because the value of the remaining land will be doubled, as it was by the construction of the railroad, and much more than doubled. In addition to this, the opening up of this vast territory would make the remaining sections owned by the Government accessible so that the ripe timber could be marketed, and the value of that would be more than the value of the whole left in vast and inaccessible areas where much of it burns and more of it rots.

FIRE PROTECTION.

But of still greater advantage than the two mentioned above is the fire protection. If every alternate section is turned into a farm, that in itself furnishes a fire protection for the remaining timber. We have no trouble about forest fires except where the forest is continuous. By breaking up these great areas in the manner suggested, we would save the loss by fire, save the money now provided by millions to fight fires, save the loss which occurs by the decay of the overripe timber and double its value by reason of its being made more accessible. There is no doubt whatever that the half of this timber made accessible is worth more than the whole under the present method of holding. We have inclosed within this forest area more than 180,000,000 acres, not counting the national parks. This would furnish room for a million homesteads, and their value would be almost inestimable to the homesteaders and quite beyond computation as an addition to the Commonwealth. The very great extent of the forest reserve can be better appreciated by referring to the fact that it covers an area equal in extent to all the land from the Atlantic Ocean to the Mississippi River and north of the Ohio.

It would be better to people this great area with our own hardy pioneers and thereby make it a white man's country than leave it unprotected to become a prey of the Japanese, the Chinese, and the Hindu.

We hear much talk about armament and protection. There could be no greater protection to the Pacific coast than to have it peopled by a hardy race of our countrymen that can bear the white man's burden.

Cicero, in one of his great orations, said the gods of the ancient world had protected Rome by placing the Alps between it and the barbarians, but when Cæsar had conquered Gaul he said that Cæsar become a greater protection than the Alps.

In all the history of the past nations could and did retire behind the barriers of nature and thereby found protection. They might cross a river or a mountain or a desert or the ocean and there would find their security, but now all these barriers of nature have been overcome and no longer furnish protection, consequently it is more important than ever that we, as a Nation, should not take our refuge so much in the former methods as by putting our own people as our outposts and protectors. America first, and none but Americans on guard.

It was the wish of Jefferson that the Atlantic Ocean might be an ocean of fire instead of an ocean of water. If that wish could become true, most of our dangers would cease.

Attention is called to the fact that this plan calls for no appropriation of money, but, on the contrary, saves many millions that are now expended with no profit and probably no benefit.

SALE OF GOVERNMENT SECURITIES.

Mr. JONES of Washington. I have here a letter from the cashier of a national bank in the State of Washington with reference to the Government selling securities and the effect which the bankers think that policy has on the deposits in the banks. I submitted the letter to the Secretary of the Treasury, and I have his answer to it, together with a circular which the department has issued. I ask that the letter with the reply from the Secretary of the Treasury and the circular may be printed in the RECORD.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

THE NATIONAL BANK OF GOLDENDALE,
GOLDENDALE, WASH., *February 28, 1924.*

Hon. WESLEY L. JONES,
Washington, D. C.

HONORABLE SIR: We have heard recently that the Government had discontinued the sale of their Treasury certificates in certain districts where wheat farming was carried on, and which they felt the funds were needed in the banks for taking care of the needs of the community, and also that they might save the banks from going down.

It occurs to us that the country and city banks have a very hard competitor in the Government. For instance, they sell their securities at a rate which no bank can pay and survive, especially during the present conditions, and it would seem the fair thing to us if they would get down on their interest rate to at least make it a fair competition, for they would get some of the money needed in the various districts even at a 3 or 3½ per cent rate.

All communities, so we are informed, especially this of ours, are losing from their banks much of the money that should remain in the banks for the support of the community. It has been put up to us many times that we could not meet the rate offered by the Government, so they must buy Government paper with the higher rate of interest.

We would appreciate an expression from you on this line and as to whether it would meet with your ideas to use your efforts for this purpose.

Yours very truly, C. E. CROOKS, *Cashier.*

TREASURY DEPARTMENT,
OFFICE OF THE UNDERSECRETARY,
Washington, March 7, 1924.

Hon. W. L. JONES,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I have your letter of March 6, 1924, inclosing a letter received by you from the cashier of the National Bank of Goldendale, Wash., suggesting a reduction in the interest yield of Treasury savings certificates. The letter inclosed by you is herewith returned.

I regret that this Washington bank feels that in selling Treasury savings certificates the Treasury is competing with banking institutions for deposits. The Treasury has no intention of competing with banks for deposits and it would be surprised if, contrary to the experience of the past, savings deposits should fall off as a result of the effort to sell Treasury savings certificates. If the habit of thrift and saving can be instilled in the minds of the people, and if a small portion of the many millions of dollars annually lost through fraud and speculation can be diverted into legitimate channels, a great good will have been accomplished, and the farmer, the laborer, all classes of industry, and the bankers themselves will be directly benefited.

I feel sure that a careful perusal of the inclosed mimeographed statement will convince you that Treasury savings certificates represent investments rather than deposits, and are not intended to and really do not compete with bank deposits. Extra copies of this statement are inclosed for your use.

An erroneous impression has been given out to the effect that the Treasury Department is draining the country of funds by the sale of these certificates. As a matter of fact, there was outstanding in the hands of the public at the end of 1918 nearly a billion dollars' worth of these savings securities. On December 31, 1922, this amount was reduced to $729,000,000, and on December 31, 1923, to $376,000,000. The Treasury can not be accused of draining funds from the country when it has returned to the people in one year, from this source alone, $353,000,000 above all receipts from the sale of savings securities over the same period of time. The contention, therefore, by certain banks and banking associations that the Government savings program has caused withdrawals, and has taken vast sums of money away from certain sections of the country, is unwarranted and is based on the erroneous conclusion that recent withdrawals have been made because of the sale of Treasury savings certificates, when as a matter of fact any unusual withdrawal has been the natural sequence of recent developments in the affected territory.

According to a statement recently issued by the American Bankers' Association the total amount of savings deposits in the United States on June 30, 1922, was $17,831,000,000, and on June 30, 1923, was $18,373,000,000, an increase of more than $1,000,000,000, or about 6 per cent for the year. I am convinced that this offering of savings securities does not operate in any manner adversely to the interests of savings or commercial banks, and that the interest yield thereof is not unduly high. Your special attention is invited to the fact that Treasury savings certificates yield 4½ per cent, compounded semiannually, only when held for five years to maturity. If redeemed before maturity, they yield but 3½ per cent, compounded semiannually, a rate suggested by your correspondence as proper. If these investment securities are to be compared with bank deposits, it is only fair that this 3½ per cent rate be used in such a comparison, inasmuch as savings-bank deposits may be withdrawn at the end of any six months' period without forfeiture of interest.

Very truly yours,

GARRARD B. WINSTON,
Undersecretary of the Treasury.

(Four inclosures.)

THE TREASURY SAVINGS CERTIFICATES.

(By H. E. Sargent.)

[Reprint from the Annalist, issue of February 11, 1924.]

Unprecedented but effective is the campaign of the banks of the West and the Northwest to end the sale of Treasury savings certificates. Thus far the clamor of the banks against these small denomination Government securities has resulted in the administration ordering their sale stopped in 18 States, and the indications are that these orders will be broadened to take in more territory, as protests are now coming in from some of the Eastern States.

Originating in the northwestern section of the country, where the banking situation has been going from bad to worse, the campaign against the Treasury savings certificates has spread rapidly to the banks and banking associations of the rest of the country until an almost unheard-of pressure has been exerted upon the Government to cease this form of financing. Primarily, the banks believe that the competition of the Treasury savings certificates, which bear interest at 4½ per cent if held until maturity—five years—has resulted in the depletion of savings deposits, and in some instances in the closing of banks.

The banks contend that the 4½ per cent rate offered by the Government is unfair when the sale of tax-exempt securities is pushed among investors who are accustomed to deposit their funds with savings banks, where the average rate is about 3 per cent. As the popularity of the Treasury savings certificates increased people withdrew their funds on deposit in savings accounts more and more and intrusted them to the Government in return for the savings certificates, which were to be had in denominations as small as $20.

Superficially, the efforts of the banks have so far induced the Government to suspend temporarily the flotation of these small securities, but actually the Treasury has been forced into a position where it must decide whether it will attempt to breast the storm of banking disapproval and again market the savings certificates or abandon what has come to be an important factor in national financing. In 1923 about $181,000,000 worth of these savings certificates were sold. This means that a like amount of the public debt was refunded into issues of varying maturities which could be met out of ordinary revenues. Repetition of the 1923 sales over a short period of years would transform an appreciable amount of the public debt into these small issues. On the other hand, defeat of the savings certificates program will mean that the Treasury must finance in other ways.

Oddly enough, there has been no attempt on the part of the administration to justify its move in suspending the sale of the certificates, although there are now approximately 3,500,000 individual holders of these securities. Started as a means of encouraging thrift among the small-salaried classes and direct dealings with the Government, the only official explanation of the suspension of sales which has come from the White House has been the report that the banks objected to the issues.

Claims of the banks, however, appear to be poorly bulwarked by facts. Analysis of the savings-bank deposits in the Northwest, where the opposition had its beginning, bring out two main facts, namely, that savings-bank deposits last year increased in greater proportion than did the sale of Treasury savings certificates, and that the increased sale of Treasury savings certificates did not decrease savings deposits, while more money was returned to the purchasers of these securities than was taken from them by new sales. One of the principal arguments of the banks is that the Treasury has been taking out of communities funds which were ordinarily retained for local use in savings deposits.

Government operations with Treasury savings certificates began in January, 1922, when there was a maturity of approximately $625,000,000 of the 1918 series of war-savings stamps to be met. Practically this entire amount has been paid back to the holders of this

series of certificates, many of the maturing certificates having been exchanged for Treasury savings certificates. Again, in January, 1923, the Treasury had the 1919 series of war-savings certificates to redeem in the amount of $65,000,000. It is estimated that more than 50 per cent of these were exchanged for Treasury savings certificates in January, 1923. These exchanges took no new money from the locality in which the holders resided.

Taking the situation from the Treasury standpoint, there were outstanding at the end of 1918 nearly a billion dollars' worth of savings securities. On December 31, 1922, this amount was reduced to $729,000,000, and on December 31, 1923, there was a further reduction to $376,000,000. In other words, in one year's time the Treasury returned to the holders of these savings securities $353,000,000 more than all receipts from the sale of savings securities for the same period of time. According to the reports of the American Bankers' Association the total amount of savings deposits in the United States on June 30, 1922, was $17,331,000,000, and on June 30, 1923, was $18,373,000,000, or an increase of more than $1,000,000,000, or about 6 per cent for the year. The total amount of savings certificates oustanding on June 30, 1922, was $678,000,000, and on June 30, 1923, was $337,000,000, a decrease of $341,000,000, or about 50 per cent for the year.

The conclusion, therefore, may be drawn that the sale of Treasury savings certificates and the Government's savings program did not cause a decline in savings deposits, despite a larger sale and wider distribution throughout the country in the same year.

Carrying the analysis into the ninth Federal reserve district—the Northwest—where the Treasury savings certificates have been cited as the cause of many bank failures, the same discrepancy between argument and figures appears. Notwithstanding the bank failures in that section, savings deposits increased from $83,793,000 on January 1, 1923, to $92,410,000 on January 1, 1924. That is, in one year savings deposits increased more than $8,500,000. The total sales of Treasury savings certificates for the same year amounted to approximately $10,000,000, and the Federal reserve bank at Minneapolis, acting as fiscal agents for the Government, redeemed to the holders of 1918 war-savings certificates approximately $21,500,000. In other words, more than twice the amount of money that was put into Treasury savings certificates in the ninth Federal reserve district was returned to the holders of the maturing certificates in that district in 1923.

The final outcome of the drive against Treasury savings certificates is yet to be determined, but their discontinuance will mean the loss to the Government of the cheapest money it is receiving. Short-term certificates of indebtedness, which are issued quarterly to meet Federal expenses between tax claimants, have an interest rate of between 4 and 4½ per cent. There are incidental privileges, such as the right to purchase these short-term securities on credit, which increase their value to the purchaser and their cost to the Government. Liberty bonds at their present market rate net the purchaser about 4.3 per cent and cost the Government when issued an average of about 4½ per cent. Any investor can buy Liberties, sell them at any time—not waiting for five years, as is required for Treasury savings certificates—and make 4½ per cent, as against the savings-certificate rate of 3½ per cent if cashed before maturity. The majority of Treasury savings certificates redeemed before maturity cost the Government only 3½ per cent, and the average cost is less than 4 per cent. The actual cost of the Treasury savings certificate selling campaign in 1923 was only about one-fifth of 1 per cent.

The Treasury frankly confesses that it needs the money obtained from the savings certificates. It holds that the popularity of the certificates has been demonstrated, that the figures for the last two years show that they have not competed with or decreased savings deposits, and that their discontinuance would be a loss not only to many people who have learned to save for the first time through their purchase, but to the National Government.

ACCOUNTS OF THE FARM-LOAN COMMISSIONER.

The PRESIDING OFFICER. The Chair lays before the Senate a resolution coming over from a previous day, which will be read.

The reading clerk read the resolution (S. Res. 190) submitted by Mr. HOWELL on the 11th instant, as follows:

Resolved, That the Secretary of the Treasury be, and he is hereby, directed to furnish to the Senate a statement in detail of the funds that have been covered into the account of the Farm Loan Commissioner, together with a statement of the source of said funds in each case and the date of each disbursement from said account.

Mr. HOWELL. Mr. President, I ask that consent be given that the resolution may be considered at this time.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

INVESTIGATION OF DEPARTMENT OF JUSTICE BY SPECIAL COMMITTEE.

Mr. BROOKHART. Mr. President, on yesterday morning I submitted a further resolution in reference to the investigation of the Department of Justice. I ask unanimous consent for the consideration of the resolution at this time.

Mr. ROBINSON. What is the number of the resolution?

Mr. BROOKHART. I do not know the number of the resolution, but I offered it on yesterday.

The PRESIDING OFFICER. The Chair is informed that the resolution has not as yet been reported by the Committee to Audit and Control the Contingent Expenses of the Senate, to which it was referred. The resolution is therefore still before the committee.

Mr. BROOKHART. I shall try to have the resolution reported later in the day, and shall then ask for its consideration. The chairman of the committee told me that the resolution would be reported this morning.

INVESTIGATION OF INTERNAL REVENUE BUREAU.

Mr. COUZENS. Mr. President, I ask unanimous consent that Senate Resolution 168 may be now considered.

The PRESIDING OFFICER. The Secretary will state the title of the resolution for the information of the Senate.

The READING CLERK. A resolution (S. Res. 168) submitted by Mr. COUZENS February 21, 1924, authorizing the appointment of a special committee to investigate the Bureau of Internal Revenue.

The PRESIDING OFFICER. The Senator from Michigan asks unanimous consent for the present consideration of the resolution.

Mr. WADSWORTH. I object.

The PRESIDING OFFICER. Objection is made.

Mr. COUZENS. Mr. President, then I move that the Senate proceed to the consideration of the resolution.

Mr. JONES of Washington. That can not be done at this time.

The PRESIDING OFFICER. The Chair doubts if the motion of the Senator from Michigan is in order at this time.

Mr. COUZENS. When will my motion be in order?

The PRESIDING OFFICER. After the morning business shall have been closed. Morning business has not as yet been completed. Is there further morning business? If not, morning business is closed.

Mr. JONES of Washington. I ask unanimous consent that the Senate proceed to the consideration of the calendar, unobjected bills only to be considered, and that we begin the consideration of the calendar where it was left off on yesterday.

The PRESIDING OFFICER. Is there objection?

Mr. KING. Mr. President, will the Senator from Washington yield for a moment in order that the Senator from Michigan [Mr. COUZENS] may make his motion?

Mr. JONES of Washington. I should have no objection to that.

Mr. KING. I desire to say to the Senator that the resolution for which the Senator from Michigan desires consideration comes from the Finance Committee, and the chairman of that committee and Senators on both sides are in favor of the resolution.

Mr. ROBINSON. May I inquire if the report of the committee on Resolution 168, which the Senator from Michigan now suggests be considered, is unanimous?

Mr. COUZENS. I do not know. The chairman of the Committee on Finance, the Senator from Utah [Mr. SMOOT], reported the resolution on yesterday.

Mr. KING. I think I can answer the Senator from Arkansas that there are two or three members of the committee who are adverse to the resolution.

Mr. REED of Pennsylvania. The vote in the committee was 7 to 3, I understand, if I recall it correctly, in favor of reporting the resolution.

Mr. JONES of Washington. I will withhold my request if the Senator from Michigan desires to make his motion.

Mr. COUZENS. I move that the Senate proceed to the consideration of the resolution.

The PRESIDING OFFICER. The Senator from Michigan moves that the Senate proceed to the consideration of Senate Resolution 168, authorizing the appointment of a special committee to investigate the Bureau of Internal Revenue. [Putting the question.]

Mr. WADSWORTH. Mr. President——

The PRESIDING OFFICER. The "ayes" have it.

Mr. WADSWORTH. Mr. President, I was addressing the Chair while he was putting the question.

The PRESIDING OFFICER. The Chair will recognize the Senator from New York.

Mr. WADSWORTH. As I understand, the motion now is that the Senate shall proceed to the consideration of the resolution?

The PRESIDING OFFICER. The Senator from New York is correct.

Mr. WADSWORTH. Is the motion debatable?

The PRESIDING OFFICER. The motion itself is not debatable, but if the resolution shall be taken up the resolution will be debatable.

Mr. McKELLAR. Has the motion to take up the resolution prevailed, and is the resolution now before the Senate?

The PRESIDING OFFICER. The Senator from New York was on his feet while the Chair was putting the question on the motion. The Chair will now state that the motion is agreed to and the resolution is before the Senate.

The Senate proceeded to consider the resolution (S. Res. 168), which had been reported from the Committee on Finance with amendments.

Mr. McKELLAR. Mr. President, in connection with the pending resolution—while it was not intended to be in connection with it, still, as a matter of fact, it turns out to be so—I desire to state that since January 26 last I have had some correspondence from time to time with the Secretary of the Treasury in reference to revenue matters. I ask unanimous consent that the correspondence—it is not long, although it looks as though it were—may be printed in the RECORD.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The correspondence referred to is as follows:

JANUARY 26, 1924.

Hon. ANDREW W. MELLON,
Secretary of the Treasury, Washington, D. C.

MY DEAR MR. SECRETARY: It is being stated everywhere that many individuals receiving large incomes, where the tax or surtax is over 12½ per cent, have organized and are organizing corporations and transferring their properties to such corporations in order to evade the individual income tax law. Will you kindly advise me what your records show in reference to this.

It has been reported to me that Mr. P. S. du Pont, with whom I have had some correspondence about taxes recently, some years ago organized a corporation for the purpose of evading taxes, and that he is saving very large sums of money in that way, the corporation tax being 12½ per cent and the individual income tax, if he kept his properties in his own name, being far in excess of that rate.

Very respectfully yours,

KENNETH McKELLAR.

FEBRUARY 8, 1924.

Hon. CALVIN COOLIDGE,
The White House, Washington, D. C.

MY DEAR MR. PRESIDENT: Section 257 of the revenue act of November 23, 1921, provides:

> "That the returns upon which the tax has been determined by the commission shall constitute public records, but they shall be open to inspection only upon order of the President and under rules and regulations prescribed by the Secretary and approved by the President."

I have written a letter to Secretary Mellon, a copy of which I inclose. On the 26th day of January I wrote to Secretary Mellon, a copy of which first letter I also inclose. I have received no reply to the first letter.

I am sure you will agree with me that some reply should have been made, and I will greatly appreciate it if I may have your cooperation in being permitted to examine the tax returns referred to.

With great respect,

Very sincerely yours,

KENNETH McKELLAR.

FEBRUARY 8, 1924.

Hon. ANDREW W. MELLON,
Secretary of the Treasury, Washington, D. C.

MY DEAR MR. SECRETARY: Section 257 of the revenue act approved November 23, 1921, provides:

> "That the returns upon which the tax has been determined by the commission shall constitute public records, but they shall be open to inspection only upon order of the President and under rules and regulations prescribed by the Secretary and approved by the President."

Will you kindly send me a copy of the rules and regulations under which a Senator may examine the tax returns of a taxpayer?

Very truly yours,

KENNETH McKELLAR.

THE WHITE HOUSE,
Washington, February 11, 1924.

Hon. KENNETH McKELLAR,
United States Senate.

MY DEAR SENATOR McKELLAR: Your letter of February 8, quoting from revenue act of 1921, and referring to your request for permission to examine certain tax returns, has been received. I shall at once bring the matter to the attention of the Secretary of the Treasury.

Very truly yours,

CALVIN COOLIDGE.

[Received by messenger February 13, 1924.]

THE SECRETARY OF THE TREASURY,
Washington, February 8, 1924.

Hon. KENNETH McKELLAR,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I have your letter of January 26, requesting information in connection with the organization of corporations to avoid the imposition of the surtax. Section 220 of the revenue act is designed to penalize corporations fraudulently availed of to escape the imposition of the surtax on their stockholders. This section has been ineffective for two reasons: First, it is questionable whether any investment company could have a surplus beyond the reasonable needs of its business, since its sole business was to invest. Second, the penalty provided by section 220 was based upon the taxable income of the corporation. If the corporation invested solely in Government securities exempt as to normal tax, or in the stock of other domestic corporations, under the law it had no taxable income and therefore the penalty of 25 per cent was a penalty of 25 per cent of nothing. This defect in the statute, I have been told, has been recognized by many lawyers and avoidance entirely within the law has been possible. In the bill now pending in the House both of these defects are cured by providing that the fact that the corporation was a mere investment company is prima facie evidence of fraudulent purpose and by fixing the penalty of 25 per cent of the income of the corporation, even though such income is not taxable under the law. If this bill is passed, I think we can pretty effectually stop this method of tax avoidance.

Knowledge of instances where this practice has been adopted can only come to the notice of the department when the actual returns of the corporations are audited, but the bureau is making every endeavor to enforce section 220 in all cases where it can be found to be applicable.

The audit of the P. S. du Pont cases, to which you refer, has not been completed, but the commissioner has requested the auditors to ascertain whether or not any of these companies is subject to the provisions of section 220 of the revenue acts of 1918 and 1921. Waivers have been filed in these cases and there is no danger of their being barred by the statute.

Very truly yours,

A. W. MELLON,
Secretary of the Treasury.

THE SECRETARY OF THE TREASURY,
Washington, February 13, 1924.

Hon. KENNETH McKELLAR,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I have your letter of February 8. I inclose herewith a copy of income-tax regulations 62. The regulations with respect to publicity of returns are articles 1090 to 1094, inclusive, commencing at page 278. In general it is to be noted that a copy of the return is available only when the United States is interested or to some one tracing his authority from the taxpayer. An inspection of the return is available in general to officers of the Treasury Department carrying out their official duties and to those having some direct connection with the taxpayer.

Section 3167 of the Revised Statutes makes it unlawful to divulge the contents of a return or to print or publish in any manner whatsoever not provided by law any income return. I do not believe that under the law I have the authority to authorize an inspection by you of the returns of the du Pont case, referred to in your previous letter.

Very truly yours,

A. W. MELLON,
Secretary of the Treasury.

(One inclosure.)

THE SECRETARY OF THE TREASURY,
Washington, February 13, 1924.

Hon. KENNETH McKELLAR,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I received from Mr. Slemp, secretary to the President, copies of your two letters to me of January 26 and February 8. The letter of January 26 I answered a day or so ago, and I have to-day answered your letter of February 8. I want to assure you that there has been no unnecessary delay in answering your in-

quiries. There has, however, been a great quantity of mail coming through my office recently which has interfered a little with the prompt handling of correspondence.

Very truly yours,

A. W. MELLON,
Secretary of the Treasury.

EVASION OF SURTAXES BY INCORPORATION.

SEC. 220. That if any corporation, however created or organized, is formed or availed of for the purpose of preventing the imposition of the surtax upon its stockholders or members through the medium of permitting its gains and profits to accumulate instead of being divided or distributed, there shall be levied, collected, and paid for each taxable year upon the net income of such corporation a tax equal to 25 per cent of the amount thereof, which shall be in addition to the tax imposed by section 230 of this title and shall be computed, collected, and paid upon the same basis and in the same manner and subject to the same provisions of law, including penalties, as that tax: *Provided*, That if all the stockholders or members of such corporation agree thereto the commissioner may, in lieu of all income, war-profits, and excess-profits taxes imposed upon the corporation for the taxable year, tax the stockholders or members of such corporation upon their distributive shares in the net income of the corporation for the taxable year in the same manner as provided in subdivision (a) of section 218 in the case of members of a partnership. The fact that any corporation is a mere holding company, or that the gains and profits are permitted to accumulate beyond the reasonable needs of the business, shall be prima facie evidence of a purpose to escape the surtax; but the fact that the gains and profits are in any case permitted to accumulate and become surplus shall not be construed as evidence of a purpose to escape the tax in such case unless the commissioner certifies that in his opinion such accumulation is unreasonable for the purposes of the business. When requested by the commissioner or any collector every corporation shall forward to him a correct statement of such gains and profits and the names and addresses of the individuals or shareholders who would be entitled to the same, if divided or distributed, and of the amounts that would be payable to each.

ART. 351. Profits of corporation taxable to stockholders.—Where a domestic or foreign corporation permits its gains and profits to accumulate for the purpose of preventing the imposition of the surtax upon such income if distributed to its stockholders, it shall be subject to an income tax at 25 per cent in addition to the taxes imposed by section 230 of the statute. If, however, all the stockholders agree thereto, the commissioner may, in lieu of all income, war-profits, and excess-profits taxes imposed upon the corporation for the taxable year, tax them upon their distributive shares in the net income of the corporation for the taxable year, as provided in subdivision (a) of section 218, in the case of members of a partnership. In any case the commissioner or a collector may require a corporation to furnish a statement of its gains and profits and of the names, addresses, and shareholding of the stockholders and of the amounts that would be payable to each.

ART. 352. Purpose to escape surtax.—Section 220 of the statute applies where a corporation is formed or availed of for the purpose of preventing the imposition of the surtax upon its stockholders or members by permitting its gains and profits to accumulate instead of being divided or distributed. Prima facie evidence of a purpose to escape the surtax exists where a corporation has practically no business except holding stocks, securities, or other property and collecting the income therefrom or where a corporation other than a mere holding company permits its gains and profits to accumulate beyond the reasonable needs of the business. The business of a corporation is not limited to that which it has previously carried on, but in general includes any line of business which it may legitimately undertake. However, a radical change of business when a considerable surplus has been accumulated may afford evidence of a purpose to escape the surtax. When one corporation owns the stock of another corporation in the same or a related line of business and in effect operates the other corporation, the business of the latter may be considered in substance the business of the first corporation. Gains and profits of the first corporation put into the second through the purchase of stock or otherwise may therefore, if a subsidiary relationship is established, constitute employment of the income in its own business. To establish that the business of one corporation can be regarded as including the business of another it is ordinarily essential that the first corporation own substantially all of the stock of the second. Investment by a corporation of its income in stock and securities of another corporation is not without anything further to be regarded as employment of the income in its business.

ART. 353. Unreasonable accumulation of profits.—An accumulation of gains and profits is unreasonable if it is not required for the purposes of the business, considering all the circumstances of the case. No attempt can be made to enumerate all the ways in which gains and profits of a corporation may be accumulated for the reasonable needs of the business. Undistributed income is properly accumulated if invested in increased inventories or additions to plant reasonably needed by the business. It is properly accumulated if retained for working capital required by the business or in accordance with contract obligations placed to the credit of a sinking fund for the purpose of retiring bonds issued by the corporation. In the case of a banking institution the business of which is to receive and loan money, using capital, surplus, and deposits for that purpose, undistributed income actually represented by loans or reasonably retained for future loans if not accumulated beyond the reasonable needs of the business. The nature of the investment of gains and profits is immaterial if they are not in fact needed in the business.

FEBRUARY 19, 1924.

Hon. A. W. MELLON,
Secretary of the Treasury, Washington, D. C.

MY DEAR MR. SECRETARY: I received your letter of the 13th in which you decline to allow an inspection by me of the tax returns therein mentioned. I am wondering to what extent this secrecy goes. Does it apply only to tax returns or does it apply to tax settlements, which are necessarily in the nature of litigation?

The Constitution of the United States, Article I, section 9, among other things, provides: "No money shall be drawn from the Treasury but in consequence of appropriations made by law, and a regular statement and account of the receipts and expenditures of all public money shall be published from time to time."

There are two matters which, I believe, come within the purview of this constitutional provision, concerning which I desire to inquire of you.

First. I have been informed that in the summer of 1921 a refund was paid to the Gulf Refining Co. and its subsidiary corporations of something more than $4,000,000. I do not believe that such a settlement comes within the secrecy provision of the income-tax return statute. If it was paid it must have been paid out of some appropriation. It should show in any statements of receipts and expenditures provided for by the Constitution. I would greatly appreciate it if you would give me full information as to this settlement. What was the amount claimed and what was the exact amount paid? What appropriation was it paid from, and does it appear as a separate item in the published statement of disbursements if such a settlement was, in fact, made?

I will greatly appreciate it if you will have this matter examined into and report to me.

Second. I next wish to inquire about the Atlantic, Gulf & West Indies Co. I have been informed that an additional assessment for 1918 of $15,000,000 was made against this company, and that there was a fraud penalty of 50 per cent in addition. Also that this company transferred its securities at par to a Mexican corporation which it organized, presumably for the purpose of escaping the tax; that the case was finally settled for $2,500,000. I would like to have the facts in reference to this case also. I do not think it comes within the secret tax return provision.

I am writing this letter for the purpose of seeking exact and accurate information. I know your records will furnish this information, and it may be that these settlements were proper. Still, as a Member of Congress, I desire to have the facts.

With much respect,

Very truly yours,

KENNETH MCKELLAR.

THE SECRETARY OF THE TREASURY,
Washington, March 5, 1924.

Hon. KENNETH MCKELLAR,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I have your letter of February 19, in which you make inquiry as to the basis for the settlement of the taxes due from the Gulf Refining Co. in 1921, and also the settlement of taxes due and owing from the Atlantic, Gulf & West Indies Steamship Co.

Section 3167 of the Revised Statutes provides as follows:

"SEC. 3167. It shall be unlawful for any collector, deputy collector, agent, clerk, or other officer or employee of the United States to divulge or to make known in any manner whatever not provided by law to any person the operations, style of work, or apparatus of any manufacturer or producer visited by him in the discharge of his official duties, or the amount or source of income, profits, losses, expenditures, or any particular thereof, set forth or disclosed in any income return, or to permit any income return or copy thereof or any book containing any abstract or particulars thereof to be seen or examined by any person except as provided by law; and it shall be unlawful for any person to print or publish in any manner whatever not provided by law any income return, or any part thereof, or source of income, profits, losses, or expenditures appearing in any income return; and any offense against the foregoing provision shall be a misdemeanor and be punished by a fine not exceeding $1,000 or by imprisonment not exceeding one year, or both, at the discretion of the court; and if the offender be an officer or employee of the United States he shall be dismissed from office or discharged from employment."

From this section it is obvious that it would be unlawful for me to give to you complete information as to the settlement of these particular cases.

The refunds to the Gulf Co. and its subsidiaries were charged against three appropriations, depending upon the year in which the taxes refunded were originally collected. The payments were $766,112.29 out of the appropriation for "Refund of taxes illegally collected, 1918, and prior years"; $1,350,884.63 from a similar appropriation for 1919; and $1,211,143.07 for 1921.

The quotation from the Washington Post inserted in a recent issue of the CONGRESSIONAL RECORD appears to be a copy of portions of reports to Congress of refunds which have been on file for some months, and, consequently, available to anyone's inspection.

The amount of the refunds and all details in connection with the settlement of the Gulf Co. cases were determined by the Bureau of Internal Revenue before my appointment as Secretary of the Treasury, although the actual payment of the amount refunded took place in April, 1921, shortly after I had become Secretary. I had no personal knowledge of these refunds at that time.

Referring to the Atlantic, Gulf & West Indies compromise, from information received by the Bureau of Internal Revenue it was believed that large additional taxes and penalties were due from this company for past years. Before an assessment of these taxes had been made it became apparent to the department that the taxpayer was insolvent, and the sole question for determination was not the amount of the tax, but the amount that the taxpayer could pay. Since almost all of the assets of the taxpayer were subject to prior lien and the general credit of the taxpayer was not good, the levying of an assessment and its attempted collection would have served only to throw the taxpayer into bankruptcy and to destroy the Government's chance of collecting anything. The department made a thorough investigation into the financial condition of the taxpayer and its available cash resources with the sole idea of obtaining for the United States the largest possible payment. A compromise of the tax liability was then entered into under section 3229 of the Revised Statutes for $1,280,000, and satisfaction of a judgment against the United States in the Court of Claims for $1,351,381.81, and interest from November 19 to December 15, 1923. That the taxpayer was in fact in a perilous financial situation is disclosed by the subsequent receivership of the Ward Line, which was one of the most important and by far the best known of its subsidiaries.

Very truly yours,

A. W. MELLON,
Secretary of the Treasury.

MARCH 11, 1924.

Hon. A. W. MELLON,
Secretary of the Treasury, Washington, D. C.

MY DEAR MR. SECRETARY: Your letter of the 5th received and noted. The questions submitted are answered by you, and the only thing I have to add further is that I hope you will publish the refunds made by your department in 1921 and 1922 in the same way you published the refunds in 1923. I shall be glad to put the publication in the RECORD, as I did your statement in reference to refunds in 1923.

Very sincerely yours,

Mr. McKELLAR. Mr. President, at this time I desire to call the attention of the Senate to two paragraphs in a letter I wrote to the Secretary of the Treasury on February 19 last, and two paragraphs of his reply to me of date March 5. First, in my letter to the Secretary of the Treasury, I stated:

There are two matters which I believe come within the purview of this constitutional provision, concerning which I desire to inquire of you.

First, I have been informed that in the summer of 1921 a refund was paid to the Gulf Refining Co. and its subsidiary corporations of something more than $4,000,000. I do not believe that such a settlement comes within the secrecy provision of the income-tax return statute. If it was paid, it must have been paid out of some appropriation. It should show in any statements of receipts and expenditures provided for by the Constitution. I would greatly appreciate it if you would give me full information as to this settlement. What was the amount claimed, and what was the exact amount paid? What appropriation was it paid from and does it appear as a separate item in the public statement of disbursements, if such a settlement was in fact made?

I will greatly appreciate it if you will have this matter examined into and report to me.

Second, I next wish to inquire about the Agwi Co. (Atlantic Gulf & West Indies Co.). I have been informed that an additional assessment for 1918 of $15,000,000 was made against this company, and that there was a fraud penalty of 50 per cent in addition. Also, that this company transferred its securities at par to a Mexican corporation which it organized, presumably for the purpose of escaping the tax; that the case was finally settled for $2,500,000. I would like to have the facts in reference to this case also. I do not think it comes within the secret tax return provision.

I am writing this letter for the purpose of seeking exact and accurate information. I know your records will furnish this information and it may be that these settlements were proper. Still, as a Member of Congress, I desire to have the facts.

On this subject on March 5 the Secretary wrote me as follows:

The refunds to the Gulf Co. and its subsidiaries were charged against three appropriations, depending upon the year in which the taxes refunded were originally collected. The payments were $766,112.29 out of the appropriation for "Refund of taxes illegally collected, 1918 and prior years"; $1,350,844.63 from a similar appropriation for 1919; and $1,211,143.07 for 1921.

I may say at this point that the Secretary does not make the addition, but by the process of simple addition the total amount refunded to the Gulf Refining Co., as shown by the Secretary, is $3,328,139.99.

I continue to read from the letter:

The quotation from the Washington Post inserted in a recent issue of the CONGRESSIONAL RECORD appears to be a copy of portions of reports to Congress of refunds which have been on file for some months, and consequently available to anyone's inspection.

The amount of the refunds and all details in connection with the settlement of the Gulf Co. cases were determined by the Bureau of Internal Revenue before my appointment as Secretary of the Treasury, although the actual payment of the amount refunded took place in April, 1921, shortly after I had become Secretary. I had no personal knowledge of these refunds at that time.

Referring to the Atlantic, Gulf, and West Indies compromise, from information received by the Bureau of Internal Revenue it was believed that large additional taxes and penalties were due from this company for past years.

I digress here long enough to say that no statement is made as to whether the statement in my letter that additional taxation had been assessed at $22,500,000 was correct or incorrect. I now continue to read from the letter:

Before an assessment of these taxes had been made it became apparent to the department that the taxpayer was insolvent, and the sole question for determination was not the amount of the tax, but the amount that the taxpayer could pay. Since almost all of the assets of the taxpayer were subject to prior lien, and the general credit of the taxpayer was not good, the levying of an assessment and its attempted collection would have served only to throw the taxpayer into bankruptcy and to destroy the Government's chance of collecting anything. The department made a thorough investigation into the financial condition of the taxpayer and its available cash resources with the sole idea of obtaining for the United States the largest possible payment. A compromise of the tax liability was then entered into under section 3229 of the Revised States for $1,280,000 and satisfaction of a judgment against the United States in the Court of Claims for $1,351,381.81 and interest from November 19 to December 15, 1923. That the taxpayer was in fact in a perilous financial situation is disclosed by the subsequent receivership of the Ward Line, which was one of the most important and by far the best known of its subsidiaries.

Mr. FLETCHER. Mr. President, may I interrupt the Senator?

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Florida?

Mr. McKELLAR. I yield to the Senator.

Mr. FLETCHER. I am a little puzzled about the statement that there were prior liens to taxes. I was under the impression that a tax constituted a first lien on the assets of a taxpayer.

Mr. McKELLAR. I so understand, Mr. President, but the purpose of my reading from the correspondence is to give the statement exactly as it is given by the Secretary of the Treasury.

Mr. FLETCHER. I understand that, of course, but the Secretary makes the point that this was an insolvent concern, and that there were outstanding liens against it to such an extent that they felt obliged to compromise in order to get anything. It seems to me that a tax constitutes a prior lien over mortgages or judgments or other liens. At any rate, I was under that impression.

Mr. McKELLAR. That is my understanding of the matter, but I am merely reading from this letter the statements made by the Secretary. My understanding of the situation is that the Government claimed $22,500,000 of taxes against this company, which had very large shipping interests in the West

Indies and controlled a number of steamship lines. I had also understood that this tax claim of $22,500,000 had been settled by the Secretary for $2,500,000, as explained to him in my letter. The amount of the settlement is apparently just a little more than $2,500,000, about half of it being the amount of a judgment that it seems this company secured against the United States for some reason, and the other $1,200,000 or thereabout being the amount of money actually paid in taxes, which had been either assessed or which were proposed to be assessed against this company. Nothing is said by the Secretary about this company itself being in the hands of a receiver, but he does say that it was practically insolvent.

Mr. President, in addition to the very important facts contained in the Secretary's letters, one of the principal purposes of inserting these letters in the RECORD is to show the absolute necessity of publicity of income-tax returns. I put in the RECORD the other day a statement from the Secretary of the Treasury of refunds made during the year 1923 of a very enormous sum of money, something like $123,000,000 in one year. I asked the Secretary to give the figures for 1921 and 1922. I think these figures ought to be public property. I think these tax returns ought to be public property. When we come to think of such enormous refunds, it may be all right; but we can not investigate; I have no knowledge of it, and no other Senator has any knowledge of it, because we do not know what the facts are.

It may be that these enormous refunds are absolutely correct, and it may be that they are not; but surely we, as the people's representatives, should know what is going on, and especially is that so in view of the constitutional provision that the Government must make a report of the receipts and disbursements of the Government. How can such a report be made public unless we have some knowledge of what is going on, both in the matter of receipts and in the matter of disbursements?

I am putting these letters in the RECORD for the purpose of getting the Senate to read them and see just what the situation in the Internal Revenue Bureau is in respect to these matters, with the hope that when the revenue bill comes in here proper provisions as to publicity of tax returns may be put in that bill. I believe they ought to be put in that bill; I am confident that they will be put in that bill, so that hereafter no room for doubt or controversy may arise about these enormous refunds and about income taxes generally.

Mr. FLETCHER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Florida?

Mr. McKELLAR. I yield to the Senator.

Mr. FLETCHER. It seems to me the Senator's position is emphasized by a situation pictured by the Senator from Alabama [Mr. HEFLIN] a few days ago. I have never seen or heard that statement questioned; but the statement was made that the clerk of the man in charge of this subject in the Treasury Department who directed a return to Mr. Doheny of some $40,000 is now in the employ of Mr. Doheny. That is a very significant situation. If that sort of thing is going on, it seems to me it is important to follow out the Senator's suggestion.

Mr. McKELLAR. Mr. President, I have no knowledge about that, and I have no knowledge that there is anything wrong in the matters that I have brought to the attention of the Senate in this correspondence. I am making no charges. I do not desire to do that, because nobody knows—I do not know, and no one knows—but it does seem to me that in justice to the Secretary of the Treasury, and in justice to the Congress, and in justice to the people of this country we ought to have publicity of tax returns, so that there can not be any room for suspicion, there can not be any misunderstanding of the actual facts. I hope that when the Committee on Finance reports the revenue bill to this body it will contain a provision guaranteeing the publicity of tax returns in a proper way; and if such a provision is not put in the bill by the committee, I hope to have the privilege of offering an amendment of that kind on the floor of the Senate.

I strongly favor the resolution of the Senator from Michigan [Mr. COUZENS], favored its being favorably reported by the Committee to Audit and Control the Contingent Expenses of the Senate, and hope the Senate may adopt the resolution.

Mr. WADSWORTH. Mr. President, may I ask the chairman of the committee, in charge of the resolution, or the Senator in charge of it, as to what is the necessity for having this investigation made by a select committee of the Senate?

Mr. COUZENS. Mr. President, for the past two or three months a great number of complaints have been coming to me because of my discussion with the Secretary of the Treasury about the surtax. Recently all of the developments indicate the desirability of improving the administrative features of the revenue law. I want to quote from a report issued by the National Industrial Conference Board of New York, made up of the American Cotton Manufacturers' Association, the American Electric Railway Association, the American Hardware Manufacturers' Association, and some 30 other manufacturers and industrial institutions. I am not going to take up the time of the Senate in going through this entire report, but I want to read the salient points that seem to indicate the desirability of going into the administrative features of the revenue law:

> Consideration by Congress of the plan submitted by Secretary Mellon has served to concentrate attention on rates of taxation and on elimination of specific taxes. The present report is limited to giving emphasis to the importance of and the imperative need for modifying and simplifying the administrative machinery and procedure.
>
> In taxation, it has been often stated, administration counts for nine-tenths and law for only one-tenth. While this statement may be an exaggeration, it can nevertheless be rightly asserted that a good law is weakened by inefficient or cumbersome administration, while sound and simple administration goes far to make even a poorer law endurable. It should be the aim of sound administration not only to procure the tax which the law has authorized but also to accomplish this end with a minimum of irritation to the taxpayer and with a minimum of inequity as between taxpayers. In the words of the Royal Commission on Income Tax of Great Britain, a country whose administration of the income tax has met with phenomenal success—
>
> > "Even good administration can not prevent taxation from being to some extent unpopular with those who contribute to it, because taxation deprives the citizen of a portion of his means and devotes it to objects with which he may have little acquaintance and less sympathy, but an administration that is sympathetic and scrupulously fair, while adopting proper safeguards against evasion, can do much to reconcile the taxpayer to his lot and convince him that within the limits of the statutes the tax has been laid upon him with due care and justice."
>
> Dissatisfaction with our present administration of the income tax is heard on all sides and complaints are not without justification. Cases of arbitrary and unreasonable assessments are by no means rare, a situation often due to immature judgment or lack of adequate knowledge on the part of the Government official or agent. Business firms are sometimes confronted with assessments that are many times the tax as finally determined, but the final determination of the tax often takes years, and in the meantime the threatened tax makes impossible business extensions and improvements which are necessary or desirable.

That, Mr. President, in substance, is the reason for the introduction of the resolution, and is the primary reason why I urge its adoption by the Senate.

Mr. WADSWORTH. Mr. President, I am grateful to the Senator from Michigan for the explanation which he has given us, and with much that he has read from the document he held I am in sympathy. From time to time I have myself come into contact with the methods of the Bureau of Internal Revenue; and I realize as well, I think, as any other Senator that there is room for improvement in the administration of the income tax law.

Thus far I have had no reason to suspect anything wrong in the bureau. As a matter of fact, in the majority of the cases with which I have become at all familiar I seem to detect an attitude on the part of the bureau which, in army parlance, would be called "hard-boiled." Some of the assessments and some of the opinions of subordinates of the bureau have at times seemed to me to be, as that pamphlet expressed it, arbitrary, and perhaps inspired by the Shylock spirit of getting the last pound of flesh out of the taxpayer. What I want to know is, however, why can not the Finance Committee of the Senate conduct this investigation?

The revenue bill is now before the Finance Committee. As I understand, the revenue bill as it was passed by the House contains provisions for improving the administrative features of our tax laws, for setting up better machinery in the Internal Revenue Bureau, so that the conditions complained of shall not occur in the future. Why is it necessary to appoint a special or select committee of five Senators to investigate a subject which the Finance Committee now has before it? I anticipate that if the Senate continues to divide itself up into select committees to investigate everything under the sun we will not do any legislating.

Mr. ROBINSON. Mr. President, may I interrupt the Senator from New York at that point?

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Arkansas?

Mr. WADSWORTH. I do.

Mr. ROBINSON. Since the Finance Committee has jurisdiction of the legislation relating to internal revenue, it would, if practicable, be convenient to have that committee make the investigations upon which it is expected that corrective legislation shall be based; but the Committee on Finance has just entered upon a study of the revision of the internal revenue laws which passed the body at the other end of the Capitol a few days ago, and that work is of itself sufficient in volume and importance to consume the entire time of the committee. If the Committee on Finance should be resolved into an investigating committee, it is entirely probable that it would consume the next month or two in the work of investigation alone, and no progress whatever would be made on the revenue bill; so it would seem to me, in view of the peculiar conditions that exist, and the already overwhelming burdens of the Finance Committee, that it is impracticable, if the Senate expects to pass a revenue bill before the 10th of June, to require the Finance Committee to do this work.

The Finance Committee has a very difficult task to perform in connection with the revision of the revenue law, and if it should be converted into an investigating committee it will be unable to perform the even more important function connected with the legislation now pending before the committee.

It is true that the results of the investigation which it is expected the special committee will conduct are to be enacted into law, and that in a sense it will be required that the Finance Committee familiarize itself with the work of the investigating committee; but, at the same time, I think the Senator from New York must see that if the Finance Committee is to be converted into an investigating body at this time there will be no legislation on the subject of revenue reform, there will be no tax reduction, which many of us hope may be speedily accomplished, and there will probably be no revision of the administrative features of the revenue law.

I thank the Senator from New York.

Mr. WADSWORTH. Mr. President, the matter may seem of comparatively small importance, and I do not desire to press it unduly, but it occurs to me that the Finance Committee, in the consideration of the revenue law, and especially those features which propose changes in the administrative features of the law, will have to conduct some kind of an investigation in order to ascertain whether those proposed changes are wise or should themselves be changed or amended. In order to get that information, the Finance Committee itself will have to inquire at some length, at least, into the method of operating the Bureau of Internal Revenue in connection with the income tax.

As I recollect, there are 17 Senators on the Finance Committee, and while I do not desire to give advice unasked and uncalled for to a committee of which I am not a member, my thought was that this work could be done by a subcommittee of the Finance Committee working along in cooperation with the full committee as it considered the revenue bill. But this resolution provides for a separate and distinct committee, and we have no assurance that this separate and distinct committee, meeting in another room, under a different chairman, and at different times, composed of Senators not members of the Finance Committee, will cooperate with the Finance Committee itself. It seems to me that the membership of the Finance Committee, amounting to 17, would be competent to do this work without the creation of a separate committee.

Mr. ROBINSON obtained the floor.

Mr. COUZENS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Michigan?

Mr. ROBINSON. I yield.

Mr. COUZENS. I merely want to say that the junior Senator from Utah [Mr. KING] three months ago introduced a resolution substantially the same as the resolution now before the Senate. That resolution has been before the Committee on Finance for three months, and during all that time no attempt has been made to investigate the administrative features or any other feature of the Bureau of Internal Revenue. I submit, Mr. President, that if the Committee on Finance, with a resolution before it for three months, took no action, it was evidently not thought by that committee that it was desirable to inquire into the administrative features of the Internal Revenue Bureau.

I submit that if they thought it was not desirable and some other section of the Senate thought it was desirable the Senate has a right to determine whether an inquiry into this bureau is desirable.

Mr. WADSWORTH. Mr. President, the Finance Committee must think that such an investigation is desirable, or they would not have reported this resolution.

Mr. ROBINSON. Mr. President, the Finance Committee reported this resolution, as just stated by the Senator from New York [Mr. WADSWORTH], providing for the investigation by a special committee, which shows conclusively that the Finance Committee itself does not desire to undertake the task at this time. It is well known to all of us that there inhere in the law itself difficulties of construction and interpretation which have given rise to confusion in the administration of the income tax law. That confusion has been at times so great that it has been exceedingly difficult for a taxpayer who in good faith desires to discharge his duty to the Government to ascertain what is his obligation.

There comes to my memory now instances where taxpayers have had the greatest difficulty of finding out what taxes are chargeable to them under the law as construed by the authorities in the Internal Revenue Bureau. In my judgment, the confusion is not entirely due to conflict of opinion among the agents of the bureau. It is due in part to the language of the law itself. If any Senator will take the present income tax law and read it, and then intelligently construe any one of six sections of the statute that I can point out, he will earn renown as a lawyer of exceptional and discriminating powers.

Congress ought speedily to simplify the language of our revenue law. I realize that under the practice which prevails, and which must be continued, the tax laws of the Government in the first instance are suggested by experts, and quite naturally they are disposed to employ language which to them usually has a definite meaning, but which requires knowledge of other statutes and of the constructions placed upon those statutes, not alone by courts but by officers of the Bureau of Internal Revenue. On this account great confusion has arisen.

As the resolution was first presented, statements were made in the preamble which indicated that there has been unnecessary delay in the decisions of income-tax cases; that this delay has been characterized by inefficiency on the part of the bureau or its agents; that in instances fraudulent and corrupt practices have occurred, and that before necessary reforms can be accomplished those alleged abuses should be ascertained and disclosed.

The resolution as reported by the committee eliminates the provisions of the preamble, but the resolution itself is broad enough to enable the committee to make any investigation the circumstances indicate may be necessary. The resolution is all comprehensive, and if the investigation is to be of value it will require very careful labor on the part of the members of the special committee who are to make that investigation, and their work can not be completed within a few days or a few weeks. The task is going to prove a very difficult one, because it involves a revision of language which has come, in the minds of experts, to have a definite meaning, but which, when read by one possessing only ordinary knowledge of the English language, has little, if any, meaning.

It is regrettable that the investigation was not undertaken some time ago, so that the Committee on Finance might have the benefit of the conclusions of the committee in the preparation of the bill for tax reform which it is expected will be reported and passed during the present session.

No more important subject is before the Congress than the subject of tax reduction. Yesterday the President sent to the Congress a special message in which he indicated disappointment that a measure providing for a 25 per cent reduction in taxes to be collected for the calendar year 1923 has not already been passed. I do not know why the President waited until just four days before the expiration of the time in which taxpayers are required to file their tax returns for the calendar year 1923 to make this recommendation. It has been known by the Congress and the country for a long time that no possibility exists of passing the general tax reduction law so as to make its provisions effective prior to March 15 of the present year.

Several months ago, early in the present session, in the body at the other end of the Capitol, the ranking member of the Ways and Means Committee, Mr. GARNER of Texas, made a proposal that relief from the tax burdens of 1923 and general legislation respecting tax reduction be separated. Six weeks ago he asked unanimous consent for the consideration of an appropriate joint resolution. We all know that bills raising revenue must originate in the House of Representatives. They can not originate in the Senate of the United States.

Mr. REED of Pennsylvania. Mr. President——

The PRESIDING OFFICER (Mr. SPENCER in the chair). Does the Senator from Arkansas yield to the Senator from Pennsylvania?

Mr. ROBINSON. I yield to the Senator from Pennsylvania.

Mr. REED of Pennsylvania. I would like to have the Senator's opinion as to whether a bill or resolution reducing revenue might not constitutionally originate in the Senate.

Mr. ROBINSON. Oh, no; certainly not. Within the meaning of the constitutional provision which I have quoted any bill providing for the collection of revenue is a bill raising revenue.

Mr. REED of Pennsylvania. Such a bill or resolution as the Senator suggests would provide that revenue be not raised in part. I would suggest to the Senator that the word "raising" means "levying" revenue.

Mr. ROBINSON. Mr. President, the proposition of the Senator from Pennsylvania when analyzed is that any bill which reduces the amount of revenue to be raised is not a bill raising revenue and, therefore, can originate in the Senate of the United States. If the suggestion came from a less respectable source I would not take the trouble to discuss it. Clearly the meaning of the constitutional provision is that the House of Representatives must initiate revenue legislation, and that means legislation which increases taxes and also means legislation which diminishes taxes. At the time that constitutional provision was adopted the Members of the House of Representatives were selected by popular vote and the Members of the Senate were selected by the legislatures of the respective States which they were chosen to represent. The object of the framers of the Constitution was to protect the public against recklessness in the matter of revenue legislation.

It is usually just as necessary to enact a revenue measure that will raise adequate revenue to meet the expenses of the Government as it is to protect the public against extortionate tax levies which will produce more revenue than is required. Months ago, in the only body that could originate such legislation, the leader of the Democrats on the Ways and Means Committee urged the course suggested by the President's special message of yesterday, and his suggestion was treated with contempt, was rejected by the leaders of the President's party, and rejected by the President himself.

Mr. COPELAND. Mr. President——

Mr. ROBINSON. I yield to the Senator from New York.

Mr. COPELAND. Does the Senator recall that I submitted in January a resolution asking that information be had from the Secretary of the Treasury as to whether there might not be a percentage reduction of the taxes of 1923?

Mr. ROBINSON. I recall that very distinctly. The Senator from New York did me the honor to consult with me before he presented the resolution. No action whatever was taken respecting it, but, of course, the question would naturally arise whether the Senate would be within its jurisdiction if it undertook to consider and dispose of such a resolution.

Mr. BROOKHART. Mr. President——

Mr. ROBINSON. I yield to the Senator from Iowa.

Mr. BROOKHART. In the last Congress how much were the upper brackets of taxes reduced?

Mr. ROBINSON. They were reduced from 65 to 50 per cent maximum.

Mr. BROOKHART. How much were the lower brackets reduced?

Mr. ROBINSON. I do not recall the exact percentage. The Senator may state it if he desires to do so.

Mr. BROOKHART. I do not remember it exactly myself. It was a very small percentage, however.

Mr. ROBINSON. No; the percentage of reduction was substantial, if I remember it.

Mr. BROOKHART. Then the excess-profits taxes were reduced amounting to nearly $500,000,000.

Mr. ROBINSON. Yes; but I do not consider that germane to the proposition I am now discussing.

Mr. SIMMONS. Mr. President, I think the Senator can state very safely that when the reduction of 1921 was made, the percentage of reduction on the higher incomes was greater than on the lower.

Mr. ROBINSON. No; I think the percentages were not greater. The reduction, however, was very great, and that is the important feature of the interrogation of the Senator from Iowa.

Mr. BROOKHART. The point I am making is that the horizontal reduction demanded now is more favorable to the upper brackets than is the bill which was just passed by the House, and less favorable to the lower brackets.

Mr. ROBINSON. The bill that passed the House contained what is known as the Longworth compromise levying a maximum of 37½ per cent, which would be a reduction by about 25 per cent, so that the proposal to reduce by 25 per cent would conform to the Longworth compromise.

Mr. BROOKHART. Then what would be the effect of the compromise on the lower brackets? It would raise them.

Mr. ROBINSON. A reduction of 25 per cent raise them? Oh, no; certainly not.

Mr. BROOKHART. I mean it would raise them compared to the bill that has just passed the House.

Mr. ROBINSON. The reduction in the lower brackets, according to the Garner plan, is greater than 25 per cent in many instances.

Mr. BROOKHART. Then the real effect of the present proposition is to raise the taxes in the lower brackets——

Mr. ROBINSON. Oh, no.

Mr. BROOKHART. Compared with the——

Mr. ROBINSON. I do not think that is an accurate statement at all. If the Senator will pardon me I can state the effect of it. Compared to the Longworth compromise, the effect of the President's proposal is identical, and his proposal is a smaller reduction than that contemplated by the Garner plan on the number of the lower brackets.

Mr. BROOKHART. I think the Senator did not understand what I meant. I mean by that as compared with the bill which has just passed the House the 25 per cent proposition would raise the lower brackets.

Mr. SMOOT. No. The Senator is mistaken. As it actually passed the House——

Mr. ROBINSON. As I understand what passed the House, that body incorporated in the bill the provision for a 25 per cent reduction. Will the Senator from Iowa give me his attention?

Mr. BROOKHART. Certainly.

Mr. ROBINSON. The bill as it passed the House incorporated a provision identical with the suggestion of the President, in so far as it relates to taxes for the calendar year 1923; that is, the Longworth compromise. The Garner plan also included a 25 per cent reduction upon all income taxes paid or to be collected for the year 1923; so that there is no distinction in the bill as it passed the House of Representatives either as to the higher brackets or the lower brackets for the year 1923.

Mr. BROOKHART. I think that explains it quite fully.

Mr. GLASS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Virginia?

Mr. ROBINSON. I yield.

Mr. GLASS. What has the Senator to say to this suggestion? In theory taxation is not only an imposition directly upon the taxpayers, but it is an imposition upon consumption; that is to say, every taxpayer who can, and most of them can, includes his taxes in his overhead charges and collects them from the consumer. Now, it is suggested that the proposed 25 per cent rebate has already been collected from the consumer, and that the rebate simply amounts to an additional bounty to the taxpayer.

Mr. ROBINSON. Mr. President, I hold that the collection as taxes in any amount not necessary to meet the expenses of government when honestly and economically administered is an abuse of power, and if no deficit will arise by a reduction of taxes to be made effective for the calendar year 1923, it is our duty to make the reduction.

Mr. SMOOT. There is a provision for that purpose in the bill as it passed the House.

Mr. ROBINSON. As an economic principle it is true that some classes of taxes are passed on to the consumer. I think generally when it can be done a taxpayer will reimburse himself for his contribution to the expenses of the Government. It seems to me, however, that this particular class of tax—the income tax—is more difficult to pass on to the consumer than almost any other form of tax.

In some instances, as just suggested by my friend the Senator from North Carolina [Mr. SIMMONS], it can not be done. In other instances perhaps it is done. But I would not let the fact that a part of the taxes for the year 1923 may have been passed on to the consumer prevent me from supporting a proposal to reduce taxes for that year, because we must begin some time, and if we are collecting 25 per cent more taxes than needed for the honest and economical expenditures of the Government we ought promptly to cut off that burden.

Mr. BROOKHART. Mr. President——

Mr. ROBINSON. I yield to the Senator from Iowa.

Mr. BROOKHART. Is there any portion of the public debt to which that could be applied if collected?

Mr. ROBINSON. Oh, I think so. I think if we chose to pursue that course, if it should be deemed wise to apply the revenues in a larger amount to the payment of the public debt, we could not only use any surplus that will arise under

the present law but we could use a far greater sum. I do feel, however, Mr. President, that there is a general demand in the United States for tax reduction, and I believe Congress ought to respect that demand in so far as it can do so without impairing either the credit or the efficiency of the Government.

Mr. BROOKHART. In view of the suggestion of the Senator from Virginia [Mr. GLASS] that this tax has already been paid by the consumers and would not go back to them, it seems to me that this year it should be applied to the public debt.

Mr. ROBINSON. As I have already stated, I do not think the suggestion of the Senator from Virginia can be carried to the conclusion that the income taxes for 1923 have already been paid by the consumers. I do not think that sound principles of economics sustain that conclusion. There may be some instances in which it has been done.

Mr. EDGE. Mr. President——

Mr. ROBINSON. I yield to the Senator from New Jersey.

Mr. EDGE. Admitting, as I understand the Senator from Arkansas to do, that the taxpayer is entitled to this rebate, does the Senator not think it would be more businesslike—and I do not rise in a spirit of controversy at all—if the rebate were granted, if necessary under the Constitution, by the initiation of the House of Representatives in a separate act and the taxpayers not be compelled to await the final disposition of the general revenue revision legislation? If the rebate be included in that revision, as I understand to be the intention, it would involve a very laborious system of bookkeeping and rebates to hundreds of thousands of taxpayers who will in the meantime have paid their 25 per cent quota. If we can, in the interest of good business, encourage the passage of a separate act allowing this rebate, is it not our duty to do so?

Mr. ROBINSON. Mr. President, I began my remarks with an expression of disappointment at the failure of the present administration to take that course. I pointed out the fact that the ranking member of the Ways and Means Committee in the House of Representatives, which committee has jurisdiction of that legislation, suggested that course at the beginning of this session; indeed, that he urged it, but that his suggestion was rejected.

Mr. EDGE. Permit me to say that I did not hear the opening remarks of the Senator from Arkansas.

Mr. ROBINSON. Now, Mr. President——

Mr. FLETCHER. Mr. President, before the Senator from Arkansas proceeds, may I inquire what became of the resolution which was offered by the Senator from New York [Mr. COPELAND] to which the Senator from Arkansas has referred?

Mr. ROBINSON. No action was taken upon it.

Mr. FLETCHER. Was the resolution referred to the Committee on Finance or was it adopted by the Senate?

Mr. COPELAND. Mr. President——

Mr. ROBINSON. I yield to the Senator from New York.

Mr. COPELAND. Mr. President, on the 24th of January last I introduced Senate Resolution 132, suggesting that the Secretary of the Treasury had reported a surplus of $300,000,000 and that he believed a material reduction in the income taxes might take place. So the resolution resolved—

> That the Secretary of the Treasury be, and he is hereby, directed to present to the Congress some plan of percentage deduction from the returns to be filed March 15, 1924, so that the overburdened taxpayers of the United States may benefit immediately by the improved state of the Nation's finances.

That resolution was submitted seven weeks ago. The Secretary of the Treasury then had his attention called to the matter, and I say that the administration is very culpable in that it has not provided long before this some measure of relief.

Mr. ROBINSON. Mr. President, the resolution just referred to by the Senator from New York was on the 24th day of January referred to the Committee on Finance. Clearly it has been the policy of the administration not to take any action for the relief of taxpayers for the year 1923 separate and apart from the general tax reduction bill. Within three or four days of the end of the time when returns may be filed by individuals for the income taxes of 1923 the President sends Congress a message urging the passage of legislation relieving from 25 per cent of the taxes for that year. The President's message comes at a time when a large majority of the returns in number have already been filed. It comes also when everyone in Congress knows—and I take it that the President himself must have known—that there was not the slightest possibility of the legislation passing. He waited until it became known that it could not be passed for lack of time, and then sent the message to the Congress. Why was that course pursued by the President? It would be interesting to know why he has waited so long and how far political considerations prompted the message which he sent to Congress yesterday.

Mr. REED of Missouri. Mr. President——

Mr. ROBINSON. I yield to the Senator from Missouri.

Mr. REED of Missouri. Does not the Senator from Arkansas recognize the fact that the President has had many Cabinet difficulties to deal with and that no human being could be expected to look after that character of trouble and at the same time think about the mere matter of tax reduction?

Mr. ROBINSON. Undoubtedly the President has been very busy. The subject of tax reduction and tax reform, however, was brought forward at the beginning of the present session of Congress. The issue was attempted to be made by the leader of the Democrats in the House of Representatives and legislation for immediate relief was urged, but the President took no interest in the matter; he made no recommendation concerning it until it had become too late for anything to be accomplished. Then he modestly expressed his disappointment that nothing had been done.

Mr. McKELLAR and Mr. JONES of New Mexico addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Arkansas yield; and if so to, whom?

Mr. ROBINSON. I first yield to the Senator from Tennessee [Mr. MCKELLAR], who first rose.

Mr. McKELLAR. Mr. President, I noticed in the Washington Evening Star of March the 10th, two days ago, what might be an answer to the Senator's question. The article is written by Mr. Frederick William Wile, and is headed thus:

> Congress' inaction is irking Coolidge. Three months pass without any of 58 proposals in message enacted.

It may be that since Congress has not passed any of the President's recommendations into law, if this article is correct——

Mr. ROBINSON. That the President thought he would make some more and some new ones.

Mr. McKELLAR. That the President thought he would add a new one that Congress could pass.

Mr. ROBINSON. Mr. President, the point I am making is that the President never made the recommendation at a time when it could have been considered and acted upon; that he withheld his recommendation until everyone knows it is too late to secure action; and the only result of it is political advantage.

Mr. JONES of New Mexico. Mr. President——

Mr. ROBINSON. I yield to the Senator from New Mexico.

Mr. JONES of New Mexico. I quite agree with the statement which the Senator has made that the great majority of the income-tax payers have already made their returns; I think that is unquestionably true; but the passage of the bill even at this late date would, in my judgment, relieve a few. As I understand the history of the payment of the income taxes, the very large taxpayers defer the making of their returns and the payment of their taxes to the very last moment. They consider the interest upon the amount which they would have to pay as a daily matter. So I presume that a few very large taxpayers would be benefited by the passage of the resolution recommended by the President.

Mr. ROBINSON. They certainly have not been encouraged to go ahead and pay their taxes promptly by the special message of the President. If it has had any effect at all, it has had the effect to encourage the class of taxpayers referred to by the Senator from New Mexico to delay making their returns and delay paying the first installment upon their taxes.

Mr. FLETCHER. Mr. President, may I suggest to the Senator that perhaps the President does not favor the revenue bill as it has come to this body from the other, and he fears that the provision calling for a 25 per cent reduction may not become a law, the reason being that the reduction of taxes on incomes of $200,000 and above is considerably less than that recommended by the Secretary of the Treasury, while the reduction of the normal tax rate on incomes of $8,000 and under is considerably more than was recommended in the Mellon plan. So this difference may impress the President unfavorably, and he may feel that probably he will not sign the bill.

Mr. ROBINSON. In other words, the suggestion of the Senator from Florida is that if a separate resolution reducing the taxes for 1923 by 25 per cent should be passed the President might find himself with a freer hand to veto the general tax reduction bill unless it conforms strictly to the Mellon plan?

Mr. FLETCHER. Yes.

Mr. EDGE. Mr. President——

Mr. ROBINSON. I yield now to the Senator from New Jersey.

Mr. EDGE. I merely wish to say a word. Considerable stress has been laid on the resolution offered by the Senator from New York [Mr. COPELAND] asking for information as to what plan could be availed of to take advantage of the saving in governmental expenditures in 1922 and 1923 by way of a reduction in taxes for 1923. I have just looked at a copy of his resolution, and he seems to answer his question in his resolution. I can not see why there should have been any action or why the resolution was necessary, for in the preamble of the resolution it is stated:

Whereas the Secretary of the Treasury states that the fiscal years 1922 and 1923 have each closed with a surplus in excess of $300,000,000—

And so forth. Then the resolution itself directs the Secretary to present some plan under which that saving can be applied to the taxpayers or taken advantage of by them. The mere fact that it is evident a surplus is in the Treasury has apparently inspired different Members of the House of Representatives—I do not recall who—to introduce the perfectly obvious type of legislation to reduce, from a retroactive standpoint, the taxes in that proportion. It seems to me that there is nothing more about which it is necessary for the Senator from New York to be informed.

Mr. ROBINSON. The Senator from New Jersey may characterize a proposition as a perfectly obvious type of legislation, but evidently the legislation proposing a reduction of taxes in 1923 is not so obvious that the Secretary of the Treasury has been able to see it and the President of the United States was not able to see it in time to secure action prior to March 15.

Mr. COPELAND and Mr. PEPPER addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Arkansas yield; and if so, to whom?

Mr. ROBINSON. I yield, first, to the Senator from New York.

Mr. COPELAND. It is not so obvious to the people who are required to pay the 25 per cent which they might have saved had the Republicans taken advantage of the opportunity to present the bill at the right time.

Mr. PEPPER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arkansas yield to the Senator from Pennsylvania?

Mr. ROBINSON. I yield with pleasure.

Mr. PEPPER. The Senator has not made it quite clear to me why immediate action might not have been taken by the House of Representatives upon the President's suggestion. If I understand the Senator correctly, the President's proposal is identical with one provision in a bill which has already passed the House. One would suppose that the House might easily and forthwith have taken the action suggested by the President.

Mr. ROBINSON. Mr. President, I understand the Senator's question perfectly and it is a very proper question, but I will state to the Senator that in the language attributed by the newspapers to the gentleman from Massachusetts, Mr. TREADWAY, a majority member of the Ways and Means Committee, there are a number of members of that committee who are unwilling to assent to the proposition contained in the President's special message of yesterday, who are not desirous of seeing the question as to a reduction of taxes for the calendar year 1923 separated from the Longworth proposal; and my information is that the latter gentleman himself, the leader of the majority of the House of Representatives, has announced that he will not consent to the consideration of a separate resolution, which, of course, makes it impossible for such a proposal as that contained in the President's special message to be acted on prior to March 15.

Mr. PEPPER. Mr. President, we all saw that the House did not act, and we all assumed that there was some reason for their failure to act. The point of my question was to bring out what I understand now to be the concession of the Senator from Arkansas, that so far as the President is concerned the suggestion was not only a proper and timely one but it might have been complied with if the legislative body had chosen to do so.

Mr. ROBINSON. No, Mr. President; it would not be possible under the ordinary procedure of the two Houses to pass a measure of that importance within four days. It never has been done. Such measures are never enacted, as a rule, by unanimous consent; and, as the President realizes and the Senator from Pennsylvania must realize, unanimous consent would have to be given in both Houses of Congress for the consideration of a joint resolution or a bill putting into effect a 25 per cent reduction of the taxes for 1923. That consent could not be secured for the reason, as stated by the gentleman whose name I called a few moments ago, a majority member of the Ways and Means Committee, that several members of that committee would not assent to the consideration of the joint resolution; and the understanding is also that the majority leader himself is opposed to the proposition. I think it is not trespassing upon the proprieties of this occasion to say that the reason for it is that the majority leadership in the House of Representatives does not want to leave the President with a free hand to veto the Longworth compromise in the event it passes the Senate, and they fear that he would feel freer to do so if the Congress had already passed a measure relieving the taxpayer from 25 per cent of the taxes for the present year.

Mr. PEPPER. Mr. President, the facts to which the Senator has adverted are not known to me, and I have no opinion respecting them; but I merely wish to observe that what the President of the United States has done is to ask the unanimous consent of both Houses of Congress to the immediate reduction of the taxes for 1923 in accordance with the provision which has already met the approval of the majority of the Members of the House of Representatives and which, no doubt, in due course will receive the support of the Senate. That is the proposition that the President made; and how it can be doubted that the President may with propriety ask unanimous consent for so obviously popular a measure is something which I, for one, fail to understand.

Mr. ROBINSON. Mr. President, I rise merely to say that the Longworth compromise did not pass the House of Representatives by a unanimous vote. There was a close division. It barely passed at all, and it is unreasonable to expect the acceptance of a portion of the bill by unanimous vote. This morning's paper contains a statement by a distinguished majority member of the Ways and Means Committee that unanimous consent can not possibly be secured, and press reports have heretofore announced that unanimous consent can not be secured because of objection on the part of other majority members, probably including the leader of the majority, Mr. LONGWORTH.

Mr. PEPPER. Very well, Mr. President; but the fact remains that the President of the United States has said merely this, and he has said it so sensibly and plainly that everybody will understand it. He has said to the House: "You have thrashed out your revenue bill. It is true that by a narrow majority the bill has been passed, but it has been passed. It has in it a feature which now represents the action of the House. Make it unanimous in the interest of the people of the United States, and do it before it is too late." That is what he wants.

Mr. COPELAND obtained the floor.

Mr. ROBINSON. Mr. President——

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). Does the Senator from New York yield to the Senator from Arkansas?

Mr. COPELAND. I yield.

Mr. ROBINSON. If the President had seen fit to make his recommendation 30 or 60 days ago, or at the time when Representative GARNER urged it, there would have been no necessity for obtaining unanimous consent, which anyone must know would be difficult, if not impossible. The measure could have been considered and passed upon its own merits.

Mr. COPELAND. Mr. President, it seems to any casual observer that the request at this late day for the unanimous passage of a joint resolution dealing with this matter is placed before us for political effect; but, regardless of what effect it may have politically, I am here to say that so far as my constituents are concerned they want this reduction. The demand of my State is in favor of it. Seventy-five million dollars will be saved to the people of New York if this joint resolution prevails. I think I speak for the Senators on this side of the Chamber when I say that so far as we are concerned we favor the reduction. If unanimous consent is asked for, certainly, so far as I am concerned, I shall give that consent.

Mr. KING. Mr. President, the Senator is speaking about a joint resolution that has been offered, is he?

Mr. COPELAND. I am speaking about the suggestion by the President of the United States of the passage of a joint resolution permitting a 25 per cent reduction on the 1923 returns. I think we ought not to permit the day to pass without putting through such a measure as this, if it is possible to put it through, because the people are demanding that there shall be this immediate reduction.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Tennessee?

Mr. COPELAND. I do.

Mr. McKELLAR. I agree with the Senator that the people of the country are most insistent for, and they are entitled to have, a reduction of taxes. I think that is the unanimous view

of the people of the State I represent and the view of the people of this country generally. However, this request of the President comes in here so late that I do not see how it is possible for it to be done now; but that, I will say to the Senator, is no reason why it may not be done. Only the first installment is payable on the 15th of March, and there is no reason in the world why this measure can not be passed anyway and the taxpayers get the advantage of it. It will make a reduction of 25 per cent in the total tax for the year and may be credited on subsequent quarterly payments of the tax, and I want to say that I am very much in favor of it. I shall vote for it whenever it comes up, and even if it were to come up now as a unanimous-consent proposition I should not object to it. Of course, it will have to be initiated in the House first, under the constitutional provision that all bills for raising revenue must originate in the House of Representatives. Tax reduction must be had. It is the most important question before the Congress. I shall leave no steps untaken to secure tax reduction at the earliest possible moment. Our Republican friends are in charge of the Government. The proposition is primarily up to them.

Mr. COPELAND. Mr. President, I should like to ask the Senator if he ever tried to get a refund from the Government? It will take about three years and eight months to get it.

Mr. McKELLAR. I agree with the Senator about that; but this legislation granting a reduction of 25 per cent need not be in the way of a refund. It can simply be taken out of the taxpayers' next installment of taxes, and no doubt some such arrangement will be made. I can not see that there is the slightest doubt but that it will be made. It is just a question of how it shall be made and how quickly it shall be made.

Mr. GLASS. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Virginia?

Mr. COPELAND. I do.

Mr. GLASS. I should like either the Senator from Tennessee or the Senator from New York to tell us how we may immediately act here. I have understood that revenue measures had to originate in the House.

Mr. SMOOT. Certainly.

Mr. McKELLAR. That is entirely true.

Mr. GLASS. How can the Senate proceed now to reduce taxes?

Mr. REED of Pennsylvania. Mr. President, will the Senator yield to me?

Mr. COPELAND. I yield to the Senator from Pennsylvania.

Mr. REED of Pennsylvania. Section 7 of the first article of the Constitution of the United States provides that—

> All bills for raising revenue shall originate in the House of Representatives.

I do not mean to make any play on the word "raising" as it is used in that sentence. I see, and I thought everybody saw, that the purpose of the Constitution was to protect the people against the imposition of excessive taxation by requiring that all bills for the levying or the raising of taxes should originate in the most numerous branch of the National Legislature. I do not concede, however, that it is unconstitutional, and until the Senator from Arkansas so scornfully rejected my suggestion in a way that the Supreme Court does not, in a way that I do not know that lawyers ordinarily do about undecided questions of constitutional law, it seemed to me entirely constitutional for the Senate to originate a measure which relieved the people of tax burdens, because the whole purpose of the constitutional provision is to protect the people from additional levies or excessive levies or the increase of present levies, and it certainly is not to protect the people against a reduction of present burdens. That is why I think it is a very serious question for all lawyers, except perhaps the Senator from Arkansas, whether the Senate has not the right to originate a repealer of a revenue law, or such a resolution repealing in part the present revenue law as is now suggested.

Mr. ROBINSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Arkansas?

Mr. COPELAND. I yield.

Mr. ROBINSON. I do not think I am justified in reviewing this subject again. I want a vote to occur on the resolution prior to 2 o'clock, if possible; but I will state to the Senator from Pennsylvania that my understanding of the interpretation of that provision of the Constitution is that all revenue bills, whether they increase the amount of revenue or diminish it, must originate in the House of Representatives, and that the word "raise" has no relation whatever to an increase or a diminution in taxation. It relates to measures for the procuring of revenue. Any measure which provides or affects revenue, whether it increases it or diminishes it, is a measure for raising revenue within the constitutional meaning; and the Supreme Court, I think, has uniformly sustained that conclusion. In other words, it would not be competent for the Senate to entertain in the first instance a bill providing for a reduction by 25 per cent of the revenues now collected, because that is a bill raising revenue within the meaning of the Constitution of the United States.

Mr. WALSH of Massachusetts. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Massachusetts?

Mr. COPELAND. I do.

Mr. WALSH of Massachusetts. If the argument of the Senator from Pennsylvania is correct, it would be possible, then, to originate a sweeping tariff reduction bill in the Senate.

Mr. ROBINSON. Certainly.

Mr. WALSH of Massachusetts. Such a thing was never heard of before.

Mr. ROBINSON. Certainly; it has never even been attempted.

Mr. REED of Pennsylvania. Mr. President, does the Senator claim that the Supreme Court has ever decided that it may not be done?

Mr. ROBINSON. The construction has been unanimous, as far as I know. It certainly has not been attempted during the last 20 years in the Congress of the United States. The uniform construction is that any measure which affects the revenue is a bill for raising revenue within the meaning of the constitutional provision.

Mr. REED of Pennsylvania. I will concede to the Senator that any bill that imposed a reduced tax would be a bill for raising revenue; but a repealer of a tax law, or a repealer in part, would not be, in my judgment, within the meaning of the Constitution.

Mr. ROBINSON. Mr. President, the proposal to reduce the present taxes by 25 per cent under the Senator's own definition now would be a bill for raising revenue; and the Senate, as I stated in the beginning, could not take jurisdiction of it, even under the Senator's own conclusion.

Mr. COPELAND. Mr. President, I should like to ask the chairman of the Finance Committee if he agrees with the view of the Senator from Pennsylvania?

Mr. SMOOT. Mr. President, I think the best way to answer the question is to say that if a revenue bill of any kind or nature did originate in the Senate, and if the Senate did pass it, it would go to the House of Representatives, and I do not think the House would ever take any notice of it.

Mr. ROBINSON. It would not even receive it. It would send it back.

Mr. SWANSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Virginia?

Mr. COPELAND. I yield to the Senator from Virginia.

Mr. SWANSON. There has been a precedent on it in the last four or five years, when the naval bill was up. A provision for the sale of bonds, which is a method of raising revenue, was put on as an amendment here, to take care of certain additions that were made to the naval bill. The House of Representatives unanimously refused to consider it, and sent it back, and said that it was an infringement of their rights and that it would have to come back to the Senate and that provision would have to be eliminated before they would consider the whole bill.

Mr. REED of Pennsylvania. I think they were exactly right in that; but that was not a bill to repeal a revenue law.

Mr. SWANSON. Getting revenue in any shape or form. There is a way the Senator can accomplish his purpose which, I have no doubt, would be in accord with what the President desires in making this recommendation. The Senator can move to strike out all after the enacting clause of the bill which originated in the House and substitute his resolution, and it will go over to the House and they can concur in it. That would result in the death of the provisions of that bill, except for the provision put in here. I have no doubt that is what the President desires to have done.

Mr. ROBINSON. That can not be done before the 15th of March.

Mr. SWANSON. No; but that is the only way in which it can be accomplished by the Senate; and I have no doubt that would carry out the purpose of the President to kill the bill and get the 25 per cent reduction through.

Mr. McKELLAR. Will the Senator from New York yield?
Mr. COPELAND. I yield.
Mr. McKELLAR. The Senate may recall that just a few days ago a District bill was presented which provided, among other things, for the placing of a small tax on gasoline. The Chair ruled that that being a District bill it did not come within the provisions of the Constitution about all revenue bills originating in the House. An appeal to the Senate was taken; and the Senate held, by quite a large majority, that the Chair was in error, and that even a bill of that kind had to originate in the House. I have no doubt in the world that a bill for tax reduction will have to originate in the House.
Mr. COPELAND. Mr. President, as a final word, it is the fault of the gentlemen across the aisle that this provision for a reduction in the taxes of 1923 has not been made; and if they think it should originate in the House, I suggest that they ask their Republican colleagues in the House to make every effort to have it passed and send it back to us so that we can pass it this afternoon or to-morrow.
Mr. SIMMONS. Mr. President, I simply desire to make a few observations with reference to the matters under discussion. First, with reference to the contention of the Senator from Pennsylvania [Mr. REED]. An act to materially amend or repeal an act to raise revenue would interfere just as much with the initiatory powers of the House over the subject of raising revenue as would a direct measure on the part of the Senate to raise revenue. The Senator is clearly, I think, wrong in his contention for the contrary view.
I do not think it has ever been maintained in this Chamber that we have any more right to repeal a law passed for the purpose of raising revenue to support the Government than we have to originate such legislation.
I have never heard it contended since I have been here that we had any such power. I know that many resolutions, and possibly bills, have been introduced during the period of my service here which it was supposed would affect the revenues, and invariably the constitutional objection to this body's initiating such legislation has been made and acknowledged. I think it has been definitely settled that we have not that power.
I have said this because the Senator from New York, who introduced a resolution with reference to revenues of the Government, seems to be under the impression that we might to-day take up his resolution and pass it, or some resolution which would carry out the purposes of the President in the message which he delivered to us yesterday. We have not the power to do it, and the House of Representatives has indicated that at this late hour it does not intend to do it. It seems to me that should be an end to the matter.
Of course, we are all in favor of the reduction of taxes. Any statement to the contrary that this side of the Chamber is not in full sympathy with every movement that is now under way for the reduction of taxes is without warrant. The only difference between us at any time has been as to the plan of reduction. We are not only all in favor of reducing taxes that are to be hereafter paid, but we are all in favor of making the reduction retroactive so as to include the incomes of 1923.
The Senator from New York, however, is entitled to the honor and the distinction of having been the first man in either House of Congress to suggest the idea of extending these reductions to the incomes of 1923.
The distinguished ranking member of the minority of the Ways and Means Committee of the House some time ago, subsequent, however, to the introduction of the resolution by the Senator from New York, advanced the same proposition, and I think offered a resolution to that end either in the House or in the Ways and Means Committee. Instead of reporting out a resolution and speeding it through Congress the proposition was adopted and written in the bill. Why this course? Doubtless because that committee thought that wisdom required that this reduction of the taxes of 1923 should be coupled with the reductions of taxes hereafter to be paid. If we should separate these two propositions and pass legislation for the relief of the taxpayers of 1923, and the proposed bill reducing taxes hereafter to be paid should fail, the result would have been a distinct discrimination in favor of the taxpayers of one particular year. For that, and probably for some other reasons, it was determined in the House of Representatives that these two propositions should not be separated, and the very identical proposition contained in the resolution which the President now asks us to pass by unanimous consent is, as I said, written in the bill which is now pending before the Finance Committee.
If that bill becomes law and the taxpayers of the future are to be relieved, then the taxpayers of the past year will be relieved. If that bill does not pass and the taxpayers of the future are not to be relieved, then the taxpayers of last year ought not to be relieved. The two things ought to be coupled together. It was a wise solution on the part of the framers of revenue legislation in the other body.
The only reason advanced as to why this resolution should be railroaded through Congress at this time is that if that is not done, and the same object is accomplished through the passage of the bill now pending, it will create inconvenience in the Treasury Department, entail extra bookkeeping, and involve complications in accounting.
I do not wish to say that that is a pretext. I do not wish to say that there is some ulterior consideration not now disclosed.
As it is nearly 2 o'clock, it is suggested to me that I yield so that a vote may be taken on the pending resolution before the expiration of the morning hour. I yield for that purpose.
The PRESIDING OFFICER. The Secretary will state the pending question on the resolution.
The READING CLERK. The Committee to Audit and Control the Contingent Expenses of the Senate report to strike out all after the word "Resolved" and insert:

That the President of the Senate pro tempore is authorized to appoint a special committee of five members, three of whom shall be of the majority and two of the minority party, which shall investigate the Bureau of Internal Revenue to ascertain the extent of which said conditions exist and report its findings together with recommendations for corrective legislation not later than May 1 (April 15, 1924), so that this information may be ready for the Senate in considering the pending tax revision and tax reduction bill.

The committee is authorized to hold hearings, to sit during the sessions and recesses of the Sixty-eighth Congress and to employ a stenographer at a cost not to exceed 25 cents per hundred words. The committee is further authorized to send for persons and papers; to require by subpœna the attendance of witnesses, the production of books, papers, and documents; to administer oaths; and to take testimony. The expenses of the committee shall be paid from the contingent fund of the Senate.

The Committee on Finance report amendments to the amendment of the Committee to Audit and Control the Contingent Expenses of the Senate as follows: After the words "pro tempore," on page 3, line 1, insert the words "or acting President of the Senate pro tempore."
The PRESIDING OFFICER. The question is on agreeing to the amendment to the amendment.
The amendment to the amendment was agreed to.
The READING CLERK. Also on page 3, line 6, after the word "Revenue," the Committee on Finance report to strike out the words "to ascertain the extent of which said conditions exist."
The amendment to the amendment was agreed to.
The READING CLERK. On page 4, line 2, after the word "legislation," the Committee on Finance report to strike out the words "not later than April 15, 1924, so that this information may be ready for the Senate in considering the pending tax revision and tax reduction bills."
The amendment to the amendment was agreed to.
The amendment as amended was agreed to.
The resolution as amended was agreed to.
The READING CLERK. The Committee on Finance report to strike out the preamble.
The PRESIDING OFFICER. The question is on agreeing to the amendment striking out the preamble.
The amendment was agreed to.
The PRESIDING OFFICER (Mr. CURTIS in the chair). The Chair appoints as the committee the Senator from Indiana [Mr. WATSON], the Senator from Kentucky [Mr. ERNST], the Senator from Michigan [Mr. COUZENS], the Senator from New Mexico [Mr. JONES], and the Senator from Utah [Mr. KING].
The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated.

AGRICULTURAL DIVERSIFICATION.

The READING CLERK. A bill (S. 2250) to promote a permanent system of self-supporting agriculture in regions adversely affected by the stimulation of wheat production during the war and aggravated by many years of small yields and high-production costs of wheat.
Mr. SIMMONS. I say that if the resolution should pass to-day, only four days before the time for final filing of income tax returns and the payment of the first installment, the inconvenience, the dislocation, the extra bookkeeping and accounting which it is claimed would be imposed upon the Treasury Department if the resolution fails and such a provision incor-

porated in the law, would be practically just as great or, at least, nearly so.

There must be some other reason why the administration is so anxious to have the resolution passed right upon the eve of the day fixed for the final filing of these tax returns. I do not say what these reasons are, but I speculate and conjecture. It has been suggested that if the resolution is permitted to pass the administration will probably find an issue upon which to go before the people even if the bill itself should ultimately be defeated or vetoed.

It has also been suggested—I do not assert it—that if the resolution is passed and the administration shall get credit with the country for making a reduction in the taxes of 1923, the President could with greater impunity veto the bill, as there has been threats he would do, unless both Houses of Congress should surrender their judgment and right of decision and accept the bill which the administration has prepared and sent to us without change or emendation.

I do not know what the purposes of the President with regard to the matter are, but I do know that the Republican Party is in a dilemma about the bill. If either the Garner or Longworth plan is adopted and the bill is passed and the President shall veto it, then the Republican Party will have to account with the overwhelming sentiment for reduction in the country. If the President shall succeed in forcing the adoption of the Mellon plan and signs the bill, the President and the Republican Party will have to account to the great mass of American voters for the rank discrimination made in that plan in favor of the man of big income and against the man of small income. Again, Mr. President, that the Republican Party, as represented by the administration, may feel that certain Senators may be reluctant upon the eve of the election to vote for the drastic provisions of the Mellon plan, to vote for a reduction of 50 per cent upon the taxes of men of large incomes in the country and only 25 per cent upon the taxes of men of small incomes. I can see how they may be afraid to cast that kind of a vote upon the eve of the election. It is conceivable that the administration, much as it may favor that plan, might see danger in it on election day. It is conceivable that even some Republican Senators and Representatives may tremble at the thought of having to answer so soon at the bar of public opinion for such a vote as that. I can see how, under these circumstances, the die-hard advocates of the Mellon plan might conclude that if the bill could be postponed until after the election, all of these fears would be measurably quieted, and that the adoption of the Mellon plan might be successful in the next session of the Congress.

The PRESIDING OFFICER. The time of the Senator on the amendment has expired. We are under the 10-minute rule. The Senator has 10 minutes on the bill, if he has not previously spoken on the bill.

Mr. SIMMONS. I was not speaking on the bill. However, I recognize the fact that the unfinished business is before the Senate.

Mr. ROBINSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Fess	McKellar	Simmons
Bayard	Fletcher	McKinley	Smith
Borah	Frazier	McLean	Smoot
Brookhart	George	McNary	Spencer
Broussard	Gerry	Mayfield	Stanfield
Bruce	Glass	Moses	Stanley
Bursum	Gooding	Neely	Stephens
Cameron	Hale	Norris	Swanson
Capper	Harrison	Oddie	Trammell
Copeland	Howell	Pepper	Wadsworth
Couzens	Johnson, Minn.	Phipps	Walsh, Mass.
Curtis	Jones, Wash.	Ransdell	Walsh, Mont.
Dale	Kendrick	Reed, Mo.	Warren
Dill	Keyes	Reed, Pa.	Watson
Edge	King	Robinson	Weller
Edwards	Ladd	Sheppard	Willis
Ernst	Lodge	Shields	
Ferris	McCormick	Shipstead	

The PRESIDING OFFICER (Mr. MCNARY in the chair). Seventy Senators having answered to their names, there is a quorum present.

Mr. WADSWORTH. Mr. President, commencing at 2 o'clock, the Senator from North Carolina [Mr. SIMMONS] addressed the Senate on the amendment offered by the Senator from Montana [Mr. WALSH] to the pending bill. I imagine that the Senator from North Carolina did not know he was addressing the Senate upon that question, and certainly the Senate did not know he was discussing it. I propose for about a minute and a half to address myself to the same amendment, and I have an idea that the relevancy of my remarks will be about as apparent as were those of the Senator from North Carolina.

Mr. President, I wish to congratulate the Senate on the appointment of a special select committee to investigate the Internal Revenue Bureau. Senators who are present may remember that I expressed the hope that the Committee on Finance could do this work. I was nearly deflected from my conviction upon that point by the Senator from Arkansas [Mr. ROBINSON], who, with sobs in his throat and tears streaming down his face, begged mercy for the Committee on Finance, describing how terribly overworked its members were, the huge dimensions of the task confronting them, and prophesying that it would take at least a month or more than a month for them to accomplish the single task connected with the revision of the revenue laws, and that no such additional burden as that contemplated by the Senator from Michigan [Mr. COUZENS] in his resolution should be imposed upon them. I say I was nearly deflected from my conviction in that regard by the impassioned plea of the Senator from Arkansas; and yet I find that the Presiding Officer of the Senate agreed with me in the long run, for when he appointed the committee of five he appointed four members of the Committee on Finance, and only one from outside the committee. So my point has been attained.

Mr. ROBINSON. Mr. President, the Senator from New York, of course, realizes that the Finance Committee can proceed with its important task of considering the revenue bill even while the subcommittee, of which four members of the Committee on Finance are members, proceed with the investigation of the Internal Revenue Bureau.

Mr. WADSWORTH. The Senator from New York suggested a subcommittee, and I am glad to see that the Presiding Officer has appointed a subcommittee of the Committee on Finance.

Mr. ROBINSON. Mr. President, I assure the Senate that I am just as happy as is the Senator from New York.

PRESIDENT COOLIDGE'S RECOMMENDATIONS TO CONGRESS.

Mr. MCKELLAR. Mr. President, this morning reference was made to an article written by Frederick William Wile in the Washington Evening Star, with reference to the major recommendation submitted to the Congress by President Coolidge and the lack of action thereon by the Congress. I ask unanimous consent that the article may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CONGRESS'S INACTION IS IRKING COOLIDGE—THREE MONTHS PASS WITHOUT ANY OF 58 PROPOSALS IN MESSAGE ENACTED.

(By Frederick William Wile.)

Two cardinal purposes were in President Coolidge's mind Saturday night when he reminded the country at the White House Correspondents' Association dinner, that "Congress is supposed under the Constitution to be engaged with legislation."

In view of the prevailing national interest in "investigations," the President was unquestionably disposed, with that observation, to draw attention to Congress' feverish activity in fields which are not strictly within its constitutional jurisdiction. Mr. Coolidge, in effect, said that the legislative branch of the Government is usurping authority.

What the President, there is reason to believe, mainly desires to emphasize is the procrastination of Congress in dealing with matters of vital national importance. Senate and House have been in session for more than three months. Not even the annual appropriation bills have been passed.

NO PROPOSALS MADE LAW.

Not only has there been no action on those more or less routine measures, but no single one of the fifty-eight species of legislation recommended by President Coolidge in his message to Congress has as yet been enacted. These recommendations cover virtually every field of Federal activity and necessity. Each of them is of greater or lesser urgency.

Some of the President's friends and advisers believe he may shortly take occasion to talk more plainly to the country on the congressional situation than he did to the White House reporters. He is represented as desiring to give the investigation mania "rope enough to hang itself." When it has run its course and churned up all the dust and mud that the traffic will bear, there are Coolidge supporters who expect the President to speak up and speak out.

There has been circumstantial reports that before long Mr. Coolidge would do something to "electrify" the country. It has been foreshadowed that he has in contemplation, in his own time, action designed to show the country its confidence in him is not misplaced. The recent allusion to the constitutional rôle of Congress is now interpreted as indicating that the President, in a sort of way, means to turn the investigation tables and investigate what Congress has really been doing since December.

COOLIDGE'S MAJOR POLICIES.

Here is a tabulation of the major recommendations submitted to Congress by Coolidge in his maiden message:

1. Entry into the World Court.
2. Reorganization of the foreign service.
3. Tax reduction.
4. Abolition of tax-exempt securities.
5. Opening of intracoastal waterways.
6. Ship liquor treaty with Great Britain.
7. Strengthening of Coast Guard to fight rum runners.
8. Commission on negro migration.
9. Classification of postmasters.
10. Inclusion of prohibition agents in civil service.
11. Inauguration of plan for more Government buildings in Washington.
12. International action against oil pollution of coast waters.
13. Laws regulating aviation.
14. Laws regulating radio interference.
15. Legislation providing safe load lines for vessels.
16. Recodification of navigation laws.
17. Revision of Federal Trade Commission procedure.
18. Regulation of Alaskan fisheries.
19. Strengthening of Army and Navy personnel.
20. More airplanes for the Army.
21. More submarines for the Navy.
22. Legislation to limit child labor.
23. Minimum wage law for women in strictly Federal jurisdictions.
24. Creation of department of education and welfare.
25. Immigration restriction and registration of aliens.
26. Legislation to open veterans' hospitals to service men of all wars.
27. Authorization of President to appoint commission to deal with emergencies in coal situation.
28. Reorganization of Government departments.
29. Temporary Federal aid for farm exports.
30. Leasing of Muscle Shoals.
31. Relief for occupants of Government reclamation projects.
32. Constructive legislation for highways and forests.
33. Superpower development in Northeastern States.
34. Revision of Railroad Labor Board rules.
35. Legislation on railroad rate fixing after Supreme Court acts on recapture clauses of transportation act.
36. Entire reconstruction of railroad-rate structure.
37. Legislation for railroad consolidation.
38. Revision of the laws of the United States.
39. Legislation permitting simplification of Supreme Court rules governing review by that tribunal.
40. Employment in Federal prisons.
41. New Federal reformatories.
42. Creation of division of criminal identification in Department of Justice.

CHARGE OF DO-NOTHINGISM.

Subdivision feature of these 42 presidential recommendations to Congress are said to bring up the grand total of specific legislative enactments proposed by Mr. Coolidge to 58. Bills have been introduced covering many of them. Hearings have been instituted in numerous instances. But no final action has as yet ensued. Coolidge adherents assert that the President could easily incite public indignation over such a program of demonstrated "do-nothingism" on Capitol Hill.

If Coolidge prefers to rebuke Congress for encroachment upon the Executive authority in calling for Cabinet resignations and investigating executive departments, instead of assailing Congress for time wasting, the President can call up a Mount Everest of precedent and proof to sustain his position. It began to accumulate in Andrew Jackson's administration. Another Democratic President, Grover Cleveland, piled it still higher. Cleveland's vigorous resentment of senatorial encroachment was the conspicuous feature of the many conflicts that raged during his first administration. Coolidge cited one of these—the Alabama district attorney episode—in his statement declaring he would ignore the Senate's demand for Denby's retirement.

DEFINES EXECUTIVE POWERS.

In the Law Journal of Georgetown University for November, 1923, two months before the pending congressional investigation epidemic broke out, Abraham F. Meyers, of the District of Columbia bar, discussed at length "The power of Congress to investigate the Executive."

Mr. Myers showed by a chain of precedents and Supreme Court decisions stretching from the Constitutional Convention at Philadelphia up to and including the late Chief Justiceship of Edward Douglass White that our Presidents and our highest tribunal have consistently maintained the independence of the Executive as against the interference of the legislative branch. In a passage that might have been prophetic with regard to current events Mr. Myers asserted:

> "The conclusion to be drawn from precedents and authorities hereinbefore cited is that neither Congress as a whole nor either House thereof is vested with any general supervisory power over the President. The head of an executive department may be regarded as an alter ego of the Chief Executive. The inquisitorial powers of Congress are strictly limited to subjects in regard to which it has a constitutional function to perform. Naturally, the enactment of legislation is the principal business of Congress. * * * The Executive is justified in resisting any demand when it is believed that compliance would be incompatible with the public interest. * * * The infliction of punishment by one coordinate branch upon the other would be wholly repugnant to the constitutional scheme. The Executive, no less than Congress, is accountable directly to the people, and ultimate decision in such matters must rest with the electorate."

The immediate future may bring forth from Calvin Coolidge an appeal to the electorate along the lines just above indicated.

AGRICULTURAL DIVERSIFICATION.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 2250) to promote a permanent system of self-supporting agriculture in regions adversely affected by the stimulation of wheat production during the war and aggravated by many years of small yields and high production costs of wheat.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Montana [Mr. WALSH].

Mr. LODGE. Which amendment?

Mr. McKELLAR. Let the amendment be stated.

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. The senior Senator from Montana [Mr. WALSH] has offered the following amendment:

> Strike out page 3, line 22, through page 4, line 21, and insert in lieu thereof the following:
>
> "The Secretary, in executing the functions vested in him by this act, shall, so far as practicable, utilize the Federal intermediate credit banks system; and the Federal Farm Loan Board and the directors and officers of the Federal intermediate credit banks shall cooperate with the Secretary for such purpose."

Mr. BRUCE. Mr. President, I suggest the absence of a quorum.

Mr. WADSWORTH. We just had a quorum call.

The PRESIDING OFFICER. There has been no business transacted since the last roll call. The question is on the amendment proposed by the Senator from Montana.

Mr. WALSH. I ask for the yeas and nays on the amendment.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. LODGE (when his name was called). I have a general pair with the Senator from Alabama [Mr. UNDERWOOD]. I transfer that pair to the Senator from Vermont [Mr. GREENE] and vote "nay."

Mr. McCORMICK (when his name was called). I have a standing pair with the Senator from Oklahoma [Mr. OWEN]. I find I can transfer that pair to the Senator from Iowa [Mr. CUMMINS], and I do so. I vote "nay."

Mr. PHIPPS (when his name was called). I have a pair with the junior Senator from South Carolina [Mr. DIAL]. In his absence I withhold my vote.

Mr. SIMMONS (when his name was called). I have a general pair with the junior Senator from Oklahoma [Mr. HARRELD], but I transfer that pair to the junior Senator from Montana [Mr. WHEELER] and will vote. I vote "yea."

Mr. SMITH (when his name was called). I have a general pair with the Senator from South Dakota [Mr. STERLING]. I transfer that pair to the Senator from Alabama [Mr. HEFLIN] and vote "yea."

Mr. WALSH of Massachusetts (when his name was called). On this question I am paired with the junior Senator from Wisconsin [Mr. LENROOT]. I transfer that pair to the junior Senator from Arkansas [Mr. CARAWAY] and vote "yea."

Mr. WARREN (when his name was called). I have a general pair with the junior Senator from North Carolina [Mr. OVERMAN], who is detained from the Chamber on account of illness. I therefore withhold my vote. I wish this announcement of my pair to stand for the day.

The roll call was concluded.

Mr. TRAMMELL (after having voted in the affirmative). I have voted, but I desire to announce my pair with the Senator from Rhode Island [Mr. COLT]. However, I feel at liberty

to vote upon this question, and shall therefore let my vote stand.

Mr. FLETCHER (after having voted in the affirmative). I have a general pair with the Senator from Delaware [Mr. BALL], who is absent. I am unable to obtain a transfer of that pair, and, therefore, I withdraw my vote.

Mr. JONES of New Mexico. I transfer my general pair with the Senator from Maine [Mr. FERNALD] to the Senator from Indiana [Mr. RALSTON] and vote "yea."

Mr. CURTIS. I desire to announce that the Senator from Connecticut [Mr. BRANDEGEE] is paired with the Senator from Nevada [Mr. PITTMAN] on the pending amendment.

The roll call resulted—yeas 32, nays 32, as follows:

YEAS—32.

Adams	Gerry	Mayfield	Smith
Bayard	Glass	Moses	Smoot
Borah	Harrison	Ransdell	Stanley
Broussard	Jones, N. Mex.	Reed, Mo.	Stephens
Bruce	Jones, Wash.	Robinson	Trammell
Edwards	King	Shields	Wadsworth
Ferris	McKellar	Shipstead	Walsh, Mass.
George	McNary	Simmons	Walsh, Mont.

NAYS—32.

Brookhart	Edge	Ladd	Pepper
Bursum	Ernst	Lodge	Reed, Pa.
Cameron	Fess	McCormick	Sheppard
Capper	Frazier	McKinley	Spencer
Copeland	Gooding	McLean	Stanfield
Couzens	Hale	Neely	Watson
Curtis	Johnson, Minn.	Norris	Weller
Dill	Kendrick	Oddie	Willis

NOT VOTING—32.

Ashurst	Elkins	Johnson, Calif.	Pittman
Ball	Fernald	Keyes	Ralston
Brandegee	Fletcher	La Follette	Shortridge
Caraway	Greene	Lenroot	Sterling
Colt	Harreld	Norbeck	Swanson
Cummins	Harris	Overman	Underwood
Dale	Heflin	Owen	Warren
Dial	Howell	Phipps	Wheeler

The PRESIDING OFFICER. On the amendment of the Senator from Montana the yeas are 32 and the nays are 32. So the amendment is rejected.

Mr. WALSH of Montana. Mr. President, I had hoped that this amendment would prevail. We are going to loan $50,000,000 out in these Northwestern States. We have already set up a piece of loaning machinery and put it in the hands of men who are presumably somewhat familiar with banking principles, experienced in the loaning of money, competent to judge of the advisability of making a loan to this man or to that man. We have elected now to discard all of that machinery which we created—which we created less than a year ago—for the purpose of making loans to farmers. We are going to discard that machinery, and, bear in mind, authorize the Secretary of Agriculture to loan out $50,000,000, and to organize a new piece of machinery for the purpose of placing those loans.

Mr. President, we are on the eve of a national campaign; and I undertake to say that if this fund is distributed under the unrestrained discretion of the Secretary of Agriculture, we are as likely to have a scandal in connection with this transaction and this legislation as we had in connection with the matter that has been engaging the public attention here recently. If the Senators upon the other side of the Chamber want to relieve themselves from the almost inevitable inference that this is chiefly for political purposes, they will reconsider the vote just taken.

I shall not move a reconsideration, because I am in no situation to do so; but I shall offer another amendment giving the Senate a further chance to think about it.

After the word "livestock" in line 10, on page 4, I move to insert the following:

> The Secretary, in executing the functions vested in him by this act, may, so far as practicable, utilize the Federal intermediate credit-banks system; and the Federal Farm Loan Board and the directors and officers of the Federal intermediate credit banks shall cooperate with the Secretary for such purpose.

The amendment is identical with the amendment heretofore offered, except that it does not strike out anything; it leaves in the bill everything that is there, and it simply changes the word "shall" to "may," so that it is up to the Secretary of Agriculture whether or not he shall make use of this agency which has already been created by the Congress. The responsibility is his, now, whether he will take that machinery which has been provided by Congress or whether he will create a machinery of his own; and, bear in mind, his own unrestricted discretion is the guide to the machinery which he shall create. He is simply required to advise with these other people and to get information from them; and this places no obligation upon him, either. It simply provides that he may make use of them.

Mr. FLETCHER and Mr. COPELAND addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Montana yield, and to whom?

Mr. WALSH of Montana. I yield the floor.

Mr. FLETCHER. Mr. President, I merely wanted to suggest to the Senator that he will have an opportunity when the bill comes into the Senate to renew the offer of this amendment. The bill is now before the Senate as in Committee of the Whole, and he will have another opportunity in the Senate to offer the same amendment.

The PRESIDING OFFICER. The Senator has that right.

Mr. COPELAND obtained the floor.

Mr. BORAH. Mr. President——

Mr. COPELAND. I yield to the Senator from Idaho.

Mr. BORAH. I was going to suggest that we ought to have another vote upon the amendment in the Senate.

Mr. ROBINSON. Yes.

Mr. BORAH. I think it ought to be mandatory. We can have another vote in the Senate.

Mr. WALSH of Montana. Mr. President, I give notice now that I shall ask for another vote on the amendment which has just been voted on when the bill comes into the Senate.

Mr. KENDRICK. Mr. President——

The PRESIDING OFFICER. The Chair has recognized the Senator from New York.

Mr. COPELAND. I yield to the Senator from Wyoming.

Mr. KENDRICK. Mr. President, I just want to say, as one of those who voted against this amendment, that the change proposed by the Senator from Montana makes the amendment absolutely satisfactory to me, and I believe it will be satisfactory to every Senator who voted the other way. Under the proposed change the provision becomes permissive instead of mandatory. The difficulty with the banking agencies is that they are too slow and unresponsive to meet the urgency of this situation. If any benefit at all is to come from this bill, it must come through prompt action; and, if the Senator will yield just a minute, I want to call the attention of the Senate to the experience in lending the money that we voted to the farmers in the West for seed purposes. These figures were given me this morning. I have not had time to get all of them, but this is the record:

Congress voted $2,000,000 for this purpose, and there were 17,000 applications. As I recall the provisions of the bill, the loans were to be made under the direction of the Secretary of Agriculture, the same as is proposed here, or substantially so. There were 17,200 applications; there were 13,935 individual loans, all made within a period of 40 days' time; and the total expense involved in making those loans, aggregating nearly $2,000,000—or, to be exact, $1,957,000—was $16,134.50.

If I may say just a word more about it to those who have found it necessary to criticize this bill so unsparingly, out of that two millions of dollars that were loaned to the farmers at that time there has been returned at the present time $1,222,710 of principal and $94,180 of interest.

I thank the Senator.

Mr. COPELAND. Mr. President, yesterday the Senate heard from the able Senator from Georgia [Mr. GEORGE] a very eloquent and, from his standpoint, a most logical speech against what he calls a paternalistic scheme of government. He expressed the fear that if this bill should prevail we would be laying the foundation of communism in this country, and that the destruction of government would naturally follow. I do not share the views of the Senator, and I hope to be able to explain why.

When we consider this bill we must not forget that the condition which it seeks to remedy is not entirely the fault of the farmer. The Northwest is facing a double calamity. Both these calamities, perhaps, are due to the same cause. First, there is the deprivation of profitable markets for wheat; but, in the second place, there is the failure of proper and sufficient banking support. As I see it, the reason why this particular measure should prevail is because the banking facilities of the Northwest are practically obliterated.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Utah?

Mr. COPELAND. I yield.

Mr. KING. The Senator will understand that in the word "Northwest" he must not include the State of South Dakota, because, as I showed the other day, its prosperity is great; and the able Senator from Minnesota rose and stated that he was authorized to state that this bill did not apply to his State at all.

Mr. COPELAND. I will bear that in mind; but I also recall that in several States in the Northwest the local banks are going to smash. In one State 95 State banks failed very recently, and several of the national banks, and in one town in the West on one day eight banks failed.

I agree with the Senator from Georgia that in ordinary times there should be no interference with the recognized economic laws, and in ordinary times the usual and recognized rules of business and social conduct should be strictly observed; but where we have such a situation as this, where we are facing a great economic disaster, the ordinary rules can not be observed. In case of an earthquake or a great explosion the traffic laws of a city are trampled upon and disregarded, and we are dealing here with an analogous economic disaster.

In the States we exercise the police power. In time of imminent peril to the health and the physical well-being of the people extraordinary measures are adopted. We have in our State of New York passed a tax exemption law in order that dwellings may be built for the people. The ordinary methods of supply and demand did not bring about the building of these houses, and it was necessary to exclude from taxation many dwellings in order to stimulate a building program. In the same way we have chosen to pass rent laws, absolutely violating the ordinary rules of supply and demand, but limiting rents so as to make it impossible to raise them above a certain price, in order that the people should not be excluded from decent habitations. In different States there have been times when the price of bread has been fixed, and the grain elevator rates have been fixed. So I take it that the bill before us is in the nature of a similar emergency relief measure, made necessary by the inability of the farmers in the Northwest to finance proper efforts at diversified farming. It is not applicable to other farmers, of course, in localities where the banking facilities have not failed; but here is a situation where the crops have failed and where the banking facilities have failed at the same time. Bear in mind, too, that this bill does not propose a gratuity; it provides only for loans.

Mr. REED of Missouri. Mr. President——

Mr. COPELAND. I yield to the Senator.

Mr. REED of Missouri. The Senator is speaking of North Dakota. What did they do to the banks in North Dakota by law? Who destroyed the banks in North Dakota?

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Montana?

Mr. COPELAND. I yield.

Mr. WALSH of Montana. The import of the question asked by the Senator from Missouri does not escape any of us. My State has not passed any legislation destructive of banking interests, and yet there is a greater percentage of bank failures in the State of Montana than there is in North Dakota.

Mr. REED of Missouri. The Senator's State has had two or three wheat-crop failures, has it not?

Mr. WALSH of Montana. So they had in North Dakota.

Mr. REED of Missouri. The Senator's State may not have passed those laws, but I think the laws of North Dakota have something to do with the situation. I will, however, address myself to that matter in my own time.

The PRESIDING OFFICER. The Chair must advise the Senator from New York that his time on the pending amendment has expired. He very generously yielded half his time to the Senator from Wyoming [Mr. KENDRICK].

Mr. COPELAND. I have not spoken on the bill.

The PRESIDING OFFICER. The Senator has 10 minutes on the bill.

Mr. COPELAND. I thank the Chair. I do not care what the cause of the bank failures is, if there is a banking situation which makes it impossible for these farmers to recoup or to reestablish themselves on a different basis, we must relieve them of the situation and make it possible for them to go on. It seems to me this bill is a very sensible one. It plainly speaks, at the bottom of the first page, in line 8, that its purpose is to change conditions "through the encouragement of a system of agriculture not dependent for its success upon wheat alone." In other words, this is to make provision for diversified farming.

Mr. GLASS. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Virginia?

Mr. COPELAND. I yield to the Senator from Virginia.

Mr. GLASS. I want to ask the Senator from New York when it became a proper function of Government to take the taxpayers' money to replenish deficiencies occasioned by mismanaged and failed banks?

Mr. COPELAND. Mr. President, I do not care what the cause of the failure was. If by reason of the failure the farmers of that section are about to starve or go into bankruptcy, I say that it is the business of Government to find a way to relieve the situation and make it possible for them to engage in diversified agriculture.

Mr. GLASS. As a matter of fact, does not the Senator know that the sound banks of the country have ample funds to loan to people who are entitled to credit? Never since they were established have the Federal reserve banks of this country had a higher reserve percentage than they have to-day. But the Senator has not answered my question. I asked him when it became a constitutional function of this Government to take other people's money, to take money exacted from the common taxpayers of this country, and devote it to the purpose of replenishing deficiencies occasioned by failed banks?

Mr. COPELAND. Does not the Senator from Virginia recognize that in case of imminent peril or public necessity it may be necessary for the Government to do extraordinary things?

Mr. GLASS. Does the Senator think that there is imminent peril because the farmers of a small section have not up to this time diversified their crops? Is that a peril?

Mr. COPELAND. The Senator from New York does think so.

Mr. GLASS. Is that a national menace?

Mr. COPELAND. It is a menace to the people of that section, and I say that it is the business of the Government to relieve the people of the danger of the menace.

Mr. GLASS. Has there been any fault of the Government? Is the Government responsible for the fact that farmers in this section or any other section have not pleased to diversify their crops?

Mr. COPELAND. The Government is not responsible if a smallpox epidemic comes along, but the smallpox epidemic comes, and when it does come it is the function of the Government to find a way to control it.

Mr. GLASS. The Senator does not give us an analogy at all, and he has not yet answered my question as to what constitutional right the Government has to take funds exacted from all of the taxpayers and appropriate them to an extraordinary use, as this is.

Mr. COPELAND. I do not suppose the Senator from Virginia and I will ever agree on this subject.

Mr. GLASS. I am sure not.

Mr. COPELAND. But so far as I am concerned, my vote will be given always to help people who by reason of circumstances beyond their control are not able to help themselves.

Mr. GLASS. It is all right if the Senator will take his own money to do that, but I deny his right to take mine to do it if I do not want it done.

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Iowa?

Mr. COPELAND. I yield.

Mr. BROOKHART. With reference to this constitutional right referred to by the Senator from Virginia, have we not as much constitutional right to do this as we had to appropriate $24,000,000 for the relief of the Russians?

Mr. GLASS. The chief argument for that was that it was to be used to buy wheat and relieve the wheat situation.

Mr. BROOKHART. It was constitutional, was it not?

Mr. GLASS. No; it was not constitutional.

Mr. COPELAND. Mr. President, I do not know any reason why we should get excited when we are trying to help the farmer. I hope Senators will not get excited over it. I will admit at once that this is a makeshift measure——

Mr. STANLEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Kentucky?

Mr. COPELAND. I yield to the Senator from Kentucky.

Mr. STANLEY. Mr. President, I did not have the pleasure of hearing the argument of the Senator at length. I heard him state, however, that this appropriation is justified on the ground of imminent peril or public necessity. Will the Senator state just what the imminent peril is?

Mr. COPELAND. The peril of bankruptcy and the peril of human suffering incident to it. That is peril enough to justify me in the position I take.

Mr. STANLEY. Mr. President——

The PRESIDING OFFICER. The Senator from New York declines further to yield.

Mr. COPELAND. I have given about 20 minutes of my time already. I want to say that I consider this a makeshift measure, but a very necessary one under the circumstances. It does

not go to the root of the trouble. The reason why these farmers have no markets for their products is that a Republican administration has failed to find a way to rehabilitate Europe, so that the markets and commerce of the world might be reestablished.

I had occasion last year to go up to the Russian border in Poland to study health conditions. When I got to Warsaw I found the Government knew I was coming, and they did everything they could to make it pleasant for me. They assigned a member of the cabinet to look after me. Of course, at the present time, if a member of the cabinet were assigned to look after a United States Senator, it might cause some criticism; but it went all right then.

This cabinet officer placed at my disposal a private car, not the kind of a car Harry Sinclair rode in when going down to Three Rivers, N. Mex., but if you will imagine the caboose of a freight train you will have a good idea of my car. To make a farmer from New York feel entirely at home they put a Ford automobile on this car. They gave me a chauffeur, a cook, a servant, an interpreter, and a doctor. That was some retinue for a Democrat to travel with. Then the minister said, "I am sorry that we have no provision for purchasing food. The Government will supply the food and cook it for you, but you will have to pay for the food." I said, "That is fair. I will pay for the food for the party."

I was gone four days on that particular trip, and when I got back to Warsaw I paid off this retinue of servants so liberally that they bowed to the floor in appreciation of my generosity. I paid them, and paid for the food for the entire party, and the whole bill was $3.50 in American money.

That shows why Europeans can not buy our produce. Until Europe is rehabilitated, until the markets of the world are reestablished, we are going to continue to have trouble in this country because of the lack of sale of our products. So I say that that is the fundamental thing and the particular thing in which the Republican Party has failed. In the meantime, we must give the wheat farmers the relief they seek to prevent economic annihilation.

There is a situation in the Northwest which makes it necessary for these people to appeal for relief. I say it is right and proper that this Government should recognize this emergency and should take the necessary steps to make the appropriation asked for in order that relief in this temporary emergency may be afforded.

Mr. GLASS. Mr. President, I want to say just a word, suggested by a remark of the Senator from New York [Mr. COPELAND]. He talks about the obligation of the Government to "take care of farmers." The truth of the business is that for the last four years in the Congress of the United States we have been departing from all proper constitutional considerations and doing things in the name of the farmers which were altogether unusual and mischievous.

When the Senator talks about relief for the farmers I am prompted to inquire what farmers and how many farmers? To better illustrate what I mean, I have in mind now one of the Northwestern States, not to be too specific. There are in that State, all told, according to the last census, 69,000 farmers. The State paid into the United States Treasury $2,096,000 in 1922.

The State of Virginia has 1,067,000 farmers, or 1,000,000 more farmers than this particular Northwestern State. Virginia paid into the Federal Treasury $46,900,000 in 1922. I am asked here to vote to further tax the 1,067,000 farmers in the State of Virginia and take the money thus exacted from them for governmental purposes exclusively and appropriate it to the use of 69,000 farmers in one of these Northwestern States.

Mr. BROOKHART. Mr. President——

Mr. GLASS. In a moment. Why are the taxes of my 1,067,000 farmers in Virginia to be appropriated to the uses of these 67,000 farmers in another State? To enable the farmers of this other State to compete with the Virginia farmers in producing poultry and pigs and cattle. Furthermore, more than a million Virginia farmers are to be taxed to loan their money to other farmers in order that those other farmers may charge the Virginia farmers more for the bread they have to eat. So that you catch the Virginia farmer going and coming.

Mr. COPELAND. Mr. President——

The PRESIDING OFFICER. Does the Senator from Virginia yield; and if so, to whom?

Mr. GLASS. I yield to the Senator from New York.

Mr. COPELAND. I assume that in Virginia the farmers have mutual fire-insurance companies, and that when one farmer is unfortunate enough to have a fire the farmers who are fortunate and do not have fires contribute a little to help him. I take it that the farmers of the Northwest when they are restored to prosperity and difficulty comes to the Virginia farmers will be glad to pay their share of the taxes.

Mr. GLASS. The Virginia farmer does not want anything of the kind. Virginia farmers do not want the Constitution of the United States outraged for their advantage. Virginia farmers are not in any such situation as that, and not a great many other farmers are.

Were we to confine ourselves to reading the CONGRESSIONAL RECORD we should conclude that in at least one State the three major industries are insane asylums, almshouses, and cemeteries, because the population so often has been described as having been impoverished by the policies of the Federal Government and driven to suicide or insanity.

The farmers of this country generally are in no such situation. Those in my section of the country are not; they are not in many other sections of the country.

In North Carolina there are 1,500,000 farmers. There are nearly as many farmers in that one State as there is population in these four Northwestern States. North Carolina pays into the Federal Treasury, as shown by the last available statistics, $124,000,000 in taxes per annum.

The taxes of the million and a half farmers of North Carolina are to be appropriated to the uses of a few farmers somewhere else in order that the latter may be given a capital stock to compete with the farmers of North Carolina. As the distinguished Senator from Georgia [Mr. GEORGE] said the other day this is not even socialism. It does not approach in respectability the doctrine of communism. It is special privilege run mad. I am getting tired of seeing, even on this side the Chamber, Senators in the guise of Democracy, professing the principles of Thomas Jefferson, voting to outrage every principle that Jefferson ever avowed with respect to government.

I hold, Mr. President, that taxation primarily, solely indeed, is for the purpose of insuring an effective and economic administration of the Federal Government. When funds are taken for any other use they are being improperly diverted.

Mr. BROOKHART. Mr. President——

The PRESIDING OFFICER. Does the Senator from Virginia yield?

Mr. GLASS. I yield.

Mr. BROOKHART. Are the farmers of Virginia and North Carolina prosperous now?

Mr. GLASS. Are they prosperous?

Mr. BROOKHART. Yes.

Mr. GLASS. They are not making an appeal to Congress for help.

Mr. BROOKHART. That is not an answer to my question. Are they in fact prosperous at this time?

Mr. GLASS. The fruit growers of the great valley of Virginia have had three successive bad years; but they are not coming up to Congress and asking that Congress shall take from the common tax fund, exacted from all the people, any sums for their relief.

Mr. BROOKHART. From what the Senator said, they are really not prosperous in either of those States.

Mr. GLASS. If they are not prosperous, I will tell the Senator why. There is scarcely one product of the farm which today is not quoted in the open market at a higher price than prevailed for that product on the average for 25 years preceding the war.

Mr. BROOKHART. Yes; but——

Mr. GLASS. Just wait a minute. I want to tell the Senator why, if they are not prosperous. I say there is scarcely a product of the farm, from the chickens which we are to supply to these Northwestern States up to wheat or tobacco or cotton or peanuts, or anything else, that is not higher than it was for 25 years preceding the war on the average. The difficulty is that the commodities for which the farmer has to exchange his produce are so unreasonably high owing to the emergency tariff and the other tariffs which the Republican Party fastened upon his farmers of the West.

Mr. BROOKHART. I did not fasten the tariff upon the farmers.

The PRESIDING OFFICER. The time of the Senator from Virginia on the amendment has expired. The Senator has 10 minutes on the bill, if he so desires.

Mr. BROOKHART. I want to ask the Senator a question.

Mr. REED of Missouri obtained the floor.

Mr. BROOKHART. I desire to ask the Senator from Virginia another question.

The PRESIDING OFFICER. The Senator from Virginia has yielded the floor. The Senator from Missouri is recognized. Does the Senator from Missouri yield to the Senator from Iowa?

Mr. BROOKHART. No; it was with the Senator from Virginia on the floor that I desired to follow up with the question I started.

Mr. REED of Missouri. The Senator may ask me the question.

Mr. GLASS. And I will trust the Senator from Missouri to answer the question, too.

The PRESIDING OFFICER. The Senator from Missouri has the floor. Does he yield to the Senator from Iowa?

Mr. REED of Missouri. If the Senator desires to ask me a question, I yield.

Mr. BROOKHART. Relating to the statement of the Senator from Virginia in which he pointed out——

Mr. REED of Missouri. I wish the Senator would ask me a question, because my time is running very rapidly.

Mr. BROOKHART. The Senator from Virginia said the lack of prosperity on the part of the farmer was because of a tax on the products he has to buy and other combinations which have been put upon the farmers. I am in complete accord with that, but I want to even up this thing. I want to ask if it is not fair to even the thing up and let us levy a tax on those profits to take care of the farmers who are in distress?

Mr. REED of Missouri. That is a question we will reach when we get to it. We are not now levying taxes on profits. If the Senator will introduce such a measure I may support it.

Mr. BROOKHART. I shall remember that remark, and I hope to offer an amendment of that kind to the revenue bill when it comes before the Senate.

Mr. REED of Missouri. I will say to the Senator that when we had the battle over surtaxes I voted every time for higher surtaxes than went into the bill on those exceedingly great incomes. We may be in agreement, and then each of us may suspect the other of being wrong because we are in agreement upon that bill.

But let us get back to the question. The Senator from New York [Mr. COPELAND] has discussed the banking situation. He said the banks are all broken in the Northwestern States. This is not a bill to rehabilitate banking. There is nothing said in the bill about establishing new chains of banks. If there was, we would discuss that question.

Mr. BURSUM. Mr. President——

Mr. REED of Missouri. But if the banks are broken——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from New Mexico?

Mr. REED of Missouri. I yield; but I can yield only a moment, as my time is very limited.

Mr. BURSUM. I merely want to advise the Senator that I have an amendment which I shall propose that will take care of the banks.

Mr. REED of Missouri. When we get to that we will take care of it. It is not here now. I am not a sufficient prophet to tell whether it will ever be here. One thing we do know is that in one of those States, at least, there was some legislation that is believed to have had the effect of destroying many banks. The Senator said the United States Government must keep step with disaster. That was almost his expression. That is to say, if it found there is a piece of foolish legislation that wrecks business institutions or every time people make foolish investments the United States Government must come in and make up the loss. That is a new theory in government. If it were generally adopted in the country, all of us who have gone through the world and made very little money would be able to go in and speculate on everything, and if we lost money the Federal Government would be called on to make up the loss. It is a new system of economics. I think it ought to entitle its author to a species of immortality. I almost said immorality. It would be political immorality.

Then we are told that this is a question of imminent peril and public necessity. This is a singular definition of public necessity, one that never was heard before and that never was found in the book.

It is no definition of public necessity that will cover the question of the farmers of a certain section having failed to raise pigs when they ought to have raised pigs according to the theory of the bill, and that that creates very imminent peril or public necessity.

Let us get back to the bill and what the bill proposes to do. It proposes to encourage a system of agriculture not dependent for its success upon wheat alone, but cultivation which would include the raising of livestock, such as dairy and beef cattle, hogs, sheep, poultry, and the products thereof. It also proposes that the Secretary of Agriculture may purchase such livestock and supply the same to the borrower at cost, such advances or loans or sales to be made upon such terms and conditions and subject to such regulations as the Secretary may prescribe.

Mr. President, why have these farmers in the Northwest not diversified their industry? I do not know, but I will undertake to say that you can take the average farmer of any one of those Northwestern States and he knows better what to plant in his field and what to raise on his farm than all the Congressmen assembled in Washington know. I will undertake to say that his wife knows more about that than all the Congressmen know. I will undertake to say that his freckled-faced 14-year-old boy knows better what to raise to make money on those farms than all the men in this Chamber know. If you are going to establish yourselves as wet nurses for the farmers of this country, some of you had better qualify a little and know something about it. Men are here proposing to tell the farmers of the Northwest that they have not been raising the right kind of crops, that they have not been raising the right kind of chickens or pigs or calves. Men are undertaking that who never saw North Dakota, who never stuck a plow in the ground in their lives, who do not know whether they raise spring wheat or winter wheat in that country, who could not tell a crop of prairie grass from alfalfa, and who would require a guide to take them through any country lane to keep them from running into hedge fences. It is utterly absurd and ridiculous. [Laughter in the galleries. The Chair rapped for order.] Has my time expired or are the occupants of the galleries misbehaving? I am endeavoring to behave myself.

There never was a more absurd thing in the world than for the Congress of the United States to try to tell the people of the great Northwestern States what they ought to raise, yet that is the purpose of the bill. Then it is proposed to turn over to the Secretary of Agriculture the purchase of this stuff. Now, I question whether the Secretary of Agriculture himself could tell a Jersey cow from the Holstein at a rough guess.

Mr. KING. He knows how to milk them, we are told by the newspapers. He had a milking contest with the Senator from Minnesota [Mr. JOHNSON].

Mr. REED of Missouri. I have the greatest feeling of friendship for the Senator from Minnesota. I understand he can qualify as a milker of cows, but he now appears——

Mr. JOHNSON of Minnesota. I wish to inform the Senator from Missouri that the assertion was a newspaper assertion.

Mr. REED of Missouri. But whether the Senator from Minnesota can milk cows or not, he is here with a bill proposing to milk Uncle Sam dry. That is what the proposition is. I do not know whether the Senator can milk cows or not. I have the utmost friendship for him. I heard some ridicule indulged in here before he came, but it has all ceased since he came. I like to have that part of the country represented by men who can represent it, and I think the Senator is doing a very good job.

Mr. STANLEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Kentucky?

Mr. REED of Missouri. I yield.

Mr. STANLEY. Surely the Senator does not mean to intimate that these statesmen are not milkers, whether of a Holstein cow or anything else?

Mr. REED of Missouri. They are very good milkers when they are undertaking to milk the Federal Government.

Think of the absurdity of it. Here is a man who has farmed all his life. He has gone into the Northwest, and he has studied the soil and has studied the climate. He is not a fool. He may have struck bad crops and hard times, but he is not a fool. He is an intelligent man. He saw fit to raise particular crops because they would be best in that community and in that country. He could get the best out of it. Then the Senate proposes to legislate here that he ought to have been raising something else. That farmer you are talking about could sell you a spavined horse or a moon-eyed horse or a poll-evil horse and you would think you had got a thoroughbred until you tried him out. That same farmer could turn over to you a cholera-infected pig; you would buy it; and when you ate the bacon you would not know what you were eating. You simply propose to sit up here and undertake to tell people what they shall raise on their farms. I say it is an insult to their intelligence, and it is an insult to the intelligence of this body to undertake it.

The PRESIDING OFFICER. The time of the Senator from Missouri has expired.

Mr. JOHNSON of Minnesota. Mr. President, I should like to answer the Senator from Missouri. I do not want to compare myself with that able Senator, because he has been down

in his own State campaigning and practicing up. I want, however, to inform him of the reason why the farmers of the State of North Dakota are hard up. A former Member of this body for many years—the late Senator Gronna, of North Dakota—I remember well at a convention held in the city of St. Paul informed us that he went home from the Senate because there was a call to raise more wheat in order to feed the boys across the sea. Senator Gronna made the statement:

I went home and I ripped up 14,000 acres of soil in order to raise wheat.

The Senator from Virginia [Mr. GLASS] compared the number of farmers in North Dakota with the number of farmers in Virginia; I understand, though I am not sure, that the average size of a farm in North Dakota is 480 acres. There would not be so many farmers in Virginia if they had such large farms.

The farmers of the Northwest, as Senators all know, began raising grain. Here, however, is one thing that the Democrats on the other side do not wish to touch upon; that is, that the wheat which the farmers of that region grew was raised at a fixed price, a maximum price, if you please. Therefore when they raised those millions of bushels of wheat they did not get an honest and fair return for their labor.

I wish, so to say, to back up the statements of the able Senator from New York [Mr. COPELAND] when he got after the Senator from Georgia [Mr. HARRIS] when he spoke a day or so ago. He did not, however, say one thing about the banking situation in the great Northwestern States. Let me review the situation there. As I stated the other day, the farmers of the State of Wisconsin and those in probably 65 per cent of the area of the State of Minnesota are not down here asking for any relief. Why should they do so when they are in the dairy business? And if the wheat farmers in other sections of the State of Minnesota were in the dairy business, as are the people in the section where I live, neither would they come down here asking for this relief. However, let us go across the river into the State of North Dakota and then into the State of Montana, and we shall find that the citizens from those States are here asking for relief, because they have been raising wheat.

The Senator from South Dakota is not here, but repeatedly before the committee he said, "This bill has nothing to do with my own State." I read his own statement before the committee or the statement in his speech on this floor just the day before he left for the campaign in his own State, that "We raise five bushels of corn to every bushel of wheat which we produce in the State of South Dakota." If that were the condition in other sections of the Northwest, everything would be all right there, too.

However, referring to the banking situation, it may be said in some quarters that because a certain political party has been running wild in North Dakota the banks are broke. But that can not be said of Montana and other States, particularly New Mexico, where a greater percentage of banks are broke than even in the State of North Dakota, as Senators on the other side of the Chamber will realize if they will look up the figures.

I stated on the floor of the Senate the other day, and I repeat it now, that I had promised the people that I would not attempt to come down here to ask for more credit, for we already have too much credit; but the banks are in the position that they can not loan one dollar, because they are already overloaned. This bill will enable the farmers to buy three or four cows apiece, and if they milk the cows there will be something for the farmer and his family to live on anyway. That is the reason that I am for the pending bill, and I hope it will be passed.

I understand that the Democrats are a little bit afraid that if the bill passes the Republican Party is going to profit somewhat by it. I have not any interest in that matter, so to say; I do not care what happens to the Republican Party, because I do not belong to the Republican Party. [Laughter.] I should like to see the Republican Party get in just as bad as it possibly can, so we can lick them with a third party at the next election. [Laughter.]

Mr. BRUCE. Mr. President, I expect to vote for the amendment offered by the Senator from Montana [Mr. WALSH] to this bill; indeed, I have already done so, and I shall do so again when it is taken up in the Senate after having been disposed of by the Senate as in Committee of the Whole. I voted for that amendment because if the enormous sum of $50,000,000 is to be applied to agricultural conditions in the Northwest I think it would be better that it should be applied by the agencies which the Senator from Montana has suggested than by the Secretary of Agriculture. I shall vote also for the amendment offered by the Senator from Nebraska [Mr. HOWELL] because unquestionably if there are to be transactions between the Government and the farmers of the Northwest under the bill it is safer for the Government that those transactions should assume the form of conditional sales rather than that of mere hypothecations.

To the bill itself, however, Mr. President, I am inflexibly, irreconcilably opposed. If it stood alone it might not have the significance to me that it has. It might then be set down simply as an exceptional aberration from sound principles of public policy to say nothing of sound constitutional principles. But it does not stand alone; and when connected up with the bills of one sort or another now pending in the Committee on Interstate Commerce looking to the Government ownership of the railroads, and with the McNary-Haugen bill, and the Norris bill, and other measures of that character which contemplate a still larger participation by the Government in the private business of the individual, it points with the iron finger of fate to a steady drift upon the part of the Northwestern States of the Union toward State socialism.

It has often been observed that in modern times when a people fall away from Catholicism they do not go over to Protestantism, but to agnosticism or some other form of religious indifference or negation. So the Northwestern States, which were so long and inveterately wedded to the Republican Party, are not gravitating to the Democratic Party; not at all; they are moving, and steadily moving, as I have said, in the direction of some form or other of civil polity socialistic in its nature. They may be doing it unconsciously, but, all the same, they are being drawn in that direction more and more rapidly as time goes on. That is the reason why ever since I have occupied a seat in the Senate I have been unwilling, as I shall continue to be unwilling, to form any alliance of any sort with the representatives generally in this Chamber of the Northwestern States. For many of these gentlemen I entertain the warmest regard personally, and I have a sincere respect for their personal virtues and talents; but their bloc is not inclining to the Democratic Party and is wandering away further and further from the Republican Party. The regular Republicans on the other side of the Chamber have had the good sense to adjust their relations to them accordingly, and the Democrats in this Chamber should imitate the example of these Republicans.

I for one believe that the economic depression in the Northwest has been grossly exaggerated; or, if not grossly exaggerated, at least very much exaggerated. Did I not point out here only a day or so ago, when with the aid of the chart hanging upon that wall the able Senator from Nebraska [Mr. NORRIS] was about to proceed with his lecture, that in 1923 the ordinary savings-bank deposits in the State of North Dakota increased from $9,000,000 to $12,000,000? Did I not also point out that in the same year the number of automobiles in use in the State of North Dakota increased by 10,000? Only to-day the Census Bureau has given us a report as to the increase of wealth in some of the Northwestern States during the decade ending with the close of 1922? What does that report show? We hear the State of Montana spoken of as if it were poverty stricken and had the right to apply here for pecuniary relief in forma pauperis, like some poor, indigent suitor who goes into a court in that character because he is unable to employ counsel at his own expense. Yet the figures just given out by the Census Bureau show that in the decade just mentioned by me the total value of property in the State of Montana nearly doubled, having increased 98.2 per cent. In Iowa the increase was 37.2 per cent, in Minnesota 58.9 per cent, in Nebraska, 44.2 per cent, in Oregon 68.3 per cent, and in Colorado 40.9 per cent. I take these figures from the Washington Evening Star of yesterday; and I might have gone on the other day and pointed out that, with an exception or so, in every one of the Northwestern States that are supposed to be in such a terrible plight the ordinary savings-bank deposits were handsomely augmented in the year 1923.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. BRUCE. I should be glad to do so, but, as the Senator knows, I am limited in point of time, and interruptions are counted up against me. But for that I should be glad to yield.

The PRESIDING OFFICER. The Senator from Maryland declines to yield.

Mr. BRUCE. So I say conditions in the Northwest, in my opinion, have been very much exaggerated. But suppose they are as bad as they are represented as being; is that any reason why the fundamental principles of our Government should be violated? Is that any reason why the people of the Northwestern States should not rely more upon their own exertions and less upon Government patronage? As the Senator from Connecticut [Mr. MCLEAN] pointed out a few days ago, New England is the one section of the United States in

which not a few farmers have actually abandoned their farms, because they could make nothing out of them; but did we see the New England farmer, that sturdy individual, who has been relying from the beginning upon his own individual efforts to make his own fortune, apply for Government relief? No; he entered some other industry, or migrated to more fertile lands than those of New England, or got down still more closely to the task of making his New England farm pay, breathing the spirit of Emerson's words as he did so:

My garden is the cloven rock and my manure the snow.

The PRESIDING OFFICER. The Senator's time has expired on the pending amendment.

Mr. BRUCE. Then I will continue on the bill.

The PRESIDING OFFICER. The Senator has 10 minutes on the bill.

Mr. BRUCE. Very well. So with the Virginian farmer, to whom the Senator from Virginia [Mr. GLASS] so eloquently referred. I was executor for a Virginian farmer in the year 1896. I sold corn that year, as I remember, for 40 cents a bushel, and wheat for 60 cents a bushel. I sold on one occasion 96 sheep of all ages for the sum of $1 a head on the farm of the decedent; but did the farmers of Virginia then whimper and whine or look to anything but their own honest, laborious exertions for their salvation? Did they come to the Government and ask the privilege of applying their lips to its teats? Did they claim that the Government was a sort of free dispensary, a kind of eleemosynary institution to which resort was to be had whenever there was more or less passing agricultural distress? They did not. The trouble with the people of the Northwest is that they have had not too little but too much done for them by the Government.

The Northwest was hatched out in the very beginning by the warmth of an artificial incubator. The farmer in that region obtained his lands from the Government at a nominal or very low cost; he had railroad transportation furnished to him largely by Federal and State bounties.

More recently has come along the era of governmental price fixing and of tariff duties, imposed for the alleged protection of the agricultural products of the farmer, and in the Northwest the farmer has fallen into the fatal habit of relying upon Government patronage in all his difficulties.

Some years ago Bill Nye, the humorist, said that the people of the United States consisted of two classes—those who depend on work for a living and those who look to legislation and their wives' relations. The vice of the Northwest is that it is too much in the habit of looking to legislation and its wives' relations—that is to say, the other States of the Union and their tax resources—for aid in the ordinary vicissitudes of human energy.

This bill is just another step in the progress of State socialism. It will do no lasting good even to the people of the Northwest. A few days ago I recevied one of the best letters that I ever read in my life from an old resident of North Dakota. He knew what the situation in the Northwest really is.

One of its misfortunes, he said, was that there had been a great influx of immigration from Europe into that region that was deeply tinctured with European socialistic ideas, though he did, I am glad to say, have the candor to add that many of these immigrants were very fine citizens, indeed, an opinion which I heartily share.

In my opinion the inevitable tendency of this bill, if it goes into effect, will be to impoverish the spirit of the people of the Northwest, to sap those habits of self-reliance which made the early history of our great West one of the grandest epics in the history of the human race, and to destroy those principles of individual initiative, individual energy, and individual ambition upon which the splendid structure of American progress, prosperity, and happiness has been reared.

So, as you see, Mr. President, I am not so much disposed to look at the details of this bill as I am to look at the underlying political tendencies which characterize it, and which to my mind establish the fact that in a short time the struggle in this country will be not between the Democratic and the Republican Parties so much as between the conservative elements of our American population and those which are sometimes termed progressives and sometimes radicals. Should a truly momentous conflict arise between these antagonistic elements, I care not what you call me, Republican, Democrat, or what not, I will be found with the party which shall entrench itself behind the ramparts of the Federal Constitution and the distinctive American ideas and ideals to which we owe all our greatness as a nation.

Mr. ADAMS. Mr. President, I am among those who are very much distressed over this particular legislation. I find myself fearful lest my vote should cause me to be thought to concur with the arguments of those who vote as I do. There are some in the Chamber who seem to feel that nothing new has been discovered since 1776. They seem to think that this is a day to protect the hitching posts along the highways, notwithstanding it is the day of automobiles.

Out in our mining country we have a story of a card game when one of the players had from time to time slipped a card into his boot until he had accumulated four aces, and then, finding an opportune time, put his whole pile on the table and reached for the hand in his boot, and found that some one had seen him and had taken it out; and he said, "Here, I will not play in this game; it is not on the square."

Senators come on the floor here and say that the trouble with the Northwest is that legislation has done too much for the Northwest. I concur with them when they say that the plight of the farmers in the Northwest to-day, as I see it, is primarily due to Congress, primarily due to the fact that Congress has done too much to them. The plight of the farmers in the Northwest is due to Congress, and Congress owes something to the farmers to make restitution for what it has done.

It is perfectly useless to say that it will lead into paternalism. It is perfectly proper for Congress to tax me, to tax my neighbors, through tariff taxes, in order to benefit some manufacturer or some man along the shores of the Atlantic. It is absolutely wrong when Congress seeks to tax the man along the Atlantic for the benefit of the farmer. In other words, the policy that the Government founded and has carried on in its tariff policies and in its foreign-relations policies has resulted in the present unfortunate economic condition in the Northwest. A fictitious value has been placed upon those things which the farmer must buy. He is denied his market, and that is the act of Congress. It is well enough to talk of fundamental principles, and if it can all be put upon an equality I will agree with the Senator from Maryland [Mr. BRUCE]; let us not use the taxing power for the benefit of any man, but when you use the taxing power to destroy one man do not come back and say the Government should not step in and help him.

Unfortunately my situation is this: I think an obligation rests upon Congress to do something for the farmers, not only of the Northwest but of all the West, including my State; but I do not think that this particular bill is accomplishing it in the right way. I do not believe that it is reaching the problem. I am disappointed that the men who advocate this measure are unwilling to put their finger upon the real cause and say to us, "Let us give temporary help, and then let us remove the real cause. Let us take down the tariff walls. Let us take down the barriers to international trade." When they say that, I will go with them as far as necessary to meet an emergency. If the Northwest needs help, I will vote it. I differed with them when they refused to eliminate from this bill help for 1925 and 1926. That indicates some lack of comprehension of the emergency. I will go as far as possible to help in an emergency. I come from a State which was stricken with catastrophe some years ago, and Congress came to the rescue of my community. They voted the taxpayers' money for my flood-stricken community, and when an emergency strikes in other parts of the land I am prepared to reciprocate.

This bill, however, is a badly drawn bill. It is a badly conceived bill. It has been carried on beyond the point to which it ought to go, and I am being driven into voting against it, I am afraid, because of the way in which it is drawn. To-day the friends of the measure refused to put the administration of it in the hands of what I think are the more efficient administrators of the Government. So, differing absolutely with those who oppose the bill upon the so-called grounds of constitutionality, I fear that I shall be compelled to vote against it because of its form, because it has not been kept within its proper scope as a measure for immediate relief.

Mr. STANLEY. Mr. President, this bill aptly illustrates the extent to which we have gone in the perversion of public funds and in the use of the taxing power for the purpose of helping Tom, Dick, or Harry whenever and wherever the need may arise.

I have been literally amazed at the reasons given for the passage of this bill. For instance, the Senator from New York [Mr. COPELAND], in response to a question, said that he favored the bill on the ground of imminent peril and urgent necessity. Whether you can invade the constitutional rights of the citizen or stretch the tether of the Government even under the excuse of imminent peril and urgent necessity I am very much inclined to doubt. Imminent peril implies a peril that is at hand and limited in time. An imminent peril can not abide for weeks or months. Urgent necessity means something that is here now, that must be done forthwith and before you can take time to

invoke the orderly methods of government, before you can take time to grant the relief without violation of constitutional limitations. Under the excuse of imminent peril and urgent necessity when the earth shook San Francisco into ruins, when the sea enveloped a Texas city—Galveston—in its hungry maw, Congress made a small appropriation, because we thought the necessity was such that the example would not be pernicious; but that was the camel's nose.

I ask the Senator from New York, what is his ground? He says "urgent necessity." What, Mr. Senator, is the imminent peril or urgent necessity? He says the farmers are in imminent peril of losing money, that there is urgent necessity to save them from financial disaster. Is there any man engaged in business in the United States who does not face imminent peril of losing money? Was there ever a time when more or less of us were not in financial distress? One wiser even than the junior Senator from New York declared that the poor we have always with us. That was 2,000 years ago, and they do not seem to have decreased any in the Northwestern States.

The Senator from Minnesota [Mr. JOHNSON] makes an argument even more startling in favor of this bill than the argument of "imminent peril" and "urgent necessity." The Senator from Minnesota tells us that, of course, the farmers in Virginia do not need any help, that they have only about 50 acres of land apiece, but he says, "We have 600 acres apiece in Minnesota, and who can run 600 acres without Government aid?" If they had 6,000 acres they would be utterly and hopelessly gone.

Mr. JOHNSON of Minnesota. Will the Senator from Kentucky yield?

Mr. STANLEY. Certainly.

Mr. JOHNSON of Minnesota. I wish to inform the Senator from Kentucky that the bigger the farms in North Dakota and Montana to raise wheat on, the worse off they got. If they had a small farm, they did not lose so much money.

Mr. STANLEY. I understand thoroughly; and they have all big farms——

Mr. JOHNSON of Minnesota. If you have a small dairy farm, you can make a living——

Mr. STANLEY. Exactly.

Mr. JOHNSON of Minnesota. Because the corn bill and the labor bill and everything will be low. I am willing to give the Republicans credit for putting up the tariff under which we had to buy our machinery.

Mr. STANLEY. Think of it! We are irrigating lands, we are turning over hundreds of thousands of acres, and the more land they get, the more we will have to pay to keep them on it, and to keep them up. Think of it! In my State a hundred acres is a good farm. It will take 10 Kentucky farmers, ground to earth by taxation, to keep one farmer going in the Northwest, if he happens to have a little farm of a thousand acres, or 600 acres! That, with all due respect to the able Senator from Minnesota, is a reductio ad absurdum.

[Mr. SHIPSTEAD addressed the Senate. His speech is published entire beginning on page 4078.]

The PRESIDING OFFICER. The question is on the amendment offered by the senior Senator from Montana [Mr. WALSH].

Mr. CURTIS. Mr. President, I wish to submit a unanimous-consent agreement.

Mr. NORRIS. Will the Senator from Kansas withhold that for just a moment and let us vote on the amendment? I do not think there is any objection to it. It is to modify the second paragraph.

Mr. CURTIS. I am willing to withhold my request until after the vote.

The PRESIDING OFFICER. The question is on the amendment offered by the senior Senator from Montana.

The amendment was agreed to.

Mr. CURTIS. I ask unanimous consent that after the hour of 1 o'clock p. m. on the calendar day of Thursday, March 13, 1924, no Senator shall speak more than once nor longer than 10 minutes upon the bill S. 2250 and more than five minutes upon any amendment offered thereto.

Mr. ROBINSON. Is the Senator satisfied that it is impossible to complete consideration of the bill to-day?

Mr. CURTIS. I am. I expect to ask unanimous consent also that when we conclude the business of the Senate to-day we shall take a recess until 12 o'clock to-morrow, so that we can let the bill be considered from 12 o'clock on. That would give us an hour with the 10-minute limit on debate, and for the balance of the time we would have a 5-minute limit on debate.

Mr. ROBINSON. I should very much prefer, having had such prolonged discussion of the bill, to fix a time at which to vote, but I am informed that the arrangement can not be effectuated, so I make no objection to the request of the Senator from Kansas.

Mr. CURTIS. I have tried to bring about that agreement, but there are two or three Senators who object to fixing a time to vote.

Mr. JONES of New Mexico. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from New Mexico?

Mr. CURTIS. I yield.

Mr. JONES of New Mexico. I have frequently discussed just such proposals before, and I do not believe that we have ever had an instance which more clearly demonstrated the importance of limiting the time for discussion and limiting the extent of speaking, but at the same time not fixing a time for voting.

Mr. ROBINSON. The difficulty in not fixing a time for a vote is that under which the Senate is laboring now. A number of Senators are compelled to be absent from the Chamber to attend committee meetings. That is the principal reason why we can not vote this afternoon, no arrangement for a vote having been effected. The same condition will in all probability exist to-morrow, but I make no objection to an agreement such as is proposed, since the time for the final vote is not to be fixed.

Mr. JONES of New Mexico. I think the distinguished Senator from Arkansas can hardly insist upon what he just said as an argument that limiting debate causes Senators to stay in the Chamber. I think that is one function that the limiting of debate performs.

Mr. ROBINSON. We are laboring now under a very reasonable limitation on debate, the limit being 10 minutes, and yet a large number of Senators who are interested in the bill are absent from the Chamber, because they are attending committee meetings. I am not saying that limitation on debate does not ordinarily attract Senators into the Chamber. But I make no further point about the matter. An agreement to vote can not be reached, so let the agreement be entered into, unless the Senator from New Mexico desires to object.

Mr. JONES of New Mexico. I simply want to suggest that I have never listened to a debate on any bill which has really brought out more information than the debate upon the pending bill. It has been debated in thorough earnestness on both sides of the Chamber, and I do not think such debate as we have been listening to on the bill is at all harmful to the Senate or harmful when we consider the information which the country will obtain from it. That is the reason why I am unwilling to agree to a time when the vote shall be taken. If the Senator from Montana had offered his amendment this afternoon under such an agreement, there would have been no opportunity even to explain the amendment after the hour for voting arrived. I do not know what other amendments may be proposed to the bill. Certainly we ought to have a short time in which to hear the explanation of amendments which may be offered and to discuss such amendments in at least a brief way.

Mr. NORRIS. As I understand, the proposition of the Senator from Kansas does not conflict with the idea of the Senator from New Mexico. The only difference is that he proposes to change the limitation after a certain time from 10 minutes to 5 minutes. That will be sufficient time to make the explanation which the Senator from New Mexico has in mind.

Mr. JONES of New Mexico. I understand; but I also understand that I was the person referred to by the Senator from Arkansas when he said they were unable to get an agreement for a time to vote.

Mr. ROBINSON. The Senator from New Mexico is laboring under a misapprehension. I had no information that he had expressed any view upon the subject. My information was that another Senator, a Senator on the other side of the Chamber, objected to fixing a time to vote.

Mr. JONES of New Mexico. I am willing to recognize the old proverb that a guilty conscience needs no accuser. I did tell the Senator from Kansas that I could not agree to fixing a time to vote.

Mr. NORRIS. I do not want the Senator from New Mexico to get the idea that I was criticizing him for objecting. I think that when we fix a time to take a vote and without debate must vote on all amendments that may be offered—and there may be a hundred of them offered—it is a very unfortunate way to legislate. I have felt many times that I never would consent to that kind of a unanimous-consent agreement again, but we will be driven to it unless, as the debate proceeds, we narrow down the length of time for the speeches of Senators. First, on the bill for several days there was no time limit on speeches. Then we have had two or three days limited

to 10-minute speeches. It seems to me it is a very reasonable proposition that now, commencing at 1 o'clock to-morrow on a bill which we supposed would be disposed of two or three days ago, the limit should be put at five minutes.

Mr. JONES of New Mexico. I do not object to the request of the Senator from Kansas.

The PRESIDING OFFICER. The Secretary will read the proposed unanimous-consent agreement submitted by the Senator from Kansas.

The READING CLERK. The Senator from Kansas proposes the following unanimous-consent agreement:

It is agreed by unanimous consent that after the hour of 1 o'clock p. m. on the calendar day of Thursday, March 13, 1924, no Senator shall speak more than once nor longer than five minutes upon the bill (S. 2250) to promote a permanent system of self-supporting agriculture in regions adversely affected by the stimulation of wheat production during the war and aggravated by many years of small yields and high production costs of wheat, and five minutes upon any amendment offered thereto.

The PRESIDING OFFICER. Is there objection to the request submitted by the Senator from Kansas? The Chair hears none, and it is so ordered.

Mr. CURTIS. I now ask unanimous consent that when the Senate conclude its business to-day it take a recess until 12 o'clock to-morrow.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kansas?

Mr. WILLIS. Not in the nature of an objection, but I wonder whether the Senator from Kansas has forgotten the notice given by the Senator from Massachusetts [Mr. LODGE].

Mr. CURTIS. I have not forgotten it. I spoke to the Senator from Massachusetts, and he will give the notice for some other day.

The PRESIDING OFFICER. Is there objection to the request submitted by the Senator from Kansas? The Chair hears none, and it is so ordered.

Mr. TRAMMELL. Mr. President, we are now, as I understand, considering the bill under the 10-minute rule?

The PRESIDING OFFICER. The 10-minute rule prevails until 1 o'clock to-morrow afternoon.

Mr. TRAMMELL. If there is no amendment now pending——

The PRESIDING OFFICER. There is no amendment pending.

Mr. TRAMMELL. I desire to offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment proposed by the Senator from Florida will be stated.

The READING CLERK. On page 1, after line 2, it is proposed to strike out the first section of the bill, as follows:

That it is hereby declared in the public interest that conditions existing in those portions of the United States known particularly as the wheat areas resulting from the stimulation of wheat growing during the recent war and aggravated during subsequent years by low yields and high costs of production should be changed through the encouragement of a system of agriculture not dependent for its success upon wheat alone, but cultivation would include the raising of livestock, such as dairy and beef cattle, hogs, sheep, poultry, and the products thereof.

Mr. CURTIS. May I ask if the Senator's amendment is a motion to strike out?

Mr. TRAMMELL. My amendment proposes to strike out section 1 of the bill; that is the substance of the amendment.

Mr. President, my idea in offering the amendment is to try to shape the proposed legislation into such form that it will afford aid and relief to the farmers throughout the country who may be in a situation similar to that which is pictured as being the situation of the wheat farmers of the Northwest. I am always sympathetic with the interests of agriculture and of the farmers of our country, but I can not persuade myself to occupy a position of favoritism in behalf of a few farmers and at the same time close the door for aid to a far greater number of farmers who have suffered as much as have those in the three or four States of the Northwest, and deny to them the beneficent provisions contemplated to be enacted in the pending measure. That is the whole situation.

Mr. President, I do not think the man is any greater friend of the farmer who would contend that a few of them should have relief than is the man who, upon the other hand, contends that if we are going to assist the farmers we should be just and equitable and that we should aid all farmers who may occupy a similar unfortunate position. Some of our friends are inclined to argue here that because a Senator does not see their viewpoint of assisting a few farmers of the country and discriminating against the many farmers of the country he is not sympathetic toward the farmers and the agricultural interests.

I dare say that in any of the agricultural States of the Union there will be found about as many farmers who need assistance for the purpose of diversifying their crops as may be found in any one of the States of the Northwest for the benefit of whose farmers it is contemplated to vote the relief carried in the pending bill. For my part, I do not feel that the farmers of my State should be taxed for the purpose of raising money to assist farmers of another section when the proponents of the bill are not willing to extend the same privilege of a loan or an advance to the farmers of my State, even though they may be in a similar situation. I think my position is but similar to the attitude of a good many Senators who do not approve of this bill in its present form.

We are for all the farmers who need help that they may diversify their crops and not merely a few of them. Yesterday we sought to have an amendment written into the bill which would appropriate $25,000,000 to assist unfortunate farmers in other sections of the country, and yet those Senators who advocate the measure in its present form were responsible to a large extent for the defeat of that amendment.

Mr. President, the champions of this bill and of the policy it embraces turn their stony hearts to the millions of farmers in other sections of the country who are as unfortunate, who have suffered as much as a result of the misfortunes of war as have the few farmers within these three or four wheat-producing States and say to them, "We are only taking care of the favored few; you stand without the pale; you are not to be recognized." If those Senators take that position, how do they expect other Senators who are friendly to agriculture and to the farming interests to assist them in securing an appropriation of $50,000,000 in order to aid those few farmers? I think we should deal alike with all of the farmers who are equally unfortunate, and when we come to write a measure for the purpose of making advances and loans to the farming interests in order that diversification of crops may be instituted we should make the provisions of the measure broad enough to cover the situation in the different States.

Throughout my public career I have, in season and out of season, worked to promote the interests of agriculture. I am for the farmer; I am for the agricultural interests of the country; but in manifesting my love and my friendship for agriculture and for the farmers of the country I do not propose to tax a hundred farmers for the purpose of assisting one farmer. If the question is to be raised as to who is the farmer's friend and who is the friend of agriculture I say that the Senator who votes for the bill in its present form is opposing the interests of one hundred farmers to assist one farmer. I prefer being fair and just to all.

You who want this bill as it is now written, by your position say to the great majority of farmers: "You may be as unfortunate as those we favor; you may have suffered as the result of war; you may need funds with which to diversify your crop, but we are not going to allow these privileges to the farmers of New York, of Illinois, of Indiana, of Missouri, of California, of Texas, of Arkansas, of Georgia, of Florida, of Alabama, or of Mississippi, and many other States. You may have had similar misfortunes; you may need funds with which to diversify your crops, but we do not propose to let you have them. Your part in this game, Mr. Farmer, in these other States is to help pay the freight, to help raise the taxes, and to provide the funds in order to let these other farmers have $50,000,000."

I do not favor any such measure of discriminatory legislation. Unless the bill be so amended as to treat alike all farmers who are similarly situated, who have suffered the misfortunes of war, who have had their plantations devastated, who are suffering for those and other reasons, I shall vote against it; and I think the real friend of the farmer should vote against it.

The PRESIDING OFFICER. The time of the Senator from Florida has expired. The question is on the amendment proposed by the Senator from Florida.

The amendment was rejected.

The PRESIDING OFFICER. The bill is still before the Senate as in Committee of the Whole, and open to amendment.

Mr. BURSUM. I offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The PRINCIPAL CLERK. On page 7, after line 4, it is proposed to insert the following as a new section:

SEC. 7. For the purpose of stabilizing banks and trust companies in aid of agriculture, restoring public confidence within agricultural communities or States where such confidence has become impaired, there is hereby appropriated out of any funds in the Treasury the sum of $20,000,000, or so much thereof as may be necessary, to be used in the manner hereinafter provided and hereby made available until June 30, 1925.

SEC. 8. That the Comptroller of the Currency is hereby authorized to use the moneys so appropriated for the purpose of stabilizing banks and trust companies within agricultural districts, States, or communities wherein public confidence in such financial concerns has become impaired on account of conditions beyond their control—

a. In the making of loans or advances to solvent banks and trust companies whether or not members of the Federal reserve system, upon such terms, conditions, and security as he may deem proper in order to secure continued stability and operations of such banks and trust companies.

b. In the making of loans or advances in aid of the reopening of any bank or trust company closed during the year 1923 or subsequent thereto, whenever in the judgment of the comptroller such reopening is in the interest of the community to be served and can be accomplished upon a safe and solvent basis, such loans to be made upon such terms and conditions and upon such security as the comptroller may require.

c. In the deposit on demand or time in such unimpaired solvent banks or trust companies of such amounts as he may deem advisable in pursuance of the purposes of this act.

d. In the making of loans to stockholders upon adequate security for the purpose of repairing the impairment of capital stock of banks or trust companies.

SEC. 9. No loan, advance, or deposit shall be made for a term exceeding 12 months, but the comptroller may grant or accept renewals or extensions: *Provided*, That a complete liquidation shall be had upon all advances and loans within three years from the passage of this act; and no loan, advance, or deposit shall be made in the first instance later than March 31, 1925.

SEC. 10. No advance, deposit, or loan shall be made hereunder to any bank or trust company not a member of the Federal reserve system until such bank or trust company shall first agree to permit audits and investigations and submit to such rules and regulations as the Comptroller of the Currency may prescribe.

SEC. 11. The Comptroller of the Currency is hereby authorized to use of the moneys aforesaid an amount not exceeding $100,000 for expenses in carrying out the purposes of this act.

SEC. 12. No interest shall be charged or received by the comptroller in excess of the current rediscount rate of the Federal reserve bank of the district within which such loan is made on the date of such loan.

The loans and advances authorized under sections 7 to 12, inclusive, shall, when finally liquidated, together with interest collected, be repaid into the Treasury of the United States.

The PRESIDING OFFICER. The question is upon the amendment offered by the Senator from New Mexico.

Mr. BURSUM. Mr. President, I suggest the absence of quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Adams	Fess	Lodge	Robinson
Bayard	Fletcher	McCormick	Sheppard
Broussard	Frazier	McKellar	Shields
Bruce	George	McKinley	Shipstead
Bursum	Gerry	McNary	Simmons
Cameron	Glass	Neely	Smith
Capper	Gooding	Norris	Spencer
Colt	Harrison	Oddie	Stanfield
Copeland	Howell	Pepper	Swanson
Curtis	Johnson, Minn.	Phipps	Trammell
Dale	Kendrick	Ralston	Wadsworth
Dill	Keyes	Ransdell	Walsh, Mont.
Edge	Ladd	Reed, Pa.	Willis

Mr. CURTIS. I have been requested to announce that the Senator from Iowa [Mr. BROOKHART], the Senator from Washington [Mr. JONES], the Senator from New Hampshire [Mr. MOSES], the Senator from Montana [Mr. WHEELER], and the Senator from Arizona [Mr. ASHURST], are absent on business of the Senate.

The PRESIDING OFFICER. Fifty-two Senators having answered to their names, a quorum is present. The question is upon the amendment proposed by the Senator from New Mexico [Mr. BURSUM].

Mr. BURSUM. Mr. President, the bill which is before the Senate I consider a good bill. This amendment, to my mind, will greatly improve the bill. It will do more toward rehabilitating agriculture than the provisions of the bill which have thus far been considered.

The recapturing of public confidence in the banking institutions of this country seems to me vital. It is vital not only to the depositors who are affected but to the financial system of this country. It is vital to the Federal reserve system. It is vital to our whole financial fabric, upon which are based the credits of the country. The lack of confidence, the distress, is not local. It is widespread. In my State there are probably 60,000 discontented men and women depositors of banks. Multiply that by three and you will have approximately 200,000 people affected out of less than half a million.

That situation does not apply solely to my State. It applies to most of the States west of the Mississippi River. The same condition may be said to exist in Montana, in Idaho, in portions of Washington, in portions of Oklahoma, the two Dakotas, portions of Minnesota, portions of Iowa, Kansas, Nebraska, Arizona, Colorado, and, indeed, it is a very widespread condition. So that, taking into account the number of failures and the number of depositors affected, I think it is safe to estimate that at least 2,000,000 people in this country are affected by the financial condition of the banks.

There are many reasons for the existence of that condition—a combination of reasons which date back to the war. Our system, which we have called the Federal reserve system, and of which almost all of the national banks are members and many State banks are also members, is made up of a three-cornered partnership—the Federal reserve system as the bank of discount, the banks of the country who take over the deposits, and, in the last analysis, the real owners of the moneys and of the capital upon which not only the banks but the Federal reserve system itself depends for its operations, the individual depositors.

It is a strange kind of a partnership. It is a sort of a lead-pipe cinch game, wherein one of the partners absorbs all of the profits while the other partners take the losses. In the last analysis, the depositor is the man who puts up the capital. The man who has nothing to say about the management of these institutions is the man who suffers the losses.

One reason for this, to my mind, is that the policy of the Federal reserve system has not been as broad as it should have been. It has not been as liberal as it might have been. The proposition of any institution making no provision for losses and absorbing nothing but profits is an unfair proposition.

For instance, during the war we had great inflations. The Federal reserve system profited by those inflations. The Federal reserve system did a tremendous business, and reaped a tremendous harvest. Large profits were taken. Out of those profits the Federal Government has received upward of $160,000,000. In addition to this, the Federal reserve system has built gilded palaces here and there, and expended a very large amount of money. On the other hand, many of the correspondent banks who are doing business with the Federal reserve system are now in distress because they were not in position to absorb the great deflations which were brought about subsequent to the war.

It is not a matter of bad banking or crooked bankers, as some would insinuate, but it is a condition caused by circumstances over which the banking institutions throughout the country had no control and against which they were unable to guard.

Mr. EDGE. Mr. President, I understood the Senator to remark that it is a condition throughout the country which the bankers are unable to control. Do I understand that his amendment applies to any bank in trouble in any part of the country?

Mr. BURSUM. It does apply in any part of the country. This is not a special provision.

The PRESIDING OFFICER. The Chair will notify the junior Senator from New Mexico that his time has expired on the amendment.

Mr. BURSUM. I have not spoken on the bill yet.

The PRESIDING OFFICER. The Senator has 10 minutes on the bill.

Mr. BURSUM. This amendment is not local; it is to apply to the whole country. It is by no means certain that all of the appropriation asked for would be used. Certainly it would not be used if it was not necessary that it be used, and it is proposed that it shall be handled by an agency in possession of an intelligent appraisal of the conditions of every bank in the country—the office of the Comptroller of the Currency.

I submit that there is no agency in possession of an intelligent appraisal of all of the assets of the banks, their neces-

sities in their respective communities, and the possibility of reopening a bank upon a sound and solvent basis other than the office of the Comptroller of the Currency. If we can not trust the comptroller's office, which to-day is passing upon the solvency of banks and passing upon the securities, certifying those banks as being solvent, I do not know to what agency we may trust a matter of this kind.

The proposition that it is important and vital that confidence be restored I take it can not be controverted. Not only the banks of the country but the Federal reserve system, aye, the Government itself, must depend upon the confidence of the people, else we could not function, business could not function; and I say, Mr. President, that when people have deposited their earnings in a banking institution upon the faith that that institution belongs to a sound banking system, they have some rights. I know of instances in communities where half of the population, representing the wage earners, the toilers, the children of wage earners, are suffering to-day on account of the financial situation.

Other things have contributed to bring this situation about. The Treasury Department itself in financing and selling Treasury certificates, carrying on a campaign of solicitation, of propaganda, for the sale of Government certificates, has been the primary cause in many instances of the withdrawing of large numbers of time deposits from the banks throughout this country.

Mr. EDGE. Mr. President, does not the Senator understand—I am sure he does—that if this amendment should be adopted it would absolutely change the fundamental principle of the Government's relation to banking in this country?

Mr. BURSUM. Not at all. This is an emergency measure. It is a measure to take care of an existing emergency. It is proposed for the purpose of stabilizing the present situation, of recapturing the confidence of the public, which has been alienated over a wide area of country, a condition which, to my mind, is threatening the integrity of our whole financial system.

Mr. EDGE. Does not the Senator agree that if the amendment were adopted it would mean that if any bank, through unfortunate investments or on account of its capital being impaired, whatever the reasons might be, suffered loss, it would feel that it could come to the Government, through the comptroller's department, and in some way secure aid?

Mr. BURSUM. Not at all, unless there were individual security to make good the repairment. There would be no chance, otherwise, for any aid.

Mr. EDGE. Of course the amendment would be useless for the purpose for which the Senator is urging it unless money would be available to make up such losses.

Mr. BURSUM. Quite the reverse. It is true that the purpose is to make available money which can be loaned upon property which otherwise would not be liquid and would not be used as security on the public market for obtaining moneys in that regard and for that purpose.

Mr. EDGE. If there are liquid securities, there is reasonable banking opportunity to rehabilitate the capital and financial condition of a banking institution.

Mr. BURSUM. If a bank were in possession of liquid securities and the capital of the bank itself were unimpaired, of course that kind of an institution would not be in need of the relief; but many of these institutions might be relieved from the loss due to impairment, and the depositors thus saved. I am not so much concerned with the bankers. I have no particular concern for any individual banker, but the purpose of this is to save the institution itself in behalf of the depositors. The depositors have some rights. Whence does the Federal reserve bank derive its capital except from the depositors all over this country?

Mr. SHIPSTEAD. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Mexico yield to the Senator from Minnesota?

Mr. BURSUM. I yield.

Mr. SHIPSTEAD. We are informed that recently there has been formed a $10,000,000 so-called service-banking corporation.

Mr. BURSUM. Yes.

Mr. SHIPSTEAD. And that the War Finance Corporation has promised to advance $100,000,000 of Government funds to that banking corporation.

Mr. BURSUM. Yes.

Mr. SHIPSTEAD. We are also informed that the purpose of the formation of this banking corporation, which is to receive a hundred million dollars of Government funds, is to help out banking institutions in agricultural communities, and so help the farmer. I would like to ask the Senator from New Mexico if his banks could not get a part of that hundred million dollars?

Mr. BURSUM. No; nor could the banks in the Senator's State, for the purpose for which it is required. I can not conceive that any outside institution would concern itself with the proposition of repairing an impairment of a bank. They might be willing to purchase adequate securities, liquid securities. The purchase of securities from financial institutions which are impaired is of no assistance to that institution, nor is it any protection to the depositors. The only remedy which will help a banking institution and aid the depositors and make them safe is to repair the impairment. The ill with which that institution is affected must be cured or the money will do no good. There is no use loaning money to a bank if it is impaired. There must be new capital put into that bank, and that can only be done through securities furnished either by stockholders or by others who are willing to become stockholders and keep that concern going and in that way protect the rights and interests of the depositors. There is no other method.

Mr. SHIPSTEAD. Does the Senator mean to say that he believes this fund of $100,000,000 of Government money that is to be loaned to this banking corporation, which we are told is going to be used for the purpose of helping the farmer, will not be used for that purpose, but that it will be used to help him in the way in which he has always been helped?

Mr. BURSUM. Exactly, just that way. It will not help him at all except that they will purchase liquid securities, will buy good notes.

The PRESIDING OFFICER. The time of the Senator has expired.

EXECUTIVE SESSION.

Mr. CURTIS. Mr. President, I understand the colleague of the Senator who has just spoken, the senior Senator from New Mexico [Mr. JONES], desires to make a speech upon the pending amendment, and as he is not here, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and the Senate (at 5 o'clock p. m.) took a recess until to-morrow, Thursday, March 13, 1924, at 12 o'clock meridian.

CONFIRMATIONS.

Executive nominations confirmed by the Senate March 12, 1924.

POSTMASTERS.

CONNECTICUT.

Herbert E. Erwin, New Britain.

ILLINOIS.

Rose S. Beard, Arenzville.
Robert N. Bragg, Brimfield.
Pearl E. Smith, Colp.
Edward F. Tedens, Lemont.
Arthur F. Sturgis, Middletown.
James W. Scott, Monmouth.

INDIANA.

Menno Burkhalter, Berne.
William G. McNeelan, Holton.
John T. Stevenson, Kirklin.

LOUISIANA.

Augustine M. Dugas, Centerville.
David S. Leach, Florien.
Theodore G. Ashlock, Ville Platte.

MAINE.

Harry J. White, Jonesport.

MARYLAND.

Harry A. Carroll, Havre de Grace.

MASSACHUSETTS.

Raymond H. Gould, Millers Falls.

MICHIGAN.

Arthur R. Gerow, Cheboygan.

MINNESOTA.

Gay C. Huntley, Hill City.

NEW JERSEY.

Byron M. Prugh, Westfield.

NEW YORK.

Leon Pralatowski, Cold Spring.
Harry C. Holcomb, Porterville.
Clayton J. Bannister, Westfield.

OHIO.

Frank A. Brown, Batavia.

OKLAHOMA.

Bernice Pitman, Waukomis.

PENNSYLVANIA.

Ida E. Megargel, Canadensis.

RHODE ISLAND.

Joseph E. Noel, Arctic.

VERMONT.

Sanford A. Daniels, Brattleboro.
Robert A. Slater, South Royalton.

HOUSE OF REPRESENTATIVES.

WEDNESDAY, *March 12, 1924.*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Once more, O Lord, our soul utters its inner appeal for that reality which is found in Thee alone, and which is Thy living, loving presence. Amid the jar and the turbulence of the days bless us with that peace which the world can not give, neither can it take away. Give us ease from conscious reproach and rest from conscious fear. Revive in us the passion that leaves the things material, only to lose itself in things eternal. O let the light of Thy truth kindle all our desires and direct all our ways. Be merciful unto us our Father in heaven, until we say "good night" here and "good morrow" yonder. In the name of Jesus. Amen.

The Journal of the proceedings of yesterday was read and approved.

PERMISSION TO ADDRESS THE HOUSE.

Mr. BLANTON. Mr. Speaker, I ask unanimous consent to proceed for two minutes.

The SPEAKER. The gentleman from Texas asks unanimous consent to address the House for two minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. BLANTON. Mr. Speaker, a House subcommittee of which I am a member is now investigating law enforcement in the District of Columbia.

Three of the Washington newspapers the other day carried an article to the effect that a man was arrested near the House Office Building with a jug of whisky and stating that he claimed he was an employee of the House Office Building and had procured the whisky for and was taking it to a Congressman. Our committee had the officers who made that arrest, together with the man himself, put under oath and interrogated. The officers testified that no such thing occurred. The man was not arrested near the House Office Building, as alleged in the newspapers, but was arrested in another part of town from the Capitol, in an alley on the other side of the Government Printing Office. He did not claim he was taking whisky to a Congressman. He did not claim to be an employee of the House Office Building or that he was going there. No such claim was made. He was not an employee in the House Office Building but used to be several years ago for about a year, being then detailed there by the Government Printing Office. He has not been an employee here for more than a year, and he made no such claim to the officers. At the time he was arrested he was drunk. The policeman told him he had been drinking for several days and asked him why he persisted in getting this whisky. He said he got it for himself and bought it in an alley from a bootlegger. There was no basis or grounds whatever for said newspapers to allege that when he was arrested he claimed to be employed in the House Office Building and was taking whisky to a Congressman, for he made no such claims. After the committee had ascertained these facts from the sworn testimony of the officers themselves we find the morning Herald, notwithstanding all these facts, coming out and reiterating the statement that this man when he was arrested said he was carrying whisky to a Congressman in the House Office Building. I take it the Washington newspapers ought to be more careful in the future about alleging facts concerning such matters when no such facts exist.

CORRECTION.

Mr. GLATFELTER. Mr. Speaker, I had a pair with the gentleman from New Jersey, Mr. SEGER, which I thought was good only from Friday until Monday. I therefore voted on Monday. I find I was mistaken about it, and I desire to change my vote and vote "present."

The SPEAKER. Of course, it is too late to change the vote, but the gentleman's explanation will go in the RECORD.

COTTON PRODUCTION.

Mr. BELL. Mr. Speaker, while visiting the farm of Mr. C. C. Wall last November in Gwinnett County, Ga., he gave me in detail his experience in destroying boll weevils, and was generous enough to give me the remedy, as well as the method of application and instructions in cultivating the land under boll-weevil conditions. The following is the solution he says he uses with success:

Four pounds of calcium arsenate, 2 gallons black molasses. Dissolve in 2 gallons of boiling water, then add 6 gallons of cold water.

PREPARATION OF LAND.

Turn land early and plow under all stubble and everything left on the land from former crop. About April 1 bed land out and out, leaving a good water furrow. Allow plenty of space between cotton rows. On or about April 10, 15, or 20 plant cottonseed on bed, first using guano 9–3–3, or a better grade if convenient. Use 400 pounds per acre, and follow the distributer with a spring-tooth harrow; follow harrow with a Cole planter, putting one and a half bushels of good seed per acre. When cotton comes up use a spring-tooth harrow with snake-head center teeth. In five to seven days after harrowing bar off with 3-inch plow and fender, then chop, leaving a good stand of cotton. Within 10 days thereafter put in the furrow 50 pounds of nitrate soda per acre (preferably by hand), then plow with 16-inch scrape, increasing the size of scrape 2 inches at each plowing up to 22 inches. Plow every 10 days, or as nearly so as possible, until the 1st or 10th of August. Do not plow deep after you have barred the cotton off. Keep middle of rows well plowed. Use solution with small cotton mop and stir frequently while using. Put but one or two drops of solution in the bud and apply only to the bud or buds of limbs of the plant. Do not smear the solution on the stalks or the leaves. Begin applying solution when cotton is chopped and apply every 10 days until migration ends in August. Only hard rain will wash solution off the plant, and if this should occur reapply immediately.

POSTAL SERVICE.

Mr. O'SULLIVAN. Mr. Speaker, of all the agencies of government, none has a more comprehensive program nor effects a closer contact with the individual than the Postal Service. Each day sees a veritable army of men and women engaged in the vast work of this department. It is a most embracing service; it is the greatest public utility in the world. It transports intelligence by correspondence, newspaper, and magazine; it transmits money from place to place through the feature of its money-order department; it acts as banker for those who wish to deposit their money in its keeping. Its program has become so diversified and involves the daily routine of the citizen to such an extent that the slightest disturbance in its efficiency awakens deep concern in the American public.

Its vital importance to business and to the individual has been recognized from its establishment. Innumerable instrumentalities which make for the betterment of the service have constantly been put into operation. Everything to effect a saving of time in transporting and delivering mail has been sought. The stage coach gave way to its speedier rival, the railroad; the horse has been replaced by the motor truck. The airplane has been utilized, while even the ground below has been put to practical use, as pneumatic tubes in our large cities are now carrying mail matter from place to place, all in the interest of time.

How thoroughly this department has the support and confidence of the people can best be illustrated by its growth. When its fiscal year ended in 1800 the sum of its receipts was $280,804; during the past fiscal year its receipts were $532,827,925, a magnificent demonstration of the use to which the American public puts this utility. Each day over 51,000 post offices throw open their doors, 60,000 assistant postmasters and clerks get ready for business, 40,000 city carriers throw on their mail pouches, 44,000 rural carriers hitch up Dobbin or get "Henry" out of the stall, and innumerable other employees assume their respective places of work, all bent on giving service to the public. On all sides are instances of growth, many of which are so staggering in magnitude as to be almost unbelievable. Witness such an example as that of Los Angeles within the past 40 years. Then its receipts were $60,000. To-day they are $6,000,000. By way of passing note, it might be mentioned that the greatest mushroom growth of any post office fell to the lot of a fourth-class post office in Arkansas. In three months of 1922 its business increased over 1,000 per cent, which caused the postmaster to wire to Washington the

following telegram: "Office out of my control; letters arriving 5,000 to 7,000 a day; parcel post by the ton; can not open mail any longer; no place to put it; accept resignation." This, of course, was due to the discovery of oil in the vicinity. As an incident, its value is merely to show the instantaneous manner in which Postal Service follows business, even into Arkansas.

The other branches of the Postal Service have witnessed developments quite in keeping with the mail-service growth. Take the money-order business: established under Lincoln, it transmitted during its first year $1,300,000; to-day it handles $1,300,000,000.

This same service boasts of being the largest savings institution in the world. While the branch having charge of this feature of the service is comparatively young, it is worthy to note that at the present there are deposits of $131,000,000 to the credit of the public.

Such is the background for and some of the high lights of the Postal Service. Due credit for the sound position where this service finds itself must be given to those who have guided and directed its activities. But in passing out credit and giving praise, it should not be forgotten that something more than three cheers should be given to the men and women who have actually done the work; to the postal clerk, the carrier, both in the city and in the rural districts, and to the railroad postal employee. All the directing genius in the world would be unavailing unless there was loyalty of service and efficiency of performance on the part of those who actually handle the mail and the money that travels from place to place. The capacity of these employees to take on new work is phenomenal. This has been demonstrated time after time, without a proportional increase in the force or the established facilities. Witness the assimilation of the parcel-post business with the mails and its successful handling, notwithstanding its growth. The chief reason for this lies in the spirit of the personnel of the organization, which is preeminently one of service. It can be accounted for in no other manner.

Says the Postmaster General in his latest report:

> The growth of postal receipts, representing in a fair measure the increase in the volume of business transacted at the post offices where clerks and carriers are employed, has steadily increased with a greater percentage than in the increase of clerks and carriers. This has steadily reduced the margin between the volume of business transacted and the volume that may be handled without increase in force. The Postal Service has been noted for its ability to take on new business and assimilate it with the old without a proportional increase in force and facilities employed.

During the past year the increase in receipts, indicative of the volume of business, was 9.89 per cent over the previous year, whereas the increase in the number of clerks was 2.06 per cent and that of the carriers was 1.64 per cent over the preceding year.

I can recall the time when employment in the Postal Service was deemed exceedingly attractive. Positions were sought by men of a type that any employer might well be proud of, men with characteristics of ambition, efficiency, and honesty. Theirs were the hands that built up this great postal structure. The fact that the salaries attracted the right type of men can not be overlooked as one of the real causes of success in the Postal Service endeavors.

As what a man receives for what he gives is a determining factor in all employment, it must be admitted that attractiveness of the postal positions has been greatly dimmed. This country can not afford to permit such a policy to continue. In justice to the present employees, and in equal justice to the efficiency of the service, we can not pass unheeded these men who ask for an increase in their salaries and a rectification of some of the ills existing under the present laws which govern their action while in the service and at their retirement.

I want every man in the Postal Service to have a wage which will insure him—

1. Comfortable living quarters.
2. Good, healthful food, and occasionally some delicacies.
3. Enough good clothes for most purposes.
4. The chance for the wife to buy enough mechanical and physical aid to relieve housework of much of its drudgery.
5. The means to buy books, go to the theater, and give the children an adequate education.
6. At least a limited amount of recreation.
7. Some insurance and a little fund for savings.

Manifestly the present wage of these men is not sufficient to meet these needs. If it is the intention of this Government to hire cheap labor, that is one thing, but if it wishes to retain the services of men of the standard necessary to conduct properly the great business of the department it must provide a higher wage. If this Congress wishes to do an injustice to these men, it can do it very readily by failing to grant an increase in salaries. But let no one forget that such a policy will lead to a deterioration in the Postal Service. It is true that many of the older men will remain; they have given the best part of their lives to the work of the department, and because of their age some might have difficulty in obtaining other employment. But the younger men will have no hesitation in seeking places which provide more liberally than does the Government, and the type of those who will seek their places will not tend to the betterment of this all-important department.

Now comes the statement from the White House that President Coolidge is opposed to any increase for these employees, because the condition of the country will not warrant it. And in the same statement he expressly acknowledges the justice of the claim for an increase. It seems like a wholly untenable position he occupies. How can the Chief Executive admit that an increase is justly due, yet use the might of his office to prevent it? Never before has a President pursued such a course. Nor do I believe this Congress will follow him. Respect for a living wage and a desire to maintain the high standard of the Postal Service must govern our action. As far as I am concerned, they will.

Mr. SNELL. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. It is evident there is no quorum present.

Mr. LONGWORTH. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, when the following Members failed to answer to their names:

Almon	Fairchild	Lineberger	Rogers, N. H.
Anderson	Fish	Logan	Sanders, Ind.
Anthony	Fredericks	McClintic	Sanders, N. Y.
Black, Tex.	Frothingham	McDuffie	Sears, Fla.
Black, N. Y.	Fulmer	McLaughlin, Nebr.	Sites
Bowling	Gallivan	Michaelson	Sullivan
Boylan	Goldsborough	Mills	Sweet
Brand, Ohio	Greene, Mass.	Morin	Swoope
Britten	Hawes	Nelson, Me.	Taber
Brumm	Hull, Tenn.	Nelson, Wis.	Taylor, Colo.
Celler	Jacobstein	O'Brien	Tincher
Clarke, N. Y.	Johnson, S. Dak.	O'Connor, La.	Treadway
Cole, Ohio	Kahn	Patterson	Wainwright
Curry	Knutson	Peery	Wertz
Davey	Kurtz	Phillips	White, Kans.
Dempsey	Kvale	Rathbone	Williams, Ill.
Denison	Langley	Reed, W. Va.	Wyant
Dickstein	Larson, Minn.	Reid, Ill.	

The SPEAKER. Three hundred and sixty Members have answered to their names; a quorum is present.

Mr. SNELL. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

ALLEGED CHARGES AGAINST TWO MEMBERS OF CONGRESS.

Mr. GARRETT of Tennessee. Mr. Speaker, I offer the following privileged resolution.

The SPEAKER. The gentleman from Tennessee offers a privileged resolution, which the Clerk will report.

The Clerk read as follows:

House Resolution 217.

Whereas a grand jury of the District Court of the United States for the Northern District of Illinois, southern division, impaneled at the February term, 1924, has reported to that court that certain evidence has been submitted to them involving the payment of money to two Members of Congress; and

Whereas the honor and dignity of the Congress require that the facts be immediately ascertained, to the end that such action as is essential for the Congress itself to take may be promptly taken: Therefore be it

Resolved, That a select committee of five Members of the House shall be appointed by the Speaker thereof whose duty it shall be to proceed forthwith to make an investigation of such allegation and ascertain—

(a) Whether said "two Members of Congress" so charged are Members of the House of Representatives; and

(b) If so, to make such further investigation as may be essential to establish the truth or falsity of said allegation.

Said committee shall have power to send for persons and papers and administer oaths and shall be permitted to sit during the sessions of the House and any recess thereof and at such place or places as may be necessary to discharge the duties herein imposed.

Resolved further, That the Speaker is hereby authorized to issue subpœnas to witness upon the request of the committee or any subcommittee thereof at any time, including any recess of the Congress; and the Sergeant at Arms is hereby empowered and directed to serve all subpœnas and other processes put into his hands by said committee or any subcommittee thereof.

Resolved further, That said committee shall report to the House as promptly as possible the results of its inquiries together with such recommendations as it may deem advisable.

Mr. GARRETT of Tennessee. Mr. Speaker, there is a typographical error which should be corrected. In line 11, on page 2, the words "to witness" should be changed to "witnesses."

The SPEAKER. Without objection, the correction will be made.

There was no objection.

Mr. BEGG. Mr. Speaker, I make the point of order that this is not a privileged resolution at this time.

The SPEAKER. The Chair will hear the gentleman.

Mr. BEGG. I appreciate, Mr. Chairman, that the Chair made a ruling last night on this point, but I desire to make the point again and call the attention of the Speaker to one or two points, namely, the only thing that gives this a privileged status is that the honor of the House is involved. This is the third morning that this subject matter, under the guise of being a privileged resolution, has been before this body. The first time, a resolution taking cognizance of the action of the grand jury was acted upon and disposed of by the House, and when the reply to that resolution was received, again privileged status was given to the report and the action of the House on that report was to send the report to the Judiciary Committee for disposition. Disposition was made by the Judiciary Committee, and yesterday again the privileged status of their report was brought into the House under the guise that the honor of this body was involved and therefore their report became privileged. Now, again, this morning another gentleman, the distinguished leader of the minority, comes in with a resolution dealing with a subject matter identical that has been three times before this body under the guise of being privileged.

I suggest to the Speaker that if this is held privileged this morning again, regardless of the disposition of this matter I can bring in a resolution to-morrow morning appointing a special committee of three Members instead of five and under the same argument, that the honor of the House is involved because a grand jury in Chicago referred to two Members having been paid money, and following the line of precedents the Chair can not rule me out.

If that conclusion be true that this resolution this morning, because it specifies a little different way of disposing of that privileged status of a resolution, then I, by finding a little different way again, can claim a privilege for another resolution, and that could be carried on indefinitely. In other words, every single morning, until a final adjudication of the question of the honor of this House can be had, there could be a privileged resolution brought in, a little different from the one the day before.

Mr. BANKHEAD. Mr. Speaker, will the gentleman yield?

Mr. BEGG. In just a moment. There must come a time somewhere when we can end the privilege of this House in dealing with a specific performance. I make the point of order that that time has come now, after three different considerations of the same specific violation of the honor of the House. I yield to the gentleman from Alabama.

Mr. BANKHEAD. As I understand the gentleman's argument, his point of order is made solely upon the proposition that the offering of this resolution this morning is a dilatory proceeding.

Mr. BEGG. I did not make any such point of order.

Mr. BANKHEAD. But that is the effect of it.

Mr. BEGG. I think the Speaker understands clearly what my point of order is.

The SPEAKER. The Chair is ready to rule. The Chair recognizes that there is great force in the argument made by the gentleman from Ohio [Mr. BEGG]. The Chair thinks the gentleman is correct in the logic of the situation that there must be an end sometime to the privilege of such a matter. It could not be allowed in a House which is here to do business that such a question of the privilege of the House should have a new right to consideration indefinitely from day to day. When the question was raised last evening by the gentleman from Michigan [Mr. CRAMTON] the Chair is disposed to think now that the Chair might well then have ruled that inasmuch as the whole subject had been before the House and had been referred by the House to one of the standing committees and that committee had reported and the House had acted upon the report, the right of privilege had been exhausted. However, the Chair is confronted with this personal embarrassment.

Last night the Chair overruled the point of order made by the gentleman from Michigan [Mr. CRAMTON], which is the same as that now made more elaborately by the gentleman from Ohio [Mr. BEGG]. The gentleman from Michigan did not then argue the question. It was a new question to the Chair; and the Chair, acting upon the first-blush opinion that the subject was still privileged, overruled the point of order. The gentleman from Tennessee [Mr. GARRETT] expressly asked the Chair if he held that it would be in order to-day, and the Chair said that he did so hold. Under those circumstances, whatever the Chair may now think, having once ruled and assured the gentleman that it would be in order to-day, the Chair feels that to deal fairly with the House, and particularly with the gentleman from Tennessee, he must be bound by that ruling. Yet, notwithstanding that ruling which he made yesterday and which he now reaffirms, the Chair wishes to state that in the future he will not feel bound by this precedent. The Chair therefore overrules the point of order.

Mr. GARRETT of Tennessee. Mr. Speaker, I stated yesterday afternoon when the resolution was presented that I would be willing to present it again to-day and have a vote upon it without debate. That was my feeling at that time, and that is my feeling now. So far as I am concerned, I am ready for a vote; but it has been suggested to me by the gentleman from Ohio [Mr. LONGWORTH], the majority leader, that he desires to discuss the matter for a little while.

Mr. LONGWORTH. Mr. Speaker, I should be very glad if the gentleman from Tennessee would yield me 10 minutes. I think that is all I shall ask.

Mr. GARRETT of Tennessee. Mr. Speaker, I yield the gentleman from Ohio 10 minutes.

Mr. LONGWORTH. Mr. Speaker, yesterday after a prolonged and exhaustive debate the House adopted the following resolution:

Resolved, That the House take no further action for the present to procure from the Attorney General the information heretofore requested of the Attorney General under House Resolution No. 211.

That was the resolution submitted by the Committee on the Judiciary. Subsequently that was amended on the floor as follows:

Resolved, That in view of its extreme importance to the House the Attorney General be, and is hereby, requested to proceed at once and give preference and precedence to this investigation and report the results to this House.

In other words, not content with saying merely that in the opinion of the House it should not undertake an investigation independently for the present at least we went further and gave specific instructions to the Attorney General, leaving all other things aside, to proceed to the speedy determination of the case. Under those circumstances does it not seem to be unwise, after giving those specific instructions, to now undertake by a committee to do those very things that we have instructed the Attorney General to do at once? Could it result in anything else than delay? It is inconceivable that a committee of this House and the Department of Justice proceeding independently could each examine into this case. In the first place, this committee will have to take entire possession of all of the evidence now in the Department of Justice. It would have to examine the witnesses that the Department of Justice would call upon. It could accomplish nothing in the world except to cause delay and confusion. The Department of Justice must proceed at once, and must report the result of its investigations to the House. That is what we ordered it to do yesterday by resolution.

Mr. WEFALD. Mr. Speaker, will the gentleman yield?

Mr. LONGWORTH. Yes.

Mr. WEFALD. What is the gentleman's opinion of what a reasonable time would be within which the Attorney General should make a report to the House?

Mr. LONGWORTH. It would be impossible for me to say offhand, but I say this: That so far as I am personally concerned, if within two weeks from to-day we do not have something definite in this unfortunate affair from the Department of Justice, I for one am willing to vote for some such resolution as that now offered by the gentleman from Tennessee [applause], but I am not willing to do that now. It can not benefit the House to do so at this time, and it certainly can not benefit the two gentlemen whose names have been mentioned in this affair.

Mr. COOPER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. LONGWORTH. Yes.

Mr. COOPER of Wisconsin. Yesterday the gentleman from Virginia [Mr. MONTAGUE] made an elaborate speech about the importance of keeping separate the three departments of the Government. What power has the House of Representatives to instruct the Attorney General of the United States or the Department of Justice in the performance of its official duties? The Attorney General can disregard it and pay no attention to it whatever, and therefore what we passed yesterday amounts to nothing, so far as being obligatory is concerned.

Mr. LONGWORTH. At least it is using moral suasion.

Mr. COOPER of Wisconsin. It amounts to nothing at all. Let me ask this question of the gentleman: The House itself proposes to do nothing, although the honor of every Member of the House is impugned. We propose to leave it all to Mr. Daugherty, the Attorney General. Suppose Mr. Daugherty at the end of two weeks, the period just mentioned by the gentleman from Ohio [Mr. LONGWORTH], reports that there is nothing in the case?

Then there will be no evidence to show what he did, what Mr. Crim did, the man who denounced his own witnesses yesterday; there will be no evidence to show whether the House has done anything or he has done anything. All he does will be kept secret under the law, and then what is the position of this House, every one of us having our honor impugned?

Mr. LONGWORTH. I think the gentleman approaches the question from the wrong point of view. The only reason why we have a right to demand from the Department of Justice the evidence that it has is under our constitutional power to punish or expel our Members. It is not to approve anything that any Member of the House has done. It is to disapprove what he has done. Now, I am not willing to assume that we are asking this information for the purpose of punishing our Members. I repeat as I said yesterday, I have absolute and complete confidence in the integrity of both of the gentlemen named, and I have no idea the House will be called upon to punish them.

Mr. STEVENSON. Will the gentleman yield now?

Mr. LONGWORTH. I will.

Mr. STEVENSON. The gentleman says he would be willing in two weeks to vote for a resolution like this. Under the ruling the Chair has just made this is the last time this resolution would be privileged. Now, is the gentleman prepared to provide a method by which it would be privileged if we should decide to take it up again?

Mr. LONGWORTH. If the gentleman will take his rule book, if he has such a thing, and read the rules, he would find out how it would be possible to bring it before the House.

Mr. STEVENSON. I am entirely familiar with that; but will the gentleman assist us in bringing it before the House according to its rules?

Mr. LONGWORTH. There is no difficulty in the world in bringing such a resolution before the House. It can be referred to the Committee on Rules at once and reported. If the gentleman was more familiar with the rules, perhaps he would not ask the question.

Mr. CHINDBLOM. Would the gentleman be willing to ascertain whether the minority leader would be willing to postpone action on this resolution for two weeks and for it to retain its present status?

Mr. LONGWORTH. I think, gentlemen, such action as the gentleman from Tennessee now contemplates, while I know that his only motive is to protect the honor and dignity of the House, is illy advised at this time. I think no good can come from it either to the membership of the House or to the individual Members named. [Applause.]

Mr. GARRETT of Tennessee. Mr. Speaker, I should like to ask, before I begin, if there is any other gentleman, now that debate is pending, who wants time in opposition to the resolution; if not, it is my purpose at the conclusion of what I have to say to move the previous question. If there is anyone who wants time in opposition, I would be glad for him to take it now. [Cries of "Vote!"]

Mr. Speaker, I wish to get clearly before the House, if I can, the thought which is in my mind concerning this resolution. This resolution, except as to the "whereas," is an exact duplication of that which I introduced, I think, on Tuesday last, yesterday a week.

Mr. GRAHAM of Illinois. If the gentleman will permit an inquiry?

Mr. GARRETT of Tennessee. I will.

Mr. GRAHAM of Illinois. I notice in reading the resolution it has no provision such as is ordinarily carried for the payment of the expenses of such committee out of the contingent fund. Did the gentleman do that intentionally?

Mr. GARRETT of Tennessee. The gentleman will recall that that would defeat its privileged character. Then it would have to go to the Committee on Accounts.

Mr. GRAHAM of Illinois. I had not thought of that.

SEVERAL MEMBERS. Read the rules.

Mr. GARRETT of Tennessee. At the time the original resolution was introduced by me I had never heard an intimation of the name of a Member of the House. I had no idea whether the grand jury report, which, so far as I then knew, was merely an alleged report, had reference to Members of this body or Members of the Senate. Hence the first thing which this select committee was directed to ascertain was "whether said two Members of Congress so charged are Members of the House of Representatives," and if so, then to proceed further, of course the theory being that if they were found not to be Members of this body, then this body would cease to consider the matter further.

There has never been the slightest party idea in my mind. I have not the slightest personal or party interest in the passage of this resolution, but I am convinced that it is the duty of this House, under the constitutional status which it has and under the conditions which now prevail, of itself to make the investigation in regard to itself.

Mr. BEGG. Will the gentleman permit a question?

Mr. GARRETT of Tennessee. I will.

Mr. BEGG. Supposing that the resolution would pass and that the committee would be appointed. The minimum time in which they could be really at work would be probably a week. Now, let us suppose that within 10 days the grand jury actually begins the investigation of this particular phase of that report. Would we not only be spending useless money but would it not be rather ludicrous? If the grand jury is dilatory in starting then we would be justified; and it would seem to me if the grand jury makes a finding of fact and sustains it and should report, we are again justified in getting to the facts; but until we know the grand jury is being dilatory, does not the gentleman think that a reasonable time should elapse so as to give them a chance to start?

Mr. GARRETT of Tennessee. I think the difference between the gentleman from Ohio and myself is this: He is willing to submit to a grand jury an investigation in regard to the honor and dignity of the House to the exclusion of the House itself doing anything. There is nothing in this resolution now that will prevent the Department of Justice from proceeding if it chooses to proceed, but I am unwilling to say that we ourselves of ourselves can not investigate ourselves and must submit our honor and dignity to the keeping of a grand jury. [Applause.]

Mr. BEGG. Will the gentleman yield for a further question?

Mr. GARRETT of Tennessee. I will.

Mr. BEGG. The gentleman is in error when he states that the gentleman from Ohio would prefer to have the Department of Justice investigate the honor and dignity of the House; that is not my position at all.

I maintain that the honor of the House is not at stake until the fact is developed. Now, if we had no machinery to ascertain the criminality, then the case would be otherwise; but we have the machinery to punish crime, and this House does not undertake to punish crime; it only undertakes to vindicate itself after it has been sinned against.

Mr. GARRETT of Tennessee. Quite right; and if any one of its Members has been guilty of violating the honor of the House, of course to deal peremptorily with him. Now, this resolution, my colleagues, is not designed either to persecute or to protect Members.

Mr. HERSEY. Mr. Speaker, will the gentleman yield for a question?

Mr. GARRETT of Tennessee. I yield.

Mr. HERSEY. Suppose this resolution that you have before you should pass this House. Would it not automatically stop at once the use of the evidence now in the hands of the Department of Justice, that we want and need under that resolution—automatically stop the prosecution by the Department of Justice of any charge that we have in that grand jury now being investigated and now in the hands of the Department of Justice?

Mr. GARRETT of Tennessee. Every gentleman, as I recall, who is a member of the great committee of which the gentleman from Maine is such a distinguished member, who discussed that question yesterday, who touched directly upon that proposition that the gentleman is now discussing, specifically assured us that the appointment of a special committee would not interfere with the procedure in the Department of Justice.

Mr. HERSEY. Did a member of the committee discuss that?

Mr. GRAHAM of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. GARRETT of Tennessee. Yes.

Mr. GRAHAM of Pennsylvania. As I recall the discussion, and especially that part of it in which I participated, we referred to a paragraph which a distinguished Democrat, member of the Committee on the Judiciary, caused to be inserted, which recited that under the circumstances, if a committee were appointed, if the House proceeded, that then the Attorney General would rest and not do anything, out of ethical consideration for the House proceedings. That was distinctly admitted by the gentleman from Texas [Mr. SUMNERS] as the only reason why the appointment of a committee was opposed—because it would prevent the Department of Justice from going on. If the Attorney General said that was his plan, we have no power to change his opinion or his decision.

Mr. GARRETT of Tennessee. My recollection is that the gentleman from Texas [Mr. SUMNERS]—and if the gentleman is present he will correct me if I am in error—stated repeatedly in the course of his argument that there was no reason why the appointment of a special committee should at any time interfere with the action of the Department of Justice. The substance of the argument of the gentleman from Texas was that we ought not, by again calling upon the Attorney General to furnish the names and the nature of the charges, to give him an excuse for not proceeding further.

Mr. BEGG. Mr. Speaker, will the gentleman yield?

Mr. GARRETT of Tennessee. I do not want to use more time than I yielded to the gentleman from Ohio.

Mr. BEGG. I ask the privilege of bringing out one more point. I shall not use more time.

Mr. GARRETT of Tennessee. I yield.

Mr. BEGG. And it is on the question of the defense of the honor of the House. Is the gentleman's position this: That every time there comes a rumor quite generally circulated about the action of any Member, which if true would tend to violate the honor of the House, is it the gentleman's position that every time that rumor comes about he wants a special committee appointed to investigate it before the ascertainment of the facts in the court?

Mr. GARRETT of Tennessee. No; that is not my position; and I never would have introduced this resolution if it had been predicated alone on newspaper reports. I think we have had too much of that in the past.

Mr. BEGG. I agree with the gentleman on that.

Mr. GARRETT of Tennessee. But this report in the newspapers was predicated upon the report of the grand jury.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. GARRETT of Tennessee. I yield.

Mr. BLANTON. I take it that if this subcommittee is appointed, to get a starting point the first step would be to go to the Attorney General and get what information he has. I presume that would be the starting point. Would not that violate the position, which impressed me very much yesterday, taken by my colleague from Texas [Mr. SUMNERS]? He said it would give the Attorney General an excuse for lying down on the proper prosecution of the cases. Now, if we appoint a special committee and the committee sees fit to have the Attorney General bring to that committee his papers or information, would we not in effect be giving him the same excuse to which the gentleman from Texas [Mr. SUMNERS] referred?

Mr. GARRETT of Tennessee. Mr. Speaker, the gentleman from Texas did not say that the appointment of a special committee——

Mr. BLANTON. I did not say that.

Mr. GARRETT of Tennessee. What he said was that if we insisted upon calling for the names, the Attorney General would make that an excuse for ceasing the operations. This is not asking for the names, nor is it necessary for them to go to the Attorney General's office to begin.

Mr. BLANTON. But they could do that if we appointed them.

Mr. GARRETT of Tennessee. This committee could, but whether it would or not I could not say.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. GARRETT of Tennessee. Yes.

Mr. RANKIN. With reference to the statement made by the gentleman from Texas [Mr. SUMNERS] yesterday, which is found on page 4116 of the RECORD, he uses this language:

> Use your heads. This House has the power to appoint a special committee if it wants to, to go to the bottom of this thing. The Attorney General's office is not the only source of information.

Mr. HASTINGS. Mr. Speaker, will the gentleman yield for another quotation on that point?

Mr. GARRETT of Tennessee. Let me say this before gentlemen press me further upon this matter: I agreed with the gentleman from Ohio [Mr. LONGWORTH] that I would yield to him as much time as I have used. I want to keep that promise to him. I think now that I have used more time than the gentleman used.

Mr. HASTINGS. The exact question was asked later on of Mr. SUMNERS——

Mr. GARRETT of Tennessee. I would like to keep faith with the gentleman from Ohio on that matter. I want to make just this further observation, that while the original resolution was adopted without the slightest intimation of a name—and I had no more idea as to what Members might possibly be involved than did the man in the moon—yet that which has occurred since reinforces my opinion that there should be a special committee.

And that is predicated upon the fact that the gentleman from Kentucky [Mr. LANGLEY] and the gentleman from Maryland [Mr. ZIHLMAN] have themselves risen and stated they understood their names were being used and have themselves virtually demanded of this body that there be created a forum in which there might be a speedy determination of the facts in so far as those facts related to their official duties and their official integrity as Members of the Congress of the United States. [Applause.]

While I believe we are independent of their appeal, yet as a protection to the House itself and as a preservation of its own dignity and of its own constitutional rights I think we should create a committee which need not interfere with the Department of Justice. In addition to that I believe we now owe it to those gentlemen to have this special committee created. I believe the resolution should prevail, and Mr. Speaker, I move the previous question on the adoption of the resolution. [Applause.]

The SPEAKER. The gentleman from Tennessee moves the previous question on the resolution.

The previous question was ordered.

Mr. LONGWORTH. Mr. Speaker, I move to refer the resolution to the Committee on Rules.

Mr. GARRETT of Tennessee. Mr. Speaker, I make the point of order that the previous question has been ordered.

The SPEAKER. A Member can always move to commit.

Mr. LONGWORTH. I could not make the motion until the gentleman had moved the previous question and the previous question had been ordered. That is the proper time for such a motion.

The SPEAKER. The rule specifically provides that—

> It shall be in order, pending the motion for or after the previous question shall have been ordered on its passage, for the Speaker to entertain and submit a motion to commit, with or without instructions.

Mr. GARRETT of Tennessee. Mr. Speaker, I have not that rule before me, but does that apply to a House resolution as well as to joint resolutions and bills?

The SPEAKER. The Chair is informed that—

> When the previous question has been ordered on a simple resolution (as distinguished from a joint resolution) and a pending amendment, the motion to commit should be made after the vote on the amendment.

So the Chair thinks it applies to everything.

Mr. CLARK of Florida. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. CLARK of Florida. Is the motion of the gentleman from Ohio debatable?

The SPEAKER. It is not. The previous question has been ordered.

The question is on the motion of the gentleman from Ohio to commit the resolution to the Committee on Rules.

The question was taken; and on a division (demanded by Mr. GARRETT of Tennessee) there were—ayes 148, noes 182.

Mr. LONGWORTH. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 158, nays 197, answered "present" 2, not voting 74, as follows:

YEAS—158.

Ackerman	Bacon	Bixler	Butler
Aldrich	Barbour	Boies	Cable
Andrew	Beedy	Burdick	Campbell
Anthony	Beers	Burtness	Chindblom
Bacharach	Begg	Burton	Christopherson

Clague	Hardy	Mapes	Snyder
Cole, Iowa	Haugen	Merritt	Speaks
Colton	Hawley	Michener	Sproul, Ill.
Connolly, Pa.	Hersey	Miller, Wash.	Sproul, Kans.
Cooper, Ohio	Hickey	Moore, Ill.	Stalker
Cramton	Hill, Md.	Moore, Ohio	Stephens
Crowther	Hoch	Moores, Ind.	Strong, Kans.
Dallinger	Holaday	Morgan	Strong, Pa.
Darrow	Hudson	Murphy	Summers, Wash.
Davis, Minn.	Hull, Iowa	Nelson, Wis.	Temple
Dickinson, Iowa	Hull, Morton D.	Newton, Minn.	Thatcher
Dowell	Hull, William E.	Newton, Mo.	Thompson
Dyer	Johnson, Wash.	Paige	Timberlake
Edmonds	Kelly	Parker	Tinkham
Elliott	Kendall	Perkins	Underhill
Evans, Iowa.	Kiess	Perlman	Vaile
Fairchild	Kopp	Phillips	Vestal
Fairfield	LaGuardia	Porter	Vincent, Mich.
Fenn	Larson, Minn.	Purnell	Ward, N. Y.
Fitzgerald	Leatherwood	Ramseyer	Wason
Fleetwood	Leavitt	Ransley	Watres
Foster	Lehlbach	Reece	Watson
Free	Little	Reed, N. Y.	Welsh
Freeman	Longworth	Roach	White, Kans.
French	Luce	Robinson, Iowa	White, Me.
Fuller	McFadden	Robsion, Ky.	Williams, Mich.
Funk	McKenzie	Rogers, Mass.	Williamson
Garber	McLaughlin, Mich.	Rosenbloom	Winslow
Gibson	McLeod	Schall	Winter
Gifford	MacGregor	Scott	Wood
Graham, Ill.	MacLafferty	Seger	Wurzbach
Graham, Pa.	Madden	Shreve	Yates
Green, Iowa	Magee, N. Y.	Simmons	Young
Griest	Magee, Pa.	Smith	
Hadley	Manlove	Snell	

NAYS—197.

Abernethy	Drewry	Lindsay	Rubey
Allen	Driver	Linthicum	Sabath
Allgood	Eagan	Logan	Salmon
Arnold	Evans, Mont.	Lowrey	Sanders, Tex.
Aswell	Favrot	Lozier	Sandlin
Ayres	Fisher	Lyon	Schafer
Bankhead	Frear	McKeown	Schneider
Barkley	Fulbright	McNulty	Sears, Fla.
Beck	Gardner, Ind.	McReynolds	Sears, Nebr.
Bell	Garner, Tex.	McSwain	Shallenberger
Bland	Garrett, Tenn.	McSweeney	Sherwood
Blanton	Garrett, Tex.	Major, Ill.	Sinclair
Bloom	Gasque	Major, Mo.	Smithwick
Box	Geran	Mansfield	Steagall
Boyce	Gilbert	Martin	Stedman
Brand, Ga.	Glatfelter	Mead	Stengle
Briggs	Greenwood	Milligan	Stevenson
Browne, N. J.	Griffin	Minahan	Sumners, Tex.
Browne, Wis.	Hammer	Montague	Swank
Browning	Harrison	Mooney	Swing
Buchanan	Hastings	Moore, Ga.	Tague
Bulwinkle	Hayden	Moore, Va.	Taylor, W. Va.
Busby	Hill, Ala.	Morehead	Thomas, Ky.
Byrnes, S. C.	Hill, Wash.	Morris	Thomas, Okla.
Byrns, Tenn.	Hooker	Morrow	Tillman
Canfield	Howard, Okla.	Nolan	Tucker
Cannon	Huddleston	O'Connell, N. Y.	Tydings
Carew	Hudspeth	O'Connell, R. I.	Underwood
Carter	Humphreys	O'Connor, La.	Upshaw
Casey	James	O'Connor, N. Y.	Vinson, Ga.
Celler	Jeffers	O'Sullivan	Vinson, Ky.
Clancy	Johnson, Ky.	Oldfield	Voigt
Clark, Fla.	Johnson, Tex.	Oliver, Ala.	Ward, N. C.
Cleary	Johnson, W. Va.	Oliver, N. Y.	Watkins
Collier	Jones	Park, Ga.	Weaver
Connally, Tex.	Jost	Parks, Ark.	Wefald
Connery	Keller	Peavey	Weller
Cook	Kent	Pou	Williams, Tex.
Cooper, Wis.	Kincheloe	Prall	Wilson, Ind.
Crisp	Kindred	Quayle	Wilson, La.
Croll	King	Quin	Wilson, Miss.
Cullen	Kunz	Ragon	Wingo
Cummings	Lampert	Rainey	Wolff
Davis, Tenn.	Lanham	Raker	Woodruff
Deal	Lankford	Rankin	Woodrum
Dickinson, Mo.	Larsen, Ga.	Rayburn	Wright
Dominick	Lazaro	Reed, Ark.	Zihlman
Doughton	Lea, Calif.	Richards	
Doyle	Lee, Ga.	Romjue	
Drane	Lilly	Rouse	

ANSWERED "PRESENT"—2.

Faust	Langley

NOT VOTING—74.

Almon	Denison	Kurtz	Sanders, N. Y.
Anderson	Dickstein	Kvale	Sinnott
Berger	Fish	Lineberger	Sites
Black, N. Y.	Fredericks	McClintic	Sullivan
Black, Tex.	Frothingham	McDuffie	Sweet
Bowling	Fulmer	McLaughlin, Nebr.	Swoope
Boylan	Gallivan	Michaelson	Taber
Brand, Ohio	Goldsborough	Miller, Ill.	Taylor, Colo.
Britten	Greene, Mass.	Mills	Taylor, Tenn.
Brumm	Hawes	Morin	Tilson
Buckley	Howard, Nebr.	Nelson, Me.	Tincher
Clarke, N. Y.	Hull, Tenn.	O'Brien	Treadway
Cole, Ohio	Jacobstein	Patterson	Vare
Collins	Johnson, S. Dak.	Peery	Wainwright
Corning	Kahn	Rathbone	Wertz
Crosser	Kearns	Reed, W. Va.	Williams, Ill.
Curry	Kerr	Reid, Ill.	Wyant
Davey	Ketcham	Rogers, N. H.	
Dempsey	Knutson	Sanders, Ind.	

So the motion was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Wyant (for) with Mr. Goldsborough (against).
Mr. Kahn (for) with Mr. O'Brien (against).
Mr. Vare (for) with Mr. Gallivan (against).
Mr. Greene of Massachusetts (for) with Mr. Corning (against).
Mr. Swoope (for) with Mr. Hull of Tennessee (against).
Mr. Mills (for) with Mr. Hawes (against).
Mr. Faust (for) with Mr. Bowling (against).
Mr. Denison (for) with Mr. Howard of Nebraska (against).
Mr. Ketcham (for) with Mr. Peery (against).
Mr. Wertz (for) with Mr. Rogers of New Hampshire (against).
Mr. Frothingham (for) with Mr. Davey (against).
Mr. Clarke of New York (for) with Mr. Black of Texas (against).
Mr. Britten (for) with Mr. Almon (against).
Mr. Sanders of Indiana (for) with Mr. Buckley (against).
Mr. Treadway (for) with Mr. Fulmer (against).
Mr. Williams of Illinois (for) with Mr. Collins (against).
Mr. Sweet (for) with Mr. Sullivan (against).
Mr. Patterson (for) with Mr. McClintic (against).
Mr. Morin (for) with Mr. Sites (against).
Mr. Johnson of South Dakota (for) with Mr. Boylan (against).
Mr. Fredericks (for) with Mr. Dickstein (against).
Mr. McLaughlin of Nebraska (for) with Mr. Jacobstein (against).
Mr. Brumm (for) with Mr. Black of New York (against).
Mr. Kurtz (for) with Mr. McDuffie (against).
Mr. Miller of Illinois (for) with Mr. Taylor of Colorado (against).

Until further notice:

Mr. Reid of Illinois with Mr. Crosser.
Mr. Lineberger with Mr. Kerr.
Mr. Michaelson with Mr. Kvale.

Mr. FAUST. Mr. Speaker, I have a general pair with the gentleman from Alabama, Mr. BOWLING. I understand if he were present, he would vote "nay." I desire, therefore, to withdraw my vote and be recorded as present.

Mr. GRIFFIN. Mr. Speaker, I voted "Present." I desire to withdraw that and vote in the negative.

The result of the vote was announced as above recorded.

The SPEAKER. The question is now on the resolution.

The resolution was agreed to.

CHARGES AGAINST MEMBERS OF CONGRESS.

Mr. HERSEY. Under permission to-day to extend my remarks, I wish to say further that yesterday this House passed and sent to the Attorney General the following resolution:

Resolved, That the House take no further action for the present to procure from the Attorney General the information heretofore requested of the Attorney General by the House under House Resolution 211.

Resolved further, That in view of its extreme importance to the House, the Attorney General be, and is hereby, requested to proceed at once and give preference and precedence to this investigation and report the results to this House.

To-day we are attempting to pass the following inconsistent and antagonistic resolution:

Whereas a grand jury of the District Court of the United States for the Northern District of Illinois, southern division, impaneled at the February term, 1924, has reported to that court that certain evidence has been submitted to them involving the payment of money to two Members of Congress;

Whereas the honor and dignity of the Congress require that the facts be immediately ascertained, to the end that such action as is essential for the Congress itself to take, may be promptly taken: Therefore be it

Resolved, That a select committee of five Members of the House shall be appointed by the Speaker thereof whose duty it shall be to proceed forthwith to make an investigation of such allegation and ascertain—

(a) Whether said "two Members of Congress" so charged are Members of the House of Representatives; and

(b) If so, to make such further investigation as may be essential to establish the truth or falsity of said allegation.

Said committee shall have power to send for persons and papers and administer oaths and shall be permitted to sit during the sessions of the House and any recess thereof and at such place or places as may be necessary to discharge the duties herein imposed.

Resolved further, That the Speaker is hereby authorized to issue subpœnas to witnesses upon the request of the committee or any subcommittee thereof at any time, including any recess of the Congress; and the Sergeant at Arms is hereby empowered and directed to serve all subpœnas and other processes put into his hands by said committee or any subcommittee thereof.

Resolved further, That said committee shall report to the House as promptly as possible the results of its inquiries, together with such recommendations as it may deem advisable.

Yesterday the Attorney General was requested to proceed at once with the investigation and to give precedence to this investigation and report the results to this House. To-day the matter is in the hands of the Attorney General and the Department of Justice before the grand jury with full power to use the whole machinery of the Department of Justice in finding out the truth, vindicating the good name of this House if

possible, and if the evidence warrants it, to punish anyone that is found guilty.

To-day we are asked to appoint a committee of five from the Members of this House who shall have power to take absolute charge of this same matter, empowered to send for persons and papers, administer oaths, and sit during sessions of the House and any recess thereof at such place or places as may be necessary to discharge the duties imposed. And, further, that the Speaker of the House is authorized to issue subpœnas to witnesses, Sergeant at Arms to serve them, and that the committee shall report to the House as promptly as possible the results of its investigation, with any recommendation it deems advisable.

Now while the evidence in this case is before the grand jury in the hands of the Department of Justice with instructions to proceed with that evidence in the usual and customary and lawful manner provided by the courts and the Constitution, we are asked to create a new tribunal that lacks the power of a grand jury and the resources of the Department of Justice. Any report from such a committee must be incomplete and unsatisfactory.

If this committee in face of the vote of yesterday by this House should demand of the Attorney General the evidence in his possession and before the grand jury that the committee may consider the evidence and that evidence is turned over to a House committee then the Attorney General ought to be impeached and removed from office.

There are those around me who claim to be friends of the Members accused who say they want to do the best thing for their friends and they are voting for this new resolution for the appointment of his new tribunal, this committee of five, under the plea that they are friends of the accused. I say in closing as I said in the beginning, if we do this out of friendship for our Members then our prayer still ought to be, "God save me from my friends."

CALENDAR WEDNESDAY.

The SPEAKER. To-day is Calendar Wednesday. The Clerk will call the roll of committees.

INCREASE OF COAST GUARD FOR LAW ENFORCEMENT.

Mr. WINSLOW (when the Committee on Interstate and Foreign Commerce was called). Mr. Speaker, I call up the bill (H. R. 6815) to authorize a temporary increase of the Coast Guard for law enforcement.

The SPEAKER. The gentleman calls up the bill, which the Clerk will report by title.

The Clerk read the title of the bill.

The SPEAKER. This bill is on the Union Calendar. The House will automatically resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 6815) to authorize a temporary increase of the Coast Guard for law enforcement.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 6815, with Mr. MADDEN in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of H. R. 6815, to authorize a temporary increase of the Coast Guard for law enforcement.

Mr. WINSLOW. Mr. Chairman, I ask that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Massachusetts asks that the first reading of the bill be dispensed with. Is there objection?

Mr. BLANTON. Mr. Chairman, I think the bill ought to be read for the information of the committee, and I object.

The CHAIRMAN. The Clerk will read the bill.

The Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Navy is authorized to transfer to the Department of the Treasury, for the use of the Coast Guard, such vessels of the Navy, with their outfits and armaments, as can be spared by the Navy and as are adapted to the use of the Coast Guard.

SEC. 2. (a) The President is authorized to appoint, by and with the advice and consent of the Senate, the following temporary officers of the Coast Guard: Two captains, 13 commanders, 25 lieutenant commanders, 48 lieutenants, and 42 lieutenants (junior grade) and ensigns, of the line; and 1 commander, 11 lieutenant commanders, 19 lieutenants, and 40 lieutenants (junior grade) and ensigns, of the Engineer Corps.

(b) Such temporary officers while in service shall receive the same pay, allowances, and benefits as permanent commissioned officers of the Coast Guard of corresponding grade and length of service, except that no such officer shall be entitled to retirement because of his temporary commission.

(c) Temporary appointments shall continue until the President otherwise directs or Congress otherwise provides.

SEC. 3. Permanent commissioned officers of the Coast Guard may be given temporary promotion, in order of seniority and without examination, to fill any such temporary grades. Notwithstanding such temporary promotion, any such officer shall continue to hold his permanent commission and shall be advanced in lineal rank, promoted, and retired in the same manner as though this act had not become law.

SEC. 4. (a) All original temporary appointments under this act shall be made in grades not above that of lieutenant, in the line or the Engineer Corps, and shall be made only after the candidate has satisfactorily passed such examinations as the President may prescribe. No person shall be given an original temporary appointment who is more than 40 years of age.

(b) The names of all persons appointed under this section shall be placed upon a special list of temporary officers, as distinguished from the list of permanent officers, of the Coast Guard. The President is authorized, without regard to length of service or seniority, to promote to grades not above lieutenant, in the line or Engineer Corps, or to reduce officers on such special list, within the number specified for each grade, and he may, in his discretion, call for the resignation of, or dismiss, any such officer for unfitness or misconduct.

SEC. 5. (a) Under such regulations as he may prescribe, the President is authorized to appoint, by and with the advice and consent of the Senate, 25 temporary chief warrant officers of the Coast Guard from the permanent list of warrant officers of the Coast Guard.

(b) Such chief warrant officers shall receive the same pay, allowances, and benefits as commissioned warrant officers of the Navy, except that any such officer shall continue to hold his permanent grade, and shall be retired in the same manner as though this act had not become law.

SEC. 6. Under such regulations as he may prescribe, the Secretary of the Treasury is authorized to appoint temporary warrant officers, and to make special temporary enlistments, in the Coast Guard. No person shall be entitled to retirement because of his temporary appointment or enlistment under this section.

SEC. 7. Nothing contained in this act shall operate to reduce the grade, rank, pay, allowances, or benefits that any person in the Coast Guard would have been entitled to if this act had not become law.

Mr. HILL of Maryland. Mr. Chairman——

Mr. BLANTON. Mr. Chairman, I am opposed to this bill on the minority side, and I ask for recognition in opposition to the bill.

The CHAIRMAN. The Chair understands that under the rule the right to recognition in opposition to the bill would go to a member of the committee if there were a member of the committee opposed to the bill. The Chair would like to ask whether there is any member of the Committee on Interstate and Foreign Commerce opposed to the bill and wishes recognition in opposition to it.

Mr. BLANTON. Mr. Chairman, if not, I claim recognition.

Mr. HILL of Maryland. Mr. Chairman, I also rose to ask recognition in opposition to the bill. I would like to ask whether the gentleman from Texas proposes to vote against the bill?

Mr. BLANTON. I certainly do, and I shall try to offer a substitute for it.

The CHAIRMAN. Is the gentleman from Texas opposed to the bill?

Mr. BLANTON. Yes.

The CHAIRMAN. Is the gentleman from Maryland opposed to the bill?

Mr. HILL of Maryland. I am opposed to the bill, and ask recognition.

Mr. CRAMTON. Mr. Chairman, I make the point of order that at this time the chairman of the committee is entitled to priority of recognition.

The CHAIRMAN. Certainly.

Mr. CRAMTON. And that the question of who is entitled to recognition in opposition may properly be settled when the time comes for some one to be recognized in opposition to the bill.

Mr. BLANTON. We might just as well settle it now and then we will know how to apportion the time.

Mr. CRAMTON. The gentleman from Texas does not require any great amount of notice to get a speech ready.

Mr. BLANTON. There are some other gentlemen over here that want some time.

The CHAIRMAN. Does the gentleman from Michigan make a point of order on the settlement of this question?

Mr. CRAMTON. At this time; yes.

Mr. BANKHEAD. Mr. Chairman, that is clearly a matter within the discretion of the Chair.

The CHAIRMAN. I think the point of order is not well taken. I wish to say that the matter is entirely within the discretion of the Chair and it has been customary, always, when a member of the committee is not found in opposition to the bill demanding time to give that time to some member of the minority of the House, not to a member of the majority of the House, and since no other gentlemen, except the gentleman from Maryland and the gentleman from Texas, have risen asking for recognition, the Chair feels constrained to recognize the gentleman from Texas.

Mr. BLANTON. I reserve the time, Mr. Chairman.

Mr. CELLER. Mr. Chairman, a parliamentary inquiry. I understand the gentleman from Texas is saying that he is opposed to the bill, but he is going to offer a substitute which might strengthen the very terms of the original enactment he is in opposition to.

The CHAIRMAN. The Chair can not see a parliamentary inquiry in that. There is no parliamentary question before the House for decision at this time. The gentleman from Texas stated definitely he was opposed to the bill.

Mr. CELLER. Mr. Chairman, as I see it, the gentleman from Texas wants an enactment even stronger than the one proposed by the committee.

Mr. BLANTON. Mr. Chairman, I am absolutely against this bill and am going to vote against every feature of it.

The CHAIRMAN. The Chair can not know what is in the mind of the gentleman from Texas. The gentleman from Texas says he is opposed to the bill and, of course, the Chair on that statement is bound to recognize him as a member of the minority of the House.

Mr. CELLER. Should not the Chair go beyond the mere letter of what the gentleman from Texas states and go into the spirit of what he intends to propose? I am on the minority side and I oppose this bill in toto.

The CHAIRMAN. The Chair can not understand what the gentleman is intending to propose. The Chair is not a mind reader.

Mr. BLANTON. Mr. Chairman, I ask for the regular order.

The CHAIRMAN. The gentleman from Massachusetts is recognized for one hour.

Mr. WINSLOW. Mr. Chairman and gentlemen of the House, this bill came before the Committee on Interstate and Foreign Commerce at the request of that department of the Government which had to do with the enforcement of the Volstead Act. The preliminary story can be made very short, as can a statement in respect of the subject matter of the bill. It appears that the department which is charged with the enforcement of the Volstead Act is of the opinion that it can be helped very materially in its work if put in a position to control the delivery of intoxicants for beverage purposes by way of the high seas. Such a condition prevails, or is reported to prevail, along the coast of the United States, Alaska, Porto Rico, the Philippines, and wherever the law applies.

Through departmental arrangement the Coast Guard has been assigned for some time, as part of its cares and tribulations, the enforcement of liquor enforcement law as pertaining to the high seas. The Coast Guard has not reached out for this new job, but being a United States department, with a long record of fine service, they take whatever is wished on them. It has come to pass that as between the Navy of the United States and the Coast Guard, after a continuation, maybe, of diplomatic negotiations of the "Alphonse and Gaston" order, the Coast Guard finds itself lined up to do this work. It has been made clear by the department which has to enforce the law to the Committee on Interstate and Foreign Commerce that it is necessary to have more and different ships for the Coast Guard if it is to do its contemplated work within the requirements thus far set up for the Coast Guard.

The original plan suggested comprehended the construction of new ships particularly adapted to general Coast Guard work but suitable for operations in connection with the enforcement of the Volstead Act. The original idea was probably wise for the reason that the Coast Guard is now short of ships for doing that wonderful work of rescue, salvage, and so on, for which it is so well known; but the administration and one department and another having to do with expenditure matters have concluded that it is not wise at present to invest the amount of money which would be required to build entirely new ships, and, further, they have concluded that the work of enforcement could be more quickly undertaken and increased if we were to use ships already owned by the Government.

Consequently it has been worked out that a number of what are called second-class torpedo-boat destroyers, which are second class only in respect of their size and capacity, be handed over to the Coast Guard, and the plan comprehended, but not set forth in this bill, will also involve the construction of several other types of smaller craft; but with that we now have nothing directly to do.

The committee comes before the House and so on to the committee with the bill which you probably have in your hands and which provides for three general classes of legislation, the first one to provide for the transfer of some 20 torpedo-boat destroyers to the Coast Guard from the Navy and likewise a couple of mine sweepers. It also provides for the establishment of a proper personnel to man such an increased Coast Guard fleet, and then, again, it makes general provisions under several headings to govern the well-being of officers and enlisted men who may be connected with this augmented service of the Coast Guard.

Mr. FAIRCHILD. Mr. Chairman, will the gentleman yield?

Mr. WINSLOW. Yes.

Mr. FAIRCHILD. Has the committee estimated the cost of that to the Government?

Mr. WINSLOW. The cost to the Government for making over the 20 destroyers and the construction of other ships which would augment them—little craft under power—would be about $13,000,000. The cost for maintaining the increased personnel to operate those ships has been estimated in round numbers at the rate of $334,000.

Mr. SCHNEIDER. That is, per year?

Mr. WINSLOW. Yes; $334,000 per year.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. WINSLOW. Yes.

Mr. BLANTON. This bill provides that the President shall appoint 191 temporary officers in the Coast Guard. How many extra enlisted men would be required to bring the force up to the required number? I refer to the extra personnel which will be required for these extra 191 officers.

Mr. WINSLOW. The inquiry, I think, is a pertinent one and I ought to know, but I can not answer the gentleman offhand. It may be in the hearings, and it may be that some member of our committee will recall that particular point.

Mr. BLANTON. Will the gentleman have one of his committee tell us.

Mr. WINSLOW. Yes; if I can.

Mr. BARKLEY. Mr. Chairman, if the gentleman will permit, this bill does not involve the appointment of 191 officers. It involves an increase in the commissioned personnel of 149, but it provides for the temporary advancement of 52 from the enlisted personnel to commissions in the Coast Guard Service.

Mr. WINSLOW. That probably is correct.

Mr. BARKLEY. That is only temporary.

Mr. WINSLOW. Yes.

Mr. BARKLEY. The Coast Guard Service was unable to say how many would be required in the enlisted personnel to man these ships because of their character and their inability to predict in advance whether they could get a full complement of men for all these ships, on account of the fact that it is a temporary employment and on account of the character of the service to be required.

Mr. WINSLOW. The gentleman reflects my recollection of it.

Mr. BLANTON. Mr. Chairman, I am sure that both the gentlemen from Massachusetts and the gentleman from Kentucky want to be accurate. Here is what the bill provides in section 2:

SEC. 2. (a) The President is authorized to appoint, by and with the advice and consent of the Senate, the following temporary officers of the Coast Guard: Two captains, 13 commanders, 25 lieutenant commanders, 48 lieutenants, and 42 lieutenants (junior grade) and ensigns, of the line; and 1 commander, 11 lieutenant commanders, 19 lieutenants, and 40 lieutenants (junior grade) and ensigns, of the Engineer Corps.

If that does not put 191 extra temporary officers into this Coast Guard, then I can not count figures.

Mr. WINSLOW. The gentleman may be right, but, like many other figures, they do not prove the point at issue. The number will have to be provided for, if that is possible, but by advancing men already in the Coast Guard to fill many of them the requirements for actual new talent to go in there are very greatly reduced.

Mr. BANKHEAD. Mr. Chairman, will the gentleman yield?

Mr. WINSLOW. Yes.

Mr. BANKHEAD. Are these vessels proposed to be placed at the disposal of the Coast Guard Service now actually in commission by the Navy Department?

Mr. WINSLOW. The only job they have now probably is that of collecting barnacles.

Mr. BANKHEAD. Are they practically obsolete or are they just laid up because of nonuse?

Mr. WINSLOW. I think there is no necessity for them, and they belong, generally speaking, to the "Sons of Rest" in the Navy.

Mr. BANKHEAD. Is it to be a permanent transfer of these naval vessels to the Coast Guard or is it only temporary?

Mr. WINSLOW. The provision says temporary, and the gentleman is as able to tell what that temporary feature may be in respect to enforcement of the law as I am.

Mr. BARKLEY. The testimony of Admiral Billard, who is the head of the Coast Guard, with reference to the point made by the gentleman from Texas [Mr. BLANTON], if the gentleman from Massachusetts will permit, is as follows:

> If you will add up the number of officers contained in section 2 you will find that it comes to 201. We are asking, however, only for 149 additional officers, because the other 52 represent temporary promotions of officers now in the service, whose places are not to be filled.

Mr. WINSLOW. Quite so.

Mr. BARKLEY. So that the total number of officers over and above the present force would be 149 new men.

Mr. BLANTON. Mr. Chairman, will the gentleman yield further?

Mr. WINSLOW. Certainly.

Mr. BLANTON. One hundred and forty-nine extra officers. The gentleman from Massachusetts knows that when they are appointed there will be 149 promotions of other officers of the line.

Mr. WINSLOW. Perhaps.

Mr. FAIRCHILD. Mr. Chairman, will the gentleman yield further?

Mr. WINSLOW. Yes.

Mr. FAIRCHILD. Has the committee considered what percentage of enforcement will result from this additional expense to the Government?

Mr. WINSLOW. We are all still out of the insane asylum. [Laughter.]

Mr. VINSON of Georgia. Mr. Chairman, will the gentleman yield?

Mr. WINSLOW. Yes.

Mr. VINSON of Georgia. Will the gentleman furnish the committee information as to the number of men that will be required to man these various ships?

Mr. WINSLOW. The gentleman means enlisted men?

Mr. VINSON of Georgia. Yes.

Mr. WINSLOW. They could not tell. They said it would depend largely upon how the work developed and the necessities of the ships. However, they do not expect to require the number of men they would have on board each of these ships for naval purposes.

Mr. SPEAKS. Mr. Chairman, will the gentleman yield?

Mr. WINSLOW. Yes.

Mr. SPEAKS. Would it not be possible to detail from some other service the officers and men required for this purpose?

Mr. WINSLOW. Such as what?

Mr. SPEAKS. The Navy, for instance.

Mr. WINSLOW. No.

Mr. SPEAKS. Why?

Mr. WINSLOW. The gentleman is a little too many for me. I am going to be perfectly frank about it. The Navy Department and the Coast Guard both agreed that it was not a feasible thing, and the committee did not go back of their statements.

Mr. SPEAKS. I want to suggest that if this were a condition confronting the State of Massachusetts and not the Federal Government and it devolved upon the Governor of Massachusetts to meet the situation, he would immediately detail from the Naval Militia or the National Guard such force as might be necessary to combat the evil.

Why does not the same principle apply here and allow these services to come from the Navy Department? Why should not men enlisted for an emergency purpose, with confessedly a serious situation confronting our Government, be detailed?

Mr. WINSLOW. Well, that is an illustration as to Massachusetts which the gentleman perhaps is better advised on than I am.

Mr. SPEAKS. I mean, why should not they be detailed for this particular purpose?

Mr. WINSLOW. The thought of the two departments was that they have not regarded this as feasible or possible to be advantageously worked out. To dig clear to the bottom of your inquiry would be quite a job, I presume.

Mr. SPEAKS. Does the gentleman really think that is a sufficient explanation of the situation and a reasonable excuse for not carrying out some such program? Say, for instance, it is frequently reported in the press of the country that a fleet of vessels is lying some 10 or 12 miles off the Atlantic coast for the sole and specific purpose of violating the laws of the United States. Now, would it be an unnatural thing to do if those charged with the enforcement of the laws should detail four or five naval vessels of suitable character to go out and see what is going on, at least? It would not be necessary to take any very radical action.

Mr. WINSLOW. I am not going to let the gentleman make a speech in my time, but I will answer any question.

Mr. SPEAKS. To reduce it to a question, does not the gentleman think that some such plan as I am suggesting is entirely feasible and proper?

Mr. WINSLOW. I do not have any information which would warrant me in forming a judgment.

Mr. SHALLENBERGER. I think the gentleman will recall that the admiral in charge of the Coast Guard, in response to a question from myself on the same line the gentleman is asking about, said that the Attorney General of the United States has ruled that the Navy can not be used for that purpose, that it is a function that belongs to the Treasury Department, and therefore belongs to the Coast Guard, and the Navy could not be used.

Mr. HILL of Maryland. Right on that point as to what the Attorney General has ruled——

Mr. WINSLOW. I yield to the gentleman from California.

Mr. LEA of California. I can give the gentleman some information as to the estimated number of officers and men. The additional officers would be 149, warrant officers 418, enlisted personnel 3,789.

Mr. SCHNEIDER. Will the gentleman yield?

Mr. WINSLOW. I will.

Mr. SCHNEIDER. It is assumed this will be a permanent commission as long as the so-called prohibition exists?

Mr. WINSLOW. Well, I am not an expert on the future; I am not an astrologer. [Laughter.]

Mr. HILL of Maryland. I call the attention of the chairman of the committee to the eighth and following lines on page 15 of the hearings, which are as follows:

> Mr. CROSSER. What is the general scope of the Coast Guard Service?
> Admiral BILLARD. The general duties?
> Mr. CROSSER. Yes.
> Admiral BILLARD. Well, that is a rather long story——

Mr. WINSLOW. Mr. Chairman, I shall have to be protected from the gentleman making a speech in my time. I shall be glad to yield if he asks a question.

Mr. BLANTON. Would the gentleman mind yielding for a question? Does the gentleman know of any provision in our Constitution that prevents the President from using the Navy to enforce such a situation as this?

Mr. WINSLOW. To be truthful, I will admit that I am the only Member in this House who is not a constitutional lawyer. [Laughter and applause.] If the information has been given that is desired, it will be a pleasure to me to yield, and I reserve the remainder of my time.

The CHAIRMAN. The gentleman has used 17 minutes. [Applause.]

Mr. BLANTON. Mr. Chairman and gentlemen, I claim to be as strong a prohibitionist as there is in this House or in the country. I have been a prohibitionist all my life. I live it as well as preach and vote it. I am like my distinguished friend from Ohio, General SHERWOOD, I have yet to take my first drink. I guess some of you may think that I have missed a whole lot. But I have gotten along without it. I have helped to dry numerous counties in Texas, probably as many as has any other one man there, and I am for a nation dry as strict prohibition can make it.

But I am not for this bill and I am not going to vote for it, for it is but a wasteful pretense and sham and will place in the hands of the Secretary of the Treasury, who has never enforced the prohibition laws, additional means to evade the law. This bill adds 175 commissioned officers, 418 warrant officers, and 3,789 enlisted men to our naval personnel, making in all 4,282 additional men to go on our ships more than we have employed at this time. What is the necessity of appointing 175 extra officers and 418 extra warrant officers and 3,789 extra men to go on our ships? We already have in our Navy 7,783 officers and 86,242 enlisted men and we already have in our Marine Corps 1,132 officers and 20,300 enlisted men, all of whom are anxious for something to do. Why can not we

use them? Why should we take on 4,282 more men, including 175 more commissioned officers? What is the necessity? Have we not facilities enough already to do exactly what you are attempting to do by this bill? Are we to be estopped by the so-called legal opinion of a politician temporarily at the head of the Department of Justice, who never has been a profound lawyer and never will be one? [Applause.] He is the only one who has said that the President can not use the Navy in suppressing liquor smuggling. What else do we do by this bill that is now before the House?

Mr. CRAMTON. Will the gentleman yield while he is speaking of the use of the Navy in this work?

Mr. BLANTON. I will yield.

Mr. CRAMTON. What would the gentleman think of the effectiveness of this work being under a Navy in charge of Admiral Plunkett, for instance?

Mr. BLANTON. I would put it under the charge of the President, as Commander in Chief, and not Admiral Plunkett; but I would say I would rather have the law enforced under Admiral Plunkett than under Mr. Secretary of the Treasury Mellon, because I have found that an officer of the Army or Navy, I do not care what his personal beliefs are on a question, when you give him a military order to do something he does it, regardless of his own belief. [Applause.] I do not believe in putting the liquor enforcement in the hands of any man who is financially interested in the distilleries of the country. [Applause.] It ought to be placed elsewhere.

There is not one word in the Constitution of the United States that would prohibit the Congress from granting to the President the right to use both the Army and the Navy in suppressing this smuggling of liquor into the United States. There are ample precedents for it. Congress has done just this thing more than once heretofore in the history of our Republic. Let me cite several such acts by the Congress of the United States.

If you will turn to the Statutes at Large of the United States, volume 2, page 426, you will find the act of March 2, 1807, entitled:

An act to prohibit the importation of slaves into any port or place within the jurisdiction of the United States—

And so forth. And from page 428 I quote section 7 of said act, as follows:

SEC. 7. *And be it further enacted*, That if any ship or vessel shall be found, from and after the 1st day of January, 1808, in any river, port, bay, or harbor, or on the high seas, within the jurisdictional limits of the United States, or hovering on the coasts thereof, having on board any negro, mulatto, or person of color, for the purpose of selling them as slaves, or with the intent to land the same in any port or place within the jurisdiction of the United States, contrary to the prohibition of this act, every such ship or vessel, together with her tackle, apparel, and furniture, and the goods and effects which shall be found on board the same, shall be forfeited to the use of the United States, and may be seized, prosecuted, and condemned, in any court of the United States having jurisdiction thereof. And it shall be lawful for the President of the United States, and he is hereby authorized, should he deem it expedient, to cause any of the armed vessels of the United States to be manned and employed to cruise on any part of the coast of the United States or Territories thereof, where he may judge attempts will be made to violate the provisions of this act—

And so forth.

So you will see that way back in 1807 the Congress of the United States, having the Constitution fresh in their minds, had the courage to pass a statute turning over to the President the Navy, not merely its boats and armaments, but its officers and men as well, and telling the President to use same in suppressing the smuggling of slaves into the United States. If the Congress had the right in 1807 to pass such a law, why has not the Congress in the year 1924 the same right to pass a similar law? But let me give you another precedent. If you will examine the Statutes at Large of the United States, volume 12, page 255, you will find that on July 13, 1861, the Congress passed an act entitled: "An act to provide for the collection of duties on imports," and so forth, and from page 257 I quote section 7 of said act, as follows:

SEC. 7. *And be it further enacted*, That in the execution of the provisions of this act and of the other laws of the United States providing for the collection of duties on imports and tonnage it may and shall be lawful for the President, in addition to the revenue cutters in service, to employ in aid thereof such other suitable vessels as may, in his judgment, be required.

And said act gave authority to the President to use the militia as well as the Navy to enforce the provisions of said act.

Again, let me repeat that whether an admiral believed in prohibition or not, whether he was addicted to drinking or not, he would obey the orders of his superior officer, and the President of the United States is the Commander in Chief of the Army and Navy, and if he gave orders to an admiral to stop smuggling on a certain coast you could bet your life that such smuggling would be stopped, for that admiral would obey orders.

Mr. ABERNETHY. Will the gentleman yield?

Mr. BLANTON. In a moment. Here is our distinguished friend from Pennsylvania [Mr. BUTLER], a man whom we all love and whom everybody loves. I want to say that his distinguished son, a general in the Marine Corps, Gen. Smedley Butler, is no "goody-goody" sort of a fellow. He is a man who would take a drink if he wanted one, though I do not know whether he ever wants one or not. He is not a strict prohibitionist in any sense of the word, so I have been told. He has likely never run with prohibitionists so very much since he left his father's home. [Laughter.] He has been in the service, thrown with all kinds of men.

Mr. BARKLEY. Mr. Chairman, will the gentleman yield there?

Mr. BLANTON. But I want to say this: That when the great city of Philadelphia could not enforce the law it asked for that great man from our Marine Corps to be loaned to them, and our Government loaned him to the city of Philadelphia, and he took his general's uniform off, and he has been enforcing the law to the letter in that great city ever since. And I want to say that whenever that banquet is held by the American citizens in his honor, which is to come off before very long, if I am in the State of Texas or anywhere else I am going to traverse the United States to Philadelphia to be present and help do honor to one of the greatest men in this Nation. [Applause.]

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. ABERNETHY. Is not the enforcement of the law in a large measure now, so far as the ocean is concerned, in the Coast Guard?

Mr. BLANTON. Partially so; but, unfortunately, the head of all enforcement is in the Treasury Department.

Mr. ABERNETHY. What other agency of the Government could we use?

Mr. BLANTON. I will tell you in just a minute.

Mr. HUDSON. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. HUDSON. Does not the gentleman know that it is on record of General Butler, that while he is the enforcement officer of Philadelphia he takes no drink? Put that in the RECORD.

Mr. BLANTON. Of course he does not drink while enforcing prohibition, because he is honest. But when he wore a general's uniform in the Marine Corps he was not enforcing prohibition, and he may then have taken a drink whenever he saw fit, though I do not know whether he did or not.

Mr. COOPER of Ohio. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. COOPER of Ohio. I know that the gentleman wants to see the law enforced. Has the gentleman any reason to believe that if the Coast Guard is given the appropriation and these men it will not enforce the law?

Mr. BLANTON. I have not gotten that far yet.

Mr. COOPER of Ohio. The gentleman knows, in the first place, that they are the Revenue Cutter Service of our country. They guard our shores. That is not the work of the Navy. I believe they are in a better position to enforce the law against rum runners than the Navy itself.

Mr. BLANTON. You know this: That this country is being filled with liquor all the time, and it is still coming in here.

Mr. BARKLEY. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. BARKLEY. What intimate knowledge has the gentleman as to the proclivities of General Butler for drinking, either within or without the service, and what relation has that to this bill?

Mr. BLANTON. I do not know personally that he ever took a drink in his life. I can only speak from information. I know that it is reported that when he became enforcement officer of Philadelphia he said, "I will not take another drink," and he has not taken one since, so I am informed. I infer from that that he formerly took one when he wanted to, though he may not have wanted to.

Mr. BARKLEY. It may be that the remarks of the gentleman might do General Butler a great injustice.

Mr. BLANTON. I thank the gentleman from Kentucky. If I get permission to revise my remarks I will put that in. I will say that there is not a man in the United States who has

a higher regard for General Butler than I, whether he ever took a drink or not.

Mr. UPSHAW rose.

Mr. BOYCE. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I will yield first to the gentleman from Georgia [Mr. UPSHAW]. He is about the best-informed gentleman on that subject that I know of.

Mr. UPSHAW. I was going to ask the gentleman about the proprieties, as suggested by the gentleman from Kentucky [Mr. BARKLEY]. I was going to ask him to revise his speech in his reference to General Butler. General Butler stated that while originally he was not a prohibitionist, he would not take a drink while he was engaged in enforcing the laws in Philadelphia.

Mr. BLANTON. I can only say to the gentleman that I can delete my own remarks, but I can not those of the gentleman from Georgia——

Mr. UPSHAW. I say this because I would like to crown General Butler as an efficient man, loyal to his oath. But I do not think any officer of the Army or Navy ought to drink the liquor outlawed by the Constitution of his country.

Mr. BOYCE. Now, Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. BOYCE. Is not the gentleman discussing extraneous matters?

Mr. BLANTON. I am only answering questions. I have promised time to others, and I do not wish to consume much time myself.

Mr. BOYCE. I was going to ask if the gentleman's remarks were pertinent to the merits of the bill. But the gentleman is always interesting. Will not the gentleman please confine his remarks to the merits of the bill?

Mr. SCHAFER. Mr. Chairman, will the gentleman yield for a question?

Mr. BLANTON. I will if it is on the bill.

Mr. SCHAFER. Do you not think that the so-called menace caused by rum smuggling will diminish if we allow and permit the manufacture of 2¾ per cent beer?

Mr. BLANTON. I do not answer any questions directed against the Constitution of the United States. [Laughter.] There are numerous lawyers on this floor, some of national repute. I want to ask any one of them to get up here and say whether he knows anything in the Constitution that keeps this Government from using the Navy under just such circumstances as these? If there is a lawyer here, I yield to him now if he claims that there is anything in the Constitution that keeps us from so using the Navy. I pause for reply. I see that there is no one arises to make that claim.

Mr. UPSHAW rose.

Mr. BLANTON. Just a moment. Are you a lawyer?

Mr. UPSHAW. No; I am not a lawyer.

Mr. BLANTON. Well, I yielded to lawyers, not to laymen. I yielded only to lawyers.

Mr. UPSHAW. Just a moment. I am not a lawyer, but I am a constitutional patriot enough to know that the President has the right to employ the Navy if necessary to protect the Constitution of the country.

Mr. BLANTON. Why does he not do it, then, Harry Daugherty to the contrary notwithstanding? [Applause.]

Mr. UPSHAW. I agree with the gentleman.

Mr. BLANTON. I want to say that there is a way to enforce the prohibition laws without these additional 175 new commissioned officers, these 418 new warrant officers, and these 3,789 extra men. There is a way in which you can use the men, concerning whom there was something said about barnacles from inactivity by the gentleman from Massachusetts [Mr. WINSLOW] a while ago.

Mr. WINSLOW. Will the gentleman allow me to correct him?

Mr. BLANTON. Yes; certainly.

Mr. WINSLOW. I referred to ships, not to the men.

Mr. BLANTON. I thought when the gentleman referred to the ships he was referring also to what the ships carried.

Here is a resolution which I introduced on January 3, a joint resolution, which has the same force and effect of a bill.

House joint resolution.

Whereas in purposed disregard and violation of the fundamental laws of the Nation organized bands of rich and influential conspirators of national and international prominence are engaged in the nefarious business of unlawfully smuggling intoxicating liquors, narcotics, and aliens into the United States; and

Whereas hundreds of thousands of American laborers are now unable to obtain employment and are without means and opportunity of earning a livelihood for their families, and said smuggled aliens are constantly robbing them of jobs as same become available, thus taking from the mouths of American wives and little children the necessities of life; and many of such smuggled aliens are lawless thugs and anarchists who hate all forms of civilized government, and whose policy and purpose here is to tear down and destroy rather than to build up, and whose presence, acts, and whereabouts our Government has no means of checking or keeping any record thereof; and

Whereas by reason of the fact that on our north the boundary between the United States and Canada is 3,979.7 statute miles, and (counting tidal shore line, unit measure 1 statute mile) on our east the Atlantic coast is 11,679 miles, and on our south the Gulf coast is 6,418 miles, and the boundary between the United States and Mexico is 1,993 miles (sinuosities of river counted), and on our west the Pacific coast is 3,765 miles, it is impossible with civil officers alone to properly police and guard such borders, and it is impossible for civic authorities alone to stop such law violations, which are becoming so prevalently stupendous as to bring our fundamental laws into national and international disrepute, and to seriously menace our institutions; and

Whereas in certain States and in certain large cities like New York, Philadelphia, and Baltimore the local authorities are in open rebellion and insubordination against the eighteenth amendment to the Constitution of the United States and the laws passed by Congress in enforcement thereof, and such authorities not only fail and refuse to enforce such laws and to cooperate with the Government in enforcing same but also they, by their public actions, invite citizens to ignore, belittle, and violate same at will and in open defiance of the Constitution and laws of the United States Government, permit scores of unlawful saloons to be run daily in such cities, unlawfully selling intoxicating liquors to thousands of citizens, and civil officers of the United States take their lives in their hands whenever they attempt to arrest any of said offenders, numerous civil officers of the Government having been ruthlessly murdered while performing such duties, and in many instances local officers of cities have resisted Government officers in making arrests; and

Whereas section 8 of Article I of the Constitution of the United States directs Congress to make rules for the government and regulation of the land and naval forces, and to provide for calling forth the militia to execute the laws of the Union; and

Whereas section 2 of Article II of said Constitution constitutes the President of the United States the Commander in Chief of the Army and Navy and of the militia of the several States when called into actual service of the United States; and

Whereas section 3 of Article II of said Constitution provides that the President shall have the laws of the United States faithfully executed; and

Whereas the "bootleggers" of the world know that practically all of our revenue cutters are old, slow, and obsolete, few capable of making 12 knots per hour, and such bootleggers are operating boats of greater speed, while our Navy owns destroyers capable of making 25 knots per hour and owns numerous submarine chasers, many being surplus, and many of which can make 18 knots per hour, and which cost the Government over ten times the price at which our Navy has been offering them for sale, and many being suitable for use in suppressing smuggling; and

Whereas we now have in our Army 11,574 officers and 116,663 enlisted men, and we now have in our Navy 7,783 officers and 86,242 enlisted men, and we now have in our Marine Corps 1,132 officers and 20,300 enlisted men, upon whose hands the monotonous routine of peace time always hangs heavily, and which aggregate force, maintained and paid through burdensome taxation of the people, could promptly suppress all unlawful smuggling into the United States, and all rebellious defiance of our Government and its Constitution and laws of the United States, without impairing the morale of such forces or the security of our country; and

Whereas using the Army and Navy in suppressing smuggling and rebellious defiance of our Government and laws would save the people the expense of furnishing them other amusement, such as sending a great fleet on a trip to Panama, the press reporting to-day that "Admiral Coontz had just weighed anchor for Panama, where he will command 15 battleships, 4 light cruisers, 63 destroyers, 11 submarines, and 87 airplanes"; and

Whereas the mere passage of this resolution authorizing the President to use the Army and Navy will immediately strike terror into the hearts of all offenders and cause such crimes to stop; Therefore be it

Resolved, etc., That the President be, and he is hereby, authorized and directed to use and employ the entire naval and military forces of the United States, including the militia, the entire facilities of the United States Shipping Board and the United States Shipping Board Emergency Fleet Corporation, the entire facilities of the inland and coastwise waterways service, and the resources of the Government, or so much of any of the above as he may deem necessary, in suppressing all such unlawful smuggling into the United States, and in suppressing all such rebellious defiance of our Government and its Consti-

tution and laws, and to enable the President to bring such insubordinate law violations to a successful termination, and to faithfully execute the laws of our Republic as required of him by the Constitution, all of the resources of the country are hereby pledged by the Congress of the United States.

I want to ask my friend from Massachusetts [Mr. WINSLOW], I want to ask this Committee of the Whole House on the state of the Union, and I want to ask every Member present why should not there be such a resolution as that passed if you honestly want to stop the smuggling of intoxicating liquor into the United States?

Mr. SPROUL of Kansas. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. SPROUL of Kansas. Does not the gentleman's resolution, in specially authorizing the President to use the Army and the Navy of the Nation to enforce these laws, assume that the President does not now have that authority?

Mr. BLANTON. Attorney General Daugherty has held that he has not, and, because of such holding, I am seeking to have the Congress give him the authority, so there will no longer be any question about it. The President is not enforcing these laws now. I know that President Harding, our deceased President, decided that he would enforce them; I know that shortly before his death he intended to enforce them, and I believe that if he had lived he would have made a special effort to have these laws enforced by this time.

Mr. COOPER of Ohio. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. COOPER of Ohio. I know the gentleman wants to be fair. He knows the President of the United States has asked Congress to pass this bill in order to help him enforce these laws?

Mr. BLANTON. That is what I am talking about now. Why did not he ask for the Navy? We have it already. It would not cost anything extra. Its 94,025 officers and men are idle. I think this bill is a foolish bill. With these additions, the combined Coast Guard can not watch even a small part of one coast. The gentleman from Ohio knows how highly I regard him and his ideas on this question. I stand right with him, shoulder to shoulder, on this prohibition question, but this bill will not stop smuggling, and we all know it.

Mr. COOPER of Ohio. I do not know whether the gentleman intended to leave the impression or not, but he made the statement that the President of the United States was not enforcing these laws.

Mr. BLANTON. Well, is he? Will anyone here say he is?

Mr. COOPER of Ohio. He asks for this bill so that he can enforce them.

Mr. BLANTON. Well, is he enforcing the prohibition laws?

Mr. COOPER of Ohio. If the gentleman wants him to enforce these laws he will support this bill.

Mr. BLANTON. Is he now enforcing them?

Mr. COOPER of Ohio. He is doing the best he can with the material he has.

Mr. BLANTON. That is the trouble. He has not the material, and this bill does not give him the proper material. I want to ask the distinguished gentleman from Ohio and this committee, with all the coast we have, the Atlantic coast and the Pacific coast, the hundreds of miles along the Mexican border and the hundreds of miles along the Canadian border, whether they believe that with these 175 extra commissioned officers manning as many ships as they can man they can adequately guard that coast?

Mr. STEPHENS. Will the gentleman yield?

Mr. BLANTON. I will yield, but first I want to let my colleagues answer that if they can. Do any of you think that?

Mr. WINSLOW. If the gentleman is asking that directly of me I will answer that I do not think they can.

Mr. BLANTON. Then why does the gentleman propose this futile bill?

Mr. WINSLOW. I make that statement for this reason: That the Government of the United States, the President, and all the others, are no more competent to get 100 per cent perfection in results desired than is the gentleman himself as a legislator. [Applause.]

Mr. BLANTON. But the President can get results with the Navy, and I want to give him the Navy and let him get results. I want to say this: I know a distinguished young man in Washington who has been to Annapolis; he was marching down the street here not long ago and a well-dressed, fine-looking man, about 35 or 40 years old, stopped him and said, "I see you are wearing your Annapolis insignia," a ring or watch, or whatever it was. The young man said, "Yes." The man said, "Are you a navigator?" The young man said, "Yes; I have had training at Annapolis." This man said, "Well, I will tell you; you are the very man I need." He said, "I want to make a proposition to you." He took him off and this was the proposition he made. He said, "I have been employed in the Revenue Cutter Service; I have been stationed on the coast of Florida and have been working at it for several years." He said, "We condemned a liquor smuggling boat that we caught down there some time ago and it was such a fine one that I saw a chance to make some money, and I bought it in, with some little help that I was able to get." He said, "I have resigned my position, and it is just 90 miles from our coast down there over to where we can get all the liquor we want." He said, "We can make $12 net profit a case easily."

Mr. KINDRED. More than that.

Mr. BLANTON. He said, "We can make $12 a case net profit and not risk a dollar under the agreement I have made and we do not run any risk, and we can bring numerous boatloads across each week." He said, "I know of a little inlet down there which I do not believe is known to anybody else, where we can come in and land, but," he said, "I need a navigator, and if you will come in with me I will guarantee you $1,000 a month." That was his proposition to this young ensign of this Government. But the young fellow happened to be honest and he said, "You are talking to the wrong man."

Mr. STEPHENS. Will the gentleman yield now?

Mr. BLANTON. Yes.

Mr. STEPHENS. If we furnish the Navy and all of the Army and put them into this service, does the gentleman think they could enforce these laws?

Mr. BLANTON. Yes; they could. And they would stop smuggling. I will tell the gentleman what I believe. If you would pass such a resolution as the one I read you to-day, giving the President of the United States not the Army but just the Navy to enforce this law, I do not believe you would have very many attempts at smuggling after it became generally learned by smugglers. I honestly believe that. Do not ever believe that the foreign smugglers, like that English lord who urged men to subscribe to his project and said, "I will guarantee you so much profit and return on your money every month."

Mr. STEPHENS. How about the Canadian border?

Mr. BLANTON. The same way it could be protected by the Army.

Mr. STEPHENS. You would have to have the Army, too, would you not?

Mr. BLANTON. Yes, as to land borders; but so far as our water fronts are concerned you would strike terror into every smuggler of the world if they knew our Navy was after them.

Mr. SCHAFER. Will the gentleman yield?

Mr. BLANTON. I yield.

Mr. SCHAFER. You have just related a little story which impressed me as being a conspiracy to defeat law enforcement. Being a strong advocate of law enforcement, have you reported the little incidents as you related them to us a few moments ago to the proper officers, so they can watch these men who want to willfully violate the eighteenth amendment?

Mr. BLANTON. The gentleman would have me wasting my time reporting one case when there are thousands of such cases of law violations over the United States. I am not engaged as a revenue-enforcement officer or as a liquor-enforcement officer. I am a legislator here, busy all the time in the House. I am looking at the question from a broad, fundamental, national standpoint and not looking at one little violator. I am looking at the question with the purpose and the intent to stop it nationally.

Mr. NEWTON of Minnesota and Mr. KINDRED rose.

Mr. BLANTON. I am sorry I can not yield to further questions. I promised to yield some time to others, and I am not going to take up any more time. I reserve the balance of my time, Mr. Chairman.

Mr. WINSLOW. Mr. Chairman, I yield five minutes to the gentleman from Maryland [Mr. HILL].

Mr. HILL of Maryland. Mr. Chairman, the gentleman from Texas also said he would yield me 10 minutes.

Mr. BLANTON. Mr. Chairman, I yield five minutes to the gentleman. I have promised so much time and so much of my time was taken up with questions——

Mr. HILL of Maryland. Can not the gentleman yield me the 10 minutes the gentleman said he would yield me?

Mr. BLANTON. I yield the gentleman five minutes.

Mr. HILL of Maryland. Mr. Chairman, I would like to ask the gentleman if he can not yield me the 10 minutes he agreed to yield.

Mr. WINSLOW. Mr. Chairman, when I yielded time to the gentleman it was on the assurance that the opposite side would not yield any time at all.

Mr. HILL of Maryland. Mr. Chairman, I yield back the time the gentleman from Massachusetts yielded me. I told him the gentleman from Texas had promised me 10 minutes, but I doubted if I would get it, in view of the many questions being asked the gentleman from Texas.

Mr. BLANTON. Mr. Chairman, may I say that I took up much more time because of questions than I intended, and that is the reason I can not yield the gentleman 10 minutes.

The CHAIRMAN. The gentleman from Maryland has the floor.

Mr. HILL of Maryland. I have five minutes, have I not?

The CHAIRMAN. The gentleman is recognized for 10 minutes.

[Mr. HILL of Maryland was given permission to revise and extend his remarks.]

Mr. HILL of Maryland. Mr. Chairman and gentlemen, on March 6 the Senate passed the Treasury appropriation bill, which we had previously passed, and on page 25 there is this item:

Total, Coast Guard, exclusive of commandant's office, $10,516,944.

On February 12 there was reported into this House, and there will soon be taken up for consideration, the first deficiency appropriation bill. At page 36 of the first deficiency appropriation bill appears the following item:

In all, Coast Guard, $13,887,007.07.

Gentlemen of the committee, this makes an appropriation of $24,403,951.07 for the Coast Guard for the ensuing year. This is $2,157,384.01 more than your total appropriation for the Navy in 1890. Your appropriation for the Navy in 1890 was $22,246,567.06. Your appropriation for 1910 was $137,779,550.31.

Now, gentlemen, you are asked to spend an additional $13,000,000 of the people's money. I am against this bill, and I must confess I am against this bill with a great deal of hesitation, because I dislike very much to be against anything that is specifically advocated by the President of the United States, and the President of the United States does advocate this. I invite your attention to page 19 of the hearings before the committee containing the letter of the President to the Speaker of the House, in which he calls attention to the alleged necessity for this expenditure of nearly $14,000,000, and in which he sums up the need of equipping 20 torpedo-boat destroyers at $100,000 each and the other items. The President's letter, with part of the letter from the Director of the Budget, is as follows:

THE WHITE HOUSE,
Washington, February 1, 1924.

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration of Congress supplemental estimates of appropriations for the Treasury Department for the fiscal year 1924, for increasing the equipment and personnel of the United States Coast Guard, amounting to $13,853,989.

The purposes of the appropriations requested, the necessity therefor, and the reasons for the submission of the estimates at this time are set forth in the letter of the Director of the Bureau of the Budget transmitted herewith, with whose comments and observations thereon I concur.

Respectfully, CALVIN COOLIDGE.

BUREAU OF THE BUDGET,
Washington, February 1, 1924.

SIR: I have the honor to submit herewith for your consideration, and upon your approval for transmission to Congress, supplemental estimates of appropriations for the Treasury Department for the fiscal year ending June 30, 1924, for increasing the equipment and personnel of the United States Coast Guard, amounting to $13,853,989.

In your annual message to the Congress, referring to your duty to enforce the laws preventing violation of the prohibition amendment to the Constitution, you presented the need of greatly strengthening the United States Coast Guard to prevent smuggling, and expressed your opinion that a supply of swift power boats should be provided for this purpose.

Here is the most important portion of the letter of the Director of the Budget:

Briefly summarized, the estimates provide for the procurement by transfer from the Navy Department of the 20 torpedo-boat destroyers of the second line and the 2 mine sweepers or other similar type of vessel above referred to; also for the building or purchase of 223 "cabin cruiser" type motor boats, with necessary equipment, including radio installation; the building or purchase of 100 "Seabright dory" type motor boats, with necessary equipment; the reopening of 19 life-saving stations now on the inactive list; the organization of 24 section bases for supervising the activities of the vessels and boats engaged in the prevention of liquor smuggling; the establishment of 3 receiving stations for the equipment and training of recruits; and the necessary provisions for pay and allowances of the temporary commissioned and enlisted personnel; for rations, supplies, equipment, travel, contingent expenses, and other incidental items; and finally for an increase in the civilian personnel at Coast Guard headquarters to handle the greatly increased administrative work which will undoubtedly result from the increased activities.

The details of the estimates submitted herewith are as follows:

Coast Guard, 1924 (additional vessels and boats):	
Conditioning and equipping 20 torpedo-boat destroyers, at $100,000 each	$2,000,000
Conditioning and equipping 2 mine sweepers or other suitable type of vessel, at $55,000 each	110,000
Construction of 223 "cabin cruiser" type motor boats, at $37,500 each	8,362,500
Equipment for same, including radio outfits	909,900
Construction of 100 "Seabright dory" type motor boats, at $37,500 each	8,362,500
Equipment for same, at $125 each	12,500
Total	12,194,900
Coast Guard, 1924:	
Pay and allowances of commissioned, warrant, and enlisted personnel, etc	945,179
Rations or commutation thereof for petty officers and other enlisted men	807,001
Fuel and water for vessels, stations, and houses of refuge	170,783
Outfits, ship chandlery, and engineers' stores	265,351
Rebuilding and repairing stations, etc	24,775
Gratuities to dependent relatives of deceased officers and enlisted men (act of June 4, 1920)	2,500
Mileage, travel expenses, etc	100,000
Contingent expenses, etc	56,333
Total	1,645,622

The expenditure called for is $13,853,989 in addition to the $10,516,944 you have already appropriated for the Coast Guard for the ensuing year.

I hesitate, as I say, to oppose such an appropriation, but I do not think you can let your enthusiasm for law enforcement—and "law enforcement" in this bill means prohibition enforcement, attempted enforcement of the Volstead Act and the eighteenth amendment, and does not mean general law enforcement—you can not allow your hysteria for prohibition enforcement to blind you to the essential facts of the case.

What is the status of the Coast Guard?

Mr. COOPER of Ohio. Mr. Chairman, will the gentleman yield for just a short question?

Mr. HILL of Maryland. I am sorry I can not yield at this time. I will yield later.

I invite your attention to page 15 of the hearings, on which are the matters on which I attempted to question the chairman of the committee. There are only a few lines, and I will read them:

Mr. CROSSER. What is the general scope of the Coast Guard Service?

Admiral BILLARD. The general duties?

Mr. CROSSER. Yes.

Admiral BILLARD. Well, that is a rather long story, because one of the characteristics of the Coast Guard is the great multiplicity of its duties. We become part of the Navy in time of war, or whenever the President shall so direct.

I also want to invite your attention to page 5 of the hearings, a portion of which I will now read, in which Admiral Billard says this kind of work for enforcing prohibition is new to the Coast Guard and not their regular business:

Mr. SANDERS. In selecting these officers it would be a little more difficult than to get officers for regular Coast Guard work, will it not? That is, this sort of work for the Coast Guard is not as desirable as ordinary Coast Guard work. How do you find that?

Admiral BILLARD. Of course, it is a different kind of work. You see, our regular Coast Guard officers are trained three years in the academy and are carefully picked. We know that we have got to carry them, if they behave themselves, for the rest of their lives. We are extremely careful about it. These officers are all temporary officers, corresponding to the temporary officers that the Navy took in during the war.

In view of these statements, I can not believe that the proposed legislation will be effective if passed. Furthermore, the Coast Guard now can be put under the Navy for any purpose Congress desires, at the direction of the President.

I have in my hands the opinion of the Attorney General of the United States. The Attorney General says that under existing law the President can not order the Navy to enforce the national prohibition act, but he does cite on page 506 of

his opinion numerous cases in which the President of the United States has used the Navy when he deemed an emergency existed.

The Attorney General says that there is no present emergency which justifies the President to use the naval power, but the Attorney General shows clearly that you can—Congress can—place the Navy at the disposal of the President for this temporary purpose. The opinion of the Attorney General has been often misquoted and I ask you to read it. It is as follows:

USE OF NAVAL FORCES IN THE ENFORCEMENT OF THE NATIONAL PROHIBITION ACT.

The President has no authority to use the naval forces in the enforcement of the national prohibition act when no emergency exists.

There can be no emergency authorizing the President to call out the naval forces to enforce civil and criminal laws until the courts and civil departments of the Government are no longer able to enforce them.

There are no unlawful obstructions, combinations, or assemblages of persons or rebellion against the authority of the Government of the United States in the enforcement of the national prohibition act and of the revenue laws of the United States such as to render it impracticable to continue to enforce these laws by the ordinary course of executive and judicial proceedings.

DEPARTMENT OF JUSTICE,
September 13, 1923.

SIR: I have the honor to acknowledge receipt of your letter requesting my opinion as to whether it lies within your power to use the naval forces of the United States in the enforcement of the national prohibition act, in the absence of a national emergency, and whether, if such question is answered in the negative, an emergency now exists such as to authorize you to call upon the Navy to help enforce the civil and criminal laws of the United States.

The constitutional powers of the President are expressed in Article II, section 2, of the Constitution of the United States, as follows:

"(1) The executive power shall be vested in a President of the United States of America. * * *

"SEC. 2. (1) The President shall be Commander in Chief of the Army and Navy of the United States, and of the Militia of the several States, when called into actual service of the United States; * * *

"SEC. 3. * * * He shall take care that the laws be faithfully executed; * * *."

The constitutional powers of Congress are expressed in Article I, section 8, of the Constitution of the United States, as follows:

"SEC. 8. (1) The Congress shall have power to lay and collect taxes, duties, imposts and excises, to pay the debts and provide for the common defense and general welfare of the United States; * * *

"(11) To declare war, grant letters of marque and reprisal, and make rules concerning captures on land and water;

"(12) To raise and support armies, * * *

"(13) To provide and maintain a Navy; * * *

"(14) To make rules for the government and regulation of the land and naval forces; * * *

"(15) To provide for calling forth the militia to execute the laws of the Union, suppress insurrections and repel invasions; * * *

"(18) To make all laws which shall be necessary and proper for carrying into execution the foregoing powers, and all other powers vested by this Constitution in the Government of the United States, or in any department or officer thereof.

"SEC. 9. (7) No money shall be drawn from the Treasury but in consequence of appropriations made by law; * * *"

In pursuance of its constitutional powers the Congress at an early date in the history of our Government established a Navy as one of the war arms of the Government and a Department of the Navy to administer the naval power authorized by the Constitution.

Revised Statutes, sections 415 and 417, taken from the act of Congress of April 30, 1798 (1 Stat. 553), provides:

"SEC. 415. There shall be at the seat of government an executive department, to be known as the Department of the Navy, and a Secretary of the Navy, who shall be the head thereof; * * *

"SEC. 417. The Secretary of the Navy shall execute such orders as he shall receive from the President relative to the procurement of naval stores and materials, and the construction, armament, equipment, and employment of vessels of war, as well as all other matters connected with the Naval Establishment."

Under Article I, section 9, of the Constitution, supra, by act of Congress the heads of departments of the Government are required annually to communicate estimates of expenditures and appropriations needed for the various branches of the Government for the following fiscal year to the Secretary of the Treasury and to the President, who shall transmit the same to Congress with information on the state of the Union, making such recommendations as he may deem appropriate.

Section 3678 of the Revised Statutes, relating to appropriations by Congress, provides:

"All sums appropriated for the various branches of expenditure in the public service shall be applied solely to the objects for which they are respectively made, and for no others."

In accord with the statutes providing for the estimates of the expenses of the Department of the Navy and the maintenance of the Navy the Congress on January 22, 1923, passed an act appropriating for the fiscal year ending June 30, 1924 (42 Stat. 1134):

"For all emergencies and extraordinary expenses, exclusive of personal services in the Navy Department or any of its subordinate bureaus or offices at Washington, D. C., arising at home or abroad, but impossible to be anticipated or classified, to be expended on the approval and authority of the Secretary of the Navy, and for such purposes as he may deem proper, $40,000."

Naval vessels are men of war and in time of war are used for war purposes. In time of peace section 1534 of the Revised Statutes provides—

"The President is authorized to keep in actual service in time of peace such of the public armed vessels as, in his opinion, may be required by the nature of the service, and to cause the residue thereof to be laid up in ordinary in convenient ports."

In the light of the above review of the constitutional provisions and statutory regulations necessary for consideration of the subject, your two questions will be considered in their order following:

(1) May the President of the United States use the naval forces to enforce the national prohibition act when there is no emergency?

(2) Are there conditions of violations of the national prohibition act authorizing him to lawfully declare an emergency of law enforcement to exist and to call forth the naval forces to enforce the national prohibition act and revenue laws of the United States in our territorial waters?

The Congress has passed no special statute authorizing the President to use naval vessels to enforce the national prohibition act within our territorial waters, nor to execute the civil or criminal laws of the United States, except in cases of emergency, as provided for in sections 5298 and 5318 of the Revised Statutes of the United States.

There seems to have been but one instance in the history of our country in times of profound peace when Congress did authorize the use of naval vessels to enforce the civil or criminal statutes of the United States directed against individuals and when and where no emergency existed.

Article I, section 9, of the Constitution permitted the importation of slaves into the United States up to January 1, 1808.

March 2, 1807, the Congress passed an act to prohibit the importation of slaves into any port or place within the jurisdiction of the United States from the 1st day of January, 1808, and provided that it should be lawful for the President of the United States to use the naval forces for the purposes of enforcing said act against the slave trade (2 Stat. 426, 428). Under authority of said statute the President of the United States used naval vessels to enforce the act of Congress against the slave trade.

July 13, 1861, the Congress passed an emergent act (12 Stat. 255, 257) providing that where the collection of duties on imports at ports of the United States where insurrection existed were resisted by force or by combination or assemblages of persons too great to be overcome by officers of customs it should be lawful for the President to employ such part of the Army, Navy, or militia of the United States as might be deemed necessary for the purpose of enforcing the customs laws.

It would therefore seem that Congress did not consider that the President of the United States possessed the power to use the naval forces in time of peace for the execution of civil or criminal laws without its expressed authorization.

There are some statutes authorizing the President to use the naval forces under certain circumstances, such as to execute processes of courts when officers of the United States are unlawfully obstructed from doing so; to protect the timber of the United States; to execute the quarantine laws; to protect extradited prisoners; to observe the neutrality of our country; to expel foreign offensive vessels; to suppress insurrections and rebellions, and robbery on the high seas; to aid distressed navigators, salvage vessels, and remove derelicts; and to prevent the slave and coolie trade. However, none of these special statutes confer authority for the use of the naval vessels to enforce ordinary civil and criminal statutes such as the national prohibition act and the revenue laws.

Instances have been cited where naval vessels have been sent by the President to protect national rights and citizens in foreign countries and to perform missions of mercy for people in distress, but the power to put the Navy to such uses is found in special appropriation bills, such as the act of January 22, 1923, supra, pro-

viding for unforeseen contingencies. Enforcing the civil and criminal laws of the United States can hardly be classed as unforeseen contingencies.

It has been suggested that the President by virtue of his combined constitutional powers, as Commander in Chief of the Army, Navy, and militia, when in the service of the United States, and the duty that rests upon him to see that the laws are enforced, may use the Navy to enforce the eighteenth amendment and the national prohibition act within our territorial waters.

The Supreme Court of the United States in the case of Johnson v. Sayre (158 U. S. 109, 114) quoted the clauses of the Constitution empowering Congress to provide and maintain a Navy and to make rules for the government and regulation of the land and naval forces of the United States, and, commenting thereon, said:

> "Congress is thus expressly vested with the power to make rules for the government of the whole Regular Army and Navy at all times; and to provide for governing such part only of the militia of the several States as, having been called forth to execute the laws of the Union, to suppress insurrections, or to repel invasions, is employed in the service of the United States."

While the particular clause of the Constitution in issue in that case was that authorizing the Congress "to make rules for the government of the land and naval forces," the Supreme Court declared that Congress is thus expressly vested with the power to make rules for the government of the whole Regular Army and Navy at all times. The clause of the Constitution authorizing Congress "to provide and maintain a Navy" confers on it the power of determining when and for what purpose the naval forces of the United States may be used. It follows that the constitutional provision constituting the President the Commander in Chief of the Army, Navy, and militia would not give power to use the Navy in a manner other than as authorized by Congress.

The appropriations made by Congress for the fiscal year ending June 30, 1924, are specially allotted for specific objects with the exception of the appropriation of $40,000, which is to cover emergencies and extraordinary expenses arising at home or abroad impossible to be anticipated or classified. Surely expenses incident to the enforcement of prohibition and internal revenue laws could not come under such designation.

Congress having thus expressly limited the uses of public funds, the Executive may not disregard such limitations when interposed within constitutional powers. I am of the opinion, therefore, that you have no authority to use the naval forces in the enforcement of the national prohibition act when no emergency exists.

The second question presented is—

Are there such violations of the national prohibition act and of the revenue laws within the territorial waters of the United States as authorize the President to declare an emergency to exist and call out the naval forces to execute the civil and criminal laws?

Section 5298 of the Revised Statutes provides—

> "Whenever, by reason of unlawful obstructions, combinations, or assemblages of persons, or rebellion against the authority of the Government of the United States, it shall become impracticable, in the judgment of the President, to enforce, by the ordinary course of judicial proceedings the laws of the United States within any State or Territory, it shall be lawful for the President to call forth the militia of any or all the States, and to employ such parts of the land and naval forces of the United States as he may deem necessary to enforce the faithful execution of the laws of the United States, or to suppress such rebellion, in whatever State or Territory thereof the laws of the United States may be forcibly opposed, or the execution thereof forcibly obstructed."

And section 5318 of the Revised Statutes provides—

> "In the execution of laws providing for the collection of duties on imports and tonnage, the President, in addition to the revenue cutters in service, may employ in aid thereof such other suitable vessels as may, in his judgment, be required."

Both these statutes were Civil War acts and were passed to empower the President to use the naval forces in the States in insurrection to collect the import duties where their collection was unlawfully resisted and where the execution of the laws of the United States was unlawfully obstructed and could not be enforced in the ordinary course of executive or judicial proceedings.

An emergency authorizing the President to call the military and naval forces to execute the laws exists only when by reason of unlawful obstruction, combinations, or assemblages of persons, or rebellion against the authorities of the United States, it becomes impracticable in the judgment of the President to enforce the laws by the ordinary course of executive or judicial proceedings.

There can be no emergency authorizing the President to call out the naval forces to enforce civil and criminal laws until the courts and the civil departments of the Government are no longer able to enforce them.

While there have been numerous violations of the national prohibition act, both on land and within our territorial waters, there have been no unlawful obstructions of the functions of the courts or restraint of their processes, or of the Coast Guard, the Division of Customs, the prohibition unit, nor of the marshals and their deputies of the Department of Justice. All the departments of the Government are functioning and making a steady advance against lawless elements.

In general the prohibition act is being enforced. There are stubborn exceptions in congested localities in some of which local support has not been rendered. There are places where public opinion is unfriendly and the enforcement of this law is difficult. But I can not believe that such isolated cases constitute a national emergency within the meaning of the act of Congress above quoted.

I am, therefore, of the opinion that there are no unlawful obstructions, combinations, or assemblages of persons, or rebellion against the authority of the Government of the United States in the enforcement of the prohibition statutes, such as render it impracticable to continue to enforce these laws by the ordinary course of executive and judicial proceedings.

Respectfully, HARRY M. DAUGHERTY.

To the PRESIDENT.

You will see from this opinion that no emergency exists, but that Congress can put the Navy at the disposition of the President at will, and thus save $13,887,007.07.

The Committee on Appropriations has held lengthy hearings and, according to the statement of the heads of the Coast Guard, Admiral Billard and Commander Root, there is a war going on which is a rebellion or an invasion of the United States, although apparently the Attorney General dissents. If you will read the testimony of the Coast Guard people who want these extra ships and men, and also extra motion, you will think the United States is menaced; but I hold in my hand what the gentlemen on the prohibition side of this House ought to regard as sacred literature, and I am going to read to you the statement of Federal Prohibition Commissioner Roy B. Haynes that all this talk about smuggling being the great source of prohibition violation is bunk; and if you believe Roy B. Haynes, all the gentlemen who favor this pending bill are propagandists for the bootlegger. I invite your attention to this book, Prohibition Inside and Out, published in the newspapers serially as "Marked for death by rum runners," as an official story but copyrighted and, I understand, a source of over $200,000,000 of profit to, of, and by Roy B. Haynes.

From page 15 I quote the following:

> It is virtually impossible to buy good whisky from the illicit-liquor interests in the United States to-day.
>
> What the bootlegger offers as high-grade imported whisky or bottled-in-bond stuff is neither. In 95 per cent of the cases or more it is moonshine—not pure and simple, but watered, thinned down, adulterated, and fearfully doctored with chemicals, many poisonous, to give it color, a "kick," and a bead.
>
> The moonshine still is the bootlegger's chief source of supply. From what other place can he get his liquor in quantity? Surely not from the rigidly controlled bonded warehouses; they are eliminated at once. As to smuggling liquor, some, it is true, is brought into the country, but not one-tenth as much as the illegal traffic would have us believe.
>
> When reports of huge smuggling operations are circulated it should be remembered that the illicit-liquor interests are conducting a great and elaborate propaganda campaign to discredit law enforcement, and that the spreading of such reports is part and parcel of that campaign. No bootlegger, of course, is willing to admit that he can obtain only adulterated moonshine. Hence fanciful tales of the wet wave sweeping in on our coasts and other related falsehoods swung from mouth to mouth to hide the real and dangerous origin of what the bootlegger has to sell.

I protested against Haynes's use of the word "official" on the newspaper publication of this story, because if it was "official" it should not be copyrighted and sold to a few papers, but be given to all. The Treasury required Haynes to drop the word "official," but if Haynes is fit to be prohibition commissioner we must credit these statements.

I again invite the attention of the committee to pages 69, 70, and 71 of the so-called official statement of Federal Prohibition Commissioner Haynes, which, as I understand it, is sold at $2.50 per volume. Under the head of "Running the Rum Blockade," Mr. Haynes says:

> It was a new thing when the "rum fleet" was first heralded as rocking at anchor outside of the 3-mile limit off the Jersey coast. There was an impudent daring about the proceeding that sent the story booming over the wires to newspaper front pages everywhere. The "wets" chortled with glee. They foresaw a difficult task for the Government in finding means to plug this leak that seemed so big.

What they did not realize, or would not, was that even stretched to the utmost limit of possibility this was no more than a mere leak. In the actual amount of illicitly transported liquor it brought to our shores, it was as the dregs in the glass when compared with what we normally consumed prior to the enactment of the eighteenth amendment.

Note what Haynes says: "Smuggling is no more than a mere leak." Will you spend $13,887,007.07, and then some, to try and stop what Haynes calls "a mere leak"?

Mr. CRAMTON. Mr. Chairman, will the gentleman state whether his opposition to the bill is based upon the statement he has just read?

Mr. HILL of Maryland. I state that my opposition to the bill is based on this statement in part, and I will say to the gentleman——

The CHAIRMAN. The time of the gentleman from Maryland has expired.

Mr. HILL of Maryland. Mr. Chairman, I ask one more minute from the gentleman from Texas, if he will kindly grant it.

Mr. BLANTON. Mr. Chairman, while I do not agree with the gentleman, I am constrained to yield him one minute more.

Mr. HILL of Maryland. I want to quote just these few lines more of Federal Prohibition Commissioner Haynes's testimony:

When all is said and done, what is the truth about smuggled liquor? It is not difficult to find the answer. The greatest possible measure of the traffic is written in the official records of Great Britain, France, Cuba, and other nations which are the only source of supply for the smuggling traffic.

Assume, if you will, that all of the liquor exported by all of those countries into all the ports from which smuggling is physically possible actually was smuggled into the United States.

If that impossible situation really existed, the United States would get from smugglers less than 1 per cent of the amount of liquor she drank prior to prohibition. Specifically the figure would be approximately two-thirds of 1 per cent.

In effect the official export records of foreign countries show that prohibition enforcement in the United States, so far as genuine foreign-made liquor is concerned, is as rigid as the Volstead Act itself. It has cut consumption to one-half of 1 per cent by volume or less.

Do you believe Admiral Billard, and will you spend $13,000,000 more to be thrown into the maw of prohibition, or do you believe Roy A. Haynes, as he appears in this book, published, copyrighted, and for sale by Doubleday, Page & Co., at Garden City, since November, 1923?

Mr. COOPER of Ohio. Mr. Chairman, will the gentleman yield?

Mr. HILL of Maryland. Yes.

Mr. COOPER of Ohio. Does the gentleman believe what is in that book?

Mr. HILL of Maryland. That is a delicate question. The gentleman knows that I have asked that Mr. Haynes be investigated and removed, because I do not believe he is enforcing the law or capable of enforcing it.

Mr. COOPER of Ohio. The gentleman is quoting it, and yet he does not believe it himself.

Mr. HILL of Maryland. Who can we believe? Billard or Haynes?

The CHAIRMAN. The time of the gentleman from Maryland has expired.

Mr. WINSLOW. Mr. Chairman, I yield 10 minutes to the gentleman from Kentucky [Mr. BARKLEY].

Mr. BARKLEY. Mr. Chairman, we have often heard of the old adage that the devil can quote scripture for his own purpose. It seems also that he can quote Roy A. Haines. [Laughter.] I do not wish to be discourteous, but I shall ask not to be interrupted until I have finished some general remarks which I hope may clear up some of the rubbish that has accumulated on this bill.

In the adoption of the eighteenth amendment to our Constitution the people of the United States have said that they do not desire intoxicating liquors imported into the United States. Under that amendment Congress has attempted to pass laws necessary not only to prevent the manufacture and transportation and sale of intoxicating liquors in the United States, but to prevent their importation into the United States. It would be a very interesting thing if I had the time to outline the development of this illegal rum business from the outside into the United States along its shores. It is one of the best organized businesses that now exists in the world, and its lines of communication are almost coextensive with the telegram and radio and other means of communication. It is operated largely from the city of New York. It has headquarters in New York, Nova Scotia, Newfoundland, Canada, Scotland, England, in the islands of the sea, in France, and Spain, and in nearly every other continental country of Europe that has a coast line. It has some of the most skillful legal assistants that it is possible for money to employ in devising schemes by which these rum runners are permitted to violate the law of the United States. They have a fleet of 32 steamers, trans-Atlantic steamers, carrying intoxicating liquors to the United States. They have 134 sailing boats that are now being used in the transportation of intoxicating liquors to the United States, and besides these steamers and these sailing boats they have hundreds of small motor boats and other small craft which they use as lines of communication between these larger boats that hover out beyond the international line and the coast, to dart into the cities and bays and inlets and rivers on the coast of the United States, and there to land intoxicating liquors against the law.

They have organized in Nova Scotia a corporation designed for no other purpose than to bring into the United States illegally intoxicating liquors. A member of the British nobility is engaged in the sailing of vessels to the United States for the purpose of bringing here illegal liquors, and the best testimony we are able to secure shows that there are being brought into this country every month more than 100,000 cases of intoxicating liquors. This is not merely a question of prohibition. Every man who has been here in this House very long knows my attitude upon that subject. He knows that I supported the eighteenth amendment and the Volstead Act and have voted for every bill that has had as its object the enforcement of the eighteenth amendment. But, my friends, regardless of your position originally upon that, this is a question of whether the dignity and honor of the flag of the United States and its Constitution ought to be maintained, and whether the Constitution of our country is not only to be observed and enforced here, but whether we are going to compel outsiders to respect the Constitution of the United States. These large ships hover out beyond the 3-mile limit and even beyond the 12-mile limit. The latter limit is not yet in effect, although the United States and Great Britain have entered into a treaty fixing a 12-mile limit, but that has not yet been ratified by the Senate.

These large vessels that hover on the outskirts of our coast fly a foreign flag and they hover out there with large quantities of liquor upon them and then send these small rapid motor boats into the coast with their cargo. Now, the gentleman from Texas has complained because the Navy does not do this. The United States Navy has no right to fire upon any ship that hovers beyond the 3-mile limit, no matter what their purpose would be, for if they should fire upon a ship that flies a foreign flag outside of the international limit it would be an act of war.

Mr. CONNALLY of Texas. Will the gentleman yield?

Mr. BARKLEY. I asked not to be interrupted for the present. I will in a few minutes. Now, these big ships do not come in close to the coast, but they hover many miles off the shore, and it would be like sending a hound dog out to catch a flea to send a battleship to catch little motor boats that ply in and out, mostly during the darkness of the night, bringing contraband liquor to the United States.

The Coast Guard Service is doing the best it can. That service has always been the guardian of our shores against smuggling of all kinds, and that applies to the smuggling of diamonds as much as the smuggling of liquor. It refers to the smuggling of any article of commerce prohibited in the United States or upon which a tariff duty is desired to be escaped. So the Coast Guard Service not only protects our shores against smuggling of contraband liquor, but all kinds of commerce that is brought here either that is prohibited itself or upon which it seeks to escape the payment of duties. Now, these smart organizations which have been formed for the purpose of bringing in this liquor have learned that the Coast Guard boats are slow. They have none beyond 10 miles an hour in speed, and some of these smaller boats which bring in liquor have Packard motors in them and go to and from these ships on the outskirts of our shores making from 25 to 30 miles an hour. What chance has an old out-of-date plug boat that makes only 10 miles an hour against a boat of the rum runners that makes from 25 to 30 miles an hour? So that it is absolutely necessary if we are going to keep this contraband liquor from entering the shores of the United States to increase the force of the Coast Guard. The Coast Guard did not solicit this duty. If they had been consulted about it and their wishes had been consulted, they perhaps would not have accepted this service. But they are loyal men and believe in the enforcement of law. That service is an arm of the United States Treasury Department, and that United States Treasury Department is charged with the enforcement of the Federal

prohibition law, and it is not only proper, but I think it is the only proper source of power and authority that can prevent the shipment of this liquor into the United States. The Navy is not equipped with the kind of craft necessary to overhaul these motor boats that ply in and out of our inland shore which go out to these big ships 25 miles out and load up. As I say, the Navy is not equipped to chase them. If it had been equipped, all we would have to do would be to transfer 100 of these boats to the Coast Guard where we transfer 20 of the torpedo destroyers that are not in condition to be used, and we have to expend $100,000 on each one of them in order to condition them to prevent the smuggling of liquor into the United States.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BLANTON. I yield the gentleman four additional minutes. I desire to ask him a question, if the gentleman will yield for a question.

Mr. BARKLEY. I will let the gentleman ask it.

Mr. BLANTON. The Coast Guard could fire on ships outside the 12-mile limit and it would not be an act of war——

Mr. BARKLEY. No; the Coast Guard can not do it, but the Coast Guard can fire upon them if they refuse to stop when they are ordered to stop if they get within the 3-mile limit.

Mr. BLANTON. And so could the Navy without committing an act of war.

Mr. BARKLEY. I stated the Navy is not equipped to do this thing and protect the shores and inlets of our coast. That has been the proper function and always has been for more than 100 years of the Coast Guard, and the Coast Guard was established even before the Navy was ever established, and during the 100 years and more it has been its function to protect our shores and inlets against the importation of contraband goods which may endeavor to enter the United States.

Mr. HILL of Maryland. Will the gentleman yield?

Mr. BARKLEY. I will yield to my distinguished law-enforcement advocate of Maryland.

Mr. HILL of Maryland. The gentleman has just stated that the Navy was not equipped. If the Navy were equipped, why should the Coast Guard——

Mr. BARKLEY. If the gentleman had paid attention, he would have discriminated. I said if the Navy had been equipped with 100 small boats authorized to be constructed, all we would have to do would be to transfer them like we do the 20 torpedo-boat destroyers; but it is not equipped and therefore we can not transfer them, but provide for the construction of new boats——

Mr. HILL of Maryland. But the 20 torpedo-boat destroyers are necessary for the Coast Guard, I understand.

Mr. BARKLEY. Yes; the plan at first was to build 22 of those absolutely new for the Coast Guard, but in view of the fact that the Navy has them, what we have to do is to condition them to operate, and therefore we are transferring them to the Coast Guard in order to save whatever expense we can and provide for their conditioning so they can go in that service.

Mr. HILL of Maryland. The Budget cut down the original estimate for the Coast Guard.

Mr. BARKLEY. I do not know where the suggestion came from with reference to the 20 boats, but it is not material.

Mr. HILL of Maryland. I will call the attention of the gentleman to the hearings.

Mr. BARKLEY. What has that got to do with it?

Mr. HILL of Maryland. It shows that the Coast Guard made much larger demands, which were afterwards cut down.

Mr. BARKLEY. Perhaps they were not aware the Navy had these boats; the Coast Guard is not supposed to know all about the Navy.

Mr. HILL of Maryland. According to the testimony, the Coast Guard knew very little about this matter.

Mr. BARKLEY. Would the gentleman from Maryland vote for this bill if it were authorizing the Navy Department instead of the Coast Guard to enforce the prohibition amendment?

Mr. HILL of Maryland. The gentleman will vote for the bill if it is in the power of the President to use the Coast Guard.

Mr. BARKLEY. Would the gentleman support the bill if it were to make a transfer?

Mr. HILL of Maryland. It could not transfer itself.

Mr. BARKLEY. The gentleman from Maryland is always howling against the law not being enforced, and yet he votes against every bill that seeks to enforce it.

Mr. HILL of Maryland. Why does not the gentleman from Kentucky vote for Mr. BLANTON'S bill if he is sincerely in favor of prohibition?

Mr. BARKLEY. Because it does not accomplish anything. I want to place this responsibility on an arm of the service qualified to perform it.

Mr. HILL of Maryland. If you really want law enforcement, Mr. BLANTON'S bill will get it for you.

Mr. BARKLEY. It is remarkable to see the gentleman from Maryland and the gentleman from Texas lying down in peace together.

Mr. HILL of Maryland. The gentleman from Maryland is in favor of the bill of the gentleman from Texas.

Mr. BARKLEY. That makes me suspicious of it.

Mr. WINSLOW. Mr. Speaker, I yield five minutes to the gentleman from New York [Mr. LAGUARDIA].

The CHAIRMAN. The gentleman from New York is recognized for five minutes.

Mr. LAGUARDIA. Mr. Chairman, I think my attitude on the prohibition question is well known to the membership of this House. But there is a clear line of demarcation between a modification of the law and violation of the law. There is a clear difference between coming here, on the one hand, and seeking in a lawful manner to amend the law and, on the other hand, shutting our eyes to the constant, organized, systematic violation of the law. It seems to me that for those of us who are advocating a modification of the enforcement law we can do nothing else but to vote for every proposition that is brought into this House for the enforcement of the law. We believe, some of us, that this law is impossible of enforcement, but we are ready—at least I am—to give you every opportunity that you ask for, and give it a fair trial. [Applause.]

Now the amendment suggested by the gentleman from Texas [Mr. BLANTON], of course, is extreme and ridiculous, for the reason that it would put this country under martial law. You can not turn over to the military forces of the country the enforcement of civil law. But if the Coast Guard wants to assume the responsibility and these boats are available, why turn them over to the Coast Guard.

The gentleman from Maryland, who has assumed the leadership of the so-called "wet" movement in this House, I believe is in error in opposing this measure. It seems to me that it presents an opportunity that we ought to have, to see whether or not the people of this country want prohibition. I personally would like to see, for a period of six months or a period of a year, absolute strict enforcement, and I would like to see some of our dry friends running around the country with their tongues hanging out, asking for a drink. [Laughter.]

I would be willing to put a gold-lace uniform on my genial friend from Texas [Mr. BLANTON], and put him in command of the fleet out there, and then commission my friend from Georgia [Mr. UPSHAW] as a general of the Army, and put him up on the Canadian border. I believe the enforcement of this law ought to be put in the hands of men who are in favor of it and who are honest.

Mr. UPSHAW. All right. I agree with you.

Mr. LAGUARDIA. The temptation incident to this service is great; your enforcement agents are underpaid. If you want enforcement, give the head of the department a salary of $100,000 a year, and you should give your man in New York a salary of $100,000 a year. You should pay your prohibition agents a decent salary, so that they will not be tempted. You try to honestly enforce this law and they will know whether the people of the United States want prohibition or not. I believe this measure is along these lines. The Coast Guard say they will stop this smuggling. You know the smuggling is going on. I do not know what purpose Haynes has in mind.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BLANTON. Mr. Chairman, I yield two minutes to the gentleman from Ohio [Mr. SPEAKS].

The CHAIRMAN. The gentleman from Ohio is recognized for two minutes.

Mr. SPEAKS. Mr. Chairman and gentlemen of the committee, I want to offer just a few words additional, in line with the thought suggested by the chairman of the committee a few moments ago. This bill proposes that the Navy Department shall turn over to the Treasury Department certain vessels adapted to the use of the Coast Guard in the enforcement of the law.

First, I want to qualify as being in favor of the most rigid enforcement of all laws relating to prohibition.

Now, the distinguished gentleman from Kentucky [Mr. BARKLEY] draws a picture of a fleet of vessels leaving England, for instance, loaded with liquor, with the avowed purpose of bringing it into the United States contrary to the laws of this coun-

try. There is no secrecy regarding their activities. They boldly and defiantly make mockery of our dignity and authority. All I am urging when suggesting that the Navy be employed in preventing such operations is this: First, whenever the President of the United States deems that an emergency exists or any condition warranting such action, he is authorized to employ such personnel and equipment of the Navy as may be necessary to properly enforce the laws.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. BLANTON. Mr. Chairman, I yield two minutes to the gentleman from Maryland [Mr. TYDINGS].

Mr. TYDINGS. Gentlemen, I have only two minutes, so I will ask not to be interrupted. I do not want to speak strictly on the bill, but each time prohibition comes up my native State—Maryland—seems to figure in the argument. I would like to take these two minutes to tell you that my State is founded on religious liberty. We do not believe, within reason, in having our religion and our morals legislated into us. [Applause.] We want the right to pursue a certain amount of individual freedom, and while we are a temperance State, second to no State in the Union, we do object to having forced upon us things in which we can not see the least sin.

We feel over in that State that it is not so evil to sit down quietly in one's home and to have a good glass of wine or a cold mint julep, a few friends around, and touch some of the softer, sweeter, and cultural side of life. My State does not want nor ask for a return of the saloon nor the unbridled sale of liquor. We are not hypocrites who vote dry and drink all the liquor we can get. Thank God, we have the manhood in that State, and we are not like so many of these prohibitionists who everlastingly preach and vote dry but who drink anything they can lay their hands on. [Applause.]

You may charge us with any crime; but reserve to us at least the compliment of being honest men and women, with courage enough to face the facts and govern ourselves accordingly. We feel, in view of the widespread disregard of this law in the United States, that a good many States have shown they have not the courage and have not the candor which the citizens of Maryland have. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. BLANTON. The parliamentary situation is such that while I can not agree with the gentlemen, I am forced to yield to them. I yield three minutes to the gentleman from New York [Mr. CELLER].

The CHAIRMAN. The gentleman from New York is recognized for three minutes.

Mr. CELLER. Mr. Chairman, it seems that because of prohibition we must lose some of our senses. I say that a careful and rigid reading of this bill shows that it is merely a stalking horse for the use of the military and naval forces of the country. We speak of mine sweepers and torpedo boats, and they are engines of war.

What are the objections found in the Constitution, concerning which the gentleman from Texas [Mr. BLANTON] asked us, and nobody seemed to answer him? I reserved my right to answer until I had the floor. We find in Story on the Constitution that—

> The power to raise armies is an indispensable incident to the power to declare war.

And when the term "armies" is used it always means the Navy and the Marine Corps.

Let us go back to what Hamilton said in the Federalist, and I also quote from Story on the Constitution:

> It was said that Congress, having an unlimited power to raise and support armies, might, if in their opinion the general welfare required it, keep large armies constantly on foot and thus exhaust the resources of the United States. There is no control on Congress as to numbers, stations, or government of them. They may billet them on the people at pleasure. Such an unlimited authority is most dangerous and in its principles despotic for, being unbounded, it must lead to despotism. We shall, therefore, live under a government of military force. In respect to times of peace it was suggested that there is no necessity for having a standing army, which had always been held under such circumstances to be fatal to public rights and political freedom.

I need not comment on the language used by Hamilton, but let me quote something else that is found in Story on the Constitution with reference to what the Attorney General said about the unconstitutionality of the bill before us:

> It may be admitted that standing armies may prove dangerous to the State. But it is equally true that the want of them may also prove dangerous to the State. What, then, is to be done? The true course is to check the undue exercise of the power, not to withhold it. This the Constitution has attempted to do by providing that "no appropriation of money to that use shall be for a longer term than two years." Thus, unless the necessary supplies are voted by the representatives of the people every two years, the whole establishment must fail. Congress may, indeed, by an act for this purpose disband a standing army at any time, or vote the supplies only for one year or for a shorter period.

What do we find in this bill with reference to an appropriation for these engines of war, these torpedo boats, these mine sweepers, and these revenue cutters? The bill itself is woefully lacking with reference to the restrictions embodied in the Constitution, which says in no uncertain terms that there must be that limit.

Now, the provision for the building of these torpedo boats and the loaning of the ships by the Navy is for an indefinite period of time, and the bill would be declared unconstitutional on that ground alone, because there is no restriction. So that the act is unconstitutional and would be declared so by Chief Justice Taft, because he has already stated that the use of the naval forces for this purpose is unconstitutional; that the military forces shall not be used to enforce civil laws.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BLANTON. Mr. Chairman, I yield six minutes to the distinguished gentleman from Nebraska [Mr. SHALLENBERGER].

Mr. WINSLOW. Mr. Chairman, I yield five minutes to the gentleman from Nebraska [Mr. SHALLENBERGER].

Mr. SHALLENBERGER. Mr. Chairman and gentlemen, I agree with those who believe that if it were possible the Navy should be used in order to stop liquor smuggling and compel obedience to our laws. I believe it was Henry Ford who first made the announcement that to enforce the law against smuggling in this country he would use the Navy of the United States in order to compel obedience to our flag and to our laws. But since the Attorney General of the United States has rendered his opinion that the Navy can not be used, then the President is compelled to come and ask Congress to give him this authority.

This is a bill to increase the Coast Guard by the addition of 20 destroyers as battleships of the line, together with a fleet of more than 300 light cruisers, scout ships, and fast motor boats. They are to wage a warfare the like of which has never been known before.

The base of the supplies of the enemy is on the high seas beyond the 12-mile limit. But under international law we can not attack that base. The navy that we must contend with is a mosquito fleet operating from our own shores that sails the sea within the 12-mile limit. This enemy fleet is manned by pirates, cutthroats, and thieves and financed with money furnished largely by our rich and influential citizens.

This new navy is made necessary because of the smuggling of liquor into the United States from the high seas. This week the public press carried this story:

> NEW YORK, March 6.—The dry navy made a complete tour of the rum fleet to-day. It listed the names, estimated capacity, and registry of each ship and announced that the cargoes aggregated 224,000 cases, worth about $11,000,000 at rum-row prices. The Coast Guard reported it the biggest liquor fleet off the port of New York since the first group of tramp schooners established a market there 18 months ago.

The smuggling from this fleet is done in open defiance of both our Constitution and our laws.

Since the Attorney General has ruled that the Navy can not be used for this purpose we must equip the Coast Guard to do the job, though it will cost millions to furnish the personnel and the ships. The President estimates the expense for men and ships at $13,853,989.

The plan proposed is to take only 20 destroyers from the Navy. The balance of the fleet that will be used to enforce the law will be new vessels built especially for this service. As a matter of economy, I should like to have seen more of the lighter naval craft, eagle boats and submarine chasers, and so forth, used for this purpose. Although we have spent billions in building a Navy in the past 10 years, we apparently have nothing suitable to guard our coast except the 20 destroyers above referred to.

The fact that the President is compelled to ask for this bill in order that he may enforce obedience to liquor laws is only another evidence of the rising tide of defiant disobedience to all law that is spreading throughout our land. The law-abiding citizen is no longer safe at home or on the street. An army of law violators overrun the land. Rum smugglers line our coasts and defy and break our laws at every opportunity.

But it is not only the rum runner who defies the law. Justice is apparently no longer feared either by high or low. Lawbreaking increases in an astounding manner because punish-

ment in America is neither certain nor severe. The common criminal neither respects nor fears the law, and many of those who hold high places and should be an example to the rest lead off in violation of the law.

To such a pass has it come that every day you hear Members of this House say that they fear the confidence of the people in their Government is being undermined. The leaders of public thought who mold and determine public opinion in this country are primarily to blame if the people are losing confidence in the sacredness of the law and our ability to enforce it.

I agree with a great Republican from California who in a speech to the citizens of Michigan the other day said, "What we need right now in order to command a wholesome respect for law and to put the fear of God into a lot of highbinders in high places is a man like Theodore Roosevelt at the helm of this Government." He would get the grafters and stampede the law violators. If we would blow a few of these rum runners out of the water and demonstrate that our gunners can still shoot straight and that to defy the American flag and what it stands for means certain destruction, that rum fleet would soon seek safer waters. Whenever a great majority of American citizens cultivate and show a proper respect for law we will not need a war fleet and an army to enforce our statutes and compel aliens to obey the Constitution of the United States.

No man is so great nor is any selfish interest strong enough to long defy and disobey the law when once it is upon the statute books of this Nation. I admit that disobedience to law is fast becoming a custom in this country. We should not complain if the news that is daily carried by the newspapers compels the people to believe that the rottenness once complained of as being in the State of Denmark has been transplanted to the city of Washington.

The bootlegger will go out of business when the leading citizen ceases to be his best customer. Only those with plenty of means and position sufficient to offer protection can afford a personal bootlegger at present prices. The greatest power on earth for the enforcement of law is the demand of a decent public opinion that decent men must obey the law. In his speech to the correspondents the other night President Coolidge quoted the celebrated statement of Lord Bryce that in America "public opinion is the law" and confirmed the truth of the epigram.

Let me illustrate this by an incident in which Roosevelt himself was the main factor. The President of the United States has greater autocratic power than any other ruler on earth. Roosevelt himself was the very embodiment of courage and action, yet he never countenanced evasion of the law. On the contrary, he compelled obedience to it at every opportunity.

He sent a special message to the Fifty-seventh Congress asking for legislation that would stop the railroads of the country from giving rebates and free transportation to favored shippers and politicians. The railroads were then all powerful in politics. The giving of their favors for business and political reasons had become a great abuse, an open scandal throughout the land.

Recognizing all this, Roosevelt did not hesitate to challenge their power when convinced it was adverse to the public good. In response to his message the Senate appointed a committee to consider the question and report back a recommendation to the Congress of the United States.

The committee of the Senate called before it the presidents and managers of the principal railway systems of the country.

The representatives of the leading railway companies were heard from first. One after another they came before the committee and said, "Gentlemen, we are guilty; most guilty of giving rebates to shippers and passes to politicians." But every railroad officer, while admitting the offense, insisted that it was the custom and practice of railroads to do so, and that they could not stop it and retain their business. They further admitted that they knew of no remedy.

After all the greater magnates had confessed, Mr. James Stillwell, of Minneapolis, Minn., at that time the manager of a minor western road, was called upon to testify. He made a statement to this effect:

Gentlemen, we all admit that we are guilty of giving rebates and passes to secure business and protect our investments. We further admit that it ought to stop. We all know it is in violation of the law. You are now seeking to stop this evil by law, but the remedy is not to be found in the enactment of another law. What we need is a proper respect for the laws we now have.

The trouble is that in America those in high places do not themselves show a proper obedience to law. We know that to give a man a pass, whether for business or political reasons, is a form of rebate. For more than 20 years we have had a law upon our statute books which makes it a misdemeanor, punishable by a fine, for any man not in the employ of a railroad to give or take a railroad pass. And yet the Members of Congress who enacted the law and the President who signed the bill and the judges of the court who would have to interpret it if anyone ever invoked the law, violate the law every time they ride upon a railroad train. How can you expect the average citizen to have any respect for law when the men who make the laws, the President who should enforce the laws, and those who must interpret them lead off in violation of the law?

Let me refer you to a country where public opinion compels obedience to law. In England there is a King, and you would think that if anyone in that land shall be above the law it is the King. But because they have a law like ours every time the King of England rides he pays his fare, just the same as the humblest citizen in the land. And the members of the Parliament of England serve without pay. We pay our Senators and Congressmen $7,500 a year and mileage, yet such is the power of public opinion in Great Britain that no member of Parliament would dare to violate the law any more than he would dare to pick your purse upon the street and then expect to be received into the company of honest men.

Then Mr. Stillwell pointed toward the other end of the Avenue and said:

"I hope the brave man in the White House will have the courage to show the world that an American President can be as obedient to law as a German Emperor or an English King."

Within a week the President publicly announced that hereafter whenever he rode upon a railroad train he would pay his fare. Later Congress made an appropriation of $25,000 to pay the traveling expenses of the Executive, and every public official in the United States and every governor had to follow in the footsteps of the President. What was needed was not new law but a new obedience to existing law.

But the respect for law that Stillwell referred to was not always the rule in Great Britain. England was long cursed with corruption in high places. The departments of justice became corrupt. But Englishmen finally found a way to cleanse their Government and abolish grafting in high places.

The Lord Chancellor of England is the ranking law officer of the Crown and stands at the head of the Department of Justice. Originally he was a dignitary of the church as well as the highest judicial authority in the interpretation of the law. He still sits on the woolsack and presides over the House of Lords.

Many of the mightiest men in English history have been proud to hold that high position. But, to their shame, it finally became a common practice through a long period of years for them to accept bribes, under the guise of presents, for the favors they might bestow. They had many places of power and profit at their command. Even Francis Bacon, the "wisest, brightest, mightiest" intellect the Anglo-Saxon race has ever produced, confessed that while Chancellor he had taken bribes.

But the evil still persisted and grew until the time when Thomas Parker, Lord Macclesfield, was appointed Lord Chancellor by George I. Then the South Sea bubble broke and a period of financial orgy like that experienced in America, following the World War, came to a climax and blew the lid off the teapot under the woolsack of the Lord Chancellor.

The Lord Chancellor was impeached by the commons for malfeasance in office and put upon trial by his peers in the House of Lords. Witnesses were brought before the lords and it developed that through a long period of years the practice had arisen of giving the Lord Chancellor a present when he bestowed a favor either by court decision or by the gift of place and power.

Originally the presents had been things of little value. Later they had become fine raiment or jewels and finally money. One man testified as follows, and the story reads as though it might have happened but yesterday, judging from reports of the Federal grand juries at Chicago or New York:

He said he knew that a man by the name of Cottingham was the place broker of the Lord Chancellor. He called upon him at his rooms. The witness said he told Cottingham he wanted a position which the Lord Chancellor had at his disposal. The man who had the ear of the Department of Justice said, "You know it is customary to give his lordship a present when he makes such an appointment." We can almost hear him saying, "His lordship's campaign expenses are enormous." The applicant said he knew it was the custom. The agent of the court asked him if he had made up his mind as to the present he would give for the place and the applicant replied that he had determined to give the Chancellor £4,000. Cottingham told him he had better think more deeply upon the subject and give it more consideration.

The witness said he went outside for a short time and then came back and said that upon more mature consideration he had made up his mind to raise the gift to £5,000. The place broker was evidently something of a wag, so he told the plum seeker that his lordship was "very fond of guineas, that guineas were handsomer," and that if he would make the present 5,000 guineas he would speak to his lordship about giving him the place.

The man testified that the next day he brought the 5,000 guineas in a basket to the agent of the Lord Chancellor. The agent took the basketful of money to the Chancellor's house, and that he later brought the basket back again, but there was not money in the basket when it was returned.

There were many other witnesses with tales of similar contributions. When the testimony was finished the House of Lords rendered instant judgment against the head of the Department of Justice of the British Crown. They unanimously found the Lord Chancellor guilty of high treason against the country, and the King stripped him of all position and power, took away from him his lands and palaces, and levied against him a fine of $150,000, and put him under the further penalty of paying the losses of the wards of his court, and he was committed to the Tower until the fines were paid.

The promptness with which the lords acted and the penalty inflicted ended the selling of offices and disgrace of the courts of Great Britain. They have since become the model and the admiration of all countries that love liberty and know the value of certain and speedy justice.

The crying need in America to-day is that justice shall be prompt in action and certain in her decrees and punishments. The symbol of justice is a blindfolded figure with the scales in one hand and a drawn sword in the other. If I could put that figure into action, I would have her drop the scales, remove the bandage from her eyes, and take the broadsword in both hands and begin to smite those who betray the trust of the people and defy our constitutions and our laws.

The CHAIRMAN. The time of the gentleman has expired. The gentleman from Texas [Mr. BLANTON] has six minutes remaining.

Mr. BLANTON. Mr. Chairman, I reserve that time. I understood the gentleman from Massachusetts wanted to use some time now.

Mr. WINSLOW. I understood the gentleman to say he wanted to yield to some one now.

Mr. BLANTON. I have six minutes. I yield three minutes to the gentleman from Massachusetts [Mr. TAGUE].

Mr. TAGUE. Mr. Chairman and gentlemen of the House, I do not intend to approach this subject upon the question of prohibition. The House knows full well my attitude on that question. I rise for another purpose altogether. I know and you know that every time the question of prohibition comes up on the floor of this House immediately there arises a hue and cry, and the prohibition enforcement officer can get anything he wants. I rise for another purpose, and that purpose is whether or not the lives and the property of the men interested in the merchant marine of this Nation are of as much importance as is the question of chasing a few cheap rum runners up and down the Atlantic coast. During the war the United States Navy took from the Coast Guard some of their best ships. They were sunk and destroyed, and from that time up to this minute the Coast Guard has been appealing to Congress for money with which to build ships, and Congress in that time has practically failed to hear their cry. True, they have given them small appropriations, but here you are asked to appropriate, with the passage of this bill, or at least you will be asked to appropriate soon, more than $13,000,000 for protection against rum runners, while the business men along the Atlantic and the Pacific coasts are to-day appealing in vain to Congress to give them ships that will protect the lives of the fishermen and sailors on the seas. Go on the Atlantic coast, and on that great graveyard of the ocean talk to the men who go to sea for useful life, and they will say to you, as I say to you, that the risks to-day upon the sea are greater than ever because they have no protection at all. There is one ship of the Coast Guard down in Halifax and one ship up along the coast breaking ice and not another ship of the United States doing duty between New York and Bar Harbor. But we can get money to give to enforce prohibition. We can get money to chase rum runners. We can go into the Navy and say to the Navy, "Give your ships to chase rum runners up and down the coast," but we can not protect the father of the little innocent children who is risking his life every day in the building up of our transportation and performing honest manual labor.

Mr. BLANTON. Mr. Chairman, this is a bill that may cost at least from $13,000,000 to $20,000,000, and I ask unanimous consent that the time be extended 20 minutes on each side.

Mr. GRAHAM of Illinois. Mr. Chairman, I object.

Mr. BLANTON. Mr. Chairman, I reserve the other three minutes remaining to me.

Mr. WINSLOW. Mr. Chairman, I yield four minutes to the gentleman from Montana [Mr. LEAVITT].

Mr. LEAVITT. Mr. Chairman and gentlemen of the House, the issue in this matter is to me a very definite one; one that I am glad to approach in a very brief way. In his Farewell Address, the Father of his Country, George Washington, makes the statement that the basis of our political system is the right of the people to make and to alter their constitutions of government, but that the Constitution which at any time exists is sacredly obligatory upon all. He says that the very right of the people to establish government presupposes the duty of every individual to obey the established government. This, then, is the one issue which is before us at this time. The President of the United States has come before us with a statement made in this room, that free government has no greater menace than disrespect for authority and continual violation of law, and that to prevent smuggling of liquors the Coast Guard should be greatly strengthened.

That is the whole issue here. It is a matter of whether we will place in the hands of the President of the United States, where the Constitution reposes the duty of enforcing the laws, that measure of strength which he says should be placed there. I believe in prohibition, but it makes no difference whether one believes in it or not, prohibition has been regularly written into the Constitution and, as George Washington has stated, it therefore becomes sacredly obligatory upon every one of us. I am to-day for the reporting out and the passing of this measure, in order that our form of government may be made more safe, in order that the President may get this power through enlarging the Coast Guard, and in order that the prohibition violations coming to us through smuggling and otherwise may be stopped to the greatest possible degree. [Applause.]

Mr. WINSLOW. Mr. Chairman, I yield four minutes to the gentleman from Michigan [Mr. HUDSON].

Mr. HUDSON. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HUDSON. Mr. Chairman and gentlemen of the committee, it seems to me that the voices raised in opposition to this most important piece of legislation have taken two channels of thought, one expressed by my distinguished friend from Texas [Mr. BLANTON], who evidently would substitute his resolution for this bill, and the other by the distinguished gentleman from Maryland [Mr. HILL], who would impose in the way of law enforcement every obstacle that he could.

Mr. HILL of Maryland. Mr. Chairman, will the gentleman yield?

Mr. HUDSON. I can not yield. I want to bring to the attention of this committee the thought that this measure is not usurping any of the powers of the Navy or transferring any of those powers. It is strengthening the Coast Guard which we have, and which is here for certain specific duties. I quote from the statement of Admiral Billard:

> So there has grown up a condition where the dignity of the United States is openly flouted by foreign shipping.
>
> The Coast Guard through a century and a quarter of its history has firmly crystallized its standard of doing its duty and carrying out the orders that Congress or the President or the Secretary of the Navy gives it. The service properly does not consider the wisdom of the law or of the order, but intends to the fullest of its ability to carry out that law or that order.

In other words, the Coast Guard comes to you asking for this appropriation to carry out the orders of this Congress through the years back and the years to come.

Another point I think we should take into consideration is that if we pass, as it is expected we will, a new immigration law, the Coast Guard will have the added duty of enforcing that law. If we enact as we hope to more stringent narcotic laws, the Coast Guard must enforce them.

The charge is that this legislation contemplates outstanding expenditures; well, what if it does? The public is willing to pay any proper price to drive the rum runner from our territorial waters. The question of using the Navy is not potential to this discussion. This country does not care who wipes out the rum runner or what ships he uses. It is willing to pay for service.

That there is a decided change in the country as evidenced by the reaction in feeling from the irresponsible recklessness of a year ago to the comparative lack of flavor which thousands of people who are not classed as "drys" are manifestly finding in quips at the expense of the Volstead Act. An increasing number are commencing to consider them in about as good taste as jokes regarding murder. The situation is too serious to laugh about.

Sentiment also is crystallizing toward a determination that there must be an end of what amounts to a conspiracy among a considerable number of the judges, prosecutors, police officials, and executives of the country to defeat the provisions of the dry law either by treating it as a dead letter or by giving it manifestly hostile interpretations so that the difficulties in the way of its enforcement are materially increased beyond the difficulties in the way of the enforcement of any other criminal act. Unless a change "comes over the face of the moon" in this respect there is a prospect that something is going to drop and hit some public officials who have been laboring under the impression that they are "standing in" with the voters.

May I quote you the words of Sir Auckland Geddes, former British ambassador: "I don't think the people of England recognize amid the mass of stories of violation of the prohibition laws of the United States how strong the feeling of the best minds of the best people of America is on the subject of prohibition." And whether the direct and indirect results of prohibition sum up more of ill than of good, as is so persistently urged by the "wets," the general attitude of the country seems to be in favor of prohibition. It sometimes may be difficult to distinguish the real desire of the people as distinguished from individual opinions, but there can be no doubt of the people's will in one respect—that of law enforcement. Much as some of the people abhor prohibition, they abhor unrestricted crime more. They see the logic of the argument that no law can be flouted without causing all law to be endangered. Therefore, they agree that the prohibition law should be enforced so long as it is a law.

It is impossible even for the American who is least inclined to put his own weight behind the eighteenth amendment, most loath to forego personal indulgence, to ignore the fact that the prosperity of the United States has not been due to any increase in her foreign trade, against which the exchange rate operates; that we are consuming more of our own products. He can not dodge or fail to take account of the fact that the men who make America's automobiles are driving them, that our silks and fine textiles are finding buyers among our own people; that sober workmen are consuming a larger portion of our manufactured products than ever before in our history.

Yes, prohibition pleads guilty to being a good business investment. Virtue pays a nation better than vice, even if the vice is legalized and taxed for revenue as was liquor. Banks, insurance companies, realty men, merchants, manufacturers, autoists, theaters—in brief, every business interest except the undertakers, jailers, and executioners can say with Roger W. Babson, "The great improvement in business which followed the war was very largely the result of the influence of prohibition." Why should not business men support prohibition?

He knows, if he reads his daily newspaper, that we are the only Nation in the world without an unemployment problem. The sums we once invested in the destructive distilling and brewing business now operate factories, mines, and railroads.

Our school life has been lengthened. The family purse today suffices for the family support, now that the barrooms are closed, without the children adding their pittance. Revived ambition in the home has sent to high school, academies, preparatory schools, and colleges thousands who in our wet years lacked the means or the encouragement to study, or both.

In the factory, the counting room, the store, the mines, on the farm, in the great open spaces, in the home, in the schoolroom, in the church, there is a great, quiet, resistless force in motion that is lifting America to a place of unchallenged leadership of the world.

The uncertainty is not whether national prohibition shall become an American institution. That is already decided. It is how rapidly America shall move toward universal observance of a principle that has been written into her character, and through this to a civilization that inevitably will set a new mark in human attainment.

Are you for me or against me?
Said the flag as it went by.
We are for you, we are for you!
Cried the people in reply.
We are ready when you need us!
We will follow when you lead us,
We have pledged our hearts' devotion,
Said the people in reply.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. WINSLOW. Mr. Chairman, I yield four minutes to the gentleman from Michigan [Mr. CRAMTON].

[By unanimous consent, Mr. CRAMTON was granted leave to extend his remarks in the RECORD.]

Mr. CRAMTON. Mr. Chairman, the case at point has been very admirably stated to-day by a number of gentlemen, particularly by my friend from New York Mr. LAGUARDIA, and a moment ago by the gentleman from Montana [Mr. LEAVITT].

Gentlemen, in the four minutes granted me I just want to challenge your attention to these realities of the situation. If you will consult the hearings of the first deficiency appropriation bill in connection with the proposed appropriation of money for this same purpose, beginning on page 646 of the hearings you will find a statement by Commander Root of well authenticated facts that is intensely interesting and fully justifies this bill. On page 647 of his statement he discusses the organization that confronts the Government of the United States, and the duty and function of the Coast Guard with reference to it. He says:

EXTENT OF LIQUOR SMUGGLING; LOCATION AND ACTIVITIES OF RUM FLEET.

Commander ROOT. This work is, above all others, the fundamental duty of the Coast Guard. The term "smuggling" is used advisedly because the work involves prevention of illegal introduction into the United States of all kinds of merchandise, of aliens, of narcotics, and of intoxicating liquors. With prohibition enforcement the Coast Guard is most decidedly not concerned. We are interested in that matter simply as good citizens. The Coast Guard is not now equipped properly to deal with the prevention of smuggling in its present magnitude.

In order to determine our needs an estimate of the situation—past, present, and future—was made some time ago and the matter now under discussion is deduced from that estimate.

That our needs may be understood, I shall set before you, as briefly as possible, the present situation. For the sake of brevity I shall refer to the smuggler and his organization as the "enemy."

The mission of the enemy is to make money. His motive is cupidity. His operations are carried on by a force limited only by opportunities to use it. His legal and technical advisers are persons of the highest skill, unhampered by principles of any kind. He employs seagoing people, some of desperate character, many of whom served in the allied armies and navies during the World War. These people are armed and will fight if there is a chance of advantage by so doing.

Whenever possible, the enemy resorts to bribery to disorganize our forces. Our mission, the mission of the Government and the Coast Guard, is to make his operations profitless in order to deny him capital for further operations.

His high seas force at the present time consists of 34 steamers and 182 sailing vessels, ranging in size from 35 tons to 3,000 tons. Some of these vessels are capable of speeds up to 19 knots. The majority of them fly foreign flags.

His auxiliary craft for making shore contact consist of several hundred gasoline-driven craft, about 30 per cent of which are good for 25 knots. Most of this force flies the American flag. Occasionally he has used aircraft during the past year.

He maintains a bribery fund and has a shore organization for obtaining supplies, marketing contraband, and for the collection and dissemination of intelligence. He obtains his contraband from many ports in Great Britain, France, Germany, Spain, Canada, the Canadian maritime Provinces, Habana, Santiago de Cuba, Jamaica, and Grand Cayman. He maintains advanced bases at St. Johns, Newfoundland; St. Pierre, Miquelon; the Azores Islands; Bermuda; and the Bahamas. His general operations are believed to be directed from New York, with offices of considerable authority in the Bahamas and Nova Scotia. At Yarmouth, Nova Scotia, a large corporation has just been formed with M. M. Gardner as secretary. Reports indicate that the new firm intends to engage in smuggling on a large scale.

Intelligence is transmitted between his forces afloat and ashore by dispatches in codes and ciphers, and by couriers when extreme secrecy is necessary. Liaison between New York and Europe is not believed to be complete, but is fairly well established. The so-called "Rum Row" off New York is maintained ostensibly as a good business proposition, but principally as a diversion to hold to that point the attention of as many of the Coast Guard vessels as possible.

Large amounts of contraband are believed to be entering through Long Island Sound, Delaware and Chesapeake Bays, along the coast of Florida, at the mouths of the Mississippi, and, to a less extent, at places where a long and dangerous land haul is involved. We have record of great activity off Cape Ann, off the coast between Marthas Vineyard Island and Montauk Point, on the coast between New York and Chesapeake entrance, along the coast between Cape Canaveral and Key West, off Mobile and the Delta of the Mississippi, and at Galveston.

VOLUME OF SMUGGLING.

As to the volume of liquor smuggling he says, on page 649 in the hearings:

From reliable, but very incomplete, secret sources abroad I have information of the following shipments from northern European—mostly British—ports since January, 1922. The quantities are, in round numbers, 136,600 equivalent cases of 3 gallons each, taken from manifests.

I say "equivalent cases" because where the quantities have been reported in gallons we have reduced it to the quantity usually contained in a case, so that the units will all be the same—1,110,000 equivalent cases, shipped in 37 ships. Total for 26 months, 1,246,600 cases, or practically 48,000 cases per month from northern Europe alone.

Of the above, during the last three months of last year—October, November, and December—63,000 cases were shipped from Scotland and 133,000 cases from Antwerp, or 196,000 in three months, which is about 63,000 cases a month.

In considering these last figures it should be remembered that they include only the known shipments, ascertained by our few scattered agents, and include but two countries. Mature consideration leads me to believe that the direct shipments from Europe alone to the United States amount to not less than 80,000 cases per month.

Since last May, or during the past nine months, 724,000 cases have arrived off New York entrance in the steamers *Bernard M., Bru, Butetown, Gerbercillier, Istar, Johnstown, L'Auroch, Lutzen, Lynntown, Obernai, Papyrus, Strand Hill, Ulv, Wyke Regis*, and in the German schooner *Emmie Freidrich* and the Dutch schooner *Zechond*. This amounts to 80,000 cases per month and does not include the thousands of cases brought to our shores by British and French sailing vessels from the enemy advance bases.

There are assembled at the present time off Boston two steamers and five schooners, with cargoes conservatively estimated at 16,500 cases; off Block Island Sound, one steamer and five sailing vessels, with 28,500 cases; off New York entrance, three steamers and six sailing vessels, with cargoes estimated at 124,000 cases; off the Delta of the Mississippi, three sailing vessels, with cargoes estimated at 4,000 cases. I have the names of these ships here, but I will not take time to read them.

That the actual business of smuggling and whisky peddling along our coasts is rapidly increasing is shown by the fact that 56 new vessels have entered the trade since October 1 of last year and 6 within the last week.

THE PROBLEM.

Further on he summarizes the great problem which is before us, that which the United States is confronting:

From what has just been said it should be apparent that—

(a) The enemy is engaged in open and organized warfare on the Constitution.

(b) He is practically unhampered in his operations by this or any other Government.

Because the Coast Guard has not to-day the equipment to take a sufficient part in the stopping of this smuggling for which the Coast Guard was organized. He goes on:

(c) He is introducing into this country at least 100,000 cases per month by way of the Atlantic and Gulf coasts.

In considering this matter, the prohibition feature or liquor question should be eliminated from the mind. Were the traffic confined to diamonds, for example, its bad effect would be the same.

Nonenforcement of the law is bringing the National Government and the very Constitution itself into contempt, and, what is almost equally bad, is causing an ever-increasing flow of money into the coffers of the underworld. This money is being used to finance all sorts of criminal ventures, and is, I believe, one of the prime causes of the increase of crime.

Mr. GALLIVAN. Who is saying this?

Commander ROOT. I am saying this.

However, it seems to me, that in preparing to arrive at a decision, that we should divest our minds of even the latter consideration and reduce the question to its most simple terms, those involving only the support of the Constitution.

As this statement and further investigation can lead to but one conclusion, it is expected that the full force, for which we have asked, will be provided without delay. This force, by itself alone, will not be sufficient. Old laws must be strengthened and new laws written.

There is the problem we are confronting. The facts are not vague or in question, but certain and definite and compelling.

THE SOLUTION.

There may be other ways of doing this thing or helping at it. I am one that believes the Army and the Navy would be the gainers if obliged to aid wherever and whenever possible. But the bill pending represents a tangible, carefully worked out plan in which I have confidence and it is no time for chimera chasing. Read further from the hearings from which I have been quoting, on page 693 of the deficiency bill hearings Admiral Billard says:

Mr. GALLIVAN. If you get all this money and all these men and all these ships, are you able to tell this committee when you will be able to clear the seas of rum runners and give us law enforcement on the sea?

Admiral BILLARD. I am not able to tell the committee or anyone else that.

Mr. GALLIVAN. Is there anybody that can?

Admiral BILLARD. I am not able to.

Mr. GALLIVAN. Do you think that we will get law enforcement if we make this appropriation to you of approximately $14,000,000—all these ships and all these men?

Admiral BILLARD. Yes, sir.

Mr. GALLIVAN. You do?

Admiral BILLARD. As far as the importation of liquor from the sea is concerned.

Here is a solution within our grasp. The pending deficiency appropriation bill has the money to do the things here authorized. It is no time to chase off after any Navy will-o'-the-wisp. There are two great sources for illicit liquor that handicap enforcement of the law—one, the diversion of permitted alcohol from proper to improper use; the other, smuggled liquors from abroad. This bill is needed to dry up one of these sources.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CRAMTON. May I have one minute?

Mr. BLANTON. I yield the gentleman one minute.

Mr. CRAMTON. Now, that is the problem facing us; and, with that necessity and with this clear solution, why can not Members, like Mr. BLANTON and myself, who believe prohibition is effective if you make its enforcement effective; why can not we stand with Major LAGUARDIA in defending a practical program for its enforcement?

Mr. BLANTON. Because he is for 2.75 per cent beer, and I am not.

Mr. CRAMTON. To-day he is right, and the gentleman from Texas is wrong.

Mr. BLANTON. Mr. Chairman, I remind you again that in 1807 on March the 2d, when our Government was weak and not strong, this Congress gave to the President the right to use the Navy to stop the smuggling of slaves into this country, and provided a forfeiture of vessels caught by the Navy. And again on July 13, 1861, this Congress again passed an act entitled, "to further provide for the collection of duties," and so forth, and gave to the President the right to use the Army and Navy and provided a forfeiture of ships caught. If we could do it then we can do it now. What does this bill provide? It provides that we shall add 175 extra commissioned officers and 418 extra warrant officers and 3,789 extra men to the Coast Guard under the Secretary of the Treasury, mind you. It is with him whether or not he shall enforce the law, and I have not confidence in him enforcing the prohibition act. I am for giving the President the Navy. If you increase this force, not by 4,282 men as proposed, if you increase it by 20,000 men in the Coast Guard and put it where it is now, under the Secretary of the Treasury's office, you will not have prohibition law enforcement; but if you give the President the Navy he is going to enforce the law and going to stop it. Why, the gentleman from Kentucky said the Navy would not be able to shoot at vessels out 12 miles; neither can the Coast Guard. Everything that the Coast Guard can do the Navy can do, and the Navy has better judgment about such things; it has more sense of propriety about such things; it knows more about what the results of its acts would be than the Coast Guard; and I am in favor of giving the President the Navy because ultimately we are going to have to do that to stop smuggling, and we are wasting the people's time and money on this bill.

If you gentlemen will read my Resolution 113, you will see just how strong I am for strict enforcement of all prohibition laws. If you will read my Joint Resolution 116, you will see just how much thought and study I have given to this question of strict enforcement of prohibition laws. If you will read my Joint Resolution 120, you will see that I have spent much time in presenting proper legislation seeking to enforce the prohibition laws. And if you will pass them and also pass my resolution that I read you when beginning this debate, House Joint Resolution 119, the prohibition laws will be enforced, and we will not have to add 4,282 extra men and officers to the pay roll as is proposed by this bill.

Mr. WINSLOW. Mr. Chairman, we have had a very liberal discussion of this bill, and if anybody has followed what has

been said he has had an opportunity to either know about it or become confused. [Laughter.] I enjoyed, as most all of you did, the panoramic geographic lesson we had as to the numerous whereases and be it resolved, and so forth, and I admit I was not able to go as fast as the picture. We have but one point: Are we going to stand by a department of this Government, from the Treasury down, in an effort to enforce the law or are we not?

Now, the Navy may be able to do it better. The Coast and Geodetic Survey with the Navy may be able to do it better, and a lot of things may be better. But the problem now is, Shall we help them to do this business in accordance with their best judgment, and do it now? That is all there is to it. [Applause and cries of "Read!"]

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Navy is authorized to transfer to the Department of the Treasury, for the use of the Coast Guard, such vessels of the Navy, with their outfits and armaments, as can be spared by the Navy and as are adapted to the use of the Coast Guard.

Mr. BLANTON. Mr. Chairman, I offer an amendment, and I give notice that if the amendment is adopted I shall move to strike out the balance of the bill.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report. Will the gentleman indicate where he would like to have his amendment come in the bill?

Mr. BLANTON. I offer it as a substitute for the first paragraph, after the enacting clause.

The CHAIRMAN. For the first section of the bill?

Mr. BLANTON. Yes. Strike out the first section and insert this in lieu thereof.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 1, strike out all of lines 3 to 7 inclusive, and insert in lieu thereof the following: "That the President be, and he is hereby, authorized and directed to use and employ the entire naval and military forces of the United States, or so much of any of the above as he may deem necessary in suppressing all unlawful smuggling into the United States and in suppressing all rebellious defiance of our Government and its Constitution and laws."

Mr. GRAHAM of Illinois. Mr. Chairman, I make a point of order on that, on the ground that it is not germane to the bill.

Mr. BLANTON. Mr. Chairman, I want to be heard on that.

Mr. GRAHAM of Illinois. I take it, Mr. Chairman, that this is the same amendment that the gentleman read?

Mr. BLANTON. No. I have made it conform to the rules, so that it would not be objectionable by a point of order.

Mr. GRAHAM of Illinois. It is manifestly an attempt to ingraft into this bill an entirely new element, namely, the use of other arms of the service. This bill is to authorize a temporary increase of the Coast Guard for law enforcement, and nothing else.

Mr. BEGG. Mr. Chairman, will the gentleman yield?

Mr. GRAHAM of Illinois. Yes.

Mr. BEGG. In addition to what the gentleman is saying, this is a bill to enlarge the Coast Guard, and it is not in order to strike out "the Coast Guard," and substitute "the Navy."

Mr. GRAHAM of Illinois. It is absolutely not germane to bring in here something about the Army or the Navy or any other arm of the service. The matter involved is the Coast Guard, and anything else is not germane to it.

Mr. BLANTON. Mr. Chairman——

Mr. CRAMTON. Mr. Chairman, if I can first make one observation as to what the gentleman from Illinois [Mr. GRAHAM] has said——

Mr. BLANTON. I yield to the gentleman——

Mr. CRAMTON. Boiled down, the bill is a bill to enlarge the equipment of that branch of the service now organized to prevent smuggling—the Coast Guard. The substitute amendment suggested by the gentleman from Texas [Mr. BLANTON] is a proposition to transfer from the organized Coast Guard its responsibility for the prevention of smuggling—transfer that to the Navy, an entirely different proposition, and not at all germane.

Mr. BARKLEY. Mr. Chairman, may I offer another suggestion before the gentleman from Texas makes his argument?

Mr. BLANTON. Yes.

Mr. BARKLEY. The gentleman from Texas might undertake to hang his amendment on the fact that this bill undertakes to transfer some boats from the Navy to the Coast Guard?

Mr. BLANTON. Yes.

Mr. BARKLEY. I want to anticipate that argument by making this suggestion: It might be in order to transfer other boats from the Navy to the Coast Guard, additional boats than those now provided for in this bill. But that is not what the gentleman's amendment seeks to do. It strikes out all provision with reference to the Coast Guard and inaugurates a new law, invoking the Navy to enforce the prohibition laws. It can not be held germane merely because the first section of the bill transfers 20 boats from the Navy to the Coast Guard. The gentleman's amendment does not propose the transfer of any boats from the Navy to the Coast Guard.

The CHAIRMAN. The Chair will hear the gentleman from Texas.

Mr. BLANTON. Mr. Chairman, the question whether or not this amendment is in order depends, of course, upon its germaneness to the purpose of the bill; not to the preamble of the bill; not to any one paragraph of the bill; but the purpose of the bill.

Now, what is the purpose? The purpose of the bill is to enable the President of the United States—the Chief Executive Officer of the Nation, upon whom rests the responsibility of enforcing the law—to enable him to stop the smuggling of liquor into the United States. That is the purpose of the bill. That is the design of the bill. That is what caused this committee to bring this bill before the House for consideration.

Now, the first section of the bill provides this, that the Secretary of the Navy is authorized to transfer boats to the Department of the Treasury. That is one of the Cabinet officers of the Executive; that is one of the underlings of the executive department, if you please; that is a department that is under the control of the Chief Executive Officer of the Nation. Notice it does not say "one of the vessels," or 10, or 20, or 100. It does not limit it except in a certain indirect way. It might, under this bill, take all the vessels that belong to the Navy, because if the chairman will note, it says "such vessels of the Navy, with their outfits and armaments, as can be spared by the Navy and as are adapted for the use of the Coast Guard." That is the only limitation. It might be for the purpose of the suppression of smuggling that all the vessels of the Navy are adapted for its present emergency use, and in that event it would authorize the President to take them all. I merely propose that the President can take all without defining their adaptability.

I want the Chair to note that here is a bill which authorizes the President to use a part of the Navy. If it just provided that he could use one cutter you could not provide that he could use the whole Navy, but inasmuch as it provides that he may use a number of the vessels of the Navy an amendment is germane which provides that he may use the balance of the Navy. Such an amendment is germane under decisions which run back to 1827. If the Chair pleases, there is an unbroken line of decisions back to 1827 which hold that when you provide for the use of a number of things of the same kind you can provide for the use of all the balance of those things. And that is exactly what the amendment means.

Mr. TYDINGS. Will the gentleman yield?

Mr. BLANTON. I am not addressing the gentleman, but the Chair; but I will yield to him.

Mr. TYDINGS. In order to make the amendment germane which the gentleman from Texas has offered, I would suggest, humorously, that these words be added:

And in case of war the Navy be kept on the job of enforcing prohibition and the Army be marched to sea to fight our enemy.

If those words were added, I think, the gentleman's amendment would be in good shape.

Mr. BLANTON. I hope the gentleman will not ever see any more war as long as he and I stay in the House and can vote against it. I think those who came through the last war are going to see to it that we do not have another one at any time within the next 50 years, at least. [Applause.]

But that is beside the question. I want to submit to the Chair, in all seriousness, that this amendment is germane. It is on the same subject; it is akin to it; it pertains to it; it is incidental to it; and it is for the very identical purpose for which this bill is designed—that is, to stop the smuggling of liquor into the United States. I submit to the Chair, in all fairness, that it should not be ruled out on a point of order.

The CHAIRMAN. The Chair is ready to rule. Section 1 of the bill provides:

That the Secretary of the Navy is authorized to transfer to the Department of the Treasury, for the use of the Coast Guard, such vessels of the Navy, with their outfits and armaments, as can be spared by the Navy and as are adapted to the use of the Coast Guard.

The amendment offered by the gentleman from Texas provides:

That the President be, and he is hereby, authorized and directed to use and employ the entire naval and military forces of the United States, or so much of any of the above as he may deem necessary, in suppressing all unlawful smuggling into the United States, and in suppressing all rebellious defiance of our Government and its Constitution and laws.

The gentleman from Texas in his argument says the question is the purpose of the bill, and, therefore, that his amendment is germane to the paragraph he seeks to amend. But the Chair does not see that that is the question. The Chair understands the question is not the purpose of the bill but the method to effectuate the purpose. In other words, the purpose of the bill is to enlarge the Coast Guard by transferring some of the vessels of the Navy to the Coast Guard, while the purpose of the gentleman's amendment is to authorize the President of the United States to take from the Navy or the Army such facilities as they may have in order that he may, through that agency, perform the functions which are sought to be performed by the Coast Guard.

Mr. BLANTON. Will the Chair yield and permit me to ask a question?

The CHAIRMAN. Yes.

Mr. BLANTON. I note that I left in two words, "and military." Those words, of course, would make the amendment subject to the point of order.

The CHAIRMAN. I do not think those words would change the status of the amendment.

Mr. BLANTON. But I want to call the Chair's attention to the last three words of the preamble of this bill, which are, "for law enforcement." That is the purpose of the bill, "for law enforcement."

The CHAIRMAN. It is true that is the purpose of the bill, to enforce the law, or, at least, that is one of the purposes of the bill, to enforce the law; but the question before us is not the purpose of the bill. The question is the method as proposed by the gentleman from Texas as it differentiates from the method to enforce the purposes of the bill. That is the way the Chair sees it, and, of course, the Chair can not see how, under the rules of the House, we could substitute as a germane amendment the proposal of the gentleman from Texas for the first section of the bill. So the Chair sustains the point of order.

Mr. HILL of Maryland. Mr. Chairman, I offer an amendment.

Mr. BLANTON. Mr. Chairman, I offer a substitute.

The CHAIRMAN. The gentleman from Maryland offers an amendment and is recognized. The Clerk will report the amendment offered by the gentleman from Maryland.

The Clerk read as follows:

Amendment offered by Mr. HILL of Maryland: On page 1, in line 3, after the words "authorized to," strike out the word "transfer" and insert "lend," and insert after line 7 the following: "With the necessary officers and personnel of the Navy to handle the same for the temporary need."

Mr. HILL of Maryland. Mr. Chairman, it is alleged throughout the hearings on this bill that this is considered a temporary emergency. When asked how long this emergency would continue, Admiral Billard, the head of the Coast Guard, said he did not know.

This bill is preliminary to an appropriation of $13,000,000, which will make the total Coast Guard cost in the coming year $2,000,000 more than the total cost of the Navy in 1890. If this bill is a temporary emergency—and apparently the Federal prohibition commissioner does not consider it necessary—and if this bill is necessary, I suggest that the amendment I offer will keep the various services of the Government in better balance. The section will then read that the Secretary of the Navy is authorized to lend, not transfer, changing the word "transfer" to "lend," to the Department of the Treasury for the use of the Coast Guard, such vessels of the Navy with their outfits and armaments, as can be spared by the Navy and are adapted to the use of the Coast Guard, with such officers and personnel of the Navy as are necessary to handle the same for the temporary emergency.

Now, Mr. Chairman, it can not be contemplated that we should create a new permanent naval force. If we are not attempting to create a new naval force, why all this additional personnel? I call the committee's attention to the hearings on page 10, in which Admiral Billard explains the enormous increase of personnel.

Admiral BILLARD. That does not explain why the captains, and so on. To find out how many officers were needed, and what ranks they should be in, we carefully studied the particular problem, which it will take me only a few minutes to set forth to you.

We have 20 destroyers, for example, to man. We decided to put on those destroyers three line officers and one engineer officer. We made the captain of the destroyer a lieutenant commander, which is a perfectly reasonable rank. We made the captains of five of the destroyers commanders, the idea being that each would have charge of a flotilla of four boats.

We made the chief engineer of five of the destroyers a lieutenant commander, and the others lieutenants.

We have two mine sweepers in this problem. We made their captains lieutenant commanders, the other officers lieutenants.

Mr. SANDERS. You have two mine sweepers?

Admiral BILLARD. I neglected to say that the program involved the transfer of 20 destroyers and 2 mine sweepers.

Mr. SANDERS. Not for mine-sweeping purposes?

Admiral BILLARD. No; just the type of craft.

Mr. SANDERS. I did not know but what the bootleggers were going into it under a large scale.

Admiral BILLARD. No, sir; nothing of that sort.

Mr. NEWTON. Those are from the fleet that was used in the North Sea?

Admiral BILLARD. Yes, sir; large seagoing tugs, and very able vessels.

Then, to run this large number of motor launches, we have to have 24 sections, and we have put a lieutenant in charge of each one of these sections.

We have to have one more division down in the Gulf. We make the officer in charge of that a captain. There is a captain at the head of most of the other divisions.

Then we have four commanders and four lieutenant commanders to act as chiefs of staff in the divisions. There will be eight Coast Guard divisions. There are eight officers there of appropriate rank.

Then we have seven lieutenant commanders of engineering who will be detailed to the divisions to look after the machinery of these motor boats, and so on.

Then, at headquarters here we will need seven additional officers. We have got one captain. His job would be to run this whole armada. He may be called up in the middle of the night on telegrams to run this whole fleet. There might properly be a captain in charge of that work and a commander as his assistant.

There would be one commander in charge of commissioned personnel, whose duty it would be to get these officers and to allocate them.

There would be one commander in charge of enlisted personnel, and one commander in charge of recruiting, which will be a big proposition. Then we have seven officers for recruiting service in the field, to get hold of these men, and we have eight officers for inspection duty.

It all adds up to the number of officers specified in the bill, and we are prepared, I think, to defend each and every one of those officers and the rank given him, that you may be interested to inquire about.

Mr. DENISON. Will you not need an ordnance officer, Admiral?

Admiral BILLARD. We have an ordnance officer at headquarters now.

Gentlemen, you are asked by this bill to begin the authorization and creation of a Navy more expensive than the whole United States Navy we had in 1890.

Mr. HERSEY. Will the gentleman yield?

Mr. HILL of Maryland. In just one moment. If the present needs exist, and Prohibition Commissioner Haynes says they do not exist, and nobody has denied the statements of Prohibition Commissioner Haynes that I read from his book—if the need is only a temporary one, do not create a new personnel, which is only temporary, but let the Navy lend the necessary ships to the Coast Guard. I yield with pleasure to the gentleman from Maine.

Mr. HERSEY. Does the gentleman mean to also lend the men of the Navy to the Coast Guard?

Mr. HILL of Maryland. I mean to lend the ships with their men and officers and everything that belongs to them.

Mr. HERSEY. Then which service would have command, the Coast Guard or the Navy?

Mr. HILL of Maryland. The Coast Guard, naturally. It has an admiral. Why not? I will say to the gentleman that Admiral Billard says in his testimony that it takes three years to create an efficient Coast Guard officer, and he says that if you pass this bill he will have to go out and get ex-service men or anybody else he can find. If this is a necessary need, why do you not use the naval ships you have now?

Mr. COOPER of Ohio. Will the gentleman yield?

Mr. HILL of Maryland. I yield.

Mr. COOPER of Ohio. The gentleman asked a question a while ago about Prohibition Commission Haynes. I for one want to say that if Commissioner Haynes made the statement that this service is not needed, he does not know what he is talking about.

Mr. HILL of Maryland. I agree with the gentleman. I am not one of those who entirely relies on Commissioner Haynes, but I hand to the gentleman the book in which he makes the statements, which I read recently to the committee.

The CHAIRMAN. The time of the gentleman from Maryland has expired. [Applause.]

Mr. GRAHAM of Illinois. Mr. Chairman, I do not think the amendment offered by the gentleman from Maryland ought to be adopted. If I was sure the gentleman from Maryland [Mr. HILL] was offering this amendment with the idea of helping this law and helping in the enforcement of the law, I might lean a little more strongly toward it, but knowing the gentleman's proclivities the way I do, and knowing his ideas along this line, I might view any amendment he would offer to this bill with some degree of suspicion. But this is not what I arose to say. The trouble in this amendment is well voiced by the suggestion of the gentleman from Maine [Mr. HERSEY]. If you transfer certain ships from the Navy to the Coast Guard, who is going to run the ships—the Coast Guard or the Navy? If the naval officers are lent to the Coast Guard, anyone knows who has had any experience with these two departments that it would not be satisfactory to the naval officers to be under the control of Coast Guard officers on this particular duty.

Mr. BUTLER. Will the gentleman yield?

Mr. GRAHAM of Illinois. Yes.

Mr. BUTLER. The gentleman is entirely right. The Coast Guard is no part whatever of the Navy, and you can not mix the officers of the two services without direction of law.

Mr. GRAHAM of Illinois. The gentleman is quite right.

Mr. HILL of Maryland. Will the gentleman yield?

Mr. GRAHAM of Illinois. No; not now. If you want the thing to run smoothly, let it all be under one charge. It either must be Coast Guard or Navy. We have started out to improve the Coast Guard; let us do it. Let us turn over the ships to them; put them under the charge of officers trained in that particular line of duty, namely, guarding the coast. It will not do to turn over naval officers and put them in the Coast Guard and say that they are under the control of the Coast Guard.

Mr. SCHAFER. Will the gentleman yield?

Mr. GRAHAM of Illinois. Yes.

Mr. SCHAFER. In case of another war, who is going to command these ships transferred from the Navy to the Secretary of the Treasury?

Mr. GRAHAM of Illinois. Immediately upon war being declared with any country, by law the Coast Guard then goes into the Navy.

Mr. BUTLER. The Coast Guard goes under the Navy then under a long-established law which created the Coast Guard.

Mr. SCHAFER. Then indirectly you are adding more ships to the Navy, not in name, but you are indirectly adding them, because they are ships of war.

Mr. GRAHAM of Illinois. You are adding to a service an auxiliary which may be used by the Navy in time of war, but which in time of peace is for Coast Guard duty entirely and is a distinct service.

Mr. SCHAFER. You are adding war vessels to the Coast Guard.

Mr. GRAHAM of Illinois. You are adding vessels that can be used in time of war.

Mr. SCHAFER. Yes; and I thought it was the understanding after this war that we were not going to have any more wars and the policy was to be to cut down on expenditures for military purposes and not branch out.

Mr. GRAHAM of Illinois. I do not believe the gentleman really believed that in his heart.

Mr. O'CONNOR of Louisiana. Mr. Chairman——

Mr. WINSLOW. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in five minutes.

Mr. BLANTON. I have an amendment to offer.

Mr. CELLER. I have an amendment, Mr. Chairman.

Mr. BLANTON. Mr. Chairman, I move to amend the motion by making it 15 minutes.

The CHAIRMAN. It is not a motion but a request.

Mr. CELLER. Reserving the right to object, I shall not object provided I can offer my amendment and have five minutes.

Mr. WINSLOW. Mr. Chairman, I move that all debate on this section and all amendments thereto close in 10 minutes.

Mr. BLANTON. Mr. Chairman, I move to amend that motion by making the time 15 minutes instead of 10 minutes.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas to the motion offered by the gentleman from Massachusetts.

The question was taken; and on a division (demanded by Mr. HILL of Maryland) there were—ayes 3, noes 50.

So the amendment was rejected.

The CHAIRMAN. The question now is on the motion of the gentleman from Massachusetts [Mr. WINSLOW].

Mr. BLANTON. Mr. Chairman, I think we ought to have a quorum, and I suggest the absence of a quorum.

Mr. GARRETT of Texas. Mr. Chairman, I demand tellers upon that.

The CHAIRMAN. The gentleman from Texas [Mr. BLANTON] just made the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and seventeen Members present—a quorum.

Mr. BLANTON. Mr. Chairman, I ask for tellers on that vote.

Mr. BEGG. Mr. Chairman, that comes after business has been transacted, and it is too late.

The CHAIRMAN. The question is on the motion of the gentleman from Massachusetts to limit debate upon this paragraph and all amendments thereto to 10 minutes.

The question was taken; and on a division (demanded by Mr. BLANTON) there were—ayes 70, noes 2.

Mr. BLANTON. Mr. Chairman, I demand tellers.

The CHAIRMAN. The gentleman from Texas demands tellers. Those in favor of ordering tellers will rise and stand until counted. [After counting.] Four Members have risen, not a sufficient number, and tellers are refused.

Mr. BLANTON. Mr. Chairman, I move that the committee do now rise.

Mr. STEVENSON. Mr. Chairman, I would like to make the point that the gentleman from Louisiana [Mr. O'CONNOR] addressed the Chair and had the floor and has had it for some time. He merely gave way for this motion to close debate. Can he be taken off the floor?

Mr. O'CONNOR of Louisiana. I say for the benefit of the Chair and the gentleman from South Carolina that I have the floor now; that I never did give way.

The CHAIRMAN. The gentleman from Texas moves that the committee do now rise.

Mr. BLANTON. Mr. Chairman, I withdraw that motion.

The CHAIRMAN. The gentleman from Louisiana is recognized.

Mr. O'CONNOR of Louisiana. Mr. Chairman and gentlemen of the House, I am opposed to the amendment offered by the gentleman from Maryland [Mr. HILL] and I intend to vote for this bill. Inasmuch, however, as I represent a constituency that has been from time immemorial, to use the solemnity of a legal phrase, antiprohibition—that is, a large majority have adopted that attitude—I feel I ought to make the amende honorable to many of them, for they would in all probability expect me to vote against this bill. Though I am convinced that the better viewpoint of the more thoughtful and less impulsive in matters of judgment will unquestionably indorse my affirmative action in the pending bill, I want to get my own judgment into the RECORD for that reason and divers causes, and for the benefit of those who may read the proceedings of this House down in New Orleans express my viewpoint with reference to this matter and things incident and pertinent to it. Yes; I will vote for this bill to authorize a temporary increase of the Coast Guard for law enforcement. Not that I have been altogether impressed by the arguments made that this will make for and effectuate enforcement purposes and therefore it is obligatory upon us to pass it, because I can see that such an attitude has its limitations and might under certain circumstances become illogical and unwise to the point of absurdity, for if it ever becomes necessary, in order to make a pretense at prohibition enforcement, to require an annual appropriation that would run to upward of $2,000,000,000 the American Government would find it necessary to increase taxation to the point of confiscation, and thereby the entire fabric of the Constitution, by trying to vindicate one article, would be involved in the general ruin that would follow such a monstrous expenditure in a fatuous and hopeless attempt to enforce an impossible law. The attempt at enforcement of prohibition might become almost intolerable in the burdens it would impose, and so conclusively show its lack of policy of wisdom and of understanding of human nature as to render it nugatory, when it would fall into "innocuous desuetude." As a matter of fact, it must be clear to him who

reads as he runs that there are millions in this country that believe that prohibition is a failure because it is fundamentally unsound, and that our appropriation for its enforcement is nothing more nor less than an extravagant and useless expenditure of public money, and in the minds of many its only result is negative and breeds corruption in prohibition enforcement circles. Of course, it is known of all men that the columns of the great newspapers in all of the big cities daily contain stories showing that if it is not regarded almost as a duty to infract the Volstead Act, it certainly with truth may be said to be fashionable, smart, and risque. I do not think that the general violation of this act is any longer disputed. During this debate it apparently surprised no one to hear two of the most distinguished advocates of prohibition in this country—one on the Democratic side and one on the Republican side—practically make statements which, if their statistics are correct, would indicate that more whisky is being drunk in the United States to-day than was drunk before prohibition. In fact, if they did not prove that, they came perilously and dangerously near doing so. I understand that at a convention of the American Federation of Labor, held, I believe, in Portland, Oreg., last year or the year before, it was put into the proceedings that there were more whisky glasses being manufactured, or blown, if that is the term, to-day than ever before in the history of the country. While I may not put this into the RECORD because I only give it for the temporary purpose that it will serve, and I know that people are not interested in my personal habits, I am not a drinking man myself, but I represent a constituency the majority of whom, as I said before, look upon prohibition as ill advised and doomed to failure, and necessarily they look upon the expenditure of any money for the enforcement of it as money absolutely thrown away.

They can not see any wisdom in it, but, on the contrary, view it as unmitigated folly, and although their unalterable opposition to what they deem to be an unwarrantable invasion of their liberty may appear to be fantastic and absurd to some of our citizens who somewhat superciliously arrogate to themselves all of the virtues and patriotism in this country, still those people are sincere in their attitude of deep-seated hostility and antagonism to what they bitterly resent as oppression from a tyrannical minority organized in such a manner as to make for the congressional imposition of their views on the unorganized and helpless masses. And these constituents of mine are patriotic and wise in their ways. They are an educated people and have inherited and evidenced a splendid culture. They are not easily misled by sophistry. They can not understand why we should believe there is so much merit in prohibition when they thoroughly comprehend that the world long before prohibition had come to us gave to posterity the greatest poets, the greatest astronomers, the greatest industrialists, the greatest inventors and writers, under a system that made for more or less drinking, while the nondrinking countries of the Orient were steeped in ignorance, venality, and corruption, and had made absolutely no progress.

I will vote for this bill as I want to give enforcement every opportunity to succeed and make good. But I have no faith in prohibition fundamentally. Regulation would produce infinitely better results. One thing is certain and fixed as the stars in their courses. Prohibition must show better results or the conclusion will be irresistible that it is a failure. That sort of failure would not be an unmixed evil even. On the contrary it would prove a blessing. Then the American people would approach the liquor question and traffic in a tolerant and wiser way, and secure through a regulatory process far greater and more lasting and beneficent results than the present system under the most favorable conditions and circumstances can yield. I speak more in sorrow than in anger at the bacchanalian orgies of drunkenness in all of our towns resulting from "white lightning," conveniently carried in stylish flasks in big pockets; of the graft stories in our newspapers, of the sinister and menacing corruption existing in that part of the official life charged with enforcement. Of course there are—there must be—many honest, virtuous men connected with that service, but the people are undoubtedly correct in assuming that there are many vulnerable spots, and you know it is human for the most benevolent to judge the whole by a part of the system.

Only a few days ago Police Commissioner Enright, of New York, made a statement of such a startling nature that the Associated Press and other great news agencies carried it from ocean to ocean—as we love to express the vastness, the magnitude of our territorial empire, as it extends from east to west, from the rising to the setting sun. The commissioner declared, as I remember it, that every phase of society in the United States refused to respect and observe the Volstead Act and infracted it with the same savoir faire, serenity, composure, and tranquillity that they would a statute that expressed a totally fallacious economic principle, a physical impossibility, or a physiological absurdity or other parliamentary and governmental aberration. And right here in Washington, Capital of the Nation, denominated by Admiral Plunkett, according to press accounts, as "the wettest city in the Union," we find a number of persons who deny the soft impeachment and insist that there are a number of cities that are wetter. I heard some one say that if the dissenters are correct the other cities must be inundated, and that it is time to order the arks. But I will close lest some honest, sincere prohibitionist friend of mine rise in his seat, gently chide me, and try to prove that all of the great men who adorned and glorified the civilizations of ancient Greece and the magnificent Roman Empire, the heroes and geniuses of the Middle Ages, and the mighty men of the modern world were mythological characters, were never existent because it was impossible for talent, culture, ambition, virtue, or patriotism to exist until the day of long-haired men and short-haired women arrived, who constructed by statute a prohibition fountain, whose miraculous waters made for a realization in the coming years of what was only a dream on our part of historically renowned men and women of the past.

That there were great men before Agamemnon is a historical idiocy. There were none such. There were great men after prohibitionists—at any rate so saith the "prohi." With that, selah—for that is all I can do or say—knowing from the constitution of this House and the numerical strength of the "prohis" and the corresponding weakness of the "antis" that we "antis" can not make a dent in the Volstead Act at this session of Congress.

Mr. COOPER of Ohio. Mr. Chairman and gentlemen of the committee, I do not know that I can say anything that will add to what has already been said as to why this bill should pass. I was very much interested in the remarks of the gentleman from Louisiana [Mr. O'CONNOR] when he stated that a great many people in this country could see no good reason why prohibition should be enforced. I want to say to the gentleman from Louisiana that I am one of those who believe that the eighteenth amendment is just as sacred as any other part of the Constitution.

Mr. O'CONNOR of Louisiana. Oh, I think the gentleman totally misapprehended the point involved. I was simply expressing the viewpoint of a constituency that I represent, and I did not intend to question the gentleman's sincerity at all.

Mr. COOPER of Ohio. I may have been mistaken in what the gentleman stated, but I say again that the eighteenth amendment is just as sacred as any other part of the Constitution, and that a man who violates it is just as guilty as he would be if he committed any other crime against the Constitution. The gentleman from Maryland [Mr. TYDINGS] referred to the attitude of the people in Maryland in opposition to the eighteenth amendment. He knows that the legislature of his State ratified the eighteenth amendment to our Constitution. Now, Mr. Chairman, the question that we are considering to-day is not whether or not the law can be enforced, but whether or not our Government is going to try to enforce the law of our land. There is no law on our statute books to-day that is enforced 100 per cent, and surely you men would not oppose an appropriation to stop the violation of the other laws of our country outside of the eighteenth amendment to our Constitution. The President of the United States has come to Congress and asked us to give him the power and the money and the men to try to enforce the constituted law of our land. The statement was made in the hearings held recently by the Committee on Appropriations that the rum runners which line our Atlantic coast line to-day are the boldest band of pirates that has ever operated upon the high seas.

We are told that within the last four or five months 56 vessels have joined the rum-running fleet, and reports have come to us that during the last six months 1,226,000 cases of rum have been landed on our shores. I believe the time has come when the open and armed opposition to our country and its laws by foreign ships should be stopped. The foreign ships which carry the liquor are very careful not to get in closer than the 3-mile limit. Now, what this bill proposes to do is to try and prevent the rum runners that go out from our shores to the ships from carrying the contraband liquor into our ports. Commander Root, testifying before the Appropriations Committee on this question a few days ago, said:

> In considering this matter, the prohibition feature on liquor question should be eliminated from the mind. Were the traffic confined to diamonds, for example, its bad effect would be the same.

Nonenforcement of the law is bringing the National Government and the very Constitution itself into contempt, and, what is almost equally bad, is causing an ever-increasing flow of money into the coffers of the underworld. This money is being used to finance all sorts of criminal ventures, and is, I believe, one of the prime causes of the increase of crime.

The people of our Nation are demanding that the importation of intoxicating liquors into our country in violation of our laws be stopped. The President has requested Congress to assist him in upholding the law. Surely no Member who wants to see our laws enforced should oppose the passage of the bill which is now being considered. We prohibit the sale and manufacture of intoxicating liquors in our own land. Why should we permit foreign countries to import liquor which is prohibited under our Constitution?

The CHAIRMAN. The time of the gentleman from Ohio has expired. The question is on agreeing to the amendment offered by the gentleman from Maryland [Mr. HILL].

The question was taken, and the Chair announced the noes appeared to have it.

On a division (demanded by Mr. HILL of Maryland) there were—ayes 4, noes 62.

So the amendment was rejected.

Mr. CELLER. Mr. Speaker, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. CELLER: Page 1, line 7, after the words "Coast Guard," insert "provided such vessels with their outfits and armaments be returned to the Navy after a period of one year."

Mr. CELLER. Mr. Chairman, how much time have I for debate?

The CHAIRMAN. Five minutes.

Mr. GRAHAM of Illinois. Debate is exhausted on this paragraph and all amendments thereto.

The CHAIRMAN. That is true. The Chair wishes to announce that debate is exhausted on this amendment by a vote of the committee.

Mr. CELLER. I ask unanimous consent for two minutes in order to explain my amendment.

The CHAIRMAN. Is there objection?

Mr. GRAHAM of Illinois. I object.

The CHAIRMAN. The question is on the amendment offered by the gentleman.

The question was taken, and the amendment was rejected.

Mr. BLANTON. I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 1, line 3, after the words "authorized to," strike out the words "transfer to" and insert the words "cooperate with"; and in line 4, after the word "Treasury," strike out the words "for the" and insert the words "by combining with the vessels in"; and in line 5, after the word "with," insert the words "their officers and personnel"; and in line 7, after the words "Coast Guard," strike out the period, insert a comma, and add "to suppress smuggling into the United States," so that as amended the paragraph will read:

That the Secretary of the Navy is authorized to cooperate with the Department of the Treasury, by combining with the vessels in use of the Coast Guard, such vessels of the Navy, with their officers and personnel, their outfits, and armaments, as can be spared by the Navy and as are adapted to the use of the Coast Guard, to suppress smuggling into the United States.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The question was taken, and the Chair announced the noes appeared to have it.

On a division (demanded by Mr. BLANTON) there were—ayes 5, noes 65.

So the amendment was rejected.

Mr. WATKINS. Mr. Chairman, would a new paragraph at this point be subject to the same ruling as an amendment to the paragraph?

The CHAIRMAN. It depends upon what the amendment is.

Mr. WATKINS. I desire to insert a new paragraph.

The CHAIRMAN. The Chair could not tell. Does the gentleman offer an amendment?

Mr. WATKINS. As a new paragraph.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. WATKINS: Page 1, line 7, after the word "Guard," add a new section as follows:

"SEC. 2. That the Secretary of the Treasury be, and hereby is, authorized and directed to assign one Coast Guard cutter, if available, and if not available, then to construct and equip one Coast Guard cutter, at a cost not to exceed $900,000, for Coast Guard duty on the Pacific coast: *Provided*, That such vessel shall be so constructed as to be best adapted for the purpose of saving life and property at sea and for law enforcement."

Mr. WATKINS. I offer that as section 2.

The CHAIRMAN. The question is on the amendment.

Mr. WATKINS. This is a new paragraph; it is not an amendment at all. If I am not permitted to offer it here I will offer it later on, but I want to dispose of it now, and I would like to explain my reasons for it. I am as much for this bill as any man in this House.

The CHAIRMAN. If it is offered as an amendment it is not debatable.

Mr. GRAHAM of Illinois. It is subject to the point of order.

Mr. BEGG. I make a point of order it is too late.

Mr. GRAHAM of Illinois. The gentleman from Massachusetts [Mr. WINSLOW] was on his feet.

Mr. WINSLOW. I make the point of order that the subject matter is not germane to this bill. It is meritorious, no doubt, but not germane. It is for another purpose altogether.

Mr. BLANTON. Mr. Chairman, I make the point of order that the gentleman's point of order comes too late, there having been debate. The RECORD will show that there was quite a colloquy between the gentleman and the Chair in reference to the amendment.

The CHAIRMAN. That is not a parliamentary inquiry.

Mr. WATKINS. I would like to be heard for five minutes.

The CHAIRMAN. Does the gentleman from Massachusetts wish to be heard on the point of order? The Chair will be glad to hear the gentleman.

Mr. WINSLOW. The subject matter is not germane to the purpose of the bill. It embraces another line of work for the Coast Guard and is not in any way bearing on the law-enforcement phase of the bill.

Mr. GRAHAM of Illinois. Mr. Chairman, let me add another suggestion that it has this fundamental objection, and that is it directs a certain vessel to be built and placed in certain waters of the country to perform a certain duty. If that is germane, it is also germane for other gentlemen from other localities to offer additional amendments for boats to be placed, say, in Florida or in Texas waters, or a boat to be placed anywhere else. The bill provides that the Coast Guard Service shall be on all the high seas, without saying what shall be done or where placed. It is certainly not germane to the purpose of this bill at all to embody a provision that specifies what shall be done with those that are sent into particular waters of the country; this is especially true when we consider that this bill provides only for a temporary increase of the Coast Guard, while the amendment provides for a certain permanent increase for purposes not intended or covered by the bill.

The CHAIRMAN. Does the gentleman wish to be heard on the point of order?

Mr. WATKINS. I do. The observation submitted at this time by the gentleman from Illinois [Mr. GRAHAM] may be valid in so far as being an administrative feature, for it might not be appropriate for a bill of this kind to direct the Secretary of the Treasury to do a certain thing; but in so far as the section being germane is concerned, the mere reading of it will convince the Chair that it is germane. The section simply provides that if there is a cutter available the Secretary is directed to assign that particular cutter to a particular place. If there is no available cutter, then the section simply provides that a new one is authorized for the purpose of law enforcement, and to be placed in the Pacific coast waters and there protect property and life—the thing that the Coast Guard does now—and in addition to that to aid in the enforcement of the law. I maintain that if there is anything in the wide universe that is germane, it is that language to this bill.

Mr. CRAMTON. Mr. Chairman, I simply make this suggestion, that the pending bill is well described by its title, "to authorize a temporary increase of the Coast Guard." That temporary increase is by a loan of vessels from the Navy. The gentleman's amendment proposes a permanent increase in the Coast Guard in the construction of a new vessel. It is not germane to the program carried forward in the pending bill.

Mr. BEGG. Mr. Chairman, I merely want to direct the attention of the Chair to section 781 of the manual, where it seems to me there is a specific illustration. In the case of the bill relating to commerce between the States it has been held that it is not germane to specify a particular State.

The CHAIRMAN. The Chair is ready to rule. The purpose of the bill is to authorize the transfer of ships from the Navy

to the Coast Guard. The amendment of the gentleman from Oregon provides for the construction of a ship or ships to be used in the Coast Guard.

Mr. WATKINS. That is the second clause.

The CHAIRMAN. But it is in the amendment. Nowhere in the bill is there any provision for the construction of ships for the Coast Guard. It is manifest that the amendment of the gentleman from Oregon is not germane to the bill, and therefore it is subject to a point of order. The Chair sustains the point of order. The Clerk will read.

Mr. BLANTON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BLANTON. In a couple of weeks the chairman will be called upon to make appropriations under this bill. What is the chairman going to do when points of order are raised that there is no law authorizing it?

Mr. BANKHEAD. Mr. Chairman, that is not a parliamentary inquiry.

The CHAIRMAN. I think the gentleman has not exactly stated the case.

Mr. CELLER. Mr. Chairman, I offer an amendment as a new section.

The CHAIRMAN. The gentleman from New York offers an amendment as a new section. The Clerk will report it.

The Clerk read as follows:

Amendment offered by Mr. CELLER: Page 1, line 7, after the word "law," insert a new section as follows: "*Provided*, All acts or parts of acts contrary to or inconsistent with this act shall be deemed repealed."

Mr. NEWTON of Minnesota. Mr. Chairman, I make the point of order that that is not germane to the section.

The CHAIRMAN. The amendment offered by the gentleman would be appropriate to the bill, but the Chair doubts if it would be appropriate at this point.

Mr. BLANTON. Mr. Chairman, I make the further point of order that the amendment is not germane to the bill or to the section preceding the place where it is offered, for the reason that the purposes of this bill apparently are to enforce the prohibition laws and to prevent smuggling. But the amendment of the gentleman would do just the contrary.

The CHAIRMAN. The Chair sustains the point of order.

Mr. CELLER. Mr. Chairman, will the Chair hear me on the point of order?

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 2. (a) The President is authorized to appoint, by and with the advice and consent of the Senate, the following temporary officers of the Coast Guard: 2 captains, 13 commanders, 25 lieutenant commanders, 48 lieutenants, and 42 lieutenants (junior grade) and ensigns, of the line; and 1 commander, 11 lieutenant commanders, 19 lieutenants, and 40 lieutenants (junior grade) and ensigns, of the Engineer Corps.

(b) Such temporary officers shall receive the same pay, allowances, and benefits as permanent commissioned officers of the Coast Guard of corresponding grade and length of service, except that no such officer shall be entitled to retirement because of his temporary commission.

(c) Temporary appointments shall continue until the President otherwise directs or Congress otherwise provides.

Mr. HILL of Maryland. Mr. Chairman, I desire to offer an amendment.

Mr. WINSLOW. Mr. Chairman, I wish to offer an amendment, which I send to the Clerk's desk.

The CHAIRMAN. The Clerk will report the committee amendment to this section.

The Clerk read as follows:

Committee amendment: Page 2, line 7, after the word "officers," insert "while in service."

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Massachusetts [Mr. WINSLOW].

The Clerk read as follows:

Amendment offered by Mr. WINSLOW: Page 2, line 1, strike out "thirteen" and insert "ten." Line 3, strike out "one commander" and insert "five commanders."

Mr. WINSLOW. Mr. Chairman, the purpose of this amendment is to better balance the officers designated in the Coast Guard. In going over the matter after we reported out the bill they discovered that the reapportionment would be helpful and would not increase the cost a dollar, although it increases the number of officers by one. But by reapportionment the salaries are so arranged that it does not increase the cost.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

Mr. HILL of Maryland. Mr. Chairman, I offer the amendment which the Clerk has.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Maryland.

The Clerk read as follows:

Amendment offered by Mr. HILL of Maryland: Page 1, line 9, after the word "Senate," insert "for a period of not more than two years."

Mr. HILL of Maryland. Mr. Chairman, the alleged and obvious purpose of this bill is temporary. All through the hearings the statement was made that this was a temporary need. If this is so, why not use the Navy? Read what was said in committee on this:

WHY NOT USE THE NAVY?

Mr. SHALLENBERGER. I would like to ask one question. I do not know whether the admiral wants to answer it or not: Have you considered turning this duty over to the Navy from your department?

Admiral BILLARD. Well, I can only speak of what I have read in the press, and I have seen one or two bills introduced in Congress.

Mr. SHALLENBERGER. Do you know that it has been considered—this proposition?

Admiral BILLARD. I have no official knowledge, only what I have read in the press.

The CHAIRMAN. I think there has been no comprehensive plan suggested, Mr. SHALLENBERGER. The whole administration, all down the line, have concentrated on this arrangement.

Mr. SHALLENBERGER. Of course, Mr. Chairman, the reason I asked the question is because it may be said that the Navy has the equipment; they have the destroyers; they have these motor launches; they have the men who are qualified for this duty if they saw fit to ask them to perform it.

The CHAIRMAN. As the chairman stated in the beginning—I would like to be confirmed by Admiral Billard—the Navy has acquiesced in this procedure?

Admiral BILLARD. Oh, yes; and we have received the most helpful cooperation from the Navy with respect to information, and so on.

The CHAIRMAN. All the information that the chairman has been able to pick up indicates that they would be very glad to get rid of it.

Mr. SHALLENBERGER. I would judge that the Navy probably would rather that this department take charge of it.

Admiral BILLARD. You saw, of course, the opinion of the Attorney General, which I read in the press, to the effect that the President could not use the Navy for that work.

Mr. SHALLENBERGER. I did not see that. I am glad to have you inform me of that.

You can at any moment place the Navy at the disposition of the President, and save here $14,000,000 at once.

But there is no real need. Read what Admiral Billard says:

Mr. COOPER. Admiral, have any of your men been fired on by the rum runners?

Admiral BILLARD. There have been cases, as I recall now, where some of our men in launches have been fired on by these rum runners whom they are pursuing.

Mr. COOPER. Have any of them been wounded or killed?

Admiral BILLARD. No; none of our men have been killed, and I do not recall any of them ever being wounded.

Billard says nobody has been even wounded, and Haynes says smuggling is only a "leak" of slight importance.

It is proposed to expend this year over $22,000,000 for the Coast Guard; and I submit to this House that it is only proper that when these officers are appointed—this large personnel—that there should be a limit to the period of their appointment. The period of need is uncertain. Read what the admiral says:

Admiral BILLARD. * * * In other words, that the whole project would be temporary and addressed particularly to the law-enforcement matter.

Mr. NEWTON. These destroyers—is it going to be much of an expense to condition them for this service? Of course, you will not use the same armament?

Admiral BILLARD. We have gone into that very thoroughly. We would prefer to keep the armament on board, the full armament, probably, because our officers and men would exercise with it naturally. The cost estimated for putting these destroyers into service—not particularly for this service, but for service—is $100,000 apiece. Those figures, of course, we obtained from the Navy Department.

Mr. NEWTON. Of course, we have dozens of destroyers that are tied up at the docks, not in commission at all.

Admiral BILLARD. Yes, sir.

Mr. MERRITT. When you speak of this service being temporary, I suppose you mean that it depends on what may happen in the future, that it may be terminated at any time, or do you expect to wipe out all of the rum fleet in a course of a year or two?

Admiral BILLARD. That is something that any of you gentlemen know just as well as I do, Mr. Merritt. How long this operation will have to continue, I have no idea.

Nobody knows how long this all will last, and furthermore the nearly $14,000,000 you are asked to spend does not cover even all of the Canadian border. It does not touch the Mexican border, and leaves open the St. Marys and the Detroit Rivers. Read the hearings:

Mr. HUDDLESTON. I would like to ask, how is smuggling prevented from Canada across, we will say, the Detroit River and the St. Lawrence?

Admiral BILLARD. Well, I rather think it is not prevented to any great extent.

Mr. HUDDLESTON. Have we a system of organized customs guards?

Admiral BILLARD. Well, there are customs officials, I presume, along all that stretch of boundary, and they do the best they can, and doubtless prevent a great deal of smuggling. About what I said a moment ago, somewhat in a spirit of levity, of course we all know there is a good deal of liquor comes across the boundary.

Mr. HUDDLESTON. I should imagine that the Lake region would need to be guarded the same as the coast region.

Admiral BILLARD. You may have misunderstood what I said, sir. I said that this plan does include the protection of the Lakes, but not of the St. Marys and Detroit Rivers. Personally, I feel that that is a duty for the land people, because the river is too narrow to accomplish anything or much by boats running up and down.

I know the committee appreciates that the way the Coast Guard links up with this thing is that one of its duties is to protect the customs laws of the United States, and this particular thing happens to be forbidden to be imported by act of Congress.

Mr. HUDDLESTON. That is why I used the word "smuggling," because smuggling must be quite an industry if there are no guards along the Canadian border.

Gentlemen, the Coast Guard asked for more than this bill gives them and the Budget cut them down. Note the following statements:

Mr. NEWTON. Admiral, may I interrupt you there? I believe, if my memory serves me correctly, that in the request originally it was for the construction and lease of some new vessels designed specially for work of this kind. Now, that part of the request was turned down, was it not, by the Director of the Budget?

Admiral BILLARD. That situation, Mr. NEWTON, is this: We, when directed, as I have stated, to prepare a general plan, suggested the construction of 20 cruising Coast Guard cutters for the offshore work. Our thought was that those vessels would be available, not only for this law enforcement but would be a valuable acquisition to the service and to the Government for the regular work of the service. The Bureau of the Budget were of the opinion that what was preeminently desired in the matter was prompt and effective results; also that the scheme should be a temporary measure, not concerned with the future growth or general utility of the Coast Guard, but for this specific work.

At the direction of the Bureau of the Budget we considered, then, what vessels the Government now has that would be of service for this particular law-enforcement work and that could be quickly put into service. The result of that discussion was the adoption of this program to utilize destroyers of the Navy.

Mr. NEWTON. Are any other ships besides destroyers included?

Admiral BILLARD. The program involves, furthermore, the utilization of a large number of motor launches. That was in our original program and was approved by the Bureau of the Budget. In other words, the only departure from the original plan as submitted was with respect to these offshore larger units.

If there is a temporary need use the Navy. If you refuse to do that, limit the period of all this huge and extra expenditure. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland.

The question was taken, and the amendment was rejected.

Mr. WINSLOW. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto do close in five minutes.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent that all debate on this section and all amendments thereto close in five minutes. Is there objection?

There was no objection.

Mr. SPEAKS. Mr. Chairman, I offer an amendment.

The gentleman from Ohio offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. SPEAKS: Strike out lines 8, 9, and 10 on page 1, and lines 1 to 12, inclusive, on page 2, and insert in lieu thereof the following:

"SEC. 2. The President is authorized to temporarily assign the following officers of the Navy to Coast Guard duty."

Mr. SPEAKS. Mr. Chairman and gentlemen of the committee, I have a very sincere purpose in proposing this amendment, which if adopted will insure certain enforcement of the law. I am for the law and believe it can be made effective. This amendment proposes transferring temporarily or assigning temporarily from the regular naval forces to Coast Guard duty the officers specified in the bill.

An emergency exists, and I want the country to note what our splendid Naval Establishment can accomplish in the way of law enforcement where it becomes necessary to rely upon that governmental agency in compelling respect for our laws and integrity.

Mr. BARKLEY. Will the gentleman yield?

Mr. SPEAKS. I yield to the gentleman from Kentucky.

Mr. BARKLEY. Does the gentleman know whether the Navy has any officers hanging around doing nothing that it can transfer to Coast Guard duty?

Mr. SPEAKS. In an emergency, such as now exists, it certainly will be possible to find sufficient officers to perform this highly important service without in anywise disturbing the naval routine. Even if it requires detailing officers from some of the vessels lying quietly in harbors or engaged in practice cruising. I believe the emergency warrants such action. Furthermore, it will prevent an unnecessary increase in the Coast Guard personnel and the expenditure of several hundred thousands of dollars annually.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio.

The question was taken, and the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 4. (a) All original temporary appointments under this act shall be made in grades not above that of lieutenant, in the line or the Engineer Corps, and shall be made only after the candidate has satisfactorily passed such examinations as the President may prescribe. No person shall be given an original temporary appointment who is more than 40 years of age.

(b) The names of all persons appointed under this section shall be placed upon a special list of temporary officers, as distinguished from the list of permanent officers, of the Coast Guard. The President is authorized, without regard to length of service or seniority, to promote to grades not above lieutenant, in the line or Engineer Corps, or to reduce officers on such special list, within the number specified for each grade, and he may, in his discretion, call for the resignation of, or dismiss, any such officer for unfitness or misconduct.

Mr. WINSLOW. Mr. Chairman, on behalf of the committee I offer an amendment, which I will ask the Clerk to read.

The CHAIRMAN. The gentleman from Massachusetts offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. WINSLOW: Page 3, after line 3, insert the following new subdivision:

"(b) Any warrant officer or enlisted man of the permanent Coast Guard may be given an original temporary appointment under this act, under such regulations as the President may prescribe, and without reduction in pay or allowances. Notwithstanding such temporary appointment any such warrant officer or enlisted man shall be entitled to retirement in the same manner as though he had continued to hold his permanent grade or rating, and upon the termination of such temporary appointment shall be entitled to revert to such grade or rating. Service under any such temporary appointment shall be included in determining length of service as a warrant officer or enlisted man."

Page 3, line 4, strike out "(b)" and insert in lieu thereof "(c)."

Mr. BLANTON. Mr. Chairman, I make the point of order that the amendment is not germane either to the purposes of the bill or to the paragraph to which it is offered.

The CHAIRMAN. Does the gentleman from Texas desire to cite any authorities?

Mr. BLANTON. I call the Chair's attention to the wording of the bill and to that paragraph. This is merely for the benefit of certain officers in the Coast Guard and has no relevancy whatever to the purposes of this bill.

The CHAIRMAN. Does the gentleman from Massachusetts desire to be heard on the point of order?

Mr. WINSLOW. I think it is so apparently wrong that I will not make any remarks.

The CHAIRMAN. It looks to the Chair as though there were no question about the germaneness of this amendment. It deals with the subject and authorizes the President of the United States to do certain things in connection with the enforcement of this act, if it becomes an act. Among the things he is authorized to do is to appoint officers, and this amendment deals with the appointment of officers and indicates the source from which these officers shall come. The Chair overrules the point of order.

Mr. WINSLOW. Mr. Chairman and gentlemen, when the bill was under discussion before the committee there was doubt as to whether or not full justice would be done under the original provisions to those warrant officers who are now with the Coast Guard in the event of their being promoted for temporary service under the provisions of this bill. The committee came to the conclusion it would be all right and we passed the original bill, but afterwards a more careful study was made, and in order to protect the interests of those who might be advanced, so that they would not lose by virtue of receiving less salary or lose their status from the standpoint of length of service, but would have the full strength of their position when they might be returned to the regular service, this change was made.

Mr. BUTLER. Mr. Chairman, I move to strike out the last word of the amendment for the purpose of asking the gentleman a question or two. Was the advisability of taking into this service some of the reserve force of the Navy considered by the gentleman's committee?

Mr. WINSLOW. I will say to the gentleman from Pennsylvania that the subject was discussed in the committee and privately. The same trouble seemed to exist there that existed in respect of every other one of these efforts to bring the Navy within the scope of this bill. Quite likely they might be brought in and quite likely the Navy might under some conditions be used, but that would necessitate the untangling of a mass of detail and a lot of laws as well as the creation of new laws, which would simply hold back this effort.

The point is this: If we are to push this thing through now and give the department the benefit of this development of the Coast Guard, we will have to do it without taking in the Navy; but if later it is wise to take in Naval Reserve officers we can do it at the proper time.

Mr. BUTLER. Some of the most valuable men ever employed in the military forces are to be found in the Naval Reserve.

Mr. WINSLOW. There is not a doubt about that. [Cries of "Vote!" "Vote!" "Vote!"]

Mr. BUTLER. Certainly a man has some privilege here. These gentlemen do not quite understand what they are doing, I may suggest. [Applause.] There is a complication here. I understand it is the purpose to employ some of these reserves, and I want to know what is to become of their pay in their grades. They get but small salaries. Are they to have two pays? They get now what is called retainer pay. Under the act of 1916 many of these men have left the active service after 16 years of service or 20 years of service and get what is known as retainer pay. My purpose is to help you with the bill. If you want to pay men two salaries, all right. They may wish to employ some of these reserves, and if they do, in my judgment, they should have but one pay, and I had an amendment which I proposed to offer, but I do not want to complicate the gentleman's bill. The gentleman and myself are in perfect accord.

Mr. WINSLOW. Quite.

Mr. BUTLER. But I would like to assist, if I could, by suggesting that in the event these reserves are called into the temporary service of the Coast Guard they might be employed, and when this temporary need for their service is at an end they should have the opportunity of returning to the grades they left. For three or four years I have tried to help some of the enlisted men of the Navy get back from temporary service to their grades, and I have not yet succeeded, and I do not want to see a mistake made here.

Mr. WINSLOW. As I understand it, that is provided for.

Mr. BUTLER. No; the amendment of the gentleman does not provide for that. Your bill provides for a temporary force built from the inside of the Coast Guard, this splendid service which your committee has charge of. It does not reach those now outside. I can not see how the Government is to obtain the enlisted force which it may be necessary to have or how we shall increase it. However, I am perfectly willing to vote for the gentleman's bill as it is. It may be corrected, perhaps, later if we find it necessary to do so.

Mr. WINSLOW. The committee is entitled to have an explanation of that. My conception is that under this bill the Coast Guard can promote officers within and enlisted men, and can reach out and get others wherever they choose.

Mr. BUTLER. Officers; yes.

Mr. WINSLOW. Anybody.

Mr. BUTLER. The gentleman understands the general law, the organic law and the additions made to it, which provided for the Coast Guard, and the gentleman will know whether or not under the general law they are authorized to increase the enlisted force of the Coast Guard.

Mr. WINSLOW. They are authorized to do that under this bill.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BUTLER. I ask for an additional minute.

Mr. SNYDER. Ask for five minutes.

Mr. BUTLER. No. Gentlemen are extremely anxious to vote on this bill, and I am not here for the purpose of blocking it in any way. I want to assist the gentlemen in increasing the Coast Guard. I have never known any part of the military service or of the civil service that attracted more favorable attention of everybody than the Coast Guard. There never was a better set of men employed in the service of any country in any pursuit, and I want to see the bill made exactly right if I can; but I am ready to vote for the improvement of the Coast Guard, and I almost hesitate to make a suggestion.

Mr. SNYDER. Mr. Chairman, I move to strike out the last word. It does not seem to me that in a matter as important as this, that gentlemen who desire to talk on it for a moment or two, ought to be carried off their feet.

Mr. BUTLER. Mr. Chairman, I want to correct my statement. My attention has been called to the fact that the bill does provide for the situation I had in mind.

Mr. SNYDER. I want the gentlemen of this House to know that I favor this legislation. I believe in the enforcement of the law and I am for this bill because I want to give the President an opportunity to endeavor to enforce the law; but I have a great deal of sympathy with the men who think that the officers at least, for these ships, should be taken from the personnel of the Navy. These ships now belong to the Navy. Whom could we find better qualified to operate them than the men who have operated them in the past, and why should not the reserve officers of the Navy be used to man them?

Mr. WINSLOW. If the gentleman will yield, for the purpose of information, which I am sure the gentleman wants the committee to have——

Mr. SNYDER. I am trying to get a little information myself. I have not yet heard where you are going to get these officers or the enlisted men.

Mr. WINSLOW. The Navy Department and the Coast Guard have worked out this bill and have approved it. The ships are to come from tie-ups at the docks in the East River and down in the James River where they are now gathered like rats around a vault.

Mr. SNYDER. Mr. Chairman, I do not yield further in my time.

Mr. WINSLOW. And they are not manned and they have no officers. [Cries of "Vote!" "Vote!"]

Mr. SNYDER. Gentlemen will not take me off my feet by calling for a vote. I do not take much of the time of this House.

The gentleman says that these ships are tied up. That is probably true, but we want to get action upon this matter, because it is called a "temporary matter," and there is no question about the necessity for action, and if you have to appoint new officers and get new men it is going to take months to put these ships in operation, whereas if you use the men from the Navy or from the reserve force of the Navy you can man these ships and have them in operation inside of a month.

Mr. BARKLEY. Will the gentleman yield?

Mr. SNYDER. Yes.

Mr. BARKLEY. It is the purpose of the Coast Guard to get these officers wherever they can. They do not intend to wait until they have trained a new set of officers, but there are men who have heretofore been in the service who may be qualified, and there is nothing in this bill to prevent them from being employed.

Mr. SNYDER. Does the gentleman mean to say that we are carrying enough idle men or enough reserve men in the Coast Guard to man these ships?

Mr. BARKLEY. No; I do not mean to say that, but I mean to say that the Coast Guard may utilize such men as they may find who heretofore have served in the Navy or they may find them elsewhere.

Mr. SNYDER. There is no doubt but that there would be some conflict of authority in taking men from the Navy and

putting them aboard these ships, but that is a matter of detail which could be easily worked out, and if you gentlemen who are so anxious to enforce this law want to get enforcement quickly you should change this bill and take your men from the Navy, and you can put them in action within a week.

Mr. BARKLEY. There is no limitation upon the Coast Guard as to where they will get the men to man these ships.

Mr. SNYDER. I agree with that, but there would be no delay and no additional expense to the Government if you took these men from the Navy or the reserve force.

The CHAIRMAN. The time of the gentleman from New York has expired. The question is on the committee amendment.

The amendment was agreed to.

The Clerk read as follows:

SEC. 5. (a) Under such regulations as he may prescribe the President is authorized to appoint, by and with the advice and consent of the Senate, 25 temporary chief warrant officers of the Coast Guard from the permanent list of warrant officers of the Coast Guard.

(b) Such chief warrant officers shall receive the same pay, allowances, and benefits as commissioned warrant officers of the Navy, except that any such officer shall continue to hold his permanent grade and shall be retired in the same manner as though this act had not become law.

Mr. UPSHAW. Mr. Chairman and gentlemen, I am supporting this bill because I believe it is a step in the right direction. Very frankly, I think the gentleman from Texas [Mr. BLANTON], who opposes the bill, is opposing it—much to our regret and contrary to what we count his prohibition consistency—on the ground that it does not go far enough. I am for this bill and "then some," and the time may come very soon when I shall be in favor of a greater step.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. UPSHAW. Yes.

Mr. BLANTON. Why did not the gentleman support my proposition, which was a real prohibition proposition?

Mr. UPSHAW. Because I did not wish to defeat this bill, which is emergency legislation. The plan proposed by the gentleman from Texas is so sweeping that it needs to be well considered in committee, with all details perfected. One of the bravest things ever said in Washington was uttered not so long ago by Governor Neff, of Texas, when, speaking largely for the very things that Mr. BLANTON has proposed in his resolution, lifting his fearless voice for the majesty of the law and for the threatened ideals of America before our own eyes and the eyes of the world, he said that if he had his way and a foreign vessel came upon these shores to "dispute our laws, pull down our American flag, and trample our sober Constitution, the owners of the outlaw vessel would have to look for their ship at the bottom of the sea." This bill proposes seashore relief and efficiency now, and for that reason I am in favor of all that we can get without delay.

Another thing that I want to emphasize is the fact that it is a step in the right direction in smashing a certain immunity for those in high position—a kind of gilded political liquor immunity.

We have been allowing it to men with power until our prohibition department is shot through and through with politics, not because Commissioner Haynes is not "dry" and honest but because the law allows Members of the House and the Senate to go down there and help to have "wet" men appointed to enforce "dry" laws. For that reason I am in favor of the Cramton bill that will put all enforcement officers under civil service.

Mr. COOPER of Ohio. The gentleman realizes that it is not the foreign vessels that deliver the whisky to our shores. They are American boats, small craft, and that is what we want to stop.

Mr. UPSHAW. Yes, and that is the reason I am in favor of this bill. It will help to catch and destroy the defiant small craft now smuggling liquid damnation which the big naval vessels could not immediately reach. May I say this other word, pertinent to this very bill? I am turning over to that committee in the Senate which proposes to investigate the affairs of the Department of Justice some evidence that is positively shocking to this country. For instance, a millionaire named Remus, who was recently sentenced for bootlegging in Cincinnati, according to press reports, was permitted to ride to Atlanta to the Federal penitentiary in his private car. He is now receiving special attention with another millionaire bootlegger as his valet, if you please, in the Atlanta Federal penitentiary, and everybody knows that such favoritism is not being granted by the prison authorities down there, but somebody higher up is allowing that kind of devilment. The poor devil down yonder who violates the law concerning a gallon or a jug of illicit liquor is forced to suffer all of the humiliation possible, while the gilded millionaire who has grown rich out of the defiance of our laws and the blood of our American boys and girls is not even required to go to the big table and eat with the other criminals, but up in the room of the priest of that Federal penitentiary he is permitted to have special meals brought to him. I have in my pocket incontestible evidence of this millionaire's favoritism. Nobody blames the rich bootlegger for desiring and securing an easy time, but it is an outrage, and I shall ask the Senate committee, already in action, to extend its investigation to this glaring abuse by the Department of Justice.

Listen to a few lines from this startling letter, not from a prisoner but from a reputable citizen who knows the facts:

While Senator GREENE is near death, this institution is entertaining the "king of bootleggers." I can only hint at the real facts, but I can give you enough to convince you that a congressional investigation should be instigated at once. This king of bootleggers is too good to eat with the other prisoners and too good to sleep like them. He has privileges that the other prisoners do not have, and they are getting sore over it. * * * Other irregularities also need investigation.

This, gentlemen, gives an insight into the favoritism which the Department of Justice allows, for, as I have said, nobody believes that the authorities at the Federal prison would take such responsibility upon themselves. Let it be remembered that it is not a disposition to be unkind personally to this favored prisoner that causes me to publish this revelation, which, with other evidence, I will turn over to the Senate committee, but it is the basic purpose to see that, in prison as well as outside, there should be "equal rights to all and special privileges to none."

ANOTHER GREAT INJUSTICE.

And while this investigation is going on I hope they will go back a few months before the present head officials came to the Atlanta Federal prison and dig up the facts concerning an evident frame-up to destroy four of the most efficient and trustworthy employees in the prison. Through the testimony chiefly of dope fiends with bad records four men of long, faithful service were arrested and without any protest on their part to make handcuffs necessary they were handcuffed and carried through the streets in this humiliating fashion, a $5,000 bond demanded, and two or three of them thrown in jail because of their immediate inability to furnish such an exorbitant bond. To make short a long and outrageous story, these men were finally given their liberty and reinstated there or elsewhere in Government positions. If they were guilty, they should not have been returned to work, and if they were innocent the Government certainly ought to pay them for their lost time. That would be as little as any just government could do. Senator WILLIAM J. HARRIS and I have introduced companion bills to pay what is due these worthy men, but the inspectors and officials who caused their suffering ought to be brought to justice.

Let justice be done, though the heavens tumble down.

Mr. TAGUE. Mr. Chairman, I move to strike out the last word. I rise for the purpose of asking the Chairman if the amendment which I suggested to him could not be offered at this place? I want to bring to the attention of the committee something I believe the Chairman will accept. The members of the Coast Guard who have been serving in the Coast Guard for many years on account of the law of February, 1922, were deprived of the benefit of the pension laws of the Nation. When the war came on all of the members of the Coast Guard went into the naval service, and in going into the naval service at that time they were given the benefit of the pension laws which were given to the members of the Army and the Navy. When the Coast Guard was returned to the Navy they lost those privileges, but men who have gone into the Coast Guard since 1922 are given the benefit of all of the pension laws, while the men who served during the war and who served previous to 1922 are deprived of those benefits. I believe it is only fair to those men, now that they are obliged to go and do Navy service and take the risks they are taking every day, that they should be given the benefit of those laws. I refer especially to the men who do the shore duty. I have an instance which I can bring to the attention of the House where a man in the Coast Guard Service going along on his patrol saw some men landing a boat.

He went to help them and they were bootleggers. They hit him with a bottle and broke his skull. He is dead and out of the service and left a wife and child who do not come within the provisions of the pension law. Now I do not think

it is the intention of the House to do that, and I know the Chairman will accept the amendment of this kind, which I gave to him a few moments ago.

The CHAIRMAN. Does the gentleman offer the amendment?

Mr. TAGUE. I offer the amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. TAGUE: Page 8, line 23, after the period, insert the following: "All pension laws applicable to the Army and Navy shall apply to the personnel of the Coast Guard who are now serving or who served in the Coast Guard subsequent to August 28, 1919."

Mr. BLANTON. Mr. Chairman, I make the point of order.

Mr. HOCH. I make the point of order that the amendment is not germane to this bill or to this section.

The CHAIRMAN. The Chair sustains the point of order.

The Clerk read as follows:

SEC. 6. Under such regulations as he may prescribe, the Secretary of the Treasury is authorized to appoint temporary warrant officers, and to make special temporary enlistments, in the Coast Guard. No person shall be entitled to retirement because of his temporary appointment or enlistment under this section.

Mr. WINSLOW. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Committee amendment: Page 3, line 24, before the word "under," insert "(a)," and on page 4, after line 3, insert the following new provision: "(b) Any enlisted man in the permanent Coast Guard may be appointed as a temporary warrant officer. Notwithstanding such temporary appointment any such enlisted man shall be entitled to retirement in the same manner as though he had continued to hold his permanent rating, and upon the termination of such temporary appointment shall be entitled to revert to such rating. Service under such temporary appointment shall be included in determining the length of service as an enlisted man."

Mr. BLANTON. I make a point of order this is looking entirely to a new subject and not germane to the other purposes of the bill or to the paragraph.

Mr. WINSLOW. It has the same purpose.

The CHAIRMAN. The Chair overrules the point of order. The question is on agreeing to the amendment.

The question was taken, and the amendment was agreed to.

Mr. FRENCH. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. FRENCH: On page 4, after line 3, insert a new section, as follows:

"SEC. 7. Temporary appointment of any member of the Naval Reserve Force to any enlisted or commissioned grade in the Coast Guard shall not prejudice his status in the Naval Reserve Force when his temporary services in the Coast Guard shall have terminated. While serving as Coast Guard the members of the Naval Reserve Force shall not be entitled to retainer pay or any other special privileges by reason of their temporary service in the Navy or Naval Reserve Force, except that service in the Coast Guard may be counted as service in the Naval Reserve Force."

Mr. FRENCH. Mr. Chairman, the Coast Guard will probably draw its ablest men under this bill from the Naval Reserve. We have several thousand men who are now enrolled with the Naval Reserve or are members of the Fleet Reserve who have had years of naval service. Some of these men have served 16 years and some 20 years who are to-day drawing retainer pay. Those who served 16 years and under 20 draw retainer pay to the extent of 50 per cent of their rating in the naval service, and those who served 20 years are drawing two-thirds pay of their respective ratings upon retirement. Many of these men entered the Naval Reserve Force in order that we might reduce the size of the personnel of the Navy. In order to make an inducement for them to go into the Naval Reserve Force two or three years ago we passed a voluntary retirement law so they might occupy this status in the Naval Reserve Force and withdraw from the higher-paid ratings of the Navy. The effect of this amendment that I have offered will be to permit the Coast Guard to have the advantage of the long and valuable experience of these men, and not cause them to forfeit their right to be members of the Naval Reserve when they shall withdraw from the service with the Coast Guard.

Another provision is that during the period they may serve with the Coast Guard they will not receive retainer pay. Thus you will save to the Government probably thousands of dollars that you are now paying as retired pay or retainer pay. We are paying to men of the various classes to-day more than $5,000,000. They are men who are standing by; they are performing valuable service in standing by because they will be of incalculable service in the event of war. Here, however, is an opportunity for the Coast Guard to have the service of well-trained, valuable men, who thus will be retaining their efficiency, while, on the other hand, the Government will be spared the necessity of paying for their service as members of the reserve force.

Mr. BLANTON. I withdraw the point of order.

Mr. WINSLOW. The committee will not object to the amendment.

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was agreed to.

Mr. SCHAFER. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Wisconsin moves to strike out the last word.

Mr. SCHAFER. Mr. Chairman, I move to strike out the last word. I do so, Mr. Chairman, for the purpose of asking a question of any member of the committee who may be able to answer it. The question is this: Am I correct in assuming that the enlisted men who will man these boats will be employed only temporarily as per section No. 6? I ask this question for the reason that during the past summer I tried to obtain the release of an enlisted man in the Revenue Cutter Service, on the revenue cutter *Tuscarora*, operating on Lake Michigan, and was unable to obtain his speedy release, owing to the fact that efficient men were not at hand to fill the vacancy which would occur.

I can not see for one moment how you are going to procure competent and qualified enlisted men and a sufficient number of efficient enlisted men if you are going to employ them only for a temporary period, when they will not know whether it will be a week or a month.

Mr. BUTLER. If the gentleman will permit me, under the amendment which was just adopted, the one offered by the gentleman from Idaho [Mr. FRENCH], I can assure the gentleman that they are likely to get all they desire to have from what is known as the Reserve Force, men not actively employed.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn. The Clerk will read.

The Clerk read as follows:

SEC. 7. Nothing contained in this act shall operate to reduce the grade, rank, pay, allowances, or benefits that any person in the Coast Guard would have been entitled to if this act had not become law.

Mr. WINSLOW. Mr. Chairman, I would like to offer an amendment, to change the number "7" to the number "8" as a section number.

The CHAIRMAN. The gentleman from Massachusetts offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. WINSLOW: Page 4, line 4, strike out the figure "7" and insert the figure "8."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The CHAIRMAN. The Clerk will report the amendment offered some time ago by the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Chairman, on page 4, line 7, after the word "law," insert a new section, to be known as section 9.

The Clerk read as follows:

Amendment offered by Mr. CELLER: Page 4, line 7, after the word "law," insert a new section, to be known as section 9, as follows: "Acts or parts of acts inconsistent with or contrary to the provisions of this act are hereby repealed."

Mr. BLANTON. Mr. Chairman, I make a point of order against that on the ground that it is not in order. That would repeal the naval act and many provisions of our Coast Guard act. It might repeal some of the provisions of our prohibition act, and it is not so intended. It is not in accordance with the purposes of the bill.

Mr. CELLER. Mr. Chairman, will the Chair hear me on the point of order?

Mr. DYER. Mr. Chairman, I make a point of order also, that this provision is not necessary and is purely surplus.

The CHAIRMAN. The Chair will hear the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Chairman, I have in mind a specific statute passed many years ago which undoubtedly would be inconsistent with some of the terms of this present enactment. That particular statute provides that all surplus vessels of the Navy are compelled to remain in convenient and ordinary ports. If you have such a statute, I can not see how the Navy can loan its vessels to the Coast Guard for the purposes enumerated in this bill. For that reason I think this amendment is quite proper and in order.

The CHAIRMAN. The Chair held that the amendment could be offered, and overrules the point of order. The question is on agreeing to the amendment.

The amendment was rejected.

Mr. WINSLOW. Mr. Chairman, I move that the committee do now rise and report the bill and amendments to the House with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. MADDEN, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having under consideration the bill (H. R. 6815) to authorize the temporary increase of the Coast Guard for law enforcement, had directed him to report the same back to the House with the sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. WINSLOW. Mr. Speaker, I move the previous question on the bill and all amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gross.

Mr. HILL of Maryland. Mr. Speaker, is it in order to move to recommit now?

The SPEAKER. It is not. The question is on agreeing to the amendments.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill as amended.

Mr. BLANTON. Mr. Speaker, I demand the reading of the engrossed copy.

The SPEAKER. The gentleman from Texas demands the reading of the engrossed copy. The engrossed copy is not ready.

ALLEGED CHARGES AGAINST TWO MEMBERS OF CONGRESS—INVESTIGATING COMMITTEE.

The SPEAKER. The Chair wishes to appoint as members of the committee authorized by the vote of the House to-day to consider the question of the report of the grand jury in Chicago Mr. BURTON, Mr. PURNELL, Mr. MICHENER, Mr. WINGO, and Mr. MOORE of Virginia.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Craven, its Chief Clerk, announced that the Senate had passed without amendment bills of the following titles:

H. R. 5337. An act granting the consent of Congress to construct a bridge over the St. Croix River between Vanceboro, Me., and St. Croix, New Brunswick;

H. R. 5348. An act granting the consent of Congress for the construction of a bridge across the St. John River between Fort Kent, Me., and Clairs, Province of New Brunswick, Canada; and

H. R. 5624. An act authorizing the construction of a bridge across the Ohio River to connect the city of Benwood, W. Va., and the city of Bellaire, Ohio.

The message also announced that the Senate had passed Senate joint resolutions of the following titles, in which the concurrence of the House of Representatives was requested:

S. J. Res. 76. Joint resolution authorizing the maintenance by the United States of membership in the International Statistical Bureau at The Hague;

S. J. Res. 77. Joint resolution authorizing the appointment of delegates to represent the United States at the seventh Pan-American Sanitary Conference to be held at Habana, Cuba, in November, 1924; and

S. J. Res. 79. Joint resolution to provide for the representation of the United States at the meeting of the Inter-American Committee on Electrical Communications to be held in Mexico City beginning March 27, 1924.

SENATE JOINT RESOLUTIONS REFERRED.

Under clause 2, Rule XXIV, Senate joint resolutions of the following titles were taken from the Speaker's table and referred to their appropriate committees as indicated below:

S. J. Res. 76. Joint resolution authorizing the maintenance by the United States of membership in the International Statistical Bureau at The Hague; to the Committee on Foreign Affairs.

S. J. Res. 77. Joint resolution authorizing the appointment of delegates to represent the United States at the Seventh Pan-American Sanitary Conference to be held at Habana, Cuba, in November, 1924; to the Committee on Foreign Affairs.

S. J. Res. 79. Joint resolution to provide for the representation of the United States at the meeting of the Inter-American Committee on Electrical Communications to be held in Mexico City beginning March 27, 1924; to the Committee on Foreign Affairs.

LEAVE OF ABSENCE.

Mr. JACOBSTEIN, by unanimous consent, was granted leave of absence, for one week, on account of illness.

EXTENSION OF REMARKS.

Mr. WINSLOW. Mr. Speaker, I ask unanimous consent that all Members shall be allowed five legislative days in which to extend their remarks on the bill (H. R. 6815) to authorize a temporary increase of the Coast Guard for law enforcement.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. UPSHAW. Mr. Speaker, does that allow me to extend my remarks on the bill just passed?

The SPEAKER. Yes.

Mr. HERSEY. Mr. Speaker, I ask unanimous consent to extend my remarks on the resolution of investigation.

The SPEAKER. Is there objection to the request of the gentleman from Maine?

There was no objection.

INCREASE OF COAST GUARD FOR LAW ENFORCEMENT.

Mr. CELLER. Mr. Speaker and gentlemen of the House, it seems because of prohibition we lose some of our senses. As soon as the word "prohibition" is mentioned, some of the Members of the House become mentally lopsided. H. R. 6815 authorizes an increase of the Coast Guard for prohibition enforcement and involves a yearly expenditure of $13,000,000. One can not look with complacency upon such a project. We recently voted $10,000,000 for the enforcement of prohibition and now we are to add $13,000,000 in a futile attempt to make the sea dry after having ingloriously failed to make the country dry. A careful reading of this bill shows it is merely a stalking horse for the use of the military and naval forces of the country for the enforcement of prohibition. The bill provides for the use of mine sweepers, torpedo boats, and many other engines of war.

Aside from common-sense objections there is to my mind a constitutional one. The gentleman from Texas [Mr. BLANTON] a moment ago asked anyone to tell him what constitutional objections there were and nobody seemed to answer him. I, however, reserved my right to answer until I had the floor.

Story on the Constitution says—

> The power to raise armies is an indispensable incident to the power to declare war.

And when the term "armies" is used it always means the Army, Navy, and Marine Corps.

The logical inference to be drawn is that the Army and the Navy are primarily vehicles for carrying on of war. It is true that the Coast Guard can be used in times of peace for the enforcement of civil law, but there is never found in the Coast Guard mine sweepers, torpedo boats, and destroyers. They would not dare use openly the vessels of the Navy to enforce prohibition. They simply transfer the naval vessels to the Coast Guard, and then have the hardihood to say that the Navy is not being used, but that it is the Coast Guard that is being used.

Hamilton, in the Federalist, many years ago said:

> It was said that Congress, having an unlimited power to raise and support armies, might, if in their opinion the general welfare required it, keep large armies constantly on foot and thus exhaust the resources of the United States. There is no control on Congress as to numbers, stations, or government of them. They may billet them on the people at pleasure. Such an unlimited authority is most dangerous and in its principles despotic, for, being unbounded, it must lead to despotism. We shall, therefore, live under a government of military force. In re-

spect to times of peace it was suggested that there is no necessity for having a standing army, which had always been held under such circumstances to be fatal to public rights and political freedom.

I need not comment on the language used by Hamilton, but let me quote something else that is found in Story on the Constitution with reference to what the Attorney General said about the unconstitutionality of the bill before us:

It may be admitted that standing armies may prove dangerous to the State. But it is equally true that the want of them may also prove dangerous to the State. What, then, is to be done? The true course is to check the undue exercise of the power, not to withhold it. This the Constitution has attempted to do by providing that "no appropriation of money to that use shall be for a longer term than two years." Thus, unless the necessary supplies are voted by the representatives of the people every two years, the whole establishment must fall. Congress may, indeed, by an act for this purpose disband a standing army at any time, or vote the supplies only for two years or for a shorter period.

There is nothing in the bill which provides that these torpedo boats, revenue cutters, mine sweepers, and so forth, shall be used for a period of two years. The bill provides for their temporary use. The word "temporary" is relative and may mean one year or a dozen years. In so far as the appropriation is made for a period that may be longer than two years, I say that the act is unconstitutional. Furthermore, I call to mind that Chief Justice Taft, not so long ago, stated that the military and naval forces can not be used for the enforcement of civil law.

Article 1, section 8, clause 12, provides that—

Congress shall have power * * * to raise and support armies, but no appropriation of money to that use shall be for a longer term than two years.

Clause 13 provides that—

Congress shall have power * * * to provide and maintain a Navy.

Clause 14 provides that—

Congress shall have power * * * to make rules for the government and regulation of the land and naval forces.

These clauses contain the total sources of power of Congress over the Army and Navy. Careful search of the cases in the Supreme Court shows that this power involves power to conscript soldiers to suppress insurgency and rebellion; to establish naval academies; to provide for punishment of desertion and other crimes by courts-martial, and so forth; but nowhere do we find any express right given to use the military or naval arms of the Government to enforce our municipal or national law. In so far as the power of the Federal Government is a limited one, and furthermore, since the power to enact the instant proposal can not be found in any express or implied provision of the Constitution, I shall vote against it.

The people of the country are becoming restive under prohibition. They find homes invaded, their suit cases opened, and their public officials shot down in cold blood. There is no longer right of castle. Nothing is any longer sacred to the prohibition enforcement officials. How long must we endure it all? Prohibition has ushered in an utter disregard of law and order. Is it worth the price? Under the mockery of law enforcement we would fritter away the whole Treasury only to find more drinking and more drinkers. Prohibition is upon our backs like an incubus, breeding deceit, dishonesty, and chicanery.

Let me call attention to the fact that there has just been had a "wet" and "dry" poll of votes over the radio, conducted by the Zenith WJAZ broadcasting station at Chicago, Ill. The results were as follows:

Nearly 46,673 men and women throughout the United States telegraphed Station WJAZ between the hours 10 p. m., Saturday night, March 8, and 10 p. m., Sunday night, March 9.

These 46,673 people telegraphed their votes from every State in the Union, from homes on farms and in cities, from clubs and hotels, from mansions and from bungalows. No truer reflection of public opinion on the subject could be obtained—

United States wet	34,185
United States dry	12,483
Total	46,668

The advocates of prohibtion are never satisfied. They will never learn. There are none so blind as those who will not see. These $23,000,000 we give is a rope of sand. Each year they will want more and more. They are as insatiate as the grave.

Is prohibition worth the price?

MEMORIAL ADDRESS ON WOODROW WILSON.

Mr. MAJOR of Missouri. Mr. Speaker, I ask unanimous consent to insert a memorial address delivered by Rev. J. Marvin Culbreth at the memorial services for Woodrow Wilson held at Fayette, Mo., on Sunday, February 10, 1924.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

WOODROW WILSON—AN INTERPRETATION.

(By Rev. J. Marvin Culbreth.)

Every great man is, in part, the product of the soil to which he is attached. Changes in climate produce variations in character. With the very blood are mixed the elements which give distinctive richness to different localities.

Woodrow Wilson was nurtured, first of all, under the kindly shelter of Virginia mountains. His eyes early learned to gaze upon the summits of the hills that stood round about his valley home. All unaware, he imbibed something of their stability, grandeur, and majestic poise. Then he lived between the river and the sea. The river became to him a symbol of life rising in the mountain fastnesses and flowing to the plain,

"Where cities did crowd to its edge
In a blacker incessanter line,"

and passing on to mingle with "the murmurs and scents of the infinite sea." The marsh into which the ocean poured its tide sang to him in myriad voices of the "infinite greatness of God," and the sea itself boomed out to his listening ear the wisdom, the catholicity, of the human mind.

Among the whispering oaks of Guilford County, N. C., he tarried for a while as a college student, and later adjusted himself to the sharply intellectual atmosphere of the East, where he received the final bent toward his career in the stormy arena of political action.

It is impossible to understand the career of Woodrow Wilson without admitting, to begin with, that he was a man of destiny.

He believed himself destined for greatness. As a youth he carried the air of one set apart for extraordinary undertakings. This may be accounted for in part by the theology in which he was nurtured. Calvinism was always right in teaching that God designed some men for greatness. Armenians are right, too, in believing that personal initiative and choice play a part. In his experience Wilson clearly enough combined the two systems. The gleam flashed before his eyes, and he followed it. The heavenly vision burst upon him, and he was not disobedient. It can not be doubted that in what he attempted as well as in what he so rigidly adhered to he was controlled by this abiding conviction. It is the one consideration which may explain what might be called his intellectual fanaticism. But this trait lay deeper than the dogmas of formal theology. It was centered in the magnetism of Jesus Christ, for Woodrow Wilson submitted to Him as the right man. His steadfastness of purpose was grounded in obedience to the captain of his soul.

It was a great mistake, as his political enemies as well as friends soon found out, to think of Mr. Wilson as an impractical school man elevated by the accidents of politics to the position of nominal leadership. Woodrow Wilson was trained for statecraft.

As an undergraduate he became interested in the study of the science of government. He deliberately divided his time between the subjects assigned in the curriculum and an independent investigation of the parliamentary system of Great Britain. At Johns Hopkins he pursued graduate courses in the same field. As lecturer at Princeton University he won fame as an authority in political science. It is not surprising that when he came to the Presidency he followed the conceptions of government which he had been maturing through all these years.

Those who would have used Mr. Wilson to serve their preferred designs could not have been ignorant of his academic equipment. What they failed to reckon with was his superb ability to "labor as he knew," to translate theory into fact, to exalt principle in courageous conduct.

The student of history is often surprised by the recurrence of absolutism in government. When parliamentary arrangements break down or themselves become oppressive, now and then a master will assumes control and rules by his own decision. Woodrow Wilson was an absolutist. Of course, there were checks and balances which he loyally recognized. But his was the spirit of an absolute ruler. The temper if not the blood of the Tudors was his heritage. He announced and upheld the principle that "the President is at liberty, both in law and conscience, to be as big a man as he can." The method of Woodrow Wilson as well as the results he achieved show a parallel to the spirit and deeds of a benevolent absolutist.

He found himself in the position of supreme command. He gave orders and required obedience. Then there was an outcry against Executive interference. Small men with only one thought, and that to cater to the aimless whims of a largely indifferent constituency,

chafed under the authority of the President. Enemies without the party and also within raised the cry of revolt. Wilson has been bracketed with Lincoln as one who suffered at the hands of his contemporaries the bitterest denunciation and criticism. Some even among his warmest admirers called in question his wisdom and impeached his motives.

In his appraisal of Wilson, Lloyd-George says that "he walked on his weaker opponents, a dangerous policy for a great man. One can trample on great men, but not little men; there are too many of them." Was this, if true, due to "malice or cold disdain"? Was it an unfortunate manifestation of temperament? Or was it a necessary phase of Wilson's idealism? Of this I shall speak later. There is a more obvious justification for the President's absolutism.

Look at the work he accomplished. Take away his habit of command and you make impossible the shining achievements which signalized his career.

At Wesleyan College the young professor, also serving as coach, took a hopelessly outclassed football team and whipped it into shape to wrest victory from a university squad. "Go in to win" was the young professor's command to the faltering eleven. And they won.

At Princeton he set himself against the traditions of the school, defied the opposition of colleagues and students, and braved the wrath of an aroused alumni by seeking to make living conditions among the students more democratic.

As Governor of New Jersey one of his first acts was to compel party leaders to deal fairly with a man who had been nominated in the primary only to be threatened with rejection in the election by the perfidy of the party bosses. And the world plentifully applauded the vigorous laws he pushed through against predatory trusts.

When Mr. Wilson became President it was not by the deliberate choice of the people or because he was the leader of his party, but solely "by the negative merit of availability." He received only 6,291,000 votes, fewer than Bryan received each time he was defeated. He became a minority President and had behind him a party without a specific program.

But see what he accomplished.

The revision of the tariff, representing a reduction in the level of rates of at least 10 per cent.

The Federal reserve act, which "assumed the character of a political miracle."

The Children's Bureau, which was a first step toward lifting babies to an equal footing with pigs in the estimation of the Government.

The seamen's act, which applied humanitarian consideration to the treatment of American sailors in all parts of the world.

The repeal of the Panama tolls exemption bill by which America had evaded honorable engagements assumed in treaties with Britain and France.

The payment to Colombia of $25,000,000 for the territory taken for the use of the canal.

The Adamson law, recognizing the principle of union labor and establishing an 8-hour day for transportation industries.

Finally, the conduct of the war. The gigantic preparedness program, the miracle of thorough maintenance, the terrible effectiveness of force without stint in beating back the German millions.

Over against these victories there is recorded a single failure, a single defeat, so colossal in proportions, so full of possibilities of poignant suffering, that to many it outbalances all that was won. This was the failure of the effort of Mr. Wilson to commit America to an honorable participation in world peace as he had led his country in an honorable participation in the World War. His failure was attributed, even by many sincere friends, to his spirit of absolutism. For the sake of an empty show of ratifying the treaty, many counselors would have emasculated the President of the very virtue by which he had achieved success in former enterprises. Of this I shall speak again.

The matter that concerns us now is to understand the meaning of this defeat.

It is already clear enough that the failure to get the treaty ratified by the United States Senate furnishes the background against which the idealism of Woodrow Wilson is vividly shown. From the obscurest quarter of the globe have come recognitions of the transcendent unselfishness of our martyred President. His irreconcilable enemies have coupled their strongest denunciations with a confession of his surpassing idealism.

What kind of idealism was it that Woodrow Wilson had?

It was intelligible. And it was expansive. It was not capable of being contracted. It has proved intelligible to 51 nations! It is not fully comprehended yet, but it has made a successful initial appeal to uncounted millions of common people. And the limit of its power does not yet appear.

The cloven foot of the beast that turned America from following Wilson has been revealed in two very recent incidents. When certain Senators resorted to the puerile and contemptible attempt to compromise the American peace award, they betrayed the cunning and sinister motives which all along have actuated the enemies of the League of Nations. And when the German Government denied its representative the requested privilege of extending official condolence at the death of Mr. Wilson, the power that was largely responsible for his defeat in this, his own country, showed its hyphenated head.

But let us dismiss a phase of the subject so irritating, so revolting, and turn to the dream for which Mr. Wilson staked all and lost.

It was a dream of world peace based upon restitution for wrongs inflicted, confidence in diplomacy, frankness in dealing with the common people, equality of opportunity for all, and unfettered nationalism. He challenged the world to accept these aims. He called upon strong governments to assist the weak to become partners with themselves in the grand enterprise. He applied to the Nation the same rule of service that our Christian confession applies to the individual. He brought us measurably nearer to the day—

"When war drums throb no longer and the battle flags be furled
In the parliament of man, the federation of the world."

Finally, it is necessary to account for the fact that Woodrow Wilson's idealism survived the shock of defeat. It did so because the man was incorruptible.

There is undeniably pathos in his loss of friendships. But there is unmistakable grandeur and nobility in the fact Mr. Bryan, Mr. Garrison, Mr. Page, Mr. Lansing, to mention only the most conspicuous examples, failed to hold his confidence, though some of them may not have suffered in his esteem. To what is this painful inability to keep on terms with once trusted counselors ascribable? To peevish, unreasonable, arrogant, self-opinionated conceit? Many would have us think so. But there is a different explanation. It was due to his horror of betraying his ideal. When an opinion shaded off into disloyalty to his dream as he had conceived it and fought for it, he simply was bound to show antagonism. Who knows but that if those individuals closely connected with him in making the treaty had not weakened, had not advised concessions, the enemies of the covenant might never have gained strength for successful opposition. Woodrow Wilson could not be corrupted or weakened by the wavering of his chosen friends. For loyalty to his ideal he paid the price of separation from men whom he sorely needed and all too sadly missed.

So he was a pathetic figure as he neared the end. But in noble dignity he bore this affliction of the heart, as he endured the lesser affliction of the body, and closed his spoken message to the world that rejected him with the strangely apostolic words:

"I am ready!"

ADJOURNMENT.

Mr. WINSLOW. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 23 minutes p. m.) the House adjourned until to-morrow, Thursday, March 13, 1924, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

396. Under clause 2 of Rule XXIV, a letter from the Secretary of Agriculture, transmitting a report for the fiscal year ended June 30, 1923, concerning the appropriations for the construction of rural post roads in cooperation with the States, the Federal administration of this work, and the survey, construction, and maintenance of roads and trails within or only partly within the national forests, was taken from the Speaker's table and referred to the Committee on Roads.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. LANGLEY: Committee on Public Buildings and Grounds. S. 211. An act to provide for the building of a conservatory and other necessary buildings for the United States Botanic Garden; with amendments (Rept. No. 286). Referred to the Committee of the Whole House on the state of the Union.

Mr. FULBRIGHT: Committee on Invalid Pensions. H. R. 5936. A bill to extend the provisions of the pension act of May 11, 1912, to the officers and enlisted men of all State militia and other State organizations that rendered service to the Union cause during the Civil War for a period of 90 days or more, and providing pensions for their widows, minor children, and dependent parents, and for other purposes; without amendment (Rept. No. 287). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. HULL of Iowa: Committee on Military Affairs. H. R. 5274. A bill to authorize the Chicago, Milwaukee & St. Paul

Railway Co. to construct and operate a line of railroad across Fort Snelling Military Reservation in the State of Minnesota; without amendment (Rept. No. 285). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. KAHN: A bill (H. R. 7845) to amend section 210 of the war risk insurance act; to the Committee on World War Veterans' Legislation.

By Mr. CASEY: A bill (H. R. 7846) to extend the time for the construction of a bridge across the north branch of the Susquehanna River from the city of Wilkes-Barre to the borough of Dorranceton, Pa.; to the Committee on Interstate and Foreign Commerce.

By Mr. HUDSON: A bill (H. R. 7847) for the purchase of land in Oakland township, Oakland County, Mich., to be used for a rifle range; to the Committee on Military Affairs.

By Mr. JOHNSON of Texas: A bill (H. R. 7848) to provide for the erection of a post-office building at Groesbeck, Tex.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 7849) to provide for the enlargement and remodeling of the post-office building at Bryan, Tex.; to the Committee on Public Buildings and Grounds.

By Mr. SIMMONS: A bill (H. R. 7850) to authorize the deferring of payments of reclamation charges; to the Committee on Irrigation and Reclamation.

By Mr. SUTHERLAND: A bill (H. R. 7851) to amend the act entitled "An act to establish a bureau of immigration and naturalization and to provide a uniform rule for the naturalization of aliens throughout the United States"; to the Committee on Immigration and Naturalization.

By Mr. SCHAFER: A bill (H. R. 7852) to enlarge and extend the post-office building in Milwaukee, Wis.; to the Committee on Public Buildings and Grounds.

By Mr. WOLFF: A bill (H. R. 7853) for the purchase of a post-office site at Flat River, Mo.; to the Committee on Public Buildings and Grounds.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BACON: A bill (H. R. 7854) for the adjudication and determination of the claims arising under the extension by the Commissioner of Patents of the patent granted to Frederick G. Ransford and Peter Low as assignees of Marcus P. Norton, No. 25036, August 9, 1859; to the Committee on the Post Office and Post Roads.

By Mr. COLE of Ohio: A bill (H. R. 7855) granting a pension to Lewis Corfman; to the Committee on Invalid Pensions.

By Mr. DALLINGER: A bill (H. R. 7856) to correct the military record of Thomas F. Cooney; to the Committee on Military Affairs.

By Mr. ELLIOTT: A bill (H. R. 7857) granting a pension to Almira M. Mitchell; to the Committee on Invalid Pensions.

By Mr. FAIRFIELD: A bill (H. R. 7858) granting a pension to Catherine M. Cleland; to the Committee on Invalid Pensions.

By Mr. GARRETT of Texas: A bill (H. R. 7859) for the relief of the Houston (Tex.) Chamber of Commerce, and the Hermann Hospital estate, and Bertha E. Roy, and Max A. Roy, and J. M. Frost, and J. J. Settegast; to the Committee on Claims.

By Mr. GLATFELTER: A bill (H. R. 7860) granting an increase of pension to Mary A. Brenaman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7861) granting an increase of pension to Emma Kauffman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7862) granting an increase of pension to Emaline Sloat; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7863) granting an increase of pension to Euphenia Spangler; to the Committee on Invalid Pensions.

By Mr. KIESS: A bill (H. R. 7864) granting a pension to Blanch H. Sims; to the Committee on Invalid Pensions.

By Mr. McLEOD: A bill (H. R. 7865) granting an increase of pension to Mary Jane Wilking; to the Committee on Invalid Pensions.

By Mr. NEWTON of Minnesota: A bill (H. R. 7866) granting a pension to Bridget M. Carpenter; to the Committee on Invalid Pensions.

By Mr. OLDFIELD: A bill (H. R. 7867) granting a pension to Nancy J. Bryant; to the Committee on Pensions.

By Mr. PEAVEY: A bill (H. R. 7868) for the relief of Frank Murray; to the Committee on Claims.

By Mr. REED of West Virginia: A bill (H. R. 7869) for the relief of Allen Nichols; to the Committee on Military Affairs.

Also, a bill (H. R. 7870) for the relief of William A. Calloway; to the Committee on War Claims.

By Mr. SCHAFER: A bill (H. R. 7871) granting a pension to Charles W. Dencker; to the Committee on Pensions.

By Mr. SIMMONS: A bill (H. R. 7872) granting an increase of pension to Mary J. Kimbell; to the Committee on Invalid Pensions.

By Mr. SMITHWICK: A bill (H. R. 7873) granting a pension to Louis D. Robinson; to the Committee on Pensions.

By Mr. SNELL: A bill (H. R. 7874) granting a pension to Lottie A. Bowhall; to the Committee on Invalid Pensions.

By Mr. THOMAS of Kentucky: A bill (H. R. 7875) granting a pension to Mary Ann Newkirk; to the Committee on Invalid Pensions.

By Mr. TIMBERLAKE: A bill (H. R. 7876) granting a pension to Louise E. Shull; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1688. By the SPEAKER (by request): Petition of city council of the city of Chicago, favoring a strict enforcement of laws regarding the traffic in habit-forming drugs; to the Committee on Ways and Means.

1689. By Mr. ALDRICH: Petition of Washington Council, No. 2, Junior Order United American Mechanics, of Providence, R. I., favoring passage of the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1690. Also, resolution of Workmen's Circle, Branch 110, of Providence, R. I., protesting against the passage of the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1691. Also, resolution adopted by Narragansett Council, No. 28, Sons and Daughters of Liberty, of East Greenwich, R. I., urging passage of the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1692. By Mr. ARNOLD: Petition of employees of the Mount Carmel, Ill., post office, asking that favorable action be taken by the House on House bill 7016; to the Committee on the Post Office and Post Roads.

1693. By Mr. CULLEN: Petition of the New York State Forestry Association, indorsing the movement which resulted in the planting of nearly 9,000,000 forest trees in the State last year as a measure of first economic importance to the State, and approving the provisions of the McNary bill (S. 1182) and the Clarke bill (H. R. 4830) for the purpose of bringing about continuous forest production on all land chiefly suitable therefor; to the Committee on Agriculture.

1694. Also, petition of the Brooklyn-Long Island Camp, No. 16, Woodmen of the World, favoring the passage of the Edge-Kelly bill, granting an increase in salary to postal employees; to the Committee on the Post Office and Post Roads.

1695. By Mr. GALLIVAN: Petition of Jesse F. Stevens, the adjutant general of the Commonwealth of Massachusetts, recommending early and favorable consideration of House bill 4820; to the Committee on Military Affairs.

1696. Also, petition of Sisterhood and the Men's Club of the Congregation Beth Hamadrash Hagodol, Boston, Mass., protesting against the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1697. By Mr. GARNER of Texas: Petition of Retail Merchants' Association of Granger, Tex., and Retail Merchants' Protective Association, of Denison, Tex., indorsing increase of postage on second-class matter, reduction of 1 cent on drop and rural-route letters; to the Committee on the Post Office and Post Roads.

1698. Also, petition of Retail Merchants' Credit Rating Association, of Port Arthur, Tex., indorsing increase of postage on second-class matter, reduction of 1 cent on drop and rural-route letters; to the Committee on the Post Office and Post Roads.

1699. By Mr. HICKEY: Petition of Elkhart Branch of the Railway Mail Association, Chicago, favoring increased compensation for postal employees; to the Committee on the Post Office and Post Roads.

1700. By Mr. KELLY: Petition of Braddock Lodge, No. 516, J. O. B. B., Braddock, Pa., opposing provisions of the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1701. Also, petition of Railway Postal Clerks, St. Paul, Minn., favoring the Kelly-Edge postal reclassification bill; to the Committee on the Post Office and Post Roads.

1702. By Mr. KING: Petition of the Henry County (Ill.) Farm Bureau, in favor of the McNary-Haugen bill and against the Norbeck bill and the Williams amendment to the packers' stockyards control bill; to the Committee on Agriculture.

1703. By Mr. LEAVITT: Petition of Spanish-American War veterans of the Jack Foster Camp, No. 5, Soldiers' Home, Hot Springs, S. Dak., indorsing the Knutson and Bursum pension bills (H. R. 5934 and S. 5); to the Committee on Pensions.

1704. By Mr. McNULTY: Petition of Essex County Pharmaceutical Association of New Jersey, favoring House bills 6 and 11; to the Committee on Interstate and Foreign Commerce.

1705. Also, petition of Franklin Camp, No. 29, Department of New Jersey, United Spanish War Veterans, urging the passage of House bill 5934; to the Committee on Pensions.

1706. By Mr. NEWTON of Minnesota: Petition of Mr. August J. Rick and other residents of the Minnesota Soldiers' Home, urging the passage of the Bursum bill (S. 5) and the Knutson bill (H. R. 5934); to the Committee on Pensions.

1707. By Mr. O'CONNELL of Rhode Island: Petition of members of the Workmen's Circle, Branch 110, of Providence, R. I., opposing the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1708. By Mr. STRONG of Kansas: Petition of Chamber of Commerce of Herington, Kans., opposing changes in the transportation act at this time; to the Committee on Interstate and Foreign Commerce.

1709. By Mr. STRONG of Pennsylvania: Petition of citizens of Rathmel, Pa., and vicinity, in favor of the Johnson-Lodge immigration bill; to the Committee on Immigration and Naturalization.

1710. Also, petition of Charles B. Gillespie Unit, No. 110, American Legion Auxiliary, Freeport, Pa., in favor of adjusted compensation for World War veterans; to the Committee on Ways and Means.

1711. By Mr. TEMPLE: Petition of a number of residents of Canonsburg, Pa., in support of the adjusted compensation bill; to the Committee on Ways and Means.

1712. By Mr. WATSON: Petition from members of the Norriton-Lower Providence Presbyterian Church, favoring that the motion-picture industry be placed under more direct control of the Federal Government; to the Committee on Interstate and Foreign Commerce.

SENATE.

THURSDAY, *March 13, 1924.*

(Legislative day of Wednesday, March 12, 1924.)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Mr. JONES of Washington. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. CURTIS in the chair). The Secretary will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Ferris	McCormick	Sheppard
Ashurst	Fess	McKellar	Shipstead
Ball	Fletcher	McKinley	Simmons
Bayard	Frazier	McLean	Smith
Borah	George	McNary	Smoot
Brandegee	Gerry	Mayfield	Spencer
Brookhart	Glass	Moses	Stanfield
Broussard	Gooding	Neely	Stephens
Bruce	Harreld	Norris	Swanson
Bursum	Harrison	Oddie	Trammell
Capper	Howell	Overman	Wadsworth
Copeland	Johnson, Minn.	Pepper	Walsh, Mass.
Couzens	Jones, N. Mex.	Phipps	Walsh, Mont.
Curtis	Jones, Wash.	Pittman	Warren
Dale	Kendrick	Ralston	Watson
Edge	King	Ransdell	Willis
Edwards	Ladd	Reed, Pa.	
Ernst	Lodge	Robinson	

The PRESIDING OFFICER. Seventy Senators have answered to their names. A quorum is present.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed a bill (H. R. 6815) to authorize a temporary increase of the Coast Guard for law enforcement, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED.

The message also announced that the Speaker of the House had signed the following enrolled bills, and they were thereupon signed by the Presiding Officer [Mr. CURTIS] as Acting President pro tempore:

H. R. 2818. An act to grant the consent of Congress to construct, maintain, and operate a dam and spillway across the Waccamaw River, in North Carolina;

H. R. 3845. An act to authorize the construction of a bridge across the Little Calumet River at Riverdale, Ill.;

H. R. 4120. An act granting the consent of Congress to the Greater Wenatchee Irrigation District to construct, maintain, and operate a bridge across the Columbia River;

H. R. 4182. An act authorizing the city of Ludington, Mason County, Mich., to construct a bridge across an arm of Pere Marquette Lake;

H. R. 4187. An act to legalize a bridge across the St. Louis River in Carlton County, State of Minnesota;

H. R. 4457. An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Cherokee Indians may have against the United States, and for other purposes;

H. R. 4984. An act to authorize the Clay County bridge district, in the State of Arkansas, to construct a bridge over Current River;

H. R. 5337. An act granting the consent of Congress to construct a bridge over the St. Croix River between Vanceboro, Me., and St. Croix, New Brunswick;

H. R. 5348. An act granting the consent of Congress for the construction of a bridge across the St. John River between Fort Kent, Me., and Clairs, Province of New Brunswick, Canada; and

H. R. 5624. An act authorizing the construction of a bridge across the Ohio River to connect the city of Benwood, W. Va., and the city of Bellaire, Ohio.

PETITIONS AND MEMORIALS.

Mr. WARREN presented a telegram in the nature of a memorial from Lodge No. 883, Independent Order B'nai B'rith, of Cheyenne, Wyo., remonstrating against the passage of the so-called Johnson selective immigration bill, which was referred to the Committee on Immigration.

Mr. WILLIS presented resolutions adopted by the Lima (Ohio) Trades and Labor Council, favoring the restriction of narcotic production to medical and scientific needs, and also the holding of an international conference for the suppression of the narcotic traffic in Washington, D. C., or London, England, rather than in Geneva, Switzerland, which were referred to the Committee on Foreign Relations.

REPORTS OF COMMITTEES.

Mr. BALL, from the Committee on the District of Columbia, to which was referred the bill (S. 2430) to create a commission to procure a design for a flag for the District of Columbia, and for other purposes, reported it without amendment and submitted a report (No. 244) thereon.

He also, from the same committee, to which was referred the bill (S. 112) providing for a comprehensive development of the park and playground system of the National Capital, reported it with amendments and submitted a report (No. 245) thereon.

Mr. McNARY, from the Committee on Agriculture and Forestry, to which was referred the joint resolution (S. J. Res. 49) authorizing the President to require the United States Sugar Equalization Board (Inc.) to adjust a transaction relating to 3,500 tons of sugar imported from the Argentine Republic, reported it without amendment and submitted a report (No. 246) thereon.

ENROLLED JOINT RESOLUTION PRESENTED.

Mr. WATSON, from the Committee on Enrolled Bills, reported that on yesterday they presented to the President of the United States the enrolled joint resolution (S. J. Res. 91) to authorize the National Society United States Daughters of 1812 to place a marble tablet on the Francis Scott Key Bridge.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BALL:

A bill (S. 2819) to provide for the examination and registration of engineers in the District of Columbia; to the Committee on the District of Columbia.

By Mr. PHIPPS:

A bill (S. 2820) authorizing appropriations for medical-school building and equipment for Howard University; to the Committee on Public Buildings and Grounds.

By Mr. WILLIS:

A bill (S. 2821) to amend section 3 of an act entitled "An act to incorporate the National McKinley Birthplace Memorial Association," approved March 4, 1911; to the Committee on the Library.

HOUSE BILL REFERRED.

The bill (H. R. 6815) to authorize a temporary increase of the Coast Guard for law enforcement was read twice by its title and referred to the Committee on Commerce.

CHAIRMAN OF THE COMMITTEE ON PUBLIC LANDS AND SURVEYS.

On motion of Mr. LODGE, and by unanimous consent, it was—

Ordered, That the Senator from North Dakota, Mr. LADD, be chairman of the Committee on Public Lands and Surveys to fill the vacancy caused by the resignation of the Senator from Wisconsin, Mr. LENROOT.

JAPANESE EXCLUSION.

Mr. McKELLAR. Mr. President, I ask unanimous consent to have printed in the RECORD a letter of Hon. James D. Phelan, a former Senator from California, on the subject of Japanese exclusion.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

JAPANESE EXCLUSION.

(An answer to Secretary Hughes's letter on the quota, by Hon. James D. Phelan.)

The Secretary of State has interposed an objection at the request of Japan to the provisions of the Albert Johnson bill, which was reported favorably from the House committee. He says he is not opposed to the exclusion of Japanese, but he thinks the best method would be to include Japan in the quota of 2 per cent which is granted European nations; that is, he was adopting the Japanese plea for racial equality which was denied on two occasions at the world conferences in Paris. The inequality of treatment is the constant cry of the Japanese and superficially makes an appeal to the thoughtless who do not understand its significance.

First, the Japanese protest against the alleged discrimination against them; but there is no discrimination when the case is analyzed, because the Federal Government by law for 130 years has drawn a distinction between those that are eligible to citizenship in the United States and those that are ineligible, which is a perfectly natural classification. Free white persons are alone eligible to citizenship, with the exception of the negro race, which was made as a war measure in 1870. So the Federal Government has excluded from immigration and citizenship all Asiatics because of their different race and nonassimilability, and to give the Japanese the same benefit of the quota law would be to discriminate in favor of them as against the Chinese, the Hindoos, the Siamese, and other proud and cultured people.

The ultimate purpose of the Japanese which we can not overlook is to establish themselves in this country on an equality with Europeans and thus enjoy citizenship, the voting privilege, the ownership of land, and other benefits which they do not now enjoy. If they were put under the quota law, they would win their first battle in their campaign for an acknowledgment of racial equality, and the gentlemen who have appeared for them before this committee have made that claim, but racial equality is something beyond the power of the Congress. It is based upon the racial differences which are innate and which causes repugnance on both sides to intermarriage. Herbert Spencer, dwelling on the biological facts of science, warned both the Japanese and the Americans from ever commingling, excepting in friendly commercial relationship; that the result of the crossing of divergent races is exceedingly detrimental to both. And Japan is strong to-day because, following Herbert Spencer's advice to her, they have maintained the purity of their race. They do not pretend that they even want to intermarry the whites, but they want to live in colonies which they have successfully established on the Pacific slope and increase and multiply.

The gentlemen's agreement, in lieu of an exclusion bill, was negotiated by Theodore Roosevelt as an experiment by which the Japanese themselves were given the privilege of determining who should come to the United States, with the understanding that she would refuse to issue passports to laborers, except an exempted class as officials, merchants, travelers, savants, and students. As a result, the Japanese population has greatly increased. They have not only come in the ports with student passports, but they have come in from Peru and Mexico and other points to which they have been shipped and surreptitiously entered the United States.

Thirty-eight thousand women, for instance, of Japanese birth have come into California since the gentlemen's agreement in 1908. These women are not only laborers, but are prolific wives who work almost uninterruptedly in the fields by the sides of their husbands. Of every 11 children born in California, 1 is now a Japanese, and in some parts of California, near Los Angeles and Sacramento, for instance, more than one-third of the births are Japanese.

The fact is that Japan is laying the foundation of a permanent colonization on the Pacific slope which will spread quickly to other parts of the West. It is apparent that the only way to check Japanese immigration is to impose an exclusion law such as we have against all other Asiatics. At present we have surrendered our sovereignty to Japan. Of course, the exempt class of merchants, scholars, etc., shall still enjoy the privileges of commerce, pleasure, and study, and may come and go freely, but the permanent settler, in the interests of Americans and American institutions, must be barred. It is to-day the national policy and the question is how best to make it effective.

The Taft treaty of 1911, bitterly opposed by Theodore Roosevelt, expired last July and may be terminated now on six months' notice. That gives free entry for trade to all Japanese and is only limited by the gentlemen's agreement which is not kept in good faith.

Former President Taft suggested in his speech yesterday to the Japanese society that a conference, such as the Disarmament Conference, be held between the Japanese and the Americans, which would be very pleasing to the Japanese because, as it has been said, "America never lost a war and never won a conference." Our diplomacy in Asiatic matters has been utterly eclipsed by the Japanese and has been a reproach to our untrained statesmen and to the American name. We had better avoid conferences and honestly and frankly adopt the correct method, which is to do directly what we want to do in dealing with this, which is conceded to be a domestic question. A man should be the judge of the guests of his own house, and it is not only irregular but impertinent for others to seek admission. No offense can possibly be taken by Japan if this is done in a manly way for reasons which she will understand. She excludes the Chinese and Koreans from Japan, although they are racially not very divergent, if at all.

The trouble has been the subservient character of our Government, actuated by fear mostly, in dealing with Japan. The dignity and strength of the United States has been demonstrated since Theodore Roosevelt negotiated a gentlemen's agreement to avert what he believed a menace of war. There is more danger of war in the creation of domestic friction by the warring of the races than in politely refusing the Japanese demand which has been presented to the committee by missionary societies and high officials.

The three branches of the Government should maintain their independence. The executive should not interfere with the legislative or the judiciary. The judiciary has, in spite of misgivings expressed by the State Department, sustained the antialien land laws of California, Washington, Oregon, and six other States. Let Congress act and let the State Department use its diplomacy in carrying out firmly and not falteringly the American policy.

If the State Department does not give six months' notice of the termination of the treaty of 1911 and negotiate a new treaty, which is in order, the act of Congress will operate as a repeal of the treaty and the establishment of a principle which can not be compromised.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Haltigan, one of its clerks, announced that the House had agreed to the amendment of the Senate to the title of the bill (H. R. 7039) to amend section 72 of chapter 23, printing act approved January 12, 1895.

AGRICULTURAL DIVERSIFICATION.

The PRESIDING OFFICER. The unfinished business, Senate bill 2250, is before the Senate and will be proceeded with.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 2250) to promote a permanent system of self-supporting agriculture in regions adversely affected by the stimulation of wheat production during the war and aggravated by many years of small yields and high production costs of wheat.

The PRESIDING OFFICER. The pending question is on the amendment proposed by the junior Senator from New Mexico [Mr. BURSUM].

Mr. JONES of New Mexico. Mr. President, I do not believe that it is necessary to take up much of the time of the Senate in further discussion of the pending measure. The conditions throughout the West especially are generally known by Senators. The question before us is how to meet that situation, if at all. The one proposition contained in the original bill is to furnish livestock, or funds with which to enable the farmers in certain sections of the country to raise a diversity of crops. That phase of the situation has been discussed at very great length.

The situation is brought about in two ways or for two principal reasons: First, the inducements which were held out to the people of some of the Northwestern States to produce wheat during the war. The map on the wall clearly shows just what happened. The people of those States responded to the call of the Government and produced wheat in larger amounts than they otherwise would have done. Following the war, for various reasons, the banking facilities of the country have been

very greatly reduced. In a number of sections the banks are closed entirely and where they are not closed they have not the funds to loan to the people of the respective communities in order that business may go on in the usual course. Those factors constitute the situation calling for relief and the purposes of the bill and the amendment which my colleague has proposed to it.

I think that the loaning of funds to those Northwestern States is justified under the circumstances. That question has been discussed. I believe the Congress of the United States ought to go a step further and put funds at the disposal of the banks of the country where the resources have been depleted for reasons which I do not now need to recall, so that the business of the country may go on. There are many communities in the United States without banking facilities at all, a situation brought about by the extraordinary conditions which have prevailed in recent years. The amendment proposed by my colleague does nothing more than to put at the disposal of those communities and the banks in those communities funds which will enable them to transact ordinary business and go ahead with the business of the country, which must be carried on if those communities are ever to be restored to a normal state of prosperity.

That is the question. The measure does not provide for any gift of money. It provides that the security shall be ample; that where the loans are to be made to individuals by the Comptroller of the Currency it shall be done upon adequate security, and where the banks which exist to-day and which are solvent have not funds to furnish the community with which to do business it provides for deposit of funds with those solvent banks. So there is no element of risk in that situation of any magnitude which would affect the proposition. It is simply a question whether we shall make available to those communities which are without banking facilities, without current assets with which to carry on the business of the country, sufficient funds to enable them to go on with the ordinary business affairs.

Mr. SHEPPARD. Mr. President, may I ask the Senator from New Mexico a question?

Mr. JONES of New Mexico. I am glad to yield to the Senator.

Mr. SHEPPARD. Does the amendment attempt to regulate the rate of interest which the banks and trust companies are to charge for the loans?

Mr. JONES of New Mexico. I am not sure as to that. I think it is provided that the rate of interest to be charged by the Comptroller of the Currency shall not exceed the rate of interest charged by the Federal reserve system in the section of country where the loans are made, and the amendment does provide for the money at that rate of interest.

It is just a question whether we want to do this thing or not. I say to the Senate that there is a very great necessity that something shall be done. If this amendment be adopted, I apprehend that there will be very much less done under the provisions of the original bill. If we can make this money available to banks upon good security, then the banks will take care of a great many of the people who would otherwise be calling for livestock and other accommodations under the other provisions of the bill.

Mr. President, I do not want to take up the time of the Senate in a discussion of the amendment. I believe we are all familiar with the conditions which exist, and I believe that this measure will in a very sane way furnish very great relief in many communities of the United States.

The PRESIDING OFFICER (Mr. SPENCER in the chair). The question is upon the amendment proposed by the Senator from New Mexico [Mr. BURSUM].

The amendment was rejected.

Mr. SHEPPARD. Mr. President, when it became necessary to draft the railroads for the more effective performance of our part in the World War, as it had already been necessary to draft human beings, the railroads were guaranteed by law a compensation equal to their average annual operating income for the preceding three fiscal years, and where they had been earning no income for the preceding three fiscal years and where for any reason this basis was shown to be impracticable or unfair, just compensation or, I may say, adjusted compensation was assured by law.

In addition the agreements by which the railroads were placed under Government control provided for maintenance, repair, renewals, and depreciation, and such adjustments of operating income and Government contribution as would secure the return of the railroads at the end of war control in substantially as good repair and with substantially as complete equipment as at the beginning of such control.

Hundreds of millions of dollars were appropriated from the Treasury for the railroads to enable the Government to carry out its part of these guaranties and agreements. The railroads complained that their operating expense was advanced under Government war control out of all proportion to the increases in rates, mainly through enhanced wages to employees, and yet the Esch-Cummins Act of 1920, passed by Congress shortly before the return of the railroads to private control, directed the Interstate Commerce Commission to prescribe rates sufficient to pay all operating costs and also a fair return on the aggregate value of railroad property. The rates put into effect by the Interstate Commerce Commission in obedience to that direction enabled the railroads to earn in 1922 on every dollar of gross income 15 cents above all operating expenses and taxes; to earn up to the close of that year from the time the Esch-Cummins Act went into effect a net return of 3½ per cent on the valuation of nearly $19,000,000,000, the tentative valuation fixed by the Interstate Commerce Commission as a fair value as of December 31, 1919; and to earn for 1923 a net railway operating income of about 5 per cent on that valuation. In addition, the Esch-Cummins Act guaranteed to the railroads for six months after the termination of Government control an operating income equal to half the compensation they had been guaranteed during such control.

Furthermore, a fund of $300,000,000 was appropriated by the Esch-Cummins Act from the Treasury for loans to be available to railroads at 6 per cent, with a maximum time for repayment of 15 years, for the purpose of meeting existing debts, purchasing equipment, additions, and betterments.

Furthermore, the Esch-Cummins Act provided that for two years the Interstate Commerce Commission in fixing rates should take as a fair return on the aggregate value of railroad properties a sum equal to 5½ per cent of such value, and in its discretion might add a sum equal to another half per cent for the improvements, betterments, and equipment chargeable to capital account. Under the Esch-Cummins Act passenger rates have been doubled and freight rates have been more than doubled as compared with 1913.

Mr. President, by what distortion of human logic is a Government loan to a railroad denominated justice while a Government loan to a farmer is branded as socialism? The farms are, in the last analysis, more essential to the public welfare than the railroads.

Shortly after the Esch-Cummins Act, with its provisions making possible net returns above all expenditures for the railroads and safeguarding them against the uncertainties and perils of post-war conditions, the American farmer, by the deflation policy of our Government, was literally pitchforked over the precipice of the most sudden and disastrous decline in agricultural values any country or any period ever witnessed. That recession sent millions of farmers into bankruptcy and ruin and thousands to poverty and despair.

Now, when Government assistance is requested to aid in his recovery from war and post-war emergencies, the farmer is told to look to his own resources; that there is no help for him from a Treasury that has been a veritable fountain of benevolence and paternalism for the railroads. I protest against this attitude. The trouble is that the American Congress does not appreciate and understand the plight of agriculture. It does not grasp the fact that agriculture, as a paying occupation for the individual who actually tills the soil, is threatened with extinction, so far as an American standard of living is concerned, and that the most far-reaching measures are needed if agriculture is properly to survive.

The PRESIDING OFFICER. The bill is before the Senate as in Committee of the Whole and open to amendment.

Mr. HOWELL. Mr. President, I offer an amendment in the nature of a substitute for the bill.

The PRESIDING OFFICER. The Secretary will read the amendment.

The principal clerk proceeded to read the amendment.

Mr. HOWELL. Mr. President, I request unanimous consent that the amendment may not be read, as it is identical with the bill as it now stands before the Senate, with certain modifications in section 2.

Mr. BURSUM. I ask that the proposed substitute may be read.

The PRESIDING OFFICER. The Secretary will read the amendment.

The PRINCIPAL CLERK. It is proposed to strike out all after the enacting clause and to insert the following:

That it is hereby declared in the public interest that conditions existing in those portions of the United States known particularly as the wheat areas, resulting from the stimulation of wheat growing during the recent war and aggravated during subsequent years by low yields

and high costs of production, should be changed through the encouragement of a system of agriculture not dependent for its success upon wheat alone, but cultivation would include the raising of livestock, such as dairy and beef cattle, hogs, sheep, poultry, and the products thereof.

SEC. 2. That from the approval of this act and until June 30, 1926, the Secretary of Agriculture shall be empowered and authorized to purchase livestock, including dairy and beef cattle, hogs, and sheep, suitable for the development of a system of agriculture as contemplated by the purposes of this act, and to sell the same to farmers upon the contract installment plan, all deferred payments to bear interest at not to exceed 6 per cent per annum. No contract shall run for more than five years or be for more than $1,000, and the title of the livestock, including the natural increases thereof, shall remain in the United States until paid for. Such contracts shall be in the form and contain such provisions as may be prescribed by the Secretary of Agriculture.

For the purposes of this act a farmer is defined as a person engaged in and dependent upon agriculture for the support of himself and his family, whether in the capacity of owner, tenant, or cropper. (Such sales shall be made only to such farmers in the wheat areas of the country as are not reasonably able through their own resources or through existing credit facilities to initiate upon their farms a system of diversified farming, but who show their willingness to enter upon such an undertaking and who may be reasonably expected to develop such a system if given aid and opportunity. No sale shall, however, be made to any farmer who has overdue principal and interest or general obligations likely to result in early foreclosure of mortgages or other liens upon his farm lands or necessary farm equipment unless extension shall be granted by his creditors in such form as will give him a reasonable opportunity to work out his future and to get an ultimate benefit from such purchase of livestock.

The Secretary shall avail himself of such information as can be furnished by the agricultural colleges of the various States and other agricultural authorities and agencies, including also the Federal land bank system and the intermediate credit system, in determining what may be appropriate systems of agriculture for a given area and for information with reference to all related subjects. The Secretary shall arrange with county boards, county commissioners, or other local advisory committees or agencies for initial assistance and subsequent supervision as it may deem proper to promote the efficient accomplishment of the purposes of this act, and may do all things necessary in locating, purchasing, and transporting the required suitable livestock. The Secretary may also, in his discretion, utilize agencies existing at State agricultural colleges, including cooperative agricultural extension forces to assist him in carrying out the provisions of this act, and may reimburse such colleges for the necessary expenses incurred at the request of the Secretary: *Provided*, That regular employees of agricultural colleges or cooperative extension workers shall not be authorized to pass upon applications for purchases, nor shall they be utilized in other than a general advisory capacity in the purchase of livestock: *Provided further*, That there shall be no preference for or discrimination against members of any farm organization in carrying out the provisions of this act.

SEC. 3. That for carrying out the purposes of this act, it is hereby authorized to be appropriated the sum of $50,000,000, of which not more than $20,000,000 shall become available during the present fiscal year, not more than $20,000,000 during the fiscal year ending June 30, 1925, and not more than $10,000,000 during the fiscal year ending June 30, 1926, but any portion so authorized to be appropriated and remain available for the ensuing fiscal year. When made available said amounts may be paid to the Secretary from time to time as he may certify its requirements to the Secretary of the Treasury of payments from sales whether of principal or interest made during the period in which the Secretary exercises his hereunder powers are to be credited by the Treasury to the Secretary and may be expended by the Secretary within the purposes of this act.

SEC. 4. The Secretary is authorized to provide by regulation or otherwise for the repayment or collection of all amounts, including interest, in respect of any sale made under the provisions of this act. There is hereby established in the Treasury a fund to be known as the "livestock sale fund," and all such amounts repaid or collected shall be covered into such fund, and are reserved, set aside, and appropriated, to be available until June 30, 1926, for the use of the Secretary in accordance with the provisions of this act. After June 30, 1926, all amounts remaining in such fund, and all amounts, including interest, repaid or collected in respect of any such sale, shall be covered into the Treasury as miscellaneous receipts.

SEC. 5. That any person who shall knowingly make any false representation for the purpose of obtaining livestock under this act shall, upon conviction thereof, be punished by a fine of not exceeding $1,000 or by imprisonment not exceeding six months, or both.

SEC. 6. That the Secretary shall submit a report of his operations to the President at such times as he may request, and shall submit such a report to Congress at the beginning of each regular session.

Mr. HOWELL. Mr. President, as I have stated before, in connection with another amendment, I am in favor of the purposes of this bill. I am in favor of the purposes of the bill because while the country at large last year enjoyed a great average prosperity, the prosperity was not equally distributed among the industries of the Nation. The agricultural industry has suffered, and suffered severely. If it had enjoyed the average prosperity of the country last year there would be no demand for a measure of this character; but, as has been stated by the Senator from Texas [Mr. SHEPPARD], steps have been taken by Congress in the past to provide assistance for certain industries that were in trouble. He spoke of the transportation industry. Congress advanced to the railroads in the neighborhood of $500,000,000, and not upon prior lien securities, but upon other mortgage security. In fact, the Government has bought the securities of railroad companies, and in several instances no return or only a small return of principal will ever be obtained. Take, for instance, the Mexico & Orient Railroad to which advances were made; it is not probable that we will recover any great portion of that loan. If we favor one industry in this manner why should we not extend the same consideration to another industry? I will acknowledge that I do not approve of the general principle, but inasmuch as we have taken this position with reference to one industry why should we exclude agriculture from equal treatment?

It is for this reason that I am in favor of the purposes of this bill, and because there is necessity. It will afford relief where relief is needed at this time.

But what is Congress proposing to do in this connection? It is proposing to go into the business of loaning money to individuals. What is the class of individuals, from a commercial point of view, to whom Congress proposes to loan this money? To individuals who have no credit in a commercial sense. Consider one of these individuals. He might enter the door of a bank in his nearest town and ask for a loan, and he would be refused. Why? Because he was not entitled to a loan in the usual banking sense; yet he could leave that bank and go to an installment house, a furniture store, next door, and buy all the furniture that was necessary to furnish his home, even though he had no credit. Why? Because a plan has been devised whereby such a thing can be safely done. It is known as the contract-installment plan.

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Montana?

Mr. HOWELL. I do.

Mr. WALSH of Montana. I am very deeply interested in the idea proposed by the Senator from Nebraska, particularly because in my State there is a very thriving and a very commendable corporation that is engaged in loaning money to farmers on just exactly that installment plan for the purpose of purchasing dairy stock. In the case of a man who has not any particular banking credit, if he has a farm and is fairly well equipped to take care of dairy stock, they loan him the money to pay for the dairy stock, and he pays for it on the installment plan. I think the plan is a most excellent one, but it occurred to me that that could be accomplished by the bill as it reads now. It provides:

> The Secretary may purchase such livestock and supply same to the borrower at cost; such advances, loans, or sales shall be made upon such terms and conditions and subject to such regulations as the Secretary may prescribe, including provision for the repayment thereof by amortization or otherwise.

Mr. HOWELL. That is true. The Secretary could proceed according to this plan, but the bill does not make it compulsory for him to do so.

Mr. WALSH of Montana. Quite right.

Mr. HOWELL. My idea is this: Whenever the Government enters the business field it should run that business for blood. It should adopt the best possible business methods and should not indulge in any deviations therefrom. Therefore, as there is a method whereby one not entitled to credit at a bank can buy merchandise—yes, can buy livestock—why should we not adopt that plan?

What is this plan? The plan is to sell the merchandise or the livestock to the individual upon the terms of a conditional contract. One of the conditions of that contract is that the title of the property shall remain in the vendor until paid for; and there are other conditions provided, such as that the property can be taken in case there is any danger of loss because of the negligence of vendee.

That is a method that is recognized all throughout this country; and, as I stated the other day, for three and a half years I conducted such a business in connection with a public

enterprise, the gas plant in Omaha, Nebr., and during that three and a half years we sold in the neighborhood of a million dollars' worth of appliances and utensils, and during that period our losses amounted to only about a quarter of 1 per cent. In fact, when I closed my service I think there were delinquencies amounting to but $3,000. This plan works out, and, as stated, it has been utilized in connection with livestock.

I used to own a ranch out in the western country. I went out there in 1888; and one of the plans that was in vogue at that time and is in vogue at the present time was, where a man had neither money nor credit with which to buy livestock, some one who had livestock would turn over to him under contract a certain number of cows or a certain number of sheep, and he would run them, and in return would be entitled to from a third to a half of the increase, the balance of the increase going to the owner of the stock.

That is a plan that has been carried out time and time again, and the owner of the stock usually expected to make from 15 to 25 per cent upon his investment. If there is a well-recognized method that can be adopted by the Government with assurances of return of the principal invested, why should we not adopt it? If the plan that is proposed in this bill—I am speaking about the optional plan of making loans—were adopted by any installment house, the institution would go broke; but here, set forth in this substitute, is a plan that will work out.

The PRESIDING OFFICER. The time of the Senator from Nebraska has expired.

Mr. HOWELL. Mr. President, I also have 10 minutes on the bill which I have not utilized.

The PRESIDING OFFICER. Has the Senator spoken upon the bill?

Mr. HOWELL. I have not spoken upon the bill. I spoke upon one amendment.

The PRESIDING OFFICER. The Senator has the floor.

Mr. HOWELL. This substitute makes this plan mandatory. Otherwise, it does not change the bill as it is now before the Senate, except that it eliminates poultry. The only reason why I have submitted a substitute, and not an amendment, is because certain wording in the other paragraphs had to be changed, as from "loans" to "purchase" or "sale." If this plan should be adopted, one of the probable abuses of the proposed method of making loans would be avoided.

For instance, suppose a farmer is indebted to a bank and the bank has a mortgage upon his livestock. The bank might say: "Here, we need money. We will foreclose the mortgage on your livestock, then you go and borrow at 5 or 6 per cent from the Government, and we will sell back your livestock." This thing could go on, and the Government thus be substituted in connection with a lot of loans now being carried by banks.

Again, anyone charged with making these loans, after he had made the loans as prescribed by Congress for a period of five years, would feel that he had done his duty, and that if at the end of five years the Government did not get back its money he was not responsible. Under this contract plan, however, the Secretary of Agriculture will be responsible for the livestock sold, and he will have to look out for it, see that the property is watched. If anyone who has been furnished livestock is not taking care of it, if he is neglecting it, it can be immediately taken back and sold under this contract without going through foreclosure proceedings, without delay. It can be taken over, disposed of promptly, and the Government protected. In other words, we would be adopting a method whereby the Secretary of Agriculture would be responsible for results, and if he exercises due care there will be comparatively little loss to the Government.

Mr. WADSWORTH. Mr. President, will the Senator yield for just a moment?

Mr. HOWELL. Certainly.

Mr. WADSWORTH. Does the Senator believe it humanly possible that the Secretary of Agriculture, through a corps of inspectors, could actually watch the condition of all this livestock scattered over four or five States?

Mr. HOWELL. I recognize that it is a great task, but a great amount of money is involved.

Mr. WADSWORTH. It is involved in little, tiny driblets.

Mr. HOWELL. I realize that; but, as I say, a large amount of money is involved, and if we are going to pass this bill we certainly ought to take every precaution we can think of, and one or two more.

Mr. WADSWORTH. I agree with the Senator's last statement.

Mr. HOWELL. I think that is exactly what we should do in this connection. Then, after taking every precaution, if we meet with loss, if the administration is defective, we can not help it, but we will have done all that is humanly possible under the circumstances to make the plan workable and make the loss the least possible to the Government.

Mr. FLETCHER. Mr. President, may I inquire of the Senator how the farmer who borrows the money and undertakes to pay it back with 6 per cent interest is going to have any resources out of which to refund? If the title to all the stock and the increase is to remain in the Government he can not dispose of it. I grant that the Government would be better protected under the Senator's plan than under this one because if the title to this personal property rested in the Government, if the possessor undertook to dispose of it he would be guilty of a criminal offense. The Government would be protected not only from that standpoint but from the standpoint of not being obliged to institute foreclosure proceedings and incur the delay and cost and expense of foreclosure.

I am at a loss to know how you are going to enable the farmer to pay back a loan. If you hold possession of or title to all the property you sell him, including all the increase, where is he to get any income out of which to pay back his loan?

Mr. HOWELL. One of the provisions of the contract would be that the stock could be sold, the old stock for slaughter, the young stock for other purposes, under certain conditions, and the conditions would be those that would be prescribed by the Secretary and carried out through his representative in that district. A certain proportion of the money, or the whole of it, would be paid back. That can be all arranged in the contract. That is arranged for in contracts such as I have spoken of where individuals turn cattle over to farmers to run or raise on shares. The same plan could be carried out in connection with this bill, and if we can not provide a procedure of this character I do not think the Government is justified in embarking in such business. I feel that way about it.

Mr. GLASS. Mr. President, does the Senator really think that the Government has any business going into transactions of this sort anyhow? If it does, what becomes of the theory of more business in Government and less Government in business? If we are going to transform the Treasury of the United States into a mercantile establishment doing business on the installment plan, what becomes of that theory which prevailed so in the last presidential campaign, of more business in Government and less Government in business?

Mr. HOWELL. Mr. President, I will answer that question in this way: I think there is an emergency in this case, and the Senator knows that legislation is usually governed by precedent.

Mr. GLASS. I know it should not be governed by a wretchedly bad precedent.

Mr. HOWELL. I admit that to be true, and it is a fact that in public affairs we ought to be very careful about establishing precedents, because they do govern. The Government has established a precedent in its treatment of the transportation industry, and the agricultural industry now comes and says, "We would like equal treatment."

Mr. GLASS. Mr. President, I do not agree with that proposition at all. We have heard an exposition of it, I think based entirely upon a misapprehension of the facts.

Mr. HOWELL. Mr. President, could I yield the floor to the Senator and then reply to him? I would like to do that.

Mr. GLASS. I will speak in my own time.

The PRESIDING OFFICER. The Senator from Nebraska has the floor.

Mr. HOWELL. I would like to answer the Senator's question, but I have only a few minutes more. In public affairs, Mr. President, we are largely governed by precedent, and we ought to be careful about establishing precedents. But we have established a precedent of this character. We loaned the railroads $500,000,000, and we did not take their notes secured by bonds.

Mr. GLASS. The Government took their property. It turned out every officer they had. It substituted its own officials. It consolidated their offices, their agencies. It consolidated their rolling stock. It took possession of them for war purposes, to transport provisions and to transport troops in order to win the war. It is not a precedent at all, I submit, Mr. President.

Mr. HOWELL. Mr. President, we took over the railroads, true, and we paid them the greatest return they ever enjoyed for a similar period of years in their history. Then we turned

them back, and they asked us to loan them $500,000,000, and we loaned them $500,000,000 and took second-mortgage bonds; and some of that money we will never get back. We established a precedent there, and now here is another industry that comes forward——

Mr. McLEAN. Mr. President, we fixed the wages the railroads should pay their employees. We fixed the rates for which they should carry freight, and we fixed the dividends they should pay to their stockholders.

Mr. HOWELL. Yes, Mr. President, and in passing the Esch-Cummins law, which fixed the rates—minimum rates—and in doing so this Government took the greatest step toward socialism that has ever been taken in the history of the United States. What is the purpose of socialism?

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. GLASS. Mr. President, I was not a Member of the Congress of the United States when the Esch-Cummins bill was under discussion, and I am not here now to justify it. As a matter of fact, I drafted that provision of the Democratic national platform at San Francisco which severely criticized the passage of the Esch-Cummins law, and committed my party to a modification of its terms, if not its repeal, later. Therefore it may be seen that I am no apologist for the Esch-Cummins law. But there is no analogy at all between this proposition to transform the United States Treasury into a mercantile establishment to be conducted on the installment plan, and what the Congress did in passing the Esch-Cummins law.

If there were, Mr. President, if the Esch-Cummins law, as the Senator has insisted, was the greatest stride toward socialism we have ever taken, it seems to me that ought to cause us to pause and to put a restraint upon the Congress of the United States, that we may not further indulge in this kind of socialism. But, as I indicated awhile ago, it is not an analogy.

The railroads of this country had literally broken down, financially and physically, thereby threatening this Nation as the result of their inability to function. They were headed right for the rocks. Their credit was impaired, their whole equipment was inadequate, and it was essential in those circumstances that the Government should take possession of the railroads, and unify them, and devote them to the purposes of the war. That was the only justification for the step we took.

We dismissed the leading officers of all the railroads. We took possession of their administration and of their operation. We unified their rolling stock. We increased the wages of their employees, in competition with private industry. For the given period this Government owned the railroads for its purposes.

Mr. EDGE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Virginia yield to the Senator from New Jersey?

Mr. GLASS. I yield.

Mr. EDGE. I am simply going to say, following the argument of the Senator from Virginia, that the two cases are hardly parallel. When we took over the railroads we did not do it because the railroad management wanted us to do it at all. It was simply a matter of necessity, to help win the war.

Mr. GLASS. Oh, yes; I think the railroad managers wanted us to do it. I think they were greatly relieved that we did do it. I think they felt that they were escaping a humiliating experience when the Government took them over, because they had reached the point where they could not function under their own diverse managements. But it is not an analogy to this proposition in any sense, Mr. President. That was solely a war measure; it could be justified on no other ground or reason on earth.

As to a guaranty to the railroads and a bounty to the railroads, I have not understood it in the way the Senator states it. I have understood the matter, not well, I am sure, because I was not a Member of Congress when it was being discussed; but the Interstate Commerce Commission primarily is charged with the function of fixing railroal rates. That is a part of its business. The Esch-Cummins law, as I understand, simply undertook to define what was the reasonable rate which the Interstate Commerce Commission might fix to insure a fair return upon the investment of the railroad.

Mr. HOWELL. Mr. President——

Mr. GLASS. Just one moment. I am not a lawyer, as the Senator is, and I can not talk readily on my feet.

A maximum rate was fixed, but the Government never paid the railroads the difference between that maximum rate and their actual earnings, which did not reach that maximum rate. So that in the large sense there was no guaranty. I confess that I am ill informed upon the details of that rate-making part of the scheme; but, in the last analysis, that was a war measure. It was an absolute necessity, in order to preserve the life of this Nation and to win the war; and while I think perhaps the railroads have been dealt with too generously in the interpretation of the terms of the Esch-Cummins law, that does not justify the Congress of the United States six years after the war is over in transforming the United States Treasury into a mercantile establishment to go out and loan money on the installment plan.

Mr. President, I do not know what is to become of us if we proceed in this fashion. Whose money are we to loan? The United States Government has no money of its own. The only way on earth it can get a dollar into its Treasury is by taking it out of the pockets of the American taxpayers. Loan whose money on the installment plan or any other plan? When was it ever known before, until in this hectic period, that it was a function of government to take money out of the pockets of the people and loan it to special interests, on the installment plan or upon any other device?

Oh, Mr. President, I have as much affection for the farmer and as much interest in his welfare as anybody else. I want to preserve the respect of the 1,069,000 farmers in my own State, and I covet that a long way more than I covet their votes or their support at an election. I want them to think that I have some intellectual integrity, to be applied in the consideration of their interests in the Congress of the United States, and I am unwilling to tax them further and to take their money to loan to farmers or railroads or industrial enterprises, or to anybody else. When I go to them for an accounting I want to be able to say that I have taxed them for governmental purposes alone, to administer their Government in the most economical way possible, and upon fair and just considerations.

Mr. FLETCHER. Mr. President, I had occasion on the 10th of the month to offer some observations respecting this bill, and considered at that time some of the amendments which were proposed. I have not time now to go into it, even if I desired to.

I have been through the vast and most admirable region of our country which it is sought to benefit by this measure. I would not venture to speak from my own personal knowledge of conditions there, particularly as against those who are more familiar with those conditions and who live in that region; but on the 10th instant I had inserted in the RECORD certain communications from actual farmers engaged in the business of agriculture in Montana, Utah, and North Dakota, and also an editorial from the Fargo Forum.

These people speak out as to what they themselves want. One of them, for instance, Mr. Underwood, said:

> That is one of our present difficulties, that we have had too much money loaned to us already. For goodness sake stop it. We need no more credit. But what we do need is an opportunity to obtain a fair price for what we need, purchase for our needs at a fair price, a chance to produce and to pay off what we do owe.
>
> An honest medical practitioner called to attend a member of your family first seeks to discover and remove the cause of the illness. It is not likely that he would seek to cure a candy-colicky sick child by giving it more candy when it required pills.
>
> There is no need for congressional aid for diversification whatsoever.

And all along the same line letters from other farmers in those regions come in. This morning I received a very sensible letter, which speaks for itself. I shall not attempt to comment on it, but I want to read it as a statement from a man on the ground who is thoroughly acquainted with conditions out there:

> FILLMORE, N. DAK., *March 7, 1924.*
>
> Senator FLETCHER: I see by the Fargo Daily Tribune that you are opposing the Norbeck-Burtness bill. If it is any encouragement to you to know that this bill is not sponsored by the real dirt farmers of this State, then this letter will not be for nothing. At no meeting of farmers that I have heard of has this bill been indorsed. On the other hand, a meeting of farmers at York passed resolutions saying it was of very little benefit to the farmer. It is backed by bankers and townspeople who expect to handle the money or don't know what the farmer needs.
>
> Thousands of cows that I think were better than the ones that will be bought with this money were shipped out of the State last fall for want of feed. Before we get this stock they speak of we must have buildings, fences, and feed. When we get these we will have no trouble getting the stock. They say it is the nonpartisan who wants this law—I mean the people of the East—but I have never

heard a nonpartisan say he wants the bill to become a law. I don't want to mix politics in this letter, but as I am a nonpartisan, I assume the right to refute this one of their many lies. I am an American of many generations; for that reason I can not but look with disfavor on any project that will set a dangerous precedent. We are hard off financially, but I think this can be said of a great many of the citizens of your State. We have had more publicity—that is the difference. The people that are supposed to be starving up here don't miss a dance or a show when it comes to town. They all wear good clothes. The great trouble is we have more banks than we need. Competition has caused them to take on creditors that were trying to live on their nerve. This, with the deflation of every thing agriculturally, has got our banks in bad. They will have to go some time. This loan may prolong their existence.

C. L. POTTENGER.

Mr. WARREN. From what locality does the letter come?

Mr. FLETCHER. From Fillmore, N. Dak.

Mr. McLEAN. Mr. President, the Senator from Florida has read a letter from a farmer in North Dakota who is not supplied with barns or fences or stock, and evidently he will not be benefited by this loan. I happen to have a letter from a farmer in Minnesota who is well supplied with barns and fences and stock. It is a letter written to the Senator from Minnesota [Mr. SHIPSTEAD].

Mr. OVERMAN. The letter read by the Seantor from Florida, which was written by a North Dakota farmer, is as good an argument against the bill as has been made on this floor.

Mr. McLEAN. I was about to supplement it with a letter from a farmer in Minnesota who is supplied with all the tools of which the North Dakota farmer is deprived. This Minnesota farmer has barns and stock and fences and he has had a pretty serious experience. His investment now is something like $28,000. He says he works 14 to 16 hours a day. In 1922 he sold tons of cattle at less than 2 cents a pound in St. Paul, hogs at $7.50 a hundred. One shipment of 24 2-year-old ewes, weighing 3,150 pounds, brought him the munificent sum of $116, and 400 pounds of wool in 1921 brought him $32.16. He sold one load of hand-picked Ohio potatoes, 2,650 pounds, and received a check for $7.99. That, of course, did not pay for the digging and picking.

He goes on to say that he is losing about $2,000 on his farm every year—why? Because he has no market. He tells Senator SHIPSTEAD that he wants a market for his products, and he is a wise man. He does not suggest to the Senator that he wants us to take $50,000,000 out of the Treasury of the United States for the purpose of supplying other stock raisers in his section with more cattle and more hogs and more sheep to try to sell them in a market that is already glutted. This is a very interesting letter. I do not want to take the time to read it all, but I do not think the Senator from Minnesota will find in the letter very much encouragement for the bill. This farmer wants a market, and unless he gets it the bill is going to do absolute harm to the class of farmers he represents, and he says he represents 90 per cent of them. This bill will do great harm by recapitalizing the farmers whose capital is impaired and putting them in direct competition with farmers who now can not get enough for their stock to pay expenses.

Mr. HARRELD. Mr. President, will the Senator yield?

Mr. McLEAN. I can not yield because I have only five minutes.

Stop for a moment and consider just how the bill would operate. The Secretary of Agriculture, we can safely assume, I think, can not attend to this matter personally and will choose an agent for the purpose, a sort of agricultural Gabriel, who will go out into Minnesota and North Dakota with a $50,000,000 horn and blow it and the farmers will all rise up, for the judgment day has come. What does the judge do? He reverses the order we read about in the Bible. If a man has anything, if he has done well, he will be put into the goat pen and he can not get a dollar. But the fellow who is insolvent, who used bad judgment, who has been extravagant, goes into the sheep pen and the judge puts some real sheep in with him, and he is allowed to pay for them on the installment plan. That is the way the bill would operate. It will not benefit anyone who has been careful in his expenditures and who has been economical. It is putting a premium on failure—a bounty on bad management. I do not believe that the farmers in those States want that done. I ask the Senator from Minnesota [Mr. SHIPSTEAD] or the Senator from North Dakota [Mr. LADD] if that is not the way the bill would operate if it became a law. If a man has no credit whatever, if he has been foreclosed and is really in distress, he can not get a penny out of it, neither can solvent farmers whose methods have been conservative.

The PRESIDING OFFICER. The time of the Senator from Connecticut has expired.

Mr. SHIPSTEAD addressed the Senate in continuation of his speech of yesterday. His entire speech is as follows:

Wednesday, March 12, 1924.

Mr. SHIPSTEAD. Mr. President, I said the other day, and I want to repeat it this afternoon, that I am going to vote for this bill; but I hope the Senate will not consider that I believe this a complete or real relief for the agricultural situation in the Northwest. I had not intended to discuss this bill further, but Senators who have discussed it have drifted away upon the billows of imagination in so many various directions, upon the waves of speculation, that I want to make a few remarks in order to attract the attention of the constitutional lawyers of the Senate, who seem to be laboring under the misapprehension that this is the first time in American history that the Federal Government has loaned funds out of its Treasury to private individuals.

Some one has said that "you can find justice anywhere except in the office of a lawyer, and that you can find religion anywhere except in a theological seminary." I have noticed that constitutional lawyers spend most of their time splitting fine constitutional hairs, which are so fine that they are invisible to the ordinary individual who is not a constitutional lawyer. They seem to think that the United States, with its 110,000,000 people, hang suspended in the air on some invisible constitutional hairs, and if these fine strands of hair are broken by any ordinary citizen the United States and its people will fall into oblivion.

I want to point out this afternoon some figures in addition to what I read into the RECORD the other day, showing that it is no innovation on the part of the Government to loan funds out of the Treasury to private individuals. But before I do that I want to call attention to a remark of the Senator from Maryland [Mr. BRUCE], who said, I believe, that he saw a political issue, or a dangerous political precedent—I think he said "issue"—in this bill; that it was a political bill. I can conceive how, being inadequate as it is, it might be used by the administration as a kind of an ear of corn in an attempt to satisfy the farmers of the Northwest who were dispossessed of their property through machinery provided by Congress, and power given to the Federal reserve banking system, which power they used to deflate the assets of the farmers of America to the amount of $32,000,000,000. I quote these figures from the Manufacturers' Record, of Baltimore, a very conservative paper, and therefore very respectable, and, of course, I hope that every Senator will take it as being accurate when I say this periodical is both conservative and respectable.

The power was given to the Federal reserve banking system, and to those who control it, to dispossess the American farmer of that amount of property. We are not here asking charity. I will not say that by this bill we are even asking to receive back a little of what has been taken away from us, but I want to serve notice right here that if it is the intention of the administration to use this bill as a political issue and go before the farmers of the Northwest in the coming campaign and say that "we have given you relief," they are going to fail if that is the purpose of this legislation. They will have to give us a real agricultural bill if they expect to do that. This makeshift will not do.

We in the Northwest have had the experience in past years of having slogans and camouflage legislation enacted for us in order to lead the American people to the polls that we might vote in the way special privilege wanted us to vote. When I think how, election after election, they have done that I am always reminded of a neighbor on our farm when I was a little boy. He drove a yoke of oxen, and those oxen were not very well trained. They never would start when he wanted them to start, and they never would stop when he wanted them to stop. So, in order to enable him to make them go he carried an ear of corn. Whenever he wanted them to start he would take the ear of corn out and dangle it in front of their faces. Then that yoke of oxen would start and move. Then he would go in the direction he wanted them to go, dangling that ear of corn before them. When he came to the place where he wanted them to stop he would put that ear of corn in his pocket, and that yoke of oxen never got the corn.

I am always reminded of that ear of corn and that farmer when I see how in political campaigns politicians representing special privilege go out and try to lead the American people to the polls. They may try to do that with this bill, if it is passed, but I am saying that it can not be done. It can not

be used for that purpose, because we have been led too often in that way. Always before a campaign some kind of legislation is passed in order to satisfy and mollify the people, and then before election politicians will go out with their ear of corn in their pockets, and about two or three weeks before election they hold that ear of corn out before the people's faces. Sometimes they call it one thing, sometimes they call it another; but it makes no difference what they call it, because it is always the same old ear of corn. Sometimes they call it a "full dinner pail." Sometimes they call it "normalcy" and "prosperity." Sometimes they call it "He kept us out of war." Sometimes they call it "Look out for the radicals in the United States Senate." It makes no difference what they call it; it is always the same old ear of corn.

It may be true that this is intended to be used as an ear of corn in the coming campaign, but I want to assure Senators that it is going to take more than an ear of corn to get the people to vote with you this time. We want a bill that will give the farmers a fair price for their products. They can not borrow themselves out of debt. They must have a price above the cost of production.

I want to call the attenton of the Senate to a statement I have from the Secretary of the Treasury showing what obligations of private corporations and foreign Governments are held by the Federal Government; and as I read these items—the stupendous figures showing the immense amount of money the Government has loaned to private individuals—the natural query will come to my mind, Where were these constitutional lawyers when these vast sums of money were taken out of the Treasury and given to private corporations and private individuals?

This is a statement issued by the Secretary of the Treasury showing securities owned by the United States December 31, 1923. It gives a statement of the bonds of foreign Governments received pursuant to agreement for funding of their debts to the United States pursuant to the act of Congress approved February 9, 1922, as amended by act approved February 28, 1923: Great Britain, $4,577,000,000. Under acts of April 24, 1917, and September 14, 1917: Belgium, Czechoslovakia, France, Greece, Italy, Liberia, Rumania, Russia, and Serbia, a total of $5,242,459,555, making a grand total of over $9,800,000,000. This is only one-third of what was taken from the American farmers.

Then comes an item of foreign obligations received from the Secretary of War on account of the sale of surplus war supplies, $592,549,332.24. Then we have another item, foreign obligations received from the Secretary of the Navy on account of the sale of surplus war supplies, $2,538,065.03. Another item is foreign obligations received from the United States Grain Corporation on account of final liquidation, given for relief pursuant to act approved March 30, 1922, $56,858,802.49, and another item, "foreign obligations received from the American Relief Association on account of relief pursuant to act approved February 25, 1919," $84,048,963.55.

The PRESIDING OFFICER. The Senator's time has expired on the pending amendment. He has 10 minutes on the bill.

Mr. SHIPSTEAD. I thank the Chair. Another item is capital stock of War Emergency Corporation, $18,042,683.15. Then there is capital stock of the Hoboken Manufacturers' Railroad, $400,000; capital stock of the United States Housing Corporation issued, $47,612,835.29; capital stock of the United States Sugar Equalization Board, $5,000,000; capital stock of the United States Spruce Production Co., $7,018,499.25; capital stock of the War Finance Corporation, $37,869,657.06.

Then we have the obligations of carriers acquired under section 7 of the Federal control act, approved March 21, 1918, as amended, to the Boston & Maine Railroad and Washington, Brandywine & Point Lookout Railway, $26,056,000, and then we have some other items of various other railroad companies. I shall only read the totals of the various items that have been loaned by the Government to the various railroad companies. Here is an item of $36,181,000; another of $233,670,000; another of $191,380,000; another of $7,000,000; making a grand total of loans to railroads of over $394,000,000.

Now, that is money that has been loaned to foreign governments and to private corporations out of the Treasury of the United States.

Director General Davis's report of January 4, 1924, shows that the railroads were paid for the 26 months of war-time control and the six months' guaranty period under the transportation act the sum of $1,696,000,000. This afternoon I pick up the afternoon paper and discover in great headlines that J. Pierpont Morgan & Co. has just loaned $50,000,000 to the French Government. I want to direct your attention to the fact that the French Government already owes the United States Government and therefore the people of the United States several billion dollars, which her leading statesmen have said they do not intend to pay. Last spring when France went into the Ruhr I had the suspicion that she had the secret backing of the financiers of the United States. I want to direct attention to the fact that J. Pierpont Morgan has just loaned $50,000,000 to the Poincaré government of France, and that we found in the papers of Mr. Page, who was ambassador to Great Britain during the World War, when his private letters were revealed by Mr. Burton Hendrick—and they will be found in the World's Work for August or September, 1922—the very astonishing information that when we went into the World War the British Government had overdrawn its bank account with J. Pierpont Morgan to the amount of $400,000,000 and did not have the money to make good that overdraft. According to the same letters of Mr. Page, who ought to know, we get the information, in the same periodical for August or September, 1922, that a few days after we went into the war that amount of money was taken out of the Federal Treasury and deposited in the bank of J. Pierpont Morgan.

If the "American flag follows the American dollar," it would be interesting to know what that overdraft in the bank of J. Pierpont Morgan had to do with the desire that became so prevalent here to enter the World War for liberty and democracy. It would also be interesting to know whether this new loan of $50,000,000 by J. Pierpont Morgan to the French imperial government of Poincaré will be used in dragging us into another war to save the world for democracy and Poincaré. We are asking donations from the American people to help feed the starving women and children of Germany. At the same time Morgan & Co. loan money to Poincaré's government so they can keep up the war and starve these women and children.

The items I have read run into the billions of dollars, and the money of the American people is shoveled out of the country to support a Government that is again threatening the peace of the world. While they are doing that we are sitting here in the Senate bartering and dickering like pawnbrokers over a miserable little $50,000,000 to loan to the impoverished agriculturists of the Northwest. I would like to know where the constitutional lawyers with their fine hairsplitting have been while all these American dollars that have been wrung out of the labor of the American people have been shoveled out to support the imperial governments of Europe in their struggle for supremacy in order that they may determine who shall control the destinies of the world and who shall collect the taxes in order that they may have interest on their war bonds?

Thursday, March 13, 1924.

Mr. SHIPSTEAD. Mr. President, in addressing the Senate yesterday afternoon I was reading some statistics from a statement given out by the Secretary of the Treasury, and while reading that statement it was called to my attention by the Chair that my time limit of 10 minutes had expired. I therefore take advantage of this opportunity to ask unanimous consent that the remainder of the statement of the Secretary of the Treasury be printed in the RECORD with my remarks of yesterday in order that the complete statement shall be available to Senators. It is a short statement, but very complete. I ask unanimous consent that it be printed in the RECORD.

The PRESIDING OFFICER (Mr. SPENCER in the chair). Without objection, it is so ordered.

The statement referred to is as follows:

Securities owned by the United States Government.

(Compiled from latest reports received by the Treasury.)

DECEMBER 31, 1923.

Bonds of foreign governments received pursuant to agreements for funding of their debts to the United States, pursuant to the acts of Congress approved Feb. 9, 1922, as amended by act approved Feb. 28, 1923:	
Great Britain	$4,577,000,000.00
Obligations of foreign governments, under authority of acts approved April 24, 1917, and Sept. 24, 1917, as amended (on basis of cash advances, less repayments of principal):[1]	
Belgium	347,210,808.68
Czechoslovakia	61,974,041.10
France	2,933,256,220.22
Greece	15,000,000.00
Italy	1,647,997,050.16
Liberia	26,000.00
Rumania	23,205,819.52
Russia	187,729,750.00
Serbia	26,059,865.40
Total	5,242,459,555.08

[1] The figures do not include interest accrued and unpaid.

Foreign obligations received from the Secretary of War on account of sale of surplus war supplies: [1]	
Belgium	$29,818,761.38
Czechoslovakia	20,604,302.49
Esthonia	12,218,377.88
France	497,341,145.01
Latvia	2,521,869.32
Lithuania	4,159,491.96
Nicaragua	175,590.28
Poland	77,408,015.21
Rumania	12,922,675.42
Russia	406,082.80
Serbs, Croats, and Slovenes	24,978,020.90
Total	592,549,332.24
Foreign obligations received from the Secretary of the Navy on account of sale of surplus war supplies: [1]	
Poland	2,538,065.03
Foreign obligations received from the American Relief Administration on account of relief, pursuant to act approved Feb. 25, 1919: [1]	
Armenia	8,028,412.15
Czechoslovakia	6,428,089.19
Esthonia	1,785,767.72
Finland	8,236,026.17
Latvia	2,610,417.82
Lithuania	822,136.07
Poland	51,671,749.36
Russia	4,465,465.07
Total	84,048,963.35
Foreign obligations received from the United States Grain Corporation on account of final liquidation, given for relief pursuant to act approved Mar. 30, 1920: [1]	
Armenia	3,931,505.34
Austria	24,055,708.92
Czechoslovakia	2,873,238.25
Hungary	1,685,835.61
Poland	24,312,514.37
Total	56,858,802.49
Capital stock of war emergency corporations:	
Capital stock of the Emergency Fleet Corporation	50,000,000.00
Less cash deposited with the Treasurer of the United States to the credit of the corporation	31,957,316.85
	18,042,683.15
Capital stock of the Hoboken Manufacturers' Railroad Co	400,000.00
Capital stock of United States Housing Corporation, issued	70,000,000.00
Less amount retired, plus cash deposits covered into Treasury under act approved July 11, 1919	22,387,164.71
	47,612,835.29
Capital stock of United States Sugar Equalization Board (Inc.)	5,000,000.00
Offset by cash deposited with the Treasurer of the United States to the credit of the corporation	12,797,160.19
Capital stock of the United States Spruce Production Corporation	10,000,000.00
Less cash deposited with the Treasurer of the United States to the credit of the corporation	2,981,590.75
	7,018,409.25
Capital stock of the War Finance Corporation, authorized and issued	500,000,000.00
Less cash deposited with the Treasurer of the United States to the credit of the War Finance Corporation	462,130,342.94
	37,869,657.06
Obligations of carriers acquired under section 7 of the Federal control act, approved Mar. 21, 1918, as amended: [2]	
Boston & Maine Railroad	26,006,000.00
Washington, Brandywine & Point Lookout Railroad Co	50,000.00
Total	26,056,000.00
Equipment trust 6 per cent gold notes acquired by Director General of Railroads pursuant to Federal control act of Mar. 21, 1918, as amended, and act approved Nov. 19, 1919, to provide for the reimbursement of the United States for motive power, cars, and other equipment ordered for carriers under Federal control: [3]	
Ann Arbor Railroad Co	211,200.00
Atlanta, Birmingham & Atlantic Railway Co	917,000.00
Equipment trust 6 per cent gold notes acquired by Director General of Railroads, etc.—Continued.	
Baltimore & Ohio Railroad Co	$4,747,200.00
Boston & Maine Railroad	1,826,400.00
Carolina, Clinchfield & Ohio Railway	1,656,000.00
Charleston & Western Carolina Railway Co	210,000.00
Chicago & Alton Railroad Co	484,800.00
Chicago & Eastern Illinois Railroad Co	196,800.00
Chicago, Indianapolis & Louisville Railway Co	277,200.00
Chicago Great Western Railroad Co	174,000.00
Chicago, Milwaukee & St. Paul Railway Co	4,386,000.00
Chicago & Western Indiana Railroad Co	74,400.00
Detroit & Toledo Shore Line Railroad Co	133,200.00
Erie Railroad Co	1,201,200.00
Grand Trunk Railway of Canada	238,800.00
Grand Trunk Western Railway Co	825,600.00
Kansas City Southern Railway Co	254,400.00
Maine Central Railroad Co	329,400.00
Minneapolis & St. Louis Railroad Co	403,200.00
Missouri, Kansas & Texas Railway Co	337,200.00
Missouri Pacific Railroad Co	2,776,800.00
Mobile & Ohio Railroad Co	162,000.00
Morgantown & Kingwood Railroad Co	693,600.00
New York, New Haven & Hartford Railroad Co	1,186,800.00
Norfolk Southern Railroad Co	105,600.00
Pere Marquette Railway Co	2,694,000.00
Seaboard Air Line Railway Co	440,400.00
Spokane, Portland & Seattle Railway Co	234,000.00
St. Louis-San Francisco Railway Co	3,836,400.00
Texas & Pacific Railway Co	638,400.00
Toledo, St. Louis & Western Railroad Co	315,600.00
Wabash Railroad Co	2,769,806.00
Western Maryland Railway Co	229,200.00
Wheeling & Lake Erie Railway Co	1,224,000.00
Total	36,181,600.00
Obligations of carriers acquired pursuant to section 207 of the transportation act approved February 28, 1920, as amended:	
Ann Arbor Railroad Co	525,000.00
Baltimore & Ohio Railroad Co	9,000,000.00
Bangor & Aroostook Railroad Co	325,000.00
Boston & Maine Railroad	1,030,000.00
Central Vermont Railway Co	700,000.00
Chicago & Eastern Illinois Railroad Co	3,425,000.00
Chicago Great Western Railroad Co	950,000.00
Chicago, Milwaukee & St. Paul Railway Co	20,000,000.00
Chicago, Rock Island & Pacific Railway Co	8,000,000.00
Delaware & Hudson Co	1,500,000.00
Detroit, Toledo & Ironton Railroad Co	700,000.00
Erie Railroad Co	8,725,000.00
Gulf, Mobile & Northern Railroad Co	489,000.00
International & Great Northern Railway Co	2,400,000.00
Kansas, Oklahoma & Gulf Railway Co	1,410,000.00
Maine Central Railroad Co	750,000.00
Minneapolis & St. Louis Railroad Co	1,250,000.00
Missouri, Kansas & Texas Railway Co	4,750,000.00
Missouri Pacific Railroad Co	3,000,000.00
New York, Chicago & St. Louis Railroad Co	1,000,000.00
New York, New Haven & Hartford Railroad Co	64,000,000.00
New York, Susquehanna & Western Railroad Co	100,000.00
Norfolk Southern Railroad Co	200,000.00
Pennsylvania Railroad Co	69,100,000.00
Pittsburgh, Cincinnati, Chicago & St. Louis Railroad Co	18,250,000.00
Seaboard Air Line Railway Co	2,000,000.00
St. Louis-San Francisco Railway Co	3,000,000.00
St. Louis Southwestern Railway Co	700,000.00
Virginian Railroad Co	2,000,000.00
Wabash Railway Co	1,500,000.00
Western Maryland Railway Co	2,000,000.00
Wheeling & Lake Erie Railway Co	900,000.00
Total	238,670,000.00
Obligations of carriers acquired pursuant to section 210 of the transportation act, approved February 28, 1920, as amended:	
Akron, Canton & Youngstown Railway Co	212,000.00
Alabama, Tennessee & Northern Railroad Corporation	434,000.00
Alabama & Vicksburg Railway Co	1,394,000.00
Ann Arbor Railroad Co	430,000.00
Aransas Harbor Terminal Railway	50,000.00
Atlanta, Birmingham & Atlantic Railway Co	180,000.00
Baltimore & Ohio Railroad Co	2,900,000.00
Bangor & Aroostook Railroad Co	164,000.00
Birmingham & Northwestern Railway Co	45,000.00
Boston & Maine Railroad	14,705,479.00
Buffalo, Rochester & Pittsburgh Railway Co	1,000,000.00
Central of Georgia Railroad Co	266,180.00
Central New England Railroad Co	800,000.00
Central Vermont Railway Co	167,000.00
Charles City Western Railway Co	140,000.00
Chesapeake & Ohio Railway Co	8,073,023.97
Chicago & Eastern Illinois Railroad Co., Receiver of	785,000.00
Chicago Great Western Railroad Co	2,205,573.00
Chicago, Indianapolis & Louisville Railway Co	155,000.00
Chicago, Milwaukee & St. Paul Railway Co	35,000,000.00
Chicago, Rock Island & Pacific Railway Co	9,862,000.00
Chicago & Western Indiana Railroad Co	7,719,000.00
Cisco & Northeastern Railway Co	236,450.00
Cowlitz, Chehalis & Cascade Railway Co	45,000.00
Cumberland & Manchester Railroad Co	375,000.00
Des Moines & Central Iowa Railroad, formerly the Inter-Urban Railway Co	683,500.00
Erie Railroad Co	11,574,450.00
Evansville, Indianapolis & Terre Haute Railway Co	400,000.00
Fernwood, Columbia & Gulf Railroad Co	23,000.00
Flemingsburg & Northern Railroad Co	7,250.00

[1] The figures do not include interest accrued and unpaid.

[2] This amount does not include securities purchased by the Director General of Railroads under the provisions of section 12 of the Federal control act approved March 21, 1918.

[3] The notes are in series, which mature, respectively, on the 15th day of January in various years up to 1935.

Obligations of carriers, etc.—Continued.	
Fort Dodge, Des Moines & Southern Railroad Co	$200,000.00
Fort Smith & Western Railroad Co., Receiver of the	156,000.00
Gainesville & Northwestern Railroad Co	75,000.00
Georgia & Florida Railway, Receivers of	792,000.00
Great Northern Railway Co	1,608,000.00
Greene County Railroad Co	48,000.00
Gulf, Mobile & Northern Railroad Co	1,433,500.00
Hocking Valley Railway Co	1,665,000.00
Kansas City, Mexico & Orient Railroad Co., Receiver of the	2,500,000.00
Kansas City Terminal Railway Co	580,000.00
Lake Erie, Franklin & Clarion Railroad Co	20,000.00
Louisville & Jeffersonville Bridge & Railroad Co	147,000.00
Maine Central Railroad Co	2,373,000.00
Minneapolis & St. Louis Railroad Co	1,382,000.00
Missouri, Kansas & Texas Ry. Co. of Texas, Receiver of the	390,000.00
Missouri & North Arkansas Railway Co	3,500,000.00
Missouri Pacific Railroad Co	5,549,760.00
National Railway Service Corporation	10,099,739.14
New York, New Haven & Hartford Railroad Co	23,930,000.00
Norfolk Southern Railroad Co	1,608,300.00
Peoria & Pekin Union Railway Co	1,797,000.00
Salt Lake & Utah Railroad Co	888,300.00
Seaboard Air Line Railway Co	14,557,400.00
Seaboard Bay Line Co	4,239,000.00
Shearwood Railway Co	29,000.00
Tennessee Central Railway Co	1,500,000.00
Toledo, St. Louis & Western Railroad Co., Receiver of	600,000.00
Virginia Blue Ridge Railway Co	106,000.00
Virginian Railway Co	2,000,000.00
Virginia Southern Railroad Co	38,000.00
Waterloo, Cedar Falls & Northern Railway Co	1,260,000.00
Western Maryland Railway Co	2,922,800.00
Wheeling & Lake Erie Railway Co	3,460,000.00
Wichita, Northwestern Railway Co	381,750.00
Wilmington, Brunswick & Southern Railroad Co	90,000.00
Total	191,380,255.11
Capital stock of the Panama Railroad Co	7,000,000.00
Capital stock of Federal land banks, on basis of purchases, less repayments to date:	
Springfield, Mass	596,450.00
Baltimore, Md	488,850.00
Columbia, S. C	310,035.00
Louisville, Ky	58,860.00
New Orleans, La	134,395.00
St. Louis, Mo	203,190.00
Wichita, Kans	150,055.00
Berkeley, Calif	492,550.00
Total	2,434,385.00
Capital stock of Federal intermediate credit banks, acquired pursuant to the agricultural credits act of 1923, approved Mar. 4, 1923:	
Springfield, Mass	1,000,000.00
Baltimore, Md	1,000,000.00
Columbia, S. C	2,000,000.00
Louisville, Ky	2,000,000.00
New Orleans, La	2,000,000.00
St. Louis, Mo	1,000,000.00
St. Paul, Minn	2,000,000.00
Omaha, Nebr	1,000,000.00
Wichita, Kans	2,000,000.00
Houston, Tex	2,000,000.00
Berkeley, Calif	2,000,000.00
Spokane, Wash	2,000,000.00
Total	20,000,000.00
Federal farm-loan bonds, acquired pursuant to act approved Jan. 18, 1918:	
Federal farm-loan 4½ per cent bonds	101,885,000.00
Securities received by the Secretary of War on account of sales of surplus war supplies	11,829,738.01
Securities received by the Secretary of the Navy on account of sales of surplus property	10,071,024.88
Securities received by the United States Shipping Board on account of sales of ships, etc	43,644,356.28
Grand total	11,350,550,752.42

MEMORANDUM.

Amount due the United States from the Central Branch of the Union Pacific Railroad on account of bonds issued (Pacific Railroad aid bonds, acts approved July 1, 1862; July 2, 1864; and May 7, 1878):	
Principal	1,600,000.00
Interest	1,919,115.03
Total	3,519,115.03

NOTE.—This statement is made up on the basis of the face value of the securities therein described as received by the United States, with due allowance for repayments. To the extent that the securities are not held in the custody of the Treasury, the statement is made up from reports received from other Government departments and establishments. The statement does not include securities which the United States holds as collateral, or as the result of the investment of trust funds (as, for example, securities held for account of the Alien Property Custodian, the United States Government life-insurance fund, and other similar trust funds).

Mr. SHIPSTEAD. Mr. President, I want to say just a word in reply to the Senator from Connecticut [Mr. McLEAN] regarding the letter from Minnesota. I also have received some letters from Minnesota from farmers who object to the bill because they consider that it is only a drop in the bucket so far as the agricultural situation is concerned. I have also received some letters objecting to it because it applies to one section of the country and does not take care of the agricultural situation of the South. I admit, and I have said from the very beginning, that I do not consider it a perfect bill. I said in the beginning that I consider it like giving half a cooky to a man who has had nothing to eat for two weeks.

But this is the first agricultural relief bill brought before the Senate, and while I have been told that it has been advanced in order to stop a real agricultural relief bill, I can not believe that. I think it will do some farmers some good. The Committee on Agriculture and Forestry, who held extended hearings on the bill, reported it out as a bill that would render some relief, and while it may not be as perfect as we expect to get later, at least I feel there is some relief in the measure, and therefore I am going to vote for it.

Mr. REED of Pennsylvania. Mr. President, I feel it my duty to state in the five minutes allotted to me under the unanimous-consent agreement the reasons why I shall vote against the bill.

I believe our Government was organized for three prime purposes—to provide for the common defense, to define the rights between its citizens, each to one another, and for the preservation of order within our boundaries. I believe that the centralization of power which has resulted from our wars, and particularly the last war, has brought a great element of danger, in that every person who has a fad or a pet reform or some moral idea that he wants to impress on the community now comes to the National Congress to put it through either by constitutional amendment or otherwise.

I believe that a similar danger has grown up through the exercise of the vast taxing powers of this Government and the accumulation here in the National Treasury of a huge public fund. Of course, the purpose for which taxes are levied and the purpose for which that fund is raised is to carry on the primary purposes of government, and those do not include the use of the Government as a crutch for the benefit of every group of our citizens who have not that degree of prosperity which they want and who wish to lean on the Government. No such function properly belongs to our National Government; and yet the public fund which we have raised by taxation upon all citizens stands here as a target of every organized minority which chooses to make a raid on it and to demand a hand-out.

The great group of taxpayers is unorganized and can not defend itself. The people who have to pay the bill have no organization which can put up their side of the case to us, but we are the trustees of their money, and the burden is upon us to provide that defense for them against these raids. As trustees of the public money, I believe that we should refuse to allow it to be used for purposes that are nothing more nor less than charities. I believe that it is an unconstitutional application of the public money of which we are trustees for us to appropriate as we did $20,000,000 to Russia; as we are now asked to do in giving some more millions to Germany for the relief of her citizens; as we are asked to do in a half dozen bills for the relief of particular depressed industries in the United States. This Government was not created for the purpose of being a great charitable organization with the power of levying compulsory contributions to its Treasury. I do not believe that taxes are collected for that purpose; I do not believe the money is ours to spend for that purpose. For that reason, I expect to vote against the pending bill.

The PRESIDING OFFICER. The question is upon the amendment in the nature of a substitute proposed by the Senator from Nebraska [Mr. HOWELL].

Mr. KING. I discussed at some length the bill before us a day or two ago and take the floor now to put into the RECORD a few figures relating to North Dakota. When I showed in my speech that South Dakota had diversified crops and was reasonably prosperous, the Senator from Minnesota [Mr. JOHNSON] stated that the bill did not apply to that State. The Senator from Idaho [Mr. GOODING] stated that the testimony before the committee reporting the bill showed that it would not apply to all parts of North Dakota. The figures furnished by the Comptroller of the Currency, the Agricultural Department, and various State agencies conclusively demonstrate that the conditions in North Dakota are not as deplorable and precarious as some would have us believe. Indeed, a comparison between that State and other sections of the United States will

reveal that the problems of the people of North Dakota are not more serious or difficult than those in some other States.

The following table, furnished by the Department of Agriculture, which I ask leave to insert without reading, shows that in 1923 there were 8,000 mules, 566,000 hogs, 240,000 sheep, 797,000 horses, 503,000 milch cows, and 814,000 other cattle. It also shows that the automobiles on the farms in the State in 1920 were 47,711, and the total number in the State in 1923 was 109,266.

The PRESIDING OFFICER. Without objection, it is so ordered.

The table referred to is as follows:

North Dakota livestock and motor cars.

Calendar year.	Mules, Jan. 1.		Hogs, Jan. 1.		Sheep, Jan. 1.		Horses, Jan. 1.	
	Number.	Value.	Number.	Value.	Number.	Value.	Number.	Value.
	Thousands.	*Thousands.*	*Thousands.*	*Thousands.*	*Thousands.*	*Thousands.*	*Thousands.*	*Thousands.*
1919	9	$963	475	$11,732	265	$3,339	850	$79,050
1920	8	760	458	9,618	299	3,259	856	71,048
1921	8	656	431	6,034	272	1,550	830	52,290
1922	8	576	435	4,785	250	1,150	813	44,715
1923	8	552	566	7,641	240	1,752	797	44,632
1924	8	488	651	6,510	254	1,981	781	38,209

Calendar year.	Milch cows, Jan. 1.		Other cattle, Jan. 1.		Motor vehicles registration.		Automobiles on farms.	Tractors on farms.
	Number.	Value.	Number.	Value.	Number.	Value.		
	Thousands.	*Thousands.*	*Thousands.*	*Thousands.*				
1919	451	$36,080	636	$30,274	82,885	.....	.....	.....
1920	461	35,497	874	32,862	90,840	.....	47,711	13,006
1921	461	25,355	848	21,370	92,644	.....	.....	.....
1922	484	20,812	848	15,688	99,052	.....	.....	.....
1923	503	22,132	814	17,420	109,266	.....	.....	.....
1924	533	25,051	806	15,959	.....	.....	.....	.....

Mr. KING. This table shows an increase of 30,000 cows during the year 1923. I submitted figures a few days ago showing that there was an average of more than six milk cows for each farm in North Dakota.

The Comptroller of the Currency reports that the deposits of the banks reporting to his office as of June 30, 1923, amounted to $167,284,000. In 1915 the aggregate deposits of the banks of North Dakota were only $89,422,000. These figures show a remarkable increase in bank deposits between 1915 and 1923.

The State commissioner of agriculture and labor reports to the Governor of North Dakota under date of August 31, 1922, that there "has been a practical development of dairy cattle, beef cattle, poultry, and a larger acreage of cultivated crops, such as potatoes, corn, and so forth, during the past three years, and that many acres have been reduced to pastures and hay meadows." He refers to the forage and hay crops "which have come into prominence, among them being the two legumes, alfalfa and sweet clover, Sudan grass, kafir corn, sorghum, fodder corn, and sunflower." He also adds that the interest taken in these crops "shows a marked disposition toward an increase of dairy and beef cattle."

The report of the dairy commissioner states that the condition with respect to dairying has changed; "that dairying is an approved activity"; and that there has been a "period of herd improvement, of the introduction of purebred foundation herds, of observation, and application of better and more economical dairy methods." He also adds that the manufacture of dairy products has passed from "the primary stages into highly organized activities involving organization and capital." He also states that there has been a gain in the amount of butterfat marketed through cream stations for the year ending June 30, 1922, over 1921 of 30.6 per cent. The report of the commissioner of agriculture and labor further shows a great variety of agricultural products for 1920. Since then the number of varieties has increased, as well as the production. In 1920 there were seven and one-half million acres of wheat (spring, Durham, and winter) harvested, and the number of acres of oats, flax, barley, rye, corn, and other important crops harvested amounted to approximately 5,000,000. In addition, many thousands of acres produced hay and various fodder crops, and the area cultivated for vegetables and smaller crops was not inconsiderable.

The following table from the census returns for 1920 shows the acreage of important crops in North Dakota for 1919, 1909, and 1899. I ask that it be inserted into the RECORD without reading.

The PRESIDING OFFICER. Without objection, it is so ordered.

The table referred to is as follows:

Acreage of important crops.

Crop.	1919	1909	1899
Corn	191,423	185,122	62,373
Oats	2,073,162	2,147,032	780,517
Wheat	9,098,042	8,188,782	4,451,251
Barley	1,085,329	1,215,811	287,093
Rye	2,422,563	48,188	27,995
Flaxseed	649,949	1,068,049	773,999
Hay and forage	[1] 4,035,803	2,864,244	1,410,534
Potatoes	82,561	54,067	21,936

[1] Includes 278,455 acres in corn cut for forage. This crop was not included to any extent in the hay and forage totals prior to 1919.

Mr. KING. Other crops were raised, the acreage of which was considerable. The above figures show that as early as 1899 nearly a million and a half acres were devoted to hay and forage as against 4,451,000 devoted to wheat. In 1909 the wheat acreage was more than 8,000,000, and at the peak, when it is claimed there had been a great increase in wheat production at the request of the Government, the acreage was but slightly over 9,000,000. A greater proportion of increase in the wheat acreage, between 1909 and 1919, can be found in a number of States. These figures, and others which I might submit, negative the contention of the proponents of this bill that North Dakota is in need of this legislation.

The PRESIDING OFFICER. The time of the Senator from Utah has expired.

The question is on the amendment offered by the Senator from Nebraska [Mr. HOWELL].

Mr. McLEAN. Mr. President, I will inquire if I have occupied 10 minutes or 5 minutes.

The PRESIDING OFFICER. Under the unanimous agreement entered into on yesterday the time limit on debate is five minutes after 1 o'clock to-day.

Mr. McLEAN. Five minutes on the amendments?

The PRESIDING OFFICER. Five minutes on each amendment and five minutes on the bill itself.

Mr. McLEAN. I spoke, I think, only five minutes, and so I have five minutes left on the bill.

The PRESIDING OFFICER. The Senator has five minutes on the bill.

Mr. McLEAN. Mr. President, I do not think I shall occupy five minutes; but the Senator from Utah has presented to the Senate some very interesting statistics. With regard to dairying, and especially with regard to the production and marketing of milk, I wish to call attention to the fact that the situation in North Dakota is no more serious than it is in New England. A meeting of the Dairymen's Association of New England was held in Boston last week. The dairymen are well organized and have their cooperative selling organizations; they have had years of experience; but they are now selling milk that costs them 8½ cents a quart for 6½ cents. So the farmer who goes into the dairy business at this time in a commercial way is bound to find a glutted market. The man who invested $20,000 in the dairy industry in New England to-day will lose his money in five years, unless there is a decided improvement in the market.

Mr. STEPHENS. Mr. President, the pending bill has been discussed for several days, and every angle of the question has been presented to the Senate. I rise merely in order that I may state in a brief way my disapproval of this class of legislation.

In the first place, I am going to say, Mr. President, that the admissions of the advocates of this bill condemn the measure. Some Senators say that it is only a makeshift; that it does not meet the situation and give the relief to which the farmers of the Northwest are entitled. In my opinion, we should not indulge in legislative makeshifts.

Again, it is admitted by those who advocate this bill that it does not proceed upon sound business principles. When on yesterday the amendment of the Senator from Montana [Mr. WALSH] was voted down, by that very vote there was an admission that those who favor this bill do not intend that its provisions shall be administered in a businesslike way.

Furthermore, Mr. President, it occurs to me that those who advocate the bill are rather inconsistent in their arguments. During this discussion I have heard Senator after Senator condemn the Esch-Cummins law, and yet they hold it up as a precedent. They say that the provisions of that law were wrong, that it should not have been enacted; and yet they ask the Senate to proceed along the same line, following what they condemn as a bad precedent. I wish to say in that connection that I happened to be a Member of the House of Representatives when that bill was passed, and at that time I opposed it, spoke against it, and voted against it; but my question is this: Why condem a thing and then hold it up as a precedent that we should follow in this particular matter? Of course it is an old saying that two wrongs never make a right. Although the Congress time after time may have violated constitutional provisions and done things that should not have been done, yet that is no reason why in this instance we should violate the Constitution.

To my mind, Mr. President, a more absurd or ridiculous proposition was never advanced in a legislative body than this one. The Senator from Nebraska [Mr. HOWELL] said a moment ago that he would not favor this legislation as a general principle, and he went on to say that his reason for favoring it now was that prosperity had not been equalized among the industries of the Nation. If that shall be the rule to be adopted by us as legislators, it will mean that we must be constantly making a survey of the Nation to find out where people are not prosperous, where they have been unfortunate——

The PRESIDING OFFICER (Mr. CURTIS in the chair.) The Senator's time is up on the amendment, but he has five minutes on the bill.

Mr. STEPHENS. Very well.

I was saying, Mr. President, that if we shall adopt that as our rule of procedure with reference to matters of this kind, we must make a general survey and find out where the unfortunate are, and endeavor to relieve their situation. As has been so well said by the Senator from Pennsylvania, that is not the province of this Government. We have no right to turn the Nation into a charitable institution. If the idea that has been advanced in this discussion is to be followed, the thing for us to do is to announce that the Treasury of the Nation is open to the unfortunate, that we intend to create a great bureau of the Government whose duty it shall be to search out the unfortunate, to relieve their distress, and to provide by appropriate legislation a large revolving fund in order that this distress may be relieved wherever found.

As I said, Mr. President, this appears to me to be an absurd, a ridiculous proposition. Some Senator the other day seemed to be a little incensed because it was charged that this is a gift. I want to say that there can be no doubt that it will in most instances, at least, if not in all, be a gift if it is to be administered as provided by this bill. It is not to relieve the man who is entitled to credit they admit. It is not to be used to relieve the man who can give any assurance whatever that the money he shall receive shall ever be returned into the Treasury of the Government; but the Senator from Nebraska proposes that we shall go into the business of buying livestock and selling them on the installment plan, and he argues that he engaged in that kind of business for a long time with very little loss, but I am sure, from what he said, that the security was entirely different from that offered here.

Why, Mr. President, if chickens, hogs, and livestock are to be purchased and turned over without any additional security, the Senator would have this great Nation not only converted into an installment-plan business but he would have hundreds and perhaps thousands—hundreds, at least—of inspectors, men whose duty it would be to go out over the Nation, over those sections of the country where these loans were made and make periodic inspections of the condition of the chickens, of the hogs, of the sheep, and of the cattle. That is an entirely unworkable proposition, as I see it.

Ah, but the Senator says we lost but little. Mr. President, it is not the duty of the Government to do anything for those who happen to be in distress where there is any chance whatever of loss. As has been suggested, we are the trustees of the taxpayers of the Nation, and I submit that there is not a Senator on this floor who would deal with his own money as we are asked to deal with the money of the taxpayers of this Nation. We have the right to deal with our own money as we please, to give it away or to make loans with little or no security; but we have no right to tax the people of the country, and then use the tax money in any such manner as is proposed by this bill.

The PRESIDING OFFICER. The time of the Senator from Mississippi has expired. The question is on the amendment, in the nature of a substitute, offered by the Senator from Nebraska [Mr. HOWELL].

The amendment was rejected.

The PRESIDING OFFICER. If there be no further amendment to be proposed as in Committee of the Whole, the bill will be reported to the Senate.

The bill was reported to the Senate as amended.

Mr. WALSH of Massachusetts. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Adams	Edwards	Kendrick	Reed, Pa.
Ashurst	Ernst	Keyes	Robinson
Bayard	Ferris	King	Sheppard
Borah	Fess	Ladd	Shipstead
Brandegee	Fletcher	Lodge	Shortridge
Broussard	Frazier	McCormick	Simmons
Bruce	George	McKinley	Smith
Cameron	Gerry	McLean	Spencer
Capper	Glass	McNary	Stanfield
Caraway	Gooding	Mayfield	Stephens
Colt	Hale	Norris	Swanson
Copeland	Harreld	Oddie	Trammell
Couzens	Harris	Overman	Wadsworth
Curtis	Howell	Pepper	Walsh, Mass.
Dale	Johnson, Minn.	Phipps	Walsh, Mont.
Dill	Jones, N. Mex.	Ralston	Warren
Edge	Jones, Wash.	Reed, Mo.	Willis

The PRESIDING OFFICER. Sixty-eight Senators have answered to their names. A quorum is present. The question is on concurring in the amendments made as in Committee of the Whole.

Mr. WALSH of Montana. Mr. President, in the amendment offered by myself, and which was adopted as in Committee of the Whole, I move to substitute the word "shall" for "may."

The PRESIDING OFFICER. The amendment to the amendment made as in Committee of the Whole will be stated.

The READING CLERK. On page 4, line 10, after the word "livestock," in line 2 of the amendment heretofore agreed to, it is proposed to strike out the word "may" and insert the word "shall," so as to make the amendment read:

> The Secretary, in executing the functions vested in him by this act, shall, so far as practicable, utilize the Federal intermediate credit banks system; and the Federal Farm Loan Board and the directors and officers of the Federal intermediate credit banks shall cooperate with the Secretary for such purpose.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Montana to the amendment made as in Committee of the Whole.

Mr. WALSH of Montana. On that I call for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. BRANDEGEE (when his name was called). I am paired on this bill and all amendments with the senior Senator from Nevada [Mr. PITTMAN]. I transfer that pair to the senior Senator from Iowa [Mr. CUMMINS] and vote "yea."

Mr. LODGE (when his name was called). I have a general pair with the senior Senator from Alabama [Mr. UNDERWOOD], which I transfer to the senior Senator from Vermont [Mr. GREENE], and vote "nay."

Mr. PHIPPS (when his name was called). Announcing my pair with the junior Senator from South Carolina [Mr. DIAL], I withhold my vote.

Mr. SMITH (when his name was called). I have a general pair with the senior Senator from South Dakota [Mr. STERLING]. In his absence I withhold my vote.

Mr. WALSH of Massachusetts (when his name was called). On this question I have a pair with the junior Senator from Wisconsin [Mr. LENROOT], which I transfer to the junior Senator from Arkansas [Mr. CARAWAY], and vote "yea."

The roll call was concluded.

Mr. GERRY. I desire to announce that the senior Senator from Kentucky [Mr. STANLEY] is necessarily absent.

Mr. JONES of New Mexico. I have a general pair with the senior Senator from Maine [Mr. FERNALD]. I am unable to obtain a transfer of the pair, and I therefore withhold my vote.

Mr. McCORMICK. I have a standing pair with the senior Senator from Oklahoma [Mr. OWEN]. He is not present, and I withhold my vote.

The result was announced—yeas 34, nays 36, as follows:

YEAS—34.

Adams	Edwards	Jones, Wash.	Simmons
Ashurst	Ferris	McKellar	Stephens
Bayard	Fletcher	Mayfield	Swanson
Borah	George	Overman	Trammell
Brandegee	Gerry	Ralston	Walsh, Mass.
Broussard	Glass	Reed, Mo.	Walsh, Mont.
Bruce	Harreld	Robinson	Wheeler
Couzens	Harris	Shields	
Edge	Harrison	Shipstead	

NAYS—36.

Bursum	Gooding	McKinley	Sheppard
Cameron	Hale	McLean	Shortridge
Capper	Howell	McNary	Smoot
Colt	Johnson, Minn.	Moses	Spencer
Curtis	Kendrick	Norris	Stanfield
Dale	Keyes	Oddie	Wadsworth
Dill	King	Pepper	Warren
Fess	Ladd	Ransdell	Watson
Frazier	Lodge	Reed, Pa.	Willis

NOT VOTING—26.

Ball	Ernst	Lenroot	Smith
Brookhart	Fernald	McCormick	Stanley
Caraway	Greene	Neely	Sterling
Copeland	Heflin	Norbeck	Underwood
Cummins	Johnson, Calif.	Owen	Weller
Dial	Jones, N. Mex.	Phipps	
Elkins	La Follette	Pittman	

So the Senate refused to agree to the amendment to the amendment made as in the Committee of the Whole.

The PRESIDING OFFICER. The question now is on concurring in the amendments made as in the Committee of the Whole.

The amendments were concurred in.

The bill was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDING OFFICER. The question is, Shall the bill pass?

Mr. KING and others demanded the yeas and nays, and they were ordered.

The reading clerk proceeded to call the roll.

Mr. BRANDEGEE (when his name was called). Announcing again my pair with the senior Senator from Nevada [Mr. PITTMAN], I transfer that pair to the senior Senator from Iowa [Mr. CUMMINS], and vote "nay."

Mr. LADD (when the name of Mr. JOHNSON of California was called). The senior Senator from California [Mr. JOHNSON] is paired with the senior Senator from West Virginia [Mr. ELKINS]. The Senator from California desires that I announce that if present he would vote "yea." The senior Senator from West Virginia if present would vote "nay."

Mr. JONES of New Mexico (when his name was called). I have a general pair with the senior Senator from Maine [Mr. FERNALD]. I am unable to obtain a transfer of the pair, and withhold my vote. If I were permitted to vote, I should vote "yea."

Mr. LADD (when Mr. LENROOT's name was called). I am requested by the junior Senator from Wisconsin [Mr. LENROOT] to announce that if he were present, he would vote "yea."

Mr. LODGE (when his name was called). I have a general pair with the senior Senator from Alabama [Mr. UNDERWOOD]. I transfer that pair to the senior Senator from Vermont [Mr. GREENE], and vote "nay."

Mr. PHIPPS (when his name was called). I am paired with the junior Senator from South Carolina [Mr. DIAL]. I am informed that if he were present he would vote as I intend to vote, and therefore I am at liberty to vote. I vote "nay."

Mr. SMITH (when his name was called). I have a general pair with the senior Senator from South Dakota [Mr. STERLING]. In his absence, I withhold my vote.

Mr. LADD (when Mr. STERLING's name was called). The senior Senator from South Dakota [Mr. STERLING] is paired with the senior Senator from South Carolina [Mr. SMITH], as has been announced. If the senior Senator from South Dakota were present, he would vote "yea."

Mr. WALSH of Massachusetts (when his name was called). On this question I am paired with the junior Senator from Wisconsin [Mr. LENROOT]. I transfer that pair to the junior Senator from South Carolina [Mr. DIAL] and vote "nay."

Mr. LADD (when Mr. WELLER's name was called). I was requested to announce that the senior Senator from Maryland [Mr. WELLER] is paired with the junior Senator from South Dakota [Mr. NORBECK]. If present, the Senator from South Dakota [Mr. NORBECK] would vote "yea" and the Senator from Maryland [Mr. WELLER] would vote "nay."

The roll call was concluded.

Mr. McCORMICK. I have a standing pair with the senior Senator from Oklahoma [Mr. OWEN]. In his absence I withhold my vote.

Mr. GERRY. I desire to announce that the senior Senator from Kentucky [Mr. STANLEY] is necessarily absent. I also wish to announce that the junior Senator from Alabama [Mr. HEFLIN] is necessarily absent. If present, he would vote "nay."

The result was announced—yeas 32, nays 41, as follows:

YEAS—32.

Brookhart	Ferris	Ladd	Ransdell
Bursum	Fess	McKinley	Sheppard
Cameron	Frazier	McNary	Shipstead
Capper	Harreld	Mayfield	Shortridge
Colt	Howell	Neely	Stanfield
Copeland	Johnson, Minn.	Norris	Walsh, Mont.
Curtis	Jones, Wash.	Oddie	Warren
Dill	Kendrick	Ralston	Willis

NAYS—41.

Adams	Edwards	Lodge	Simmons
Ball	Ernst	McKellar	Smoot
Bayard	Fletcher	McLean	Stephens
Borah	George	Moses	Swanson
Brandegee	Gerry	Overman	Trammell
Broussard	Glass	Pepper	Wadsworth
Bruce	Gooding	Phipps	Walsh, Mass.
Caraway	Hale	Reed, Mo.	Watson
Couzens	Harris	Reed, Pa.	
Dale	Harrison	Robinson	
Edge	King	Shields	

NOT VOTING—23.

Ashurst	Heflin	McCormick	Stanley
Cummins	Johnson, Calf.	Norbeck	Sterling
Dial	Jones, N. Mex.	Owen	Underwood
Elkins	Keyes	Pittman	Weller
Fernald	La Follette	Smith	Wheeler
Greene	Lenroot	Spencer	

So the bill was rejected.

ORDER OF BUSINESS.

The PRESIDING OFFICER. Under the unanimous-consent agreement the Senate will proceed to the consideration of Senate Joint Resolution 22.

Mr. NORRIS. No; Mr. President, under the unanimous-consent agreement the joint resolution will not come up until to-morrow at 2 o'clock. I ask unanimous consent that the Senate proceed to the consideration of the calendar under Rule VIII and that we begin at the point where we left off when the calendar was last called.

Mr. LODGE. Mr. President, if the Senator will withhold the request for a moment——

Mr. NORRIS. Certainly.

Mr. LODGE. I gave notice that to-day on the conclusion of the morning business I should move that the Senate go into executive session to consider the treaty with Great Britain. I did not make the motion because the Senate met after a recess under a unanimous-consent agreement, and when the unfinished business was disposed of I did not wish to interfere with the joint resolution which is in charge of the Senator from Nebraska.

Mr. NORRIS. I supposed the Senator had changed the notice.

Mr. LODGE. No; I have not changed it.

Mr. NORRIS. If the Senator wants an executive session, I will withdraw my request.

Mr. LODGE. I should like to make a motion that we go into executive session.

Mr. NORRIS. Very well.

The PRESIDING OFFICER. The request submitted by the Senator from Nebraska is withdrawn. The Senator from Massachusetts is recognized.

EXECUTIVE SESSION.

Mr. LODGE. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After 3 hours and 25 minutes spent in executive session, the doors were reopened.

PREVENTION OF SMUGGLING OF INTOXICATING LIQUORS.

In executive session this day, following the ratification of the treaty between the United States and Great Britain to aid in the prevention of the smuggling of intoxicating liquors into the United States, on request of Mr. SHEPPARD, and by unanimous consent, the injunction of secrecy was removed from the vote by which the treaty was ratified.

The vote on ratification resulted—yeas 61, nays 7, not voting 28, as follows:

YEAS—61.

Adams	Cameron	Couzens	Ferris
Borah	Capper	Curtis	Fess
Brookhart	Colt	Dill	Fletcher
Bursum	Copeland	Ernst	Frazier

George	Lodge	Phipps	Stanfield
Glass	McCormick	Ralston	Stephens
Gooding	McKellar	Ransdell	Swanson
Harreld	McKinley	Reed, Pa.	Trammell
Harris	McLean	Robinson	Wadsworth
Harrison	McNary	Sheppard	Walsh, Mont.
Howell	Mayfield	Shields	Warren
Johnson, Minn.	Neely	Shipstead	Watson
Jones, N. Mex.	Norris	Simmons	Willis
Jones, Wash.	Oddie	Smith	
Kendrick	Overman	Smoot	
Ladd	Pepper	Spencer	

NAYS—7.

Bayard	Bruce	Edwards	Reed, Mo.
Broussard	Edge	Gerry	

NOT VOTING—28.

Ashurst	Elkins	King	Shortridge
Ball	Fernald	La Follette	Stanley
Brandegee	Greene	Lenroot	Sterling
Caraway	Hale	Moses	Underwood
Cummins	Heflin	Norbeck	Walsh, Mass.
Dale	Johnson, Calif.	Owen	Weller
Dial	Keyes	Pittman	Wheeler

On motion of Mr. LODGE, the injunction of secrecy was removed from the treaty, which is as follows:

To the Senate:

I transmit herewith, to the end that I may receive the advice and consent of the Senate to ratification, a treaty between the United States and Great Britain to aid in the prevention of the smuggling of intoxicating liquors into the United States, signed at Washington on January 23, 1924.

CALVIN COOLIDGE.

THE WHITE HOUSE,
Washington, January 24, 1924.

The PRESIDENT:

The undersigned, the Secretary of State, has the honor to lay before the President with a view to its transmission to the Senate to receive the advice and consent of that body to ratification, if his judgement approve thereof, a treaty between the United States and Great Britain to aid in the prevention of the smuggling of intoxicating liquors into the United States.

Respectfully submitted.

CHARLES E. HUGHES.

DEPARTMENT OF STATE,
Washington, January 23, 1924.

The President of the United States of America;

And His Majesty the King of the United Kingdom of Great Britain and Ireland and of the British Dominions beyond the Seas, Emperor of India;

Being desirous of avoiding any difficulties which might arise between them in connection with the laws in force in the United States on the subject of alcoholic beverages;

Have decided to conclude a convention for that purpose;

And have appointed their plenipotentiaries:

The President of the United States of America:

Charles Evans Hughes, Secretary of State of the United States;

His Majesty the King of the United Kingdom of Great Britain and Ireland and of the British Dominions beyond the Seas, Emperor of India:

The Right Hon. Sir Auckland Campbell Geddes, G. C. M. G., K. C. B., his ambassador extraordinary and plenipotentiary to the United States of America;

Who, having communicated their full powers found in good and due form, have agreed as follows:

ARTICLE I.

The high contracting parties declare that it is their firm intention to uphold the principle that 3 marine miles extending from the coastline outwards and measured from low-water mark constitute the proper limits of territorial waters.

ARTICLE II.

(1) His Britannic Majesty agrees that he will raise no objection to the boarding of private vessels under the British flag outside the limits of territorial waters by the authorities of the United States, its territories, or possessions in order that enquiries may be addressed to those on board and an examination be made of the ship's papers for the purpose of ascertaining whether the vessel or those on board are endeavoring to import or have imported alcoholic beverages into the United States, its territories, or possessions in violation of the laws there in force. When such enquiries and examination show a reasonable ground for suspicion, a search of the vessel may be initiated.

(2) If there is reasonable cause for belief that the vessel has committed or is committing or attempting to commit an offense against the laws of the United States, its territories, or possessions prohibiting the importation of alcoholic beverages, the vessel may be seized and taken into a port of the United States, its territories, or possessions for adjudication in accordance with such laws.

(3) The rights conferred by this article shall not be exercised at a greater distance from the coast of the United States, its territories, or possessions than can be traversed in one hour by the vessel suspected of endeavoring to commit the offense. In cases, however, in which the liquor is intended to be conveyed to the United States, its territories, or possessions by a vessel other than the one boarded and searched, it shall be the speed of such other vessel and not the speed of the vessel boarded which shall determine the distance from the coast at which the right under this article can be exercised.

ARTICLE III.

No penalty or forfeiture under the laws of the United States shall be applicable or attach to alcoholic liquors or to vessels or persons by reason of the carriage of such liquors, when such liquors are listed as sea stores or cargo destined for a port foreign to the United States, its territories, or possessions on board British vessels voyaging to or from ports of the United States, or its territories or possessions, or passing through the territorial waters thereof, and such carriage shall be as now provided by law with respect to the transit of such liquors through the Panama Canal, provided that such liquors shall be kept under seal continuously while the vessel on which they are carried remains within said territorial waters and that no part of such liquors shall at any time or place be unladen within the United States, its territories, or possessions.

ARTICLE IV.

Any claim by a British vessel for compensation on the grounds that it has suffered loss or injury through the improper or unreasonable exercise of the rights conferred by article 2 of this treaty or on the ground that it has not been given the benefit of article 3 shall be referred for the joint consideration of two persons, one of whom shall be nominated by each of the high contracting parties.

Effect shall be given to the recommendations contained in any such joint report. If no joint report can be agreed upon, the claim shall be referred to the claims commission established under the provisions of the agreement for the settlement of outstanding pecuniary claims signed at Washington the 18th August, 1910, but the claim shall not, before submission to the tribunal, require to be included in a schedule of claims confirmed in the manner therein provided.

ARTICLE V.

This treaty shall be subject to ratification and shall remain in force for a period of one year from the date of the exchange of ratifications.

Three months before the expiration of the said period of one year either of the high contracting parties may give notice of its desire to propose modifications in the terms of the treaty.

If such modifications have not been agreed upon before the expiration of the term of one year mentioned above, the treaty shall lapse.

If no notice is given on either side of the desire to propose modifications, the treaty shall remain in force for another year, and so on automatically, but subject always in respect of each such period of a year to the right on either side to propose as provided above three months before its expiration modifications in the treaty, and to the provision that if such modifications are not agreed upon before the close of the period of one year the treaty shall lapse.

ARTICLE VI.

In the event that either of the high contracting parties shall be prevented either by judicial decision or legislative action from giving full effect to the provisions of the present treaty the said treaty shall automatically lapse, and, on such lapse or whenever this treaty shall cease to be in force, each high contracting party shall enjoy all the rights which it would have possessed had this treaty not been concluded.

The present convention shall be duly ratified by the President of the United States of America, by and with the advice and consent of the Senate thereof, and by His Britannic Majesty; and the ratifications shall be exchanged at Washington as soon as possible.

In witness whereof the respective plenipotentiaries have signed the present convention in duplicate and have thereunto affixed their seals.

Done at the city of Washington this 23d day of January, in the year of our Lord 1924.

[SEAL.] CHARLES EVANS HUGHES.
[SEAL.] A. C. GEDDES.

APPLICATION OF THE NATIONAL PROHIBITION ACT TO PASSENGER SHIPS.

On request of Mr. BROUSSARD, and by unanimous consent, the decision of the Supreme Court of the United States in Cunard Steamship Co. (Ltd.) et al. v. Mellon was ordered to be printed in the RECORD following the text of the treaty.

The decision is as follows:

Supreme Court of the United States.

(Nos. 659, 660, 661, 662, 666, 667, 668, 669, 670, 678, 693, 694.—October term, 1922.)

(659) The Cunard Steamship Co. (Ltd.) et al., appellants, v. Andrew W. Mellon, Secretary of the Treasury, et al.; (660) The Oceanic Steam Navigation Co. (Ltd.), appellant, v. Andrew W. Mellon, Secretary of the Treasury, et al.; (661) International Navigation Co. (Ltd.), appellant, v. Andrew W. Mellon, Secretary of the Treasury, et al.; (662) Compagnie Generale Transatlantique, appellant, v. Andrew W. Mellon, Secretary of the Treasury, et al.; (666) The Netherlands-American Steam Navigation Co. (Holland-America Line), appellant, v. Andrew W. Mellon, Secretary of the Treasury, et al.; (667) Liverpool, Brazil & River Plate Steam Navigation Co. (Ltd.) v. Andrew W. Mellon, Secretary of the Treasury, et al.; (668) The Royal Mail Steam Packet Co., appellant, v. Andrew W. Mellon, Secretary of the Treasury, et al.; (669) United Steamship Co. of Copenhagen (Scandinavian-American Line), appellant, v. Andrew W. Mellon, Secretary of the Treasury, et al.; (670) The Pacific Steam Navigation Co., appellant, v. Andrew W. Mellon, Secretary of the Treasury, et al.; (678) Navigazione Generale Italiana, appellant, v. Andrew W. Mellon, Secretary of the Treasury, et al.; (693) International Mercantile Marine Co., appellant, v. H. C. Stuart, Acting Collector of Customs for the Port of New York, et al.; (694) United American Lines (Inc.) et al., applicants, v. H. C. Stuart, Acting Collector of Customs for the Port of New York, et al. Appeals from the District Court of the United States for the Southern District of New York.

(April 30, 1923.)

Mr. Justice Van Devanter delivered the opinion of the court.

These are suits by steamship companies operating passenger ships between United States ports and foreign ports to enjoin threatened application to them and their ships of certain provisions of the national prohibition act. The defendants are officers of the United States charged with the act's enforcement. In the first 10 cases the plaintiffs are foreign corporations and their ships are of foreign registry, while in the remaining two the plaintiffs are domestic corporations and their ships are of United States registry. All the ships have long carried and now carry, as part of their sea stores, intoxicating liquors intended to be sold or dispensed to their passengers and crews at meals and otherwise for beverage purposes. Many of the passengers and crews are accustomed to using such beverages and insist that the ships carry and supply liquors for such purposes. By the laws of all the foreign ports at which the ships touch this is permitted, and by the laws of some it is required. The liquors are purchased for the ships and taken on board in the foreign ports and are sold or dispensed in the course of all voyages, whether from or to those ports.

The administrative instructions dealing with the subject have varied since the national prohibition act went into effect. December 11, 1919, the following instructions were issued (T. D. 38218):

> "All liquors which are prohibited importation, but which are properly listed as sea stores on vessels arriving in ports of the United States, should be placed under seal by the boarding officer and kept sealed during the entire time of the vessel's stay in port, no part thereof to be removed from under seal for use by the crew at meals or for any other purpose.
>
> "Excessive or surplus liquor stores are no longer dutiable, being prohibited importation, but are subject to seizure and forfeiture.
>
> "Liquors properly carried as sea stores may be returned to a foreign port on the vessel's changing from the foreign to the coasting trade, or may be transferred under supervision of the customs officers from a vessel in foreign trade, delayed in port for any cause, to another vessel belonging to the same line or owner."

January 27, 1920, the first paragraph of those instructions was changed (T. D. 38248) so as to read:

> "All liquors which are prohibited importation, but which are properly listed as sea stores on American vessels arriving in ports of the United States, should be placed under seal by the boarding officer and kept sealed during the entire time of the vessel's stay in port, no part thereof to be removed from under seal for use by the crew at meals or for any other purpose. All such liquors on foreign vessels should be sealed on arrival of the vessels in port, and such portions thereof released from seal as may be required from time to time for use by the officers and crew."

October 6, 1922, the Attorney General, in answer to an inquiry by the Secretary of the Treasury, gave an opinion to the effect that the national prohibition act, construed in connection with the eighteenth amendment to the Constitution, makes it unlawful (a) for any ship, whether domestic or foreign, to bring into territorial waters of the United States, or to carry while within such waters, intoxicating liquors intended for beverage purposes, whether as sea stores or cargo, and (b) for any domestic ship even when without those waters to carry such liquors for such purposes either as cargo or sea stores. The President thereupon directed the preparation, promulgation, and application of new instructions conforming to that construction of the act. Being advised of this and that under the new instructions the defendants would seize all liquors carried in contravention of the act as so construed and would proceed to subject the plaintiffs and their ships to penalties provided in the act, the plaintiffs brought these suits.

The hearings in the district court were on the bills or amended bills, motions to dismiss and answers, and there was a decree of dismissal on the merits in each suit. (284 Fed. 890; 285 Fed. 79.) Direct appeals under Judicial Code, section 238, bring the cases here.

While the construction and application of the national prohibition act is the ultimate matter in controversy, the act is so closely related to the eighteenth amendment, to enforce which it was enacted, that a right understanding of it involves an examination and interpretation of the amendment. The first section of the latter declares (40 Stat. 1050, 1941):

> "SECTION 1. After one year from the ratification of this article the manufacture, sale, or transportation of intoxicating liquors within, the importation thereof into, or the exportation thereof from the United States and all territory subject to the jurisdiction thereof for beverage purposes is hereby prohibited."

These words, if taken in their ordinary sense, are very plain. The articles proscribed are intoxicating liquors for beverage purposes. The acts prohibited in respect of them are manufacture, sale, and transportation within a designated field, importation into the same, and exportation therefrom. And the designated field is the United States and all territory subject to its jurisdiction. There is no controversy here as to what constitutes intoxicating liquors for beverage purposes; but opposing contentions are made respecting what is comprehended in the terms "transportation," "importation," and "territory."

Some of the contentions ascribe a technical meaning to the words "transportation" and "importation." We think they are to be taken in their ordinary sense, for it better comports with the object to be attained. In that sense transportation comprehends any real carrying about or from one place to another. It is not essential that the carrying be for hire, or by one for another; nor that it be incidental to a transfer of the possession or title. If one carries in his own conveyance for his own purposes it is transportation no less than when a public carrier at the instance of a consignor carries and delivers to a consignee for a stipulated charge. (See United States v. Simpson, 252 U. S. 465.) Importation, in a like sense, consists in bringing an article into a country from the outside. If there be an actual bringing in it is importation regardless of the mode in which it is effected. Entry through a customhouse is not of the essence of the act.

Various meanings are sought to be attributed to the term "territory" in the phrase "The United States and all territory subject to the jurisdiction thereof." We are of the opinion that it means the regional areas—of land and adjacent waters—over which the United States claims and exercises dominion and control as a sovereign power. The immediate context and the purport of the entire section show that the term is used in a physical and not a metaphorical sense—that it refers to areas or districts having fixity of location and recognized boundaries. (See United States v. Bevans, 3 Wheat. 336, 390.)

It now is settled in the United States and recognized elsewhere that the territory subject to its jurisdiction includes the land areas under its dominion and control, the ports, harbors, bays, and other inclosed arms of the sea along its coast and a marginal belt of the sea extending from the coast line outward a marine league, or 3 geographic miles. (Church v. Hubbart, 2 Cranch, 187, 234; *The Ann*, 1 Fed. Cas., p. 926; United States v. Smiley, 27 Fed. Cas., p. 1132; Manchester v. Massachusetts, 139 U. S. 240, 257–258; Louisiana v. Mississippi, 202 U. S. 1, 52; 1 Kent's Com., 12th ed., *29; 1 Moore International Law Digest, sec. 145; 1 Hyde International Law, secs. 141, 142, 154; Wilson International Law, 8th ed., sec. 54; Westlake International Law, 2d ed., p. 187, et seq; Wheaton International Law, 3d ed., secs. 185–189, 252.) This, we hold, is the territory which the amendment designates as its field of operation; and the designation is not of a part of this territory but of "all" of it.

The defendants contend that the amendment also covers domestic merchant ships outside the waters of the United States, whether on the high seas or in foreign waters. But it does not say so; and what it does say shows, as we have indicated, that it is confined to the physical territory of the United States. In support of their contention the defendants refer to the statement sometimes made that a merchant ship is a part of the territory of the country whose flag

she flies. But this, as has been aptly observed, is a figure of speech, a metaphor. (Scharrenberg v. Dollar S. S. Co., 245 U. S. 122, 127; In re Ross, 140 U. S. 453, 464; 1 Moore International Law Digest, sec. 174; Westlake International Law, 2d ed., p. 264; Hall International Law, 7th ed. (Higgins), sec. 76; Manning Law of Nations (Amos), p. 276; Piggott Nationality, Pt. II, p. 13.) The jurisdiction which it is intended to describe arises out of the nationality of the ship, as established by her domicile, registry, and use of the flag, and partakes more of the characteristics of personal than of territorial sovereignty. (See The Hamilton, 207 U. S. 398, 403; American Banana Co. v. United Fruit Co., 213 U. S. 347, 355; 1 Oppenheim International Law, 3d ed., secs. 123–125, 128.) It is chiefly applicable to ships on the high seas, where there is no territorial sovereign; and as respects ships in foreign territorial waters it has little application beyond what is affirmatively or tacitly permitted by the local sovereign. (2 Moore International Law Digest, secs. 204, 205; Twiss Law of Nations, 2d ed., sec. 166; Woolsey International Law, 6th ed., sec. 58; 1 Oppenheim International Law, 3d ed., secs. 128, 146, 260.)

The defendants further contend that the amendment covers foreign merchant ships when within the territorial waters of the United States. Of course, if it were true that a ship is a part of the territory of the country whose flag she carries, the contention would fail. But, as that is a fiction, we think the contention is right.

A merchant ship of one country voluntarily entering the territorial limits of another subjects herself to the jurisdiction of the latter. The jurisdiction attaches in virtue of her presence, just as with other objects within those limits. During her stay she is entitled to the protection of the laws of that place and correlatively is bound to yield obedience to them. Of course, the local sovereign may out of considerations of public policy choose to forego the exertion of its jurisdiction or to exert the same in only a limited way, but this is a matter resting solely in its discretion. The rule, now generally recognized, is nowhere better stated than in The Exchange (7 Cranch, 116, 136, 144), where Chief Justice Marshall, speaking for this court, said:

> "The jurisdiction of the nation within its own territory is necessarily exclusive and absolute. It is susceptible of no limitation not imposed by itself. Any restriction upon it, deriving validity, from an external source, would imply a diminution of its sovereignty to the extent of the restriction, and an investment of that sovereignty to the same extent in that power which could impose such restriction.
>
> "All exceptions, therefore, to the full and complete power of a nation within its own territories must be traced up to the consent of the nation itself. They can flow from no other legitimate source.
>
> * * * * * * *
>
> "When private individuals of one nation spread themselves through another as business or caprice may direct, mingling indiscriminately with the inhabitants of that other, or when merchant vessels enter for the purposes of trade, it would be obviously inconvenient and dangerous to society, and would subject the laws to continual infraction and the government to degradation if such individuals or merchants did not owe temporary and local allegiance, and were not amendable to the jurisdiction of the country. Nor can the foreign sovereign have any motive for wishing such exemption. His subjects thus passing into foreign countries are not employed by him, nor are they engaged in national pursuits. Consequently there are powerful motives for not exempting persons of this description from the jurisdiction of the country in which they are found, and no one motive for requiring it. The implied license, therefore, under which they enter can never be construed to grant such exemption."

That view has been reaffirmed and applied by this court on several occasions. (United States v. Diekelman, 92 U. S. 520, 525, 526; Wildenhus' case, 120 U. S. 1, 11; Nishimura Ekiu v. United States, 142 U. S. 651, 659; Knott v. Botany Mills, 179 U. S. 69, 74; Patterson v. Bark Eudora, 190 U. S. 169, 176, 178; Strathearn S. S. Co. v. Dillon, 252 U. S. 348, 355–356. And see Buttfield v. Stranahan, 192 U. S. 470, 492–493; Oceanic Steam Navigation Co. v. Stranahan, 214 U. S. 320, 324; Brolan v. United States, 236 U. S. 216, 218.) In the Patterson case the court added:

> "Indeed, the implied consent to permit them (foreign merchant ships) to enter our harbors may be withdrawn, and if this implied consent may be wholly withdrawn it may be extended upon such terms and conditions as the Government sees fit to impose."

In principle, therefore, it is settled that the amendment could be made to cover both domestic and foreign merchant ships when within the territorial waters of the United States. And we think it has been made to cover both when within those limits. It contains no exception of ships of either class and the terms in which it is couched indicate that none is intended. Such an exception would tend to embarrass its enforcement and to defeat the attainment of its obvious purpose and therefore can not reasonably be regarded as implied.

In itself the amendment does not prescribe any penalties, forfeitures, or mode of enforcement, but by its second section (the second section says, "the Congress and the several States shall have concurrent power to enforce this article by appropriate legislation." For its construction, see United States v. Lanza (December 11, 1922)) leaves these to legislative action.

With this understanding of the amendment, we turn to the national prohibition act, c. 83, 41 Stat. 305, which was enacted to enforce it. The act is a long one and most of its provisions have no real bearing here. Its scope and pervading purposes are fairly reflected by the following excerpts from Title II:

> "SEC. 3. No person (the act contains a provision (sec. 1 of Title II) showing that it uses the word 'persons' as including 'associations, copartnerships, and corporations' when the context does not indicate otherwise) shall, on or after the date when the eighteenth amendment to the Constitution of the United States goes into effect, manufacture, sell, barter, transport, import, export, deliver, furnish, or possess any intoxicating liquor except as authorized in this act, and all the provisions of this act shall be liberally construed to the end that the use of intoxicating liquor as a beverage may be prevented. * * *
>
> "SEC. 21. Any room, house, building, boat, vehicle, structure, or place where intoxicating liquor is manufactured, sold, kept, or bartered in violation of this title, and all intoxicating liquor and property kept and used in maintaining the same, is hereby declared to be a common nuisance. * * *
>
> "SEC. 23. That any person who shall, with intent to effect a sale of liquor, by himself, his employee, servant, or agent, for himself or any person, company, or corporation, keep or carry around on his person, or in a vehicle, or other conveyance whatever, * * * any liquor * * * in violation of this title is guilty of a nuisance. * * *
>
> "SEC. 26. When the commissioner, his assistants, inspectors, or any officer of the law shall discover any person in the act of transporting, in violation of the law, intoxicating liquors in any wagon, buggy, automobile, water or air craft, or other vehicle, it shall be his duty to seize any and all intoxicating liquors found therein being transported contrary to law. * * *"

Other provisions show that various penalties and forfeitures are prescribed for violations of the act, and that the only instance in which the possession of intoxicating liquor for beverage purposes is recognized as lawful is where the liquor was obtained before the act went in effect and is kept in the owner's dwelling for use therein by him, his family, and his bona fide guests.

As originally enacted the act did not in terms define its territorial field, but a supplemental provision (sec. 3, act November 23, 1921, c. 134, 42 Stat. 222) afterwards enacted declares that it "shall apply not only to the United States but to all territory subject to its jurisdiction," which means that its field coincides with that of the eighteenth amendment. There is in the act no provision making it applicable to domestic merchant ships when outside the waters of the United States, nor any provision making it inapplicable to merchant ships, either domestic or foreign, when within those waters, save in the Panama Canal. There is a special provision dealing with the Canal Zone (the pertinent portion of section 20 of Title III, relating to the Canal Zone, is as follows:

> "SEC. 20. That it shall be unlawful to import or introduce into the Canal Zone, or to manufacture, sell, give away, dispose of, transport, or have in one's possession or under one's control within the Canal Zone, any alcoholic, fermented, brewed, distilled, vinous, malt, or spirituous liquors, except for sacramental, scientific, pharmaceutical, industrial, or medicinal purposes, under regulations to be made by the President, and any such liquors within the Canal Zone in violation hereof shall be forfeited to the United States and seized: *Provided*, That this section shall not apply to liquor in transit through the Panama Canal or on the Panama Railroad.")

which excepts "liquor in transit through the Panama Canal or on the Panama Railroad." The exception does not discriminate between domestic and foreign ships, but applies to all liquor in transit through the canal, whether on domestic or foreign ships. Apart from this exception, the provision relating to the Canal Zone is broad and drastic like the others.

Much has been said at the bar and in the briefs about the Canal Zone exception, and various deductions are sought to be drawn from it respecting the applicability of the act elsewhere. Of course, the exception shows that Congress, for reasons appealing to its judgment, has refrained from attaching any penalty or forfeiture to the transportation of liquor while "in transit through the Panama Canal or on the Panama Railroad." Beyond this it has no bearing here, save as it serves to show that where in other provisions no exception is made in respect of merchant ships, either domestic or foreign, within the waters of the United States, none is intended.

Examining the act as a whole, we think it shows very plainly, first, that it is intended to be operative throughout the territorial limits of

the United States, with the single exception stated in the Canal Zone provision; secondly, that it is not intended to apply to domestic vessels when outside the territorial waters of the United States; and thirdly, that it is intended to apply to all merchant vessels, whether foreign or domestic, when within those waters, save as the Panama Canal Zone exception provides otherwise.

In so saying we do not mean to imply that Congress is without power to regulate the conduct of domestic merchant ships when on the high seas, or to exert such control over them when in foreign waters as may be affirmatively or tacitly permitted by the territorial sovereign; for it long has been settled that Congress does have such power over them. (Lord v. Steamship Co., 102 U. S. 541; *The Abby Dodge*, 223 U. S. 166, 176.) But we do mean that the national prohibition act discloses that it is intended only to enforce the eighteenth amendment and limits its field of operation, like that of the amendment, to the territorial limits of the United States.

The plaintiffs invite attention to data showing the antiquity of the practice of carrying intoxicating liquors for beverage purposes as part of a ship's sea stores, the wide extent of the practice and its recognition in a congressional enactment, and argue therefrom that neither the amendment nor the act can have been intended to disturb that practice. But in this they fail to recognize that the avowed and obvious purpose of both the amendment and the act was to put an end to prior practices respecting such liquors, even though the practices had the sanction of antiquity, generality, and statutory recognition. Like data could be produced and like arguments advanced by many whose business, recognized as lawful theretofore, was shut down or curtailed by the change in national policy. In principle the plaintiffs' situation is not different from that of the innkeeper whose accustomed privilege of selling liquor to his guests is taken away, or that of the dining-car proprietor who is prevented from serving liquor to those who use the cars which he operates to and fro across our northern and southern boundaries.

It should be added that after the adoption of the amendment and the enactment of the national prohibition act, Congress distinctly withdrew the prior statutory recognition of liquors as legitimate sea stores. The recognition was embodied in section 2775 of the Revised Statutes, which was among the provisions dealing with customs administration, and when, by the act of September 21, 1922, those provisions were revised, that section was expressly repealed along with other provisions recognizing liquors as legitimate cargo. (Chapter 356, Title IV, and sec. 642, 42 Stat. 858, 948, 989.) Of course, as was observed by the district court, the prior recognition, although representing the national policy at the time, was not in the nature of a promise for the future.

It therefore is of no importance that the liquors in the plaintiffs' ships are carried only as sea stores. Being sea stores does not make them liquors any the less; nor does it change the incidents of their use as beverages. But it is of importance that they are carried through the territorial waters of the United States and brought into its ports and harbors. This is prohibited transportation and importation in the sense of the amendment and the act. The recent cases of Grogan v. Walker & Sons and Anchor Line v. Aldridge, 259 U. S. 80, are practically conclusive on the point. The question in one was whether carrying liquor intended as a beverage through the United States from Canada to Mexico was prohibited transportation under the amendment and the act, the liquor being carried in bond by rail, and that in the other was whether the transshipment of such liquor from one British ship to another in the harbor of New York was similarly prohibited, the liquor being in transit from Scotland to Bermuda. The cases were considered together and an affirmative answer was given in each, the court saying in the opinion, page 89:

> "The eighteenth amendment meant a great revolution in the policy of this country, and presumably and obviously meant to upset a good many things on as well as off the statute book. It did not confine itself in any meticulous way to the use of intoxicants in this country. It forbade export for beverage purposes elsewhere. True this discouraged production here, but that was forbidden already, and the provision applied to liquors already lawfully made. (See Hamilton v. Kentucky Distilleries & Warehouse Co., 251 U. S. 146, 151, n. 1.) It is obvious that those whose wishes and opinions were embodied in the amendment meant to stop the whole business. They did not want intoxicating liquor in the United States, and reasonably may have thought that if they let it in some of it was likely to stay. When, therefore, the amendment forbids not only importation into and exportation from the United States but transportation within it, the natural meaning of the words expresses an altogether probable intent. The prohibition act only fortifies in this respect the interpretation of the amendment itself. The manufacture, possession, sale, and transportation of spirits and wine for other than beverage purposes are provided for in the act, but there is no provision for transshipment or carriage across the country from without. When Congress was ready to permit such a transit for special reasons, in the Canal Zone, it permitted it in express words." (Title III, sec. 20, 41 Stat. 322.)

Our conclusion is that in the first 10 cases—those involving foreign ships—the decrees of dismissal were right and should be affirmed, and in the remaining two—those involving domestic ships—the decrees of dismissal were erroneous and should be reversed with directions to enter decrees refusing any relief as respects the operations of the ships within the territorial waters of the United States and awarding the relief sought as respects operations outside those waters.

Decrees in Nos. 659, 660, 661, 662, 666, 667, 668, 669, 670, and 678 affirmed.

Decrees in Nos. 693 and 694 reversed.

Mr. Justice McReynolds dissents.

A true copy.

Test:

_____,

Clerk Supreme Court, United States.

Supreme Court of the United States.

(Nos. 659, 660, 661, 662, 666, 667, 668, 669, 670, 678, 693, 694.—October term, 1922.

(659) The Cunard Steamship Co. (Ltd.) et al., appellants, v. Andrew W. Mellon, Secretary of the Treasury, et al.; (660) The Oceanic Steam Navigation Co. (Ltd.), appellant, v. Andrew W. Mellon, Secretary of the Treasury, et al.; (661) International Navigation Co. (Ltd.), appellant, v. Andrew W. Mellon, Secretary of the Treasury, et al.; (662) Compagnie Generale Transatlantique, appellant, v. Andrew W. Mellon, Secretary of the Treasury, et al.; (666) The Netherlands-American Steam Navigation Co. (Holland American Line), appellant, v. Andrew W. Mellon, Secretary of the Treasury, et al.; (667) Liverpool, Brazil & River Plate Steam Navigation Co. (Ltd.) v. Andrew W. Mellon, Secretary of the Treasury, et al.; (668) The Royal Mail Steam Packet Co., appellant, v. Andrew W. Mellon, Secretary of the Treasury, et al.; (669) United Steamship Co. of Copenhagen (Scandinavian American Line), appellant, v. Andrew W. Mellon, Secretary of the Treasury, et al.; (670) The Pacific Steam Navigation Co., appellant, v. Andrew W. Mellon, Secretary of the Treasury, et al.; (678) Navigazone Generale Italiana, appellant, v. Andrew W. Mellon, Secretary of the Treasury, et al; (693) International Mercantile Marine Co., appellant, v. H. C. Stuart, acting collector of customs for the port of New York, et al.; (694) United American Lines (Inc.) et al., appellants, v. H. C. Stuart, acting collector of customs for the port of New York, et al. Appeals from the District Court of the United States for the Southern District of New York.

[April 30, 1923.]

Mr. Justice Sutherland, dissenting.

I agree with the judgment of the court in so far as it affects domestic ships, but I am unable to accept the view that the eighteenth amendment applies to foreign ships coming into our ports under the circumsances here disclosed.

It would serve no useful purpose to give my reasons at any length for this conclusion. I therefore state them very generally and briefly.

The general rule of international law is that a foreign ship is so far identified with the country to which it belongs that its internal affairs, whose effect is confined to the ship, ordinarily are not subjected to interference at the hands of another State in whose ports it is temporarily present (2 Moore, Int. Law Dig., p. 292; United States v. Rodgers, 150 U. S. 249, 260; Wildenhus's Case, 120 U. S. 1, 12); and, as said by Chief Justice Marshall, in Murray v. Schooner Charming Betsy, 2 Cranch, 64, 118:

> "* * * an act of Congress ought never to be construed to violate the law of nations if any other possible construction remains. * * *."

That the Government has full power under the Volstead Act to prevent the landing or transshipment of any such liquors or their use in our ports is not doubted, and therefore it may provide for such assurances and safeguards as it may deem necessary to those ends. Nor do I doubt the power of Congress to do all that the court now holds has been done by that act, but such power exists not under the eighteenth amendment, to whose provisions the act is confined, but by virtue of other provisions of the Constitution, which Congress here has not attempted to exercise. With great deference to the contrary conclusion of the court, due regard for the principles of international comity which exist between friendly nations, in my opinion, forbids the construction of the eighteenth amendment and of the act which the present decision advances. Moreover, the eighteenth amendment, it must not be forgotten, confers concurrent power of enforcement upon the several States, and it follows that if the General Government possesses the power here claimed for it under that amendment, the several States within their respective boundaries possess the same power. It does not seem possible to me that Congress, in submitting the amendment or the several States in adopting it, could have intended to vest in the various seaboard States a power so intimately connected with our foreign relations and whose exercise might result in international confusion and embarrassment.

In adopting the eighteenth amendment and in enacting the Volstead Act the question of their application to foreign vessels in the circumstances now presented does not appear to have been in mind. If, upon consideration, Congress shall conclude that when such vessels in good faith, carrying liquor among their sea stores, come temporarily into our ports, their officers should, ipso facto, become liable to drastic punishment and the ships themselves subject to forfeiture, it will be a simple matter for that body to say so in plain terms. But interference with the purely internal affairs of a foreign ship is of so delicate a nature, so full of possibilities of international misunderstandings, and so likely to invite retaliation, that an affirmative conclusion in respect thereof should rest upon nothing less than the clearly expressed intention of Congress to that effect, and this I am unable to find in the legislation here under review.

ADJOURNMENT.

Mr. CURTIS (Mr. SPENCER in the chair). I move that the Senate adjourn.

The motion was agreed to; and (at 5 o'clock and 30 minutes p. m.) the Senate adjourned until to-morrow, Friday, March 14, 1924, at 12 o'clock m.

CONFIRMATIONS.

Executive nominations confirmed by the Senate March 13 (legislative day of March 12), 1924.

PROMOTIONS IN THE NAVY.

To be rear admiral.

Frank H. Schofield.

To be captains.

Henry N. Jenson.
Percy W. Foote.

To be lieutenant commanders.

Lloyd R. Gray.
Elroy L. Vanderkloot.

To be lieutenants.

Michael Macdonald.
John O. Jenkins.

To be lieutenants (junior grade).

Walter M. Blumenkranz.
Frank W. Rasch.
Albert McI. Wright.
George Van Deurs.
Edwin D. Graves, jr.
Wilbur A. Wiedman.
DeLong Mills.

To be chief gunners.

Glen R. Ogg.
James R. Fallon.

To be chief machinists.

James E. Graham.
James B. Nolan.

To be chief carpenters.

William Finlay.
Leonard H. Lyon.
Samuel D. Moyer.
George A. Sipzer.
Edward T. Cafferkey.
Elmer L. Harding.
John A. Nicol.
John P. Paul
James J. Sullivan.
Giles E. Quillin.
William English.
Leo M. Hull.
John A. Kemmler.
James J. Maune.
George Murphy.
Albert E. Rue.
William E. McDonough.

To be chief pay clerk.

Charles H. Brandenburgh.

To be assistant surgeons, with rank of lieutenant (junior grade).

James B. Brown.
Arthur D. Hawkins.

POSTMASTERS.

COLORADO.

Roy McWilliams, Ault.

KANSAS.

Charles T. Murray, Isabel.
Ethel White, Merriam.
James B. Pratt, Syracuse.

KENTUCKY.

William C. Huddleston, Butler.
Deborah C. Thomas, Dekoven.

MINNESOTA.

Margaret E. Thompson, Grey Eagle.
Clara M. Hjertos, Middle River.

NEBRASKA.

Charles W. Fritts, Crawford.

NORTH CAROLINA.

Jesse W. Wood, Littleton.

OHIO.

Charles H. Morrison, Hebron.
Clifford B. Hyatt, Killbuck.
Nathan H. Powell, Pleasant Hill.

TENNESSEE.

James B. Morris, Brunswick.
Christine M. Meister, Loretto.

HOUSE OF REPRESENTATIVES.

THURSDAY, *March 13, 1924.*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Through the shades and silent rest Thou hast brought us, our blessed heavenly Father; therefore, we bless and praise Thy holy name! The touch of Thy love and mercy is as gentle as the morning light. Be with us that we may think clearly, feel deeply, and labor wisely, as the God of man desires. Moved by an irresistible devotion to country, keep us close to the feelings and needs of our fellow citizens. Teach us the best way to see, the best way to reason, the best way to act, and the best way to do our part in serving society and State. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

APPROPRIATIONS FOR THE MILITARY AND NONMILITARY ACTIVITIES OF THE WAR DEPARTMENT.

Mr. ANTHONY, by direction of the Committee on Appropriations, reported the bill (H. R. 7877) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes, which, with the accompanying report, was ordered printed and referred to the Committee of the Whole House on the state of the Union.

Mr. BYRNS of Tennessee. Mr. Speaker, I desire to reserve all points of order on the bill.

ENROLLED BILLS SIGNED.

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. R. 5624. An act authorizing the construction of a bridge across the Ohio River to connect the city of Benwood, W. Va., and the city of Bellaire, Ohio;

H. R. 5348. An act granting the consent of Congress for the construction of a bridge across the St. John River between Fort Kent, Me., and Clairs, Province of New Brunswick, Canada;

H. R. 5337. An act granting the consent of Congress to construct a bridge over the St. Croix River between Vanceboro, Me., and St. Croix, New Brunswick;

H. R. 4120. An act granting the consent of Congress to the Greater Wenatchee irrigation district to construct, maintain, and operate a bridge across the Columbia River;

H. R. 4182. An act authorizing the city of Ludington, Mason County, Mich., to construct a bridge across an arm of Pere Marquette Lake;

H. R. 4187. An act to legalize a bridge across the St. Louis River, in Carlton County, State of Minnesota;

H. R. 2818. An act to grant the consent of Congress to construct, maintain, and operate a dam and spillway across the Waccamaw River, in North Carolina;

H. R. 3845. An act to authorize the construction of a bridge across the Little Calumet River at Riverdale, Ill.;

H. R. 4984. An act to authorize the Clay County bridge district, in the State of Arkansas, to construct a bridge over Current River;

H. R. 4457. An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Cherokee Indians may have against the United States, and for other purposes; and

S. 684. An act to authorize the coinage of 50-cent pieces in commemoration of the commencement on June 18, 1923, of the work of carving on Stone Mountain, in the State of Georgia, a

monument to the valor of the soldiers of the South, which was the inspiration of their sons and daughters and grandsons and granddaughters in the Spanish-American and World Wars, and in memory of Warren G. Harding, President of the United States of America, in whose administration the work was begun.

ENROLLED BILL PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States for his approval the following bill:

H. R. 6901. An act to amend section 252 of the revenue act of 1921 in respect of credits and refunds.

INCREASE OF COAST GUARD FOR LAW ENFORCEMENT.

The SPEAKER. The unfinished business is the bill (H. R. 6815) to authorize a temporary increase of the Coast Guard for law amendment which the Clerk will report by title.

The Clerk reported the title of the bill.

The SPEAKER. The question is on the third reading.

The bill was ordered to be read a third time, and was read the third time.

Mr. HILL of Maryland. Mr. Speaker, I make a motion to recommit the bill.

Mr. BLANTON. Mr. Speaker, I also desire to make a motion to recommit the bill.

The SPEAKER. Is the gentleman from Maryland opposed to the bill?

Mr. HILL of Maryland. I am.

Mr. BLANTON. I am also opposed to the bill.

The SPEAKER. Are either of the gentlemen members of the committee?

Mr. HILL of Maryland. Neither one of us, sir.

The SPEAKER. The Chair will recognize the gentleman from Maryland.

Mr. BLANTON. Mr. Speaker, may I suggest that the gentleman from Maryland is a member of the majority, from which side this bill comes, and I am on the minority side of the House.

The SPEAKER. The Chair will recognize the gentleman from Maryland. The Clerk will read the motion to recommit.

The Clerk read as follows:

Mr. HILL of Maryland offers the following motion to recommit the bill to the Committee on Interstate and Foreign Commerce, with instructions to that committee to report the same back forthwith, with the following amendment: Strike out all after the enacting clause and insert:

"That the Secretary of the Navy is authorized to lend to the Department of the Treasury, for the use of the Coast Guard, such vessels of the Navy, with their outfits and armaments, as can be spared by the Navy, and as are adapted to the use of the Coast Guard, with the necessary officers and enlisted men of the Navy to handle the same for temporary needs."

Mr. BEGG. Mr. Speaker, I make the point of order that that motion is not in order, because it changes the bill entirely, and practically the same language was ruled out on a point of order in Committee of the Whole House.

The SPEAKER. The Chair will hear the gentleman from Maryland.

Mr. HILL of Maryland. Mr. Speaker, this is a bill which, according to its terms, would temporarily place at the disposition of the Coast Guard certain naval vessels and provide for the construction of certain other vessels and the employment of officers and men by the Coast Guard temporarily in order that the national prohibition enforcement act may be enforced as against alleged smuggling. The bill provides for an ultimate expenditure of $13,000,000 additional to the $10,000,000 already appropriated for the Coast Guard. My substitute provides for the lending to the Coast Guard by the Navy of ships, with their officers, men, and equipment, for the period of the temporary need, which will accomplish that purpose without any additional expense to the American people, and I respectfully submit it is in order.

The pending bill, to which I offer this substitute, would make possible the appropriation of nearly $24,000,000 for the Coast Guard for the coming year, nearly $2,000,000 more than the total cost of the whole United States Navy in 1890. The question here raised has nothing to do with the merits or demerits of prohibition or of the Volstead Act, and should be so considered and voted upon. This is not a question of "wet" or "dry." It presents merely a question of efficient and economical prevention of smuggling. My substitute will save $13,887,007.07 and stop smuggling, if anything will. I submit that my substitute is in order. The Navy was used to prevent the importation of slaves and for various other purposes cited by the Attorney General in the opinion I read here yesterday. If it is true that the Coast Guard can not handle the smuggling situation, let them have the aid of the existing Navy without the waste of nearly $14,000,000 needlessly to create a new Navy. I again suggest my substitute is in order.

The SPEAKER. The Chair thinks, inasmuch as the gentleman's motion to recommit provides not only for the vessels of the Navy but also for the necessary officers and enlisted men of the Navy, that it is fairly subject to the point of order, and the Chair sustains the point of order.

Mr. BLANTON. Mr. Speaker, I offer a motion to recommit, which was not held out of order yesterday.

The SPEAKER. The gentleman from Texas offers a motion to recommit, which the Clerk will report.

The Clerk read as follows:

Mr. BLANTON moves to recommit this bill to the Committee on Interstate and Foreign Commerce, with instructions to report the bill back to the House forthwith amended as follows: Strike out all of section 1 and insert in lieu thereof the following: "That the Secretary of the Navy is authorized to cooperate with the Department of the Treasury, by combining with the vessels in use of the Coast Guard such vessels of the Navy, with their officers and personnel, their outfits and armaments, as can be spared by the Navy and as are adapted to the use of the Coast Guard, to suppress smuggling into the United States," and strike out the balance of the bill.

Mr. GRAHAM of Illinois. Mr. Speaker, I think that is subject to a point of order, and I make the point of order.

The SPEAKER. The Chair will hear the gentleman on the point of order.

Mr. GRAHAM of Illinois. The point of order is that it is not germane to the bill, in this respect: It seeks to turn over to the Coast Guard certain units of the Navy, together with their officers and enlisted personnel. The Speaker will observe that it does not state whether these officers and men shall be under the control of the Coast Guard or whether they shall retain their ratings as naval officers and enlisted men of the Navy.

The SPEAKER. The Chair will hear the gentleman from Texas.

Mr. BLANTON. Mr. Speaker, this proposed substitute of mine was not held out of order yesterday when this bill was debated in the Committee of the Whole House on the state of the Union. It was an amendment which was voted upon in the committee. It was so clearly in order that yesterday neither the chairman nor any other Member would make a point of order against it.

This bill is alleged to be designed to assist the President of the United States as chief executive officer of the Nation in enforcing the prohibition laws and in suppressing smuggling. It is to give him an added force in addition to the present Coast Guard force. I do not believe that it will stop smuggling, but will waste $15,000,000, and I offer a substitute that will stop smuggling and cost nothing extra. This amendment does not go beyond the scope of the bill. It merely provides that such of the boats of the Navy as are adaptable, with their whole equipment, shall cooperate with the Coast Guard in suppressing the liquor traffic, in suppressing the smuggling of liquor. This is in direct line with what the President of the United States wanted to do when he requested authority to use the Navy from the Attorney General, who held he did not have authority. This proposal of mine is to give him authority to use the Navy.

The SPEAKER. The gentleman will confine himself to the point of order.

Mr. BLANTON. If the Speaker will inspect the preamble of the bill, he will see that it is to grant an additional force "to enforce the law." That is the main purpose; that is the big, broad purpose, "to enforce the law." This amendment comes within that general provision and within the broad provision stated in the preamble, to enforce the law.

The Chair will note there are various provisions in this bill which provide that various officers of the Navy and the enlisted personnel of the Navy may be loaned to this service and that they shall not lose their standing and their rating of priority in the Navy. In other words, when they are sent back to the Navy, either as reserve or regular officers, they shall retain their priority rights, and that is true as to the enlisted personnel. It deals, in many instances, with officers and the enlisted personnel of the Navy, and the priority of their rights is secured.

The bill is broad enough to take in an amendment of this kind. It is not a question of expediency; it is not a question of the merits of the amendment; it is a question to be voted up or down by the House. It is merely a question of germaneness, and I submit it is germane to the purposes of the bill.

The SPEAKER. The Chair thinks the ruling made on the amendment offered by the gentleman from Maryland [Mr. HILL] applies exactly to this amendment providing that vessels of the Navy, with their officers and personnel, their outfits and armament, are to be transferred, and the Chair sustains the point of order.

CALL OF THE HOUSE.

Mr. BLANTON. Mr. Speaker, I think we ought to have a quorum present, and I make the point of order that there is no quorum present.

Mr. BANKHEAD. Mr. Speaker, a parliamentary inquiry. What is the parliamentary situation with reference to the bill?

The SPEAKER. The question is on the passage of the bill.

Mr. CRAMTON. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. CRAMTON. If there is a roll call at this time, would it be on the passage of the bill?

The SPEAKER. No; it would not.

Mr. CRAMTON. Then would not the gentleman from Texas [Mr. BLANTON] prefer to withhold his point of order so we may have it on the passage of the bill? Will the gentleman not withhold his point of order?

Mr. BLANTON. If the gentleman wants to take up his conference report before the vote, I will withhold it.

Mr. CRAMTON. No.

Mr. BLANTON. We are going to require a quorum anyway.

Mr. CRAMTON. But let us have a vote on the passage of the bill instead of a useless roll call now.

Mr. BLANTON. I think it is better to have it now, Mr. Speaker.

The SPEAKER. The gentleman from Texas makes the point of order there is no quorum present. It is clear there is not a quorum present.

Mr. LONGWORTH. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, when the following Members failed to answer to their names:

Almon	Edmonds	Kvale	Rogers, N. H.
Anderson	Fairchild	LaGuardia	Romjue
Arnold	Fish	Langley	Sanders, N. Y.
Black, N. Y.	Fulmer	Lineberger	Sears, Fla.
Black, Tex.	Funk	Little	Sweet
Bowling	Gallivan	Logan	Swoope
Boylan	Geran	McClintic	Taylor, Colo.
Britten	Goldsborough	McDuffie	Tilson
Brumm	Graham, Pa.	McFadden	Treadway
Cole, Ohio	Greene, Mass.	Michaelson	Upshaw
Connolly, Pa.	Haugen	Miller, Ill.	Vincent, Mich.
Corning	Hawes	Moore, Ill.	Ward, N. C.
Curry	Howard, Nebr.	Morin	Ward, N. Y.
Davis, Minn.	Jacobstein	O'Brien	Wason
Deal	Johnson, S. Dak.	O'Connor, La.	Wertz
Dempsey	Jost	Phillips	Williams, Ill.
Denison	Kahn	Rathbone	Wood
Dickstein	Knutson	Reed, W. Va.	Wyant
Dominick	Kurtz	Reid, Ill.	

The SPEAKER. Three hundred and fifty-four Members having answered to their names, a quorum is present.

Mr. WINSLOW. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The SPEAKER. The question is on the passage of the bill.

Mr. WINSLOW. Mr. Speaker, I call for the yeas and nays on the passage of the bill.

The yeas and nays were ordered.

The question was taken; and there were—yeas 304, nays 50, not voting 77, as follows:

YEAS—304.

Abernethy	Browne, Wis.	Cook	Fisher
Ackerman	Browning	Cooper, Ohio	Fitzgerald
Aldrich	Buchanan	Cooper, Wis.	Fleetwood
Allen	Bulwinkle	Cramton	Foster
Allgood	Burdick	Crisp	Frear
Andrew	Burtness	Crosser	Fredericks
Aswell	Burton	Crowther	Free
Ayres	Busby	Curry	French
Bacharach	Butler	Dallinger	Frothingham
Bacon	Byrnes, S. C.	Darrow	Fulbright
Bankhead	Byrns, Tenn.	Davey	Fuller
Barbour	Cable	Davis, Tenn.	Garber
Barkley	Campbell	Dickinson, Iowa	Gardner, Ind.
Beck	Canfield	Dickinson, Mo.	Garner, Tex.
Beedy	Cannon	Doughton	Garrett, Tenn.
Beers	Carter	Dowell	Garrett, Tex.
Begg	Chindblom	Drane	Gasque
Bell	Christopherson	Driver	Gibson
Bixler	Clague	Edmonds	Gifford
Bland	Clark, Fla.	Elliott	Gilbert
Boies	Clarke, N. Y.	Evans, Iowa	Glatfelter
Box	Cole, Iowa	Evans, Mont.	Graham, Ill.
Boyce	Collier	Fairfield	Green, Iowa
Brand, Ga.	Collins	Faust	Greenwood
Brand, Ohio	Colton	Favrot	Griest
Briggs	Connally, Tex.	Fenn	Hadley
Hammer	Lozier	Perkins	Strong, Pa.
Hardy	Luce	Perlman	Summers, Wash.
Harrison	Lyon	Porter	Sumners, Tex.
Hastings	McKenzie	Pou	Swank
Hawley	McKeown	Purnell	Swing
Hayden	McLaughlin, Mich.	Quin	Taber
Hersey	McLaughlin, Nebr.	Ragon	Taylor, Tenn.
Hickey	McLeod	Rainey	Taylor, W. Va.
Hill, Ala.	McReynolds	Raker	Temple
Hill, Wash.	McSwain	Ramseyer	Thatcher
Hoch	McSweeney	Rankin	Thomas, Ky.
Holaday	MacGregor	Rayburn	Thomas, Okla.
Hooker	MacLafferty	Reece	Thompson
Howard, Okla.	Madden	Reed, Ark.	Tillman
Huddleston	Magee, N. Y.	Reed, N. Y.	Timberlake
Hudson	Magee, Pa.	Richards	Tucker
Hudspeth	Major, Ill.	Roach	Underhill
Hull, Tenn.	Major, Mo.	Robinson, Iowa	Underwood
Hull, Iowa	Manlove	Robsion, Ky.	Upshaw
Hull, Morton D.	Mansfield	Rogers, Mass.	Vaile
Hull, William E.	Mapes	Rosenbloom	Vestal
Humphreys	Martin	Rouse	Vincent, Mich.
James	Merritt	Rubey	Vinson, Ga.
Jeffers	Michener	Salmon	Vinson, Ky.
Johnson, Ky.	Miller, Wash.	Sanders, Ind.	Wainwright
Johnson, Tex.	Milligan	Sanders, Tex.	Wason
Johnson, Wash.	Mills	Sandlin	Watkins
Johnson, W. Va.	Montague	Schall	Watres
Jones	Moore, Ga.	Scott	Watson
Kearns	Moore, Ohio	Sears, Fla.	Weaver
Keller	Moore, Va.	Sears, Nebr.	Wefald
Kelly	Moores, Ind.	Seger	Welsh
Kendall	Morehead	Shallenberger	White, Kans.
Kerr	Morgan	Simmons	Williams, Mich.
Ketcham	Morris	Sinclair	Williams, Tex.
Kiess	Morrow	Sinnott	Williamson
Kincheloe	Murphy	Sites	Wilson, Ind.
King	Nelson, Me.	Smith	Wilson, La.
Kopp	Nelson, Wis.	Smithwick	Wilson, Miss.
Lanham	Newton, Minn.	Snell	Wingo
Lankford	Nolan	Snyder	Winslow
Larsen, Ga.	O'Connell, R. I.	Speaks	Winter
Larson, Minn.	O'Sullivan	Sproul, Ill.	Wolff
Lazaro	Oldfield	Sproul, Kans.	Wood
Lea, Calif.	Paige	Stalker	Woodruff
Leatherwood	Park, Ga.	Stengall	Woodrum
Leavitt	Parker	Stedman	Wright
Lee, Ga.	Parks, Ark.	Stephens	Wurzbach
Longworth	Patterson	Stevenson	Yates
Lowrey	Peery	Strong, Kans.	Young

NAYS—50.

Berger	Doyle	Lindsay	Ransley
Blanton	Drewry	Linthicum	Sabath
Bloom	Dyer	McNulty	Schafer
Browne, N. J.	Eagan	Mead	Schneider
Buckley	Fairchild	Minahan	Sherwood
Carew	Geran	Mooney	Stengle
Casey	Griffin	Newton, Mo.	Sullivan
Celler	Hill, Md.	O'Connell, N. Y.	Tague
Clancy	Kent	O'Connor, N. Y.	Tydings
Connery	Kindred	Oliver, N. Y.	Voigt
Croll	Kunz	Peavey	Weller
Cullen	Lampert	Prall	
Cummings	Lilly	Quayle	

NOT VOTING—77.

Almon	Fish	Lehlbach	Sanders, N. Y.
Anderson	Freeman	Lineberger	Shreve
Anthony	Fulmer	Little	Sweet
Arnold	Funk	Logan	Swoope
Black, N. Y.	Gallivan	McClintic	Taylor, Colo.
Black, Tex.	Goldsborough	McDuffie	Tilson
Bowling	Graham, Pa.	McFadden	Tincher
Boylan	Greene, Mass.	Michaelson	Tinkham
Britten	Haugen	Miller, Ill.	Treadway
Brumm	Hawes	Moore, Ill.	Vare
Cleary	Howard, Nebr.	Morin	Ward, N. C.
Cole, Ohio	Jacobstein	O'Brien	Ward, N. Y.
Connolly, Pa.	Johnson, S. Dak.	O'Connor, La.	Wertz
Corning	Jost	Oliver, Ala.	White, Me.
Davis, Minn.	Kahn	Phillips	Williams, Ill.
Deal	Knutson	Rathbone	Wyant
Dempsey	Kurtz	Reed, W. Va.	Zihlman
Denison	Kvale	Reid, Ill.	
Dickstein	LaGuardia	Rogers, N. H.	
Dominick	Langley	Romjue	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Greene of Massachusetts (for) with Mr. Corning (against).
Mr. Lineberger (for) with Mr. Dickstein (against).
Mr. Kurtz (for) with Mr. Boylan (against).
Mr. Wertz (for) with Mr. Black of New York (against).
Mr. Phillips (for) with Mr. Cleary (against).
Mr. Hawes (for) with Mr. Connolly of Pennsylvania (against).
Mr. Davis of Minnesota (for) with Mr. O'Brien (against).
Mr. Denison (for) with Mr. Gallivan (against).

Until further notice:

Mr. Freeman with Mr. Logan.
Mr. Britten with Mr. Almon.
Mr. Reid of Illinois with Mr. Fulmer.
Mr. Shreve with Mr. Taylor of Colorado.
Mr. Swoope with Mr. Dominick.
Mr. Treadway with Mr. McDuffie.
Mr. Vare with Mr. Howard of Nebraska.
Mr. Williams of Illinois with Mr. Romjue.
Mr. Wyant with Mr. Arnold.
Mr. Lehlbach with Mr. Deal.
Mr. Brumm with Mr. Goldsborough.
Mr. Fish with Mr. O'Connor of Louisiana.

Mr. Morin with Mr. Black of Texas.
Mr. Cole of Ohio with Mr. Ward of North Carolina.
Mr. McFadden with Mr. Jacobstein.
Mr. Graham of Pennsylvania with Mr. Bowling.
Mr. Michaelson with Mr. McClintic.
Mr. Kahn with Mr. Jost.
Mr. Johnson of South Dakota with Mr. Rogers of New Hampshire.
Mr. Moore of Illinois with Mr. Kvale.

Mr. LITTLE. Mr. Speaker, I desire to vote "yea."

The SPEAKER. Was the gentleman present and listening when his name was called?

Mr. LITTLE. No.

The SPEAKER. The gentleman does not bring himself within the rule.

The result of the vote was announced as above recorded.

On motion of Mr. MADDEN, a motion to reconsider the vote by which the bill was passed was laid on the table.

CONGRESSIONAL ALLOTMENT OF PUBLIC DOCUMENTS.

Mr. KIESS. I call up from the Speaker's table the bill (H. R. 7039) to amend section 72 of chapter 23, printing act approved June 12, 1895, with a Senate amendment and move the adoption of the Senate amendment.

The SPEAKER. The gentleman from Pennsylvania calls up a House bill with a Senate amendment. The Clerk will report the Senate amendment.

The Senate amendment was read.

The SPEAKER. The question is on agreeing to the Senate amendment.

The Senate amendment was agreed to.

INTERIOR DEPARTMENT APPROPRIATION BILL.

Mr. CRAMTON. Mr. Speaker, I call up the conference report on the bill (H. R. 5078) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1925, and for other purposes.

The report of the conferees has been adopted and the pending amendments have all been disposed of except as to two groups.

The SPEAKER. The gentleman from Michigan calls up the conference report on the bill H. R. 5078, the Interior Department appropriation bill.

Mr. CRAMTON. Mr. Speaker, the report of the conferees has been adopted and the pending amendments have all been disposed of except as to two groups. The first group of amendments, 15 to 19, inclusive, have to do with the amount to be appropriated for construction and maintenance and operation of certain Indian irrigation projects in Montana. The second group have to do with the appropriation for maintenance of Howard University.

Mr. SNYDER. Will the gentleman yield? I would like to ask the gentleman a question with reference to the irrigation projects.

Mr. CRAMTON. Will the gentleman defer his request a moment? There will be some discussion of that.

Mr. Speaker, I ask that the first group of amendments may be considered en bloc—amendments 15 to 19—having to do with the Montana Indian irrigation projects.

Mr. BYRNES of South Carolina. Will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. BYRNES of South Carolina. Do I understand that they are the amendments having to do with Indian irrigation projects?

Mr. CRAMTON. Yes; and I ask that they may be considered together, and if the permission is granted I will make one motion to cover them all.

Mr. BLANTON. They are all in Montana?

Mr. CRAMTON. Yes.

The SPEAKER. The gentleman from Michigan asks unanimous consent that the amendments referred to may be considered en bloc. Is there objection? [After a pause.] The Chair hears none.

Mr. CRAMTON. I move, then, Mr. Speaker, that the House insist upon its disagreement to those amendments, and I will first yield to the gentleman from New York [Mr. SNYDER] to answer an inquiry.

Mr. SNYDER. I want to ask the gentleman if in the preparation of this bill consideration has been given to the law which provides for the payment for the use of water and whether or not that law has been enforced by the bureau and whether this appropriation is being made within that act.

Mr. CRAMTON. I am frank to say to the gentleman from New York, who is chairman of the Committee on Indian Affairs and better versed than I am in these matters, that I am not thoroughly familiar myself with the act in question, but independent of any act, just basing our action upon common sense and square dealing for the Treasury, the subcommittee went into that question somewhat to ascertain whether the cost of operation and maintenance of lands in these Indian irrigation projects, and particularly as to the land that is in white ownership or operated by white lessees, whether the cost of operation and maintenance is properly paid back by the white owners and white lessees, and I was not satisfied that that was the case. We started our investigation and I think we made it plain that when they come before us next year we are going to want to know definitely and positively about those matters. I am frank to say that this year neither the Reclamation Service nor the Indian Service was in a position to give us the kind of information that the House ought to have on this question, and if the gentleman will bear with us, we think when we come in next year we will have the information.

Mr. SNYDER. Of course, I want the House to know that four years ago, I think, we put into the Indian appropriation act language something like this: "That no part of the money appropriated in this act shall be expended upon this particular project or any Indian project unless the users of the water have made a definite arrangement for payment for such use," due to the fact that after an investigation of the Indian Affairs we discovered that more than $20,000,000 had been invested as a capital investment in these irrigation schemes. Sufficient money has not come back from that to pay the upkeep and operation of these plants, and we find also that the Indians and the whites did not know that under the reimbursable proposition under which the appropriations were made they were eventually to make those payments. Therefore, we fixed the laws that no more appropriations could be made unless these users of the water, white or Indian, had made an agreement that at some time, at least, they would pay for the use of it. I am asking whether that has been carried out.

Mr. CRAMTON. Mr. Speaker, I am very glad the gentleman has called that provision to my attention, and I hope through his action it will come to the attention of the Indian Bureau. Some further discussion of this phase will develop, I think, in the limited debate that we may have on this question.

Mr. SNYDER. I want to make one further observation for information. It was believed by the committee that made this investigation that, having invested $20,000,000 in these various Indian irrigation schemes, the income from that ought to be sufficient to at least maintain and upkeep the plants and provide such money as might be needed for the further extension of the plants.

Mr. CRAMTON. There is a very amazing situation in Montana in reference to this, which will interest the gentleman. I understand the gentleman from Montana [Mr. EVANS] desires to debate this matter. In view of the fact that the deficiency appropriation bill is urgently waiting action, I do not plan an extended debate, but will be glad to yield to the gentleman from Montana.

Mr. EVANS of Montana. Mr. Speaker, I want recognition in my own right.

Mr. CRAMTON. But I have not yielded the floor to the gentleman from Montana for any purpose.

Mr. BLANTON. Mr. Speaker, I make the point of order that there is a preferential motion which the gentleman from Montana may make.

The SPEAKER. The Chair overrules the point of order. The gentleman from Michigan has the floor.

Mr. EVANS of Montana. Mr. Speaker, I move that the House recede and concur.

The SPEAKER. The Chair will recognize the gentleman for that purpose.

Mr. BLANTON. Mr. Speaker, that was the point of order that I made.

Mr. CRAMTON. That does not carry with it the privilege of the floor for debate.

The SPEAKER. The gentleman from Michigan has the floor, and the gentleman from Montana reserves the right to make that motion.

Mr. CRAMTON. Mr. Speaker, I yield to the gentleman from Montana for five minutes.

Mr. EVANS of Montana. Mr. Speaker, this is an irrigation project on land that was originally in the Flathead Indian Reservation. About 20 years or so ago the Congress decided to open that reservation and to reclaim a lot of the lands that were irrigable. It had the necessary surveys made and the estimates made and ascertained that it would take between six and seven million dollars to reclaim the land. They have from year to year appropriated on an average of $250,000 or $300,000, covering the period of some 12 or 14 years, and have now an investment out there of about $5,000,000. They have reclaimed a considerable portion of the land. They have built large canals to carry the water that runs down the mountain side, and then there came a criticism from the Congress that we were not irrigating the land in proportion to the money invested. Then from time to time the money was taken and

used in what they call the lateral ditches, and there remains yet a lot of work to be done to build the necessary reservoir to conserve the water to use on those lands. The criticism as I understand now by the committee is that we have more acres of land to which water can be supplied than is being utilized by the farmers.

Mr. SNYDER. The criticism that this Congress makes, or that anyone would make who knows anything about the proposition, is that you did not start getting some water before you began building ditches. There are hundreds of miles of ditches and no water for them. If they had built some dams and reservoirs for water in the first place and then built the laterals I think the situation would have had more sympathy from this House.

Mr. EVANS of Montana. Of course I am not to blame for that and Congress is not to blame for that. That was an engineering undertaking and if engineers made a mistake about that Congress should not penalize those people now. They have been there from 12 to 15 years waiting for this water. They can not get title to their lands. The Government declines to give them title until they have paid for the land. They have not only to pay for the water but they have to pay for the land. It is a pitiful situation.

Mr. LITTLE. Mr. Speaker, will the gentleman yield?

Mr. EVANS of Montana. Yes.

Mr. LITTLE. If the dams were there, could sufficient water be assembled?

Mr. EVANS of Montana. Yes; there is plenty of water running to waste down the mountain side, if we could put it into the reservoirs, lakes, and the like of that.

Mr. LITTLE. That would not take very long.

Mr. EVANS of Montana. No; but this bill provides for cutting off, discontinuance of the work entirely.

Mr. LITTLE. And they have the ditches dug?

Mr. EVANS of Montana. Yes; but we have not the reservoirs. The criticism is that we can supply water to more land than is now being paid for. In other words, people are allowing the water to run by their places and are not utilizing it. To a degree there is merit in that criticism, but I think not the merit that the committee attaches to it. A man can not take a 40 or an 80-acre tract of land and put water on it the first year. Any man who knows anyhing about irrigation knows that that can not be done. It takes time and money and patience to reclaim land and it takes some years ordinarily to reclaim all of a farm in an irrigated project.

Mr. LITTLE. How many people live on these water rights?

Mr. EVANS of Montana. I think approximately 2,000.

Mr. LITTLE. Two thousand farms?

Mr. EVANS of Montana. Something like that, in small tracts. I think about 1,000. I know that within the limit of this reserve, which is largely fed from this reclamation project, there are at least 10,000 people and they have been there for more than 15 years.

The Government invited them to come there and said, "We will let you have this tract for so much—$8 an acre—this tract for so much—$10 an acre," and so forth, and they took it.

Mr. LITTLE. Have not they any other resources besides irrigable land?

Mr. EVANS of Montana. There is some land that is not irrigable.

Mr. LITTLE. Pasture lands?

Mr. EVANS of Montana. Pasture land and the like of that.

The SPEAKER. The time of the gentleman has expired.

Mr. EVANS of Montana. Just a moment. I sincerely hope this project will not be cut off——

Mr. CRAMTON. I yield the gentleman three additional minutes.

Mr. EVANS of Montana. I have no censure for the committee or for the House about this business. I think the whole thing has been badly managed by the Congress during the last 15 years. If adequate appropriations had been made, the whole thing could have been closed up five years ago. They have spent a large amount of money on the overhead, because of the delay in making adequate appropriations.

Mr. ABERNETHY. What is the amendment of the Senate?

Mr. EVANS of Montana. Three hundred thousand dollars. The Bureau of the Budget recommended $300,000 or $400,000, I think, for this project for this year, and certainly they should not now stop in the middle of this work. It means they will disperse the organization they have and organize a new one next year or the next to start the work again, and surely the $5,000,000 invested ought not to go to waste.

Mr. HASTINGS. Will the gentleman yield?

Mr. EVANS of Montana. I will.

Mr. HASTINGS. What is the matter before us now; what is the recommendation of the conference committee?

Mr. EVANS of Montana. The conferees insist upon disagreeing—that there be no money spent on the project this year. The Senate put on an amendment to appropriate $300,000 and the conferees do not agree. The gentleman in charge of the bill has moved to continue to disagree, and I offered a preferential motion which is to recede and concur.

If my motion carries, $300,000 will be appropriated to continue the work this year.

Mr. SNYDER. Will the gentleman yield?

Mr. EVANS of Montana. I will.

Mr. SNYDER. How can the chairman of the subcommittee do anything else but disagree under the law?

Mr. EVANS of Montana. I do not know.

Mr. SNYDER. He says he can not tell the House that the department has carried out the law and that the users of the water will eventually pay for it. This money, gentlemen, is reimbursable, and no one, so far as we know, has agreed to pay any back.

Mr. EVANS of Montana. But that is not my understanding. The money is to be reimbursed.

Mr. SNYDER. We want to know whether the law is being reasonably lived up to. I am perfectly willing everything should go ahead if the money is being expended in some way that will finally do the property owners some good, but it has not been done.

Mr. EVANS of Montana. I do not think there is any doubt the money is being properly used, so why kill this project and lose the money—$5,000,000—already expended on the same. These people are perfectly willing to pay the money back if the project is completed. There may be, indeed there are, some of them who have not complied with all the details. If necessary, put a limitation upon this appropriation, any reasonable limitation, and I will agree to it. If legislation has got to be enacted in Montana it can not be done until the legislature meets again next year. There was no legislative session this January. Now, why kill this project? I beg of you, gentlemen, to give this matter your favorable consideration at this time.

The SPEAKER. The time of the gentleman has again expired.

Mr. CRAMTON. I yield five minutes to the gentleman from Montana [Mr. LEAVITT].

Mr. LEAVITT. Mr. Speaker and gentlemen of the House, I rise in support of the motion made by the gentleman from Montana [Mr. EVANS] that we do not concur in the recommendation of the conference committee. The situation is this: There has been spent during the period of something like 15 years about $5,000,000 in the development of an irrigation project in the Flathead Valley of Montana and about 65 per cent of that project has been completed. The question has been asked whether any arrangement has been made for the repayment of this money to the Federal Treasury. I might answer that by saying there has been paid $125,000 in round numbers and there will be agreements which will lead to the return of every penny of this amount to the Federal Treasury. I am not going to try to claim to you that all the money has been paid which ought to have been paid under the agreement, but in connection with that I want to call attention to the situation in regard to agriculture everywhere, and particularly in that western country. I want to call attention to this fact, that during 1923 there were about 1,000 water accounts on that project and that means there are at least 1,000 families which are using that water and are dependent upon its use for making a reasonable crop. In addition to that, there were something like 60 new settlers who came in full expectation the Government was going ahead with that project, and——

Mr. CLARKE of New York. Will the gentleman yield?

Mr. LEAVITT. I will.

Mr. CLARKE of New York. Where does the water come from if there are no dams provided to store it up?

Mr. LEAVITT. That is a very pertinent question, and I want to say that some dams are provided, but it requires the completion of further storage units in connection with them, and remember this, that the storage units can not be built this year and used the next. It requires a period of at least three or four or five years for new works to settle, and therefore it is necessary that this project be completed in advance.

Mr. HUDSPETH. There is a reasonable certainty that this loan in time, at least, would be returned by these settlers in Montana, is there not?

Mr. LEAVITT. By the people on the project. There is a certainty of that. They have paid, as I say, about $125,000, and the delay of the Federal Government in completing the

project has been the principal reason, gentlemen of the House, for the delay in the settlement of the project as well as other projects in the western country. It has been 15 years since the first people went on there, with the expectation that this project would be completed, and they have been waiting from year to year, and all efforts to colonize the area and bring people in have been held back because of the failure of the Government to go ahead and complete. The step that is contemplated now by this conference committee will go still further to discourage settlement and will delay and put far into the future all possibility of the paying back of the $5,000,000 already expended by the Federal Government.

We can not afford to concur with the recommendations that have been made. While we are talking about a square deal with the Treasury let us think also of a square deal to the 1,000 homesteaders on that project. Let us remember that this is entirely an action of the subcommittee of the Committee on Appropriations, that the Reclamation Service asked for $800,000, that the Bureau of the Budget agreed to $350,000, and that the Senate of the United States has written into this measure an appropriation of $300,000, and that the only thing that stands in the way of justice for these people and the settlement of that section in the West is the opinion of three men on this conference committee, who refuse now to agree to the settlement proposed by the Senate of the United States and put this item back in the bill where it belongs.

I ask you, gentlemen, in justice to vote "yes" on the motion that has been submitted by my colleague from Montana [Mr. EVANS].

Mr. CRAMTON. Mr. Speaker, I yielded 13 minutes to those in favor of the provision. I do not want to take up more time for myself. I wish to be notified at the end of 10 minutes.

There are three elements involved here, of which the principal one is amendment No. 16. The gentleman from Montana, Judge EVANS, desires $300,000 for construction, operation, and maintenance, whereas the committee provides $50,000. On Fort Peck Judge EVANS desires $30,000 and my recommendation is $15,000. On the Blackfoot proposition Judge EVANS desires $50,000 and my proposition is $20,000. There is therefore a difference of $305,000, if I am correct in my computation, between his proposition and mine.

I want the committee and the House to understand it. My only reason for my attitude here is that I am doing that which I think it is my duty to do in view of the information before the committee, and we took particular care to get all the information we could. If it were a personal matter, there are no two Members of the House whom I would rather please than the gentlemen from Montana [Mr. LEAVITT and Mr. EVANS]. But we are not approaching the subject from that point of view, and they would not expect me to.

Now, as to the Flathead irrigation district that the gentlemen have spoken about, the situation is this: Under present constructed works there are 105,500 acres that has water available. There is actually irrigated out of that 105,500 acres only 30,800 acres.

Mr. EVANS of Montana. Mr. Speaker, will the gentleman yield?

Mr. CRAMTON. I will make the statement that the gentleman wants, if he will permit me to proceed for a moment. There is a margin of 75,000 acres. I admit that there is a question about there being enough water for the 105,500 acres, and greater reservoirs are desired in order to make it sure. But there is ample water now for more than 30,000 acres. This danger of lack of water does not take up this margin of 75,000 acres. The trouble is that country is in the shadow line between dry farming and irrigation, and there is a grave doubt in the minds of people living on those lands whether they want irrigation or not, and it is demonstrated by the fact brought out in the hearings that year by year they vary in the use of the water. The first reason why I am opposing the appropriation is that there is a lot of land now available, more than is being used; and second, those who have water brought to their gates day by day have an option under the existing conditions as to whether they will pay any maintenance charges or not. This year they may think it is going to be a dry season, and they will use the water brought by the Government, but next year may not be a dry season and they will let the water go by their gates and will not contribute a nickel to the operation charges.

Now, when these men come to the point where they are willing either to fish or cut bait, either to conduct dry farming or farming by irrigation, and pay year by year the operation and maintenance charge, we shall have a basis upon which to decide what should be done. These people have no standing here as a matter of equity. The hearings show that there are 155 Indians engaged on this reservation in irrigation, and there are 300 white owners and 402 white lessees. We have expended already $4,500,000, and only 30,000 acres is being irrigated. There is also to be noted the fact that the operation and maintenance charges are not in full coming back.

Now, I asked Mr. Beadle, a representative of the Reclamation Service, why it was that the lands are not fully used and the charges not fully repaid. I asked him, "That is due to the fact that the projects are not fully constructed?" Mr. Beadle answered, "Yes, sir; and it is due to the fact that even the lands under ditch are not fully used"—the lands mentioned a while ago. I need not quote again the reference to the law of Montana, which confirms what I have just said. I made this statement in the hearings, in the presence of a representative of the Indian Service and a representative of the Reclamation Service:

> Here is the situation about storage, as I understand it. I do not want to prove anything; I want to develop what the situation is. We have got enough water. We do not have to spend another nickel so far as the 105,000 acres that now have water rights are concerned. Ordinarily about 5 years out of 6, or 9 out of 10, or at least 2 out of 3, there is enough water for these 105,000 acres, and in those years only about one-third of that 105,000 acres will use the water. But there comes a dry season once in three years, let us say, when the rains are limited and everybody passes up the dry farming and jumps in and wants water from the project at a time when there is the least water. Therefore there arises the necessity for storage in order to have a reserve for such an occasion. So we are to go on spending millions of dollars, not to take care of the year-by-year use but to take care of the emergency needs of those who do not appreciate the water at any other time. Is that the argument for this appropriation?

Mr. LEAVITT. Will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. LEAVITT. Is it not true that the failure to populate and develop this irrigation project is largely due to the fact that the uncertainty of development and completion of the project keeps people from going on the project?

Mr. CRAMTON. No; it is the general pessimistic outlook after they get there. Now, let me continue——

Mr. LEAVITT. Will the gentleman permit me to complete my question?

I have lived in that country for a good many years and Judge EVANS has lived there all his life, and I think that the gentlemen who come from irrigation States know that is the fact, that uncertainty is the real cause. Now, I come to my question: If that is true, is it not better business for the Government to go ahead and complete the project so that it can be colonized, as was being done this year, when 60 new families came in?

Mr. CRAMTON. Let me answer the gentleman. Sometime it may be proper for us to complete this project; but now, when we have water available for thousands of acres which is not being used, and when those who have the water at their gates pay for it only when they feel like it, this is not the time to take from a Treasury burdened as ours is at this time a large sum of money to spend on this project.

Now, further, the department could not tell this committee what they would do with the $300,000 if it were granted. Mr. Beadle said no program had been made by the Reclamation Bureau for the use of that money; and I asked them to put in the record a statement, after consultation between the two services, as to what program is intended under this $300,000 appropriation, but there is nothing in the record as to that.

Now, there is also involved in this same amendment the second item for the Fort Peck project. The amount is not so large, but it is a similar situation. Let me call to your attention the fact that the adoption of Judge EVANS'S amendment would cover this.

The Budget Bureau recommended $30,000 for operation and maintenance, which we propose to cut to $15,000. The evidence showed that of the 23,115 acres under the existing constructed works there are actually irrigated only 622 acres, and that we are paying $30,000 a year for the operation and maintenance of 622 acres, $50 per acre, of which only 406 acres are cultivated by Indians and 216 acres by whites. Can anyone say that I had any right, as a member of the Appropriations Committee, to recommend any such absurd figure for the operation and maintenance of 622 acres?

The whole situation was set forth by the representative of the Commissioner of Indian Affairs, Mr. Meritt, the assistant commissioner. On an earlier page Mr. Reed sets forth the fact that he has gone over this situation. He says:

There are miles of well-constructed canals and structures, such as headgates, turnouts, etc., that are not in use and have not been wet in some years except by rainfall or snowfall; and the Indians have not taken interest in it. They contend that they do not want it. On the other side, the whites have gone through the depression that other farmers have and have abandoned their farms that have been irrigated, and the place for that reason looks like a wreck.

Mr. Meritt said:

I have given the Indian irrigation projects considerable study. It has been my judgment that we should not spend large amounts of money for new construction where the land already under irrigation projects is not being fully utilized. In other words, we should utilize the irrigable lands available before we spend large sums of money on new land.

Mr. LEAVITT. May I ask this question of the gentleman?

Mr. CRAMTON. Yes.

Mr. LEAVITT. Did either Judge EVANS or myself ask for the inclusion in this motion of the Blackfoot proposition, or was that included by the gentleman in order to defeat the Flathead project, which is the one we are talking about?

Mr. CRAMTON. Well, I will say that I have bound them together because they were similar, although I do know that the gentlemen from Montana are both most interested in the larger sum involved in the Flathead proposition. I am frank to say to the House that I have not called attention to the conditions which I have outlined concerning Fort Peck so much with reference to their bearing on the $15,000 involved there as to their bearing on the other item of $300,000, because any argument that has been made in behalf of the Flathead Reservation is valid for the Fort Peck Reservation as well.

Mr. LEAVITT. May I disagree with the gentleman?

Mr. SNYDER. Will the gentleman tell the House how many acres are being cultivated by Indians on the Flathead project?

Mr. LEAVITT. One thousand seven hundred acres.

Mr. CRAMTON. I think that must be pretty nearly right. They say 30,811 acres out of 105,500 are actually irrigated, 2,000 acres being cultivated by Indians and the balance by whites.

Mr. SNYDER. I want to say that when this matter was under investigation during the last administration, when Mr. Cato Sells was Commissioner of Indian Affairs, he made the statement before the committee that this project was of a very questionable nature and there was some question whether it would be proper to go ahead with it or not.

Mr. CRAMTON. Mr. Speaker, I simply want to make this one further statement, which I think I can do in the minute remaining. I want the House to understand there is a difference in irrigation among Indians. There are Indians like the Pimas, who have been irrigationists since before our forefathers came to this country. There are others like the Flathead and the Indians on the Fort Peck Reservation who have no interest in irrigation and who are opposed to this development. I do not criticize the beginning of this or the securing of water rights, but I do say that in this time of financial stringency we can well afford to withhold construction until they do catch up and need more acreage than they have now. I hope, therefore, that my committee may have the support of the House and that the motion of the gentleman from Montana [Mr. EVANS] may not be agreed to, and that the House will further insist on our disagreement.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question comes first on the motion of the gentleman from Montana to recede and concur.

The question was taken; and on a division (demanded by Mr. EVANS) there were—ayes 31, noes 33.

So the motion to recede and concur was rejected.

Mr. CRAMTON. Mr. Speaker, a parliamentary inquiry. Does that ipso facto carry with it the motion to insist or is it necessary to put the question on the motion to insist?

The SPEAKER. The question now comes on the motion of the gentleman from Michigan to insist.

The question was taken, and the motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

For maintenance, to be used in payment of part of the salaries of the officers, professors, teachers, and other regular employees of the university, ice and stationery, the balance of which shall be paid from donations and other sources, of which sum not less than $2,200 shall be used for normal instruction, $125,000;

For tools, material, salaries of instructors, and other necessary expenses of the department of manual arts, $30,000;

Medical department: For part cost of needed equipment, laboratory supplies, apparatus, and repair of laboratories and buildings, $9,000;

For material and apparatus for chemical, physical, biological, and natural-history studies and use in laboratories of the science hall, including cases and shelving, $5,000;

For books, shelving, furniture, and fixtures for the libraries, $3,500;

For improvement of grounds and repairs of buildings, $20,000;

Fuel and light: For part payment for fuel and light, Freedmen's Hospital and Howard University, $15,000.

Mr. CRAMTON. Mr. Speaker, I move that the House recede and concur, and upon that motion I will just make this preliminary statement and then I will yield to the gentleman from South Carolina.

The appropriations for Howard University as they came to Congress from the Budget totaled something over $800,000, being something like $200,000 or a little less for maintenance, $127,500 for completion of the assembly hall and gymnasium, and $500,000 for a medical building and equipment. Your subcommittee and the Committee on Appropriations of the House recommended the completion of the assembly hall and gymnasium at $157,500 instead of partial completion at $127,500. We recommended $202,500 for the maintenance of the institution, a little more than the Budget recommended in some of the smaller items.

Mr. CARTER. Will the gentleman yield?

Mr. CRAMTON. In just a moment.

But we did not recommend the item of $500,000 for the medical building and its equipment, feeling that it was a larger increase in the appropriation for this institution than the circumstances would warrant. I now yield to the gentleman.

Mr. CARTER. The gentleman will recall that I dissented from the recommendation.

Mr. CRAMTON. I recall that, and I was very sorry, because the gentleman from Oklahoma and I work so closely together, but there have to be exceptions to all rules, and on this occasion I lost the support of my most valued friend from Oklahoma.

On the floor of the House the $202,500 was stricken out on a point of order and went to the Senate, who restored that $200,000 and also put in the $500,000 item. In conference we have now agreed with the Senate conferees to the elimination of the $500,000 for the medical building but have agreed to have this restored, if the House in its wisdom would do so, and therefore I made this motion to restore the $202,500 item for operation and maintenance.

I yield to the gentleman from South Carolina 10 minutes.

Mr. BYRNES of South Carolina. Mr. Speaker and gentlemen of the House, when the appropriation bill was before the House I made a point of order against these items on the ground that there was no law authorizing these appropriations.

Mr. LANKFORD. Mr. Speaker, I make the point of order that there is not a quorum present. This is an important matter and I think we ought to have a quorum.

The SPEAKER. The gentleman from Georgia makes a point of order that there is no quorum present.

Mr. BYRNES of South Carolina. I ask my friend to withdraw that. I am satisfied to go ahead and discuss this matter with the gentlemen on the floor.

Mr. LANKFORD. At the gentleman's request, I will withdraw it, Mr. Speaker.

Mr. BYRNES of South Carolina. I am satisfied to present this cause to the Members on the floor at this time.

There is no law authorizing these appropriations. If the Congress is to continue to appropriate for this educational institution, it ought to have the courage to legislate and provide the manner in which these appropriations shall be made. This institution is located in the city of Washington. It is a private, educational institution established originally as a theological seminary back in 1867. It has a charter from the Congress, under which charter its board of trustees is a self-perpetuating body. It received no funds and asked for no funds of the Congress until 1873. Then when there was a financial depression they came and asked for funds for one year. The Congress was charitable and liberal enough to grant funds and like every other institution or individual that ever gets on the pay roll, they have remained on the pay roll from 1873 to this day. But for the appropriation there is absolutely no authority in the law.

A few moments ago the gentleman from Michigan [Mr. CRAMTON], in opposing the motion of the gentleman from Montana [Mr. EVANS], made the statement, in discussing a project that is authorized by law, that this is not the time to take money from the Treasury, burdened as it is. That was a true statement; and if it is true as to a project authorized by law, it certainly ought to be true as to a project that is not author-

ized by law. If Congress is to do the courageous thing, it ought to legislate and say that this one institution of all institutions in the country is to be selected to receive appropriations from the Congress. As it is located in the city of Washington, the Congress ought to say what portion of the funds should come from the revenues of the District of Columbia, because more than one-fifth of the students come from the city of Washington. Instead of doing that, from year to year these appropriations are carried in an appropriation bill. I have been asked why this particular institution is selected of all the institutions in the country to receive an appropriation from Congress. I can give no reason. If it is for the reason that it is a negro university, and Members feel that they must support a negro educational institution in order to secure negro votes, then I know of no reason why this particular institution should be selected from among all the negro institutions; why it should be selected in preference to Tuskegee, the Booker Washington institution, or in preference to the Hampton Institute of Virginia. Hampton and Tuskegee are presided over by negroes. No graduate of Howard University stands the slightest chance on earth of ever being made the president of Howard University. The same people have always managed to retain the presidency of that institution and to receive the salary that goes with the presidency. Tuskegee and Hampton Universities are doing splendid work and have made good citizens among the negroes of this country, teaching them trades instead of teaching them professions.

Mr. BLAND. Mr. Speaker, if the gentleman will permit, Hampton Institute is presided over by a white person.

Mr. BYRNES of South Carolina. Always?

Mr. BLAND. That is my understanding.

Mr. BYRNES of South Carolina. Then I withdraw the statement. Neither Hampton nor Tuskegee maintains a school of religion in connection with their institutions, and I know that no other institution having a theological seminary has ever asked for or received funds from the taxpayers of the United States through the action of the Congress of the United States.

I know that the president of that university, realizing that such an appropriation is unwise, states that no part of the funds are used for the maintenance of the theological seminary, and I make that statement in fairness to him. He says that no part of the fund is used to maintain the school of religion, but I tell you that the dollars that come from the Treasury of the United States are not marked. They go into the treasury of the university just as other funds do. More than 50 per cent of the funds of the university come from the United States Government, and when a man says the dollars that come from the Treasury of the United States are not used to maintain the theological seminary he might as well argue with equal force that they are not used to pay a professor in mathematics or a professor in law. Those funds go into the common funds of the university. The Congress ought to know, if they are going to vote for this proposition, that they are voting funds to maintain a school of religion not authorized by law, and I want to call attention to the kind of religion that is taught at that school of religion. The Rev. Francis J. Grimke, a member of the board of trustees, in an address delivered by him at the seventh annual convocation of the school of religion of Howard University on November 20, 1923, declared, among other things:

> Here in this city we have a federation of churches—a federation of what kind of churches? A federation of white churches. The very fact that such a federation exists in this city shows what kind of Christianity we have here; what kind of Christianity is represented in these churches. It is not a federation of Christian churches, but a federation of white churches, which shows that these churches, consciously or unconsciously, are standing for a Christianity that lays greater emphasis upon the color of a man's skin than upon his Christian character.

Again, in the same address he said:

> We have also in this city a white Y. M. C. A. and a white Y. W. C. A., from which colored people are excluded, and excluded because they are colored, because they happen to be of another race variety. The very fact of the existence of such associations is a standing reproach to the Christianity that they represent.

Further on he said:

> I have very little faith in the Christianity of Mr. Woodrow Wilson; but what he says in his article, "The road away from revolution," in the August number of the Atlantic Monthly, is well worth careful consideration. "Our civilization," he says, "can not survive materially unless it is redeemed spiritually. It can be saved only by becoming permeated with the spirit of Christ and being made free and happy by the practices which spring out of that spirit."
>
> True, true; but how can our civilization become permeated with the spirit of Christ when professing Christians, like Mr. Woodrow Wilson and Mr. William Jennings Bryan, outstanding figures in the church, go on preaching and practicing the kind of Christianity which they represent?

Again:

> And there is no better place to hold up that fact than here, no better place from which to send out a message like that than here, in connection with this convocation, held under the auspices of the school of religion of this university. It is a shame, a burning shame that we are under the domination of a Christianity that discriminates against human beings, made in the image of God, and for whom Christ died, on account of race and color.

Further on he says:

> And in the effort that must be made to rescue the Christianity of to-day from the spirit, the unbrotherly, un-Christian spirit that now has possession of it, if our faith is weak, and if we are not willing to go to the scaffold if need be, not willing to suffer, we won't be of much service. Very little can be expected in this great moral and religious crusade that must be waged from the timorous, the half-hearted, the cowardly.

Those are the words of the Rev. Francis J. Grimke, a member of the board of trustees of the university for which you are now asked to appropriate $200,000 of the money of the taxpayers of America. He endeavored to arouse prejudice against the white people and incite these young negroes to acts of violence because negroes were not admitted to membership in white churches and in the Y. M. C. A. and Y. W. C. A.

Mr. CRAMTON. Mr. Speaker, will the gentleman yield?

Mr. BYRNES of South Carolina. Yes, if the gentleman will give me three minutes more.

Mr. CRAMTON. I very gladly do that.

Mr. BYRNES of South Carolina. Then I yield.

Mr. CRAMTON. Will the gentleman object to inserting in his remarks the complete address?

Mr. BYRNES of South Carolina. I shall be very glad to do so at the end of my remarks.

Mr. Speaker, I do not hold a university responsible for a sermon or a speech delivered by any invited speaker, for whom the university assumes no responsibility, but this man is one of the board of trustees controlling this university, and if he does not speak the views of the university there ought to be a disavowal of it; and to this good day there has been no disavowal. As a private institution they can express any views they desire, if supported by private funds. But they should not denounce the white churches of America and Young Men's Christian Association and the Young Women's Christian Association and then come here and ask us to vote the money of the taxpayers of our districts for the support of such an institution. If you do, you ought to tell your constituents what you are doing. You are not contributing to the support of a school of religion in any one of the States of the Union. In your districts you have good schools that would like to receive appropriations from the Congress of the United States, which perhaps are in urgent need of appropriations. You can not get Congress to contribute a dollar for them, but you now want to go on record as giving $300,000 to this institution. They already have in this bill $157,000. Vote for this amendment and you give them $200,000 more, and when you do that you place your stamp of approval on the kind of religion that is being taught by Grimke in Howard University at the expense of your constituents. So far as I am concerned, I am not willing to do it. I do not believe that the people of the United States ought to be called upon to support any school of religion. It is against the spirit, if not the letter, of the Constitution. The experience of years has proved that it is an unwise and dangerous policy. But if Congress is to continue this unwise policy and appropriate public funds to support a school of religion, certainly it should exercise some control over the institution and prevent the preaching of sermons the only effect of which can be to poison the minds of these students, arouse their prejudice against the white people of the country, make them discontented with their lot in life, and disturb the harmonious relations now existing.

The SPEAKER. The time of the gentleman from South Carolina has expired.

Mr. BYRNES of South Carolina. Mr. Speaker, I regret very much that my time has expired, because I wanted to call attention to the fact that one of the lecturers on the catalogue of the university for 1915-16, which has been forwarded to me, advertises that Mrs. Rose Pastor Stokes will during the year lecture to the students on the essentials of socialism.

Mr. MADDEN. She is not a member of the board of trustees.

Mr. BYRNES of South Carolina. No; but she was invited by the university and advertised in the catalogue as one of the lecturers to lecture to the students of Howard University on the essentials of socialism. Of course, the Government has no control of the situation. But you are asked to select this in preference to all other institutions and appropriate $200,000 to encourage the teaching of socialism by such people as Rose Pastor Stokes and religion by this man Grimke. That is not the kind of university for which I want to appropriate the money of the taxpayers of my district. [Applause.]

While the appropriation of $200,000 was allowed by a vote of 200 to 105, the appropriation of $500,000 added by the Senate for this university was defeated.

At the request of Mr. CRAMTON I insert in its entirety the sermon of Francis J. Grimke:

WHAT IS THE TROUBLE WITH THE CHRISTIANITY OF TO-DAY? THERE IS SOMETHING WRONG ABOUT IT. WHAT IS IT?

(An address delivered by the Rev. Francis J. Grimke, pastor of the Fifteenth Street Presbyterian Church, Washington, D. C., at the seventh annual convocation of the school of religion of Howard University, Washington, D. C., November 20, 1923.)

Ladies and gentlemen, in the time that I am to occupy I wish to address my remarks to the question, What is the trouble with the Christianity of to-day? There is something wrong about it; what is it? In one direction, at least, I think I know what the trouble is.

To my mind it is its hypocrisy, its manifest insincerity. It professes to believe what it does not believe; it professes to believe what it has no intention of living up to, except so far as it doesn't interfere with its selfish aims, so far as it does not run counter to its prejudices. The great indictment which Jesus Christ would make against it if He were here to-day is, "Why call ye me Lord, Lord, and do not the things which I say?"

(1) Its great deficiency, as I view it, is not in the line of its nonacceptance of Jesus Christ as the Great Teacher sent from God. It hails Him as the greatest of teachers. It has studied, and studied very carefully, all the things that He has said. Every word that fell from His lips, as handed down in the Scriptures, it knows and knows the meaning of. Volumes have been written extolling Him as teacher and expounding His words, setting forth His ideals and principles. The Christianity of to-day is not deficient in knowledge of what Jesus said, of what was clearly in His mind as to the principles that were to have sway in His kingdom. He not only while He was on earth outlined what those principles and ideas were, but after He had gone, in accordance with His promise, sent the Holy Spirit to guide the apostles in unfolding those principles. No one can read the 21 Epistles of the New Testament and fail to see exactly what is involved in the teachings of Jesus Christ. Everything is set forth clearly, line upon line, precept upon precept, here a little and there a little. The Christianity of to-day knows perfectly well what is required of it, what it ought to be, and what it ought to do.

(2) Its great deficiency, as I see it, is not in its nonacceptance of Jesus Christ as priest. It makes much of His atoning blood; it magnifies the cross of Christ as the great sacrifice for sin. "As Moses lifted up the serpent in the wilderness, even so must the Son of man be lifted up that whosoever believeth on Him should not perish, but have everlasting life," it preaches. It believes that Jesus is the only mediator between God and man and that His blood cleanses from all sin.

On these two points it seems to be mainly or largely right; but when we go a step further and think of Jesus Christ as king we find that it is far from being right. The one thing which it does not acknowledge, except in a halting, hypocritical way, is the right of Jesus Christ to control its action, to say what it shall do and what it shall not do. It has never learned and shows no disposition to learn the great lesson which God taught centuries ago through Samuel, "To obey is better than sacrifice, and to hearken than the fat of rams." The Christianity of to-day is a Christianity that makes no serious effort to carry out the whole counsel of God, to live up to the full requirements of His most holy and righteous laws. Its attitude toward these requirements is precisely that of the bootlegger and the whole criminal gang represented by the liquor power in this country in regard to the eighteenth amendment and the Volstead Act; it chooses among these God-given requirements which it will carry out and which it will not. When its prejudices are crossed, its selfish interests interfered with, it sidetracks the law of God, it shuts its eyes to the violation of the most sacred and fundamental principles laid down by the founder of Christianity. It professes, e. g., to believe in the fatherhood of God and the brotherhood of man—these are both vital and fundamental principles in Christianity—and straightway, in the face of these principles, everywhere is setting up barriers against men on account of race and color.

Here in this city we have a federation of churches—a federation of what kind of churches? A federation of white churches. The very fact that such a federation exists in this city shows what kind of Christianity we have here, what kind of Christianity is represented in these churches. It is not a federation of Christian churches, but a federation of white churches, which shows that these churches, consciously or unconsciously, are standing for a Christianity that lays greater emphasis upon the color of a man's skin than upon his Christian character.

What right has any group of churches, calling itself Christian, to set up barriers against another group on account of race or color? When the Christianity of to-day comes to recognize fully the authority of Jesus Christ in all that it does; when it turns a deaf ear to every other consideration except the will of Jesus, as Lord, there will be no white churches, nor white federation of churches; nor will there be any colored churches, or colored federation of churches. All churches and all federations of churches will be open alike to all who are Christians without distinction of race, color, or condition.

We have also in this city a white Y. M. C. A. and a white Y. W. C. A., from which colored people are excluded, and excluded because they are colored, because they happen to be of another race variety. The very fact of the existence of such associations is a standing reproach to the Christianity that they represent. What right has any so-called Christian association to draw the color line on anyone? It may have the right as an association to do so, but not as long as it bears the name Christian. That name, that sacred name, forbids all such distinctions. And the man who does not see that it does, is either a fool or is woefully ignorant of what Christianity really is and what it teaches. Surely the wayfaring man, though a fool, if he knows anything about Christianity, the Christianity which Jesus taught and lived, knows that such distinctions are entirely out of place in a Christian organization.

And the reason why such distinctions exist and why they continue to exist is because the church has persistently refused to render to Jesus the obedience which is His due. He speaks—speaks in His beautiful spirit, in His noble character and life, in the great principles and ideals set forth by Him; but the church will not hear, or, rather, hears but will not obey. The evil within it overpowers the good. It listens, as Eve did, to the tempter instead of to the voice of God.

Only within this present month, just about two weeks ago, a thing occurred in this city which will help to throw some light upon the character of our present-day Christianity. A professor in this university, the dean of one of the colleges, a gentleman, a scholar, a man worthy of the highest respect, a man fit to live in the choicest section of any city in the country, was waited upon by 500 of his white neighbors, men and women, and told to get out of his own house, purchased with his own hard earnings. And why? Not because he was a criminal, a thief, a penitentiary convict, a bootlegger; not because his moral character was such as to render his presence in the neighborhood undesirable—he is, in every respect, the peer, if not the superior of every man and woman in that crowd who waited on him—but he was ordered out simply because he happened to be identified with the colored race. The color of his skin was his only offense.

And strange to say, but it is not strange, the meeting where the resolutions were passed decreeing his expulsion was held in the United Brethren Church, a Christian organization. And we are further told, after forming in line, the 500 men and women as they marched to the residence of this colored gentleman sang:

"Onward, Christian soldiers,
Marching as to war,
With the cross of Jesus
Going on before."

Imagine, if you can, the cross of Jesus going on before in pursuit of any such infamous undertaking as that.

When this outrage on this highly respectable and law-abiding citizen was reported in the papers the next morning, did the entire Christian community, in the name of Jesus Christ and of common decency, rise up and solemnly denounce the outrage? No! No! Not a word of disapproval, of condemnation was heard; nor has any been heard since.

The fact that such a demonstration could take place in a so-called Christian community, and could take place without being condemned, and the fact that those who fomented the agitation were permitted to meet and lay their plans in a Christian church, show clearly the kind of Christianity that we are up against; how far, far removed it is from the spirit and teachings of Jesus Christ.

So that if I am asked, What is the matter with the Christianity of to-day? My answer is, Its lack of the spirit of Jesus Christ; its lack of obedience to the revealed will of God; its failure to recognize, except in part only, the kingship of Jesus Christ. A Christianity that is deficient, as present-day Christianity is, in the spirit of obedience to Christ is a Christianity under which all kinds of evil may be expected to exist. Race prejudice and every other evil that is cursing the world to-day would speedily disappear if the men and women professing to be Christians, some forty millions in this country alone, would honestly, without equivocation, without reservation, make up their minds to obey Jesus Christ, to be true to Christian ideals and principles. As long as we have a Christianity that is content with

saying, "Lord, Lord," but do not the things which Jesus enjoins, conditions will continue as they are, the world will go on its way to the devil, and the church with it.

The only hope for the world, as I see it, is in a better type of Christianity. And there never will be a better type of Christianity until the spirit which says: "Not my will, but Thine be done." "Speak, Lord, for Thy servant heareth," takes possession of it. We can not serve God and mammon; we can not serve God and the devil; we can not be true to God and to our prejudices. And that is the lesson which the church is so slow to learn. John Wesley said:

> "If I had 300 men who feared nothing but God, hated nothing but sin, and were determined to know nothing among men but Jesus and Him crucified, I would set the world on fire."

What could not the 40,000,000 of professing Christians in this country do, in correcting evils that are everywhere about us, if they were what they profess to be; if they were loyal to the King in whose service they are supposed to be enlisted? The world will never be what it ought to be until there is brought to bear upon it a Christianity that sincerely, honestly aims, and as sincerely and honestly strives to bring every thought and every imagination into captivity to Jesus Christ as Lord. It must be a Christianity that knows nothing among men but Jesus Christ; nothing among men but Jesus Christ as prophet, as priest, as King. If His kingship doesn't enter into it; if He is not really the power that is ruling in it, it will be powerless to save a lost world; it will be no better than the present brand of Christianity.

I have very little faith in the Christianity of Mr. Woodrow Wilson; but what he says in his article, "The road away from revolution," in the August number of the Atlantic Monthly, is well worth careful consideration. "Our civilization," he says, "can not survive materially unless it is redeemed spiritually. It can be saved only by becoming permeated with the spirit of Christ and being made free and happy by the practices which spring out of that spirit."

True, true; but how can our civilization become permeated with the spirit of Christ, when professing Christians, like Mr. Woodrow Wilson and Mr. William Jennings Bryan, outstanding figures in the church, go on preaching and practicing the kind of Christianity which they represent? How can our civilization become permeated with the spirit of Christ, when the church itself, the visible representative of Christ, is not permeated with it? In the cowardly roll which it is playing to-day; in the ignoble surrender which it is making to the forces of evil, it is not only playing false to Jesus Christ its Lord, but is also imperiling the most sacred interests of humanity. Its value to the world is and will be just in proportion as it is loyal to the spirit, the principles, the ideals of Jesus Christ. There can be no halfway acceptance of these ideals and principles. It must accept all of them or none of them, the whole of Christ or none of Christ, if it is to do effectively the work to which it is called of God.

That is the way I feel about it. I may be all wrong, of course; Jesus Christ may never have intended His followers to follow Him, to conform to His spirit and teachings; He may have meant for them simply to look over His scheme of life and pick out of it so much of it as suits their fancy, their whims and caprices, their likes and dislikes, and let the rest go. If so, then the present-day Christianity is all right, and things will go on as they are, will never be any better than they are. A cowardly, time-serving, unbrotherly, stiff-necked, uncircumcised, color-prejudiced Christianity can never save this world, can never bring it to Christ—a world two-thirds of the inhabitants of which are not white but colored.

A man said to me not long ago—we were studying a book, Money and Acid Test—"Doctor Grimke, so far as the white man's religion is concerned, the acid test is not money, but his attitude toward the colored man." And what he said is true. The white man's Christianity will never be what it ought to be until it is big enough, broad enough to forget the color of a man's skin or his race variety, until it rises superior to the spirit of colorphobia, with which it is at present afflicted. And there is no better place to hold up that fact than here, no better place from which to send out a message like that than here, in connection with this convocation, held under the auspices of the school of religion of this university. It is a shame, a burning shame, that we are under the domination of a Christianity that discriminates against human beings, made in the image of God, and for whom Christ died, on account of race and color! And, as a convocation, let us say so; and say it, not with bated breath but boldly; say it in the fear of God; say it as ambassadors of God. The heathen may rage; but we know, as well as we know anything, that this attitude of present-day Christianity is wrong, abominably wrong, and that God can not and does not approve of it. And if we fail to say so, and fail to do all we can to bring about a change, we, too, are traitors to God and to humanity; we, too, are utterly unworthy to bear the name Christian.

I know, of course, what will be said: You are a pessimist. It may be that I am. Isaiah was, doubtless, regarded as a pessimist in his day, when he lifted up his voice like a trumpet and cried aloud:

> "What unto me is the multitude of your sacrifices? said Jehovah; I have had enough of the burnt offerings of rams and the fat of fed beasts; and I delight not in the blood of bullocks, or of lambs, or of he-goats. When ye come to appear before me, who hath required this at your hands, to trample my courts? Bring no more vain oblations; incense is an abomination unto me; new moons and sabbaths, the calling of assemblies, I can not away with; iniquity and the solemn meeting."

John the Baptist was, doubtless, regarded as a pessimist when he said to the scribes and Pharisees, the officials of the Jewish church, who came out to hear him, "Generation of vipers, who hath warned you to flee from the wrath to come. Bring forth fruits meet for repentance." And Jesus Christ himself was, doubtless, regarded as a pessimist when, in that memorable address of His, in the twenty-third chapter of Matthew, He cried out:

> "Woe unto you, scribes and Pharisees, hypocrites! for ye compass sea and land to make one proselyte; and when he is become so, ye make him twofold more a son of hell than yourselves."

If that is pessimism, then the more of it we have the better, the sooner there will be change for the better.

If to call present-day Christianity to an account for its lack of the spirit of Christ, in its shameful attitude on the race question, is to be a pessimist, then let us hope that there may be pessimists springing up all over the land and in all of the churches. That is the kind of pessimism that is needed, the kind of pessimism that has been back of all the moral and religious reforms that have taken place in the world. In spite of what may be said, in spite of being called pessimists, there is nothing for us to do but to go on upbraiding the church with its inconsistency, its unbrotherly, un-Christian spirit, until it either ceases to call itself Christian or makes up its mind to square its actions with its professed ideals and principles.

Those are my sentiments. There is where I stand. There is where I expect to stand until there is a change for the better.

A word now, in closing, by way of application. What can we do to help bring about such a Christianity? We may not be able to do very much, but one thing we can all do, we can enthrone Jesus Christ in our own hearts; we can make up our minds to be true to Him and to His principles and ideals, never mind how unpopular it may be or how unpleasant it may be made for us. We can not hope to do much toward improving the Christianity of to-day if we are cowards, if we are afraid to stand up for what we believe to be right, to be in harmony with the teachings of Jesus Christ. We want men, must have them, not only of convictions but men of courage who will stand up and be counted in the struggle between what is Christian and what is not.

> "Truth forever on the scaffold,
> Wrong forever on the throne,
> Yet that scaffold sways the future,
> And behind the dim unknown
> Standeth God within the shadow
> Keeping watch above his own."

So wrote James Russell Lowell during the great antislavery struggle in this country. (And in the effort that must be made to rescue the Christianity of to-day from the spirit—the unbrotherly, un-Christian spirit—that now has possession of it, if our faith is weak and if we are not willing to go to the scaffold if need be, not willing to suffer, we won't be of much service. Very little can be expected in this great moral and religious crusade that must be waged from the timorous, the half-hearted, the cowardly.) Within the next few years much, very much, will depend upon whether we are to have a better type of Christianity, a Christianity that will ring true every time and everywhere to the principles of Jesus Christ, or whether we are to have the same old, narrow, prejudiced, unbrotherly Christianity that we have to-day. Let us hope that a change for the better will come, and come speedily; and let us, one and all, make up our minds to do all that we can to hasten it.

I clipped from one of our magazines some time ago the following lines, entitled "Our fellowship":

> "Not dependent on identity of theological opinion,
> Nor on outward circumstances, nor of denominational name;
> But growing from a common loyalty to Jesus Christ,
> A common passion to serve the world,
> A common purpose to do justly, to love kindness,
> And to walk humbly with God."

That, it seems to me, furnishes a most excellent program for improving the type of our present-day Christianity. It is for us all to catch the spirit of it and to live under its great and inspiring influence.

Mr. LOWREY. Mr. Chairman, the question before us is simply this: Shall the Congress appropriate from the funds of the people $365,000 for the benefit of Howard University, theoretically a private institution, maintained here in the National Capital for the higher education of negroes?

First. The money does not belong to us. It is a fund which the people of this country have under their taxing laws brought together for the purpose of maintaining government. In our hands it is simply a trust fund which the people have committed to us, to be administered for the purposes for which it is collected. If we administer it otherwise we misappropriate trust funds.

To appropriate to this school is, in my opinion, unnecessary, unwise, unjust, and unconstitutional. To be perfectly candid, I hardly think the Negro race at their present stage of advancement need a great central university. I believe the consensus of opinion of their own wisest and best leaders is the need for good elementary schools, with normals for training their teachers, church schools for educating their religious leaders, industrial academies, and some larger industrial institutions, like Tuskegee and Hampton. These they have already. In every Southern State we, the white people, are contributing liberally to the support of negro common schools.

In almost every county the money paid to maintain schools for negro children is far beyond the proportion of tax which the negroes pay. In adition to this every Southern State supports a school of higher grade for negroes, and most of them support two or three such schools. And then there are the private and church schools, institutes, academies, and colleges by the score. In my own State, according to the report of the Department of the Interior in 1916, we have 47 such schools, at least a dozen of which are of recognized standing. In the Southern States there are more than 200 of them listed as being for "higher education." This of course does not mean higher classical education, but in many instances it means higher practical education of the first order.

In the North, too, you people are providing for your "colored friends" after a pretty acceptable fashion, though we do not expect you to befriend the negro or to understand him as we do. At least he does not suffer for college and university opportunities in the North, because you admit him to your great universities on a par with white students.

I therefore conclude that the education of the race would not be a hopeless question if they had no great university in Washington. Some one asked from the floor of this House in consternation, "If we fail to make this appropriation, what would become of Howard?" Well, now, let us look at that sensibly for a minute. Why might it not be supported by philanthropy and student fees, just as scores of great schools are supported for both races. A Washington negro boasted to me with just pride that his race pays tax on $20,000,000 worth of property in Washington. And the census of 1920 gives them nearly $700,000,000 worth of land in the 11 Southern States.

The figures for the rest of the country do not seem to be available, but they must swell the total considerably. I imagine that in Harlem, in New York City, negroes must own property reaching immense value. The same must be true in sections of Chicago, Philadelphia, Baltimore, and Indianapolis and in like degree throughout many northern and eastern cities.

With all this wealth, why not give them a chance to stand on their own feet a little and provide for this great school for themselves? After all the boast made about their splendid progress, are they still to be treated as a race of babes, and is our Federal Government to carry them forever in arms of paternalism?

The gentleman from Michigan [Mr. CRAMTON] refers to the fact that in the last campaign made for voluntary contributions to this school $5 out of every $6 contributed was given by alumni. And he turns triumphantly on us southern Democrats and asks, "Where were you then, that you did not help?" In answer to his "unpertinent" question I would say we were down in our southern homes paying our taxes to maintain negro schools, contributing voluntarily to the maintenance of negro churches, and befriending the negro generally in a way that some other people can not comprehend and know nothing about. The average white man in the South does more and sacrifices more to help the negro in a year than most of you gentlemen do in a lifetime.

But it seems to me more pertinent that we should ask, "Where were you then with your own money, you Congressmen who are so solicitous about the education of the negro in other communities and about the vote of the negro in your own communities; you who are now so anxious to give the people's money to this worthy cause?" Somehow I can not help having more admiration for the liberality of the man who gives his own money expecting no return than for the liberality of the man who gives the other fellow's money, expecting a return to Congress.

I believe that every man ought to be forever damned politically who buys votes with his own money, but it will be more tolerable in the day of judgment for that man than for the man who, intrusted with the power of taxation and appropriation, buys votes with the people's money. Understand, I do not accuse every man who votes for this appropriation of political motives, but in my heart I am very sure that it would be defeated if every man could absolutely forget the weight of the negro vote in doubtful States and districts.

Again, as I said, this appropriation is unjust. Here is Howard University with its great negro student body, three-fourths perhaps of whom live in Washington. Across over the city is George Washington University, with its great student body of young white men and women gathered from all over the land. Most of them work eight hours a day to make living expenses and attend school in the evening hours, paying for that privilege high tuition charges. You ask me to tax this second student body, along with the other people of the country, to build up the first institution whose tuition charges are almost nominal. The second institution struggles and presses a hard campaign for funds which are desperately needed, while Congress at a stroke gives the first institution enough money to build an average college.

A similar comparison might be made between Howard and a score of negro schools in the South. How can we justify this discrimination against all the others in favor of one which happens to be in the Capital City?

And one other consideration: My district this year is devastated by the boll weevil. Many of my colleagues represent wheat districts, where conditions are just as bad. Many hard-working farmers have lost their homes to satisfy debts. One-fifth of all the farms in the country have been sold within the last two years. In these hard times that means that most of them were sold because they had to be sold.

Many farmers have found it impossible even to borrow money to pay their taxes. Others have been unable to get books and clothing to keep their children in short-term public schools. Under a vicious tariff system and a blind foreign policy this Republican administration has crushed the American farmer as certainly as if it had started out with that deliberate intent. And now you ask for more tax money to provide university education for Washington negroes. The very thought is iniquity.

But if this appropriation were just would it be wise? A Washington citizen who was reared in a northern State said to me recently:

> Colored people are up against a hard proposition when they get herded together in a large city. The best place for them is on the farms.

I am not quoting my own opinion; I am quoting the opinion of a prominent northern man. I might quote the same opinion from prominent negro leaders. Every man before me who has really observed conditions in Cincinnati, Philadelphia, Chicago, and other such cities knows something of what the large accumulation of negroes in parts of these cities has meant socially, economically, and politically. From two men who are among the most prominent Republicans in the State of Indiana I have had rather lurid statements as to what the large negro population in Indianapolis has meant to their State capital. In several northern cities race relations have become so tense as to result in general burning of negro quarters and in wholesale murder—when it happens to individuals in the South they call it lynching—and expulsion. We have not forgotten some modern history of Washington along that line. I have heard able Republican Members of this House, men from northern States, object to the franchise for the District of Columbia because of the negroes here, reasoning that we could not thus risk bringing our National Capital under black domination.

Now, it is absolutely certain that the more we make Washington a center of negro education the more will it become a mecca for negro population. "With charity for all and malice toward none," is that good for either negroes or whites, for either the Capital City or the Nation?

But, finally, I believe appropriations of this sort to be contrary to both the spirit and the letter of the Constitution. The Constitution prescribes the powers of Congress and the general purposes for which we may appropriate. No appropriation for a university is suggested, especially for a university under semi-private control, maintained for a special class within the population. A committee brought into the Constitutional Convention a provision for the establishing of a great general university, open to all, and the framers of the Constitution rejected even that. Certainly the appropriation of Government funds to a school in which the Government owns no interest and over which it holds no shadow of control is lawless and unlawful.

So far as I recall, only one man in this debate has even attempted to defend this appropriation from a constitutional or legal standpoint. The gentleman from Ohio [Mr. BURTON] did make the appeal to precedent. He claims as sufficient legal ground the fact that Congress in its wisdom began appropriating to this school in 1878 and has kept it up for half a century. The same kind of argument, by the way, would have perpetuated witch burning, slavery, and the saloon. All these were maintained by law for more than 50 years.

But I remind our friend that in 1873 Congress, when dealing with the negro question, was not doing things "in its wisdom." It was doing things in startling unwisdom, as the world now agrees. Those were the days of the Freedman's Bureau, the heartless reconstruction, the carpetbagger, and the full enfranchisement of the millions of degraded and illiterate recently liberated slaves—the tragedies and crimes of our country's political history. God pity us if we are to look there for wisdom or for congressional acts worthy to be made our guiding precedents.

Mr. CRAMTON. Mr. Speaker, I yield 10 minutes to the gentleman from Illinois [Mr. MADDEN].

Mr. MADDEN. At the outset, Mr. Speaker and gentlemen I admit, of course, that there is no law authorizing the appropriation for the maintenance and upkeep of Howard University, but the Congress in its wisdom has been doing this every year for more than 50 years. It began at the close of the war and we have continued ever since. If there is any work connected with the Government that justifies itself, it is that very work of helping to maintain this great institution of learning. The Southern States contribute directly to the maintenance of their universities, but they do not allow any colored men to attend the universities of the South.

Mr. LARSEN of Georgia. Will the gentleman allow me to correct him right there?

Mr. ABERNETHY. The gentleman is in error.

Mr. LARSEN of Georgia. In the State University at Georgia we have the Clark University at Savannah, Ga., and under State supervision with the same chancellor and supported by the State, at which colored students attend.

Mr. MADDEN. The time has come when I think we ought to answer the gentlemen who live in the Southern States when they denounce the propriety or wisdom or right of the Government to make a contribution to this institution for the education of those who, in a sense, are ostracized from all institutions of learning outside by our race. We who have control of the Government have a responsibility for action, and when I say that I mean the race to which we belong, and in admitting that responsibility we must be fair, we must be just, we must be discriminating, and we must not so act as to humiliate the people of another great race struggling in our midst for existence. It should be our duty as well as our pleasure to do everything within our power to promote the well-being, the happiness, and prosperity of those people. They are an essential part of the people of America. The prosperity of the Nation should be maintained, and I think I can venture the statement without fear of successful contradiction that within the last two or three years the people of the South itself have discovered a greater need for the people of the black race than ever before. They have discovered themselves that it is essential to give more consideration to the well-being of the colored people of the South than they have been willing to give before. Now, why should you object to the favorable consideration that is being given to this problem? Are you afraid to educate the Negro? Do you want to keep him in ignorance? Do you want to prevent him from becoming a factor in the commercial and industrial life of the Nation? Objection has been made from time to time against the appropriation of funds for the maintenance of Howard University, and opposition to this proposal at this time is not the only opposition that has been made by the gentleman from South Carolina, and I undertake to say without being certain as to the truth of what I say he has objected to this proposal before. This is not the first occasion. He does not believe in the advancement of the colored race.

Mr. BYRNES of South Carolina. Will the gentleman yield?

Mr. MADDEN. I will modify the statement to meet the gentleman's views.

Mr. BYRNES of South Carolina. The gentleman is mistaken. The gentleman from Illinois said a while ago that all the Southern States have no negro universities. I desire to say to the gentleman that in the State of South Carolina there is a negro university, and the taxpayers of the State contribute to the support of that university, and in practically every Southern State I know anything about that is true.

Mr. CLARK of Florida. Mr. Speaker, will the gentleman yield for just a word?

Mr. MADDEN. Yes, indeed. I do not want to do any injustice to any section.

Mr. CLARK of Florida. In Florida we have a university for colored youth, supported out of the funds of the State, at Tallahassee.

Mr. MADDEN. The statement made by my friend, the gentleman from South Carolina [Mr. BYRNES], of the Committee on Appropriations, was to the effect that this is a local institution, if I recall what he said. It is not a local institution. It is a national institution. I think that there is greater need for this nation-wide opportunity for the higher education of the colored men and women of the Nation than there is for any other activity in which the people of the United States are engaged. We need not be afraid of the colored men and colored women. There are no socialists among them, no anarchists. They are law-abiding citizens. There never was an hour when the Nation needed defense when they did not volunteer their lives to preserve the Nation and its honor, and we should not now repudiate an appropriation intended to maintain this great national institution of learning which the colored people themselves are unable to maintain.

Now, what was the objection to the appropriation? Why was this point of order made? Presumably it was made because there is no law to authorize it. Of course, that is the only reason a point of order could be made. Senator SMOOT, in the Senate hearings on this bill, asked on what ground objection was made, and Senator MCKELLAR asked, "Why was a point of order made?" This was the answer given:

Doctor DURKEE. I can only answer, sir, from reading the RECORD of the House for the day. As I understand, the gentleman who made the point of order made it on the proposition that a clergyman came up to the university some few weeks ago at a convocation of clergymen, and in a meeting held in the chapel, at which there were between 50 and 60 clergymen and a few of the students of the school of religion only, this clergyman made an address, to which the gentleman of the House took exception and said that with such a statement as that he felt justified in raising the point of order.

Senator SMOOT. Was this clergyman a member of the faculty of Howard University?

Doctor DURKEE. No, sir; the clergyman is not a member of the faculty.

Senator SMOOT. Is he in any way connected with it?

Doctor DURKEE. He is a trustee of the university. He is a man who has been for 40 years pastor of the Fifteenth Street Presbyterian Church in this city, a man of wonderful balance, a man of great heart, a man who has stood for the finest and best things in his race.

Senator MCKELLAR. Is the language that is quoted here on pages 1659 and 1666 of the RECORD indorsed by you?

Doctor DURKEE. Will you kindly, sir, allow me to see it? I do not know just what it is.

Senator SMOOT. It is the statement that was read into the RECORD by Mr. BYRNES of South Carolina.

Doctor DURKEE (reading):

"I have very little faith in the Christianity of Mr. Woodrow Wilson"——

Is that what you refer to?

Senator MCKELLAR. Yes.

Doctor DURKEE. I am very frank to say that I do not agree with a statement like that, because I have had very profound respect for the Christianity of Mr. Woodrow Wilson.

Senator MCKELLAR. I do not mean that alone; but take the other quotations that he makes there. Do you approve of those? Just look over it a minute.

Doctor DURKEE. I have not read through his full article; but, as I understand it, the clergyman makes the general proposition that if Christian people can not agree, irrespective of color, then there is something wrong with the Christianity on the one side or the other. In other words, he objects to an attempt to establish a certain kind of Christianity for one race and another kind of Christianity for another race. That is the way I interpret it as I have read his article.

I think I can agree to that statement. There is something wrong if you can not agree. We are all trying to get to the same place. We are going by different routes. We all have our particular views as to what form of religious worship we shall follow. One belongs to the Methodist Church and one belongs to the Presbyterian Church and one belongs to the Congregationalist Church; one to this church and one to that. Each one hopes to reach the judgment seat of God upon a right road; but each road, according to their individual view, is the right road, and they are not going by the same road.

The SPEAKER pro tempore. The time of the gentleman from Illinois has expired.

Mr. CRAMTON. I yield to the gentleman five minutes more.

The SPEAKER pro tempore. The gentleman from Illinois is recognized for five minutes more.

Mr. MADDEN. In other words, he objects to an attempt to establish one kind of Christianity for one race and another kind for another race. That is what Mr. Grimke said. I read further:

Senator McKELLAR. No; he seems to have the view, as I judge from reading it, that it is a shame that the two races in Christian society are not commingled.

Doctor DURKEE. Well, that may be true, sir. I did not interpret it in that way. Of course, each of us has his own sense of what may be right or true as far as we ourselves are concerned.

Senator SMOOT. If you will read that statement made before the one that has been quoted, that statement shows the substance of what the Senator has just said.

Doctor DURKEE. Have I answered you, sir?

Senator McKELLAR. I was just wondering whether you, as the presiding officer of the institution, approved of that view.

Doctor DURKEE. Well, I think it is hardly necessary for me to approve or disapprove a statement of a gentleman who would come up on the campus simply to express his own views. Surely the university as a whole can not be held responsible for the views of an individual man who merely comes up there to make an address. I myself very frankly do not agree that one can not be a Christian man and yet not hold some views that another man who calls himself a Christian man holds. I state very frankly that each of us, according to our interpretation and our views of life, may hold views that fit his own conception of things. That is a general statement.

Now, I think if there is any politics in this, outside of the religious fervor which seems to have prompted the gentleman from South Carolina to make the objection to the appropriation when he made the point of order, he ought to be reminded of the fact that Mr. Grimke is a Democrat.

Mr. BYRNES of South Carolina. Mr. Speaker, will the gentleman yield?

Mr. MADDEN. Yes.

Mr. BYRNES of South Carolina. I do not know his politics, nor do I care; but the gentleman missed the point, that Mr. Grimke is a member of the board of trustees.

Mr. MADDEN. He was not speaking to the university. He was speaking on the campus to a delegation of ministers, and there happened to be some students there.

Mr. BYRNES of South Carolina. If the gentleman will look for the facts as they were distributed all over the country, he will see that Mr. Grimke was addressing a school of religion.

Mr. MADDEN. I am not defending one who will preach law violation, whether Mr. Grimke or anybody else. I am in favor of law enforcement in the strictest sense of the word, whether it be the enforcement of the law with respect to religion, or the enforcement of the law with respect to prohibition, or the enforcement of the law with respect to taking life unjustly. I am in favor of the strong hand of the law being held against every violator of the law, and I am not in favor of allowing men to preach the doctrine of law violation. But I think the gentleman from South Carolina overreached the mark when he said that a sermon preached to these preachers on the campus of Howard University should hold Howard University and its management responsible for what some one said who can not be controlled by the university itself.

Mr. CRAMTON. Mr. Speaker, will the gentleman yield?

Mr. MADDEN. Yes.

Mr. CRAMTON. Since there was a reference to our late President Wilson in that address, does the gentleman from Illinois know anything about the politics of Rev. Mr. Grimke?

Mr. MADDEN. He is a Democrat; I said that, and I had him say that to me and to a committee of this House. One day there was a meeting of a committee, of which I was a member, some years since, where it was proposed to pass a bill to segregate the black people from the white people in the departments of the Government. Mr. Grimke came before the committee to protest; I asked Mr. Grimke what his politics were, and he said he was a Democrat. I said I did not understand how a man of his race could be a Democrat.

Mr. BYRNES of South Carolina. Will the gentleman yield?

Mr. MADDEN. Yes.

Mr. BYRNES of South Carolina. The "gentleman from South Carolina" said nothing about the political affiliations of anybody in connection with this matter. I think the gentleman will agree to that. What I said was that when any man, who is a member of the board of trustees of this university, denounces the white churches, the Y. M. C. A., the Y. W. C. A., he ought not to be a member of the board of trustees of Howard University.

Mr. MADDEN. That is another thing. We are dealing with this appropriation. The mere fact that he made this statement—wrong though it may be—does not justify us in depriving the university of an appropriation in order to help it maintain an institution of learning for the people who are unable to meet their expenses. [Applause.]

The SPEAKER. The time of the gentleman has expired.

Mr. CRAMTON. Mr. Speaker, I yield three minutes to the gentleman from Ohio [Mr. BURTON].

The SPEAKER. The gentleman from Ohio is recognized for three minutes.

Mr. BURTON. Mr. Speaker, I regret there is not a larger attendance here this afternoon. I regard this question of extreme importance. An appropriation has been made for Howard University every year, beginning in the year 1873. If that does not have as much force as a statute would have, I can hardly understand the reason why.

We should make this appropriation, in the first place, on the ground of humanity. Howard University is the only institution of its kind in the United States; it is practically the only institution available to the colored race that has a medical and dental school. The statistics show that the number of physicians who take care of that race is extremely small; that while there is one white physician for every 553 persons of the white race, there is one colored physician to every 3,194 persons of the colored race. The proportion of dentists is even smaller.

This medical school is the principal professional school, although perhaps the law school equals it. As regards the theological school, that is of minor importance.

I very strongly condemn the language of the man who made this very peculiar address, but there are some of us who think that if a man of that race is a Democrat his mental processes would be wrong and that he would undoubtedly say something which would be very peculiar. [Applause.] But I do not think the institution should be condemned on that ground.

Mr. BYRNES of South Carolina. Will the gentleman yield?

Mr. BURTON. I have only three minutes.

Mr. BYRNES of South Carolina. I think the gentleman from Michigan will give the gentleman from Ohio an additional two minutes in order that I may ask him a question.

Mr. CRAMTON. I shall be glad to yield the gentleman two additional minutes if he desires them, but I do not want to take up too much time on this matter.

Mr. BYRNES of South Carolina. I only want to say this: When Grimke, this preacher in question, was delivering this sermon you will notice that when he referred to outstanding Christians he mentioned only Wilson and Bryan because he could not think of any Republicans to mention as being outstanding Christians. [Laughter and applause.]

Mr. BURTON. Maybe. There are 12,000,000 of these people here; they are not the dominant race. What do your amendments mean to them? What does the promise of citizenship mean to them in large areas in this country? But they are here, and the more fortunate race should in every way provide for them just as far as possible. I urge that this appropriation be continued on the ground of humanity and because of that consideration which a stronger race should have for a less fortunate race.

The SPEAKER. The time of the gentleman has expired.

Mr. CRAMTON. Mr. Speaker, I yield three minutes to my colleague, the gentleman from Oklahoma [Mr. CARTER].

The SPEAKER. The gentleman from Oklahoma is recognized for three minutes.

Mr. CARTER. Mr. Speaker, the Senate amendment under consideration provides for maintenance, improvements, and so forth, of Howard University. Howard University is a privately owned negro school, having no connection with the Federal Government. I did not agree with the committee on the Howard University item. I disagreed not on account of any prejudice against the colored race but I disagreed for the reason that under the parliamentary practices of this House and this Congress the item has no place in this bill.

Mr. DYER. Will the gentleman yield?

Mr. CARTER. I will be very glad to yield.

Mr. DYER. This is the same item we have had for 40 years and more, and the gentleman never objected before.

Mr. CARTER. Oh, yes; I have objected year after year. And I will say to the gentleman that he had his antilynching bill brought up and passed last year, but that is no reason why it should come up again this year. [Laughter.]

I am opposed to this because, if we are going to appropriate this money for this school—and I am opposed to appropriating money for educating people without some specific cause—we

should come in at the front door and not slip in at the back door with it. Why can not those gentlemen who favor this matter bring in some character of legislation which will authorize this thing and not make it subject to this contention and debate every time it is brought in? Now, gentlemen, if there are any politics in the proposition that is the politics of it. The politics is that gentlemen continue to do by indirection that which they refuse to do directly.

Now, my friends over on the majority side—the gentleman from Illinois [Mr. MADDEN] and other gentlemen favoring this item—have sufficient influence and power in this Congress to have legislation passed authorizing this appropriation so as to prevent this contention coming up every year. Why do not they do it? Why are we continually called upon to do the thing in this underhand way? Why are we called upon to slip in at the back door and spend all these thousands of dollars of the taxpayers' money when by the enactment of a very simple bill or resolution the item could be legalized if we are really sincere and earnest about the matter?

Mr. DOWELL. Will the gentleman yield?

Mr. CARTER. Yes; I yield to my friend.

Mr. DOWELL. Is it not true that this committee is doing this same thing on every appropriation bill, and there are items coming in here from the Senate, under the rules, and the gentleman himself is favoring amendments that come here exactly as this one has come, and the gentleman has not made a single objection to them?

Mr. CARTER. I can not yield any further. I do not want the gentleman to take all my time. If the gentleman will just investigate beneath the surface, the gentleman will know that this is not done in connection with another institution under the Government. This is the only private institution for which we appropriate in this manner. With the exception of Indian schools there is not another educational institution in this entire Government where we appropriate gratuities from the Public Treasury for the support of schools. The only appropriation that is made as a gratuity for schools from the Federal Treasury is the appropriation for the Indian schools, and these Indian schools are the property of the Government. Those schools are provided upon the very reasonable and just ground that when the white man came to this country the Indian owned the entire continent and this great Republic has been carved out of his domain, and now that everything has been taken away from him, practically, the Federal Government feels, very justly, that it should look after his education and civilization in order that he might be merged into the body politic as individual units of its capable, self-sustaining citizens.

Mr. NEWTON of Minnesota. Will the gentleman yield there?

Mr. CARTER. I yield.

Mr. NEWTON of Minnesota. What about the Columbia Institution for the Deaf? The Government appropriates money for that.

Mr. CARTER. Yes; the Columbia Institution for the Deaf is appropriated for, but, if I mistake not, the Government owns a portion of that institution.

Mr. FOSTER. Will the gentleman yield?

Mr. CARTER. I yield.

Mr. FOSTER. I was not here under the last administration. Was this same appropriation made under the last administration?

Mr. CARTER. Yes; and through every administration that we have had, but that is not any reason why it should continue to go on, and my friend knows it is not.

Mr. FOSTER. I wonder whether the gentleman tried to stop it then.

Mr. CARTER. Yes; I dissented every time it came in here, just as I am doing now.

Mr. BUTLER. Has the gentleman spoken against it every time?

Mr. CARTER. No; I have only spoken against it once before, and that was in a Democratic administration, I will say to my good friend from Pennsylvania.

Mr. CRAMTON. Mr. Speaker, I will only take this one minute to agree with my colleague from Oklahoma that it is time there was legislation that would guard this institution against being crippled by a point of order. I do not think we should go to the extent of taking the institution over. I have given it some thought. I have contemplated, if no one else did, introducing a bill, and, if so, it would be to the effect that appropriations in aid of the institution should be authorized, the board of trustees appointed by the President or otherwise by the Government, a supervision by the Bureau of Education, and a fiscal inspection of its affairs by the Government. But the situation now is that custom has grown up here for 40 years carrying the appropriation in this way, and our committee was obliged to continue that custom in deference to the will of the House as manifested for 40 years, and it would be a grave injustice to discontinue it at this time.

Mr. VAILE. Will the gentleman yield? I just want to ask the gentleman from Oklahoma whether he would vote for such a bill?

Mr. CRAMTON. I hope so. He is a pretty reasonable gentleman.

Mr. CARTER. If I will do what?

Mr. VAILE. I was wondering if the gentleman would vote for such a bill.

Mr. CARTER. I did not hear the kind of bill it was to be.

Mr. CRAMTON. The gentleman from Oklahoma does not have as much confidence in me as I have in him. He wants to know what is in the bill.

Mr. Speaker, this institution is well managed. Doctor Durkee, the president, and Doctor Scott, the secretary, are capable men. It is economically administered and is doing a great work. Something has been said about irrigation for the Indians being a proper expenditure of our funds. That is only because they are wards of the Nation. The colored man is as well a ward of the Nation, and we are giving him in this university an opportunity to get an education that is not presented to him otherwise. Mr. Speaker, I move the previous question.

Mr. BUTLER. I would like the gentleman before he does that to yield for a question.

Mr. CRAMTON. I yield for a question.

Mr. BUTLER. What will become of this institution if we withhold this appropriation?

Mr. CRAMTON. Well, I will say this, Mr. Speaker: Recently a fund was raised for the benefit of this institution, an endowment fund, and $5 out of $6 that was raised for its benefit over the whole Nation came from alumni of this institution. Where then were all these gentlemen from the South in whose midst most of these people live?

Mr. AYRES. I would like to ask my colleague a question.

Mr. CRAMTON. Mr. Speaker, I am obliged to move the previous question.

The previous question was ordered.

The SPEAKER pro tempore (Mr. LUCE). The question now comes on the motion to recede and concur in the Senate amendment No. 58.

Mr. CRAMTON. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 209, nays 106, not voting 116, as follows:

YEAS—209.

Ackerman	Dowell	Kiess	Oliver, N. Y.
Aldrich	Dyer	King	Paige
Allen	Eagan	Kopp	Parker
Andrew	Elliott	Kurtz	Patterson
Anthony	Evans, Iowa	Lampert	Peery
Arnold	Evans, Mont.	Larson, Minn.	Perkins
Ayres	Fairchild	Lea, Calif.	Perlman
Bacharach	Fairfield	Leatherwood	Porter
Bacon	Faust	Leavitt	Purnell
Barbour	Fenn	Lehlbach	Rainey
Beedy	Fitzgerald	Lilly	Raker
Beers	Fleetwood	Lindsay	Ramseyer
Begg	Foster	Linthicum	Ransley
Berger	Fredericks	Little	Reece
Bixler	Free	Longworth	Richards
Boies	Freeman	Lozier	Roach
Boyce	French	Luce	Robsion, Ky.
Browne, Wis.	Fulbright	McLaughlin, Mich.	Rogers, Mass.
Burdick	Fuller	McLaughlin, Nebr.	Sanders, Ind.
Burtness	Funk	McLeod	Schall
Burton	Garber	McNulty	Scott
Butler	Geran	McSweeney	Sears, Nebr.
Cable	Gibson	MacGregor	Seger
Campbell	Glatfelter	Madden	Shallenberger
Cannon	Graham, Ill.	Magee, N. Y.	Sherwood
Celler	Greenwood	Magee, Pa.	Shreve
Chindblom	Griest	Major, Ill.	Simmons
Christopherson	Griffin	Manlove	Sinnott
Clague	Hardy	Mapes	Sites
Clancy	Haugen	Mead	Smith
Clarke, N. Y.	Hawes	Merritt	Snell
Cole, Iowa	Hersey	Michener	Snyder
Colton	Hickey	Miller, Wash.	Sproul, Ill.
Connery	Hill, Md.	Minahan	Sproul, Kans.
Cook	Hoch	Montague	Stalker
Cooper, Ohio	Holaday	Mooney	Stephens
Cooper, Wis.	Hudson	Moore, Ohio	Strong, Kans.
Cramton	Hull, Iowa	Moores, Ind.	Strong, Pa.
Croll	Hull, Morton D.	Morehead	Summers, Wash.
Crosser	Hull, William E.	Morgan	Taber
Cullen	James	Morrow	Tague
Curry	Johnson, Wash.	Murphy	Taylor, Tenn.
Dallinger	Johnson, W. Va.	Nelson, Me.	Taylor, W. Va.
Darrow	Kearns	Newton, Minn.	Temple
Davey	Kelly	Nolan	Thatcher
Davis, Minn.	Kendall	O'Connell, R. I.	Thompson
Dickinson, Iowa	Ketcham	O'Sullivan	Tincher

Tinkham	Voigt	Wefald	Wood
Underwood	Wainwright	Welsh	Woodruff
Valle	Ward, N. Y.	White, Kans.	Yates
Vare	Wason	Williams, Mich.	
Vestal	Watkins	Williamson	
Vincent, Mich.	Watres	Winter	

NAYS—106.

Abernethy	Driver	Larsen, Ga.	Sandlin
Allgood	Fisher	Lazaro	Sears, Fla.
Aswell	Gardner, Ind.	Lee, Ga.	Smithwick
Barkley	Garner, Tex.	Lowrey	Steagall
Bell	Garrett, Tenn.	Lyon	Stedman
Bland	Garrett, Tex.	McKeown	Stengle
Blanton	Gasque	McReynolds	Stevenson
Box	Gilbert	McSwain	Swank
Brand, Ga.	Hammer	Major, Mo.	Thomas, Ky.
Briggs	Harrison	Mansfield	Thomas, Okla.
Browning	Hastings	Milligan	Tillman
Buchanan	Hayden	Moore, Ga.	Tucker
Bulwinkle	Hill, Ala.	Moore, Va.	Upshaw
Busby	Hill, Wash.	Morris	Vinson, Ga.
Byrnes, S. C.	Hooker	Oliver, Ala.	Vinson, Ky
Byrns, Tenn.	Howard, Okla.	Park, Ga.	Ward, N. C.
Caulfield	Huddleston	Parks, Ark.	Weaver
Carter	Hudspeth	Pou	Williams, Tex.
Clark, Fla.	Humphreys	Quin	Wilson, Ind.
Cleary	Jeffers	Ragon	Wilson, La.
Collier	Johnson, Tex.	Rankin	Wilson, Miss.
Collins	Jones	Rayburn	Wingo
Davis, Tenn.	Jost	Reed, Ark.	Wolff
Dominick	Kent	Rouse	Woodrum
Doughton	Kincheloe	Rubey	Wright
Drane	Lanham	Salmon	
Drewry	Lankford	Sanders, Tex.	

NOT VOTING—116.

Almon	Edmonds	Logan	Romjue
Anderson	Favrot	McClintic	Rosenbloom
Bankhead	Fish	McDuffie	Sabath
Beck	Frear	McFadden	Sanders, N. Y.
Black, N. Y.	Frothingham	McKenzie	Schafer
Black, Tex.	Fulmer	MacLafferty	Schneider
Bloom	Gallivan	Martin	Sinclair
Bowling	Gifford	Michaelson	Speaks
Boylan	Goldsborough	Miller, Ill.	Sullivan
Brand, Ohio	Graham, Pa.	Mills	Sumners, Tex.
Britten	Green, Iowa	Moore, Ill.	Sweet
Browne, N. J.	Greene, Mass.	Morin	Swing
Brumm	Hadley	Nelson, Wis.	Swoope
Buckley	Hawley	Newton, Mo.	Taylor, Colo.
Carew	Howard, Nebr.	O'Brien	Tilson
Casey	Hull, Tenn.	O'Connell, N. Y.	Timberlake
Cole, Ohio	Jacobstein	O'Connor, La.	Treadway
Connally, Tex.	Johnson, Ky.	O'Connor, N. Y.	Tydings
Connolly, Pa.	Johnson, S. Dak.	Oldfield	Underhill
Corning	Kahn	Peavey	Watson
Crisp	Keller	Phillips	Weller
Crowther	Kerr	Prall	Wertz
Cummings	Kindred	Quayle	White, Me.
Deal	Knutson	Rathbone	Williams, Ill.
Dempsey	Kunz	Reed, N. Y.	Winslow
Denison	Kvale	Reed, W. Va.	Wurzbach
Dickinson, Mo.	LaGuardia	Reid, Ill.	Wyant
Dickstein	Langley	Robinson, Iowa	Young
Doyle	Lineberger	Rogers, N. H.	Zihlman

So the motion to recede and concur was agreed to.

The Clerk announced the following additional pairs:

On this vote:

Mr. Mills (for) with Mr. McClintic (against).
Mr. Newton of Missouri (for) with Mr. McDuffie (against).
Mr. Young (for) with Mr. Crisp (against).
Mr. Fish (for) with Mr. Bankhead (against).
Mr. Frear (for) with Mr. Oldfield (against).
Mr. Timberlake (for) with Mr. Dickinson of Missouri (against).
Mr. Green of Iowa (for) with Mr. Martin (against).
Mr. Wertz (for) with Mr. Logan (against).
Mr. Weller (for) with Mr. Sumners of Texas (against).
Mr. Connolly of Pennsylvania (for) with Mr. Bowling (against).
Mr. Greene of Massachusetts (for) with Mr. Connally of Texas (against).
Mr. Quayle (for) with Mr. Black of Texas (against).
Mr. Bloom (for) with Mr. Fulmer (against).
Mr. Morin (for) with Mr. Almon (against).

Until further notice:

Mr. Denison with Mr. O'Connell of New York.
Mr. Graham of Pennsylvania with Mr. Hull of Tennessee.
Mr. Swoope with Mr. Prall.
Mr. Reed of New York with Mr. Kindred.
Mr. Michaelson with Mr. Buckley.
Mr. Britten with Mr. Corning.
Mr. Frothingham with Mr. Deal.
Mr. Lineberger with Mr. Kerr.
Mr. Tilson with Mr. Sullivan.
Mr. Swing with Mr. Kvale.
Mr. McFadden with Mr. Carew.
Mr. Reid of Illinois with Mr. Doyle.
Mr. Sweet with Mr. Boylan.
Mr. Williams of Illinois with Mr. O'Brien.
Mr. Wyant with Mr. Rogers of New Hampshire.
Mr. Winslow with Mr. Kuntz.
Mr. Watson with Mr. Goldsborough.
Mr. Treadway with Mr. Johnson of Kentucky.
Mr. Kahn with Mr. Black of New York.
Mr. Johnson of South Dakota with Mr. O'Connor of New York.
Mr. Edmonds with Mr. Favrot.
Mr. Cole of Ohio with Mr. Taylor of Colorado.
Mr. Brumm with Mr. Browne of New Jersey.
Mr. Moore of Illinois with Mr. Casey.
Mr. Brand of Ohio with Mr. O'Connor of Louisiana.
Mr. Crowther with Mr. Cummings.
Mr. Nelson of Wisconsin with Mr. Dickstein.
Mr. Miller of Illinois with Mr. Gallivan.
Mr. McKenzie with Mr. Tydings.
Mr. Hawley with Mr. Howard of Nebraska.
Mr. Keller with Mr. Jacobstein.
Mr. Langley with Mr. Romjue.
Mr. MacLafferty with Mr. Sabath.

Mr. SWING. Mr. Speaker, I was outside when my name was called, but if I were permitted to vote I would vote "yea."

The result of the vote was announced as above recorded.

Mr. CRAMTON. Mr. Speaker, as to amendment No. 60, it is merely a total and I move that the House recede and concur with an amendment inserting the correct total.

The SPEAKER. The question is on the motion of the gentleman from Michigan that the House recede and concur with the amendment suggested.

The motion was agreed to.

Mr. CRAMTON. Mr. Speaker, I move that the House ask for a further conference upon the matters in disagreement.

The motion was agreed to.

The SPEAKER appointed the following conferees: Mr. CRAMTON, Mr. MURPHY, and Mr. CARTER.

Mr. CRAMTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD with respect to this report by inserting therein a portion of a letter from the Reclamation Service bearing upon certain items affected by the report.

The SPEAKER. Is there objection?

There was no objection.

Mr. CRAMTON. The letter has to do with amendemnts 34 and 35 disposed of in the conference report, and is as follows:

DEPARTMENT OF THE INTERIOR,
BUREAU OF RECLAMATION,
OFFICE OF THE COMMISSIONER,
Washington, D. C., March 3, 1924.

Hon. LOUIS C. CRAMTON,
House of Representatives.

MY DEAR MR. CRAMTON: Reference is made to your request over the telephone for the comments of this office on Senate amendments (34), (35), (37), and (38), to H. R. 5078, "An act making appropriations for the Department of the Interior for the fiscal year ending June 30, 1925, and for other purposes."

Regarding amendment (34) concerning the Yuma project, we believe the clause approved by the House was in proper form, and should be restored. The Yuma project consists of three divisions—the Reservation division in California and the Valley division and Mesa division in Arizona. The Reservation and Valley divisions are being developed under the general reclamation law, while the Mesa division is being developed under the special act of January 25, 1917 (39 Stat. 868). The Reservation division has no need for electric power and therefore the water users of that division are not interested in the construction of the plant. The Valley division must have power to pump its drainage water off the project land, and the Mesa division must have power to pump its irrigation water on the project land. Our plan is to build this plant for the Valley division and charge all of the lands of the Valley division with the cost, under section 4 of the extension act, which provides a well-understood procedure for that purpose. Because of the special act under which the Mesa division is being developed, the procedure under section 4 of the extension act can not be applied to that division, and the landowners would in effect be contractors for the power from the landowners of the Valley division. The amendment made by the Senate would require contracts covering the three divisions of the project which would be infeasible.

As to amendment (35), relating to the Boise project, the following paragraph retains the principle suggested by the paragraph inserted in the House, is believed to be thoroughly practicable, and is satisfactory to this bureau:

> "*Provided further*, That no part of the money appropriated under this paragraph shall be expended for the development of electric power until the Secretary of the Interior shall have secured, subject to the needs of the Boise project, a contract with the Gem irrigation district providing for the purchase by that district, for a period to be determined by the Secretary of the Interior, of the electric power necessary for the irrigation of the lands of said district: *And provided further*, That the rates in such contract shall be sufficient to include interest at 5 per cent per annum on the cost of such power development plus a reasonable depreciation on the power plant, as found by the Secretary of the Interior, and that the contract shall provide that before delivery of power in any season the district shall furnish security satisfactory to the Secretary of the Interior to insure payment to the Government of the power charges for such season, and that such contract shall

be entered into only in the event that the holders of not less than 90 per cent of the face value of the bonded and warrant indebtedness of the district shall subordinate their claims to the obligations of the district to the Government under such contract: *And provided further*, That in the event power is furnished from the said power plant to more than one contractor, then the rates for power shall be fixed so that each such contractor, including said district, shall pay only its proper proportionate share of said interest and depreciation, as found by the Secretary of the Interior."

* * * * * * *

If the foregoing suggestions are in any respect not entirely clear, we shall be pleased to go into the matter further upon request.

Very truly yours,

D. W. DAVIS, *Commissioner.*

Mr. MADDEN. Mr. Speaker, I ask unanimous consent to extend the remarks which I made on this matter concerning Howard University.

The SPEAKER. Is there objection?

There was no objection.

FIRST DEFICIENCY APPROPRIATION BILL, FISCAL YEAR 1924.

Mr. MADDEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 7449) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1924, and for other purposes. Pending that I ask unanimous consent that the time for general debate be equally divided between myself and the gentleman from Tennessee [Mr. BYRNS], without now fixing any definite time.

The SPEAKER. The gentleman from Illinois, pending his motion to go into the Committee of the Whole, asks unanimous consent that general debate be controlled one-half by himself and one-half by the gentleman from Tennessee [Mr. BYRNS]. Is there objection?

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Illinois that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 7449.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 7449, with Mr. LEHLBACH in the chair.

The Clerk reported the title of the bill.

Mr. MADDEN. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MADDEN. This bill is entitled the "First deficiency appropriation bill, fiscal year 1924." The amount recommended to be appropriated in the bill is $153,696,567.06, of which $112,586.98 is for the legislative branch, leaving $153,583,980.08 for the executive and judicial branches of the Government.

The amount recommended in the bill is $387,438.75 less than the total amount requested.

The total recommended in the bill divides itself logically into two classes of items, namely, appropriations to supply urgent deficiencies in appropriations for the fiscal year 1923 and prior fiscal years for obligations already incurred, and supplemental appropriations for the fiscal year 1924 for purposes for which no appropriation was made and rendered necessary because of the enactment of a new law or arising out of a situation which could not be foreseen when the regular bills were enacted.

The amounts provided in the bill for the fiscal year 1923 and prior fiscal years are $116,608,367.54, and those amounts are composed principally of the following items:

There is for the Veterans' Bureau, for vocational rehabilitation, $900,000. It seems that in the contract obligations of the Government for vocational training there is estimated to be more than $2,000,000 of obligations outstanding, but only $900,000 of those obligations have been submitted to Congress.

There is an item of $46,653 for the Housing Corporation for the payment of ground rents, and another item for 1924 for the same purpose. This is due to the fact that during the war the Government found difficulty in getting employees and having facilities supplied where they could live. Under the authority granted to the President a great number of buildings were constructed on the ground adjacent to the Union Station Plaza, and these dormitories have been occupied by the employees of the Government ever since. The ground occupied by many of these buildings is owned by the Baltimore & Ohio Railroad. During the war we were able to get the use of the land for the payment of the taxes, which amounted to about $13,000 each year.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. Yes.

Mr. YATES. The gentleman says that many of those buildings are on land owned by the Baltimore & Ohio?

Mr. MADDEN. That is true; but not all of them are.

Mr. YATES. Does the Government own some of that property there?

Mr. MADDEN. Yes; and we did intend to own it all. Recently, however, the Baltimore & Ohio Railroad Co. said that they wanted to use their own ground and requested us to get off. In the event that we would not do that, they wanted us to pay interest upon the value of the ground. They estimated the value at $2,000,000. They wanted 6 per cent upon that amount for rent. The Secretary of Labor and the Housing Corporation finally entered into a tentative agreement to pay 6 per cent on the assessed valuation, which is $1,000,000, and in addition to the 6 per cent to pay the taxes. For part of the fiscal year 1923—November 14, 1922, to June 30, 1923—under that arrangement there was due $46,643, which is provided for in this bill. The amount for the fiscal year 1924 is $74,315.

We have in the bill an item of $40,000 for 1923 and $260,000 for 1924 for the payment of fees of examining surgeons in pension cases. The payment of the fees of examining surgeons is due to examinations made of Civil War and other war veterans in connection with applications for pensions under the Pension Bureau.

Mr. MORTON D. HULL. Will the gentleman yield for a question in reference to the rent item?

Mr. MADDEN. I will.

Mr. MORTON D. HULL. Were leases made of this ground from the Baltimore & Ohio Railroad?

Mr. MADDEN. A lease was made but has expired. We are simply doing the best we can until we can make other arrangements. We either have to pay or get off.

Mr. MORTON D. HULL. Then there is no permanent period of time?

Mr. MADDEN. No; the policy should be to tear down the buildings as soon as possible, but until they are torn down or closed up we must pay rent.

We have under the Department of Justice for the expenses of United States Courts and support of prisoners items amounting to $140,032.36. Now, those items are for the year 1923 or prior years, deficiencies which have been incurred for work done or supplies furnished. The amount covers the maintenance of prisoners, fees of commissioners, expenses of marshals, district attorneys, and so forth. The United States courts all over the land convict and send prisoners to jail, and being Federal prisoners we have to pay the rate the local authorities charge for the support and maintenance of those prisoners either before convicted or after. Nobody knows how many are to be sent to jail or how long they will stay there, so nobody can estimate the expense in advance.

Then for the Post Office Department for 1923 we have an item of $3,774,433.40. I will explain that item, which is a large one, a little later on. Now, for the customs service there is an item of $60,000 for refunding internal-revenue taxes, $105,467,000; public buildings, operating supplies, $105,000; judgments, United States courts, $3,097,866.07; judgments, Court of Claims, $1,439,805.93, and claims audited and allowed by the general accounting office, $1,458,297.00. Aside from the amount in the foregoing list for refunding taxes, the items in the main represent actual deficiencies incurred in 1923 and prior fiscal years and for which no payment has been made.

The amount of $105,467,000 for refunding taxes illegally collected covers refunds on taxes collected from the fiscal year 1917 to the fiscal year 1924. While the appropriation is available for refunds on account of taxes illegally collected during any year up to and including the fiscal year 1924, as a matter of actual operation it will apply principally to the years prior to the fiscal year 1921 and the amount used on account of the fiscal year 1924 will be negligible. The sum recommended represents in part actual claims approved and awaiting payment and in part is an anticipation of the number that will be approved for payment from among the claims filed and awaiting audit and adjustment. Approximately 47,207 claims involving $22,380,000 have been approved and await payment. The remainder of the amount recommended is for payment of claims which it is anticipated will be approved between now and December 31, 1924.

The average monthly rate of expenditure for refunds is approximately $10,000,000. It is impossible to predict accurately in advance the exact situation that will exist. While the amounts required for the repayment of taxes are large, and arise from the collection in fiscal years when the tax receipts were unusually heavy, it must be kept in mind that the Government is recovering considerable additional revenue

as the result of audits and investigations of schedules where underpayments have been made. It is estimated that the amount of additional revenue of this character which will be received during the fiscal year 1924 will be $250,000,000. This is the net figure of additional revenue, after deducting from the gross sum estimated from additional assessments and collections the amount that will be refunded.

Mr. WHITE of Kansas. Will the gentleman yield?

Mr. MADDEN. Yes.

Mr. WHITE of Kansas. I do not understand, and if the gentleman has the information I would like to know, in what manner and how it comes that $105,000,000 is to be refunded. Can the gentleman tell us?

Mr. MADDEN. I will be glad to do so.

Mr. WHITE of Kansas. I want to make this qualification to the question: Is it generally on account of an erroneous assessment, a misconception, or to some extent due to regulations which upon investigation are not borne out by the law?

Mr. MADDEN. When we began the collection of income taxes under the income tax law at the time of the war, the rates were heavy and the law was little understood, and everybody made a schedule with some great doubt as to the accuracy of the schedule. Many people contested the validity of the assessment of certain sections of the law, and the courts were called upon to construe the constitutionality of the act in many phases, and the courts have ruled as to the unconstitutionality of many of the elements in connection with the revenue act.

Mr. WHITE of Kansas. That is the main question.

Mr. MADDEN. State taxes and capital-stock taxes, and many other taxes and collections in a very large sum have been made, and the large refunds we are called upon to make are due either to a change in the regulations in the department or to court decisions or to errors found in the schedules under a later audit. There were no audits made of any schedules filed under any taxes paid from 1917 until about 1921, that being due to the fact the pressure was very great on the department which had not time more than to collect and record during the war, and sometime after the war. There is nobody to blame, and while we asked the question, as the gentleman from Kansas properly does——

Mr. WHITE of Kansas. I think the gentleman answered the question——

Mr. MADDEN. We asked the question, as the gentleman from Kansas properly does, Why do we pay these refunds or are called upon to repay them? I want to call attention to the fact that we are paying these refunds for taxes overpaid, and the same audits that discover the need for refund also discover the reason why we should make a new assessment on underpaid assessments.

While we have already paid from 1917 to September, 1923, $262,000,000 on refunds, we have collected as the result of the audit on underpaid schedules about $2,000,000,000. Of course, the Members of the House and the public generally do not realize that we do not have to come to the House to get authority to collect; we only come to the House to get authority to pay back what has already been collected.

Mr. MORTON D. HULL. What is the expense of that audit?

Mr. MADDEN. The expense of that audit is large. About two years ago the Treasury Department came before the Committee on Appropriations and said to us in substance, "If you will give us $10,000,000 to employ expert auditors, we will agree to collect $500,000,000 per year on underpaid schedules." We went carefully into the question, and we were convinced that the investment of $10,000,000 would be a good investment; and we have proved the wisdom of the investment, because in the year in which we first made the appropriation they collected $450,000,000 from underpaid schedules, and last year they collected $462,000,000 from that source on income taxes alone and $62,764,000 on estate taxes and $7,777,000 from capital-stock taxes; that is, taxes that should have been collected on capital stock issued. They sent their auditors to the offices of the secretaries of state of the different States and found that those companies or corporations that had organized had not reported. Yet, more than that, they have been collecting $5,000,000 a month for quite a long time back, or $60,000,000 a year as a result of investigations in the field from people who had never made any tax return at all since the war began, and the auditors have gone into the field and discovered the reason why people have not made returns. They are now making returns and paying their taxes, and that tax amounts to $60,000,000 a year.

Mr. HOCH. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. Yes.

Mr. HOCH. Does the interest payable to these claimants begin at once?

Mr. MADDEN. It begins on the adjudication of the claims and continues until the payment.

Mr. HOCH. This is the first appropriation we have had for that purpose?

Mr. MADDEN. This is the first appropriation we have had this session, but it is only fair to say that we have had this appropriation waiting for two weeks and clamoring for an opportunity to present it to the House every day, and this is the first day we have had a chance. It has not been the fault of the committee. And I may say for the information of the House, that all the appropriation bills for next year for the proper conduct of the Government, except two, are now ready for consideration, so far as the Committee on Appropriations is concerned, and if you do not pass them early it will not be our fault. [Applause.]

Mr. COOPER of Wisconsin. Mr. Chairman, will the gentleman yield for a question?

Mr. MADDEN. Yes.

Mr. COOPER of Wisconsin. I read yesterday—it is a matter of common knowledge, I suppose—that the refunds for the last year were approximately $124,000,000.

Mr. MADDEN. That is true, because I know we made several large appropriations.

Mr. COOPER of Wisconsin. If a man presents a claim that he has paid more taxes than he ought to have paid, then it is taken up. That is true?

Mr. MADDEN. It is not necessary. But that is one of the procedures. It is possible to have that procedure. When a man files his schedule and the audit takes place, if the department discovers that he has overpaid, they would include that overpayment on the record and notify him. If, however, they did not do that and a man thought he had a rebate coming to him, he could make his application.

They have five different sections in the Bureau of Internal Revenue in which this work is done. I can not give you the technical titles that are used for those sections, but the application for refund is filed with the proper section. No man knows what section is going to deal with his schedule. When the bureau makes the record it goes up to the auditing section, which can either modify, reject, or approve. If it rejects or modifies, it goes back, and the man who made the first audit may not get the papers to make the second audit; probably not. Then it comes back to the chief of the section; and when he gets through with it, it goes to another section, and the men in the other section have no knowledge as to the men who handled it in the first section; and when they get through with it in the second section, it goes to the third section; and when the third section gets through with it, it goes to the fourth section; and finally, if it is more than $50,000 in amount, it goes to the solicitor of the bureau, and he passes on the facts, and then it goes to the Commissioner of Internal Revenue, who can finally approve or disapprove, as the case may be. If he approves, of course it then goes to the place of payment. That is the process through which they go.

I have been very solicitous about this thing, because I have always been afraid that there might be some collusion somewhere. It has been frequently charged that collusion existed; that conspiracy existed; and that as the result of this collusion or these conspiracies, or both, the Government had been defrauded in the allowance of claims for refunds. I have gone into that very carefully, and have been told by the responsible authorities in the department that they have their intelligence agents watching carefully every man who acts upon any one of these cases.

They have had reason to suspect certain men at certain times, and they have in fact been able to discover fraud in some cases, and perhaps in more than one or two cases, but in each case they have arrested the perpetrators of the fraud; they have indicted them, tried them, convicted them, and they are now under sentence. There might be cases pending now that I do not know anything about. I have frequently suggested that we ought to put more safeguards around this matter, but they say the only thing you can do is what they are doing, unless you want to have interminable delay, and, as the gentleman knows, many people are now complaining about the delay being longer than it should be.

Mr. COOPER of Wisconsin. That is a very lucid explanation of the present procedure. The reason I asked the question, primarily, was because this morning I received a communication saying that a certain quite influential firm had simply signed its name, or, rather, indorsed in writing its approval of an application for the rehearing of a case which had been indorsed as closed by the department, and having that indorsement, and doing virtually nothing else, that firm received $20,000.

Mr. MADDEN. I may say, if the gentleman will permit, that while this bill was under consideration we had a case which I suspected myself. I sent for the responsible Treasury officials and I asked them about it. It was a case where a man had $50,000 tied up in the court, or his estate was tied up to pay a bill of one of these so-called tax-adjusting concerns. I asked if it were possible for such a thing as that to happen, and they said it was, and they said it frequently happened like this: Somebody would discover in some way and tell somebody else that a certain claim was about to be audited for payment. Perhaps somebody in the audit section would have a friend among these tax adjusters—I do not know—and they would tell them this case had been favorably passed upon.

They would go to the concern in whose favor the adjustment had been made and get them to sign a contract allowing them to make the adjustment, and all they would have to do would be to get the contract signed and collect their commission. This was a case where a man collected $50,000 and had nothing to do with the claim except to get the contract signed and collect the money.

Mr. COOPER of Wisconsin. I would like to ask the gentleman from Illinois whether he does not think that a secret procedure like that, which results in the taking of great sums of money from the Treasury of the United States, is not only wrong in theory but in practice? If a man has a claim against the Treasury of the United States, ordinarily he has to go to the Court of Claims. That court, in open session, hears the witnesses for and the witnesses against the claim, and listens to lawyers upon each side. But here is a man who presents a claim upon the Treasury of the United States and goes when he pleases and where he pleases to one official; it is in his office and nobody knows anything about it or pays any attention to it, at least, the public does not know anything about it. Then this man shunts him off to some other office and the case is considered there in the quiet of the office and alone, and then it may be the man is shunted to some other office. Meanwhile the public is absolutely uninformed as to the filing of the claim, as to what the testimony is and knows nothing about it. It is in effect this: The taking, after a hearing in secret, of money by the millions from the Treasury of the United States. The gentleman says it might cause delay to have any other sort of procedure.

Mr. MADDEN. I say that is what they said.

Mr. COOPER of Wisconsin. But I remind the gentleman of a saying of Blackstone's, which is familiar to all lawyers, that the delays in administration of justice are the price we pay for our liberties in greater things. I think we can well afford to have a little delay in the hearing of a claim for $5,000,000, $6,000,000, or $10,000,000 rather than to have that much money go out of the Treasury simply on a private understanding.

Mr. MADDEN. I think the gentleman is quite right, and that there ought to be the fullest inquiry into every one of those cases.

Mr. COOPER of Wisconsin. Does not the gentleman think that a claim of that kind should not be considered by a secret tribunal but that the fact of the filling of such a claim should be public, so that the public and those who know the man filing the claim can be informed about it?

Mr. MADDEN. Are not all of these claims public?

Mr. COOPER of Wisconsin. And that there should be a hearing in public?

Mr. MADDEN. Well, I can not say about that.

Mr. COOPER of Wisconsin. And that an opportunity should be given for people to be heard for and against it.

Mr. MADDEN. I do not think you would ever get through with the work if that procedure were followed. Let me read this from the hearings and then I would like to ask the gentleman from Wisconsin a question:

> I might also call to your attention the fact that court decisions are continually being rendered on disputed points which make it necessary for the Internal Revenue Bureau to refund large amounts of taxes that have previously been paid. For instance, the Supreme Court decision in the case of Eisner *v.* Macomber, holding that a stock dividend declared by a corporation is not income to the stockholder, resulted in refunds of $70,000,000. The Supreme Court decision in the case of Shwab *v.* Doyle, holding that transfers in contemplation of death made prior to the passage of the revenue act of 1916 are not part of the gross estate of a decedent and are not subject to the estate tax imposed by that act, resulted in the refunding of about $18,000,000. During the past two years there have been rendered at least 20 other court decisions affecting taxes already collected. These decisions will ultimately result in refunds aggregating over $50,000,000.

Now, how would the gentleman require applications for a refund of those taxes to be made? Would the gentleman compel them to go through a court procedure?

Mr. COOPER of Wisconsin. My own judgment is that no money should be taken out of the Treasury of the United States upon the filing of a claim unless there has been an adjudication by a court, in open session, or by some tribunal equivalent to a court, whose sessions would be public. There should be an announcement in advance that the case is to be heard and there should be a calendar of cases. In other words, there should be no secrecy in the matter of taking money out of the Public Treasury.

Mr. MAPES. Will the gentleman yield?

Mr. MADDEN. I yield to the gentleman from Michigan.

Mr. MAPES. The gentleman has given us two steps that are taken in the way of securing refunds. My attention was called in the last few days to a case like this. The gentleman has been talking about cases involving millions and this is a small case as compared to those, but I think it illustrates the system. A company filed its return for 1917, 1918, and 1919, and for other years and a Government auditor came along in 1921 and found, according to his audit, that the company owed something over $15,000 for those years. The company made an application for a refund, and another Government auditor came along in 1923, audited the company's books, and made his report to the department. Afterwards the company sent its own auditor to the department and went over the case with the income-tax unit here in Washington. Subsequent to that, the department found, and so wrote the company, that instead of its owing $15,000, the Government owed the company something; not a large amount, $500 or $600, as I recall it.

That stood until a short time ago, when the company was visited by another Government agent, who said that the second auditor was not satisfied with that finding, and therefore, under the regulations of the department, he wanted to go over the books of this company again. The company has already been put to about $4,500 expense in the case, and of course it is difficult to justify that sort of procedure to the citizen involved.

Mr. MADDEN. Here is what sometimes happens. These audits are a good deal more of a terror than most people think. For example, a revenue agent will be sent out in the field, and these agents are not under the control of the local collector of internal revenue. Their orders come from Washington. They are sent out to check up the accounts of a given concern. In checking up these accounts they frequently discover that some large transaction involving a large sum of money between this company and another company whose accounts they are not auditing has taken place and that no report of that transaction has been made in connection with the return. So they follow that up. When they make the audit of the second man's books, which audit they were not intending to make at all and would not have made except for the first discovery, they come back and make a reaudit of the books of the first man, and perhaps in the reaudit they discover that another transaction in connection with some other business concern has not been disclosed in the return, and that is why these audits and reaudits are frequently required to be made in order that they may trace down the frauds that may exist in connection with the making of returns.

Mr. MAPES. I will say to the gentleman that in this particular case I do not think there was any question of that kind involved. It was probably due to poor bookkeeping.

Mr. MADDEN. Or lack of knowledge.

Mr. MAPES. Lack of bookkeeping. I would like to ask the gentleman, if he knows, how many times the Government can go over the same case?

Mr. MADDEN. They can go over them whenever they have reason to suspect there is anything wrong, and they never fix a limit on the number of times they can go over them within the period which the law prescribes; that is, within the statute of limitations.

Mr. MAPES. So the taxpayer does not know whether his case is settled or not.

Mr. MADDEN. No; if he is under suspicion in any way; but if a man has been proved to be correct in his habit of making returns, there is not much chance of his having this trouble after the first audit.

Mr. MAPES. It is not a question of being under suspicion, if the gentleman means to infer any desire to escape the taxation; but it may be a question of poor bookkeeping or something of that kind.

Mr. MADDEN. Of course, that may be.

Mr. MAPES. Can these auditors go——

Mr. MADDEN. They do not go except as they are sent. They never go anywhere except on orders.

Mr. MAPES. Can they be sent indefinitely?

Mr. MADDEN. Yes; here is what they do——

Mr. MAPES. And the taxpayer has no redress but to hire another auditor to check up on the Government auditor.

Mr. MADDEN. He has no redress and will not have any as long as the income tax law is in effect. The Government is a partner of every citizen of the United States in all his earnings. The Government is not a partner in the capital that the person employs in his business, and the Government does not supply any part of the capital to make up any loss, but the Government insists on the collection of the last cent of its interest in the business, and whenever a responsible official of the Treasury Department has reason to believe that there is anything wrong with anybody's account or with anybody's return he is authorized to send an agent. The agent does not go from the collector of internal revenue. The collector of internal revenue has nothing to do with him and can not order him. He goes with a special mandate, and he can only audit the things for which he has such mandate. Then he makes his return, and if his return shows there ought to be a further audit somebody else will get a new mandate to make the further discoveries that are required to be made.

Mr. MAPES. Of course that is a great expense and works a great hardship in individual cases.

Mr. MADDEN. It is a great annoyance, but it is like a lot of other things we have in connection with the enforcement of the law, and of course, unfortunately, it does create a lot of annoyance to those who have to pay the tax and have to put up with the inconvenience.

Mr. ROACH. Will the gentleman yield?

Mr. MADDEN. Yes.

Mr. ROACH. I merely want to submit a question to ascertain whether I correctly understand the gentleman's statement which he made a moment ago.

Mr. MADDEN. Maybe I did not make it quite clear.

Mr. ROACH. If I understand the gentleman correctly, if it is discovered in the department that a taxpayer has overpaid his taxes and has an account against the Government, whether due to a court decision to which the gentleman has referred, or brought to the attention of the department in some other way, it is the policy of the department to pay that taxpayer the refund that is due him without any proceeding whatsoever on his part.

Mr. MADDEN. Without any legal proceeding; yes.

Mr. ROACH. Is it necessary for the taxpayer to file a claim?

Mr. MADDEN. Oh, yes. If he files a claim he must file proof. He must prove his case beyond question.

Mr. ROACH. Let us say that I am a taxpayer and have overpaid my taxes by reason of a wrong construction placed upon the law by the bureau. Suppose the court reverses that construction and says that the tax should not have been paid. Therefore, a sum of money becomes due to me as a taxpayer.

Mr. MADDEN. In that case I think it would be sent as a credit to the collector of the internal revenue district in which the gentleman lives.

Mr. ROACH. That is as I think it should be, and if the gentleman will permit a reply in regard to what the gentleman from Wisconsin [Mr. COOPER] said about having some public forum in which to hear these cases, a large percentage of these overpayments are due to the fact that the courts have placed a different construction upon the law to that which was placed on it by the Treasury officials in their regulations.

Mr. MADDEN. The refunds amount to more than $100,000,000 on account of court decisions.

Mr. ROACH. It seems to me it would be unjust to require the taxpayer to be under the burden of asserting and presenting his claim with all the red tape incident to such transactions, and it would be rather the duty of the department, as they are now operating, to pay these claims voluntarily.

Mr. COOPER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. Yes.

Mr. COOPER of Wisconsin. In reply to what the gentleman has said, there are many claims which are not of the character he describes. Take the other claims where the man himself thinks that he has been wronged and he initiates a claim himself. It is not based upon a subsequent or a different interpretation by the court of the law, and the adjudication of that claim ought to be in some open tribunal where the public will have the information.

Mr. MADDEN. That is in the case of a contested claim.

Mr. COOPER of Wisconsin. Yes.

Mr. ROACH. Just one other question, because I would like to get the matter entirely clear, for to me it seems very important. Will the committee to which the gentleman has referred, for which an appropriation was made, investigate returns with the view of ascertaining underpayments as well as overpayments?

Mr. MADDEN. They all come in together. When the audit of schedules is being made they discover whether there has been an over or an under payment, and they report the cases. A man may make a claim for a refund, and the audit of his claim may show that he owes the Government. That frequently happens. In that case the Government levies a new assessment and collects it instead of paying him the refund that he claims. The best test of that is that while we have been paying out $262,000,000 since the beginning of the war on refunds, we have collected over $2,000,000,000 on underpaid schedules, so that as a matter of fact I think it is fair to give the department credit for a very accurate system in connection with the consideration of these problems.

A good deal of complaint has been made about the condition of the Ellis Island immigration station. A great many people have said that the Ellis Island station is a menace and a disgrace to civilization. I have not been willing to go as far as that, but I really do think that the Ellis Island immigration station was and is in bad condition, and all of the members of the Immigration Committee who visited the station say that something should be done. This committee recommends an appropriation of $326,000 for repairs and alterations at Ellis Island immigration station. That is for the purpose of remodeling the buildings and furnishing beds where no beds have heretofore existed for those who have to be detained. Under the existing immigration law, where the quota of the different nationalities is restricted, a great many more people are held at Ellis Island than were held prior to the restricted provisions of the law. A great many people are held there who are really not immigrants in the sense we generally understand the term. They are held because the quota from the country from which they come has already been filled, or, at any rate, there is a contest as to whether it is filled or not.

Mr. WHITE of Kansas. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. Yes.

Mr. WHITE of Kansas. Is it not a fact in the particular instance cited by the chairman that those who are not immigrants are held in order that they may submit proofs?

Mr. MADDEN. Yes.

Mr. WHITE of Kansas. And it is very largely their own fault.

Mr. MADDEN. I do not know whose fault it is.

Mr. WHITE of Kansas. It is undoubtedly, in most instances.

Mr. MADDEN. Of course, there is not any argument to be made on that. I am simply calling attention to the fact that they are held there. Why they are held does not matter. The fact that they are held makes it necessary to make some provision for their care.

Mr. CELLER. And is it not a fact that the Immigration Service more than pays for itself?

Mr. MADDEN. Oh, there is no question about that.

Mr. CELLER. The amount of money received is more than the amount expended.

Mr. MADDEN. Yes; but, after all, the mere fact that we get money from some source is not an argument for spending a lot more money in connection with the service.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. Yes.

Mr. SNYDER. I spent an entire day at Ellis Island last fall. On that day there happened to be about 1,000 immigrants there who had been ordered deported. That night something like over 700 had to be sent off the island back onto the various ships on which they came over in in order to be housed overnight. I think at that time there were only three hundred and odd actual beds in the institution. The rest of them were wire contraptions—two or three deckers.

Mr. MADDEN. We are doing away with all of those now.

Mr. SNYDER. I think if there ever was an appropriation needed for the improvement of a situation this is it.

I think it goes a little bit further than the furnishing of beds and a rearrangement. I think it would be tremendously beneficial.

Mr. MADDEN. It is furnishing of much better sanitary facilities at Ellis Island, and so forth.

Mr. CELLER. Was this the amount asked for by the commissioner?

Mr. NEWTON of Minnesota. Was there anything in the testimony in reference to any additional facilities to the extent of added buildings?

Mr. MADDEN. No; it is a remodeling of existing buildings.

Mr. SNYDER. But the gentleman does not mean to say that this is all that they asked for in the matter of a deficiency? Did not they have an idea——

Mr. MADDEN. Oh, they have plans, but those plans were not before us.

Mr. NEWTON of Minnesota. I did not know but what it came up incidentally in this examination. I know they have recently reported——

Mr. MADDEN. They have other plans, but they ought to know them a little better than this plan before they present them.

Mr. SNYDER. I believe it is a great assistance for them to get this much.

Mr. HILL of Maryland. This has in contemplation the existing buildings?

Mr. MADDEN. Remodeling the existing buildings for the care of the immigrants who have to be detained overnight or for any particular length of time and to furnish them with rooms and better toilet facilities, sleeping facilities. In other words, to try to make the conditions more humane.

Mr. HILL of Maryland. At the utmost how many will these additions take care of?

Mr. MADDEN. Of everything they want; I do not know how many people.

Mr. SNYDER. They can not take care of over 1,500 or 1,600.

Mr. RAKER. Will the gentleman yield?

Mr. MADDEN. I do not want to take up all day.

Mr. RAKER. I want to ask the gentleman if it is not a fact that as to all those that exceed the quota should the immigrant officials follow strictly the letter of the law that none of these people would be at Ellis Island?

Mr. MADDEN. They would have to stay on board ship.

Mr. RAKER. I mean before they left the ship they came over on.

Mr. MADDEN. I do not want to enter into a technical argument as to what ought not or what should be done, but I am simply calling attention to the conditions which exist and which we are trying to remedy at Ellis Island. You gentlemen of the Immigration Committee can argue that out a little later.

Mr. RAKER. I know, but these people are asked to land at Ellis Island.

Mr. MADDEN. No; they ask.

Mr. RAKER. But if the law was strictly enforced relative to excessive quota they would not be at Ellis Island but on the ship that brought them over.

Mr. MADDEN. I am not an expert, and I know the gentleman from California is.

Mr. RAKER. I thank the gentleman.

Mr. CELLER. The fault is not with the alien coming here, but with the existing conditions at Ellis Island.

Mr. MADDEN. We have no argument about that.

Mr. BOX. I want to say as a member of the committee, I think this appropriation is fully justified, the accommodations have not been sufficient or creditable to the United States, and I am glad this money is to be provided for this purpose.

Mr. MADDEN. I want to call attention to the additional appropriation of more than $11,000,000 for the Post Office Department for the fiscal year 1924 and to say it is due to a progressive condition of business which became apparent about the time Congress adjourned in March, 1923, for the long recess. The appropriations for the fiscal year 1924 had been made in the act approved February 14, 1923. The amounts appropriated by Congress for that fiscal year for the items for which supplemental amounts are carried in this bill were practically the amounts requested by the department. No complaint could properly be filed against the Appropriations Committee in reference to the appropriations at that time, and the department itself acknowledges the fact that they were given all the money they asked for, but the percentage of increase in postal receipts for the fiscal year 1922 was 4.61, and for the fiscal year 1923 it was 9.89. That is the increase in the business. It became apparent to the Post Office Department after a survey of the conditions of handling the mail throughout the country that the increase in personnel asked and provided for the fiscal year 1924 would not be sufficient. It therefore became necessary to employ additional help to handle the growing business and to dispose of congestion and to eliminate delays which had occurred in many places. The additional personnel, the greater portion of which was employed October 1 last, consisted of 3,200 clerks and employees of the first and second class offices, 500 post-office laborers, and 2,788 city letter carriers. The amounts recommended in the bill for 1924 are substantially all on account of these additional employments. It is only fair to say that while the business of the Post Office increased about 7½ per cent, the increase in expenses was only about 2½ per cent; that is to say, they have not taken advantage of its service and employed the number of men required to perform the increased business in the year before, and they only increased the expense 1½ per cent, while the business of the office increased about 7 per cent, and it became manifest on every hand that if they did not increase the number of people who ought to be employed to as large an extent as the business of the office justified they would then find themselves in an embarrassing situation and have to put those men on while Congress was out of session and take their chances on getting a deficiency appropriation which is carried in this bill amounting to $11,000,000.

Now we have a condition in respect to the circulating medium of the country which is very unusual. We authorized 138,000,000 sheets of currency to be printed last year. A sheet of currency is composed of four notes. We had authorized 138,000,000 sheets; and by the way, all the currency paper that is purchased is authorized through recommendations of the Committee on Appropriations, ratified by Congress from year to year, and the amount depends entirely upon the size of the circulation. Well, it soon transpired that there was not anything like the number of one-dollar bills throughout the country that were needed, and an unprecedented demand was made upon the Treasury for one-dollar bills, and the result was that they have had to go on, regardless of what we had been doing in the past and what we had authorized, and purchase at the rate of 165,000,000 sheets. There is about 5 per cent waste in this, as I understand, so that in 165,000,000 sheets there would be about 8,000,000 sheets wasted, and it requires 27,000,000 sheets in addition to what they had the money to buy, not only to buy the paper but to print and make it into currency; and meanwhile, because of the great demand for one-dollar bills—and this demand is greater than was ever known before—silver has ceased to circulate as a trading medium, and that makes the unusual demand for the one-dollar paper bill.

Before the war all the currency was printed on linen paper; that is, paper made of linen. During the war we had to go to cotton. Then we went to about half linen and half cotton. This year, for the first time since the war, we have been able to get back to all linen. Of course the currency lasts longer when made of linen than when made of cotton. There was a time when they used to launder or wash the money. They do not do that any more. They say it does not pay and that it draws out the lines on the paper, thus making counterfeiting easier. And so, to obviate counterfeiting to the extent that it can be obviated, they have ceased to launder the money.

Now, we have a great service known as the customs service. That service collected $562,000,000 last year. That is about $205,000,000 more than the service ever collected in any one year before. The number of employees in the service was insufficient to meet the needs of the service and to collect the revenue; and unless you could make proper inspection of goods coming in from foreign ports to American ports you naturally are not going to collect all the revenue, and it was necessary to ask for more men and more money.

The CHAIRMAN. The gentleman has consumed an hour.

Mr. MADDEN. I will take 15 minutes more.

In the bill that we passed for the Treasury Department, which becomes effective on the 1st of July, we authorize 1,128 additional men for the customs service. We did not increase the compensation of any of these men because no increase in compensation was asked. I think I should say at this time that a good deal of pressure has been brought to bear for increased compensation for the customs-service employees throughout the country. But they did not come before our committee to ask for increased compensation while we had the annual bill under consideration. They asked us for 1,128 additional men, which cost in the neighborhood of $1,500,000 more than the expenses were for the year previous. That was all allowed. But since the bill went to the Senate a good many people have pressed for amendments over there, and I think amendments have been added to the bill which contemplate increased compensation.

I am saying this publicly because I know a good many Members of the House are interested. It is only right for me to say that I am in sympathy with these men in their demands for higher compensation. But Congress a little more than a year ago enacted what is known as the classification law, and that law provides that as to Government employees

within the District of Columbia the classification shall take effect as of the first of next July, and the salaries that are fixed in the classification act are being appropriated for in these bills as they are presented for your consideration for all the Government employees in the District of Columbia. The law provides that the Classification Board shall make a report later on in connection with the Government employees in the field—that is, those employees that are not within the District of Columbia. I hope that that report will be made before the 1st of July so that whatever increase is to be given to the field service will be reported before the 1st of July, so that we can appropriate by supplemental appropriation bills to cover it.

There is no added compensation in any of the bills that we are reporting here for any Government employee outside of the District of Columbia—you want to get that—beginning on the 1st of July. The people in the customs service have been bringing a very great amount of pressure to bear for increased compensation now, and I say to those people who are bringing this pressure that they are not any more worthy than the people engaged in any other branch of the Government service; not a bit. They are equally worthy. I am saying what I am saying here publicly so that everybody will understand it. It would not be right toward the other 150,000 people engaged in the Government service if we gave first consideration to those engaged in the customs service and left out the other 150,000.

I want to say to all the anxious inquirers—and there are many of them—if they will just let their friends on the Committee on Appropriations alone, in connection with their customs service friends, we will try to do this: The appropriations we are making go into effect on the 1st of July. Any appropriations that go into any bill now for the customs service would not become effective until the 1st of July anyway unless it were a deficiency bill.

If the Classification Board has not succeeded in classifying the field service, which includes all Government employees and not merely those in the customs service—because there are only 7,500 people in the customs service in the field and 150,000 of the others, excluding the Postal Service—we will recommend before the 1st of July the present base pay to all Government employees in the field, the existing bonus and whatever addition may be required to these two items to bring the compensation of those engaged in the field service up to the compensation of the people living and working in the District of Columbia as fixed in the classification act. That will put them all on a parity. [Applause.] It will not give anybody any preference; it will be just to everybody and no preferential rights will be granted anywhere.

If there is anybody in the customs service who does not like that, they need not apply to me, because I am not for any preferential rights. [Applause.] So tell your friends that is where I stand, and that to the extent I can stop you from doing anything else I am going to do it.

Now, we have another item which is very important—the Coast Guard item, the service about which you heard so much yesterday. We are asking here an appropriation for the Coast Guard of $13,850,622.

Yesterday you passed a bill which authorizes the transfer of 20 torpedo-boat destroyers from the Navy to the Coast Guard. Among other things it was said that the Coast Guard might become corrupt. I think somebody said that if they were charged with the responsibility of enforcing the prohibition act they might become corrupt, but there is no danger of that, because the Coast Guard men are incorruptible; they are the highest class of men we have in any Government service.

Yesterday you authorized the transfer of 20 ships from the Navy to the Coast Guard. The reason why these boats were transferred was because they have a 30-knot speed, while the existing Coast Guard fleet has a speed of about 10 knots.

The Coast Guard is charged with the responsibility of preventing smuggling; they are an arm of the Treasury Department to help collect the revenue which belongs to the United States; they are the sea police force of the Treasury Department; they are the instrumentality through which the law is enforced at sea, lives saved, and many other meritorious things are done by that service. They are an incorruptible, patriotic, untiring, and indefatigable lot, worthy of the confidence of the American people. To place in their hands law enforcement in connection with the smuggling of liquor is, I believe, one of the wisest things that has been undertaken here.

Yesterday we talked about 20 destroyers and, perhaps, most men thought that was all the fleet was to be, in addition to two mine sweepers. But that is not all. That bill only provided for the transfer of 20 of these boats, and it was not necessary to carry anything else in that legislation, because the Appropriations Committee has the power to provide the other means. That committee can not make transfers, but it can provide the motor boats and other equipment. We are providing in this bill for 323 new motor boats—223 cabin cruisers with great speed, to cost about $37,500 apiece, as well as a lot of dory boats, about 30 or 40 feet long, and with plenty of power and great speed. There will be 100 of them if you agree with us, and there will also be the 20 torpedo-boat destroyers. They will have guns, if anybody asks you, and they will have authority to enforce the law.

Somebody has said you can not capture a ship sailing under a foreign flag if it is at sea, but the fact is you can if it comes within American waters and then starts to go to sea again if you can make the chase continuous, and the nation whose flag she is flying can not contest it. That is what it is intended these fast boats will do.

What is the trouble to-day? The trouble to-day is that we have fleets of ships—not a fleet of ships—carrying thousands of cases of contraband liquor which they are able to land because our present facilities are inadequate to prevent it.

Now, gentlemen, I did not vote for prohibition; but it does not matter. I am for law enforcement. [Applause.] And there will not be anything I can do as a Member of Congress to enforce the law that I will not do, no matter what it costs. [Applause.]

Mr. SCHNEIDER. Will the gentleman yield for a question?

Mr. MADDEN. Yes.

Mr. SCHNEIDER. Does this appropriation provide for additional life-saving stations and the personnel therefor?

Mr. MADDEN. No; not for additional life-saving stations. It provides for the reinstallation of some that already existed. There are some 19 of them which have been discontinued and are to be restored, but, of course, there is no need of going into the details of that now.

Mr. SCHNEIDER. Was there not some authorization for the construction of life-saving stations made by the past Congress?

Mr. MADDEN. There may have been. I do not recall.

Mr. SCHNEIDER. I think so. Does this appropriation provide for carrying out that authorization?

Mr. MADDEN. No. If it was to be done at all, it would be done in the appropriation bill of last year.

Mr. SCHNEIDER. It was not done last year.

Mr. MADDEN. They may not have done the work; but if there is any provision made, it would have been appropriated for at that time. I would not undertake to say now, but I will look that up and let the gentleman know.

Mr. CELLER. Will the gentleman yield for a question?

Mr. MADDEN. Yes, indeed.

Mr. CELLER. I was interested in the gentleman's statement when he said he would be willing to expend every dollar in the Treasury for law enforcement.

Mr. MADDEN. If it was necessary.

Mr. CELLER. Suppose we had to spend $2,000,000,000 for the enforcement of prohibition?

Mr. MADDEN. I do not differentiate between laws. I would simply enforce the law.

Mr. CELLER. Would the gentleman not rather see prohibition done away with than to have to expend such a large amount of money to enforce it?

Mr. MADDEN. The gentleman can not put those words into my mouth. [Applause.]

Mr. CELLER. Will the gentleman yield for just one more question?

Mr. MADDEN. Yes, indeed.

Mr. CELLER. I was also interested in the gentleman's statement when he stated that if there was a continuous chase over the 3-mile limit that the revenue cutter had the right to its prize, if it captured any foreign ship carrying liquor or other contraband.

Mr. MADDEN. That is what I understand.

Mr. CELLER. Is it not true that such a case was determined in the United States circuit court of appeals——

Mr. MADDEN. I am not a lawyer and I do not know. I am just stating what I have been informed.

Mr. CELLER. If I may be so bold as to correct the gentleman, I think the statement is in error, because I do not think you have the right to go across the 3-mile limit, despite the fact that the unlawful act may have been committed within the 3-mile limit. I think it has been so held and the prize taken under such circumstances released.

Mr. MADDEN. If the ship undertook to get away within the 3-mile limit, and I was the officer in charge, I would take a chance in going after it.

Mr. CELLER. There has been a case of that kind involving English ships, and they have been released.

Mr. MADDEN. I do not want to get into any argument of that kind, because the gentleman is too technical for me.

Mr. BYRNS of Tennessee. The gentleman will recall that Admiral Billard, when he was before the committee, said that in a continuous pursuit they could go beyond the 3-mile limit.

Mr. MADDEN. Yes.

Mr. SNYDER. Will the gentleman yield?

Mr. MADDEN. I yield to the gentleman.

Mr. SNYDER. I just want to say that I am in the same position that the gentleman from Illinois is in by having voted against the eighteenth amendment, but I stand for the enforcement of the law, and I believe in this proposition. I think the great disgrace in this country to-day is this bootlegging proposition from the coast line in, and if this will stop it I am for it.

Mr. MADDEN. We are going to enforce it.

Mr. SNYDER. I am for it if it takes $13,000,000 or $36,000,000.

Mr. MADDEN. We are going to enforce it; that is what we are going to do, and there is going to be no question about it. There is no use in anybody saying it can not be done, because it can be done and is going to be done. [Applause.]

Mr. BYRNS of Tennessee. Mr. Chairman, it is not my purpose to detain the committee more than a very few minutes in the discussion of this bill. There are quite a number of gentlemen who are desirous of addressing the House under general debate, and it is my desire and purpose to yield them most of the time at my disposal.

Before referring to the bill I want to call the attention of the House to a telegram which I received this morning, and which is supplemental to some telegrams I presented to the House during the discussion of the Ford offer for Muscle Shoals. Gentlemen of the House will remember that I stated that the Nashville Banner, one of the leading daily newspapers in the South, published at my home, in Nashville, Tenn., was conducting a referendum among the citizens to ascertain just what their desires were with reference to the disposition of Muscle Shoals, a referendum of the citizens in Nashville and also in surrounding middle Tennessee towns which are just north of the shoals in question.

I received a telegram from Maj. E. B. Stahlman, owner and publisher of the Nashville Banner, in which he gives the final result of that referendum, and I wish to read it to the House, with your permission:

NASHVILLE, TENN., *March 12, 1924.*

Hon. JOSEPH W. BYRNS, M. C.,
Washington, D. C.:

Count of total and final vote in Banner's referendum on shoals proposition gives Ford, 56,145. Associated power companies, 49. Government ownership, 16. Equal to 864 to 1 for Ford. Approximately 20,000 came from Nashville and Davidson County. Thirty thousand from other Tennessee counties. Remainder from north Alabama and southwestern Kentucky. There was never a fairer vote cast in Tennessee. Every ballot had printed on it for or against proposition, requiring name of voters. Everybody was urged to vote, and the vote as cast was honestly counted. We feel proud of the record made by you and other Members of the Tennessee delegation on this question.

E. B. STAHLMAN.

[Applause.]

This vote, in my judgment, very correctly represents the sentiment of practically the entire South with reference to the Ford offer.

Mr. SCHNEIDER. Will the gentleman yield?

Mr. BYRNS of Tennessee. I yield.

Mr. SCHNEIDER. Was that vote promoted by the public press? Was it a newspaper that promoted this referendum vote on Muscle Shoals?

Mr. BYRNS of Tennessee. The referendum was taken by a newspaper; but there were committees appointed by the chamber of commerce, three representing the Ford offer and three representing the power companies, and these committees outlined the reasons governing them in their idea as to what should be done with Muscle Shoals, and these statements were published in this paper at the beginning of the referendum; and the vote, which was submitted in the way of coupons printed in the paper, afforded an opportunity to those who cast their votes to write their names and also to vote either for the Ford offer or for the associated power companies or for Government ownership.

Mr. SCHNEIDER. The only question I have in mind, I might say, is whether this was conducted the same as was the referendum on the Mellon tax bill by the Literary Digest.

Mr. BYRNS of Tennessee. I do not know just how the Literary Digest conducted that referendum.

Mr. SCHNEIDER. I guess nobody else does.

Mr. BYRNS of Tennessee. I do not suppose anybody else does; but I have read this telegram simply to indicate to the House just how the South, and particularly that portion of the Southland near Muscle Shoals, regarded this proposition. They are on the ground, and they believe they know just what is to the best interest of the South and the country.

They believe that Henry Ford will develop Muscle Shoals for the good of the entire country, and they believe that he will carry out his promises and pledges to the letter. To show that this sentiment is not confined to any particular class of citizens, I noticed an interview commenting upon the action of the House in accepting the Ford offer with Mr. James E. Caldwell, of Nashville, Tenn., president of one of the largest banks in the South and one of the most prominent and wealthiest financiers of the South. In that interview he commended the House and stated that he would rather see Henry Ford have that proposition on his own terms than that Congress should have denied him an opportunity to develop the shoals, because he believed that development by Henry Ford means prosperity for the South and for the whole country.

Mr. Chairman, I am not going to discuss the pending bill. It has been very fully discussed and explained by the gentleman from Illinois [Mr. MADDEN], the chairman of the committee, with his usual force and clearness. There is nothing that I could add to what he has said. There are no controversies relative to the bill that I know anything about. It comes with the unanimous report of the committee and it was agreed upon without any particular difference of opinion. As he explained, the bill carries $153,583,980.08. The estimates were $154,084,005.81. In other words, the bill carries $387,438.75 less than the estimates. Of the amount carried in the bill $116,608,367.54 is recommended to meet expenditures necessary for the year 1923 and preceding years. Something over $105,000,000 of that amount is required for the refund of taxes. By way of supplemental appropriations for the current fiscal year there is recommended $37,088,199.52, and, of course, that should be added to the appropriations for 1924.

There is carried in this bill, and I want to refer to it just briefly, a recommendation of an appropriation of $1,110,000 for the Alaskan Railroad. Those who were in the House at the time the legislation was passed authorizing the construction of that road and its operation by the Government will recall that it was said at that time that it would not cost to exceed $35,000,000 to build the road. Those who opposed it at the time, and I was one of them, insisted that it might cost $75,000,000. As a matter of fact, it cost $56,000,000. There is asked now an appropriation of $5,250,000 to be expended over a period of a few years for replacements and betterments to take care of certain temporary structures, and which it is evident to my mind from the hearings will have to be granted if the road is to be kept in a safe and serviceable condition. That will carry the cost of the road to $61,250,000. It is my judgment that after a few years, or after that money has been expended, there doubtless will have to be additional money appropriated, because despite what is said, while I have never visited Alaska, yet from description given as to conditions there, the fact of repeated freezes and thaws, I am satisfied that the Government will have to be continually expending money to keep that road up, to take care of its roadbed, bridges, and so forth. The facts are that the operating deficit of that road to-day is $1,000,000 a year. We are carrying in this bill $245,000 to supplement an appropriation of $1,000,000, which was made for the anticipated deficit for the current year, and it is said that the operating deficit next year will be $1,000,000. That does not take into consideration the loss by depreciation or interest upon the money invested. If those things are considered, it is costing the Government, in addition to operating deficit, something like $6,000,000 a year. In other words, the Alaskan Railroad is costing the Government to-day, when you take into consideration the question of depreciation, of interest on capital, of the question of amortization, at least $7,000,000 and possibly more. This is an expensive proposition, but we have the property there, and as it is rendering service it will have to be continued.

Mr. SHERWOOD. Mr. Chairman, will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. SHERWOOD. Is there any indication anywhere that it ever paid a cent?

Mr. BYRNS of Tennessee. No; on the contrary, I think the indications are it will always be a charge upon the Government. It was said by Mr. Landis, the new manager appointed several months ago by the present administration, that he hoped by the end of next year to make the receipts equal the expenditures, but he was not altogether clear in his state-

ment as to just how it was anticipated that that would be done, especially since he admitted that it would require a million dollars next year to take care of the operating deficit. Of course, he can only provide for that by increased freight.

Mr. SHERWOOD. At the time that bill passed I had the honor to vote against it.

Mr. BYRNS of Tennessee. So did I.

Mr. SHERWOOD. It was predicted then that there were immense coal fields there. Has any coal ever been gotten out?

Mr. BYRNS of Tennessee. I think they are getting out some coal, but not to the extent anticipated at that time.

Mr. SHERWOOD. It would be to the advantage of the Government if the whole thing were scrapped now, would it not?

Mr. BYRNS of Tennessee. So far as a monetary proposition is concerned it would, but inasmuch as the Government has made an investment of $50,000,000 and more, and as it is rendering some service, I suppose, to Alaska in its development, I do not now think it should be scrapped.

Mr. SHERWOOD. There are only about 50,000 people in the whole Territory.

Mr. BYRNS of Tennessee. That is correct.

Mr. RAKER. It has only been about a year and a little over since the bridge that made the railroad usable from one end to the other was completed.

Mr. BYRNS of Tennessee. That is correct.

Mr. RAKER. So that up until, say, within a year the road has not been in shape to use for its entire length?

Mr. BYRNS of Tennessee. I think that is true.

Mr. RAKER. So we ought not to criticize it at all until it gets in full operation—and I am not saying that the gentleman is criticizing it.

Mr. BYRNS of Tennessee. I am trying to state the facts as they appear to me.

Mr. RAKER. We reserved a tract of land for naval coal. We started in to develop it, and about a year ago we stopped it without any cause or excuse. Instead of our proceeding to develop and do as we should have done, we have stopped work on something that would give this road something upon which to exist.

Mr. BYRNS of Tennessee. And I think that is the only way by which the railroad can be made to pay anything like expenses. Of course, as the gentleman knows, the arguments which were made at the time the bill was passed were that the railroad was necessary in order to develop this coal for naval purposes and also, of course, to help agriculture to a limited extent and in the development of the territory generally.

Mr. RAKER. But we ought not to begin to think about scrapping this wonderful piece of property until the Government has fairly and legitimately determined in regard to it.

Mr. BYRNS of Tennessee. I agree with the gentleman. I think this investment is too large to consider scrapping it, and it is rather an expensive proposition, since it costs the Government over a million dollars a year to carry it along without regard to depreciation and interest on invested capital.

Mr. RAKER. I was just thinking, hearing the testimony this morning, where we gave 44,000,000 acres of land to build a railroad and lost about $270,000,000 by virtue of it, we ought not hastily to turn it down where we are trying to-day to save this asset for the Government.

Mr. BYRNS of Tennessee. No; I think we should conserve it as best we can.

Mr. SCHNEIDER. Will the gentleman yield?

Mr. BYRNS of Tennessee. Very briefly.

Mr. SCHNEIDER. Does the gentleman know anything about the efficiency of the operation of the Alaskan Railroad?

Mr. BYRNS of Tennessee. Well, I have no reason to criticize the manner of its operation. Of course, my information is obtained altogether from the hearings upon this bill, and that information has come from those who are in charge of its operation.

Mr. SCHNEIDER. The gentleman has heard complaints about inefficiency?

Mr. BYRNS of Tennessee. I have heard some, and I understand that a new manager has been recently appointed, and he professes to be able to pull it out of the hole to some extent.

Mr. SCHNEIDER. And the discrimination against the railroad and the interests up there to make it a failure?

Mr. BYRNS of Tennessee. I do not doubt but what it exists. I think the Government should take steps now to develop that coal for naval purposes. We were told when the bill was passed that the coal was well adapted for naval purposes. An analysis of the coal was presented here and I presume it was correct. I have never understood why the Government should have abandoned the development of that coal for its own use, because that is the only way that the Government can in a measure recoup for the expenditure that has been made on the railroad. I think everything ought to be done to make it a paying proposition.

Mr. SCHNEIDER. The gentleman knows that the natural resources of Alaska are being given to private interests?

Mr. BYRNS of Tennessee. Well, I hope they are not being given away now. I have an idea that a great deal of it has been given away, as was the case with a good many of the natural resources of our own continental territory.

Mr. SCHNEIDER. Muscle Shoals.

Mr. RAKER. Mr. Chairman, that statement ought not to go unchallenged, and I want to call attention to it and say that there is practically none of this land in Alaska and its resources turned over to private individuals. Legislation was passed some eight years ago retaining this property, and this railroad was authorized to be built for the purpose of developing it, and within the last year and a half instead of the Government developing its coal for naval purposes they have closed down.

Mr. SNYDER. Now what would be the real reason for developing that coal if the Navy is to discontinue the use of coal?

Mr. RAKER. I would like to have the facts of why they stopped the development of the coal and the natural resources in Alaska?

Mr. SNYDER. It may be they stopped because they are not going to use coal in the Navy.

Mr. RAKER. Not at all; we did not stop for that reason.

Mr. SHERWOOD. I understood there were two tests of Alaska coal made by the Navy Department, and they made a report as to its suitability for the Navy for battleships and reported it was not suitable on account of the presence of so much sulphur in the coal, and therefore that it was not desirable coal.

Mr. BYRNS of Tennessee. I have seen such statement as that.

Mr. SHERWOOD. There have been two tests made by the Navy Department.

Mr. BYRNS of Tennessee. I want to refer briefly—and then close—to something already discussed by the gentleman from Illinois, and that is the appropriation of $13,850,622 for the Coast Guard for the purpose of helping to enforce the prohibition law. Nobody can read the statement of Admiral Billard or Commander Root before this committee without being startled and shocked at the manner in which the prohibition laws of this country have been flouted by rum runners. He made a startling revelation when he described the sources of liquors on islands near our country and the number of vessels and the manner in which they brought liquor into this country. He told the committee that if he were given the opportunity of building and manning 323 fast motor boats and was given the use of 20 torpedo boat destroyers and two mine sweepers he would be able in large measure to keep whisky out of this country; that is, to prevent its importation from the high seas.

I do not know of any other way that can be done. He told of ship after ship in which thousands of cases of liquors were brought into this country in the last few months. Whether one agrees with the prohibition laws or not, whether he is a prohibitionist or not, he should believe in the enforcement of our laws, and he must feel that it is the duty of the Congress to appropriate every dollar that is necessary to see that those laws are strictly enforced, because if our laws are not enforced, if the Government does not stand for a strict enforcement of all its laws, we all know it can not retain the respect of the citizens of this country or of the world in general. I am heartily in favor of that appropriation, and I believe from the statement made by Admiral Billard that if given what he desires he will be able to keep out of this country the liquors which are now coming in from the high seas. This puts it up to the prohibition unit, which is also given large sums of money for enforcing the law, to see that it does not come across our borders and to see that it is not manufactured and sold within our borders.

Mr. LINTHICUM. Mr. Chairman, will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. LINTHICUM. How much do you think it will take for this appropriation and the other sums appropriated for the enforcement of the Volstead Act?

Mr. BYRNS of Tennessee. We are appropriating something like $10,000,000, I think, or a little more, for the enforcement of the prohibition act in the Treasury bill.

Mr. SNYDER. Within our borders?

Mr. BYRNS of Tennessee. Yes; within our borders. This carries an appropriation of $10,084,900 for the acquisition of 323 motor boats and their equipment; $2,110,000 for recondi-

tioning and equipping destroyers and mine sweepers; and then $1,065,722 for the pay of the additional personnel necessary to man these boats. My recollection is Admiral Billard stated this would be to an extent temporary. It would not be necessary for any great length of time to maintain such a large force, and possibly it would cost $10,000,000 a year.

Mr. LINTHICUM. It would cost altogether about $25,000,000 a year.

Mr. BYRNS of Tennessee. About $20,000,000.

Mr. LINTHICUM. For five years at $25,000,000 a year would be $125,000,000.

Mr. BYRNS of Tennessee. The gentleman knows also that the Coast Guard is instrumental in saving vessels and lives on the high seas. This will be in addition to the other duties.

Mr. LINTHICUM. Is not the gentleman afraid they will not have time to perform other duties?

Mr. BYRNS of Tennessee. I believe from the statement of Admiral Billard that he will be able to cope with this evil that is besetting the country.

Mr. LINTHICUM. Do you suppose the United States courts would have time to attend to all the cases? The number of cases coming before the courts have largely increased since the Volstead Act was passed.

Mr. BYRNS of Tennessee. If we can keep out of this country a million or two cases of whisky every year, there will be a less number of criminal cases before the courts.

Mr. LINTHICUM. I think if you kept that many out of the country there would be just that many manufactured in the country.

Mr. SNYDER. When did the admiral lead you to believe that we would get to the peak of this force ready to operate?

Mr. BYRNS of Tennessee. I could tell the gentleman if I were to quote from the hearings, but my impression is that he stated this fall. I am not certain of that.

Mr. SNYDER. I was wondering whether that was not one of the reasons why it would take five years to clean up the job, because I can not conceive how a man with 235 ships would take five years to sweep the coast clean. He should be able to do it in five months.

Mr. BYRNS of Tennessee. He expects to stop the business. But the gentleman knows that other devices may be adopted, and it may take some time to educate these rum runners into the knowledge that they can not continue to violate the law with impunity, and probably this appropriation would have to be kept up for a series of years, and I take it a certain police force will always have to be maintained.

Mr. SNYDER. I do not question that.

Mr. LINTHICUM. What will you do after the five years?

Mr. BYRNS of Tennessee. We hope it will be eliminated by that time.

Mr. MADDEN. Mr. Chairman, the committee wants to run until 6 o'clock. I yield 45 minutes to the gentleman from Massachusetts, Mr. TINKHAM, and there will be another speaker after him, the gentleman from Massachusetts, Mr. GALLIVAN, who will probably consume the remainder of the time.

The CHAIRMAN (Mr. LEHLBACH). The gentleman from Massachusetts [Mr. TINKHAM] is recognized for 45 minutes.

Mr. TINKHAM. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent to revise and extend his remarks. Is there objection?

There was no objection.

Mr. TINKHAM. Mr. Chairman, I desire to read certain correspondence between the Rev. Charles S. McFarland, general secretary of the Federal Council of the Churches of Christ in America, and myself, and make certain remarks thereon.

On the 10th of February I received the following letter:

FEDERAL COUNCIL OF THE
CHURCHES OF CHRIST IN AMERICA (INC.),
OFFICE OF THE GENERAL SECRETARY,
New York, February 9, 1924.

Hon. GEORGE H. TINKHAM,
Washington, D. C.

MY DEAR MR. TINKHAM: I have the honor to convey for your information the following resolution passed by the administrative committee of the Federal Council of the Churches of Christ in America regarding the pending House immigration bill (H. R. 6540), so far as it proposes to abrogate the treaty with Japan and to annul the "gentlemen's agreement" without conference or consultation with the Government of Japan.

The administrative committee regards the proposed action as a flagrant violation of accepted principles of courteous and friendly international relations and earnestly requests that the bill not be passed.

The resolution reads as follows:

"*Resolved*, That the administrative committee of the Federal Council of the Churches of Christ in America, in harmony with the principles repeatedly advocated by the federal council and its executive committee, deplores the proposal of the immigration bill (H. R. 6540) to deny admission to the United States of "aliens ineligible for citizenship":

"First, because it abrogates treaties and annuls international agreements by an act of Congress without consultation or conference with the nations with which the treaties and agreements were made; and

"Second, because it is unnecessarily and inevitably offensive to the nations affected thereby, and certain to be resented as an unfriendly act.

"*Resolved*, That these resolutions be sent to each Member of Congress with a suitable covering letter."

Respectfully yours,

CHARLES S. MACFARLAND,
General Secretary.

FEBRUARY 13, 1924.

CHARLES S. MACFARLAND,
Secretary Federal Council of the Churches of Christ in America,
105 East Twenty-second Street, New York, N. Y.

MY DEAR SIR: It is with resentment and indignation that I read your communication of February 9, in which you, representing your organization, presume to advise me in relation to a purely secular matter, namely, the House immigration bill (H. R. 6540).

It is one of the fundamental principles of the American Government, preceding the adoption of the Constitution and embodied in that instrument, that there shall be in the United States complete separation of the church and the state as religious and political entities, and that there shall be no interference one with the other.

The action of certain churches of certain denominations, or, I might more properly say, of certain leaders of certain denominations, in passing resolutions in relation to legislation of a secular character and of raising funds to be used for political elections, as was done in connection with the Anti-Saloon League of America, is indefensible.

It is my settled opinion that some of the great lawlessness and actual crime in this country to-day is directly caused by the loss of respect for the church and its teachings on the part of the people because churches, abandoning spiritual affairs and direction, have become quasi political institutions. As respect for the church and its teachings declines, so must its authority over the hearts and consciences of men diminish.

I have not a drop of blood in my veins which has not been 200 years in America, and my ancestors, as Separatists, came to this country upon the *Mayflower*. I inherit their complete resentment of interference by the state with the church or by the church with the state.

Inclosed is copy of a resolution recently introduced by me in the House of Representatives, which, together with this letter, I should be pleased to have you read to the administrative committee of the Federal Council of the Churches of Christ in America. All the allegations contained therein are supported by documentary or sworn evidence.

Very truly yours, GEORGE HOLDEN TINKHAM.

[Inclosure.]

House Resolution 82.

Whereas one of the fundamental principles of the American Government preceding the adoption of the Constitution and embodied in that instrument is that there shall be in the United States of America complete separation of the church and the state as religious and political entities, and that there shall be no interference one with the other; and

Whereas certain leaders of sectarian bodies, perverting the great powers of religion during recent years, have actively engaged in partisan elections and in the presentation of legislative programs to the Congress and to other legislative bodies, which are constituted to represent all of the people of the United States in all of their activities; and

Whereas the leaders of such sectarian bodies, in conjunction with large aggregations of business capital and encouraged financially by several men of great individual wealth, have constituted as their political agent an organization known as the Anti-Saloon League of America, with departments or subsidiaries in every State in the Union; and

Whereas the name adopted by this league was and is fraudulent and misleading as to its intentions and purposes, which were to establish complete prohibition and not alone to abolish saloons; and

Whereas for a number of years the Anti-Saloon League of America and its respective State departments and subsidiaries have raised and expended vast sums of money, the amounts, sources, and expenditure of which have no public accounting; and

Whereas such vast sums of money have been used to influence public opinion in various ways, now entirely unsuspected by the American

people, directly to control elections and to pay professional organizers and lobbyists throughout the United States, particularly in Washington, D. C.; and

Whereas for many years the Anti-Saloon League of America, its respective State departments or subsidiaries, have openly and flagrantly violated the national campaign contributions law and the corrupt practices laws of the several and certain of the States; and

Whereas the Anti-Saloon League of America paid campaign expenses of Hon. Andrew J. Volstead while chairman of the Judiciary Committee, having foreknowledge that the representatives of said league would appear before him for legislation, and subsequently did appear before him and obtained the legislation it desired; and

Whereas through practices hereinbefore set forth said Anti-Saloon League of America has successfully added to the Constitution of the United States the eighteenth amendment, and has caused to be enacted into law the national prohibition act, otherwise known as the Volstead law, by the Congress of the United States, and of so-called enforcement acts by the legislatures of several and certain of the States of the Union; has attempted to influence Federal judicial appointments; has denounced judicial officers and decisions; has attempted to influence the President of the United States in his appointments of heads of departments, and actually exercised its insidious influence successfully upon a bureau of an executive department (a bureau whose unparalleled corruption and lawlessness is without example) to the extent that even appointments of persons in the service of such bureau are made with the sanction and approval of the Anti-Saloon League of America: Therefore

Resolved, That a select committee is hereby created, to consist of seven members to be appointed by the Speaker of the House of Representatives, to investigate the activities of the Anti-Saloon League of America and its respective State departments or subsidiaries as hereinbefore alleged in particular and in general; and said committee is authorized to send for persons and papers, to compel the attendance of and to administer oaths to witnesses, to conduct such inquiries at such times and places as the committee may deem necessary, and to report its findings and recommendations to the House of Representatives, either separately or together, with such report as said committee may submit in connection with any proposed legislation.

THE FEDERAL COUNCIL OF THE
CHURCHES OF CHRIST IN AMERICA,
OFFICE OF THE GENERAL SECRETARY,
New York, February 25, 1924.

MY DEAR CONGRESSMAN TINKHAM: In reply to your letter of February 13, first of all may I explain that your references to the Anti-Saloon League have no bearing on any issue in which the Federal Council is concerned, as there is no relationship of any kind whatever between the Federal Council and that body. Therefore there is no reason for bringing your resolution before the administrative committee of the Federal Council, except perhaps for information.

Is not the real question as to the content of the term "secular"? The Federal Council does not consider any question involving principles of right and justice as being secular. Such questions are regarded as moral, and therefore inherently religious and coming under Christian ethics. The measure in question surely involves questions of right and justice.

The Federal Council was constituted by its denominational bodies with this purpose, as stated in the constitution adopted by all those bodies separately, "to secure a larger combined influence for the Churches of Christ in all matters affecting the moral and social condition of the people, so as to promote the application of the law of Christ in every relation of human life." To claim that a church body has no right to protest against an injustice just because it is legislative would be to nullify the constitution of the Federal Council. It is the very separation of church and state that makes it possible to make such protest freely. Suppose that the Federal Council were to perpetrate a public wrong. I should say that Congress would have the right to protest against it if not to prohibit it. Indeed, you yourself are claiming just that right in the bill you introduced on the Anti-Saloon League.

My own recollections of the history of those who came in the *Mayflower* and those who followed them are that they exercised a great deal of influence on matters of state, while at the same time keeping the church free from interference by the state. Indeed, their reason for separating the two was that the church might be free to criticise the actions of the state.

I think the general feeling is that on the one hand there should be organic separation between church and state, neither controlling the other, but that, nevertheless, this does not preclude moral relations between them.

If I remember rightly, the state, during the war and at other times, has sought counsel and support from the churches. Various departments of the Government often call on the Federal Council for counsel and help. This is quite a common occurrence at our Washington office.

Is there not a great difference between organic separation and separation in moral sympathy? As a matter of fact the strictest denominations have always held the right of the church to petition the state, and that is exactly what is done in this case.

In this case our feeling is that this legislation runs counter to the efforts of the churches to maintain social justice. Do you not think, therefore, that they have not only a right but a duty to protest and petition? I rather think the administrative committee regarded the immigration proposal "with resentment and indignation," just as you do their action. The committee which took the unanimous action is composed of the official representatives of 29 denominations, and some of them also date their ancestry back to the *Mayflower*, as well as yourself.

We evidently have an honest difference of opinion here between men entitled to each other's respect, and I suspect many of these men are just as positive as yourself. Doubtless both you and they are conscientiously trying to perform duty. In this case they certainly represent a very great body of public opinion, and several Congressmen have written expressing their appreciation of the interest of the churches. Some Congressmen are actually desirous of getting such expressions of public opinion. As I get the trend of public opinion it means that Christianity is to be applied more and more to these great public moral questions rather than to remain in vague abstractions. Many of the people feel that the weakness of the church has been because it did not exert its influence more directly in affairs of social brotherhood. What is the use of proclaiming justice unless you can apply it to concrete cases? Personally, I would quit the ministry if confined to mere abstractions and prohibited from applying them to public interests.

The people in the churches are rapidly coming to look at all public affairs as matters of Christian ethics. The present problem of immigration, so far as it affects our attitude toward other peoples, is no exception. The leaders of the church are tired of preaching justice in theory and closing their eyes to injustice in practice. If an act of Congress violates a treaty, whether in letter or spirit, it is an injustice. If it treats a treaty or any agreement like a "scrap of paper" it follows the bad example of a nation now suffering for doing so. If, then, this was the view of the administrative committee, would you want them to hesitate to say so? Even if you disagree with their interpretation you surely would want them to express their judgment from the point of view of the Christian principles to which they are committed. Probably they would insist on having as much right as yourself to determine whether or not the question is ethical, and in any event surely Christian ethics are not left entirely to be determined by Congress.

Sincerely yours, CHARLES S. MACFARLAND.

P. S.—I earnestly trust you will not object to my making this correspondence public, including your name, because it is very important that both points of view should be presented. If you prefer not to use your name I shall probably wish to release it without mentioning your identity.

C. S. M.

Hon. GEORGE HOLDEN TINKHAM,
Committee on Appropriations,
House of Representatives, Washington, D. C.

FEBRUARY 29, 1924.

Rev. CHARLES S. MACFARLAND,
Secretary Federal Council of the Churches of Christ in America,
105 East Twenty-second Street, New York, N. Y.

MY DEAR MR. MACFARLAND: Your communication of February 25 in answer to my communication of February 13, which was sent to you in reply to one which you sent me under date of February 9, has been received. I am pleased to be informed that "there is no relationship of any kind whatever between the Federal council" and the Anti-Saloon League.

If I read aright your letter of the 25th, it is a statement that the churches included in your organization propose to take a formal and active part in American politics.

Let me point out that this is a pretty dangerous program for the churches. Of course, their ministers and members are, as individual citizens, at liberty and, indeed, ought to be encouraged to act politically with the utmost vigor, but for churches as organizations to attempt this is a grave departure from American policy and a violation of American traditions.

We exempt the property of churches from taxation because they are regarded as apart from the ordinary public organizations and activities of our people and as entitled to this measure of public support because of the purposes which they aim to serve.

The argument of your letter is expressed at so great length and so vaguely that I may be misinterpreting it, but I think not. In any event, I beg you to consider carefully before committing the organized churches of the country to participating in political activities.

You request me to allow publication of my communication of February 13. I appreciate the courtesy on your part of making the request. You have my permission to publish my communication of February 13, provided there is published at the same time this com-

munication, both with my name. As I know you will have no objection, it is my intention at the first opportunity to insert our correspondence in the CONGRESSIONAL RECORD.

Sincerely yours,

GEORGE HOLDEN TINKHAM.

This correspondence was written in ordinary course of office routine and was not originally intended for publication.

Upon reviewing this correspondence I note that in my communication of February 29 to Rev. Charles S. Macfarland I said:

The argument of your letter is expressed at so great length and so vaguely that I may be misinterpreting it, but I think not.

In this sentence I did not intend to be ungracious or to suggest that the subject was not of such importance as to warrant treating it at great length. I appreciate the sincerity of Mr. Macfarland in the position he takes and from which I dissent.

In addition to what the correspondence contains, I should like to state that I know of no political question or issue which could not be denominated either a moral or ethical question or issue or one involving right or justice if it served the will or purpose of any organization so to term it.

There are no limits to the definition of moral, ethical, right, or justice in reference to any political question or issue. The free-silver issue was called a moral question. The tariff has been spoken of as such an issue. The socialist claims that his principles are moral principles and involve right and justice. Whether one person should possess more property than another might be a moral or political question or an issue of right or justice if one wished to make the claim.

If an organization asserts its intention to interest itself in every legislative and political question which it considers moral or ethical or involves right or justice, there is no limit to its participation in any legislative or political matter in which it desires to exert its influence.

Finally I wish to add that until recent years the traditions and philosophy of the Pilgrims who came to Plymouth upon the *Mayflower* in 1620 have directed American action and have been embodied in American policies.

The Pilgrims were not Puritans. They were separatists, and believed in the complete separation of the church and the state as religious and political entities and that there should be no interference one with the other.

The Puritans were nonconformists and dissenters who saw no objection in the state controlling the church or the church the state, but desired the purification of the church, its ritual and practices, and a reform of state authority.

With the advent of Cromwell the Puritans in England controlled the state and consequently the church. Large numbers settled in New England and were fiercely intolerant, cruelly dogmatic, and devotees of fanatical sumptuary law. At one time their political power was so great that they prescribed that no one should have political franchise unless he was a member of one of certain church denominations. But this intolerance and fanaticism of the Puritans was gradually superseded by the tolerant philosophy of the milder Pilgrims, which tolerant and milder philosophy previous to the adoption of our Constitution and until recent days has dominated this great Republic.

A perilous course is being adopted in this Republic if churches, as organizations, are to enter American political activities and if reliance is to be placed upon sumptuary law instead of upon moral suasion and education. [Applause.]

How much time have I consumed, Mr. Chairman?

The CHAIRMAN. Twenty-three minutes. The gentleman has 22 minutes remaining.

APPALLING AND UNBELIEVABLE INCREASE IN ARRESTS FOR CRIME IN THE DISTRICT OF COLUMBIA.

Mr. TINKHAM. Mr. Chairman, under the leave granted to me to extend my remarks in the RECORD, I beg to submit the following:

Statistics of arrests in the District of Columbia, as reported officially by the superintendent and major of police to the Subcommittee on the District of Columbia of the Appropriations Committee, disclose a civic depravity and social disintegration under present conditions and laws which are both appalling and unbelievable. Were they not exact calculations formally submitted to the House of Representatives by the Metropolitan police department, the figures could not be accepted as true.

These *statistics* reveal that although, according to the census, there was an increase in population from 1910 to 1920 of only 22.17 per cent, and there has been only a very slight further increase to 1923, the following percentages of increase in arrests for crime between the year 1910 and the year 1923 have taken place:

	Per cent.
Murder	271
Manslaughter	250
Assault with dangerous weapons	307
Assault with intent to kill	28
Robbery	103
Bigamy	83
False pretense	83
Forgery	760
Grand larceny	157
Housebreaking	85
Rape and intent to rape	71
Threats of personal violence	118
Carrying weapons	84
Adultery	201
Fornication	135
Disorderly house	1,388
Soliciting prostitution	2,350
Maintaining of nuisance	256

Where crimes, such as liquor crimes, were not in existence in 1910 the official percentages of increase in arrests, as calculated by the Metropolitan police department, is based upon a comparison with the year in which the law went into effect, and are as follows:

	Per cent.
Illegal possession	700
Manufacture of liquor	223
Selling	1,079
Transporting	4,504
Possession of property designed for the manufacture of liquor	233
Violation of other laws governing the manufacture and sale of malted liquor	6
Drunkenness	121
Drinking in public places	84
Operating a vehicle while under the influence of liquor	850

From 1910 to 1923 the following arrests for drunkenness have been made in the District of Columbia:

1910	3,783
1911	4,888
1912	5,663
1913	5,710
1914	8,889
1915	9,788
1916	9,449
1917	8,687
1918	6,896
1919	6,651
1920	3,568
1921	5,415
1922	6,375
1923	8,368

Operating a vehicle while under the influence of liquor was not made a crime until 1918. From 1918 to 1923 the following arrests for this crime have been made:

1918	53
1919	143
1920	89
1921	166
1922	296
1923	504

From 1910 to 1923 the following percentages of decrease in arrests for crime have taken place:

	Per cent.
Embezzlement	29
Simple assault	12
Disorderly conduct	35
Petit larceny	30
Indecent exposure	62
Nonsupport of wife and children	89
Incorrigibility	56
Indigent or dependent children	46

But little encouragement can be taken from a decrease of 29 per cent in embezzlement and 30 per cent in petit larceny when there are very much larger percentages of increases in robbery, housebreaking, grand larceny, forgery, and false pretense; or from a decrease of 12 per cent in simple assault with much larger percentages of increase in murder, manslaughter, assault with dangerous weapon, and assault with intent to kill.

The decrease of 35 per cent in disorderly conduct between 1910 and 1923 is nearly entirely accounted for by the fact that previous to 1913 cases of drunkenness were often charged to disorderly conduct.

The decrease in arrests for nonsupport of wife and children, for incorrigibility, and on account of indigent or dependent children between 1910 and 1923 is all accounted for by a court decision in 1913 which held that the police department was without authority in these cases.

The District of Columbia is 2,000 per cent more murderous than the city of London. According to the latest statistics, which are for 1922, during that year there occurred in London, with its population of 8,000,000, 28 murders, and there occurred in the District of Columbia, with its population of less than 500,000, 38 murders.

The District of Columbia is 300 per cent more drunken than the city of Paris. According to statistics, in 1923 there were

in Paris, with its population of 3,000,000, only 16,000 arrests for drunkenness, and there were in the District of Columbia, with its population of less than 500,000, over 8,000 arrests for drunkenness.

Many causes may be assigned for these amazing and portentous phenomena of American social decline.

Among the foremost should be placed the abdication of certain sects of the Christian church from their spiritual direction and leadership and their assumption of political and legislative domination. This is particularly evidenced in the District of Columbia by the erection of expensive buildings around the Capitol for the avowed purpose of influencing legislative action, and by the maintenance of professional legislative agents. As respect for the church and its teachings decline so must its authority over the hearts and consciences of men diminish.

Another potent reason is a loss of confidence in and respect for present Congresses and, therefore, for laws passed by them—Congresses which ruthlessly destroy the rights of the individual and the rights of property, Congresses which themselves even will not obey the mandatory constitutional obligations placed upon them, and so feeble in intellect as to believe that virtue can be produced by law and statute and so cowardly as to surrender their power to legislate to every organized minority with money and power.

But civic depravity and social disintegration have their beginning in the home. One of the highest ideals and greatest sources of strength to American civilization until recent years was the character and permanency of American family life. In the home was built the character of the individual, there were taught the value of self-restraint and the virtues of honesty, truthfulness, and obedience to authority. To-day the American home is in decadence. Between the year 1910 and the year 1923 divorce in the United States and in the District of Columbia has increased over 100 per cent.

Total arrests each year with arrests for violation of speed and traffic regulations indicated so that the table shows the net number of arrests less traffic violations.

[By years from 1910 to 1923, inclusive. United States Census, 1910—331,069; 1920—437,571 Increase 32.17 per cent.]

Years.	1910	1911	1912	1913	1914	1915	1916	1917	1918	1919	1920	1921	1922	1923	Per cent of increase.	Per cent of decrease.
Total arrests	34,003	34,068	35,739	38,369	37,241	37,219	39,377	39,562	43,245	53,356	48,930	56,592	61,057	66,758	96.33	
Arrests for speeding	1,606	1,491	1,300	1,442	1,658	1,934	2,965	5,096	5,803	8,134	7,051	8,163	8,851	8,979	749.18	
Arrests, other violations of traffic regulations				2,072	3,214	3,086	4,136	3,806	7,531	8,543	9,847	12,903	16,552	19,206	826.93	
Arrests for all other causes	32,906	32,577	34,439	34,855	32,372	32,199	31,286	30,660	29,821	36,659	32,032	35,526	35,654	38,582	17.24	
Details:																
Murder	7	21	22	28	15	25	31	29	26	49	38	44	38	26	271.43	
Manslaughter	6	2	3	7	3	7	4	14	14	14	22	29	26	21	250.00	
Assault with dangerous weapon	71	21	116	127	129	162	157	128	157	282	205	196	200	289	307.04	
Assault with intent to kill	7	97	5	6	13	16	10	16	13	16	23	25	12	9	28.57	
Robbery	93	105	129	113	77	142	201	118	157	323	224	172	170	189	103.23	
Bigamy	6	4	5	4	6	6	3	1	11	5	9	7	14	11	83.33	
Embezzlement	100	62	102	122	96	134	96	155	100	126	56	51	58	71		29.00
False pretenses	159	213	182	199	154	189	212	205	178	212	180	232	232	292	83.65	
Forgery	28	45	83	47	62	72	83	78	82	156	118	92	177	73	160.71	
Grand larceny	151	105	144	117	134	131	126	106	228	428	491	438	383	343	127.89	
Housebreaking	246	242	271	296	268	477	484	512	350	462	681	462	629	457	85.77	
Rape and attempt to rape	14	15	14	9	15	18	21	26	18	16	12	32	28	24	71.43	
Total	870	932	1,076	1,075	972	1,379	1,428	1,388	1,314	2,087	2,060	1,780	2,027	1,805	107.47	
Assault	2,787	2,670	2,503	2,511	2,138	2,127	1,873	1,801	1,385	1,727	1,593	2,807	2,050	2,431		12.77
Disorderly conduct	9,285	7,624	7,826	8,284	6,235	5,776	5,175	4,857	4,072	4,847	4,531	5,245	5,920	5,959		35.68
Threats of personal violence	224	224	243	267	229	261	252	235	238	290	313	379	504	489	118.30	
Carrying weapons	201	212	224	200	200	238	179	201	221	413	243	297	276	371	84.52	
Petit larceny	2,457	2,406	2,502	2,325	2,161	1,917	2,079	2,177	2,222	2,426	1,837	1,637	1,815	1,707		30.52
Adultery	66	37	46	71	54	73	80	81	78	120	105	132	149	199	201.51	
Fornication	330	189	224	260	237	226	628	499	566	740	912	753	793	777	135.45	
Disorderly house	9	18	7	39	40	60	79	69	109	52	42	59	99	134	1,388.88	
Soliciting prostitution				8	6	28	56	121	134	63	82	109	182	196	2,350.00	
Indecent exposure	340	304	293	328	194	226	210	155	89	109	83	96	130	126		62.94
Maintaining of nuisance	91	136	291	190	152	77	90	61	170	194	319	372	395	324	256.04	
Nonsupport of wife and children [1]	576	648	710	709	444	200	142	94	80	50	68	70	65	59		89.76
Incorrigibility	183	104	129	163	145	78	112	74	68	73	56	102	67	80		56.27
Indigent or dependent children	50	21	28	37	19	13	12	42	24	29	31	43	31	27		46.00
Total	16,579	14,587	15,026	15,392	12,264	11,700	10,966	10,617	9,656	11,129	10,316	11,169	12,476	12,879		16.33
Liquor crimes:																
Illegal possession											21	320	921	1,492	790.48	
Manufacture of liquor											13	79	83	42	223.08	
Selling	[2] 117	110	97	85	98	126	129	153	539	774	109	371	767	1,380	1,079.47	
Transporting									21	28	99	64	648	967	4,504.76	
Possession of property designed for the manufacture of liquor												6	20	20	233.33	
Violation of other laws governing the manufacture and sale of malted liquor	31	19	13	50	28	34	24	12	16	[2] 1,808	93	145	97	83	6.45	
Sheppard law																
Drunkenness	3,783	4,898	5,663	5,716	8,889	9,788	9,449	9,687	6,896	6,651	5,568	5,415	6,375	8,368	121.20	
Drinking in public places					127	119	103	167	344	236	63	90	149	234	84.25	
Operating a vehicle while under the influence of liquor									53	143	89	166	205	304	890.94	
Total	3,931	5,017	5,773	5,845	9,142	10,067	9,705	10,019	7,769	9,640	4,046	7,255	9,265	13,040	231.72	

[1] The only cases of nonsupport of wife and children handled by the police are when indictments have been brought and the dependents are out of this jurisdiction. The court of appeals held on Nov. 1, 1915, that the police department was without authority in cases of this character, and warrants issued on this charge should be served by the United States marshal. In cases reported to the police department effort is made to locate the defendants and if successful the information is furnished to the office of the marshal.

Under a similar ruling, in cases of incorrigibility or indigent or dependant children the only cases coming to the attention of the police are where parents or guardians bring the children to a police station where they are temporarily cared for at the house of detention until the juvenile court can take jurisdiction.

Prior to 1913 violations of the traffic regulations were included with violations of the police regulations.

Soliciting prostitution, prior to 1913, was charged under the head of vagrancy.

Until the passage of the national prohibition law, the possession of liquor, or possession of property designed for the manufacture thereof, were not violations of law "selling" prior to the passage of the local prohibition law included the selling without a license; the "violation of other laws governing the manufacture and sale of malted liquor" prior to the passage of this act included selling on Sunday, selling after hours, selling to minors, and to intoxicated persons. Prior to the passage of the Sheppard Act, drinking in public places was governed by what was known as the Jones-Works law, approved Mar. 4, 1913.

[2] Includes bringing liquor into military zone and violation of the "Reed bone dry law."

Mr. BYRNS of Tennessee. Mr. Chairman, I yield to the gentleman from Massachusetts [Mr. GALLIVAN] 30 minutes.

Mr. GALLIVAN. Mr. Chairman, I would like to have the opportunity to talk to a quorum.

Mr. MADDEN. We are good listeners.

Mr. GALLIVAN. In what I say I shall not be talking to the newspapers. I want to talk to the House. I would like to have Members of the House listen to what I say. That is without any criticism of my colleague [Mr. TINKHAM].

Mr. HERSEY. Mr. Chairman, will the gentleman yield?

Mr. GALLIVAN. If you are going to ask some question to help the House and me, I will answer yes. But if the gentleman is going to ask me a question that he thinks will embarrass me, then no.

Mr. HERSEY. I could not embarrass the gentleman.

Mr. GALLIVAN. I do not think you could.

Mr. HERSEY. Does not the gentleman think he has an exclusive and appreciative audience to listen to him?

Mr. GALLIVAN. I have when the gentleman is present. [Laughter.]

Now, Mr. Chairman, I am willing to talk to this handful of representatives of the great American people, and I am astounded to see that there is such a handful of Representatives in the House when every one of the Members is drawing a salary daily and is absent from the House when it has under consideration an important bill.

I got out of a sick bed, against my doctor's advice, to come here this afternoon because I am a member of the subcommittee which reported this bill, and I did not know how long general debate would last, and against his urgent advice I am here.

Mr. MADDEN. The gentleman is always here when there is any work to do. [Applause.]

Mr. GALLIVAN. I thank my chairman, who is also my leader on my committee. I am always at the committee when there is work to do, even at a sacrifice sometimes of my health.

This morning at 9 o'clock, propped up in bed, I read every word of the interesting if not illuminating discussion of the Coast Guard which was held in this Chamber yesterday, and I want to confess frankly that I learned nothing from it.

I sat with the subcommittee on deficiencies of the House Committee on Appropriations, of which the great chairman from Illinois is also chairman, during all the time we had the Coast Guard officials present, and I think I asked, perhaps, more questions than any other member of the committee excepting our chairman.

I am sorry that the gentleman from Upshawville is not here; that the gentleman from Texas is not in his usual seat; and that the gentleman from Michigan is not up there in the second last row, where he once in a while interrupts us who do not believe in sumptuary legislation.

But I have not come here to oppose the bill. I did not file a minority report, as my colleagues on the subcommittee will say to you; I simply reserved my rights. I may vote for this appropriation; I may, and that is the reason I reserved my rights.

Mr. MADDEN. This is a question of law enforcement, irrespective of whatever anybody's opinion may be on prohibition, is it not?

Mr. GALLIVAN. Absolutely. And the gentleman will recall that when I first addressed Admiral Billard, the commandant of the Coast Guard, I distinctly said—and it is in the record of the hearings—"I am against all rum runners and rum running, but, as a good Democrat, I am against home markets." Somehow or other somewhere in this bill there is a suggestion that the home market will be protected, and that if you drive the rum runner from the seas the land bootlegger will get the best of it. We have a home-market club in my city and it is composed exclusively of Republicans. And I want some of you Democrats not to forget that, and to consider whether the land bootleggers, who are going to vote the Republican ticket in this presidential election, have not reached somebody somewhere to get a provision like this in an appropriation bill, so they will not have any more competition but protection to home industries.

Mr. HILL of Maryland. Will the gentleman yield?

Mr. GALLIVAN. Certainly.

Mr. HILL of Maryland. The gentleman, as I understand it, suggests that this is for the protection of that flood of moonshine which Commissioner Haynes refers to?

Mr. GALLIVAN. No; I did not desire to suggest it; I simply hinted at it.

Mr. HILL of Maryland. Well, a hint from the gentleman is always an able suggestion, I will say.

Mr. GALLIVAN. Well, the gentleman knows good things when he hears them. [Laughter.]

This deficiency appropriation for the increase of the Coast Guard is something of an innovation. The Coast Guard is older than the Navy, and for more than a century it has protected our coasts against enemies from without and succored our own and other vessels in distress. There are no better traditions associated with our Government than hover about the Coast Guard, and you gentlemen from the interior may find romance and heroism and tragedy recorded if you will come to the New England coast for your summer vacation and travel up and down the coast, see the wrecks of ships that have gone ashore in the storms and hear the stories of rescue of men and women by the Coast Guard that patrols that coast day and night, the good Samaritans of Uncle Sam who are ever ready to sacrifice their own comfort and life itself to rescue those who are in peril.

I have lived with the Coast Guard all my life, and no one can have a higher appreciation of its benefit to the Government and to humanity than I. I have on this floor fought for better consideration of this service, for larger appropriations, for improved facilities to extend its usefulness and to increase the pay of the men who give their lives to its humanitarian efforts. But Congress has been conservative in its appropriations for the Coast Guard, and last year we appropriated a total of about $11,000,000 for this great service. Here we propose to give an additional appropriation of $14,000,000 to the Coast Guard, for what? To enable it to assist the prohibition unit to enforce the Volstead law, with the explanation that the prohibition unit has broken down and is unable to check the inflow of foreign liquors into this bone-dry country.

It is true that the Coast Guard has from the beginning operated against smugglers, but the officers told the committee that so effective had been this part of the service that long ago smuggling became a very insignificant feature of violations of our laws.

The Coast Guard has been able to devote its time and effort to the rescue of shipping, the preservation of life, and the protection of the sea lanes through which the commerce of the world passes in keeping safe the means of travel and transportation between America and the rest of the world.

But Admiral Billard explained to the committee that "higher-up" authority had directed the Coast Guard to submit estimates for this appropriation with the purpose of equipping the Coast Guard for combating the smuggling of liquor into this country. I have been wondering who the "higher up" is who proposed this change of policy since we passed the Treasury bill a few weeks ago. I do not believe it is Secretary Mellon, who is the head of the Treasury Department and in control of the Coast Guard, and I do not believe that President Coolidge is the "higher up" who has inaugurated this new policy.

I suspect that Admiral Wayne B. Wheeler, of the Anti-Saloon League, has, through Commodore Haynes, of the Prohibition Bureau, injected himself into the situation in an effort to utilize the efficient Coast Guard to restore the prestige of the Volstead law and the enforcement officers. I can imagine Wayne B. Wheeler singing:

O, I am a cook and a captain bold,
And the mate of the *Nancy Brig*,
And a bo'sen tight and a midship mite,
And the crew of the captain's gig.

Admiral Wheeler might not fit into the Coast Guard, but his ambition and his confidence in himself is illustrated by the lines of Gilbert and Sullivan, "My object all sublime, I shall achieve in time, to let the punishment fit the crime." If Wheeler can have the gallant Coast Guard make prohibition a success, it will redound to the glory of the Anti-Saloon League and Wayne B. Wheeler.

Mr. SHERWOOD. The gentleman has forgotten about Anderson, of New York.

Mr. GALLIVAN. Well, he is not a national officer. It is admitted by the Coast Guard officers that they have been able to make a check of 5 per cent in smuggling of liquor since the inauguration of this new policy, and that, with the expenditure of an additional $14,000,000, they may be able to increase this check to 10 per cent. I would not like to see the Coast Guard make a record of 10 per cent efficiency, even in checking smuggling. That would be a blot on the escutcheon of the Coast Guard. If we are to send this Coast Guard into the service of rum running, I would like to see it equipped for success, not for failure. I for one would prefer to vote an appropriation of fifty or one hundred million dollars for the Coast Guard and success than $14,000,000 and failure, for the appropriation we here propose does not mean control of smuggling.

I recall distinctly asking Admiral Billard, "If we give you all these ships, all this money, and all these men, are you going to stop rum running?" And he said, "I do not know." I said, "Are you coming back every year and ask for a similar appropriation?" He said, "I do not know." And the distinguished chairman of my subcommittee, who is in this audience, said, "Oh, what is the use of evasion; we are establishing a police force on the high seas"—I am not quoting his exact words—

"the Coast Guard as the police force of the sea, and you know we have got to keep it up."

Of course, it does not mean clearing the seas of rum runners, but an annual appropriation to continue the contest with increasing effort to defeat the law and increased appropriations to enable the Coast Guard to combat that effort. If we are in earnest in this new policy of turning the Coast Guard from its duties of safeguarding navigation to stop rum running, I suggest that the gentleman from Michigan offer an amendment to increase the appropriation to $100,000,000; that will enable the Coast Guard to equip itself with the vessels and the men to make effective war on the liquor smugglers, whether they are English, French, or Italian, or of any other nationality; and also be ready for war if international complications develop in the contest. If we are going to suppress liquor smuggling, we will have to ignore treaties and international relations and fight smugglers regardless of the flag under which they sail. The Coast Guard can be relied upon to make that fight if the Congress stands behind it. But let us not send this Coast Guard into a contest without proper equipment or without the backing of the Government in whatever it may do to suppress the smuggling of liquor from foreign territory into the United States in defiance of our sacred Volstead law. Let us go the whole hog in this new departure or not go into it at all. We have appropriated millions of money to enforce the prohibition law, and the condition has been growing worse.

And yet when we ask for a soldiers' bonus we are told that America can not afford so much money every year to give the boys who sacrificed everything from 1917 to November 11, 1918, adjusted compensation; but so far as I can recall the prohibition unit can come in here every week and get any amount of money it wants for the enforcement of prohibition, and there has been nothing like enforcement since we started the first dollar on its way, except the closing of the corner saloon, which all men saw with delight.

While Commissioner Haynes—and I hate to use this word, because it is almost my own name—gallivants about the country telling the people that the Volstead law is enforced and that prohibition is a success, and while Wayne B. Wheeler spreads his publicity to the same effect, we all know that defiance of the law is on the increase. Long lists of arrests and fines and seizures do not testify to law enforcement. They simply emphasize the fact that the law is not enforced; that it is not respected or feared. The Prohibition Commissioner may think that his sole duty is to make arrests, to seize liquors, to search citizens and their property without warrants, and to inaugurate a reign of terror, but that was a method of lawless law enforcement discarded by the men who wrote the Declaration of Independence and adopted the Constitution of the United States, in which the prohibitions were against arbitrary government and not against the people. The shall-nots in the Constitution were against the Government, against the Congress, the Executive, and the courts, and not against the people who pay the expenses of the Government. And those prohibitions are still a part of the Constitution.

President Nicholas Murray Butler, of Columbia University, recently wrote to Commissioner Haynes:

> From the standpoint of the citizen our law is a unit. When I urge obedience to law, I mean obedience to the whole body of American law, Constitution and statutory. I mean the first, the fourth, the fifth, the sixth, the tenth, the fourteenth, and the fifteenth amendments as well as the eighteenth. To select one provision of law for emphatic enforcement at huge cost in derogation of all other provisions of law is itself in spirit a lawless act, and thereby offers incentive to that lawlessness which the genuinely moral and intelligent element of our citizenship are striving by all possible means to check.

I commend this same expression of law enforcement to the prohibition commissioner and to the Members of this body who recite long lists of arrests and tables of fines as evidence of law enforcement.

Why, gentlemen, we are not even protected by that provision of the Constitution which grants us immunity from arrest in going from the sessions of Congress to our homes. Under the reign of terrorism inaugurated here in the National Capital by the commissioner of prohibition a United States Senator was shot down here within the shadow of the Capitol on the one principal thoroughfare designed to connect the legislative and the executive branches of the Government. If there be one street in Washington where a Member of Congress should feel safe to walk, it should be Pennsylvania Avenue; but a few weeks ago Senator GREENE, of Vermont, a man who served long in this House, where we all learned to respect his great ability, his untiring industry, and love his delightful personality, was shot down as he and his wife were walking on the Avenue on their way home. I do not propose to make charges against any officer of the law, but all the evidence I have been able to secure indicates that the only shots fired on that night were fired by the prohibition officer who was trying to arrest two men he suspected as bootleggers. There has been no reliable evidence produced to indicate that the men suspected were violating the law.

They had a copper kettle, which might or might not have been designed as part of a still, and they resisted arrest or ran away, as most of us might be tempted to do when chased by a prohibition officer under the license they exercise here in the National Capital. They were in an alley, and Senator GREENE was on the broad avenue. The Senator was shot; the prohibition officer had a gun, and after the "accident" four chambers of his gun were empty. One of our colleagues here saw the "accident" and has testified that the only shots fired were by the officer. Granted that it was an accidental shooting of a Senator, it is the system of license granted to these enforcement officers that is responsible for the deplorable affair.

The Coast Guard would not have fired at alleged bootleggers in a dark alley and hit a Senator out on the Avenue, so while we are about it we might substitute the Coast Guard for the Prohibition Bureau and give the guard complete control of the effort to enforce the law.

But this accident to Senator GREENE was not an isolated case. The enforcement officers have time and again chased alleged bootleggers through the busiest down-town streets, shooting recklessly, as well as violating all traffic regulations and endangering the lives of scores and even hundreds of innocent citizens. These prohibition sleuths appear to have been imported from the mountains of Kentucky and North Carolina, where they had some experience in potting "moonshiners," and they operate in the congested area of the city as they did in the lonely mountains, shooting at a head whenever they could on the theory that only lawless "moonshiners" inhabited the region. And I think we might admit that to the prohibition-enforcement officer all men—yes, all women and children—are criminals until they have proven to the prohibition unit that they are innocent.

It appears that Congress has become a rather cheap institution when a Senator can be shot down on the street by a prohibition officer and that officer permitted to continue in his official position even when the life of the Senator was hanging by a thread, surrounded by the ablest physicians of the city and with his family notified that the end might come at any time.

To my absolute disgust, the complacency with which both branches of Congress have looked upon that disaster is something I have never heard of in my public life. The life of a Senator was as nothing to the work of the prohibition officer, who was promptly bailed out of the District police station, that he might continue his raiding in the search for evidence of Volsteadian crime.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BYRNS of Tennessee. I yield the gentleman five additional minutes.

The CHAIRMAN. The gentleman from Massachusetts is recognized for five additional minutes.

Mr. GALLIVAN. Manslaughter is not a crime to be compared to that of being suspected of violating the Volstead law.

Mr. CRAMTON. Will the gentleman yield?

Mr. GALLIVAN. Yes.

Mr. CRAMTON. I wonder whether the gentleman from Massachusetts was distressed by the complacency to which he has referred or by the failure of those who are opposed to the enforcement of the law——

Mr. GALLIVAN. I yielded for a question and did not yield for a speech. I refuse to yield any further.

The CHAIRMAN. The gentleman declines to yield further.

Mr. CRAMTON. The gentleman recognizes I am present.

Mr. GALLIVAN. Sit down, please. Wayne Wheeler is talking.

In the days of King James II the order of the King was sufficient to take a man's estates, his wife and daughters, and his life. We have reached a condition under prohibition that borders on that old autocracy. The prohibition commissioner or his subordinates give the order to search homes without warrants, arrest innocent people simply on suspicion of ignorant and violently reckless men who assume to be the law—not only the prohibition law, but all law—ignore such law as they find inconvenient to their purposes and apply their own will or their momentary whim.

I am in favor of law enforcement, but in a lawful way, and with the full body of the law taken into consideration, and by responsible and intelligent officials, not by men who use guns so recklessly and so ignorantly as to shoot a Senator, out on

Pennsylvania Avenue, when aiming at a suspected bootlegger running the other way. If we are to hand a part of prohibition enforcement over to the Coast Guard, let us give the whole job over to the Guard, and I can assure you from my acquaintance that when they shoot at a suspected bootlegger going north they will not hit a Senator on the street to the south. Coast Guard men go after the object they have in view, whether it is a wrecked ship or a poor, drowning man in the sea, or a smuggler who is trying to get away from the clutches of the law. And they will not shoot lawmakers when they are sent to catch lawbreakers.

As I have said before, this Volstead law was to be accepted as a great boon to the people who were waiting impatiently for the action of Congress, as the children of Israel waited for Moses to bring them down from the mountain the tables of stone on which the Almighty had written the law. Volsteadism was to be the new civilization and the people were to fall down and worship it and its promoters with never a question as to its heavenly origin. It was to enforce itself without a dollar of expense to the taxpayers, but we have appropriated about $50,000,000 for the expenses of the prohibition unit in the last four years, and are now about to appropriate a paltry $14,000,000 to enable the Coast Guard to stop the smuggling of liquor from all parts of the world, check the wildest debauchery of intemperance we have ever known and the greatest increase of crime that has ever followed any action of Congress in the way of legislation for the general welfare. If the Coast Guard is to restore respect for law and try to make the Volstead law effective, let us appropriate a hundred millions for that old, gallant, courageous institution that it may make a clean job of it. Do not stop with just enough money to make a 10 per cent law enforcement. Make it a hundred per cent enforcement and pay the bill for having enlisted in the effort to make the world moral by legislation. Let us go through with it if we bankrupt the Federal Treasury and the American people. That is what we will have to do before the Volstead law becomes effective under the inefficient organization now in control of enforcement.

Before my friend from Michigan leaves the Chamber I want to ask him, when we reach the bill under the five-minute rule, to increase this appropriation from $14,000,000 to $100,000,000, and then I will gladly vote for it.

Mr. CRAMTON. Will the gentleman yield?

Mr. GALLIVAN. For a question.

Mr. CRAMTON. Is the gentleman hoping that if we increase it enough it will eventually be defeated?

Mr. GALLIVAN. I do not think so. I think the autocracy of Wayne Wheeler can do anything in this House with an appropriation. He must get the approval of his leader, though; I know that, and that is the reason he can not now promise me that he will increase this appropriation. [Applause.]

Mr. CRAMTON. Mr. Chairman, will the gentleman yield?

Mr. GALLIVAN. Having mentioned the gentleman, of course, I will yield.

Mr. CRAMTON. And mentioned the gentleman in an offensive manner, because the gentleman from Massachusetts knows as well as I do, and as this House does, that the gentleman from Michigan does not take orders from anyone, and the gentleman from Massachusetts would be very quick to resent it if I were to insinuate that he was taking orders from an organized opposition to law enforcement, and I do not so insinuate.

Mr. GALLIVAN. Mr. Chairman, I am inclined to think that perhaps the gentleman does not take orders, but I think the gentleman has interviews. Personally, I take orders from no one, on this question at any rate, and I know of no organized opposition.

The gentleman from Michigan [Mr. CRAMTON] recently discussed the Charge of the Light Brigade, and I suggest that he do not send the Coast Guard into the jaws of death, into the mouth of hell against rum runners with a paltry $14,000,000 for equipment of staunch ships and guns, for they are the boys who will follow the example of the Charge of the Light Brigade—

> Theirs not to make reply,
> Theirs not to reason why,
> Theirs but to do and die.
> Cannon to right of them,
> Cannon to left of them,
> Cannon in front of them.
> Into the jaws of death,
> Into the mouth of hell
> Rode the six hundred.

We have heard much about the desperate characters engaged in rum running and the heroism of the prohibition officers who have been assigned to this duty; but you propose to send the Coast Guard against the rum pirates with little additional equipment, mostly of small motor boats, and assign to that service the work of cleaning up the mess that prohibition has created for the Government, and I would cheerfully join the gentleman from Michigan [Mr. CRAMTON] in making an appropriation that will enable these men to go into battle with the rum pirates in a way to show that the smuggling of liquor can be stopped, even though bootlegging and moonshining continue to flourish on land and in the prohibition States. If we want to make the punishment fit the crime, let us make the appropriation fit the work to be done.

I have told you already that I will probably vote for this bill, and I want the gentleman from Michigan to know that.

Mr. CRAMTON. Will the gentleman yield so that I may ask a question?

Mr. GALLIVAN. And if he will make it $100,000,000, I will vote for it more gladly and with all my heart, whereas now I am voting for it half-heartedly.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. BYRNS of Tennessee. I yield the gentleman from Massachusetts three additional minutes.

Mr. CRAMTON. I just want to ask if the gentleman from Massachusetts was here to-day to vote for the Winslow bill?

Mr. GALLIVAN. Before the gentleman from Michigan came in I explained to the House that for five days I have been sick in bed, and that I am here to-day against my doctor's advice.

Mr. CRAMTON. The gentleman having missed the roll call on this important question, ought not to make insinuations about an absence of mine from the floor for a few minutes, even though the gentleman from Massachusetts might be speaking.

Mr. GALLIVAN. Well, the gentleman is here now and can speak for himself in his own good time. The gentleman knows how to talk and knows where to get thoughts and suggestions. I have to think up my own. [Laughter.]

Mr. CRAMTON. Will the gentleman yield further?

Mr. GALLIVAN. Yes.

Mr. CRAMTON. The gentleman, perhaps, might be well served if he would locate a source for suggestions.

Mr. GALLIVAN. If the gentleman will give me a tip, I would like to have it.

Mr. CRAMTON. I would be very glad to censor any of the gentleman's speeches he desires.

Mr. GALLIVAN. I have to work overtime sometimes trying to think just what to say that is new. I have made a hundred speeches in this House against the gentleman's position, but I am going to finish my own speech; my own speech.

Mr. CRAMTON. Mr. Chairman, the gentleman is not unique in that, and the gentleman is again trying to cast an underhanded insinuation, and it is not like the gentleman.

Mr. GALLIVAN. Oh, do not get excited.

Mr. CRAMTON. I will say that I make none except my own, and apparently sometimes they get a little under the skin of the gentleman from Massachusetts.

Mr. GALLIVAN. They never hurt me. I do not get any votes for what I say here. I do not think the gentleman gets any votes in his part of the country. I do not know that I get any assistance from any speeches I make here on this subject. I mean political assistance, of course. Whether the gentleman does or not is unknown to me, but he comes from a district where I happen to know, in one part of it, there is plenty of rum for those who want it, and I will compare Boston, as a dry city, with any big city in America. I am not going to say it is bone dry, but when Wayne B. Wheeler told me some months ago that he would have them spitting cotton up in Boston, just to get even with me, he did not frighten me in any way, either mentally or physically or any other way. I am sorry to say there are a few rum runners off the coast of Boston, about 40 miles off, and how they ever get to Boston is beyond me.

I do not know that I have anything else to say, Mr. Chairman and gentlemen. I want to repeat that if the gentleman from Michigan will increase this appropriation to $100,000,000 or even to $50,000,000 I will gladly vote for it. Let us make the Coast Guard what it has always been, efficient all the way down the line. The gentleman knows that Admiral Billard told us that he could not promise when he would clear the seas of rum runners, and once more I must remind the gentleman from Michigan that his party being a home-market party, by this legislation is protecting a home industry, and therefore

all the land bootleggers will give three cheers when this bill goes through. [Applause.]

Mr. MADDEN. Mr. Chairman, I yield five minutes to the gentleman from Colorado [Mr. VAILE].

Mr. VAILE. Mr. Chairman, the hour is rather late, and I thank the gentleman from Illinois [Mr. MADDEN] for granting me time at this hour of the day. I do not care particularly whether gentlemen stay to listen to me or not, because what I want to say is to be said for my own moral satisfaction. I think it is something that ought to be said.

To-day, or at least to-morrow, there will probably be received by the Senate of the United States the nomination of a new Secretary of the Navy. Why any man should want to take that position when he must know that he will be accorded the fiercest possible kind of effort to discredit and besmirch him as the first of President Coolidge's appointees I can not understand. At all events, he will be a brave man who will take that position, and such bravery ought to be a substantial guaranty to us that he will perform the duties of the office in an honorable and patriotic manner. I do not want the occasion to pass into history without saying a word in behalf of the Secretary who has just retired, Mr. Edwin Denby. I want to express my belief that in Secretary Denby, who the other day resigned from the office of Secretary of the Navy, we have lost an honest, a faithful, and an efficient public servant. [Applause.] I think we have lost a man who has been devoted to his work and devoted to the country, and I think the country will soon realize that. I for one resent the imputation jumped at in a moment of legislative hysteria that any of his acts have been detrimental to the United States. This certainly has not yet been proved, and I do not believe that it ever will or can be proved. His acts in approving the oil leases were at least in accordance with law, in accordance with statutory authority conferred during the preceding administration, and at the instance and request of his predecessor in office, Secretary Daniels.

Secretary Denby, who from his eagerness to help his country, without any thought of his personal glory or advancement, served in the World War as an enlisted man in the Marine Corps, now goes back as a reserve officer in his beloved service. I believe that he carries with him the hearty good wishes of the American people, and that the American people, sound and sensible of heart and mind, are already beginning to resent the injustice which has been done him by the legislative lynch law which seems to have become a congressional habit.

I am very sure that the people of the United States are beginning to resent the contemptible meanness which has recently attempted to attach odium to other public officers on ridiculously inadequate and irrelevant grounds.

There may be some parts of the country where it is possible to drag the name of the President of the United States into an oil scandal because he sent two telegrams to a Washington newspaper man on matters which the very slightest inquiry would have shown to be entirely unconnected with the subject, one of those messages relating to the government of the District of Columbia and the other an ordinary message of civility and courtesy in acknowledgment of a similar one to him.

There may be some parts of the country where the people can be induced to swallow that kind of a pettifogging fraud, but I can hardly believe it. Certainly my own people are not so narrow or so stupid, and one of the strongest campaign arguments I could make would be to ask them if they propose at the next general election to intrust their destiny to men who could commit or indorse such political chicanery. [Applause.]

Mr. MADDEN. Mr. Chairman, I understand the principal connection that the President has with the oil scandal is the fact that he was sworn into his office of President by the light of an oil lamp.

Mr. VAILE. I was going to develop that one subject, and I thank the gentleman for mentioning it. Why do we not get a real scandal about the President while we are about it? Why not draw attention to the President's real connection with the oil interests, a connection and a dependency created at the very instant when he took his oath of office? Have you forgotten that that oath was administered by the light of a kerosene lamp? Just think of it, gentlemen! In the sinister darkness of a New England homestead, yea, even in the small hours of the morning, the favorite time for the initiation of nefarious undertakings, the new President raised his hand in the rays furnished by the Standard Oil Co. or some other arm of the oil octopus.

Oh, my countrymen, how can we endure such a disgrace!

We can not unless we get back to sanity. God grant that may be soon. The country is tired of breathing and moving in the fog of hysteria spread from hearsay, hearsay generated by suspicion, suspicion spawned by malice.

The country wants work from Congress, not political stenchpots. [Applause.]

Mr. BYRNS of Tennessee. Mr. Chairman, will the gentleman from Illinois yield?

Mr. MADDEN. Yes.

Mr. BYRNS of Tennessee. Is it the purpose of the gentleman to continue with the consideration of this bill to-morrow?

Mr. MADDEN. It is. It is possible that we may have to give way to the Pension Committee at some time during the day for a short time. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. LEHLBACH, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 7449, the first deficiency appropriation bill, fiscal year 1924, and had come to no resolution thereon.

ADJOURNMENT.

Mr. MADDEN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 5 o'clock and 53 minutes p. m.) the House adjourned until to-morrow, Friday, March 14, 1924, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

397. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, reports on preliminary examination and survey of Deep River, Wahkiakum County, Wash., and entrance thereto (H. Doc. No. 218); to the Committee on Rivers and Harbors and ordered to be printed.

398. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of Bellingham Harbor, Wash.; to the Committee on Rivers and Harbors.

399. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, reports on preliminary examinations and survey of Onancock River, Va. (H. Doc. No. 219); to the Committee on Rivers and Harbors and ordered to be printed.

400. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of Puyallup River, Wash., with a view to preparing plans and estimates of cost for the prevention and control of floods on said river and its tributaries, and to determining the extent to which the United States and local interests should cooperate in carrying out any plans recommended (H. Doc. No. 220); to the Committee on Rivers and Harbors and ordered to be printed, with map.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. ANTHONY: Committee on Appropriations. H. R. 7877. A bill making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes; without amendment (Rept. No. 288). Referred to the Committee of the Whole House on the state of the Union.

Mr. WINTER: Committee on War Claims. H. R. 913. A bill referring the claim of the State of Rhode Island for expenses during the war with Spain to the Court of Claims for adjudication; with amendments (Rept. No. 289). Referred to the Committee of the Whole House on the state of the Union.

Mr. FAIRFIELD: Committee on Insular Affairs. H. R. 6583. A bill to amend the organic act of Porto Rico, approved March 2, 1917; with amendments (Rept. No. 291). Referred to the Committee of the Whole House on the state of the Union.

Mr. HASTINGS: Committee on Indian Affairs. H. R. 4462. A bill to amend an act entitled "An act authorizing the payment of the Choctaw and Chickasaw town-site fund, and for other purposes; with an amendment (Rept. No. 293). Referred to the Committee of the Whole House on the state of the Union.

Mr. COOPER of Ohio: Committee on Interstate and Foreign Commerce. H. R. 6623. A bill granting the consent of Congress to the Pittsburgh, Youngstown & Ashtabula Railway Co., its

successors and assigns, to construct a bridge across the Mahoning River in the State of Ohio; without amendment (Rept. No. 292). Referred to the House Calendar.

Mr. HOWARD of Oklahoma: Committee on Indian Affairs. H. R. 4818. A bill to perfect the title of purchasers of Indian lands sold under the provisions of any act of Congress and pursuant to regulations of the Secretary of the Interior; with an amendment (Rept. No. 294). Referred to the Committee of the Whole House on the state of the Union.

Mr. GARBER: Committee on Indian Affairs. H. R. 5325. A bill conferring jurisdiction upon the Court of Claims to hear, examine, consider, and adjudicate claims which the Choctaw and Chickasaw Indians may have against the United States, and for other purposes; with an amendment (Rept. No. 295). Referred to the Committee of the Whole House on the state of the Union.

Mr. NEWTON of Minnesota: Committee on Interstate and Foreign Commerce. H. R. 6724. A bill granting the consent of Congress to the counties of Sibley and Scott, Minn., to construct a bridge across the Minnesota River; without amendment (Rept. No. 299). Referred to the House Calendar.

Mr. BURTNESS: Committee on Interstate and Foreign Commerce. H. R. 6955. A bill granting the consent of Congress to the State of South Dakota for the construction of a bridge across the Missouri River between Potter County and Dewey County, S. Dak.; without amendment (Rept. No. 300). Referred to the House Calendar.

Mr. GIBSON: Committee on the District of Columbia. S. 1339. A bill to authorize the widening of Georgia Avenue between Fairmont Street and Gresham Place NW.; without amendment (Rept. No. 301). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. WINTER: Committee on War Claims. H. R. 912. A bill for the relief of John H. Barrett and wife; with amendments (Rept. No. 290). Referred to the Committee of the Whole House.

Mr. SNYDER: Committee on Indian Affairs. H. R. 2875. A bill to provide for the addition of the names of certain persons to the final roll of the Indians of the Flathead Indian Reservation, Mont.; without amendment (Rept. No. 296). Referred to the Committee of the Whole House.

Mr. HOWARD of Nebraska: Committee on Indian Affairs. H. R. 6328. A bill for the relief of Charles F. Peirce, Frank T. Mann, and Mollie V. Gaither; without amendment (Rept. No. 297). Referred to the Committee of the Whole House.

Mr. BOX: Committee on Claims. S. 1219. A bill for the relief of Margaret Nolan; with an amendment (Rept. No. 298). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. ANTHONY: A bill (H. R. 7877) making appropriations for the military and nonmilitary activities of the War Department for the fiscal year ending June 30, 1925, and for other purposes; committed to the Committee of the Whole House on the state of the Union.

By Mr. GARBER: A bill (H. R. 7878) conferring jurisdiction on the Court of Claims for adjudging the rights of the Otoe and Missouria Tribes of Indians for compensation on a basis of guardian and ward, and conferring jurisdiction on the Court of Claims to adjust the claims between the Otoe and Missouria Tribes of Indians and the Omaha Indians to certain moneys received by the Omaha Indians; to the Committee on Indian Affairs.

By Mr. MERRITT: A bill (H. R. 7879) to provide for the purchase of additional land for the enlargement of the site of the public building at Stamford, Conn.; to the Committee on Public Buildings and Grounds.

By Mr. HOWARD of Oklahoma: A bill (H. R. 7880) to enlarge, extend, and remodel the post-office building at Tulsa, Okla., or to authorize the purchase of a site and erection and completion of a building thereon, in the discretion of the Secretary of the Treasury; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 7881) for the purchase of a site and the erection of a public building at Pawnee, Okla.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 7882) for the purchase of a site and the erection of a public building at Vinita, Okla.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 7883) for the purchase of a site and the erection of a public building at Miami, Okla.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 7884) for the purchase of a site and the erection of a public building at Pawhuska, Okla.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 7885) for the purchase of a site and the erection of a public building at Bartlesville, Okla.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 7886) for the purchase of a site and the erection of a public building at Nowata, Okla.; to the Committee on Public Buildings and Grounds.

By Mr. SNYDER: A bill (H. R. 7887) to provide for quarters, fuel, and light for employees of the Indian field service; to the Committee on Indian Affairs.

Also, a bill (H. R. 7888) to provide for expenditure of tribal funds of Indians for construction, repair, and rental of agency buildings and related purposes; to the Committee on Indian Affairs.

By Mr. SANDLIN: A bill (H. R. 7889) to amend section 28 of the Judicial Code; to the Committee on the Judiciary.

By Mr. ANDREW: Concurrent resolution (H. Con. Res. 16) that permanent markers upon the military graves in Europe shall resemble in form and effect the existing wooden markers; to the Committee on Military Affairs.

By Mr. GRAHAM of Pennsylvania: Resolution (H. Res. 219) for the consideration of the bill H. R. 661 entitled "A bill authorizing the President to appoint two additional circuit judges for the eighth circuit"; to the Committee on Rules.

Also, resolution (H. Res. 220) for the consideration of the bill H. R. 3318 entitled "A bill to provide for the appointment of two additional judges of the district court of the United States for the southern district of New York"; to the Committee on Rules.

By Mr. MACGREGOR: Memorial of the Legislature of the State of New York, favoring enactment of legislation to equalize disability pay to veterans of all wars; to the Committee on Pensions.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CELLER: A bill (H. R. 7890) for the relief of Jay Jones; to the Committee on Claims.

Also, a bill (H. R. 7891) for the relief of Geraldine Kester; to the Committee on Claims.

Also, a bill (H. R. 7892) for the relief of Margaret B. Knapp; to the Committee on Claims.

By Mr. DENISON: A bill (H. R. 7893) granting a pension to Mary E. Tanner; to the Committee on Invalid Pensions.

By Mr. ELLIOTT: A bill (H. R. 7894) granting a pension to John F. Joyce; to the Committee on Pensions.

By Mr. HAMMER: A bill (H. R. 7895) to give the Court of Claims jurisdiction to hear and adjudge the claims of the estate of John Frazer, deceased, and others; to the Committee on Claims.

By Mr. KENDALL: A bill (H. R. 7896) granting a pension to Rebecca Huey; to the Committee on Invalid Pensions.

By Mr. LOZIER: A bill (H. R. 7897) granting a pension to Christena J. Carter; to the Committee on Pensions.

By Mr. MACGREGOR: A bill (H. R. 7898) for the relief of Edward Camp; to the Committee on Military Affairs.

By Mr. MAGEE of Pennsylvania: A bill (H. R. 7899) for the relief of Dr. Charles M. MacDonald; to the Committee on Claims.

By Mr. MEAD: A bill (H. R. 7900) for the relief of Charles Schreiber; to the Committee on Naval Affairs.

Also, a bill (H. R. 7901) granting a pension to Georgiana D. Umpleby; to the Committee on Invalid Pensions.

By Mr. MORGAN: A bill (H. R. 7902) granting an increase of pension to Lephe J. Barler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7903) granting an increase of pension to Eli Hayes; to the Committee on Pensions.

By Mr. NELSON of Maine: A bill (H. R. 7904) granting a pension to Allen Y. Boggs; to the Committee on Invalid Pensions.

By Mr. PARKS of Arkansas: A bill (H. R. 7905) to make a preliminary survey of Red River, south of Fulton, in Arkansas, with a view to control of its floods; to the Committee on Flood Control.

By Mr. SNELL: A bill (H. R. 7906) granting a pension to Harriet Holmes; to the Committee on Invalid Pensions.

By Mr. TAYLOR of Tennessee: A bill (H. R. 7907) granting a pension to Mary B. Aiken; to the Committee on Pensions.

Also, a bill (H. R. 7908) granting a pension to Carl D. Watters; to the Committee on Pensions.

By Mr. VAILE: A bill (H. R. 7909) granting the consent of Congress to the construction, maintenance, and operation by the Denver & Rio Grande Western Railroad Co., its successors and assigns, of a line of railroad across the southwesterly portion of the Fort Logan Military Reservation in the State of Colorado; to the Committee on Military Affairs.

By Mr. WILSON of Indiana: A bill (H. R. 7910) for the relief of Alfred Harris; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1713. By the SPEAKER (by request): Petition of the municipal government of Batac, Ilocos Norte, P. I., asking that the Philippine Islands be given their independence; to the Committee on Insular Affairs.

1714. Also (by request), petition of the Oklahoma Branch of the National Woman's Party, indorsing the Lucretia Mott amendment to the Federal Constitution; to the Committee on the Judiciary.

1715. By Mr. ALDRICH: Petition of members of the twenty-sixth district in Rhode Island of the Polish National Alliance of America, protesting against the passage of the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1716. By Mr. ANDREW: Petitions of congregation Ohabei Shalom and its kindred organizations, Sisterhood Temple Ohabei Shalom and the Brotherhood Temple Ohabei Shalom, protesting against the adoption of the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1717. By Mr. CELLER: Petition of Jewish Veterans of the Wars of the Republic, East Side Post, No. 4, opposing any further restrictions in immigration laws; to the Committee on Immigration and Naturalization.

1718. Also, petition of Manufacturers and Dealers' League of City and State of New York, favoring an immediate reduction of 25 per cent in the 1923 Federal income tax; to the Committee on Ways and Means.

1719. By Mr. CROWTHER: Petition of Lodge Pieta Ed Amore, No. 820, Order of the Sons of Italy in America, of Schenectady, N. Y., voicing disapproval of the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1720. By Mr. FULLER: Petitions of the National Association of Letter Carriers, and sundry post-office employees, and other citizens, for reclassification and increase of salaries of postal employees; to the committee on the Post Office and Post Roads.

1721. By Mr. LEAVITT: Petition of 200 members of the Woman's Christian Temperance Union of Billings, Mont., indorsing House bill 4102, a bill to provide for a bureau of prohibition in the Treasury Department, and to define its powers and duties; to the Committee on the Judiciary.

1722. By Mr. LUCE: Petition of residents of the thirteenth Massachusetts congressional district, urging the manufacture of material for Army and Navy in arsenals and navy yards; to the Committee on Naval Affairs.

1723. By Mr. MACGREGOR: Resolution of the New York State Forestry Association at their twelfth annual meeting, approving of the provisions of Senate bill 1182 and House bill 4830 and urging their speedy enactment into law; to the Committee on Agriculture.

1724. Also, petition of Riverside Residents Association, John Beiring, secretary, urging Congress to enact legislation to deport aliens convicted of crimes; to the Committee on Immigration and Naturalization.

1725. By Mr. O'CONNELL of Rhode Island: Petition of members of the Rhode Island Polish National Alliance of America opposing the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1726. By Mr. PATTERSON: Petition of Woodstown Chamber of Commerce, Woodstown, Salem County, N. J., indorsing certain changes in first, second, and third class mail matter; to the Committee on the Post Office and Post Roads.

1727. By Mr. STRONG of Pennsylvania: Petition of Washington Camp, No. 696, Patriotic Order Sons of America, Kelly Station, Pa., in favor of legislation to further restrict immigration; to the Committee on Immigration and Naturalization.

1728. By Mr. TAGUE: Petition of Congregation Ohabei Shalom and its kindred organizations, Sisterhood Temple Ohabei Shalom and the Brotherhood Temple Ohabei Shalom, of Boston, Mass., protesting against enactment of Johnson immigration bill; to the Committee on Immigration and Naturalization.

1729. By Mr. TEMPLE: Petition of Washington County Chapter, Daughters of American Revolution, Washington, Pa., indorsing the bill providing that The Star Spangled Banner be made the national anthem of the United States; to the Committee on the Judiciary.

1730. By Mr. TINKHAM: Petition of the grain board of the Boston Chamber of Commerce, expressing opposition to the McNary-Haugen bill; to the Committee on Agriculture.

1731. Also, petition of Brotherhood Temple Ohabei Shalom, opposing the Johnson immigration bill on the ground that it is in conflict with the United States Constitution; to the Committee on Immigration and Naturalization.

SENATE.

FRIDAY, *March 14, 1924.*

The Chaplain, Rev. J. J. Muir, D. D., offered the following prayer:

Gracious Father, we thank Thee this morning for the brightness of the day, and we do ask that there may be such response of gratitude in our hearts and lives that it may express the fullest appreciation of our dependence upon Thee and our willingness to walk in the paths of Thy commandments. Be pleased to be with us. Help us in the midst of problems multiplied. Be our wisdom, our guide, and ever deliver us from that which is not according to Thy will. We ask in Jesus Christ's name. Amen.

NAMING A PRESIDING OFFICER.

The Secretary (George A. Sanderson) read the following communication:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., March 14, 1924.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. JAMES W. WADSWORTH, Jr., a Senator from the State of New York, to perform the duties of the Chair this legislative day.

ALBERT B. CUMMINS,
President pro tempore.

Mr. WADSWORTH thereupon took the chair as Presiding Officer.

THE JOURNAL.

The reading clerk proceeded to read the Journal of the proceedings of the legislative day of Wednesday last when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

CALL OF THE ROLL.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The principal clerk called the roll, and the following Senators answered to their names:

Adams	Ferris	Ladd	Sheppard
Ashurst	Fess	Lodge	Shields
Ball	Fletcher	McKellar	Shipstead
Bayard	Frazier	McKinley	Shortridge
Borah	George	McLean	Simmons
Brandegee	Gerry	McNary	Smith
Brookhart	Glass	Mayfield	Smoot
Broussard	Gooding	Neely	Spencer
Bruce	Hale	Norris	Stanfield
Bursum	Harreld	Oddie	Stephens
Capper	Harris	Overman	Swanson
Caraway	Harrison	Owen	Trammell
Colt	Howell	Pepper	Wadsworth
Copeland	Johnson, Minn.	Phipps	Walsh, Mass.
Couzens	Jones, N. Mex.	Pittman	Warren
Curtis	Jones, Wash.	Ralston	Watson
Dale	Kendrick	Ransdell	Weller
Dill	Keyes	Reed, Pa.	Wheeler
Ernst	King	Robinson	Willis

The PRESIDING OFFICER. Seventy-six Senators having answered to their names, a quorum is present.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on certain amendments of the Senate to the bill (H. R. 5078) making appropriations for

the Department of the Interior for the fiscal year ending June 30, 1925, and for other purposes.

The message also announced that the House receded from its disagreement to the amendments of the Senate numbered 1, 36, and 58, to the said bill (H. R. 5078); that the House receded from its disagreement to the amendments of the Senate numbered 47 and 60, and concurred therein each with an amendment, in which it requested the concurrence of the Senate; that the House insisted upon its disagreement to the amendments of the Senate numbered 15, 16, 17, 18, 19, 38, and 39, and requested a further conference with the Senate on the disagreeing votes of the Houses thereon, and that Mr. CRAMTON, Mr. MURPHY, and Mr. CARTER were appointed managers on the part of the House at the further conference.

ENROLLED BILLS SIGNED.

The message further announced that the Speaker of the House had signed the enrolled bill (S. 684) to authorize the coinage of 50-cent pieces in commemoration of the commencement on June 18, 1923, of the work of carving on Stone Mountain, in the State of Georgia, a monument to the valor of the soldiers of the South, which was the inspiration of their sons and daughters and grandsons and granddaughters in the Spanish-American and World Wars, and in memory of Warren G. Harding, President of the United States of America, in whose administration the work was begun, and the bill was subsequently signed by the Presiding Officer [Mr. WADSWORTH] as Acting President pro tempore.

INTERIOR DEPARTMENT APPROPRIATIONS.

Mr. SMOOT. Mr. President, I desire to give notice now that if a session of the Senate is held to-morrow I shall call up this report for action. I would have done it at this time, but the junior Senator from Arizona [Mr. CAMERON] is absent for the day, and he asked me that action on the report be deferred until to-morrow for that reason.

Mr. WARREN. It is the report on the Interior Department appropriation bill to which the Senator refers?

Mr. SMOOT. It is.

Mr. FLETCHER. It would not be conclusive in any case, because the House asks for a further conference.

Mr. SMOOT. Certainly. All amendments are agreed to with the exception of Nos. 15, 16, 17, 18, 19, 38, and 39. It is only a partial report.

Mr. McNARY. Mr. President, I ask unanimous consent to have printed in the RECORD a statement given in a letter addressed to the Senator from Utah [Mr. SMOOT] written by the Senator from Arizona [Mr. CAMERON], with respect to an item in the Interior Department appropriation bill now in conference.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MARCH 14, 1924.

Hon. REED SMOOT,
Chairman Senate Conference on H. R. 5078,
United States Senate.

MY DEAR SENATOR: On March 11 the House receded from its disagreement to the Senate amendment No. 47 and concurred therein with an amendment as follows:

> "In lieu of the matter proposed to be stricken out by said amendment insert: 'For the construction of trails within the Grand Canyon National Park, $100,000, to be immediately available and to remain available until expended: *Provided*, That said sum may be used by the Secretary of the Interior for the purchase from the county of Coconino, Ariz., of the Bright Angel Toll Road and Trail within said park, under such terms and conditions as he may deem proper, and the Secretary of the Interior is authorized to construct an approach road from the National Old Trails Highway to the south boundary of said park.'"

The amendment is objectionable on the following grounds:

1. Under the statutes of the State of Arizona the said Bright Angel Toll Road and Trail can not be purchased by the Secretary of the Interior for the United States from the county of Coconino and any negotiations between the Secretary of the Interior and the county of Coconino would be futile.

2. A new trail from the rim to the bottom of the canyon is not necessary for the reason that there are three accessible trails from the rim to the bottom of the canyon at the present time, two of which are in use, of which one belongs to the National Park Service, and the third, belonging to the National Park Service, is available for use if necessary.

3. There is no paramount necessity for appropriating this sum for a duplication of a road or trail for public use which is being adequately served at the present time, and the capacity of the present road or trails will serve the public for many years to come.

The legal objections to the original item were clearly pointed out to the Secretary of the Interior in a letter addressed to him under date of July 16, 1923 (see CONGRESSIONAL RECORD, March 11, 1924, p. 4003); but notwithstanding such objections the board of supervisors entered into such illegal contract "in accordance with the letter dictated by Government officials and others while in conference," and these facts were withheld by these Government officials from the Congress when the original item in the appropriation bill was presented.

The report of the Secretary of the Interior stated: "No part of this sum will be paid over to the county until a satisfactory deed has been executed and delivered, vesting full and complete title in the trail in the United States." This statement was clearly intended to convey the idea that the county of Coconino was to receive the $100,000 provided for in the bill, whereas as a matter of fact there was no intention on the part of the Government to pay the county of Coconino one cent, and the only thing the county was to receive was an indefinite promise that the Government would spend $100,000 on a road some time in the remote future.

The objections to the original item can be applied to the amendment, as above stated, and in addition thereto it is to be pointed out that the said item was not included in the Budget as recommended by the Bureau of the Budget.

It would seem, therefore, that the policy of the Congress being to retrench all expenditures, even to denying relief to a large body of citizens in great need, it is difficult to understand the imperative necessity of departing from that policy in this particular case, and appropriating large sums of money for the duplication of a road or trail which meets all the requirements of the public at the present time.

With kind personal regards, I remain

Sincerely yours, RALPH H. CAMERON.

ADDRESS BY SENATOR COPELAND.

Mr. ROBINSON. Mr. President, I ask unanimous consent to have printed in the RECORD an address delivered by the Senator from New York [Mr. COPELAND] at Memorial Hall, Washington, D. C., February 22, 1924, on the life and character of George Washington.

The PRESIDING OFFICER (Mr. WADSWORTH in the chair). Without objection, it is so ordered.

The address is as follows:

GEORGE WASHINGTON, FIRST IN PEACE.

(By Senator ROYAL S. COPELAND at Memorial Hall, Washington, D. C. February 22, 1924.)

This is the anniversary of a great man's birth. Like every anniversary, it should be made the occasion for serious meditation. To-day we will consider some of the things for which this man stood. I want to talk about him as a man of peace, because after all it was his work for peace which should make the greatest appeal to us.

We think of George Washington as a soldier and as a statesman, but whoever thinks of him as a tiller of the soil? Had you lived in his time and asked him about his calling he would have replied at once, "I am a farmer."

As a matter of fact, Washington was one of the leading and one of the most successful farmers of his generation. Much of his time during the day he was in the saddle, personally superintending the cultivation of his estate. Dusk and bad weather found him at his farm records.

George Washington was a prudent and painstaking farmer. He kept books and checked up on his agricultural results. He could tell to the fraction of a shilling what his labors were accomplishing.

With the close of the Revolution he returned with vigor to the duties of his farm. One of the writers of his own period describes Washington's activities, saying:

> "The improvement of American husbandry enjoyed his close attention, and in the prosecution of plans adapted to the purpose he entered into correspondence with distinguished European agriculturists. The result of this information and of his own experience he applied to amend his farming implements, to improve his breed of cattle, and in various experiments suited to the soil he cultivated. The plans which succeeded with him he recommended to the farmers around him."

Everybody knows the story of Washington's military exploits and of his career in the President's chair. We know he was "first in war" and "first in the hearts of his countrymen." To-day let us study the man who was "first in peace."

Upon a platform supplied by the Declaration of Independence was fought the Revolutionary War. But with the end of that war and the retirement of General Washington to Mount Vernon it was discovered that the declaration was not a sufficient foundation upon which to build a nation. More was required than the formulation of high-minded and inspiring convictions about government. Something more was demanded to furnish the cohesion needed by the States and the proper exercise of their new-found freedom.

During this period the States floated about like a lot of ships adrift on the ocean. When one became conscious of another it was because of the shock of contact. There was comfort only in the absence of contact.

To Washington and the other thinking men of the time this was a period fraught with greater dangers and discouragement than the exciting years of the great conflict. They appeared to feel that war was less to be dreaded than the unsatisfactory peace which followed.

Washington became discouraged. Almost before anybody else he became a nationalist. No longer did he think in the terms of his own State or Colony, but he came to appreciate that there must be a more complete union between the States in order to cope successfully with the new conditions.

On one occasion he wrote to Hamilton:

> "It is clearly my opinion, unless Congress have powers competent to all general purposes, that the distresses we have encountered, the expense we have incurred, and the blood we have spilt will avail us nothing."

In another letter to Hamilton he said:

> "My wish to see the union of these States established upon liberal and permanent principles and the inclination to contribute my mite in pointing out the defects in the present Constitution are equally great."

This was no new sentiment on the part of Washington. Apparently he had given much thought during the war to the necessity of a close union of the Colonies. Immediately at the close of the Revolution he sent a circular letter to the governors of all the States, pointing out several things which he considered essential to the well-being and even to the existence of the United States as an independent power. I quote what Washington appeared to consider the most important of these suggestions:

> "The prevalence of that pacific and friendly disposition among the people of the United States which will induce them to forget their local prejudices and politics; to make those mutual concessions which are requisite to the general prosperity; and, in some instances, to sacrifice their individual advantages to the interest of the community."

In his last address to the Army he said:

> "Unless the principles of the Federal Government were properly supported and the powers of the Union increased the honor, dignity, and justice of the Nation would be lost forever."

As a matter of fact, there was the most disagreeable feeling between the States. My own State of New York taxed the firewood and vegetables brought into it from New Jersey. In her turn, New Jersey charged New York $1,800 a year for the privilege of having a lighthouse on the Jersey coast to protect New York Harbor. The conditions which had compelled union during the war having disappeared, the States fell apart and acted purely as individual units. For the lack of a money system and money the crops rotted in the fields. High taxes and debts oppressed the people. There was distress everywhere, and those in authority failed utterly to meet the condition.

As time went on Washington grew more and more unhappy over the lack of sympathetic cooperation between the States. On one occasion he suggested that the state of affairs in America had become a stench in the nostrils of Europe. He felt that the war had been a failure because of the lack of permanent accomplishment for the common good, due largely to individual selfishness.

When we read his letter to Congressman Henry Lee, it would seem as if Washington were alive and had written but recently. Listen to his burning words:

> "My opinion [of the Federal Government] is that there is more wickedness than ignorance in the conduct of the States; or, in other words, in the conduct of those who have too much influence in the government of them; and until the curtain is withdrawn and the private views and selfish principles upon which these men act are exposed to public notice, I have little hope of amendment without another convulsion."

Washington was ever thinking about the things having to do with the failure of government. Gradually his ideas crystallized, resulting finally in the conviction that a plan, no matter how radical, must be elaborated to solve the problem of establishing an effective Federal Government.

Jefferson held the same views, and it was to him that Washington communicated his fears, but Jefferson was in Europe. However, Hamilton and Madison joined Washington in a movement to amend the Articles of Confederation. The work of these men cleared the way for the adoption of the Constitution.

It is fortunate for us that instead of resting upon his laurels and settling down to the enjoyment of the rural bliss of Mount Vernon, Washington continued writing appeals. He never stopped advancing arguments for permanent union to the leading men in every State. I say it is fortunate that he held to these views, because with the aid of the limitless influence of Washington it was possible to accomplish the great things which otherwise might have been delayed until it was too late.

Before anything of tangible value grew out of the feelings possessed by Washington and his immediate friends, there came about a rapid decline in the powers and influence of the Congress. The feeling between Washington's own State of Virginia and Maryland became so disagreeable that delegates met at Mount Vernon to arrange a sort of commercial treaty between the two States. Out of this grew the movement to call together representatives of all the States to meet at Annapolis, for the purpose of "taking into consideration the trade of the United States." It was really an economic conference.

Following the Annapolis gathering another convention met at Philadelphia, called for the sole purpose of revising the Articles of Confederation. As the outstanding figure in American life Washington was chosen by unanimous vote to preside over the convention. Here he remained for four months, conducting it through many stormy sessions.

After a month of fruitless debate, Edmund Randolph, of Virginia, moved to set aside the Articles of Confederation and to establish a government founded on a new constitution. For proposals of less significance than this, men have been shot at sunrise. Randolph started a movement which overturned a government and built another on its ruins. He inaugurated a bloodless and successful revolution.

Out of this gathering came the Constitution. The men who wrote it came from States quite as far apart and as unfriendly to each other as the countries of Europe are to-day. With the adoption of the Constitution the discordant and warring individual parts were assembled into a compact, powerful machine. The Union became a reality.

To my mind the accomplishments of Washington in the field of peace are more fruitful, if such a thing can be possible, than in the field of war. To him, certainly as much as to any one man, must be given credit for the American Constitution, the never-failing bulwark of our liberties. No wonder a grateful people having given him first place in war, declared him first in peace. So long as the sun shines on the American flag, George Washington will be first in the hearts of his countrymen and, in my opinion, largely because of his accomplishments for permanent peace.

It is not surprising that in the operation of the new machinery of government there should be found defects. As a matter of fact, several were almost immediately recognized. Ten amendments to the original Constitution, including the Bill of Rights, were proposed at the first session of the Congress in 1789, but by the end of Washington's second term the machine was running smoothly. With the adoption and operation of constitutional government our country became strong at home and respected abroad.

Out of the mass of material which the history of these early years developed there is much we can study with profit and apply to the needs of our own generation. It will not be amiss, I am sure, if to-day we consider the foreign policy of Washington and the final conclusions as to those relationships which the Father of his Country believed should characterize our attitude toward other nations.

It is remarkable, as I have said, how similar are world conditions to-day to the conditions which existed in America during the years following the Revolution. While we have in America a certain degree of prosperity, the rest of the globe is in turmoil. Economic disaster is staring in the face many a nation on the other side of the ocean. I want to speak about our relationship to these foreign lands, because Washington thought about them and wrote about them.

FOREIGN RELATIONS.

It is human to stand aloof from great world questions. Their very magnitude frightens us. We hesitate to approach them in the way we attack the little problems of our own households. We scurry away when the troubles of the great round world are mentioned. Is not this attitude of mind merely an unusual expression of stage fright?

Let us study the world disease exactly as we would a simple little incident in our daily walk. What are some of the conclusions we would reach?

Hunger, broken rest, the stress and strain of mental and physical want—these make for restlessness, irritability, quarrelsomeness, and war. Every school-teacher, every parent knows that the way to keep children from quarreling and the way to make them happy is to keep them busy. Men are like children and nations are like groups of children.

To restore peace, to obliterate the scars of the Great War, to wipe out hatred, to calm the fears and agitation of the world's mind, there must be found a way to put the world back to work.

The present trouble of Europe is not war or the fear of war—it is the discontent born of idleness. What the world needs is work. It needs to be busy. Nothing makes for contentment of mind like pleasing occupation, with a fair share of the profits, and the certainty of unfailing income.

Hunger, disease, undernourishment of children, social unrest, interrupted education, mental stunting, and broken lives are found throughout the earth. They must be replaced by health, vigor, and happiness, which are the natural outcome of peace, industrial activity, and freedom to work and to earn.

The business, the industry, the commerce of the world must be reestablished. What statesmen should do, it seems to me, is to find the

least common denominator upon which they can agree and then proceed to settle the world's economic troubles by the accepted formula.

To my mind this is a page from the book we should study just now. It may be the elementary arithmetic of politics, but at least it presents something which can be understood by everybody.

Our farmers want markets for their surplus grain. Our manufacturers wish to dispose of their products. Our merchants hunt markets for their goods. Our ships await cargoes. Our railroads seek freight. More than this, our citizens pray for a permanency in prosperity, and want nothing to interfere with the steady flow of the streams of trade and commerce throughout the world.

There is nothing remarkable in this diagnosis of American desires. Neither is our feeling different from the impulses and desires of the citizens of every other country on earth. Undoubtedly our view is shared by men everywhere.

Even if the sentiment of the dominating group is against entrance into some sort of an association of nations, is America to shirk the leadership the world looks to us to assume?

Even though we should assume the correctness of the statement often repeated that America is unwilling to enter into a permanent political alliance with nations across the ocean, are we on this account to be purely negative in our national attitude? Will somebody tell me why some present effort is not being made to deal with the world's difficulties, not from a political standpoint, not with the idea of permanent alliance but solely and wholly to restore economic prosperity to the world? Why not seek to revive national and world business, to rehabilitate the commerce of the world, and to wipe out international hatred by replacing it with that contentment and peace of mind associated with economic or business activity?

No matter what may have been possible immediately after the armistice—no matter what may be possible next year or in the next decade—the fact remains that the immediate need of the world, of our world, is for all of the world to get back to work.

My immediate appeal is for an attempt at economic agreement, regardless of political differences and intrigues. The most bitter opponent of the League of Nations can not object to the consideration of a plan for the economic rehabilitation of the world. The most ardent supporter of the league, after these years of deferred hope and endless disappointment, can not object to a brief departure from the original program. It will be a period during which heated feelings may cool and engendered hatreds may be buried.

In certain lines in America we have prosperity, but the idleness of the rest of the world should warn us that our prosperity is likely to be transient. We must not disregard the warnings given by the economic signals. All the signs indicate approaching financial, commercial, and industrial depression. I should consider him a very poor guardian of the public health if the official waited until the disease entered the city before preparing to combat it. It is the duty of statesmen, too, to anticipate events and to escape national disaster by early and effective action.

In my opinion the surest guaranty against this imminent peril is the calling of an immediate economic conference—a world conference. Such a conference should not be limited to the major nations. It should include them all, old and new, eastern, western, and central.

From every viewpoint, it seems to me, the world must welcome a proposal for a business and economic conference. The diplomats of all nations have tried to settle these problems. They have failed. The Government has neglected to use our tremendous moral, political, and economic influence to bring about a settlement of the world's economic troubles. Yet who can doubt that our country should take the initiative?

Let it be understood that such an economic arrangement as I propose is for a limited time and for a single purpose—the rehabilitation of the world's industry and commerce. No other consideration should be permitted to mar the purpose of this movement.

In Washington's Farewell Address, in the paragraph immediately preceding the one where he so touchingly speaks of his advice as "the counsels of an old and affectionate friend," he uses language I wish to quote. It is as follows:

> "Harmony, liberal intercourse with all nations are recommended by policy, humanity, and interest. But even our commercial policy should hold an equal and impartial hand, neither seeking nor granting exclusive favors or preferences; consulting the natural course of things; diffusing and diversifying by gentle means the streams of commerce, but forcing nothing; establishing with powers so disposed, in order to give trade a stable course, to define the rights of our merchants, and to enable the Government to support them, conventional rules of intercourse, the best that present circumstances and mutual opinion will permit, but temporary and liable to be from time to time abandoned or varied as experience and circumstances shall dictate; constantly keeping in view that it is folly for one nation to look for disinterested favors from another."

These are exactly the things I have in mind as necessary for immediate adoption—temporary arrangements, building up, or to use Washington's quaint phrase, "establishing with powers so disposed, such economic stimulation as will set flowing again the streams of commerce." It seems to me such action would insure harmony, liberal intercourse with nations, and certainly such action is recommended by policy, humanity, and interest.

I wish we might turn aside from our accustomed and predominating political beliefs just long enough to take stock of present economic conditions.

If a great fire is raging and a city block is threatened with destruction, we do not hold a convention to determine what form of fire apparatus should be purchased and what method of administrative control should be used in the fire department. First, we employ every facility at hand to put out the fire. When the immediate conflagration is ended we will sit down to discuss the larger and permanent policy of the city with regard to the department.

It seems to me this country can not afford to shirk the responsibility of making every possible attempt to have determined an economic policy for the world. Surely there is a way to accomplish this. It is very probable that by "gentle means," to quote Washington, we may open the streams of commerce.

Is it not worth while to try? What finer thing could be accomplished? We have the moral force, born of conviction as to our duty, to take up arms against our sea of troubles and by united economic effort to relieve the misery of the world.

What a joy it would be to that man who has just left us if we could have made a start toward the goal of peace he never permitted to leave his gaze. Woodrow Wilson was the greatest of the casualties of the Great War, a martyr to his cosmic outlook. He will remain forever in the national mind as bound in links of peace to that other great American, George Washington.

I prefer to think of Washington as a man of peace. His moral life and his every instinct made him such. He stands out as a mountain peak among the heroes of peace.

Once I stood on Rigi's top awaiting that most wonderful of all human experiences, a sunrise in the Swiss Alps. Fog and mist obscured everything, and an object a dozen feet away looked distorted and grotesque.

Groping my way through the dim light, I reached a place which my guide said was the highest point, the tiptop of the mountain. Here I stood shivering in the cold, awaiting the arrival of Old Sol. Off in the east was no sign of sunrise.

Hearing an exclamation, I turned to see a mountain top away off to the west, higher than the rest, and first to catch the outriding rays of the orb of day. There, clothed in the robes of golden morning, stood the Jungfrau, the young bride, in dazzling costume, awaiting the coming of the bridegroom.

The sun rose higher, yet still it was below the level of Mount Rigi. The tips of other mountains, one here and one there, came into view, like points of golden nails driven from the clouds and mists beneath by the unseen hand of some mighty giant.

I turned again to face the east as the sun rose above the horizon, sending its shafts across valley and stream. It gilded the waterfalls and sparkled upon the glaciers. The fairest of all fair landscapes came into glorious view. In a world where the Jungfrau stood alone were to be seen hundreds of other giant mountains, all bathed in the glorious sunshine of a day of marvelous promise.

In the year 1924 we stand in a high place from which to view the landscape of history. Where is the outstanding figure, the one first to catch the rays of the sun of liberty? Towering above all the rest of the giant characters, there stands out, head and shoulders above all the rest, the majestic figure of George Washington, the Father of his Country.

He was first in war, first in peace, and forever, friends, he will continue to be first in the hearts of his countrymen.

TREATY WITH COLOMBIA (S. DOC. NO. 64).

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was read:

To the Senate:

I transmit herewith a report from the Secretary of State, with accompanying papers, in response to the Senate's resolution of February 13, 1924, requesting him to furnish the Senate with copies of all diplomatic correspondence, if not incompatible with the public interest, in connection with the ratification of the treaty concluded between the United States and Colombia on April 6, 1914, and in connection with the securing of any oil concessions for American citizens or corporations organized and doing business in the United States, between this Government and the Government of Colombia.

CALVIN COOLIDGE.

THE WHITE HOUSE, *March 14, 1924.*

Mr. LODGE. I ask that the message of the President and the accompanying papers may be printed and referred to the Committee on Foreign Relations.

The PRESIDING OFFICER. Is there objection?

Mr. DILL. Mr. President, I did not understand the request.

Mr. LODGE. I ask that the message and accompanying papers may be printed for the use of the Senate and referred in the usual course to the Committee on Foreign Relations.

Mr. DILL. The message and papers relate to a subject of particular interest to the Public Lands Committee, and I think that committee should be able to utilize them.

Mr. LODGE. It is wholly a matter of foreign relations.

Mr. DILL. The subject has been before the Public Lands Committee.

Mr. LODGE. It relates to a treaty, I understand.

Mr. DILL. It relates to the treaty with Colombia, but I had particularly in mind in offering the resolution the connection of former Secretary Fall with the Colombian treaty. That matter came before the Public Lands Committee. I wonder if there is not some method by which the papers could be sent to that committee?

Mr. LODGE. I have asked that the message and papers may be printed. I have merely asked that the matter take the usual course in such cases. There is no intention of depriving the Committee on Public Lands of the use of the papers.

Mr. DILL. I understand that, but I merely wanted to ascertain if there was not some method by which they could be placed before the Committee on Public Lands for study in connection with the oil investigation.

Mr. LODGE. I only followed what I thought the proper course, that papers relating to a treaty should be printed and referred to the Committee on Foreign Relations.

Mr. BORAH. The Public Lands Committee could avail themselves of the papers as soon as they were printed.

Mr. LODGE. Absolutely.

Mr. DILL. Will they be printed as a Senate document?

Mr. LODGE. Certainly.

Mr. DILL. Very well.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Massachusetts? The Chair hears none, and the message and the accompanying papers will be printed and referred to the Committee on Foreign Relations.

PETITIONS AND MEMORIALS.

Mr. WARREN presented a resolution of General Henry W. Lawton Camp No. 1, United Spanish War Veterans, Department of Colorado and Wyoming, of Denver, Colo., favoring the passage of Senate bill 5, the so-called Bursum pension bill, as amended, which was ordered to lie on the table.

Mr. LODGE presented a resolution of the Grain Board of the Chamber of Commerce, of Boston, Mass., protesting against the passage of Senate bill 2012, declaring an emergency in respect of certain agricultural commodities, to promote equality between agricultural commodities and other commodities, and for other purposes, which was ordered to lie on the table.

Mr. KEYES presented resolutions adopted by the congregations of the Bethany Congregational Church of Rye, and the First Congregational Churches of Wolfboro and Claremont, in the State of New Hampshire, favoring an amendment to the Constitution regulating child labor, which were referred to the Committee on the Judiciary.

Mr. WILLIS presented a petition, numerously signed, of members of the Girls Club of South High School, of Akron, Ohio, praying for the passage of House Joint Resolution 184, proposing an amendment to the Constitution regulating child labor, which was referred to the Committee on the Judiciary.

Mr. BURSUM presented memorials, numerously signed, of members of the shop associations of the Atchison, Topeka & Santa Fe Railway system, of Las Vegas, N. Mex., remonstrating against the making of any substantial change in the transportation act of 1920, which were referred to the Committee on Interstate Commerce.

He also presented a resolution of the Chamber of Commerce of Carlsbad, N. Mex., protesting against the making of any amendment to the transportation act of 1920, which was referred to the Committee on Interstate Commerce.

He also presented a resolution adopted by the executive board of the New Mexico Cattle and Horse Growers' Association, favoring the passage of legislation extending the time within which to return livestock taken into the Republic of Mexico for temporary pasturage purposes, which was referred to the Committee on Agriculture and Forestry.

REPORTS OF COMMITTEES.

Mr. CAPPER, from the Committee on Claims, to which was referred the following bills, reported them severally without amendment and submitted reports thereon:

A bill (S. 81) for the relief of the owners of the steamship *Lexington* (Rept. No. 248);

A bill (S. 362) for the relief of Frank Grygla (Rept. No. 249); and

A bill (S. 763) for the relief of G. T. and W. B. Hastings, partners, trading as Hastings Bros. (Rept. No. 250).

Mr. WALSH of Massachusetts, from the Committee on Military Affairs, to which was referred the bill (S. 606) for the relief of Orin Thornton, reported it with an amendment and submitted a report (No. 251) thereon.

Mr. JONES of Washington (for Mr. EDGE), from the Committee on Commerce, to which was referred the bill (S. 2390) to provide and adjust penalties for violation of the navigation laws, and for other purposes, reported it with amendments and submitted a report (No. 252) thereon.

Mr. BROOKHART, from the Committee on Claims, to which was referred the bill (S. 1017) for the relief of Florence Proud, reported it with an amendment and submitted a report (No. 253) thereon.

Mr. WADSWORTH (Mr. JONES of Washington in the chair), from the Committee on Military Affairs, to which was referred the bill (S. 2450) to amend section 2 of the legislative, executive, and judicial appropriation act, approved July 31, 1894, reported it without amendment and submitted a report (No. 254) thereon.

He also, from the same committee, to which was referred the bill (S. 2299) to validate the payment of commutation of quarters, heat, and light under the act of April 16, 1918, and of rental and subsistence allowances under the act of June 10, 1922, reported it with amendments and submitted a report (No. 255) thereon.

INTERNATIONAL INSTITUTE OF AGRICULTURE.

Mr. LODGE. Mr. President, from the Committee on Foreign Relations I report back favorably with an amendment the joint resolution (S. J. Res. 96) authorizing appropriations for the payment of expenses of delegates to represent the United States at the general assembly of the International Institute of Agriculture, to be held at Rome in May, 1924, and for the payment of the quotas of Hawaii, the Philippines, Porto Rico, and the Virgin Islands for the support of the institute for the calendar year 1924, and I submit a report (No. 247) thereon. I ask unanimous consent for the immediate consideration of the joint resolution.

The PRESIDING OFFICER (Mr. WADSWORTH in the chair). The Secretary will read the joint resolution for the information of the Senate.

The reading clerk read the joint resolution.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the joint resolution?

There being no objection, the joint resolution was considered as in Committee of the Whole.

Mr. FLETCHER. What is the total amount of the appropriation?

Mr. LODGE. Fifteen thousand dollars.

Mr. ROBINSON. Mr. President, the joint resolution, I think, should pass. The purposes of the International Institute of Agriculture are set forth in the convention signed on June 7, 1906, which provides that the institute shall collect, study, and publish as promptly as possible statistical, technical, and economic information concerning farming, both vegetable and animal products, the commerce in agricultural products, and the prices prevailing in the various markets; also shall communicate to parties interested all the information thus collected; indicate the wages paid for farm work; make known the new diseases of vegetables which may appear in any part of the world, showing the territories infected, the progress of the diseases, and, if possible, the remedies which are effective in combating them; study questions concerning agricultural cooperation, insurance, and credit in all their aspects; collect and publish information which might be useful in the various countries in the organization of works connected with agricultural cooperation, insurance, and credits; and submit to the approval of the Governments, if there is occasion for them, measures for the protection of the common interests of farmers and for the improvement of their condition.

The field covered by the Agricultural Institute is very broad. Its work is important, and I think it should be continued.

Mr. OVERMAN. Mr. President, I would like to ask the Senator from Massachusetts why the joint resolution should come here now, making an appropriation for this purpose, when it usually comes in the State Department appropriation bill? It has been the rule heretofore to provide for it in the diplomatic and consular appropriation bill.

Mr. LODGE. That would make it impossible for the delegates to attend the institute. They have to leave inside of three weeks.

Mr. OVERMAN. Oh, that is the reason? It is to give a trip to Rome for delegates, and they can not wait until the general appropriation is made.

Mr. LODGE. I am going to submit an amendment to the deficiency appropriation bill to cover the item. I shall not wait for the State Department appropriation bill.

Mr. SMITH. What number of delegates are we supposed to send?

Mr. ROBINSON. Nine, I think.

Mr. LODGE. Yes; I think there are nine. We have maintained this practice since 1906.

Mr. FLETCHER. But we have always had what we called a permanent delegate to the International Institute of Agriculture, have we not?

Mr. LODGE. We have, and those appropriations are placed in the regular bills every year, and will be this year.

Mr. FLETCHER. I do not think we have been sending delegates to that convention other than the permanent delegate.

Mr. LODGE. They have only held the convention at intervals of five years.

Mr. OVERMAN. And this is the fifth year?

Mr. LODGE. The appropriation is just for this year.

Mr. FLETCHER. The institute was established through the efforts of Mr. David Lubin. Mr. Lubin was very greatly interested in it. He was a distinguished citizen of California, and the last years of his life were devoted to the maintenance and success of this great institute.

Mr. OVERMAN. Mr. Lubin is now dead. Who has taken his place?

Mr. LODGE. I do not recall the name of the person who was his successor.

Mr. FLETCHER. If the Senator will permit me to finish my statement, Mr. Lubin caused the institute to be established through his efforts with the King of Italy, and the permanent building there was constructed at the expense of the King of Italy and paid for by him.

Mr. LODGE. It was paid for by Italy.

Mr. FLETCHER. I thought it was a very great work, and I have always thought so. It was the one institution that kept going even during the World War. There are, I think, some fifty-two or sixty nations participating in this work. I still think it is important, and, as I have stated, I was under the impression that we kept a permanent delegate there.

Mr. LODGE. We do so, but I can not tell the Senator who succeeded Mr. Lubin. However, we have a permanent representative there who is provided for in the regular appropriation bill.

Mr. FLETCHER. Mr. Lubin contracted the influenza in the fall or winter of 1918, as I recall, and died.

Mr. LODGE. Yes.

Mr. FLETCHER. After that, I think he was succeeded by a representative of the Consular Service or some other representative of the Government stationed in Rome.

Mr. LODGE. I do not remember as to that for the moment.

Mr. FLETCHER. I did not know that any permanent representative had been appointed.

Mr. OVERMAN. I should like to make an inquiry of the Senator from Florida, who knows a great deal about this matter. I remember that he and I discussed it some time ago. The permanent delegate, Mr. Lubin, having died, I inquire who has taken his place, and how is the permanent delegate selected?

Mr. FLETCHER. He is selected by the State Department.

Mr. OVERMAN. Who has been appointed?

Mr. FLETCHER. I do not know who he is.

Mr. LODGE. I think we have a permanent representative there, but I do not know who holds that place at this moment.

Mr. FLETCHER. It was arranged, I think, on the death of Mr. Lubin, that either our consul general or consular agent or some other officer of that kind should be designated to take Mr. Lubin's place as a representative of this Government.

Mr. LODGE. I think so; that is my impression.

Mr. FLETCHER. Since then, I take it, a permanent delegate has been appointed, but I do not know who he is.

Mr. LODGE. They have not held a convention since the World War, I think.

Mr. SWANSON. Mr. President, the convention meets in May, as I understand.

Mr. LODGE. Yes.

Mr. SWANSON. Unless we provide this appropriation now it will be impossible to have our delegates attend the convention. The amount involved is only $15,000, and I am satisfied we will secure a great deal of valuable information, which could be used here in connection with various phases of farm life and farm production. It seems to me that it would almost be folly not to avail ourselves of the information that has been accumulated there during the years in connection with the agricultural conditions in Europe.

Mr. OVERMAN. I remember we had a long discussion about this matter several years ago, and I understand it is the opinion of the Senator from Massachusetts that by reason of an existing treaty we are required to send delegates and help to maintain this permanent institution?

Mr. LODGE. There was, I think, a convention under which the institute was established.

Mr. OVERMAN. I understood the Senator from Massachusetts so to state; and there is a convention held every five years to carry out the treaty.

Mr. LODGE. Yes; and the delegates proposed to be provided for in this joint resolution are special delegates and not general delegates.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the joint resolution?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution, which had been reported from the Committee on Foreign Relations with an amendment, on page 1, line 3, after the word "hereby," to strike out the words "authorized to be," so as to make the joint resolution read:

Resolved, etc., That there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $10,045, or so much thereof as may be necessary, for the payment of expenses of delegates to represent the United States at the next general assembly of the International Institute of Agriculture, to be held at Rome in May, 1924, to be expended under the direction and in the discretion of the Secretary of State, and the sum of $5,000, or so much thereof as may be necessary, for the payment of the quotas of Hawaii, the Philippines, Porto Rico, and the Virgin Islands for the support of the International Institute of Agriculture for the calendar year 1924.

The amendment was agreed to.

The joint resolution was reported to the Senate as amended, and the amendment was concurred in.

The joint resolution was ordered to be engrossed for a third reading, was read the third time, and passed.

The title was amended so as to read: "A joint resolution making appropriations for the payment of expenses of delegates to represent the United States at the general assembly of the International Institute of Agriculture, to be held at Rome in May, 1924, and for the payment of the quotas of Hawaii, the Philippines, Porto Rico, and the Virgin Islands for the support of the institute for the calendar year 1924."

DELEGATES TO INTERNATIONAL INSTITUTE OF AGRICULTURE.

Mr. LODGE, from the Committee on Foreign Relations, reported an amendment intended to be proposed to House bill 7449, the first deficiency appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

For the payment of expenses of delegates to represent the United States at the next general assembly of the International Institute of Agriculture, to be held at Rome in May, 1924, to be expended under the direction and in the discretion of the Secretary of State, the sum of $10,045, or so much thereof as may be necessary, and for the payment of the quotas of Hawaii, the Philippines, Porto Rico, and the Virgin Islands for the support of the International Institute of Agriculture for the calendar year 1924, the sum of $5,000, or so much thereof as may be necessary.

INVESTIGATION OF DEPARTMENT OF JUSTICE BY SPECIAL COMMITTEE.

Mr. KEYES, from the Committee to Audit and Control the Contingent Expenses of the Senate, to which had been referred the resolution (S. Res. 189) submitted by Mr. BROOKHART on the 11th instant, reported it without amendment, and it was considered by unanimous consent and agreed to, as follows:

Resolved, That Senate Resolution No. 157, agreed to February 29, 1924, be, and the same hereby is, amended to authorize the select committee created by said resolution, or any subcommittee thereof, to sit and perform its duties at such times and places as may be deemed advisable or necessary by said committee, and to empower the chairman of said select committee, or any member thereof, to summon witnesses by subpœna or otherwise and to administer oaths to them.

WILLIAM J. DONALD.

Mr. KEYES. From the Committee to Audit and Control the Contingent Expenses of the Senate I report back favorably without amendment Senate Resolution 172.

The PRESIDING OFFICER. The resolution will be read.

The resolution (S. Res. 172) submitted by Mr. WARREN on February 26, 1924, was read, as follows:

Resolved, That the Secretary of the Senate be, and he hereby is, authorized and directed to pay out of the contingent fund of the Senate to William J. Donald the sum of $228.33, being the amount received by him per month as clerk to the Hon. Samuel D. Nicholson, late a Senator from the State of Colorado.

The PRESIDING OFFICER. Does the Senator from New Hampshire desire that the resolution go to the calendar?

Mr. PHIPPS. I ask unanimous consent for the immediate consideration of the resolution. It is a very small matter, and I think the resolution should be adopted.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the resolution.

Mr. KING. May I inquire of the Senator from Colorado whether this is to continue the pay beyond the usual period?

Mr. PHIPPS. No; it merely provides one month's pay for a deceased Senator's secretary.

Mr. HARRISON. Mr. President, I will inquire what is the resolution? My attention was diverted.

The PRESIDING OFFICER. It is a resolution directing the Secretary of the Senate to pay to William J. Donald one month's salary as a clerk of the Hon. Samuel D. Nicholson, late a Senator from Colorado.

Mr. HARRISON. I have no objection to the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to.

BILLS AND JOINT RESOLUTIONS INTRODUCED.

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McNARY:

A bill (S. 2822) to regulate the undertaking of new Federal irrigation projects and extensions of existing projects, and for other purposes; to the Committee on Irrigation and Reclamation.

A bill (S. 2823) for the relief of Andrew C. Smith; to the Committee on Claims.

By Mr. SHEPPARD:

A bill (S. 2824) for the erection of a Federal building at the city of Austin, Tex.; to the Committee on Public Buildings and Grounds.

By Mr. COUZENS:

A bill (S. 2825) to extend the time for commencing and completing the construction of a bridge across Detroit River within or near the city limits of Detroit, Mich.; to the Committee on Commerce.

By Mr. CAPPER:

A bill (S. 2826) for the relief of the Italian Government; to the Committee on Claims.

By Mr. McKELLAR:

A bill (S. 2827) granting an increase of pension to Milton S. Kyser (with accompanying papers); to the Committee on Pensions.

By Mr. McKINLEY:

A bill (S. 2828) to increase pensions of persons who served in the Army, Navy, or Marine Corps of the United States during the Civil War, and of widows and former widows and dependent children of such persons; to the Committee on Pensions.

A bill (S. 2829) for the relief of William H. Dotson; to the Committee on Military Affairs.

By Mr. HALE:

A bill (S. 2830) granting a pension to Dora A. Davis; and

A bill (S. 2831) granting a pension to Raymond Havey; to the Committee on Pensions.

By Mr. HALE (for Mr. FERNALD):

A bill (S. 2832) granting a pension to Mary A. Foster; to the Committee on Pensions.

By Mr. PEPPER:

A bill (S. 2833) for the relief of Rinald Bros., of Philadelphia, Pa.; to the Committee on Claims.

A bill (S. 2834) relating to the American Academy in Rome; to the Committee on the Judiciary.

A bill (S. 2835) to amend an act entitled "An act authorizing insurance companies or associations and fraternal beneficiary societies to file bills of interpleader," approved February 22, 1917; to the Committee on the Judiciary.

By Mr. JONES of Washington:

A bill (S. 2836) relating to the deposit of funds available for maintenance of reclamation projects; to the Committee on Irrigation and Reclamation.

By Mr. PHIPPS:

A bill (S. 2837) to amend the first paragraph of section 2 of the act entitled "An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia," approved June 20, 1906, and for other purposes; to the Committee on the District of Columbia.

By Mr. BROUSSARD:

A joint resolution (S. J. Res. 97) conferring authority upon the President of the United States to order and direct the United States Marine Band to visit and play at certain annual expositions or fairs to be held in Missouri, Iowa, Nebraska, Kansas, Oklahoma, Texas, Louisiana, and Arkansas; to the Committee on Naval Affairs.

By Mr. NORRIS:

A joint resolution (S. J. Res. 98) authorizing the President to extend an invitation for the holding of the Third World's Poultry Congress in the United States in 1927, and to extend invitations to foreign governments to participate in this congress; to the Committee on Agriculture and Forestry.

REDUCTION OF TAXATION.

Mr. McNARY submitted an amendment intended to be proposed by him to House bill 6715, the revenue bill, which was referred to the Committee on Finance and ordered to be printed.

LOAN TO FRANCE.

Mr. SHIPSTEAD. I submit a resolution which I ask may be read, and lie on the table.

The resolution (S. Res. 191) was read, and ordered to lie on the table, as follows:

Whereas the French Government owes the United States $3,990,657,605.64; and

Whereas notwithstanding more than five years have elapsed since that debt was incurred and no part of the principal or interest has been paid; and

Whereas it seems that the French Government declines to submit any proposal for the settlement or give any indication of a willingness to adjust it, thereby in effect repudiating said debt; and

Whereas France is now maintaining a vast military establishment, having an army of some 700,000 men and the largest and most effective airplane force in the world; and

Whereas France, by her invasion of the Ruhr, manifests a determination to destroy Germany; and

Whereas it is represented in the public press that J. P. Morgan & Co. and other bankers are now loaning to France through the Bank of France some hundred million dollars: Now, therefore, be it

Resolved, That the Secretary of State be requested to advise the Senate, if not incompatible with the public interests:

First. Whether the State Department was in any way advised or consulted relative to said loan of J. P. Morgan & Co.; and if so, whether the said loan is being made with the approval or consent, express or implied, of the State Department.

Second. What, if anything, in the way of a policy or program, has the State Department relative to bringing about an adjustment or settlement of the French debt.

Third. Has the State Department any assurance in the way of communications from the French Government of its intention or proposal to submit any plan for the adjustment or settlement of the French debt.

INCOME TAXES OF CORPORATIONS OWNING OIL WELLS.

Mr. KING. I request that Senate Resolution 181, directing the Secretary of the Treasury to report to the Senate the number of corporations which have filed income-tax returns claiming deductions for depletion of oil wells, and so forth, which is now lying upon the table, may be taken from the table and referred to the special committee on investigation of the Internal Revenue Bureau, which was appointed the day before yesterday under the resolution reported by the Committee on Finance, as that committee is charged to make full investigation into these matters.

The PRESIDING OFFICER. Without objection, the request of the Senator from Utah will be approved. The Chair hears no objection.

FINANCIAL CONDITION OF FRANCE.

Mr. BORAH. Mr. President, I send to the desk a short editorial, which I should like to have read.

The PRESIDING OFFICER. Without objection, the Secretary will read as requested.

The reading clerk read as follows:

[From the Chicago Journal of Commerce of March 12, 1924.]

WHAT FRANCE MUST DO.

Amid the reports that have arisen during the fall of the franc is one that a group of American banks is making a $50,000,000 ninety-day bank loan to support the French currency. Would such a loan save the franc?

Fifty million dollars is a mere drop in the bucket when used for such a purpose. The franc is worth about 2¼ cents on any ordinary

gold basis. At present it is selling for about 2¼ cents. This low quotation is a sign that the trouble with the French currency is too fundamental to be affected by a small, temporary bank loan.

Banks do not loan their own money directly except on good, liquid collateral. If a 90-day loan is being made, presumably it is to be paid at the end of 90 days or after one or two renewals. Repayment at such a time would annul the benefits of the original payment. It might even do worse than restore the evil conditions of the present, for probably it would be harder for France to repay the loan than to disburse $50,000,000 now for purchase of francs.

The fundamental trouble is that France has imposed on herself an inflation of bonded indebtedness such as no nation ever before experienced. The figures of currency inflation, taken alone, are misleading, because the inflation which is harassing France is one of funded indebtedness rather than of money.

The franc lost stability when French troops entered the Ruhr as bailiffs. Until then France had been receiving reparations which, while less than she was entitled to, were a material aid to her financial position. If she had been content to accept those reparations for the time being and to institute immediate tax reforms, she might have recovered. Instead she went into the Ruhr, and the world lost confidence that France would succeed in obtaining adequate reparation payments and in balancing her budget. With the fall in the world's confidence there came the fall of the franc.

The only thing that will help the franc to-day is abandonment of the whole policy which was forced upon the French Government by the impatient temper of the French people. France must moderate her imperial policy, reduce her armament, and cut her taxes. By thus helping herself she will prove herself worthy of outside help.

THE CALENDAR.

The PRESIDING OFFICER. The morning business is closed. The calendar under Rule VIII is in order.

Mr. CURTIS. Mr. President, I ask unanimous consent that the Senate proceed with the calendar under Rule VIII, beginning with Order of Business No. 167, and that only unobjected bills be considered.

The PRESIDING OFFICER. Is there objection?

Mr. HARRISON. Reserving the right to object, I will state that I desire to occupy the time of the Senate about 5 or 10 minutes.

Mr. ROBINSON. The Senator can do that on the first bill that is considered.

Mr. HARRIS. Mr. President, I am not going to object to this unanimous-consent request; but the other day the Senate ordered the consideration of Order of Business 111, Senate bill 2111, authorizing the Postmaster General to conduct an experiment in the Rural Mail Service, and for other purposes. I desire to give notice that after the Norris joint resolution is passed this afternoon, if there is time, I shall ask the Senate again to consider that bill.

Mr. CURTIS. I ask that only unobjected bills on the calendar be considered under Rule VIII, beginning with Order of Business 167.

The PRESIDING OFFICER. Is there objection? The Chair hearing none, the Senate will proceed with the consideration of the calendar, beginning at Order of Business 167.

MEDICINE BOW NATIONAL FOREST, WYO.

The first business on the calendar under the unanimous-consent agreement was the bill (S. 699) authorizing the addition of certain lands to the Medicine Bow National Forest, Wyo., and for other purposes; and the Senate, as in Committee of the Whole, proceeded to its consideration.

The bill was read, as follows:

Be it enacted, etc., That the President, upon recommendation of the Secretary of Agriculture and the Secretary of the Interior, is hereby authorized to add to the Medicine Bow National Forest the public lands within townships 14 and 15 north, range 77 west, sixth principal meridian, State of Wyoming, which may be determined to be chiefly valuable for national-forest purposes, and to designate as a game refuge within such national forest the areas which may be determined to be suitable for the protection and propagation of game animals and birds.

SEC. 2. That it shall be unlawful for any person to hunt, pursue, kill, capture, or molest any game animal or any bird within such designated refuge except in accordance with rules and regulations of the Secretary of Agriculture.

SEC. 3. That the provisions of this act shall not affect any valid existing claim, location, or entry under the land laws of the United States, whether for homestead, mineral, right of way, or any other purpose, nor the rights of any claimant, locator, or entryman to the full use and enjoyment of such land.

SEC. 4. That any person who violates any provision of this act or of any rule or regulation promulgated hereunder shall be guilty of a misdemeanor and upon conviction thereof shall be fined not more than $500 or imprisoned for not more than one year, or both.

RECENT PRESIDENTIAL APPOINTMENTS.

Mr. HARRISON. Mr. President, the same impression is not always created in the country that is created on the minds of Senators by the acts of public officials; and it is with that thought in view that I desire to direct the attention of the country and the Senate to what has been happening during the last few days.

In the morning Post we read that the portfolio of Secretary of the Navy was tendered to ex-Senator Kenyon, and that he declined the offer. Those of us who served with Senator Kenyon here remember his amiable qualities, his high character, his progressive views, and his utterances upon the floor of the Senate, oftentimes being attacks upon the administration leaders and administration measures. Indeed, when he was appointed to his present high official position many thought that it was because they desired to get him out of the Senate, and out of his commanding and influential position as head of the farm bloc. He has filled with distinction the judicial position to which he was appointed; and so they go to this particular individual, who is known in the Middle West and the far West as a man of strong, progressive views and a friend of the people, to give him this Cabinet position.

Mr. President, the President of the United States sometimes does not show very much courage, but he is as smart a politician as has been in the White House in a long time. I hope my friend from Massachusetts [Mr. LODGE] will not think that I am attacking the President when I pay him that compliment. While we are engrossed in all this oil scandal and daily reading about Roxie Stinson, I believe her name is, and Means, and others, we sometimes are liable to forget what is going on in the White House. The President is playing a smart game. The President's mind is focussed on the presidential primaries and the conventions to select a nominee as the Republican standard bearer this year, and he has not much time to give to these smaller matters in which the Senate and Congress are engaged; and so, in going out to get a Secretary of the Navy, who would be more pleasing to the farmers of the Middle West than this man, who was their champion here so long and held this high position as head of the farm bloc, William S. Kenyon?

The President knew it. Of course, the President did not think of the fact that Kenyon had never been upon the Naval Affairs Committee; that he had never given any particular study to naval affairs; that he was a lawyer of distinction; that he was a judge of high reputation; and that he was a man who understood agricultural conditions well; but he thought that Kenyon would fit in as Secretary of the Navy, not because he was trained in that line of work but because it might help the President in the Middle West and the far West with the farmers of the country and with the progressive element in the conventions and the primaries to come.

But ex-Senator Kenyon understood his own temperament. He knew his training; he knew his fitness; and he knew, too, the crowd that controls affairs to-day, and he did not desire that association, and so Mr. Kenyon said in his statement this morning:

> A man in a judicial position acquires the habit of looking on all sides of a question before arriving at a conclusion. I am appreciative of the honor conferred and confidence shown in tendering me the position of Secretary of the Navy.

Further:

> I have not considered my personal preferences in the matter, as I would be willing to make any sacrifice for real public service. I can not, however, escape the conclusion that I do not possess the qualifications or training for the office.

So he declined it. Now, it was published in the papers that Senator Kenyon was here conferring with the President, it was thought with a view of a tender of the Attorney Generalship to him. He is eminently qualified for that position. His whole training has been along that line. He was a "trust buster" while he was an assistant in the Attorney General's office some years ago, working in behalf of the Federal Government, so he would have made a splendid Attorney General. He would have gone after crooks in high as well as in low places. He would have won the confidence of the American people; but we were fooled. The President was not talking to him about the Attorney Generalship. He was trying to get him to take the job of Secretary of the Navy, and so Kenyon turned it down, and rightly so. If he had been tendered the office of Attorney General I doubt if he would have declined it, in view of the statement made by Senator Kenyon, because he said in that statement that where he could have rendered great public service and he was temperamentally fit for that service he would feel it a call to duty, and he would have accepted it; so

I doubt not that Kenyon would have accepted the Attorney Generalship, but we are now told that nothing was said about that.

Mr. NORRIS. Mr. President——

Mr. HARRISON. I yield to the Senator from Nebraska.

Mr. NORRIS. There is time enough for that yet.

Mr. HARRISON. Yes; there is time enough for that yet; but knowing the President of the United States as a very adroit politician, I know that he has figured out the exact time in which that request can be made. Let me say to the Senator from Nebraska that the demand for the Attorney General's resignation will not come until after the primaries are held in the Buckeye State, not until they have cinched for the President the electoral vote of Ohio. They are afraid of the Attorney General. There are men on the other side of the Chamber who tremble when the Attorney General comes upon the floor of the Senate. They think the Attorney General has something and he is a fighter.

Mr. STANFIELD. Mr. President——

Mr. HARRISON. The Attorney General has won many friends by the way he has fought, and so the administration is not going to jeopardize the electoral vote of Ohio at this time by demanding Daugherty's resignation; but mark my prediction: If he does not resign before the presidential primary is held in Ohio, within a very short time thereafter the President will demand his resignation.

Now, I yield to my friend from Oregon.

Mr. STANFIELD. Mr. President, does the Senator think that the Attorney General is so popular in his own State that he would control the electoral vote there? Is that the idea?

Mr. HARRISON. I think the Attorney General has a lot of friends in Ohio, and, as I say, he is a fighter.

Mr. STANFIELD. I think the Senator has paid the Attorney General a very fine compliment.

Mr. HARRISON. He is a fighter; there is not any question about that; and he has close friends, and has had close friends around him for a long time, from Jesse Smith down, and they have gone down with him, and they are going down with him.

Mr. STANFIELD. He must have close friends in the State of Ohio, too.

Mr. HARRISON. May I ask the Senator a question? Does not he think that the Attorney General, if he made a fight upon the President in Ohio, would jeopardize the President's chances of getting the vote of the Ohio delegation in the next Republican convention?

Mr. STANFIELD. If all of the things are true that have been taxed to the Attorney General and impugned upon him, I should say that he would not have any influence in the State of Ohio; but the way to find out what a man's true character is is to go into his home. I think the Senator has paid a very fine compliment to the Attorney General when he says that the Attorney General is so popular where he must be best known that he could control the vote of the State.

Mr. HARRISON. But the Senator has not answered my question, and I am going to get an answer from him, because he has projected himself into the discussion. Does not the Senator think that if the President should demand the resignation of Attorney General Daugherty, and Daugherty should return to Ohio with some of his friends of long standing still clinging to him, having been as he has the dominant figure in the Ohio Republican machine for a long time, it would jeopardize the electoral vote of Ohio going for the President?

Mr. STANFIELD. I will say to the Senator from Mississippi that I think that can be best determined when the Senate has concluded its investigation of the Attorney General. I think he is entitled to a hearing; I think he is entitled to a fair judgment; and that can only be obtained after the machinery that we have set in operation—and encroached upon the rights of the Executive, if you please—has functioned. Then it will be sufficient time to determine whether or not the Attorney General should resign.

Mr. HARRISON. But will not the Senator answer my question?

Mr. STANFIELD. I will answer the Senator's question and say that I have an open mind on the subject. I will determine my position in the matter when the reports are in, and we have a chance to go into the evidence; and meantime I think judgment should be withheld. I do not think that this body, the highest legislative body in the country, should sit here day after day listening to propaganda on disputed questions. I think we should bide our time until we have determined the conditions that surround the Attorney General.

Mr. HARRISON. So the Senator does not answer my question. Of course there is no doubt but that the country has condemned the Attorney General. Hardly anyone will question that, but he has friends upon this floor who have stood by him. The distinguished Senator [Mr. WILLIS] who sits to the right of the Senator from Oregon made a very interesting speech here, and spoke eloquently in behalf of the present Attorney General of the United States. But he is condemned in the country. His usefulness as Attorney General has gone.

Mr. STANFIELD. The distinguished Senator from Ohio [Mr. WILLIS], to whom the Senator refers, perhaps knows the Attorney General, who comes from the State of Ohio, better than any other man who sits in this body.

Mr. HARRISON. That may be, but what I was driving at is this—and the Senator evidently agrees with me—that the Attorney General's resignation will not be demanded by the President until after the primaries are held to choose delegates in the State of Ohio.

Mr. STANFIELD. I do not believe the President will be influenced one bit by that.

Mr. HARRISON. Oh, no——

Mr. STANFIELD. I think after the conditions surrounding the Attorney General are developed, then the President will make up his mind, and when his mind is made up as to the justice of any action, action will be taken.

Mr. HARRISON. Of course the President does not give a thought to the choosing of Republican delegates. The President, I suppose, did not give any thought to that when he indorsed the Norbeck bill to give supposed relief to the farmers of the wheat section, the only bill which he has indorsed——

Mr. CURTIS. Mr. President——

Mr. HARRISON. The only bill which Senators over there who stood by him could get him to indorse. Senators on the other side of the aisle know that the President indorsed the Norbeck bill——

Mr. CURTIS. A question of order, Mr. President.

Mr. HARRISON. So that he might win the vote of Montana and the Dakotas and of that section of the country against HIRAM JOHNSON in the coming Republican convention.

Now I yield to the Senator.

Mr. CURTIS. I simply want to ask the Chair if, during this hour, debate is not limited to five minutes? The Senator has taken about 15 minutes.

The PRESIDING OFFICER. The point raised by the Senator from Kansas is well taken.

Mr. HARRISON. Oh, well; the point is well taken, Mr. President, and I will desist, but it will just mean that I will continue when the next bill comes up. I can offer amendments and talk upon each amendment. I know it is not pleasing to my friend from Kansas. I am sorry that it is not. Does the Senator insist upon his point of order?

Mr. CURTIS. The Senator has heard nothing in what the Senator from Mississippi has said that displeases him. I know what he is talking for, and it has no effect upon me whatever.

Mr. HARRISON. I am not camouflaging——

Mr. CURTIS. As far as I am concerned, I am perfectly willing to have the Senator go on and talk himself out. I do know he may take time on the various bills as they come up; but I do think the Senator should take into consideration the condition of this calendar, and let us go on and get through with it.

We have a unanimous-consent agreement to dispose of unobjected bills, and if we can go on until 2 o'clock, we will get through with most of the calendar. The Senator from Mississippi is himself interested in some bills on the calendar.

Mr. HARRISON. I thank the Senator. Does the Senator insist on his point of order?

Mr. CURTIS. I withdraw the point of order.

Mr. HARRISON. I thank the Senator. Now, getting from Ohio and Judge Kenyon over into California, that is a desirable State at this time. The real opponent of the President of the United States for the Republican nomination comes from California. They have many electoral votes out there, and California never received such attention in all the history of this country as it is receiving right now. This morning I received a notice that some nominations had come in. One of the nominations is of a gentleman to be minister to Switzerland. Where did they get that fellow? He is Hugh S. Gibson, a Californian, and he is not of the Hiram Johnson type of Californian.

Then, when Judge Kenyon turned down the portfolio of Secretary of the Navy, it was natural for the President to go to a State in the far west to obtain a Secretary of the Navy, the State which would have the most electoral votes. So he appointed Mr. Wilbur—Judge Wilbur. I inquired of two or three Senators on the other side who know everything about Republican politics in regard to Judge Wilbur, and they had

never heard of him. But you can bank on it, Mr. President, that he is not of the Hiram Johnson type.

Mr. DILL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Washington?

Mr. HARRISON. I yield.

Mr. DILL. I want to remind the Senator, in that connection, that only a few days ago the President sent to the Senate the name of a California attorney, Mr. Knight, although he is an attorney who represents the Equitable Life Assurance Society, which is a subsidiary of the Rockefeller interests. He is chosen from California to prosecute the Government's claim on sections 16 and 36.

Mr. HARRISON. Mr. President, he will find good and agreeable company here with the present crowd and with that training.

Mr. President, another piece of camouflage in politics that the President is playing, which the country perhaps has not analyzed, was his recommendation in a message the other day that Congress reduce taxes for the current year 25 per cent. Anyone who studies the proposition knows that for the President to request that about four days before the time expired when practically all the returns had been made, was asking an impossibility. The leader of the Republican side in the other House and the chairman of the Ways and Means Committee in the other House both stated that it was impossible in so short a time to perform the service. But the President plays to the country as the friend of the taxpayers, and in his message he says nothing about the provision that has passed the House which will give to the people throughout the country this 25 per cent tax reduction. There is no question but that the American people will get their reduction in the 1923 taxes. It is written in the bill, and it has been pointed out here already, that as the bill passed the House it was obnoxious to the Secretary of the Treasury. He had pleaded that the surtax be reduced on the higher incomes to 25 per cent. He stated that 37½ per cent did not cure the defects he pointed out, and what they are trying to do is to pass a joint resolution here only giving a reduction of 25 per cent to the taxpayers in their taxes for 1923.

Then they say, "No; you leaders need not pass the regular tax bill. Let us go to the people this year and tell them that we have already given them the 25 per cent reduction for 1923. Let us tell them to put us back into power with a bigger majority, drive out some of these radicals, and defeat some of the Democrats, and we will give them more reduction in the coming year."

You are trying to fix up a plan so that the President can veto a permanent tax bill which will give some relief, in equity and justice to the American taxpayers. You know, with the 25 per cent reduction for 1923 incorporated in the bill he dares to veto it.

I hold in my hand a joint resolution introduced in the House of Representatives on January 31, 1924, nearly six weeks before the President delivered his message to Congress. That joint resolution was introduced in the House by Mr. GARNER, the ranking Democrat upon the Ways and Means Committee, and at that time he pleaded, not only through the terms of this resolution but otherwise, for the Congress to pass it at that time giving this reduction, so that the Senate would have time to consider it, and the American taxpayer could get the relief. But what did the Republican leadership in the House do? They turned it down. They did not pass it. But the President waited until four days before March 15, when he urged Congress in a message to pass the resolution by unanimous consent. It was pure politics—nothing more, nothing less.

They will get the relief whether the bill passed by the House, now being considered in the Senate committee, becomes a law or not. They will get relief on their taxes for 1923, but after consideration. The President can not camouflage. He can not play politics with that proposition, even though he has played politics in indorsing the Norbeck bill, which was repudiated by the Senate, in order to win the Republican votes in the wheat area, and in appointing the friend of my friend the Senator from California to the office of Secretary of the Navy after tendering the appointment to Judge Kenyon.

Mr. SHORTRIDGE rose.

Mr. HARRISON. I do not blame the Senator for smiling.

Mr. SHORTRIDGE. Mr. President, that is a most excellent appointment.

Mr. HARRISON. I knew the Senator would say that, but I doubt whether his colleague, the opponent of the President, will say it.

Mr. SHORTRIDGE. He will join with me.

FREEDOM OF SPEECH IN THE SENATE.

Mr. NEELY. Mr. President, I ask unanimous consent that on next Monday, at the conclusion of the routine morning business, I be permitted to address the Senate on the subject "A recent assault upon the freedom of speech in the Senate."

The PRESIDING OFFICER. Does the Chair understand that the Senator asks unanimous consent to be permitted to address the Senate on next Monday?

Mr. NEELY. Yes, Mr. President, at the conclusion of the routine morning business on next Monday. In conformity with the custom prevailing here, it would only be necessary for me "to give notice" of my intention to speak in order to obtain the privilege of delivering my address. But inasmuch as there is no authority either of rule or law for such notice, I prefer to request unanimous consent, which, if granted, will certainly afford me the opportunity I desire.

Mr. CURTIS. Mr. President, I do not want to object, but I wish the Senator would make it some other day. Monday is calendar day. We are away behind with the calendar.

Mr. NEELY. I shall be accommodating and accordingly make my request for time at the conclusion of the routine morning business on next Tuesday instead of Monday.

Mr. CURTIS. I will not object to that.

Mr. SHORTRIDGE. What is the request of the Senator?

The PRESIDING OFFICER. The Senator from West Virginia asks unanimous consent that he be permitted to address the Senate on a certain subject on Tuesday next at the conclusion of the routine morning business. The Chair assumes that the then occupant of the chair will recognize the Senator from West Virginia in the usual way. Is there objection to such an understanding being had?

Mr. BORAH. Mr. President, if I understand the effect of what the Senator from West Virginia is doing, he is giving notice that upon that occasion he will address the Senate.

The PRESIDING OFFICER. The Senator says there is no provision in the rules for giving such a notice, and hence he is making a direct request for unanimous consent.

Mr. NEELY. If the distinguished Senator from Idaho will cite any authority by virtue of which a Senator can obtain the privilege of addressing the Senate at a particular time by simply giving a notice to that effect, he will thereby render real service to all who are interested in establishing or preserving orderly procedure in the Senate.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia? The Chair hears no objection.

RETURN OF EDWIN S. DENBY TO DETROIT.

Mr. STANFIELD. Mr. President, an article appeared in this morning's Washington Post purporting to give an account of the home-coming of the ex-Secretary of the Navy, Edwin S. Denby, and inasmuch as so much has appeared in the RECORD regarding the Secretary, and inasmuch as this gives his home-coming speech, when he went back and addressed the people of Detroit, I ask unanimous consent that the article may be printed in the RECORD, without reading.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

DENBY, IN DETROIT, SAYS HE RETURNS TO HOME PROUDLY—BACK FROM HIS THIRD WAR, FORMER SECRETARY TELLS WELCOMING CROWD—DEFENDS OIL POLICIES AS AID TO DEFENSES—REJOICES IN BELIEF THAT WORK HE ATTEMPTED WILL GIVE FLEET A FUEL SUPPLY.

DETROIT, March 13.—"Ned" Denby, one-time gunner's mate on the U. S. S. *Yosemite*, State legislator, Representative in Congress, three years Secretary of the Navy, a veteran of two wars, and now a major in the Marine Corps Reserve—"Ned" Denby came home to-day.

Thousands swarmed the concourse at the Michigan Central Station as the former Cabinet officer arrived from Washington, and the route to the city hall, where the Denby party was welcomed by Acting Mayor Joseph A. Martin, was lined with people. An afternoon of receptions culminated in a banquet in his honor, at which representatives of virtually every walk of life and of all political parties were present.

Mr. Denby read his prepared address.

Resignation from the Cabinet "while still the malicious shafts of shame and ridicule were hurtling round my head" was the "hardest and, I think, the bravest thing I have ever done," he said.

"I come neither asking forgiveness nor bowed down in shame," the former Secretary said, "but proudly to proclaim to you that I have done no wrong nor aught that merits rebuke from you, by dearest friends, nor from them, my ruthless enemies. Rather let me say to you that I have endeavored to do my duty as fully as God has given me power to do.

"So you shall not find me wearing my grievances, if I have any, upon my sleeve. You shall not be asked for sympathy, and I pray you do not give it, for I do not need it. You shall not be bored now or hereafter, collectively or individually, with the recital of my woes, for I have none."

DUTY TO GUARD DEFENSES.

A duty that rests upon the Secretary of the Navy, Mr. Denby said, is to see that provision is made that the outer walls of defense, "the walls of steel against attack at any time, from any quarter," may hold.

"That needs thinking ahead, and providing for the needs of the fleet," he continued. "In trying to do that I have been overthrown.

"But I rejoice in the belief that the work is done. Fuel oil will be found in Hawaii for the onrushing fleet if it ever is needed. And along the coasts, east and west, of our country great reservoirs will be found when and if the need ever comes. They will be created by exchange or sale or storage of the underground deposit, which, had it not been brought to the surface, would have been lost to the Navy forever.

"I believe that what I did was just and lawful and sound, and for the best interests of the United States. It would be idle to answer those who say that I, who have loved my country and served it twice in military uniform, that I, who cherish for the great service of which I had the honor for three years to be the chief, the warmest affection and pride, that I, who look into your faces to-night and find there confidence, affection, and esteem, could have betrayed my country, the Navy, and you."

Mr. Denby said that twice before he had come home to Michigan from war to find friendship, confidence, and kindness.

"Now, for the third time," he continued, "I come from war made hateful by poisoned gas and base strategems, from defeat without shame, to welcome without flaw. By innuendo and even direct attack, for the first time in my life my integrity has been assailed, vainly assailed, I make bold to believe, in the ears of those who hear me now.

"But do you think I could have lived, bathed in filth from day to day, if I had not known there was no joint in the armor of my honor? We talk about good conscience, but we do not understand until the enemy is trying to crush heart and soul. Then between us and shame and despair good conscience and simple faith stand like guardian angels. These angels and a third stood ever keeping open the door of happiness and keeping out the demons of hate and bitterness. The third was my wife.

"When your wife can read day after day columns of abuse and denunciation and keep always a smile and never complain and never regret loss of honors, place, and position, so long as honor is unimpaired, the world has no weapon to break or embitter the soul. And from her, too, there will be no mourning nor complaining of an unjust world."

PENSIONS AND INCREASE OF PENSIONS.

Mr. BURSUM. Mr. President, I give notice that as soon as the Norris resolution is disposed of under the unanimous-consent agreement I shall move to take up Senate bill 5, a general pension bill, that it may become the unfinished business.

MEDICINE BOW NATIONAL FOREST, WYO.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 699) authorizing the addition of certain lands to the Medicine Bow National Forest, Wyo., and for other purposes.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

MISSOURI RIVER BRIDGE, SOUTH DAKOTA.

The bill (S. 2420) granting the consent of Congress to the State of South Dakota for the construction of a bridge across the Missouri River between Potter County and Dewey County, S. Dak., was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the State of South Dakota to construct, maintain, and operate a bridge and approaches thereto across the Missouri River, at a point suitable to the interests of navigation, between Potter County and Dewey County, S. Dak., in accordance with the provisions of an act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

PEARL RIVER BRIDGES, MISSISSIPPI.

The bill (S. 2436) granting the consent of Congress to the Board of Supervisors of Leake County, Miss., to construct a bridge across the Pearl River in the State of Mississippi was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the board of supervisors of Leake County, Miss., to construct, maintain, and operate a bridge and approaches thereto across the Pearl River at a point suitable to the interests of navigation, at or near Grigsbys Ferry, Leake County, State of Mississippi, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

The bill (S. 2437) granting the consent of Congress to the Board of Supervisors of Leake County, Miss., to construct a bridge across the Pearl River in the State of Mississippi was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the board of supervisors of Leake County, Miss., to construct, maintain, and operate a bridge and approaches thereto across the Pearl River at a point suitable to the interests of navigation, at or near Battle Bluff Crossing, Leake County, State of Mississippi, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

SUSQUEHANNA RIVER BRIDGE, PENNSYLVANIA.

The bill (S. 2446) granting the consent of Congress to the Clarks Ferry Bridge Co. and its successors to construct a bridge across the Susquehanna River at or near the railroad station of Clarks Ferry, Pa., was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Clarks Ferry Bridge Co., a corporation organized under the laws of the State of Pennsylvania, and its successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the Susquehanna River at a point suitable to the interests of navigation at or near the railroad station of Clarks Ferry, located about 15 miles north of the city of Harrisburg, in the county of Dauphin, in the State of Pennsylvania, in accordance with the provisions of the act act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

CAPT. EARL L. NAIDEN, AIR SERVICE, UNITED STATES ARMY.

The bill (S. 1370) authorizing the granting of war-risk insurance to Capt. Earl L. Naiden, Air Service, United States Army, was considered as in Committee of the Whole.

The bill had been reported from the Committee on Finance with amendments, on page 1, line 3, after the word "the," to strike out the words "War Risk Insurance Division" and insert the word "Director"; on line 6, before the word "Air," to insert the words "now on active duty"; and on page 2, after line 5, to insert the following provision: "*Provided*, That application for such insurance be made within 60 days after the approval of this act: *And provided further*, That this act shall have no retroactive effect and shall confer no rights to insurance against injuries or disability heretofore suffered by Captain Naiden," so as to make the bill read:

Be it enacted, etc., That the Director of the United States Veterans' Bureau be, and hereby is, authorized and directed to accept the application for war-risk insurance of Capt. Earl L. Naiden, now on active duty in the Air Service, United States Army, who during the late war was on detached active service in Italy, and was not notified of the opportunity to secure war-risk insurance within the period of 120 days fixed by section 401, article 4, of the act entitled "An act to amend an act entitled 'An act to authorize the establishment of a Bureau of War

Risk Insurance in the Treasury Department,' approved September 2, 1914, and for other purposes," approved October 6, 1917: *Provided*, That application for such insurance be made within 60 days after the approval of this act: *And provided further*, That this act shall have no retroactive effect and shall confer no right to insurance against injuries or disability heretofore suffered by Captain Naiden.

Mr. McKELLAR. Mr. President, let the bill be read as proposed to be amended. I do not think we understand just what it is.

The PRESIDING OFFICER. The Secretary will read the bill as reported.

The reading clerk read the bill as proposed to be amended by the Committee on Finance.

The PRESIDING OFFICER. The question is on agreeing to the amendments of the committee.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ALASKA STEAMSHIP CO.

The bill (S. 732) for the relief of the Alaska Steamship Co. was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

CHANGE OF DATE OF INAUGURATION.

The joint resolution (S. J. Res. 22) proposing an amendment to the Constitution of the United States fixing the commencement of the terms of President and Vice President and Members of Congress and fixing the time of the assembling of Congress was announced as next in order.

Mr. McKELLAR. That comes up at 2 o'clock under the agreement.

The PRESIDING OFFICER. By unanimous consent the joint resolution will be brought before the Senate at 2 o'clock to-day. It will be passed over until that hour.

LINCOLN'S BIRTHDAY.

The bill (S. 1641) to declare Lincoln's birthday a legal holiday was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the 12th day of February in each year, being the anniversary of the birth of Abraham Lincoln, is hereby made a legal holiday within the District of Columbia, to be known as Lincoln Day, and in its observance and effect it shall be subject to all the provisions of law applicable to holidays within said District.

Mr. KING. Mr. President, may I inquire of the Senator from Delaware how many legal holidays we have in the District now?

Mr. BALL. I am not sure of the number. I know that Lincoln's birthday is a legal holiday in almost every State, but it is not a legal holiday in the National Capital, where, by all means, it should be.

Mr. KING. I agree with the Senator that if we have a holiday on the birthday of any public character in addition to Washington's it ought to be Lincoln's; but I doubt very much the wisdom of creating numerous holidays. If the Senator can extinguish one of the other names and place Lincoln's name in lieu of it, I think he would be doing a very great service, but not by increasing the number of holidays. Does the Senator know the number of legal holidays in the District now?

Mr. BALL. Washington's birthday is a legal holiday, and so are the Fourth of July and Christmas.

Mr. KING. There are many more than that.

Mr. WILLIS. Memorial Day is a legal holiday.

Mr. BALL. Those are the only holidays in the District of Columbia. It seems to me, since practically all of the States have made Lincoln's birthday a legal holiday, that certainly the National Capital should do so.

Mr. KING. I have no objection to the passage of the bill.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

CHARLES H. WILLEY.

The bill (S. 264) for the relief of Charles H. Willey was considered in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That Charles H. Willey, a warrant machinist of the United States Navy, shall be held and considered to have completed nine years' active naval service and to have been transferred to the retired list of officers of the Navy from the 18th day of August, 1917, and the Secretary of the Navy is hereby authorized and directed to grant said officer the retired pay and allowances of his rank and length of service in accordance herewith: *Provided*, That no back pay or allowances shall accrue by reason of the passage of this act.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

GORDON G. MACDONALD.

The bill (S. 1013) for the relief of Gordon G. MacDonald was announced as next in order.

Mr. KING. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

ACCOUNTS BETWEEN THE UNITED STATES AND THE DISTRICT OF COLUMBIA.

The bill (S. 703) making an adjustment of certain accounts between the United States and the District of Columbia was announced as next in order.

Mr. McKELLAR. Let the bill go over.

Mr. PHIPPS. An objection has been made to the present consideration of the bill?

The PRESIDING OFFICER. Objection was made by the Senator from Tennessee.

Mr. McKELLAR. There is a large sum involved and I would like to look into it. Let it go over for another week and I will look into it.

Mr. BALL. What is the bill?

Mr. PHIPPS. It is the bill applying to the fiscal relations between the District of Columbia and the Federal Government. Of course, I want to have the Senator from Tennessee and everyone else given a full opportunity to examine it.

The PRESIDING OFFICER. The bill will be passed over.

EXTENSION OF DISTRICT PARK SYSTEM.

The bill (S. 1787) authorizing the extension of the park system of the District of Columbia was announced as next in order.

Mr. KING. I would like to ask the Senator from Delaware, the chairman of the Committee on the District of Columbia, whether the section of land which it is sought to acquire was not covered by a bill which received the attention of the Senate at the last session and which we refused to buy?

Mr. PHIPPS. May I answer the Senator's question? I will say that the items comprised in the bill, as I understand them—Piney Branch, the Patterson tract, and Klingle Valley tract—have heretofore been carried in the District of Columbia appropriation bill under items put in the bill by the Senate Committee on Appropriations. They have been approved by the Senate, but have gone to the House and the House has not accepted them. I believe the House has had a special committee investigating the matter very recently and that committee has made a favorable report, and the committee of the House having the matter in charge has favorably reported a bill similar to this to the House of Representatives.

Mr. KING. Let me inquire of the Senator if we did not have considerable discussion at the last session of Congress with reference to what is called the Patterson tract, and if the claim was not made that there was no necessity for the Government to acquire that particular tract, that it had land of its own contiguous to it which it could use to far greater advantage for park purposes than the particular Patterson tract?

Mr. PHIPPS. That is true. The Senator's recollection is quite correct. However, it was believed on the part of other Senators who inquired into the matter that the Government-owned property being used by one of the institutions—the Deaf and Dumb School—is not adequate or sufficient in area for the necessary park purposes in the eastern section of the city, where we really have no public parks available for sports and other activities. Unless this property is acquired at the present time, it will undoubtedly be diverted to other uses and be no longer available for park purposes.

Mr. KING. I have been such an advocate of parks in the District and have so lamented that the District officials have not taken greater care of the parks and made more extensive and comprehensive plans for a park system that I dislike to object to the present consideration of the bill. However, my recollection is that considerable opposition was evinced to a similar bill at the last session of Congress and there was a very strong representation made that this land is not needed by the city, that it would be doing very serious injury to individuals, and that there would be no corresponding advantage to the public.

Mr. PHIPPS. The opinion of the Senate is shown by the favorable vote on the bill providing that the property should be acquired, and the Senate is on record on at least two differ-

ent occasions to that effect. In the meantime a portion of the property, that which was best adapted for commercial uses, has been disposed of, so that the area now to be acquired is considerably less in extent than was originally contemplated and comprised within the action taken by the Senate.

Mr. KING. I shall be very glad to hear an explanation from the chairman of the committee, who has no doubt given the matter attention.

Mr. BALL. The point in dispute before was a certain part of the Patterson tract which was not really needed apparently for park purposes, but was very valuable for commercial purposes. The owners of the tract objected to its being taken for park purposes. The present plan has eliminated that part entirely and is taking only the part of the Patterson tract which is valuable for park purposes.

It is very necessary that the bill be passed to-day; otherwise there will be a complete break in the park system owing to the Klingle Valley tract situation. The contractors have commenced work in the filling there, and are working to-day, I understand. If we pass the bill and show a disposition to acquire that tract for park purposes I understand they will cease operations. Therefore I hope the Senator from Utah will not object to the present consideration of the bill.

Mr. KING. In view of the statement made by the Senators I shall not object to the present consideration of the bill, and particularly do I not object for the reason I expressed a moment ago. I feel that we have been derelict in the District in providing as comprehensive a system of parks as should have been provided for the Capital of the Nation. I hope the chairman of the Committee on the District of Columbia will challenge the attention of the city authorities to the fact that in the suburbs which are being added and in additions being brought under the jurisdiction of the city provision should be made for a proper parking system. We are tying them up to the city without properly integrating them with reference to the harmony of the development of the city, and we are going to have a patchwork city after a while which will not be the Capital that it should be, artistically beautiful and satisfactory to the American people.

Mr. BALL. That is the reason why it is so important to pass the bill to-day. Otherwise the connection between the outlying park system will be broken. If we pass the bill to-day and can get the contractors to cease operations, showing that the tract is going to be acquired for park purposes, there will be no break in the plan of completing all that great parking system around Washington.

Mr. KING. May I inquire approximately the cost of lands to be acquired under the bill?

Mr. PHIPPS. It is given in the bill. I want to make a personal statement. The Klingle Valley tract is in close proximity to my residence in Washington, and therefore I do not care to express any opinion on the Klingle Valley tract. I am strongly in favor of the other two, and particularly the Patterson tract.

Mr. KING. Would the Senator object if I should move to strike out the Klingle tract?

Mr. PHIPPS. I could not object, but I have great confidence that the Senator is not going to make that motion.

Mr. McKELLAR. The Senator from Utah asked the amount involved. The Klingle Road Valley Park is to cost not to exceed $200,000, the Piney Branch Valley Park, east of Sixteenth Street, $155,000; the Piney Branch Valley Park, west of Sixteenth Street, $107,000; and the Patterson tract, $300,000. Those are the amounts.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the Commissioners of the District of Columbia are hereby authorized to acquire, by purchase so far as they may be able to purchase at prices deemed by them to be reasonable and fair, otherwise by condemnation proceedings under and in accordance with the act approved August 30, 1890, section 3 (U. S. Stat. L., vol. 26, pp. 412 and 413), the following tracts of land for park purposes, to wit: The tract known as the Klingle Road Valley Park, as shown on park map No. 1002 in the office of the surveyor of the District of Columbia, containing about 18½ acres; the Piney Branch Valley Park east of Sixteenth Street as shown on park map No. 291 in the office of the surveyor of the District of Columbia, containing about 11 acres; areas for widening the Piney Branch Valley Park west of Sixteenth Street to preserve the forests to the top of the hillsides, as shown on map No. 291–A in the office of the surveyor of the District of Columbia, containing about 19 acres; and a portion of the Patterson tract known as parcel 129–2 as shown on park map No. 647–C in the office of the surveyor of the District of Columbia, containing about 59.16 acres; said commissioners are further authorized to reduce the area to be acquired in any of said tracts when, by reason of improvements constructed or unreasonable prices asked or for other reasons, in their judgment, the public interest may require: *Provided*, That if acquired by purchase the cost of the respective tracts shall not exceed the following sums: The Klingle Road Valley Park, $200,000; the Piney Branch Valley Park, $155,000; areas for widening the Piney Branch Valley Park west of Sixteenth Street, $107,000; the portion of the Patterson tract as described, $300,000: *Provided further*, That the tracts herein authorized to be acquired shall become part of the park system of the District of Columbia and be under control of the Chief of Engineers of the United States Army, and the cost of the acquisition and the improvement and maintenance of said tracts as public parks shall be paid out of the revenues of the District of Columbia and the general funds of the Treasury in the same proportion as other expenses of the government of the District of Columbia.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILLS, ETC., PASSED OVER.

The resolution (S. Res. 124) directing the Interstate Commerce Commission to secure information relative to amount of money expended for the purpose of creating public interest favorable to railroad sentiment was announced as next in order.

Mr. McKINLEY. Let the resolution go over.

The PRESIDING OFFICER. The resolution will be passed over.

The bill (S. 1499) to promote the safety of passengers and employees upon railroads by prohibiting the use of wooden cars under certain circumstances was announced as next in order.

Mr. HARRIS. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 185) to promote agriculture by stabilizing the price of wheat was announced as next in order.

Mr. OVERMAN. Let the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2401) providing for the compensation of retired warrant officers and enlisted men of the Army, Navy, and Marine Corps, or any other service or department created by or under the jurisdiction of the United States Government, and warrant officers and enlisted men of the Reserve Corps of the Army and Navy was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

W. ERNEST JARVIS.

The Senate, as in Committee of the Whole, proceeded to consider the bill (S. 131) for the relief of W. Ernest Jarvis. It proposes to pay to W. Ernest Jarvis $97.50, 60 per cent thereof to be paid out of the revenues of the District of Columbia and 40 per cent out of any money in the Treasury not otherwise appropriated, being the claim of said W. Ernest Jarvis covering undertaker's services for and burial expenses of Willie L. Byers, late an inmate of the National Training School for Girls, in the District of Columbia.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

JOHN T. EATON.

The Senate, as in Committee of the Whole, proceeded to consider the bill (S. 335) for the relief of John T. Eaton. It proposes to pay to John T. Eaton, of Helena, Mont., $560, in compliance with the findings of the Court of Claims, Senate Document No. 220 of the first session of the Sixty-third Congress.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

JANIE BEASLEY GLISSON.

The Senate, as in Committee of the Whole, proceeded to consider the bill (S. 648) for the relief of Janie Beasley Glisson. It proposes to pay to Janie Beasley Glisson $5,000, for damages suffered by her when she was struck and permanently injured by a Government airplane which was in charge of and driven by officers of the United States Army.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

DAVID C. VAN VOORHIS.

The bill (S. 2168) for the relief of David C. Van Voorhis was announced as next in order.

Mr. KING. Let that bill go over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. FESS. Mr. President, I should like to have the Senator from Utah withdraw his objection to the consideration of the bill, unless he has fully decided that it should go over. A bill similar to this passed the Senate at the last session of Congress without opposition when former Senator from Ohio, Mr. Pomerene, was a member of the Senate.

Mr. KING. If the Senator from Ohio will let the bill go over until the next calendar day, I shall be glad in the meantime to examine into it.

Mr. FESS. Very well.

ESTATE OF ALPHONSE DESMARE, DECEASED.

The bill (S. 2219) for the relief of the legal representatives of the estate of Alphonse Desmare, deceased, and others, was announced as next in order.

Mr. KING. I should like an explanation of the bill from the Senator from Louisiana [Mr. RANSDELL] before I consent to its passage.

Mr. RANSDELL. I shall be very glad to give a brief explanation of the bill. The bill proposes to authorize the claimants to submit their claims to the Court of Claims for adjudication. The claims are for some cotton which was bought during the Civil War and the proceeds of which passed into the Federal Treasury. The money is now lying in the Treasury. I can better explain the matter to the Senate by reading merely a few lines from the report of the committee, which is a unanimous report. The report states:

In this case the return of the trust funds by the trustee, who holds and claims nothing but a naked title, is not prevented by disloyalty or fraud, but by the mere incident of domicile.

There was no loyalty, no fraud, or anything of that kind in this case. The committee then go on to state:

Your committee can see no sound reason in law, equity, or good morals why a geographical residence, north or south, should at this time work a forfeiture to, or confiscation by, the Government of any property, especially of property which was acquired as this was, and to which the United States does not claim any title but holds it in trust for the lawful and loyal owner. (See act of March 12, 1863.)

The nonintercourse laws grew out of the necessities and perils which beset the Government during the War of the Rebellion. These necessities and dangers are now long since happily passed and it seems only just and proper that a less stringent application of these laws should be made and restitution of the property made—property to which the United States has no real title.

The purpose of the bill is to confer jurisdiction on the Court of Claims to hear, adjudicate, and determine the claim of the legal representatives of the estate of Alphonse Desmare, deceased, and your committee is of the opinion that the claimants are entitled to a hearing and threfore recommend the passage of the bill.

Mr. KING. How much money is involved in the bill?

Mr. RANSDELL. I can not tell the Senator exactly how much is involved, for the record does not show; but the claims are for some cotton which was captured by the Federal authorities. The cotton was sold and the money passed into the Treasury and is supposed to be now lying in the Treasury. The committee report concludes:

The following claims are identical to Desmare's claim, all of which have been paid:

Warren Mitchell (33 Stat. 776); Robert E. Montgomery (38 Stat. 971); James A. Briggs (28 Stat. 568); Rebecca Forch, admx. (49 C. Cls. 709).

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 2219) for the relief of the legal representatives of the estate of Alphonse Desmare, deceased, and others, which was read, as follows:

Be it enacted, etc., That the claim of the legal representatives of the estate of Alphonse Desmare, deceased, and the claim of the legal representative of the estate of Cyprian Dupre, deceased, surviving partner of the late firm of Desmare & Dupre, for the net proceeds of the cotton purchased or owned by them, taken by the United States officers, sold, and the net proceeds thereof placed in the United States Treasury, be, and the same is hereby, referred to the Court of Claims for determination of the law, and the facts, under the act of Congress approved March 12, 1863 (12 Stat. L., p. 820), any statute of limitations, or the act of July 2, 1864 (13 Stat. L. p. 376), and all other nonintercourse laws to the contrary notwithstanding, and report to Congress.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

LOUISE ST. GEZ.

The bill (S. 2220) for the relief of Louise St. Gez, executrix of August Ferré, deceased, surviving partner of Lapene & Ferré, was announced as next in order.

Mr. KING. I should like an explanation of that bill, Mr. President.

Mr. RANSDELL. This bill involves the same character of claims as were involved in the bill which has just passed, I will say to the Senator. The Senate has passed a similar bill twice heretofore. It is a bill proposing to give the Court of Claims jurisdiction to adjudicate a claim for cotton. In this particular case the claim was once referred to the Court of Claims and the Court of Claims rendered judgment in favor of the claimant for $34,368, the amount of the net proceeds from the sales of the cotton, which were found to have gone into the Treasury, all of which appears by the report on the case in the Sixth Court of Claims Reports at page 363. An appeal was then taken by the Government to the Supreme Court, and on the ground of domicile—not equity, not disloyalty, nothing of that kind, but purely on a technical ground of domicile—the Supreme Court overruled the decision of the Court of Claims. All of this will be found in the report of the committee which has been filed with the bill.

This identical claim has been twice passed upon favorably by the Senate, the first time in 1906 and again in 1908. The committee reports the bill favorably and recites a number of cases where relief was granted in the case of claims which were identical with this one.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill; which was read, as follows:

Be it enacted, etc., That the claim of Louise St. Gez, executrix of Auguste Ferré, deceased, surviving partner of the late firm of Lapene & Ferré, for the net proceeds of the cotton purchased or owned by them, taken by United States officers, sold, and the net proceeds thereof placed in the United States Treasury, be, and the same is hereby, referred to the Court of Claims, for determination of the law and the facts, under the act of Congress approved March 12, 1863 (12 Stat. L. 820) any statute of limitations, or the act of July 2, 1864 (13 Stats., 376), and all other nonintercourse laws to the contrary notwithstanding, and report to Congress.

Mr. SMOOT. Mr. President, I merely wish to say to the Senate that if all the bills similar to the one now pending shall become laws, and the claims therein involved shall be paid, I think about $400,000,000, or, at least, something like that amount, will be involved.

Mr. OVERMAN. The amount will only be $4,000,000.

Mr. SMOOT. The Senator from North Carolina states it would be $4,000,000. The Committee on Claims of the Senate in years past have never reported favorably on such bills.

Mr. RANSDELL. Mr. President, I do not know the number of claims which are pending, but whether that be true or not, if this Government of ours received the property of loyal citizens and has the money now lying in its vaults, those citizens certainly ought to be permitted to make out their claim against the Government, to have determined the question of the amount due them, and then it will be up to Congress thereafter to provide the payment. They certainly ought to have a chance to have such cases referred to the Court of Claims, and that is all this bill provides.

Mr. KING. Mr. President, may I ask the Senator whether this will wind up the bobbin, to use the language of the street?

Mr. RANSDELL. I can not tell the Senator that; it would take a man who is a prophet and even more than a prophet to tell whether there are any similar claims anywhere in the United States. I know of no others in my State, but there may be, I will say to the Senator, for I want to be absolutely frank with him. However, I do not know of any of them.

Mr. SMOOT. I know of a great many of them, I will say to the Senator.

Mr. RANSDELL. We ought not to deprive people of their rights even if there are a good many claims.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

WILLIAM HENSLEY.

The bill (S. 2562) for the relief of William Hensley was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. KING. I should like to inquire why this employee of the Government, if he is an employee of the Government, does not avail himself of the provisions of the workmen's compensation act?

Mr. CAPPER. Mr. President, he has received the benefits of the compensation act for the period of one year—which is as long as he can have the benefits of that act—to the extent of $2.40 per day. The man is blind; he lost three fingers, and is unable to make a livelihood. We have had a report from a physician within the last few months stating that he is still incapacitated to make a living, and yet he has received only a few hundred dollars on account of the injuries he received.

The claim originally was for $10,000, and the committee thought that this allowance of $1,500 was a very meager allowance, and that he was fully entitled to it.

Mr. KING. May I inquire of the Senator—and I ask the question for information—if the workmen's compensation act is not a continuing act, and if a person who comes within its provisions does not receive compensation for life?

Mr. CAPPER. It is limited to one year; and, then, if the injuries continue and he is unable to make his living, he can have the benefits of the act for six months further. The claimant in this case has had the benefits of the act for one year and six months, which have amounted all told to less than $1,000, and yet for years he has been practically incapacitated for making a livelihood. It is really a very distressing case, I think.

Mr. KING. The workmen's compensation act is not limited, as I understand, as indicated by the Senator. The facts probably are, I presume, that this man was injured before the workmen's compensation act went into effect.

Mr. CAPPER. I will read from a letter of the Secretary of the Navy, in which he says:

> As the result of this injury, Mr. Hensley, since its incurrence, has been incapacitated for labor, and has received, under the workmen's compensation act of May 30, 1908 (35 Stat. 556), compensation at the rate of $2.40 per diem. His claim for compensation under the act cited has been approved by the Secretary of Labor for a period expiring not later than April 21, 1914; but in case of the continuance of his incapacity, compensation may be allowed for a further period of six months. The medical officer of the navy yard expresses the opinion that Mr. Hensley will soon be able to do light duty in the gun shop.

That letter was written on March 16, 1914; but, as a matter of fact, Mr. Hensley has never been able to perform any duty, and is still a charge upon his friends and the public, and he has received all that he can receive under the compensation act.

Mr. KING. There is no question but what his injuries were received while in the employ of the Government?

Mr. CAPPER. Not at all.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

Mr. KING. I have no objection.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill. It proposes to pay to William Hensley $1,500, in full payment for injuries sustained by him while in the discharge of his duties at the navy yard, Washington, resulting in the loss of three fingers of his right hand, loss of his left eye, and other injuries incurred by him in the line of duty.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

HYDROELECTRIC DEVELOPMENT AT GREAT FALLS.

The bill (S. 746) providing for the development of hydroelectric energy at Great Falls was announced as next in order.

Mr. REED of Pennsylvania. I object to the consideration of the bill.

Mr. KING. Mr. President, I presume——

Mr. NORRIS. Mr. President, I hope the Senator will withhold the objection for a moment. Bills similar to the bill now on the calendar providing for the development of power at Great Falls have been passed on several occasions by the Senate heretofore. If it were not for that fact, I would not, of course, expect to pass a bill of this importance on the call of the calendar. I wish, however, to call the attention of the Senate to the fact that similar bills have heretofore passed the Senate three times, not in the identical form in which this bill is, because on one occasion when the bill passed the Senate and went to conference the conferees reported a compromise which provided for a resurvey by the War Department. A resurvey was made, and the report of Major Tyler was the result. So the next time I introduced the bill I took the latest survey as a basis, and that bill also passed the Senate providing for the same development as provided for in this bill.

Mr. KING. I do not want the Senator to think that I shall object to the consideration of this bill, but I know of a number of Senators who expect to say something upon the measure and did not anticipate that it would be called up this morning. So I thought that under the five-minute rule and during the morning hour it was quite likely the matter could not be disposed of. I should be glad if the Senator will endeavor to make it the unfinished business at some early date so that the matter may be fully canvassed and action taken by the Senate.

Mr. NORRIS. I know that it would be asking a good deal to request to take up a bill of this importance under present conditions, and I would not expect to do it under any consideration if similar bills had not passed the Senate heretofore. On a former occasion a bill of the same character was passed after very full discussion and debate upon a roll call. I realize that we ought to give more attention, perhaps, under all the circumstances to a bill of this kind, and I am not complaining of the Senator because he objects; but it is a difficult thing, Mr. President, to pick out these bills and take them up by motion because of other business before the Senate. I wish to say, however, while this bill is before the Senate, if the objection is still insisted on, that I should like to arrange by unanimous consent, if possible, for the consideration of this bill and its disposition. I do not think it will take more than an hour or so of debate because, in my judgment, the Senate is practically unanimous in favor of the development of the water power at Great Falls.

Mr. KING. I shall join with the Senator from Nebraska in asking that this bill may be taken up to-morrow, or at the beginning of next week, or on any other day the Senator may indicate.

Mr. NORRIS. Suppose we have this understanding, then——

Mr. KING. I suggest taking it up on Calendar Monday and giving it the right of way. I shall be glad to join in that.

Mr. NORRIS. I do not know how long the constitutional amendment that will come up at 2 o'clock is going to take. It has passed the Senate before, too, and it may not take very long. Perhaps the Senator from Utah can give me somewhat of an idea on that subject. I understand that the Senator from Missouri is not in the Chamber at the present time. If that does not take up much time, I should like to take up the Great Falls matter following that, or within a few days, anyway.

Mr. FLETCHER. I was going to suggest that we might, by unanimous consent, take it up immediately following the consideration of the constitutional amendment.

Mr. KING. We should have to call the roll, then.

Mr. NORRIS. I will content myself at the present time with saying that within the next week or so I am going to make an attempt to bring up this bill, and I shall be glad to have the assistance of the Senator from Utah.

Mr. KING. I will join with the Senator in endeavoring to take it up next week.

The PRESIDING OFFICER. The Chair was about to suggest to the Senator that he make a motion to take it up when the other matter is disposed of.

Mr. NORRIS. If we get through with that early, I may be able to do it then.

BILL PASSED OVER.

The PRESIDING OFFICER. The Secretary will state the next bill on the calendar.

The bill (S. 709) for the relief of the Commercial Pacific Cable Co. was announced as next in order.

Mr. KING. I should like some explanation of that matter before I assent to its consideration.

Mr. OVERMAN. Why not let it go over?

Mr. KING. Let it go over.

The PRESIDING OFFICER. The bill will be passed over.

GOVERNMENT LEVEE AT YUMA, ARIZ.

The bill (S. 514) authorizing the Secretary of War to grant a right of way over the Government levee at Yuma, Ariz., was considered as in Committee of the Whole.

The bill had been reported from the Committee on Military Affairs with an amendment, on page 1, line 6, after the word "railroad," to insert the word "and," so as to make the bill read:

> *Be it enacted, etc.*, That the Secretary of War is hereby authorized to grant to the Southern Pacific Railroad Co., a corporation of the States of California, Arizona, and New Mexico, its successors and

assigns, a permanent right of way for railroad and telegraph purposes over and across the levee built by the United States on the Gila River near its junction with the Colorado River at Yuma, Ariz., including the right to construct and maintain embankments and other works thereon: *Provided*, That the grant shall be subject to such stipulations as, in the judgment of the Secretary of War, will insure the maintenance of said levee without further cost to the United States.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, and was read the third time.

Mr. KING. Mr. President, I am not going to object to the consideration of this bill, but I should like to know whether any interference is possible with any reclamation project in which the Government is interested?

Mr. WARREN. No, Mr. President; that matter was carefully considered in the committee, and I wish to say that it is protected rather than otherwise.

Mr. KING. I have no objection.

The PRESIDING OFFICER. The question is on the passage of the bill.

The bill was passed.

BILLS PASSED OVER.

The bill (S. 964) for the relief of William J. Ewing was announced as next in order.

Mr. KING. Mr. President, I am going to object to some of these bills where it is apparent that the beneficiaries are employees of the Government and do not come within the Federal compensation act, which makes provision for cases of this kind. Special bills ought not to be passed where we have a Federal act that will do justice to all employees of the Government.

Mr. CAPPER. I ask that the bill be passed over temporarily. The Senator from Oregon [Mr. MCNARY], who introduced the bill, is not present.

The PRESIDING OFFICER. The bill will be passed over temporarily at the request of the Senator from Kansas.

The bill (S. 2357) for the relief of the Pacific Commissary Co. was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

MONUMENT TO COMMEMORATE SACRIFICES OF AMERICAN WOMEN IN WORLD WAR.

The joint resolution (S. J. Res. 43) in relation to a monument to commemorate the services and sacrifices of the women of the United States of America, its insular possessions, and the District of Columbia in the World War was considered as in Committee of the Whole.

The joint resolution had been reported from the Committee on the Library, with amendments, on page 1, line 3, after the word "hereby," to insert "authorized to be"; on page 2, line 8, after the word "hereby," to insert "authorized to be"; and on page 2, line 11, after the word "hereby," to insert "authorized to be," so as to make the joint resolution read:

Resolved, etc., That there is hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated the sum of $150,000 as a part contribution to the erection of a memorial building with equipment in the District of Columbia to commemorate services and sacrifices of the patriotic women of the United States of America, of its insular possessions, and of the District of Columbia during the World War, said memorial to be erected on the land now occupied in part by the Memorial to the Women of the Civil War, the permanent headquarters of the American Red Cross.

SEC. 2. That said memorial shall be a building monumental in design and character and shall be used by the American National Red Cross and shall cost not less than $300,000: *Provided*, That this expenditure shall include complete equipment.

SEC. 3. That the sum hereby authorized to be appropriated shall not be payable until there shall be raised by private subscription an additional sum of $150,000.

SEC. 4. That the money hereby authorized to be appropriated shall not be paid until the plan of the proposed building shall have been approved by a commission consisting of the president of the American Red Cross, the Secretary of War, the chairman of the Senate Committee on the Library, the chairman of the House Committee on the Library, and a representative of the central committee of the American Red Cross. The plans of the said memorial shall likewise be approved by the Commission of Fine Arts.

The expenditures for said memorial building shall be made under the direction of a commission consisting of the chairman of the Senate Committee on the Library and the chairman of the House Committee on the Library. That said memorial building shall remain the property of the United States Government but under the supervision of the Superintendent of Public Buildings and Grounds, and the American Red Cross shall at all times be charged with the responsibility, the care, keeping, and maintenance of the said memorial building without expense to the United States.

The amendments were agreed to.

The joint resolution was reported to the Senate as amended, and the amendments were concurred in.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER.

The bill (S. 2012) declaring an emergency in respect of certain agricultural commodities, to promote equality between agricultural commodities and other commodities, and for other purposes, was announced as next in order.

Mr. KING. Let that go over.

The PRESIDING OFFICER. The bill will be passed over.

J. B. PLATT.

The bill (S. 1180) for the relief of J. B. Platt was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to J. B. Platt, of New Castle, Del., out of any money in the Treasury not otherwise appropriated, the sum of $170.37, said sum being due J. B. Platt for merchandise furnished to the Reedy Island Naval Station mess during the months of September and October, 1917, and the months of October, November, and December, 1918.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER.

The bill (S. 1974) providing for sundry matters affecting the Military Establishment was announced as next in order.

Mr. FLETCHER. Mr. President, that is a long bill. I do not believe there is much opposition to it. There are some amendments, however, and I doubt if it can be disposed of under the five-minute rule.

Mr. OVERMAN. Let it go over.

Mr. WARREN. It is a very important measure, but, as the Senator says, it will very likely lead to some discussion.

Mr. MCKELLAR. I think so.

The PRESIDING OFFICER. The bill will be passed over.

SAMUEL S. ARCHER.

The bill (S. 1643) for the relief of Samuel S. Archer was announced as next in order.

Mr. REED of Pennsylvania. Mr. President, I do not think the Senate of the United States is competent to sit as a jury and award damages in personal-injury cases, especially without some explanation by Senators who have introduced or examined these bills.

The PRESIDING OFFICER. The Chair will suggest that this is the bill of the Senator from Nebraska [Mr. NORRIS] and was reported by the Senator from Iowa [Mr. BROOKHART].

Mr. MCKELLAR. There is a quite full explanation of it in the report.

Mr. BROOKHART. Yes. The bill provides for the payment of a judgment of the Court of Claims for $226. It is the only claim I found where the amount was less than the man was entitled to. I think there is no doubt that the bill should pass.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any funds in the Treasury not otherwise appropriated, the sum of $226 to Samuel S. Archer, for injuries sustained as the result of being struck by a Government-owned automobile on the streets of the city of Plattsmouth, Nebr., on December 13, 1921.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER.

The bill (S. 2122) to create a Pribilof Islands fund and to provide for the disposition of surplus revenue from the Pribilof Islands, Alaska, and for other purposes, was announced as next in order.

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). The Chair thinks that bill will have to go over.

Mr. MCKELLAR. I think it should go over.

The PRESIDING OFFICER. The bill will be passed over.

WILLIAM HENRY BOYCE, SR.

The bill (S. 2510) for the relief of William Henry Boyce, sr., was considered as in Committee of the Whole and was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to redeem, in favor of William Henry Boyce, sr., of Ansonville, N. C., 4½ per cent United States Treasury certificates of indebtedness, Nos. 7378 and 7379, in the denomination of $1,000 each, and No. 3371, in the denomination of $500, series TM–1924, issued March 15, 1923, matured March 15, 1924, with interest at the rate of 4½ per cent per annum from March 15, 1923, to March 15, 1924, without presentation of said certificates of indebtedness of the coupons representing interest thereon from March 15, 1923, to March 15, 1924, which are alleged to have been lost, stolen, or destroyed: *Provided*, That the said certificates shall not have been previously presented for payment, and that no payments shall be made hereunder for any coupons which shall have been previously presented and paid: *Provided further*, That the said William Henry Boyce, sr., shall first file in the Treasury Department a bond in the penal sum of double the amount of the certificates and the interest which had accrued thereon when the principal became due and payable, in such form and with such securities as may be acceptable to the Secretary of the Treasury, to indemnify and save harmless the United States from any loss on account of the lost, stolen, or destroyed certificates of indebtedness herein described: *Provided further*, That this bill shall not take effect until September 15, 1924, which is six months after the maturity of the certificates.

Mr. OVERMAN. Mr. President, I observe that the Secretary of the Treasury in writing an indorsement of the bill suggests that the fourth word in the first line of the second page of the printed bill is "of" instead of "or," and it is suggested that it be corrected. Of course, it is simply a typographical error.

The PRESIDING OFFICER. The Senator will state the amendment he proposes.

Mr. McKELLAR. In what line?

Mr. OVERMAN. The fourth word in the first line of the second page of the printed bill is "of" instead of "or," and it is suggested that it be corrected.

Mr. McKELLAR. That would not make sense. It reads "which are alleged to have been lost, stolen, or destroyed."

Mr. ROBINSON. The bill evidently has been corrected since the Secretary made his suggestion.

The PRESIDING OFFICER. The clerks suggest that that is simply a typographical error in the first print.

Mr. OVERMAN. Very well.

The PRESIDING OFFICER. The bill is before the Senate as in Committee of the Whole and open to amendment. If there be no amendment to be proposed, the bill will be reported to the Senate.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

Mr. OVERMAN. I ask, to accompany the bill and the report, that a letter of the Secretary of the Treasury be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The letter is as follows:

TREASURY DEPARTMENT,
Washington, March 6, 1924.

Hon. REED SMOOT,
Chairman Committee on Finance, United States Senate.

MY DEAR SENATOR: I have received a letter dated February 19, 1924, from Frank X. A. Eble, clerk of your committee, transmitting for report, on behalf of your committee, bill (S. 2510) for the relief of William Henry Boyce, sr., Ansonville, N. C., on account of the loss, theft, or destruction of 4½ per cent Treasury certificates of indebtedness Nos. 7378 and 7379 for $1,000 each, and No. 3371 for $500, series TM–1924, issued March 15, 1923, maturing March 15, 1924, payable to bearer, with coupons due September 15, 1923, and March 15, 1924, attached.

According to the department records, these certificates are still outstanding, and the coupons therefrom which matured on September 15, 1923, have not been paid. As stated in my letter to you of February 11, 1924, concerning another bill introduced for Mr. Boyce's relief, correspondence on file in the department shows that the certificates were purchased by Mr. Boyce in April, 1923, and were kept in the railway station at Ansonville, N. C., from which they were stolen on the night of June 29, 1923.

It is noted that S. 2510 follows the form of bill suggested by my letter of February 11, 1924, and that it provides that the bill shall not take effect until September 15, 1924, which is six months after the maturity of the certificates. Therefore the department will interpose no objection to the passage of this bill.

However, your attention is invited to the fact that through a typographical error the fourth word of the first line on the second page of the printed bill is written "of" instead of "or," and it is suggested that this be corrected.

A copy of this letter is inclosed.

Very truly yours,

A. W. MELLON,
Secretary of the Treasury.

BARGE "ANODE."

The bill (S. 78) for the relief of the owners of the barge *Anode* was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the claim of the Raritan Copper Works, owner of the American barge *Anode*, against the United States for damages alleged to have been caused by collision between said barge and the U. S. transport *Buford*, on the 18th day of January, 1919, between Governors Island and Bedloes Island, in New York Harbor, N. Y., may be sued for by the owner of the said barge in the United States District Court for the Southern District of New York, sitting as a court of admiralty and acting under the rules governing such court; and said court shall have jurisdiction to hear and determine such suit and to enter a judgment or decree for the amount of such damages, including interest, and costs, if any, as shall be found to be due against the United States in favor of the owner of the said American barge *Anode*, or against the owner of the said American barge *Anode* in favor of the United States upon the same principles and measures of liability as in like cases in admiralty between private parties and with the same rights of appeal: *Provided*, That such notice of the suit shall be given to the Attorney General of the United States as may be provided by order of the said court, and it shall be the duty of the Attorney General to cause the United States attorney in such district to appear and defend for the United States: *Provided further*, That said suit shall be brought and commenced within four months of the date of the passage of this act.

Mr. McKELLAR. Apparently the bill involves quite a large sum.

Mr. CAPPER. I call the attention of the Senator from Tennessee to the fact that the bill simply authorizes a suit to be brought.

Mr. McKELLAR. I see that. I withdraw the objection.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER.

The bill (S. 82) for the relief of the owners of the steamship *Comanche* was announced as next in order.

Mr. McKELLAR. That is the same character of bill. It just refers the matter to the Court of Claims and allows a suit to be brought.

Mr. CAPPER. Yes.

Mr. ROBINSON. Mr. President, I think it well to point out the fact that both these bills—the one now under consideration and the one just passed—authorize the rendition of a judgment upon the finding. It is not merely a case where the court makes a finding of fact and the matter comes back to Congress for an appropriation. The court is authorized to render judgment.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. ROBINSON. I think we had better let it go over.

The PRESIDING OFFICER. The bill will be passed over.

Mr. McKELLAR. The other one ought to go over, too.

Mr. ROBINSON. I think the other one ought to go over.

The PRESIDING OFFICER. The Senator from Tennessee asks unanimous consent that the votes whereby the preceding bill was passed be reconsidered and that the bill be returned to the calendar. Is there objection? The Chair hears none, and it is so ordered.

The bill (S. 84) for the relief of the owners of the steamship *Ceylon Maru* was announced as next in order.

Mr. McKELLAR. That seems to be in the same situation.

The PRESIDING OFFICER. The bill will be passed over.

DANIEL S. GLOVER.

The bill (S. 788) to extend the benefits of the employers' liability act of September 7, 1916, to Daniel S. Glover was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the United States Employees' Compensation Commission shall be, and it is hereby, authorized and directed to extend to Daniel S. Glover, on account of the results of an injury sus-

tained January 28, 1913, while in the performance of duty as an employee of the navy yard at Washington, D. C., the provisions of an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

JOINT RESOLUTION PASSED OVER.

The joint resolution (S. J. Res. 4) proposing an amendment to the Constitution of the United States relative to the adoption of amendments thereto was announced as next in order.

Mr. ROBINSON. Mr. President, this is a joint resolution proposing an amendment to the Constitution of the United States, and of course it should not be considered under the order of procedure that now governs the action of the Senate. It should be considered at another time. I ask that it go over.

The PRESIDING OFFICER. The joint resolution will be passed over.

ACTIONS OF DEATH OR PERSONAL INJURY.

The bill (S. 314) concerning actions on account of death or personal injury within places under the exclusive jurisdiction of the United States was considered as in Committee of the Whole.

The bill had been reported from the Committee on the Judiciary with an amendment, on page 1, line 6, after the word "States," to insert "within the exterior boundaries of any State," so as to make the bill read:

Be it enacted, etc., That in the case of the death of any person by the neglect or wrongful act of another within a national park or other place subject to the exclusive jurisdiction of the United States, within the exterior boundaries of any State, such right of action shall exist as though the place were under the jurisdiction of the State within whose exterior boundaries such place may be; and in any action brought to recover on account of injuries sustained in any such place the rights of the parties shall be governed by the laws of the State within the exterior boundaries of which it may be.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER.

The bill (S. 2691) to amend the Penal Code was announced as next in order.

Mr. ROBINSON. Mr. President, this bill seems to be an amendment to the Penal Code. I believe that it ought to go over, because it appears that an explanation is necessary.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 2693) in reference to writs of error was announced as next in order.

Mr. WILLIS. Mr. President, I suggest that the same observation could be made with reference to this bill that was made in reference to the one just passed over. The Senator from Montana [Mr. WALSH] is absent, and the bill will probably require some explanation. I suggest that it go over.

The PRESIDING OFFICER. The bill will be passed over.

WILLIAM MORTESEN.

The bill (S. 148) for the relief of William Mortesen was announced as next in order.

Mr. McKELLAR. May we have an explanation of that bill?

Mr. CAPPER. I ask that it go over until the Senator from Oregon [Mr. MCNARY] is able to be here.

Mr. BROOKHART. I will explain it, unless the Senator from Tennessee desires to insist on the objection.

Mr. McKELLAR. I did not object. The Senator from Kansas objected. I merely wanted an explanation of it.

Mr. BROOKHART. While from the reading at the desk it might be thought that this is a bill allowing $20,000, the committee decided that, while this man did perform some valuable service they should cut the allowance down to $1,000. So it is not as important a matter as it would appear from the reading.

Mr. McKELLAR. What did the man do?

Mr. BROOKHART. He assisted in the recovery of some $215,000 worth of Government property.

Mr. ROBINSON. Mr. President, I notice that the report of the Acting Secretary of the Interior is to the effect that the Government might be justified in paying the claimant a small sum, and the Acting Secretary suggests $500.

Mr. BROOKHART. $500 or $1,000. We allowed $1,000.

Mr. ROBINSON. I do not desire to contradict the statement of the Senator from Iowa, but I happen to have before me the report of the Acting Secretary, which is as follows on the point to which I have referred:

The agent, as you see, thinks the Government would be justified in paying Mr. Mortesen something, say $500, because of his services and because it would encourage others to render the Government assistance in such cases. I am constrained, however, to the conclusion that the precedent which would be created by the passage of this bill would result, not in benefits, but in most injurious consequences, both to the Government and to the citizens of the public-land States. I therefore conclude that the bill in question should not become a law.

From that statement I infer that the Acting Secretary would not even approve the recommendation of the agent of the Interior Department that the claimant receive, say, $500. He says he thinks it would establish a bad precedent. In that view of the matter, I think the bill ought to go over, at least for the present.

Mr. BROOKHART. That does not state the case accurately. If the Senator will get the agent's recommendation, he will find that he said from $500 to $1,000.

Mr. ROBINSON. I have no objection to trying the matter out now and letting the Senate pass on it, if the Senator from Iowa thinks it is of sufficient importance to delay the consideration of other bills which follow this on the calendar.

Mr. BROOKHART. I think it is as important as any other $1,000 measure.

Mr. SMOOT. Let me ask the Senator, if he has additional reports, if he will not have them printed, so that we can have them before us.

Mr. ROBINSON. The report I read refers to the statement of the agent, and in several other places quotes from Mr. Laughlin's report.

Mr. BROOKHART. I think that is correct as to the report of the department. We went through the whole case and examined the statement of the services the man performed and everything connected with it, and decided the recommendation of the agent was more justified than the conclusion of the department, and we reported $1,000 as the maximum amount.

Mr. ROBINSON. I ask that the bill may go over.

The PRESIDING OFFICER. The bill will be passed over.

RELIEF OF THE NEAR EAST RELIEF (INC.).

The bill (S. 87) for the relief of the Near East Relief (Inc.) was announced as next in order.

Mr. ROBINSON. Mr. President, this appears to be a very important bill. It is very far reaching, and unless there is some one here who is prepared to explain the bill and justify it I think it ought to go over.

Mr. WARREN. Let it go over.

The PRESIDING OFFICER. The bill will be passed over.

ADDITIONAL CLERKS FOR SENATORS.

The resolution (S. Res. 161) providing for an additional clerk for Senators not chairmen of committees during the Sixty-eighth Congress was next in order.

The resolution, submitted by Mr. REED of Pennsylvania, had been reported from the Committee to Audit and Control the Contingent Expenses of the Senate with an amendment to substitute in lieu of the original resolution the following:

Resolved, That to each Senator (other than chairmen of committees to which additional clerks have been assigned) from a State having a population in 1920 of more than 8,000,000 persons there shall be allowed a special assistant clerk, to be paid at the rate of $2,400 per year. The salaries of such clerks shall be paid from the contingent fund of the Senate. Such clerkships shall continue during the Sixty-eighth Congress.

Mr. FLETCHER. Mr. President, there are several Senators who have expressed themselves as having some views they would like to submit on this resolution, and I do not know whether it is desirable to press it now or not. I remember the point was raised the other day that Senators objected to having help supplied on the basis of population, and it seems to me that is a pretty strong point to make. Unless there is some urgency why the resolution should be agreed to now, I think it ought to go over, in order to give Senators who are interested in the matter some opportunity to present their views.

Mr. REED of Pennsylvania. Mr. President, I think I have talked with all the Senators who expressed themselves on both the occasions when I made efforts to get the matter up. The last time that effort was made was when the Senate was in executive session, and objection then was made by the Senator from Michigan [Mr. COUZENS] to having the resolution come up when no record would be made of the remarks on it. The suggestion was also made by the senior Senator from Washington [Mr. JONES], who is now in the chair, that the resolution

ought to carry a somewhat lower amount of compensation than the amount stated in it; but I do not know of any objection made to the allowance of the three clerks who would be carried by the resolution.

I beg the Senate to consider seriously the burden under which Senators from States of huge population now labor. As I have already said to some of the Senators, in explanation of the resolution, my incoming mail last year numbered over 100,000 pieces, and our office used, in actual typewritten letters, more than 40,000 letter sheets. The junior Senator from New York [Mr. COPELAND], who is one of the Senators who would get a clerk under the resolution, has stated that it takes the time of one clerk for two hours and a half each morning merely to open the envelopes in which the mail comes and to lay the letters out flat without reading them.

Mr. FLETCHER. Mr. President, if I may interrupt the Senator at that point, I would like to say that that sort of work does not require very skillful or expert help. Opening letters and work of that sort might be compensated for at a little smaller salary than here provided, at perhaps $1,800.

Mr. REED of Pennsylvania. The Senator is quite right. Of course, to pay $2,400 for a clerk to merely open letters would be absurd; but the truth is that when the letters have been opened it requires a person of some discretion to answer them, and that is where our trouble comes.

Mr. ROBINSON. Mr. President, I supposed that when the Senator referred to the number of pieces of mail received and the length of time it took to open them he was illustrating the quantity of mail received and the necessity for additional clerks.

Mr. REED of Pennsylvania. Exactly.

The PRESIDING OFFICER. May the Chair ask the Senator whether or not any amendment is proposed to the resolution other than that reported by the committee?

Mr. REED of Pennsylvania. If it is the feeling that a $2,400 clerk ought not to be allowed, I for one will be very glad to amend the resolution and to put the clerk in such a class as the Senate thinks he ought to be put in. But let me say, before we take up that point, that at the present time my colleague [Mr. PEPPER], if he will not mind my saying it——

Mr. PEPPER. Mr. President, I will say it myself; I think we all regret that the number of Senators to be affected by the resolution is so small. Yet the situation with some of us is serious. I think I may without impropriety say that I have to pay out of my pocket $10,250 a year for extra clerical force in my office, and if this resolution passes it will not be in relief of what I pay out; it will be to enable me to get an additional clerk, that I may shorten the hours of labor of those in the office a little. We open at 8 in the morning and run to 7 in the evening, and there is some one there every evening.

As I said, in addition to the allowances made by the Government, during the last two years I have paid out of my own pocket $10,250 a year for clerical salaries. That is because of the enormous amount of mail matter and other matters requiring the consideration of the clerical force which come pouring in from the State of Pennsylvania. That is the basis upon which we submit the matter to the Senate.

Mr. WILLIS. Mr. President, I want to suggest that it seems to me this is a matter of a good deal of importance, and I doubt whether we ought to try to dispose of it now. If we are going into a discussion of the work which devolves upon Members of the Senate who come from some of the larger States, it would be interesting to inquire as to just where we should draw the line.

I do not know how much mail matter has to be handled by the Senators from Pennsylvania, but if they have any more than the Senators from Ohio, they have an abundance. I rather doubt the desirability of fixing a limit of the sort fixed in the resolution. Something has been said about the number of pieces of mail that come in. Last week I sent out from my office in one day 1,200 pieces of mail, about 1,000 of which I signed myself.

This is a rather important question. I suggest, therefore, that the resolution go over.

Mr. JONES of Washington. Let me suggest to the Senate that I do not think any Senator ought to have to pay for necessary assistants out of his own pocket. I have always taken that position. But I do think it would be very unwise for us to provide for additional clerks at $2,400 a year, because every Senator then would come in and ask to have an additional clerk at $2,400 a year. I do think that these Senators ought to have additional help, and I understand from talking with them that if we would give them each an extra clerk at $1,600, they would agree to that. I think that when any Senator may come before the Committee to Audit and Control the Contingent Expenses of the Senate and say that he needs more help, it will be entirely proper to give him such help as he may say he needs. For these reasons, and knowing the great work these Senators have to do, I am in favor of passing some such measure as this.

Mr. McKELLAR. What salary does the Senator suggest?

Mr. JONES of Washington. Sixteen hundred dollars. We have clerks at $1,600 now, and I think we should put the new clerks in the same class with the clerks we have. If we should provide for another class at $1,800, every Senator would come in and ask for such a clerk.

Mr. WILLIS. Mr. President, what the Senator from Washington has said illustrates the very point I had in mind. This matter of clerical help is of exceeding great importance to every Senator, and it ought to be a matter very carefully wrought out. I do not think we can dispose of the resolution fairly or satisfactorily in a hurried manner, and with the greatest regret I feel inclined to suggest that the matter go over until we may have an opportunity to work it out. We can not do that this morning.

Mr. SHORTRIDGE. Mr. President, in order that the Senators from Pennsylvania may extend their views a little beyond the borders of their own State, I invite their attention, very kindly, to the fact that I come from a very remote State, which has some 4,000,000 population, and, due to the variety of industries, and to the further fact that it is a seaboard State, a border State, our correspondence is very, very great. Whilst I am not here appealing for additional assistants, I think I can make out a case quite as persuasive and conclusive as can my friends from Pennsylvania. Indeed, I am overburdened with correspondence, and employment of additional assistants in my office is necessary. Some months ago I was on the point of bringing up this matter with a view of asking for additional assistants.

Mr. REED of Pennsylvania. Will the Senator yield to me?

Mr. SHORTRIDGE. Certainly.

Mr. REED of Pennsylvania. Of course, we are all overburdened with mail. I base my plea on the statement I get from the Senate post office, that there is no mail received in the Senate that is comparable in amount with that which comes to the Senators from New York and the Senators from Pennsylvania.

The PRESIDING OFFICER. The hour of 2 o'clock having arrived, the Senate will proceed to the consideration of the special order, Senate Joint Resolution 22, under the unanimous-consent agreement.

Mr. REED of Pennsylvania. Mr. President, it sounds as though I was discussing the previous question, but I am actually speaking on the matter now before the Senate. If the resolution which we have introduced for extra clerical help can not be adopted without defense we will not renew it. I suppose that in its present position on the calendar it will be the first matter taken up on the next call of the calendar, and I want to say my say, and say it finally.

At the present time the Senator from New York [Mr. COPELAND], and the two Senators from Pennsylvania are paying out far more than our salaries for the extra clerical help that is in our offices here in the Senate Office Building. In other words, we are paying for the privilege of coming to Washington and being the target of all the blatherskites that want to call us names.

Mr. SHORTRIDGE. The honor of the place is worth all that.

Mr. REED of Pennsylvania. The honor of the place is overwhelming, but the financial advantage that we get from it, all contrary imaginings in the country notwithstanding, is not very large. It is the fact that none of us is able, out of our salaries, to pay for that extra clerical help. I know all the other Senators are overwhelmed with their mails, too, but I base my statement on what I get from the post office of the Senate, that none of them compares in volume with what is coming to our offices every day. I know that it is a physical impossibility to read it all. I know that my clerks are working nights and Sundays and that they are unable physically to keep up with the strain, and I am unable financially to hire any more clerks.

I do not intend to make any further plea for the matter, and when it comes up on the call of the calendar the next time if it does not pass without further discussion I shall ask that it be indefinitely postponed, because I do not intend to be in the position of a beggar before my colleagues here in the Senate.

Mr. WILLIS. Mr. President, I am sure that no one would think of the Senator from Pennsylvania as a beggar simply

because he calls attention to a situation with which everybody is acquainted. I personally should be very sorry if he took that view of the question.

Now, here is the fact: Senators are overworked in the handling of their mail. There is no doubt about that. I think there ought to be more clerical help provided, particularly for the Senators from States with the larger populations. I have made no inquiry of the post office, but I dare say there is not very much difference between the amount of work that devolves upon the Senator from Pennsylvania and that devolving upon the Senator from Ohio.

Mr. PEPPER. Mr. President——

Mr. WILLIS. I yield to the Senator from Pennsylvania.

Mr. PEPPER. The Senator has in mind the fact that the resolution, as originally introduced, was applicable to States with a population of 5,000,000 and over, and that in the form as advocated by the Senators from Pennsylvania it would have been applicable to the Senator's own State of Ohio. The elimination of the lower figure was not the work of the movers of the resolution, but was the action of the committee.

Mr. WILLIS. Oh, I understand that. There is no feeling about that at all, I assure my friend. I understand that perfectly. But this is not a matter that we can work out on the floor of the Senate. The matter ought to go to a committee that can give careful consideration to the whole subject, and determine what additional help is needed in order to enable Senators properly to handle their correspondence and at the same time have a little time for the consideration of the work in the Senate. I think the matter ought to go to one of the committees of the Senate for careful inquiry, and I hope the Senator from Pennsylvania will make that motion.

Mr. REED of Pennsylvania. The matter has already been before a committee.

Mr. WILLIS. What committee made inquiry?

Mr. REED of Pennsylvania. The Committee to Audit and Control the Contingent Expenses of the Senate, and it has been considered by that committee. The form in which the resolution now stands is an amendment which is an entire rewriting by that committee of the original resolution. I know that the Senator is similarly overwhelmed and the resolution as I introduced it called for an extra clerk for his office as well, because I know that the Senator from Ohio needs that extra clerk. But the Committee to Audit and Control the Contingent Expenses of the Senate, in its wisdom, decided to amend the resolution. It has had its inquiry.

Mr. FESS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to his colleague?

Mr. WILLIS. I yield.

Mr. FESS. As a member of the Committee to Audit and Control the Contingent Expenses of the Senate I may say that we took the matter under advisement, and while we have no authority to amend a resolution it was suggested to the proponents of the resolution that we were disinclined to report it including all those names and that if they would limit it to the particular situation for this session or this Congress, we thought it was of sufficient value to recommend it. The amendment was made and we recommended it accordingly, and I sincerely hope that it may receive favorable consideration.

Mr. COPELAND. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from New York?

Mr. WILLIS. I yield.

Mr. COPELAND. I hope the Senator from Ohio will withdraw his objection. The popular idea is that only a multimillionaire can come to the United States Senate, and I am beginning to think that is true. I find it necessary to pay out of my own pocket for additional help, and while I do not want to discriminate in any way against Senators from other States, and my State represents a population equal to 18 other States of the Union which I could name, yet my office has the same staff that the Senator from each one of those 18 States has. My State pays nearly 30 per cent of the taxes of the country.

The mail coming to my office, I am told, is the largest ever sent to a Senator's office. It is utterly impossible for the staff provided by the Government to take care of that mail. It is utterly impossible for me to hold the office and do any credit whatever to it unless I can answer the letters coming to my office. I am already hiring all the help I can afford to hire, and yet I have not help enough. If the Senate were good enough to grant this request I would still have to retain the additional help which I am now employing personally. I think it is only fair, and I would be glad to see every Senator who needs help given it. I would not myself have thought to bring the request before the Senate, but since the Senator from Pennsylvania has brought it here it is only right that the Senate should know exactly what the situation is. My people are overworked and it is only fair that these additional assistants should be given in order that the work may be properly done.

Mr. WILLIS. Mr. President, I do not desire to prolong the discussion of a matter which is not technically before the Senate. I simply want to say, and I hope the Senator from Pennsylvania will give consideration to the suggestion, that in my opinion the matter should be referred to some committee. I understand it has been before the Committee to Audit and Control the Contingent Expenses of the Senate, which is without authority to propose amendments to resolutions. Let it be referred to that committee or to some other committee, and let Senators be notified so that there can be a real inquiry as to the needs of the different Senators and see if some plan can not be worked out. Obviously a thing of this kind can not be settled just by snap judgment of this kind. I trust that action will be had.

Mr. JONES of Washington. Mr. President, I want to say just a word or two about the resolution of the Senator from Pennsylvania. I want to say to the Senator from Pennsylvania that I have had the same experience along the line that he is now having experience, not only with reference to lack of clerks but with reference to the situation in the Senate. I am not going to recite anything about that, but I want to suggest that the Senate, after a great deal of consideration in connection with the matter and after it had been agitated for two or three Congresses, provided what was thought to be ample permanent regular help. It provided, I think, for four clerks, one of them at $2,500, and that was larger pay than any of the clerks in the Senate had ever before been getting.

It was understood that Senators who needed additional help during the session of Congress could go before the Committee to Audit and Control the Contingent Expenses of the Senate and make their showing, and that reasonable allowance would be made. I do not believe in basing clerk hire or clerical help upon the population of the States. Furthermore, I think that four clerks are enough for every Senator during the recesses of Congress. I think Senators will agree that during the recesses of the Congress the four clerks should take care of the business.

Therefore I want to suggest two things. Any additional help of any kind that may be provided should be within the range of pay of the permanent clerks provided with certain salaries within that classification. We ought to provide for additional help within those classes and not provide for new clerks at $2,400, because if we do that other Senators—and it would be only just to the clerical help in their offices—would ask for commensurate salaries.

Mr. FESS. Mr. President, will the Senator yield?

Mr. NORRIS. I hope Senators will not take up a question that they know can not be disposed of here.

Mr. JONES of Washington. I shall be through in just a moment.

Mr. NORRIS. Some other Senator will want to follow on the same subject. It is an interesting subject, of course.

Mr. FESS. I only want to ask a question. Does not the Senator from Washington find trouble in securing a secretary or clerk at the salary fixed by the Senate?

Mr. JONES of Washington. Two thousand five hundred dollars is a pretty good salary, and we hope that may be increased ultimately. I have the same secretary I have had ever since I came to Congress 25 years ago. He started in at $1,200 a year and he is worth more than he is receiving.

Mr. FESS. I have found it necessary to combine the two salaries in order to get the man I want.

Mr. JONES of Washington. I have a very competent man. He ought to have more pay. I want to suggest that I think the resolution should go back to the Committee to Audit and Control the Contingent Expenses of the Senate with the suggestions that have been made here, and that they should frame up a resolution that would take care of the situation and provide for clerks within the salaries already named and provide them for the sessions of Congress only. I am going to ask unanimous consent that the resolution be referred back to the Committee to Audit and Control the Contingent Expenses of the Senate and they can take up the suggestions then.

Mr. McKELLAR. I think that is a very wise suggestion, and I hope the Senate will adopt it.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Washington?

Mr. BRUCE. I object.

The PRESIDING OFFICER. Objection is made.

CHANGE OF DATE OF INAUGURATION.

The Senate, as in Committee of the Whole, resumed the consideration of the joint resolution (S. J. Res. 22) proposing an amendment to the Constitution of the United States fixing the commencement of the terms of President and Vice President and Members of Congress, and fixing the time of the assembling of Congress.

Mr. NORRIS. Mr. President, I think I ought to briefly explain the proposed amendment of the Constitution that is before the Senate.

Mr. HARRIS. Mr. President, will the Senator yield to me to offer an amendment?

Mr. NORRIS. I yield.

Mr. HARRIS. I offer an amendment to the pending joint resolution, which I ask may be read and be pending.

The PRESIDING OFFICER. The amendment will be read for the information of the Senate.

The READING CLERK. On page 3, after line 3, insert the following new section:

The Executive power shall be vested in a President of the United States of America. He shall hold his office during the term of six years; and no person hereafter elected shall be eligible to reelection.

The President, together with the Vice President chosen for the same term, shall be elected as follows:

Mr. NORRIS. Mr. President, the proposition before the Senate is a resolution submitting to the States an amendment to the Constitution of the United States. In the original Constitution of the United States there was no time fixed for the beginning and the ending of terms of President, Vice President, Senators, or Members of the House of Representatives, but there was a time fixed for the terms of all those officers. There was fixed by statute the beginning of the new Government and the term. The commencement of the term of the first President, Vice President, Senators, and Representatives comprising the First Congress was fixed by an act of Congress adopted September 13, 1788, and that act provided that the first Wednesday of March should be the time for commencing proceedings under the Constitution.

It happened that the first Monday in March was the 4th of March that year; hence the beginning of the terms was on the 4th of March; and since the terms of President and Vice President were for four years, the terms of Senators six years, and the terms of the Members of the House two years, those terms, of course, ended on the 4th of March.

The proposition before the Senate is to fix the beginning of the terms. Briefly stated, the amendment provides that the beginning of the terms of President and Vice President shall be at noon on the third Monday in January, and the beginning of the terms of Senators and Representatives shall be at noon on the first Monday in January. Those dates are different in the amendment because under the Constitution the canvassing of the votes for President and Vice President must be made by the Senate and House of Representatives in joint session, and it was thought that there ought to be two weeks given for the purpose of canvassing those votes.

Inasmuch as the terms of Representatives and of a third of the Senate every two years expire on the 4th of March, it follows that one session of Congress is what we know as a short session, beginning on the first Monday in December and ending on the 4th of March. If this amendment be approved, there will be no such thing as a short session. I am not going, Mr. President, at this time, at least, to discuss the difficulties that always arise in a short session. Everyone who has had experience in Congress, I think, knows that the calendars are always clogged at that time, making it an impossibility for the Senate and House of Representatives to do good work, to do deliberate work, because the Members of Congress know that on the 4th of March they will have to cease, because the terms of the Members of the House of Representatives expire on that day.

So one effect of the adoption of this amendment would be to abolish the short session of Congress. Congress would begin in January in each year and would be limited in its sessions only by the expiration of the term of its Members, which would mean that a term might extend for an entire year, if necessary. It would do away with the congestion that always comes and with the bad legislation that always results from a congested condition.

Another effect of the adoption of the amendment would be that Members of Congress who are elected in November would be sworn into office the first Monday in January after their election, and would immediately enter upon the performance of their official duties. Under present conditions, unless a special session be called by the President, a Member of the Senate or of the House of Representatives who is elected in November does not actually take the oath of office until a year from the following December; 13 months after he is elected he is inducted into office. That, however, is not all.

During the time when a new Congress has been elected the old Congress is still in office, and has one session yet remaining; although its Members may have been repudiated by the people, they are still in office, and those whom the people have chosen are out of office. An issue settled at the preceding election is not determined or passed upon by the men whom the people of the country have elected to settle it. That condition would disappear.

Another effect of the adoption of the amendment would be this: Under our present Constitution, if an election does not result in a choice of President and Vice President, the election is thrown, respectively, into the House of Representatives and the Senate. As Senators know, in such case the House of Representatives proceeds to elect a President and the Senate proceeds to elect a Vice President. Under the Constitution, as it now stands, the election in the House of Representatives and in the Senate is performed by the old Congress; in other words, the people elect a new Congress in November in a Presidential election, and if they fail to elect a President the President is elected by the Congress then in office and not by the Congress which is elected at the last election. If this amendment is adopted and becomes a part of the Constitution and such a condition should arise—and it has arisen several times in the history of the country—the Congress which would elect a President would be the same Congress which was elected at the general presidential election; in other words, it would be the new Congress and not the old Congress that would elect the President and Vice President.

Still another thing would be accomplished by the amendment, if adopted. The Constitution in another part provides that if a vacancy occurs in the presidential office on account of the death, resignation, or removal of the President and the Vice President also, then Congress shall have power to designate who shall be the acting President.

Congress has acted under that law and has provided that in such case that the Secretary of State shall become President, and, in case something happens to him, the succession goes on down through the members of the Cabinet, so that there is no possibility of the country being left without a Chief Magistrate; but the Constitution does not make any provision in case the House of Representatives and the Senate both fail to elect a President whenever the election is thrown into Congress. If it should occur that there should be no election in November because no candidate should receive a majority of the electoral votes, and then the House of Representatives should fail to elect a President—which could very easily occur, because the election takes place by States—then the Vice President who is elected by the Senate would become President; but if the Senate also failed to elect a Vice President, there would be no one to take the office of President; and there is no provision in the Constitution which gives any authority to anyone to select a President under those circumstances.

Mr. REED of Missouri. Mr. President——

Mr. NORRIS. I yield to the Senator from Missouri.

Mr. REED of Missouri. Under the conditions contemplated by the pending joint resolution suppose that the Congress failed to elect would we not be confronted by a difficulty very similar to the one which now exists?

Mr. NORRIS. That would not be true unless Congress should fail to enact the law for which provision is made. If the House of Representatives should fail to elect a President, and the Senate should fail to elect a Vice President, the general law, as provided for in section 3 of the proposed amendment, would settle the question of who would be President.

I hope I may be understood. Let me refer to a condition which might arise: Suppose that at the next general presidential election the country should be so divided that no candidate would receive a majority of all the electoral votes, and, therefore, there would be no election. Under the existing Constitution the election of a President would then devolve upon the House of Representatives and the election of a Vice President would devolve upon the Senate. Let me follow that along. Suppose the House of Representatives should fail to elect a President, in that event the man elected Vice President by the Senate would become President. But suppose the Senate likewise failed to elect a Vice President, then who would become President? Nobody. Who would have authority to act under the Constitution? Nobody. There is not any authority delegated to Congress under the Constitution as it now stands in

that kind of a condition to say who the President or the acting President shall be. It is not beyond possibility or even probability that the House of Representatives might fail to elect a President, because the Constitution provides that in that case the President shall be elected by States and that each State shall have one vote, so that it would take a majority of all the States to elect.

It can readily be seen that the House might be divided in a three-cornered fight in such a way that there would be no majority. It would not be so apt to happen that the Senate should fail to elect a Vice President, who, under those circumstances, would become President, because the Constitution provides that the Senate must elect the Vice President from the two highest names on the list. But if the Senate should be tied—and it has been tied on many votes on numerous occasions since I have been here—then there would not be any election. So while we were proposing to amend the Constitution by fixing the terms of office, we thought we might just as well provide for that contingency, because it is intermingled with another provision of the Constitution which we likewise had to change. The twelfth amendment of the Constitution provides the manner of the election of a President by the House of Representatives when the people have failed to elect. It says:

> And if the House of Representatives shall not choose a President whenever the right of choice shall devolve upon them before the 4th day of March next following, then the Vice President shall act as President.

Since we are proposing to change the expiration of the term of office from the 4th of March to the third Monday in January, it is important and necessary, in fact, to suggest the other amendment in order to make it a complete working machine. So we have said in section 3:

> If the House of Representatives has not chosen a President, whenever the right of choice devolves upon them, before the time fixed for the beginning of his term—

If this amendment is agreed to, that will be the third Monday in January—

> then the Vice President chosen for the same term shall act as President until the House of Representatives chooses a President; and the Congress may by law provide—

That is what I was speaking of a moment ago—

> that in the event the Vice President has not been chosen before the time fixed for the beginning of his term, what officer shall then act as President, and such officer shall act accordingly until the House of Representatives chooses a President or until the Senate chooses a Vice President.

Mr. ROBINSON. Mr. President——

The PRESIDING OFFICER (Mr. MCNARY in the chair). Does the Senator from Nebraska yield to the Senator from Arkansas?

Mr. NORRIS. I yield to the Senator from Arkansas.

Mr. ROBINSON. Under the present Constitution there is no provision for determining who shall serve as President in the event the election is thrown into the House of Representatives and the House fails to make a choice——

Mr. NORRIS. And the Senate fails also.

Mr. ROBINSON. And the Senate also fails to make a choice of Vice President.

Mr. NORRIS. That is right; yes, sir.

Mr. ROBINSON. The Senator's proposed amendment to the Constitution would authorize Congress by statute to make provision for such a possible contingency?

Mr. NORRIS. Yes, sir.

Mr. ROBINSON. So that under no conditions if this amendment should be submitted and ratified could the country be without a Chief Executive——

Mr. NORRIS. Exactly.

Mr. ROBINSON. Unless the Congress should fail to exercise the power conferred upon it by the amendment.

Mr. NORRIS. Yes.

Mr. ROBINSON. The proposed amendment, as I understand it, does not in any effect change the powers of the House of Reresentatives or of the Senate to choose the President and Vice President, respectively, in the event the electors chosen in the national election fail to make the choice?

Mr. NORRIS. No; there is no change in that respect.

Mr. ROBINSON. The only changes are as to the time when the term of office of Senators and Representatives shall expire and the provision already referred to that in the event the election is thrown into the Congress and that body is unable to make a choice, then by statute previously enacted Congress may prescribe the method of choosing a Chief Executive.

Mr. NORRIS. That is right; yes.

Mr. President, just one more word, and then I will take my seat.

The country mostly looks upon this amendment as having two aspects only. One is that a new Congress will go into office in January after the November election, instead of waiting 13 months. Another one is that it will do away with the short session of Congress and all its attendant evils and discomforts. There is, however, another matter which I have mentioned already, but I want to call attention to it again. To my mind it is an important thing.

When the election of a President is thrown into the House of Representatives, under the existing Constitution he is elected by the old House. Let us assume that in some presidential election there is a bitter contest over some important national proposition of legislation. Let us assume—and it is not an unreasonable assumption—that the House of Representatives and the Senate as they existed prior to the election had passed some legislation very obnoxious to the people of the country. Then place in the hands of that House and that Senate, both repudiated at the ballot box by the people of the United States, the power to elect a President and a Vice President for the next four years, and you have a picture before you that would almost lead to a revolution if the contest was over a question that was bitter enough.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. ROBINSON. This anomaly might also be presented: The party in power at the time of an election might be defeated in that election, so that if the old House of Representatives made the choice of a President, it might choose a President who belonged to a minority party, and in all probability would do so in case the control of the Government had passed in the election from one party to another.

Mr. NORRIS. Exactly; it would if it could; yes.

Mr. ROBINSON. Undoubtedly the present provision of the Constitution ought to be changed to safeguard against that kind of an emergency.

Mr. NORRIS. I thank the Senator.

Mr. FESS. Mr. President——

Mr. NORRIS. I yield to the Senator from Ohio.

Mr. FESS. There is another contingency that might arise, and I am wondering whether the resolution of the Senator cures it. The Senator will remember that the meeting of the electors, at which time they vote for the candidate, is on the second Monday of January, and then the counting of the vote is on the second Wednesday of February.

Mr. NORRIS. I think it is the third Wednesday.

Mr. FESS. No; it is the second. I have just looked it up. If that were this year, it would fall on the 13th.

Mr. NORRIS. Yes.

Mr. FESS. Now, in case after the second Wednesday in February both the President and Vice President elect should be removed by death or any other cause before the 4th of March, there is no provision either in the Constitution or in the statutes for the election of the President. That matter has been before the country for a good many years. I introduced in the House a resolution on the subject, but never could get any recognition for it. In other words, when the electors meet and cast their votes it is supposed that the Electoral College is discontinued, and the count is made then in the House of Representatives. Does the Senator's resolution cure that situation?

Mr. NORRIS. No; it does not.

Mr. FESS. There ought to be something to cure it.

Mr. NORRIS. We undertook in this amendment to cure only the things and confine it to the things that were connected in the Constitution with the terms of President, Vice President, and Members of Congress.

Mr. ASHURST. Mr. President——

Mr. NORRIS. I will yield to the Senator from Arizona in just a moment. The voting of the electors and the canvassing of the vote by the House of Representatives is fixed by statute, not by the Constitution. When this amendment is adopted we will have to change the statute and fix a different day for the counting of the vote and for the meeting of the electors in order to have it correspond to this.

Mr. FESS. But since the meeting time of the electors is fixed by statute, why could we not provide by statute that in case the contingency arose the electors would be called together again for the purpose of choosing a President? Could we not do that?

Mr. NORRIS. Probably. I think we could do that by a statute.

Mr. FESS. That is an interregnum that ought to be cured

Mr. NORRIS. Yes; I think it ought.

Now I yield to the Senator from Arizona.

Mr. ASHURST. I thank the Senator, but the matter has been covered, and it makes my question unnecessary.

Mr. McKELLAR. Mr. President, before the Senator takes his seat, I should like to make a suggestion. Under this amendment there will be two weeks after the Congress meets in which the President, if one is to be elected by the House, shall be elected. The Senator recalls that there have been times in the history of the House when the House has been unable to organize within two weeks, and I am wondering if two weeks is a sufficient time.

Mr. NORRIS. Does the Senator call to mind an occasion when they did not organize within two weeks?

Mr. McKELLAR. Yes; many years ago there was such an occasion. I looked it up once. I do not recall just what Congress it was, but it was only on one occasion. I am in entire sympathy with the amendment as proposed by the Senator. I think it is a very wise amendment.

Mr. NORRIS. I suppose there might be such a contingency; but suppose the House does not organize, and we pass a statute and provide that on a certain day, such as we have now—we now have the second Wednesday in February—after every presidential election the two Houses shall meet together. It would not follow that the House itself had not been organized. Even if they had not been organized, that meeting could be legal without any organization of the House itself.

Mr. McKELLAR. Does the Senator mean the meeting for the purpose of voting——

Mr. NORRIS. For the canvassing of the votes. When that meeting assembled, if there was a question about who was entitled to sit there, it could pass on that question itself, and I presume would if the question arose.

Mr. ASHURST. Mr. President, will the Senator yield?

Mr. NORRIS. Yes.

Mr. ASHURST. The only instance where the House had a prolonged failure to organize was over the election of the Speaker, which arose, of course, from the circumstance that they require a majority vote. It is perfectly competent at any time for the other branch of Congress to provide that a Speaker may be elected by a plurality, and doubtless they would do that if a prolonged failure to organize should come about; but even if there should be a failure to elect a Speaker I do not perceive why the matter could not be arranged.

Mr. NORRIS. The joint assembly could meet just the same.

Mr. ASHURST. Precisely.

Mr. McLEAN. Mr. President, the Senator has given this subject considerable thought, and I should like to get his view as to what provision Congress would probably make to provide for the succession in the event neither the House nor the Senate elected?

Mr. NORRIS. Of course, I can not answer that question.

Mr. McLEAN. The Senator must have given it considerable thought, and it is important for us to anticipate as far as we can.

Mr. McKELLAR. Is it not probable that the same general law would be passed that is now passed for the succession—the Secretary of State, the Secretary of the Treasury, and so forth?

Mr. McLEAN. But we have not the same basis. We might not have any Secretary.

Mr. NORRIS. Not quite the same basis, although Congress could provide by law that that could be done. I anticipate that they probably would not use the same basis, because this is a new, incoming President, and the other vacancy that is provided for by law is one that happens during a term of office. Of course, there are an unlimited number of things that Congress might do. It would settle it on somebody.

Mr. McLEAN. I did not know but that it might have been discussed in the committee.

Mr. NORRIS. No; it was not.

Mr. SWANSON. Mr. President, as I understand, Congress would have unlimited power to fix the method of selecting a President in case there was no election under the Constitution.

Mr. NORRIS. Yes; and he would be an Acting President only. He would hold office only until the President was elected in the regular way.

Mr. SWANSON. Now, suppose Congress had passed no general law at the time this condition arose, and there was no general law providing how the vacancy should then be filled. Under this amendment, would it be in the power of Congress to name a specific person who should act as President at that time?

Mr. NORRIS. I suppose Congress could provide by law, if they wanted to, that when that contingency arose the House of Representatives or the Senate, either one, could select by a plurality vote instead of a majority vote an Acting President, who should hold his office until the real President was elected.

Mr. SWANSON. What I mean is this: Suppose Congress—the Senate and the House—should both be controlled by what are known as blocs, and be unable to reach an agreement, and possibly not want to reach an agreement, because in exercising this power the vote is not taken by States, but the Members vote individually to fill this vacancy and a majority elects. Suppose they should reach the conclusion that they could get somebody they wanted better by failing to act by States, and let some designated person be elected by a majority vote, not voting as States; could they do that under this law—designate an individual who should fill the office, instead of having it filled under a general law?

Mr. NORRIS. My idea is that the provision contemplates a general law that shall be passed before any emergency arises.

Mr. SWANSON. That is true; but suppose Congress had not passed a general law, although having power to do so, and preferred not to exercise its power to vote by States but to have the Members vote as individuals. That would really give it the power, would it not, to nullify the Constitution and not have an election, and proceed to elect somebody by voting as individuals?

Mr. NORRIS. Oh, no. In the first place, in the kind of a contingency that the Senator mentions, he has not taken into consideration the Senate. If the House failed to elect, then the Senate would.

Mr. SWANSON. But I assume that neither the House nor the Senate acts. You can not compel a man to vote for one of two individuals and thus get a majority.

Mr. NORRIS. I understand that; but let us take it as it is now. Suppose what the Senator outlines should happen. There is not any power on earth, in heaven or below, given to anybody to select a President, and we would be without anybody at the head of the Government.

Mr. SWANSON. The reason why I am asking these questions is that at some time in the future what the Senator says as the author of this joint resolution may be used as an interpretation of what was in the legislative mind, as the courts very frequently do; and I can see where we might have blocs in the Senate and blocs in the House, and be unable to elect either a President or a Vice President. At the time when John Quincy Adams was elected a vacancy compelled those people to get together, and consequently they elected a President. They might prefer to get rid of the system of voting in the House of Representatives and in the Senate by States, and refuse to exercise the power under the Constitution to make an election. Then the question I want to ask the Senator, who is the author of this joint resolution, is this: As I understand, this joint resolution requires the office to be filled by a law previously passed?

Mr. NORRIS. Yes.

Mr. SWANSON. If they have not previously passed a law, then, as I understand this constitutional amendment——

Mr. NORRIS. If they have not previously passed a law, then we are just exactly where we would be if we had not adopted the amendment.

Mr. SWANSON. What I wanted distinctly understood, so that the Congress could not have any excuse for trying to prevent an election under the existing Constitution, was this: As I understand the Senator, if there is no law existing at that time to fill the vacancy, under failure of Congress to act, then the existing Constitution prevails.

Mr. NORRIS. Yes. I do not mean to say, however, that even in that condition Congress could not pass a law then if it had not done it before.

Mr. SWANSON. Could Congress at that time say, "We vote in the majority in the House and Senate that Mr. A shall exercise the office of President until Congress acts under the Constitution"?

Mr. NORRIS. Congress could do that if they had a proper law, under the Constitution itself.

Mr. SWANSON. I mean without a law could they just designate Mr. A as President?

Mr. NORRIS. No.

Mr. SWANSON. The Senator does not believe they could?

Mr. NORRIS. I do not.

Mr. SWANSON. The Senator thinks they must provide for succession by a general law?

Mr. NORRIS. I think so.

Mr. SWANSON. That is the Senator's interpretation of it?

Mr. NORRIS. That is my interpretation of it.

Mr. ASHURST. Mr. President, I wish to submit some brief observations on this joint resolution.

Mr. ADAMS. Mr. President——

The PRESIDING OFFICER (Mr. CARAWAY in the chair). Does the Senator from Arizona yield to the Senator from Colorado?

Mr. ASHURST. I yield.

Mr. ADAMS. I want to make an inquiry of the Senator from Nebraska, if I may. It is a question rather of phraseology. I was wondering why in the drafting of the amendment the Senator eliminated the provision fixing a definite time for the beginning of the terms. I am referring to section 3. In that section the Senator provides that "whenever the right of choice devolves upon them, before the time fixed for the beginning of his term, then the Vice President," and so forth. In the original provision in the Constitution it was provided that whenever there was a failure to elect "before the 4th of March," and so forth. I was wondering the reason for not fixing the time, which was provided in section 1 of the article.

Mr. NORRIS. I will say to the Senator that it would be just the same as if we fixed that time; but the idea of putting in the language we have employed here was this, that in case the people ever amended this amendment again, fixing the term of office, and so forth, it would be unnecessary for them likewise to amend section 3. In other words, in the twelfth amendment to the Constitution, from which the Senator has just read, it is provided that if they shall not have elected a President "before the 4th day of March," and so forth. If that had not been provided, if they had said there, "have not elected a President until the time fixed for the beginning of his term," it would be unnecessary to make this amendment now proposed. In other words, we are putting it in general terms, which would apply even as it stands now, and it would be the same likewise if another amendment should afterwards be adopted changing the term.

Mr. ADAMS. It may be a matter of English. I was disturbed in part by the last section, where it was said that the Congress may by law provide that in the event a Vice President has not been chosen before the time fixed for the beginning of his term, and so forth. That is, there seems to be a sort of personal pronoun attached to the term rather than a definition of an abstract term. I was wondering whether or not some very exact person, such as we have in some of our discussions, would not say that the pronoun "his" referred back to some particular individual?

Mr. NORRIS. Of course, it refers to the Vice President. The Senator has no doubt about that, has he?

Mr. ASHURST. The word "his" in line 21 would refer to its nearest antecedent, I think.

Mr. NORRIS. The beginning of the term and the ending of the term are just exactly the same as those of the President.

Mr. ADAMS. It does seem to me the language should be accurate.

Mr. ASHURST. Does the Senator from Colorado think it should be "the term" instead of "his term?"

Mr. ADAMS. I think so. The same suggestion would apply all through. The reference is always to "his" term, both in reference to the President and the Vice President.

Mr. NORRIS. It reads:

> If the House of Representatives has not chosen a President, whenever the right of choice devolves upon them, before the time fixed for the beginning of his term.

Mr. ASHURST. I think "the term" might be an improvement.

Mr. NORRIS. My own idea is that "his" is better because it refers to the President, and the pronoun above should be "his," it seems to me, although I think the meaning would be just the same.

Mr. McKELLAR. Referring to the situation suggested by the Senator from Virginia [Mr. SWANSON] that the Congress might not act under the last provision of section 3, would it strengthen the matter at all to make it the duty of Congress to act by substituting in line 23 the word "shall" for the word "may," so that it would read, "and the Congress shall by law provide," and so forth?

Mr. NORRIS. Line 23?

Mr. McKELLAR. Line 23, to substitute "shall" for "may," so as to make it read: "And the Congress shall by law provide." That would impose a duty upon Congress instead of merely giving it the power.

Mr. NORRIS. I think the legal effect would be just the same.

Mr. McKELLAR. Perhaps so. I know the terms are very frequently used interchangeably.

Mr. SWANSON. I have an idea that a contingency might arise in which some party, either the Democratic or the Republican Party, I am not saying which, might reach a conclusion that it could attain its desires by not exercising the power to elect by States, but by electing by a majority of Congress, counting the individual votes of the States. They might refuse to elect under the express constitutional provision, and then, having not provided by law what they should do, would insist they had the right, as Congress voting as individual States, to proceed to designate somebody who should hold the office until they exercised their power otherwise, which they would never do if they got somebody who suited them.

I have an idea that if the word "shall" were put in there, Congress, before the contingency arose, when the situation is not such as to offer inducements to fail to exercise this power because they can accomplish their purpose by a majority vote, would proceed to act, and we would not have that contingency preventing an election in the constitutional manner.

Mr. McKELLAR. Mr. President, I am inclined to think that the Senator from Virginia is correct about that, and I hope the Senator from Nebraska will accept an amendment, to substitute the word "shall" for "may."

Mr. NORRIS. Personally, I do not see any objection to changing the word "may" to "shall."

Mr. McKELLAR. Very well. Then I ask unanimous consent, Mr. President, that the vote by which the amendment on page 2, beginning with line 18, was agreed to, be reconsidered.

The PRESIDING OFFICER. Without objection, the vote will be reconsidered.

Mr. McKELLAR. Now, I move that, on page 2, line 23, in the committee amendment, the word "may" be stricken out and that there be inserted in lieu thereof the word "shall," so as to read:

> And the Congress shall by law provide that in the event the Vice President has not been chosen—

And so forth.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. ASHURST. Mr. President, in Article II, section 1, the Constitution now ordains that the President and Vice President shall hold office for the term of four years, but it does not provide when the term shall commence. The only recognition of the 4th of March succeeding the day of a presidential election as the day of the commencement of the terms of President and Vice President is the provision in the twelfth amendment of the Constitution, effective September 25, 1804, as follows:

> If the House of Representatives shall not choose a President whenever the right of choice shall devolve upon them, before the 4th day of March next following, then the Vice President shall act as President as in the case of the death or other constitutional disability of the President.

The twelfth amendment was adopted by reason of the unfortunate tie in the Electoral College in 1800 between Thomas Jefferson and Aaron Burr.

In 1824 there were four candidates contesting for the Presidency, and no one secured a majority in the Electoral College. Under the Constitution the election was relegated to the House of Representatives to ballot by States for three of the candidates. That eliminated Henry Clay from the balloting, because they dropped the lowest one, according to the constitutional provision, and, voting by States, it resulted in the election of John Quincy Adams.

Within our own time, to wit, in 1912, a number of thoughtful persons believed for a while that there might again arise a condition where the election of a President would be thrown into the House of Representatives.

Mr. FESS. Mr. President, in 1824, when John Quincy Adams was elected, he was a minority candidate, and Andrew Jackson had the largest number.

Mr. ASHURST. That is quite true, and I thank the Senator for that observation.

Suppose that in 1912 the election had been thrown into the House of Representatives. There were then, as there are now, 48 States. There were 22 delegations in the short session of the Sixty-second Congress that were Republican in majority, 22 delegations that were Democratic in majority, and 4 delegations which were tied. Senators will therefore perceive that in our own time there might have been a hiatus in the presidential office, for it is not entirely beyond the doamin of speculation that the ties might not have been broken. So we perceive that,

as constructive statesmen dealing with problems of the hour, it behooves us to anticipate reasonable contingencies.

The provision from the twelfth amendment I have read would probably be construed to be a provision that the term of the President expired on the 4th of March after a presidential election—that a vacancy then exists—in which event the then Vice President succeeded to the office.

The time when the presidential electors shall be elected and the date on which they shall meet and give their vote is, by Article II, section 1, of the Constitution, left to the discretion of Congress, with the restriction that the day of voting shall be the same throughout the United States. An act was passed February 3, 1887, requiring them to meet and give their vote on the second Monday in January next after their appointment, in such place in each State as the legislature thereof shall direct; which vote, duly certified, to be delivered to the President of the Senate before the first Wednesday in February, and be canvassed by Congress, in joint session, on the second Wednesday in February thereafter.

The Constitution, while providing that Representatives shall hold their offices for two years—Article I, section 2—and Senators for six years—Article I, section 3—does not provide when the terms shall commence.

The commencement of the terms of the first President and Vice President, and of the Senators and Representatives composing the First Congress, was fixed by a resolution of Congress adopted September 13, 1788, providing "that the first Wednesday in March next—which happened to be the 4th day of March—be the time for commencing proceedings under the Constitution."

Congress has provided—act of March 1, 1792, Revised Statutes, section 152—that the terms of the President and Vice President shall commence on the 4th day of March next succeeding the day on which the votes of the electors have been given, but there seems to be no statute enacted since the adoption of the Constitution fixing the commencement of the terms of Senators and Representatives.

I favor this joint resolution for the following reasons. I will state them as distinctly as I may:

Under the present law Congress does not convene in regular session until 13 months after the election of its Members. There was some reason for such a provision at the time of the formation of our Government, as it then took a long time to ascertain the results of elections and to reach the Capital from remote parts of the country. But there is no excuse whatever now, since the most distant States of the Union are within a few days' travel of Washington.

Senators heretofore have been elected by the legislatures of the States in January, and sometimes not until February or March. But since the adoption of the seventeenth amendment to the Constitution, by which Senators are to be elected by the people, usually at the November election, it becomes opportune for Congress to convene in January following. The convening of Congress on the first Monday of December, as at present, is inopportune, as adjournment for the Christmas holidays is always taken and many Members go to their homes, returning late, which precludes any real work until January.

Some of the reasons for the adoption of the proposed amendment are:

Congress should at the earliest practicable time enact—within the limits of the Constitution—the principles of the majority of the people, as expressed in the election of each Congress. That is why the Constitution requires the election of a new Congress every two years. If it be not to reflect the sentiment of the people these frequent elections have no meaning nor purpose. Any evasion of this meaning is subversive of the fundamental principle of our Government, that the majority shall rule. No other nation has its legislative body convene so long after the expression of the people upon governmental questions.

During the campaign preceding a congressional election the great questions that divide the political parties are discussed for the purpose of determining the policy of the Government and of having the sentiments of the majority crystallized into legislation. It seems to be trifling with the rights of the people when their mandates can not be obeyed within a reasonable time. It is unfair to an administration that the legislation which it thinks so essential to the prosperity of the country should be so long deferred. It is true an extraordinary session may be called early, but such sessions are limited generally to one or two subjects, which of necessity make for enormous waste of the time of each House, waiting for the other to consider and pass the measures.

As the law is at the present time, the second regular session does not convene until after the election of the succeeding Congress. As an election often changes the political complexion of a Congress, under the present law many times we have the injustice of a Congress that has been disapproved by the people enacting laws for the people opposed to their last expression. Such a condition does violence to the rights of the majority. A Member of the House of Representatives can barely get started in his work until the time arrives for the nominating convention of his district. He has accomplished nothing, and hence has made no record upon which to go before his party or his people. This is an injustice both to the Member and to the people. The record of a Representative should be completed before he asks an indorsement of his course.

Under the present system a contest over a seat in the House of Representatives is seldom, if ever, decided until more than half the term, and in many instances until a period of 22 months of the term has expired. For all that time the occupant of the seat draws the salary, and when his opponent is seated he also draws the salary for the full term; thus the Government pays twice for the representation from that district. But that is not the worst feature of the situation; during all of that time the district is being misrepresented, at least politically, in Congress.

This amendment if adopted would eliminate the short session of Congress. It is my opinion that the short session is not a good institution. It has been the source of much criticism and ought to be abandoned. No vital governmental questions can be considered during a short session.

By Congress meeting the first Monday in January succeeding the elections, contested-election cases may be disposed of at least during the first six months of the Congress.

The President and Vice President should enter upon the performance of their duties as soon as the new Congress can count the electoral votes. The newly elected governors of the States are inducted into office as soon as the new legislatures of the States canvass the votes and declare their election. It is the old Congress which now counts the electoral votes. It is dangerous to permit the defeated party to retain control of the machinery by which such important officers are declared elected.

In the event that no candidate for President receives a majority of the electoral votes, the Constitution provides that the House of Representatives shall elect the President, each State having one vote. At the present time it is the old Congress that elects the President under such contingency, and thereby it becomes possible for a political party repudiated by the people to elect a President who was defeated at the election. Under the present provision of the Constitution, in the event the House fails to choose a President before the 4th of March, then the Vice President then in office becomes President for four years. This affords a temptation by mere delay to defeat the will of the people, and if it is ever exercised it will cause grave consequences.

It is true that January weather might be inclement for an inaugural parade, but that is a reason too insignificant to constitute an argument against a constitutional amendment which promises so much for good government. Nearly all the governors of the States are inaugurated in January. The pomp and ceremony which usually attend the coronations of monarchs are at least not necessary to a republic.

One of the finest things the late President Harding ever did was to say to the appropriate authorities that he wished as little display as possible, and when hundreds of thousands of dollars were about to be appropriated to cause a great inaugural display he sent word that he wished no such expenditure. It was entirely commendable, and the country in general approved it.

Mr. FESS. Mr. President, will the Senator yield again?

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Ohio?

Mr. ASHURST. I take pleasure in yielding.

Mr. FESS. Has the Senator gone into the matter of time so as to be certain in his own mind that we are giving enough time between the election and the inauguration?

Mr. ASHURST. Yes; the electors will be chosen at the general elections held the first Tuesday following the first Monday in November.

Mr. FESS. Just as they are now.

Mr. ASHURST. Yes; just as they are now. I am of opinion, barring some odd mischance that might happen in human affairs, that there will be ample time between the general election in November and the assembling of the electoral college to canvass the returns and to declare the results. The electors meet in their own States. Travel now is easily accomplished—that is, compared to travel in bygone days. Travel by automobile, by railroad, or by other means is so easily negotiated now that I do not perceive how in any State, even the largest, it could be possible for the electors to fail to reach the appropriate place

in their State and assemble and cast their votes within the 30 days. The electoral colleges certify their returns in the following manner. I am quoting from memory only. They send one set of returns or votes to the Presiding Officer of the Senate——

Mr. FESS. By mail.

Mr. ASHURST. One by mail—I thank the Senator for the reminder—and one set by messenger. That was authorized to be done in the old days when mails were uncertain. Fearful that the messenger might be lost, fearful that the mail might be lost, they also file a copy or a set thereof with the clerk of the United States district court, the appropriate Federal court in their State. So there really are three sets of returns, and if the messenger fails to reach here with the returns and the mails fail to arrive, recourse may be had under the Constitution to the returns on file in the Federal court.

Mr. FESS. The resolution does not change that?

Mr. ASHURST. No; the resolution does not change that. Now we have reached in the point of time the middle of December. The electoral colleges give their vote and the colleges dissolve. Congress meets the first Monday in January. I fancy it would be an odd mischance only if Congress should fail to organize within two weeks. The President would be inaugurated on the third Monday in January.

I have not assumed an attitude of consciousness, nor do I pretend to have more knowledge of this subject than other Senators, but I will say that this subject is one to which I have given close study and scrutiny for years. It was before the Committee on the Judiciary some years ago.

Mr. FESS. The Senator from Ohio had that understanding, and that is why he has been asking the questions. The only difficulty I had was whether, if there was a possible contest in the election in November, it might not be settled up to the time of the meeting of Congress.

Mr. ASHURST. Assuming a contest in one of the States, we will say in State M or State O, the contest is initiated and is carried on until and beyond the time of the meeting of the electoral colleges. There was, I think, some question in the election of 1872. Either the candidate died or some of the electors died, but at least they avoided the difficulty by certifying that by not counting the State involved, or by counting it against them, the candidate nevertheless would have a majority of the electoral colleges.

It is very like when King William III was placed upon the English throne. The able lawyers of that day doubted the constitutionality of the act. I have forgotten the name of the English statesman who led the way and who said, as a man shouted, "We are lost, and I shall not travel except upon the King's highway, but I do not know where it is."

We have been groping for a time in uncertainty on this question. We can not have before us a provision that will anticipate every difficulty, but I do think that we may measurably anticipate the main difficulties that may arise. I realize that the element of time is one of the difficulties, but in the day of telegraph, telephone, airplane, and all those conveniences that make for speedy communication and that make for speedy transmission, not only of words and papers but of persons, I think we need not reasonably anticipate any difficulty as to time. I thank the Senator from Ohio.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Tennessee?

Mr. ASHURST. I yield.

Mr. McKELLAR. I apprehend that the two months between the election in November and the meeting of the Congress in January should be amply sufficient to settle such controversies as might arise. I do not think it ought to be carried beyond that time. It seems to me the first Monday in January——

Mr. ASHURST. That is when the Congress would convene.

Mr. McKELLAR. Yes; that would give ample time. There is some doubt in my mind, however, as to whether two weeks is sufficient time for the House of Representatives to meet and organize where there is a hot contest, and pass upon the matter and elect a President. That is the only question I have.

Mr. ASHURST. I would like to have the Senator from Nebraska [Mr. NORRIS] hear this.

Mr. NORRIS. I am listening.

Mr. ASHURST. The Senator from Tennessee makes the observation that he is convinced that the time is ample with respect to the general election and the meeting of the Electoral College, but he suggests that he has some fears that there might not be sufficient time for the Congress to organize. I would like to call the attention of the Senator from Nebraska to that point.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER (Mr. WILLIS in the chair). Does the Senator from Arizona yield to the Senator from Nebraska?

Mr. ASHURST. With pleasure.

Mr. NORRIS. As a matter of practical application, if the amendment were agreed to, the time would be in reality the same as it is now. That is fixed by statute. Under the existing statute the House and the Senate meet in joint session on the second Wednesday in February.

Mr. ASHURST. That is true.

Mr. NORRIS. That is, in round numbers, only two weeks until the 4th of March, and under the amendment they would have from the first Monday until the third Monday in January, which is practically the same time. There has no contingency arisen where that time has been too short.

Mr. McKELLAR. The only difference is that under the proposed amendment the new Congress would have to meet and organize, but under the Constitution as it is now the old Congress is already organized and is ready for business.

Mr. NORRIS. Let us suppose, for instance, that they had not organized. There has never been an instance in history except the one stated here to-day, except where they failed in the election of a Speaker.

Mr. ASHURST. There never was but the one protracted failure to organize.

Mr. NORRIS. Let us assume that they have not elected a Speaker, and that we had fixed by statute the first Tuesday after the first Monday in January that the joint session shall take place. That would be a day after Congress assembled, and the House had not elected a Speaker.

On that day the joint session under the statute which we would pass, let us say, would meet in the Hall of the House of Representatives. Suppose the House of Representatives has not organized, but the Vice President and Senators go over there and the Members of the House of Representatives come in, not because they have been organized but because they are Members of the House of Representatives; and suppose the question should arise as to whether some particular man was entitled to a seat as a Member of the House of Representatives; in that imaginary condition—to conceive of which requires, I think, a stretch of the imagination—that joint body would decide whether such a man was or was not a Member.

Mr. REED of Missouri. How could that body decide?

Mr. NORRIS. Because the Constitution provides that on a certain day a certain number of men, Members of the House of Representatives and Members of the Senate, shall meet.

Mr. REED of Missouri. Yes; but each House is the sole judge of the qualifications of its own Members.

Mr. NORRIS. Yes; and the House might meet afterwards and throw out by expulsion three-fourths of the men who participated in the joint meeting. That could be done now.

Mr. REED of Missouri. It could be done now.

Mr. NORRIS. The House could do it under the existing Constitution if it had the necessary votes.

Mr. McKELLAR. But they would not be very likely to do it.

Mr. REED of Missouri. It would not be possible under the existing Constitution, because the Congress has already been organized and has been running for two years.

Mr. NORRIS. That would not prevent a man from being expelled from either the Senate or the House of Representatives.

Mr. REED of Missouri. Mr. President, I do not wish to interrupt the Senator from Arizona.

Mr. ASHURST. I yield to the Senator from Missouri with pleasure.

Mr. REED of Missouri. But I should like to get an understanding of this situation with the seven or eight Members of the Senate who are present considering a proposed amendment to the Constitution. There may be a moral satisfaction in it.

At the present time the old Congress, which is fully organized, which has been transacting business for approximately two years, counts the electoral votes. If there is no election, then the House of Representatives, as provided in the Constitution, proceeds to elect a President, the vote being by States.

The House is then an organized body; it has been in existence for two years. It is true there may be some contests dragging along, but that is of such slight importance we need not consider it. Under the proposed constitutional amendment a new Congress will have assembled, and there will have been an election; but suppose the House of Representatives is unable to organize and therefore unable to determine who are prima facie entitled to seats. It is easy enough to conceive of a situation of that kind. The time arrives for counting the electoral votes, and there are asembled two bodies of men. The Senate, we will pre-

sume, is organized in some form, because it is in a sense at least a continuing body. The House of Representatives is wholly unorganized. There march into the Hall of the House of Representatives certain gentlemen whose credentials have never even been passed upon, and we may have——

Mr. NORRIS. Will the Senator yield there?

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Nebraska?

Mr. ASHURST. I do.

Mr. NORRIS. Under the law as it now exists those credentials are passed along before Congress meets. In the case to which reference has been made where Members of the House had failed to elect a Speaker, they had all been sworn into office before that occurred.

Mr. REED of Missouri. Yes, but——

Mr. NORRIS. The Clerk of the House under a general law takes the credentials and makes up the list of Members from the returns. The Members are all sworn into office before they elect a Speaker. The failure to elect a Speaker would not be an important thing at all.

Mr. REED of Missouri. I am not talking about the election of the Speaker; we can go back of that; we can presume an absolute condition of disorganization, of which it is easy enough to conceive. This unorganized body, this unofficered body of men march into the Hall of the House of Representatives and proceed to vote, and the election may turn upon one vote. That is the condition, it seems to me, which is presented by this joint resolution. That is aside from certain merits which the resolution may possess, but I am calling attention to that situation and asking if such a condition might not happen.

Mr. ASHURST. Mr. President, the point made by the able Senator from Missouri [Mr. REED] is worthy of consideration, but—and I address myself to the learned Senator because he is one of the ablest lawyers not only of the Senate but of the United States—let us assume that there is no majority in the Electoral College. No person therefore is chosen to be President, and thus the choosing of a President is relegated to the House of Representatives. Assume now that the seats of a number of Members of the House are under contest. We will say, for example, that the seats of 20 Members are under contest; but the contested Members have certificates of election; they hold them prima facie; they are on the roster; they are de facto Members. I need not say to such a good lawyer as is the Senator from Missouri [Mr. REED] that the acts of de facto officers are valid. Let us assume, moreover, that the election of the President should actually turn and revolve upon and be brought about by the votes of those de facto Members under contest and subsequently they were found not to be de jure Members and hence were displaced by other Members under our Constitution and jurisprudence the election participated in by them would be unassailable because the acts of de facto officers acting within the sphere of their legitimate functions and authority are valid.

There will always be in a body as numerous as the House of Representatives some seats contested. And of course some of the contests will be sustained and some will fail, and in some cases the sitting Member who has a certificate of election will be ousted and his contestant seated; but the learned Senator from Missouri would be the last to say that an act of Congress could be assailed successfully, although it were passed by a majority of one vote, and that one vote was cast by a de facto Member, or sitting Member, who thus turned the scales in favor of the bill and who was subsequently turned out of office. So while I admit there is some force in the suggestion that there might be a possibility of such a contingency as the Senator from Missouri suggests, I do not believe it is of such immediate prospect as to be of great weight.

Mr. ADAMS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Colorado?

Mr. ASHURST. I yield.

Mr. ADAMS. May I suggest another contingency which occurs to me? It is provided in the joint resolution that in the event of the failure of the House of Representatives to elect a President, then the Vice President chosen for the same term shall act as President, but he shall only act until the House of Representatives chooses a President. The House of Representatives having failed to elect a President, the Vice President going in as President, thus substituted, is subject continually and during the whole period, not only of two years but four years, not only in that Congress but in the next Congress, to the will of the House of Representatives and may be set aside at any time by the House of Representatives electing a President.

Would not that place the Executive, under those conditions, under the dominance of the House of Representatives? I am in favor of the plan of the proposed constitutional amendment; but it seems to me, as I read its provisions, that in such a contingency the House of Representatives at any time can step in and set aside the Vice President by proceeding to elect a President, and that may be done not only by the House of Representatives that canvasses the result but also by the ensuing Congress, as the proposed amendment really says "until the House of Representatives chooses a President."

Mr. ASHURST. The Senator has raised a question of considerable import, and it is a tribute to his sagacity that he can foresee such a contingency. I might just as well now make the statement that in war, in politics, and in statesmanship contingencies are always going to arise that no sagacity can anticipate and that no statesmanship can obviate.

The Senator from Colorado has asked a pertinent question. Mark you, now, that is the case where the election is relegated to the House; the House chooses from the three candidates receiving the highest number of electoral votes, whilst the Senate chooses the Vice President from the two candidates receiving the highest number of votes for Vice President. The House having failed to elect a President before the third Monday in January, and the Senate having performed its function and having elected a Vice President before the third Monday in January, then the Vice President becomes President, and in such capacity, under this resolution, he would act as President until the House of Representatives chooses a President.

Mr. ADAMS. My suggestion is that that is a definite variation from the existing condition. The Constitution now provides that when the Vice President shall be selected as President he shall become actually President and shall not be subject to removal by the House of Representatives.

Mr. ASHURST. That is a hiatus in the present Constitution. I will say that whilst the framers of the Constitution were learned and patriotic men, being human, they could not comprehend all the knowledge in the world and could not anticipate every contingency, and this happens to be one of them. Another one is that there is not known any method of ascertaining when and how a President is unable to perform the functions of his office. That is another one of the hiatuses in the Constitution. If the President should become disabled to perform the duties of his office, and the Vice President under the present system were to assume office, when, and if the disability were removed, would the Vice President continue to be President or would he return to the Vice Presidency? That is a question upon which we have never been called to act, but I think under the language of this proposed amendment the Vice President would act as President until the House of Representatives chose a President. Now the Senator's query as to how long the acting President would continue to act and whether the succeeding Congress could elect a President is a question that I hope he will not press upon me, because I would not want to express an opinion without more reflection. But even with that contingency unanticipated, I do not think enough argument has yet been put into the scales against this joint resolution fairly to defeat it.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. ASHURST. I yield.

Mr. NORRIS. May I have the attention of the Senator from Colorado [Mr. ADAMS]? I observe that in the question which the Senator asked the Senator from Arizona he stated correctly what this amendment does and what the existing provision does. It changes it. The Vice President, under this amendment, would be Acting President in the case he put. Personally, I agree with the idea expressed by the Senator from Colorado; and if he will look at section 3 as I introduced it and as the committee struck it out he will see that I provided there that in the same contingency that he is speaking about the Vice President shall act as President, as in the case of the death or other constitutional disability of the President.

The subcommittee of the Committee on the Judiciary, however, had a different idea and put it in the form of section 3, which changes it. The Senator can easily test the sense of the Senate on it by moving to strike out on line 22, beginning with the word "until" and ending with the word "President" on line 23, and inserting the same language that is used in the latter part of line 11, "As in the case of the death or other constitutional disability of the President." Does the Senator catch the idea I am trying to convey?

There is a clear disagreement, a very honest one—and I confess that the Committee on the Judiciary rather converted me to the other idea from what I had—as to whether in an emergency, where the House fails to elect, and the Vice President takes the office, he should remain as President for four years

or whether the House should still have the opportunity to elect a President; and if they elected a President the Vice President, of course, instead of being Acting President, would become Vice President again.

Mr. ADAMS. Mr. President, we have heard much lately of maintaining the independence of the Executive. If it is put in that shape, we will destroy the independence of the Executive when that condition arises.

Mr. NORRIS. Of course, I can not make the motion, but, as far as I am personally concerned, I have no objection to the amendment that I have suggested that the Senator offer. In fact, that was the way I wanted it originally.

Mr. ASHURST. I have no objection to the amendment.

Mr. NORRIS. The Senator must not forget that section 3 in its original form did not make the provision that is necessary to be made if we want to meet that contingency in the latter part of section 3; but it could be easily amended as I have suggested if the Senate wants to amend it in that way.

Mr. ADAMS. I will offer that amendment when I have an opportunity. I move that, beginning——

The PRESIDING OFFICER. The Chair advises the Senator that an amendment is now pending. The Senator can offer the amendment and have it taken up later, but there is an amendment pending.

Mr. ADAMS. Very well.

Mr. McKELLAR. Mr. President, that amendment has already been adopted. I think the Senator will have to move to reconsider and be permitted to offer the amendment.

Mr. WALSH of Massachusetts. Mr. President, I understand that the Senator from Georgia [Mr. HARRIS] has moved an amendment to the proposed constitutional amendment, which reads as follows:

> The executive power shall be vested in a President of the United States of America. He shall hold his office during the term of six years; and no person hereafter elected shall be eligible to reelection.
>
> The President, together with the Vice President chosen for the same term, shall be elected as follows.

Mr. President, I am opposed to this amendment. I believe that the permanent usefulness and stability of a democracy like ours depends upon frequent elections. I believe in short terms of office. It is through frequent elections that confidence in government is best secured. In my opinion the term of office of Senator is too long. Yet it is a mistake to make terms of office too short. These conclusions are reached from observations in my own State.

Massachusetts had for a good many years annual elections of its governor and other State officers. We recently changed to biennial elections. The fact that the legislation of Massachusetts is perhaps more advanced than that of any other State in the Union along educational and public health lines and improved conditions of the working class is due primarily and chiefly to the frequent elections that have been the constitutional requirement in that State.

As a matter of fact, perhaps, they have been too frequent. A one-year term of office is probably too short, and therefore the people of the State rendered a wise decision in changing the term to one of two years.

This question—and I regret to have to differ with the Senator from Georgia upon this matter—presents this proposition: Upon what theory should terms of office be fixed in a Government like ours? Shall it be upon the theory that good and capable men should be kept as long as possible in office or upon the theory that an unsatisfactory and unfaithful public servant should be gotten out of office as quickly as possible?

Most public officers are good men, are honest men, are capable men, and we have a right to assume that all or practically all of our Presidents are to be good and capable men, and possibly should enjoy the privilege of a six-year term of office; but an unfaithful public servant, a tyrant, a martinet, an autocrat, an intolerant man in the Presidency for six years can wreak havoc to our Government and greatly lessen the confidence of the people in their Government. Let us avoid this possibility. Four years is too long for a weak, totally incompetent, or unfaithful President. In fixing a term of office for a public official such as the President we ought not to make it too long. I would not make it any shorter than four years, but I certainly would not increase the period of time beyond the present term of four years.

There is another point I desire to emphasize. This is, as has been so frequently said a "government of, by, and for the people." It is getting to be more and more a government of the people; and the principle in the fundamental law that makes a government more truly of the people is frequent elections.

The condition in the fundamental law that makes the Government more nearly for the people is in frequent elections. If we are to adhere to the policy and principle of having this Government be in fact a government of the people, let us give them an opportunity to elect their public officials frequently.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Idaho?

Mr. WALSH of Massachusetts. I yield to the Senator from Idaho.

Mr. BORAH. I have always entertained the view which the Senator now expresses with reference to this proposed amendment, but there is one feature of it which I confess has in late years shaken me a little, and upon which I should like to hear the Senator's views.

It is not an unusual thing when a man is elected President for him to devote a large portion of his first term to seeing that he is elected the second time, and in my opinion it leads to many things which are the very worst things which could happen in American politics. That is one feature of this matter which, as I say, has caused me to reflect considerably upon this question, although when we had this matter up here once before I voted to sustain the position which the Senator is now taking. What would the Senator say on that question?

Mr. WALSH of Massachusetts. Mr. President, I experience the very same difficulties to which the Senator from Idaho has given utterance. It is regrettable that Presidents recently have appeared to devote much of their energy and effort during the first term of their office to seeking reelection. I am convinced that the very best politics any public man can play, the very best result he can get from even himself as well as for his own constituency, is to do his duty as he sees it, to do it fearlessly, to render conscientious, not political, public service; and it is my solemn conviction that when that kind of service is rendered, though you may not be able to get the necessary votes to reelect men to public office, it does bring a measure of self-respect even from one's fellow men, that is greater than success. Playing the game of politics very often succeeds in the case of smaller offices in bringing about reelection; but when it comes to offices of the magnitude of President and Senator, I doubt if those methods are always successful. I admit such methods seem to succeed in many instances, but they do not bring with success the general respect of their fellow men.

On the other hand, I know the Senator from Idaho will agree that there is another type that might appear in public life, even in the Presidency, if the Constitution provided that there could not be a reelection to public office, namely, the type of man who, once obtaining power, exercises it without prudence, in utter disregard of preelection pledges, and in disregard of the wishes of his own party leaders and of the political platform on which he was elected and of the traditions of the office. We have occasionally seen such types here in the Senate. That type of man can do a great deal of harm, can do as much, if not more, harm than the man who is playing politics with the idea of reelection. It is a question of the lesser of two evils. There may be as much harm and as much danger in preventing a public official from seeking reelection as there is in permitting him to do so; and, further, under our present system it is not impossible for a President to seek a third term, or at least during his second term to have before him the possibility of some time being called back to the public service, and that is a good deterrent influence. It tends so strongly to prevent him from separating himself from his party promises and from the views of his party advisers that he usually proceeds cautiously.

I do not know whether I have satisfactorily answered the Senator or not, but my conviction is a reasonably short term with opportunity for reelection is preferable to a long term without reelection.

There is another reason for frequent elections: The economic and the social and the political questions of to-day are changing with tremendous rapidity. The predominant issue of to-day may disappear in six months and another leading issue may take its place; and yet, if we change the term of office of the President of the United States from four to six years, it is possible that within one year after his induction into office an all-absorbing issue may arise in this country where the President takes a position diametrically opposed or indifferent to the majority opinion in the country. He may leave the people for five years voiceless and impotent because no election can be held.

Next to vox Dei, vox populi is a pretty good and safe phrase and rule for a Government to abide with. It is a mistake to deny the people their rights to speak frequently and directly about their Government and its policies. The importance of many questions is such that there ought to be an opportunity by an election to the Presidency of a reference of the questions to the people of the country. This can be done in part through our congressional election, but it can not be done so effectively and so well as in a presidential election.

The changes that have been made in the municipal governments throughout the country from two-year terms to four-year terms without the right of reelection have not been satisfactory. The result has not tended to make the city government better.

That change has not resulted in more efficient public service, and I still believe that the wisest and safest course for us to pursue is to give the people reasonably frequent elections—not too frequent, but reasonably frequent elections—an opportunity to express themselves on the great issues of the day, and, above all, an opportunity to rid themselves easily of an unfaithful, derelict public servant. That is the supreme end that ought to be considered in fixing the term of office of any public man. No faithful servant should fear frequent elections. If he is a good man and an able man, he can go out of the public service and earn more money than in the public service. It is only the weakling, it is only the indifferent, it is only the negligent, it is only the unfaithful public servant who needs to fear frequent elections. Not the individual but the public welfare should be considered, and surely the best interests of government lie in the power to speedily remove incompetent, unfaithful servants rather than the power to retain faithful ones.

For these reasons I hope the amendment offered by the Senator from Georgia will not prevail. It is a move toward reaction and away from progressivism in government.

Mr. HARRIS. Mr. President, if the Senators have made up their minds how they are going to vote on this question, having studied it for years, there is nothing I could say that would change them. I differ with the Senator from Massachusetts [Mr. WALSH]. I believe that two-thirds of the President's time the first term he is in office is given to politics and to efforts to reelect himself and his party.

I believe the business interests of the country are interfered with by having frequent elections for President. I do not believe we are going to elect a bad man President of the United States. I have faith in the American people and I believe that they will elect good men. The President's duty is greater than that of any other man in the world. I believe that if he used his position for the good of his country, instead of for building up himself and his party, it would be better for the country, and I believe a provision for a six-year term and making him ineligible for reelection would make the President devote almost his entire time to serving the country's interests and not to playing politics, as nearly all of them do.

Mr. JONES of Washington. Mr. President, I want to say just a word. I voted for this proposition when it was before the Senate on a previous occasion and I have not seen any reason to change my mind, but I do not think it advisable to complicate the amendment proposed by the Senator from Nebraska with this amendment, about which there is considerable controversy. Therefore, for that reason and that reason alone, I shall vote against the adoption of the amendment of the Senator from Georgia as an amendment to this joint resolution.

Mr. McKELLAR. Mr. President, in my judgment four years is too long a term for a poor President and not long enough for a good President. Under the present system we can give a good President two terms or eight years, and that is not too long. It seems to me our system is infinitely better as it is. I am satisfied with it and expect to vote to keep it as it is.

Mr. NORRIS. Mr. President, I am put in an embarrassing position by the offering of this amendment. I am rather inclined to think that the proposition made in this amendment, offered by the Senator from Georgia, if standing alone, would receive my vote. I would not promise definitely; I think I have an open mind on it, but I am inclined to think it would be a good thing. But I do not want to couple up that amendment with the one that is pending.

I am sorry the Senator from Georgia has offered the amendment. There is very little opposition to the amendment fixing a time for the beginning and the ending of the terms of President, Vice President, and Members of Congress, which would, in effect, abolish the short session of Congress, and put a new Congress to work soon after they were elected. There is some opposition even to that, I concede, and I am not criticizing that opposition; it is perfectly legitimate. I think, however, it is in a very small minority. In my judgment the people in this country are anxious to have a new Congress, fresh from the people, installed in office just as soon as that can be done. I think every State in the Union provides for the swearing in of the members of the legislature within a couple of months after their election. I believe that every civilized nation in the world provides for the assembling of their parliament or congress, whatever they may call it, much sooner than our Congress would assemble even under this amendment, and I believe that our country stands alone in all civilization with a provision that prohibits men just elected from the people, to carry out their will, as it is supposed, from going into office for 13 months after they have been elected. While technically they go into office on the 4th of March after their election, in reality it is 13 months afterwards.

I believe the people of the country are anxious to get away from that condition. I am satisfied that practically all of the Members of the House and the Senate who have had experience in legislation are anxious to do away with the evils which come from short sessions. There are many. They can not be enumerated.

It is a thing which permits all sorts of jokers to get into legislation, not necessarily because of dishonesty or lack of ability or statesmanship, but on account of the lack of time to give proper consideration to the things which must come before Congress.

That being the case, Mr. President, I do not want to have coupled up with this amendment something which is going to bring on almost endless debate and discussion, and which of itself carries with it a lot of doubt, the question as to whether the President should serve a term of six years or four years, and, if six, be disqualified for reelection. That is a question upon which the people are probably nearly equally divided. That may not be the case, but at least there is great difference of opinion on the question, and it will bring on discussion and debate, not only here but throughout the country, and may be the means of killing this amendment if it is submitted to the State legislatures.

I do not want to be put in the attitude of fighting this amendment, but I do not want to have coupled to something that is absolutely sure of ratification by the States something which will make it doubtful, and carry down to defeat, perhaps, the real thing we are trying to enact.

Therefore, Mr. President, I hope the Senate will vote down the amendment offered by the Senator from Georgia, because I think it seriously endangers the approval of this amendment by the legislatures of the several States. In my judgment, the amendment provided in my joint resolution will have no opposition to speak of if it is once submitted to the States for ratification.

Mr. NORRIS subsequently said:

Mr. President, when I was addressing the Senate on the proposed constitutional amendment I intended to ask unanimous consent to have printed in the RECORD as a part of my remarks a certain part of the report. I make request now that the indicated portions of the report be printed in the RECORD, together with my remarks.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

The resolution proposes to amend the Constitution of the United States by fixing the beginning of the terms of President and Vice President at noon on the third Monday in January and the terms of Senators and Representatives at noon on the first Monday in January following their election in the preceding November. Under existing conditions a new Congress does not actually convene in regular session until a year and one month after its Members have been elected. When our Constitution was adopted there was some reason for such a long intervention of time between the election and the actual commencement of work by the new Congress. We had neither railroads nor telegraphic communication connecting the various States and communities of the country. Under present conditions, however, the result of elections is known all over the country within a few hours after the polls close, and the Capital City is within a few days' travel of the remotest portions of the country.

Originally, Senators were elected by the legislatures, and as a rule the legislatures of the various States did not convene until after the beginning of the new year, and it was difficult and sometimes impossible for Senators to be elected until February or March. Since the adoption of the seventeenth amendment to the Constitution, however, Senators have been elected by the people at the same election at which Members of the House are elected. There is no reason, therefore, why the Congress elected in November should not be sworn in and actually enter upon the duties of office at least as soon as the beginning of the new year following their election.

The only direct opportunity that the citizens of the country have to express their ideas and their wishes in regard to national legislation is the expression of their will through the election of their representatives at the general election in November. During the campaign that precedes this election the great questions demanding attention at the hands of the new Congress are discussed at length before the people and throughout the country, and it is only fair to presume that the Members of Congress chosen at that election fairly represent the ideas of a majority of the people of the country as to what legislation is desirable. In a Government "by the people" the wishes of a majority should be crystallized into legislation as soon as possible after these wishes have been made known. These mandates should be obeyed within a reasonable time.

Under existing conditions, however, more than a year elapses before the will of the people expressed at the election can be put into statutory law. This condition of affairs is not only unfair to the citizenship at large, who have expressed their will as to what legislation they desire, but it is likewise unfair to their servants whom they have elected to carry out this will. It is true that it is within the power of the President to call an extraordinary session of Congress at an earlier date than the one provided by law, but the new Congress can not be called into extraordinary session until after the 4th of March, which would not give the new Congress very much time for the consideration of important national questions before the summer heat in the Capital City makes even existence difficult and good work almost impossible. It is conceded by all that the best time for legislatures to do good work is during the winter months. Practically all the States of the Union recognize this fact and provide for the meeting of their legislatures near the 1st of January. Moreover, the wishes of the country having been expressed at an election should not be dependent for their carrying out upon the will of the President alone. Provision should be made by law so that the new Congress could begin the performance of its important duties as soon after election as possible and under conditions that are most favorable for good work. Under existing conditions a Member of the House of Representatives does not get started in his work until the time has arrived for renominations in his district. He has accomplished nothing and has not had an opportunity to accomplish anything because Congress has not been in session. He has made no record upon which to go before his people for election. It is unfair both to him and to the people of his district.

In case of a contest over a seat in the House of Representatives, history has shown that the term of office has practically expired before the House is able to settle the question as to who is entitled to the contested seat. During all this time the occupant of the seat has been drawing the salary and if it is decided in the end that the occupant was wrongfully seated, then the entire salary must again be paid to the person who has been unjustly deprived of his seat. Double pay is therefore drawn from the Treasury of the United States and the people of the district have not been represented by the Member whom they selected for that purpose. No reason has been given why a new Congress elected at a general election to translate into law the wishes of the people should not be installed into office practically as soon as the results of the election can be determined.

Another effect of the amendment would be to abolish the so-called "short session of Congress." If the terms of Members of Congress begin and end in January instead of on the 4th of March as heretofore, and Congress convenes in January, there would be no such thing as a short session of Congress. Every other year, under our Constitution, the terms of Members of the House and one-third of the Members of the Senate expire on the 4th day of March. The session begins on the first Monday in December and because of the expiration of such terms, it necessarily follows that the session must end not later than the 4th of March. Experience has shown that this brings about a very undesirable legislative condition. It is a physical impossibility during such a short session for Congress to give attention to much general legislation, for the reason that it requires practically all of the time to dispose of the regular appropriation bills. The result is a congested calendar both in the House and the Senate. It is known in advance that Congress can give attention to but a very small portion of the bills reported from the committees. The result is a congested condition that brings about either no legislation or illy considered legislation. In the closing days of such a session bad laws get through and good laws are defeated on account of this condition and the want of time to give proper consideration to anything, and the result is dissatisfaction not only on the part of Members of Congress but on the part of the people generally. Jokers sometimes get on the statutes because Members do not have an opportunity for the want of time to give them proper consideration. Mistakes of a serious nature creep into all kinds of statutes which often nullify the real intent of the lawmakers, and the result is disappointment throughout the country. Such a congested condition in the National Legislature can not bring about good results. However diligent and industrious Members of Congress may be, it is a physical impossibility for them to do good work. Moreover, it enables a few Members of Congress to arbitrarily prevent the passage of laws simply by the consumption of time. In every way it brings about an undesirable legislative condition, and it is not surprising that results are so often disappointing.

There is another very important reason why this change should be made. Under the Constitution as it now stands, if it should happen that in the general election in November in presidential years no candidate for President had received a majority of all the electoral votes, the election of a President would then be thrown into the House of Representatives and the membership of that House of Representatives called upon to elect a President would be the old Congress and not the new one just elected by the people. It might easily happen that the Members of the House of Representatives, upon whom devolved the solemn duty of electing a Chief Magistrate for four years, had themselves been repudiated at the election that had just occurred, and the country would be confronted with the fact that a repudiated House, defeated by the people themselves at the general election, would still have the power to elect a President who would be in control of the country for the next four years. It is quite apparent that such a power ought not to exist, and that the people having expressed themselves at the ballot box should, through the Representatives then selected, be able to select the President for the ensuing term. If the amendment we have proposed is adopted and becomes a part of the Constitution, such a condition could not happen, and in such a case the new House of Representatives fresh from the people would be the one upon which would devolve the power to select the new President.

Section 3 of the proposed amendment gives Congress the power to provide by law who shall act as President in a case where the election of a President has been thrown into the House of Representatives and the House had failed to elect a President and the Senate has likewise failed to elect a Vice President. The importance of this can be understood when we realize that under the present Constitution if the election of President and Vice President should be thrown into Congress on account of a failure of the Electoral College to elect, and that the House should fail within the time specified in the Constitution to elect a President, and the Senate should likewise fail during such time to elect a Vice President, the country would be left entirely without a Chief Magistrate and without any means of selecting one. This condition has, it is true, never happened in the history of the country, and while it may never happen, it does seem very important that some constitutional provision be enacted by which this most dangerous emergency may be avoided. The present Constitution gives power to Congress to provide who shall act as President when there is a vacancy both in the President's office and the Vice President's office caused by death, removal, or resignation, but there is no provision in the present Constitution that gives to Congress or any other authority the power to select an acting President in cases where the election has been thrown into the House of Representatives and where the House of Representatives has failed to elect a President, and the Senate has failed likewise to elect a Vice President. If such a contingency should occur, and it is liable to occur after any presidential election, the country would find itself in a condition where it would be impossible for a Chief Magistrate to be selected. The committee has corrected this defect by giving to Congress in section 3 of the proposed amendment the authority to select the acting President in such an emergency.

The question is sometimes asked, Why is an amendment to the Constitution necessary to bring about this desirable change? The Constitution does not provide the date when the terms of Senators and Representatives shall begin. It does fix the term of Senators at six years and of Members of the House of Representatives at two years. The commencement of the term of the first President and Vice President and of Senators and Representatives composing the First Congress was fixed by an act of Congress adopted September 13, 1788, and that act provided "that the first Wednesday in March next be the time for commencing proceedings under the Constitution." It happened that the first Wednesday in March was the 4th day of March, and hence the terms of the President and Vice President and Members of Congress begin on the 4th day of March. Since the Constitution provides that the terms of Senators shall be six years and the term of Members of the House of Representatives two years, it follows that this change can not be made without changing the terms of office of Senators and Representatives, which would in effect be a change of the Constitution. By another act (the act of March 1, 1792) Congress provided that the terms of President and Vice President should commence on the 4th day of March after their election. It seems clear, therefore, that an amendment to the Constitution is necessary to give relief from existing conditions.

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). The question is upon agreeing to the amendment proposed by the Senator from Georgia [Mr. HARRIS].

Mr. NORRIS. Mr. President, I have told several Senators that in my judgment there would be no vote this evening because of debate that was going on; and I hope that neither this amendment nor the joint resolution itself will be crowded to a vote, because I know at least one or two Senators who want to speak upon it—one in opposition, who said he could not finish this evening, anyway. He had an appointment at

4 o'clock and had to leave. So I consented that I would not crowd anything to a vote this evening.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Tennessee?

Mr. NORRIS. I yield.

Mr. McKELLAR. If the Senator is about to move an adjournment, will he permit me to read a telegram into the RECORD?

Mr. NORRIS. Certainly.

MUSCLE SHOALS.

Mr. McKELLAR. Mr. President, I want to read the following telegram from Nashville, Tenn., addressed to me:

NASHVILLE, TENN., *March 12, 1924.*

Hon. K. D. McKELLAR,
United States Senate, Washington, D. C.:

Count of total and final vote in Banner's referendum on shoals proposition give Ford 56,145. Associated power companies, 49. Government ownership 16. Equal to 864 to 1 for Ford. Approximately 20,000 came from Nashville and Davidson County. Thirty thousand from other Tennessee counties. Remainder from north Alabama and southwestern Kentucky. There was never a fairer vote cast in Tennessee. Every ballot had printed on it "for" or "against" proposition, requiring names of voters. Everybody was urged to vote, and the vote as cast was honestly counted. May we not ask that you use your best endeavor to secure early action by the Senate on House bill.

E. B. STAHLMAN.

At a future time I hope to have the pleasure of addressing the Senate on this subject, but I merely wanted to read this telegram into the RECORD for the information of the Senate, to show how the people of Tennessee feel on this proposition.

Mr. BROOKHART. Mr. President, I want to ask the Senator a question. Who is conducting this referendum down there?

Mr. McKELLAR. It is the Nashville Banner, the largest afternoon paper in that city, and perhaps in the State, a most reputable paper, conducted by one of the ablest and strongest men in the State.

Mr. BROOKHART. What is the total number of voters in the State?

Mr. McKELLAR. Probably over 400,000.

Mr. BROOKHART. How many of them are voting for this proposition?

Mr. McKELLAR. More than 56,000 for the proposition and 49, all told, against it.

Mr. BROOKHART. Only a small proportion, really, of the voters of Tennessee voted at all.

Mr. McKELLAR. They only voted to the extent I have indicated.

Mr. BROOKHART. I believe that if those voters knew how the figures of this Ford proposition are juggled in the majority report made in favor of the bill they would all vote the other way.

Mr. McKELLAR. The Ford proposition has been before those people for nearly a year. I do not suppose any people in the world ever studied a proposition more critically than they have studied that. It has been a subject of newspaper controversy and political controversy, and men have taken various sides with reference to the matter. I do not suppose any public proposition has ever been studied to any greater extent than the Ford proposition has been studied by the people of Tennessee, and they are almost unanimously in favor of the Ford proposition, unless they belong to one of the companies, or in some way are interested in one of the power companies which wants to get the power for itself.

Unless they belong to one of the companies or in some way are interested in one of the power companies that wants to get the power for itself, practically the entire population, male and female, white and colored, all are in favor of the proposition in Tennessee.

Mr. BROOKHART. Has there not been an enormous amount of money spent on propaganda in this matter?

Mr. McKELLAR. So far as I know, not a dollar in that State—that is, on the side of the Ford proposition. There may have been. I am not advised, but, so far as I know, there has been none at all.

Mr. BROOKHART. I have some information that there has been a good deal spent around Washington, and I wondered if there had been the same situation down there.

Mr. McKELLAR. The Senator must have been reading my lobby article that was published in the New York Times.

Mr. NORRIS. I think the Senator probably made a mistake. He meant he heard of a good deal of lobbying around Detroit.

Mr. McKELLAR. I do not know how that is, but if the Senator has any proof about lobbying I hope he will submit it to the Senate.

Mr. NORRIS. The announcement was made that it resulted in a prominent candidate withdrawing from the presidential race and announcing that he was going to support another man in another party.

Mr. McKELLAR. I do not know how that is, but if the Senator from Nebraska or the Senator from Iowa has any information in reference to lobbying either for or against the Ford proposition, I think it ought to be given to the Senate and to the country, because I am afraid that we are letting too many lobbyists exist without knowing that they are here.

Mr. BROOKHART. I wish to say to the Senator that I shall ask the Committee on Agriculture and Forestry to investigate the lobbying on this proposition.

Mr. McKELLAR. I hope the Senator will do so, because I feel that it ought to be investigated if it is being done in the way the Senator suggests.

CHANGE OF DATE OF INAUGURATION—ORDER FOR A RECESS.

Mr. HARRIS. Mr. President, the Senator from Nebraska has notified the Senate that he will not ask a vote until to-morrow on the constitutional amendment——

Mr. NORRIS. If the Senator from Georgia will permit me, I ask unanimous consent that the joint resolution, which is the unfinished business, be temporarily laid aside.

The PRESIDING OFFICER. The Senator from Nebraska asks unanimous consent that the unfinished business be temporarily laid aside. Is there objection? The Chair hears none, and it is so ordered.

Mr. NORRIS. Mr. President, I ask unanimous consent that when the Senate concludes its business to-day it takes a recess until 12 o'clock to-morrow.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

EXPERIMENT IN RURAL POSTAL SERVICE.

Mr. HARRIS. Mr. President, a few days ago the Senate was considering the bill (S. 2111) authorizing the Postmaster General to conduct an experiment in the Rural Mail Service, and for other purposes. At the hour of 2 o'clock consideration of the bill had not been completed. I ask that the Senate now resume the consideration of that bill.

Mr. ROBINSON. Does the Senator make the motion or ask unanimous consent?

Mr. HARRIS. I ask unanimous consent that the Senate resume the consideration of Senate bill 2111.

The PRESIDING OFFICER. The Senator from Georgia asks unanimous consent for the further consideration of Senate bill 2111. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, resumed consideration of the bill, which had been reported from the Committee on Post Offices and Post Roads with an amendment, on page 2, line 13, to strike out the words "appropriation for Rural Delivery Service, and" and insert in lieu thereof "postal revenues," so as to make the bill read:

Be it enacted, etc., That during the 12 months next succeeding the approval of this act, the Postmaster General be, and he is hereby, authorized to conduct experiments in the operation of not more than 50 rural routes, in localities to be selected by him; said experiments shall be designed primarily to develop and to encourage the transportation of food products directly from producers to consumers or vendors, and, if the Postmaster General shall deem it necessary or advisable during the progress of said experiments, he is hereby authorized, in his discretion, on such number or all of said routes as he may desire, to reduce to such an extent as he may deem advisable the rate of postage on food products mailed directly on such routes for delivery at the post offices from which such routes start, and to allow the rural carriers thereon a commission on the postage so received at such rate as the Postmaster General may prescribe, which commission shall be in addition to the carriers' regular salaries. The amounts due the carriers for commissions shall be determined under rules and regulations to be prescribed by the Postmaster General, and when so determined and properly certified to the Comptroller General shall be payable monthly by warrant directly from the postal revenues: *Provided*, That the amount so paid shall in no case exceed the actual amount of revenue derived from this experimental service.

A report on the progress of this experiment shall be made to Congress at the next regular session.

Mr. HARRIS. Mr. President, on Tuesday last the bill was discussed for some time. It has been recommended by the Postmaster General and there was a unanimous report from the Committee on Post Offices and Post Roads. I believe that it will be a great help to the farmers in the sale of their products, as well as to the town and city people in the convenience and promptness with which they get those products. There will be also the added feature of probable lower prices because of their ability to dispose of the products directly from the producer to the consumer.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

AMENDMENT OF PENSION ACT OF SEPTEMBER 22, 1922.

Mr. BURSUM. I desire to ask unanimous consent to take up a bill which is on the calendar and which was passed over to-day. I was not present when the calendar was called. The bill simply affects the title to pensions for widows. There was evidently a mistake when the law was enacted, and it ought to be corrected.

Mr. ROBINSON. What is the calendar number?

Mr. BURSUM. Calendar No. 130, Senate bill 2154.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Mexico?

Mr. ROBINSON. Pending the request, I would like to have the Senator who makes it explain the purpose and effect of the bill.

Mr. BURSUM. The only effect is to vest title in the widows of veterans. As the law now stands, there is no authority for pensions to be granted to the widows of veterans. This was evidently a mistake at the time the law was enacted taking away jurisdiction from the Veterans' Bureau and transferring it to the Pension Bureau.

Mr. McKELLAR. Will it add to the pension rolls?

Mr. BURSUM. No. There are three applications now. It was merely a mistake at the time the law was enacted. It is necessary to correct the law of 1922 in order to grant the widows pensions. At present they have no title.

Mr. ROBINSON. The Senator has not made clear why that is true.

Mr. BURSUM. I could read the request of the Secretary of the Interior on the matter. It is quite lengthy, however.

Mr. ROBINSON. Is it recommended by the Interior Department?

Mr. BURSUM. Yes; on the 17th of January, as follows:

I inclose a draft of a proposed bill to amend the act of September 22, 1922 (42 Stat. L. 1038). Its object is to extend the application of the pension laws to the widows, minor children, and other dependents of persons admitted into the Army and Navy on or after February 9, 1922.

Under the present law, in making the transfer, the title was extended to the veterans, but not to the widows of veterans.

Mr. ROBINSON. If that is the correct construction of the law, manifestly the bill which the Senator has asked the Senate to consider ought to be passed.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 2154) to amend the act of September 22, 1922, entitled "An act to provide for the applicability of the pension laws to certain classes of persons in the military and naval services not entitled to the benefits of article 3 of the war risk insurance act as amended," which was read, as follows:

Be it enacted, etc., That the act of September 22, 1922 (42 Stat., p. 1038), is hereby amended to read as follows:

"That section 312 of the war risk insurance act, as amended by section 17 of the act of June 25, 1918 (40 Stat., p. 613) shall not be construed as making the pension laws inapplicable to persons admitted into the military or naval service after six months from the passage of the act of August 9, 1921, establishing the Veterans' Bureau and adding section 315 to the war risk insurance act, or to the widows of such persons, their minor children, or dependent relatives.

"SEC. 2. All properly executed applications for pension heretofore filed in the Bureau of Pensions by persons affected by the terms of this act shall be accepted as sufficient."

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

THE CALENDAR.

Mr. CURTIS. Mr. President, I ask unanimous consent that we proceed with the calendar for half an hour, commencing where we left off this afternoon, and consider unobjected bills only.

The PRESIDING OFFICER. The Senator from Kansas asks unanimous consent that the Senate proceed with unobjected bills on the calendar, commencing with Calendar No. 221. Is there objection? The Chair hears none.

ADDITIONAL CLERKS FOR SENATORS.

The resolution (S. Res. 161) providing for additional clerks for Senators not chairmen of committees during the Sixty-eighth Congress was announced as first in order.

The PRESIDING OFFICER. That will be passed over.

JAMES MORAN.

The bill (S. 589) for the relief of James Moran was considered as in Committee of the Whole, and was read as follows:

Be it enacted, etc., That in the administration of the pension laws and the laws conferring rights and privileges upon honorably discharged soldiers, James Moran, late corporal in the One hundred and ninth Company, United States Coast Artillery Corps, shall be held and considered to have been honorably discharged from the military service of the United States as a member of Company A, Ninth Regiment United States Infantry: *Provided*, That no back pay, bounty, or other emoluments shall accrue prior to the passage of this act.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

RELIEF OF SUFFERERS IN NEW MEXICO.

The bill (S. 349) for the relief of sufferers in New Mexico from the flood due to the overflow of the Rio Grande and its tributaries was announced as next in order.

Mr. McKELLAR. Is the Senator from New Mexico [Mr. JONES] here to explain the bill?

The PRESIDING OFFICER. That Senator does not seem to be present.

Mr. McKELLAR. I suggest that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

CONVEYANCE OF GOVERNMENT-OWNED ROADS TO NATIONAL CEMETERIES AND MILITARY PARKS.

The bill (S. 2745) to authorize the Secretary of War to convey to the States in which located Government owned or controlled approach roads to national cemeteries and national military parks, and for other purposes, was considered as in Committee of the Whole and was read as follows:

Be it enacted, etc., That the Secretary of War be, and he hereby is, authorized in his discretion, subject to such conditions as may seem to him proper, to convey by proper quitclaim deed to any State, county, municipality, or proper agency thereof, in which the same is located, all the right, title, and interest of the United States in and to any Government owned or controlled approach road to any national cemetery or national military park: *Provided*, That prior to the delivery of any conveyance under this act the State, county, or municipality to which the conveyance herein authorized is to be made shall notify the Secretary of War in writing of its willingness to accept and maintain the road or roads included in such conveyance: *Provided further*, That upon the execution and delivery of any conveyance herein authorized the jurisdiction of the United States of America, which has been heretofore ceded to the United States by a State over the roads conveyed, shall thereby cease and determine and shall thereafter vest and be in the particular State in which such roads are located.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

RECOVERY OF ALLOTMENTS PAID TO DESIGNATED BENEFICIARIES.

The bill (S. 2746) regulating the recovery of allotments and allowances heretofore paid to designated beneficiaries was considered as in Committee of the Whole, and was read as follows:

Be it enacted, etc., That so much of section 210 of the war risk insurance act, as amended by the act of August 9, 1921 (42 Stat., p. 153), as precludes the recovery of an award of allotment or allowance, or both, paid to or on behalf of a person designated as beneficiary of an allotment under the war risk insurance act prior to August 9, 1921, shall hereafter be applicable to allotments paid prior to August 9, 1921, to beneficiaries designated under the Army allotment system by any person who served in the Army.

Mr. ROBINSON. Mr. President, I think the bill ought to be explained. I do not understand what it is intended to accomplish.

Mr. WADSWORTH. The report of the committee accompanying the bill explains the matter pretty thoroughly. I think it is best for me to read portions of it for that purpose:

Under the act of March 2, 1899 (30 Stat. 981) as amended by the act of March 2, 1901 (31 Stat. 896), and further amended by the act of October 6, 1917 (40 Stat. 384), officers and enlisted men of the Army on active duty and permanent civilian employees of the War Department on duty outside the continental limits of the United States were permitted to make allotments during the period of the World War for the support of their wives, children, or dependent relatives, or for any other purpose except that of obtaining an advance on their pay. These latter allotments were designated as class E allotments.

Under the law the disbursing officer who in good faith paid allotments to the designated allottees is not held responsible for overpayments resulting from lack of notice of discontinuance of allotments or by the failure to make deductions covering same on pay rolls or pay vouchers. However, this does not relieve the War Department from the duty of collecting erroneous payments and efforts have been and are still being made to recover said overpayments from the allottees by writing letters explaining the circumstances under which overpayments occurred and requesting refundment by certified check, bank draft, or money order. The general plea of the allottee is that the allotment received was accepted in good faith, has long since been spent, and that the allottee is unable to make refundment, although he or she might do so at some later date when his or her pecuniary condition will so permit. In many cases dependents and allottees are making refundments at as low a rate as $1 per month, they not being able to pay more.

Mr. ROBINSON. Mr. President, it appears from the statement which the Senator is making that the bill would cover a large number of small amounts paid to different persons which those allottees are not in a position to repay. I therefore make no objection to the passage of the bill.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

LEASE OF NEW ORLEANS QUARTERMASTER DEPOT UNIT NO. 2.

The joint resolution (S. J. Res. 72) authorizing the Secretary of War to lease to the New Orleans Association of Commerce, New Orleans Quartermaster Intermediate Depot Unit No. 2, was considered as in Committee of the Whole, and was read, as follows:

Whereas the New Orleans Association of Commerce desires to develop, encourage, and stimulate better trade relations between the United States and foreign countries, particularly the West Indies, Mexico, Central and South America, by the bringing together of producers, buyers, and sellers of all countries on common ground in the city of New Orleans; and

Whereas the New Orleans Association of Commerce is launching plans for a permanent international trade exhibition of the fabricated and raw products of this country, together with a similar display from foreign countries, for the purpose of creating a permanent organization to be located at that port on a nonprofit basis to promote international trade; and

Whereas in launching a project of this kind it is necessary to begin in a small way to be assured of success, and use such housing facilities as are already in existence to save the cost of buildings during the experiment period; and

Whereas the New Orleans Quartermaster Intermediate Depot Unit No. 2, in the city of New Orleans, La., owned by the United States Government, is now vacant and has been vacant for over five years, which depot is well suited for the purpose of such exposition, and which will be improved by said organization at its own expense at a cost of many thousand dollars, all of which will be beneficial to the property; and

Whereas the success of said international trade exposition will encourage the development of property adjacent to said depot, thus greatly enhancing its market value; and

Whereas such an exposition, if successful, will be of incalculable benefit to the foreign commerce of the United States: Therefore be it

Resolved, etc., That the Secretary of War is authorized to lease for a period of two years, without consideration or on such terms or conditions as he deems advisable, to the New Orleans Association of Commerce (a nonprofit corporation organized under the laws of Louisiana), its successors and assigns, the New Orleans Quartermaster Intermediate Depot Unit No. 2 for general exhibition purposes in respect of fabricated and raw products of the United States and similar products of foreign countries; but if such corporation, its successors or assigns, shall cease to use and occupy the depot for such purposes the lease shall become null and void.

SEC. 2. That the New Orleans Association of Commerce, under regulations prescribed by the Secretary of War, may, without expense to the United States, make such alterations in respect of such depot as may be necessary for the purposes for which the building is leased, and in so far as may be compatible with the public interest.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

The PRESIDING OFFICER. Does the Senator desire that the preamble shall be acted upon?

Mr. ROBINSON. I suggest that the preamable be stricken out.

The PRESIDING OFFICER. Without objection, the preamble will be stricken out.

MRS. JOHN D. HALL.

The Senate, as in Committee of the Whole, proceeded to consider the bill (S. 2187) authorizing the Comptroller General of the United States to consider and settle the claim of Mrs. John D. Hall, widow of the late Col. John D. Hall, United States Army, retired, for personal property destroyed in the earthquake at San Francisco, Calif. It directs the Comptroller General of the United States to consider the claim of Mrs. John D. Hall, widow of the late Col. John D. Hall, United States Army, retired, for value of personal property destroyed in the military service of the United States Army by the earthquake and fire at San Francisco, Calif., on April 18, 1906, under the provisions of the act of Congress approved March 3, 1885, and to make such allowance in settlement therefor as in his judgment may be deemed just and proper.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

JOHN H. GATTIS.

The Senate, as in Committee of the Whole, proceeded to consider the bill (S. 2481) for the relief of John H. Gattis, which had been reported from the Committee on Claims with amendments, in line 5, after the words "sum of," to strike out "$2,000" and to insert "$200"; and in line 8, after the words "sum of," to strike out "$2,000" and insert "$200," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to John H. Gattis the sum of $200 in full payment for permanent injury caused by a fall from a ladder while working at the Government Printing Office, in the year 1914, and the said sum of $200 is hereby appropriated for such purpose out of any money in the Treasury not otherwise appropriated.

The amendments were agreed to.

The bill was reported to the Senate as amended and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ERIE RAILROAD CO.

The bill (S. 935) for the relief of the Erie Railroad Co. was announced as next in order.

Mr. ROBINSON. Mr. President, I observe that there is involved in this claim the same question which arose under certain claims embraced in bills which were reached on the calendar earlier in the day. The bill provides for submitting the case which it covers to the United States district court and proposes to authorize the court to enter a judgment.

Mr. CURTIS. I suggest that the bill go over.

Mr. ROBINSON. Very well. I think, perhaps, the Senate ought to consider whether it wishes to establish two precedents of that kind.

Mr. CURTIS. If the Senator will yield to me, I desire to say that there are a number of cases of that kind, and I think the Senate ought to determine and act the same upon every one of them. I ask that the bill may go over.

The PRESIDING OFFICER. The Chair will state that similar bills which came up previously on the calendar went over. This bill being objected to, will go over.

Mr. FLETCHER. Mr. President, two bills were reached on the calendar earlier in the day which involved that same question, whether to give the court power to enter judgment——

Mr. ROBINSON. Or whether the court should merely make its findings and report to Congress its findings for further action of Congress.

The PRESIDING OFFICER. The bill will go over.

SAN DIEGO CONSOLIDATED GAS & ELECTRIC CO.

The bill (S. 1930) for the relief of the San Diego Consolidated Gas & Electric Co., was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. ROBINSON. Just a moment. What is the basis of the claim?

The PRESIDING OFFICER. The bill will be read for information.

The reading clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the San Diego Consolidated Gas & Electric Co., of San Diego, Calif., the sum of $2,632.57, in full satisfaction of all claims of such company against the United States on account of injuries to pole-tower structures and high-tension transmission lines of said company north of San Diego, caused on September 15, 1922, by the collision with such transmission lines of an airplane piloted by Ensign Jack Shafer, deceased, in the course of his regular duties while attached to the naval air station at San Diego, Calif.

Mr. ROBINSON. It appears from an inspection of the report that the collision by an airplane with the wires of the electric company caused considerable damage, and that the Government is responsible for it. I do not see any objection to the bill.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

EZRA S. POND.

The bill (S. 1941) for the relief of Ezra S. Pond was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. ROBINSON. Just a moment, Mr. President. Is there any Senator present who understands this claim?

Mr. WILLIS. If the Senator from Arkansas will yield to me, I think I can explain it to him in a moment.

Mr. ROBINSON. Very well. I think the Senator ought to explain it.

Mr. WILLIS. This bill is to reimburse the administrator of the estate of Captain Pond. The facts briefly are these, as set forth in a very carefully prepared report of the committee:

Henry Ezra Pond was a captain in an Ohio company; he was on the ship *Moldavia*, which was sunk by a submarine. He lost all of his effects. As a matter of fact, I do not recall whether there was any loss of life, though I think not. The ship, however, went down with the effects of the officers on board. Subsequently Captain Pond was killed in the World War; consequently, obviously, he could not himself offer any evidence as to the loss of property. The War Department knows, as appears from the report, just what equipment an officer is supposed to have, amounting to over $550. By all the evidence adduced it was made clear that this officer had that complete equipment, which was entirely lost. It was believed that, inasmuch as the officer himself could not testify, that the claim should be allowed.

Mr. ROBINSON. Is the recommendation of the War Department or the Comptroller General favorable to the claim?

Mr. WILLIS. The Comptroller General rejected the claim, I will say to the Senator from Arkansas, on, it seems to me, the highly technical ground, that the officer lost his life and could not present any direct evidence himself as to the loss of the property; yet it was proven that the officer, along with his brother officers, was fully equipped. However, the Comptroller General, as the Senator from Arkansas will see from the report, rejected the claim because of the rather technical objection that the man was dead and could not offer any testimony.

Mr. ROBINSON. The pending bill is for the relief of the estate?

Mr. WILLIS. Yes, sir.

Mr. ROBINSON. Very well.

Mr. FLETCHER. May I ask the Senator from Ohio if there was any evidence to show that any of these officers at all saved their effects? I see the report states that:

In the case now submitted a finding was made by a War Department board of officers that certain specified articles of a total value of $552.51 were lost by the officer in the sinking of the transport.

That looks as though the board of officers found that to be a fact.

Mr. WILLIS. Of course all they could find was the fact as to the value of the equipment which each officer was supposed to have. If the Senator from Florida has the report before him, and if he will turn to the top of page 3, he will find rather an accurate statement of the case.

Mr. FLETCHER. Yes; the report continues:

The claimant had admitted, however, that he had no evidence his son actually lost any property in the sinking of the transport; or, if any was lost, what was its value.

Mr. WILLIS. Let me explain to the Senator from Florida. The reason why he could not offer any evidence was because the one man who would know about that was dead upon the field of battle. Does the Senator from Florida see the point?

Mr. FLETCHER. I understand that. There is no evidence to show that the officer did save any of his effects, I take it?

Mr. WILLIS. Not at all.

Mr. FLETCHER. And the board of officers seemed to have found out, as a matter of fact, that he lost the articles?

Mr. WILLIS. Yes; that was their opinion. If the Senator from Florida will note, in the report on the preceding page, the letter from Dr. Flanagan bears directly upon the subject.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Claims with an amendment to strike out line 3, as follows: "That the sum of $552.51 shall be appropriated to reimburse," and in lieu thereof to insert "That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $552.51 to," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $552.51 to Ezra S. Pond, a resident of 655 Pinewood Avenue, Toledo, Ohio, administrator of the estate of his only child, the late Harry S. Pond, captain Company K, Fifty-eighth Infantry, for loss of equipment sustained by the said Harry S. Pond in the sinking of the United States transport *Moldavia* on May 6, 1918.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. WILLIS. In order that the record may be complete, I ask unanimous consent that the report accompanying the bill may be printed in the RECORD at this point.

There being no objection, the report (No. 221) submitted by Mr. STANFIELD on March 10, 1924, was ordered to be printed in the RECORD, as follows:

Report to accompany S. 1941.

The Committee on Claims, to whom was referred the bill (S. 1941) for the relief of Ezra S. Pond, having considered the same, report favorably thereon with the recommendation that the bill do pass with the following amendment: Strike out all of line 3 and insert in lieu thereof the following:

"That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $552.51 to."

STATEMENT OF FACTS.

1. The late Henry Ezra Pond, captain of Company K, Fifty-eighth Infantry, was the only child of claimant, Ezra S. Pond, and his wife.

2. Capt. Henry Ezra Pond, late lieutenant Fifty-eighth Infantry, served with his regiment at Camp Green, N. C., to April 24, 1918, temporarily at Camp Mills, Long Island, N. Y., to May, 1918; left United States May 6, 1918, on transport *Moldavia* for American Expeditionary Forces, France. According to paragraph 2, third indorsement, chief, effects bureau, port of embarkation, Hoboken, N. J., August 11, 1919, it will be noted that the ship on which this officer crossed was sunk by a submarine, and he lost all of his effects.

He died in action overseas October 5, 1918. (Report of Adjutant General to Director of Finance December 26, 1922.)

3. The rules of the War Department required officers to have a complete outfit before embarking.

In a letter from claimant to Senator Willis dated November 26, 1921, he says:

"Every officer that went overseas had a complete outfit or he did not go over. Anyway, my son had his when he came home before going over, so he informed me, and Washington has a record of all officers' outfits. They also know there was no man aboard the *Moldavia* that saved anything. They had all they could do to save their lives."

A letter written by the son to his father and mother, dated May 26, 1918, only a scrap of which was recovered from an old stove after the boy was killed, reads as follows:

"DEAR MOTHER AND FATHER: I suppose that you received my wire telling of my safe arrival. I am somewhere over here having a much-needed rest. I left Camp Mills shortly after I wrote to you last, and of course could not write after that. You have read of the sinking of the *Moldavia*, I guess, through the newspapers by this time. Well, I was on that ship. I managed to get out safely with a few clothes on at 3 a. m. That is all that * * * saved the few clothes that * * * everything else * * * very well t * * * and R * * * of * * * we were * * * hit, so I hadn't gone to sleep at all and even had some of my clothes on. I was lying on my bunk in my stateroom and heard the explosion. It was very much muffled, because it was below the water line, and I did not know just what it was, but I jumped out on deck immediately, and the ship listed to the port side and then I knew what had happened. I went back and got my bunkie out. He hadn't even waked up, and thought I was 'kidding' him when I did wake him. Well, when we found that she was going down we got orders from the ship's captain to 'abandon ship' and got into our lifeboats. We were soon picked up by destroyers and taken to a * * *. The old ship went down while * * * in sight and it was * * *. Everything went * * * and everyone * * * killed by the * * * looking * * * happy." * * *

The War Department has supplied a list of articles required and a statement of the average cost at the time the son was ordered overseas and embarked on the ill-fated *Moldavia*.

The value stated is $552.51.

A letter to Senator WILLIS from Dr. Harold S. Flanagan, D. D. S., of 335 George Street, New Brunswick, N. J., dated December 5, 1922, is as follows:

"MY DEAR SENATOR: I received your letter of the 4th instant relative to Mr. Pond, and will be very glad to supply you with any information you require to help him.

"His son was among 20 officers on the steamship *Moldavia*. We lost all our personal effects, but were later paid; i. e., those who survived the battles—I think about 14. Mr. Pond's son, Harry, was killed in the Argonne sector, and of course was not present to present a claim when we presented our claims. I might add here that he was a splendid soldier and fine fellow, and I would appreciate your helping his father, who, I believe, needs whatever money he can get quite badly.

"The War Department has published a list of articles which all overseas officers were compelled to have. We were inspected by inspecting officers and checked up on that list. I can take an affidavit that Pond had everything required by an overseas officer, and I see no reason why he should not be paid when we all collected. I think your office can get a copy of that list from the War Department, and if you mail it to me I'll fix the affidavit here in New Brunswick.

"Hoping I can be of some help in the matter, I am,

"Very truly yours,

"H. S. FLANAGAN, D. D. S."

4. The claimant was appointed administrator of the estate of his son, Harry E. Pond, by letters of administration issued by the probate court of Lucas County, Ohio, October 8, 1919.

5. The claimant filed a claim with the War Department of the United States for $552.51 under act of March 4, 1921.

"In full settlement of the claim of Capt. Ezra Harry Pond for property lost in the military service, amount determined and approved by the Secretary of War under authority of the act of March 4, 1921, and decision of the Comptroller General dated September 29, 1921, $552.51."

6. Following are findings and recommendation of the board under date of September 21, 1921:

"1. The attached papers relate to the claim of Harry Ezra Pond, deceased, formerly captain Company K, Fifty-eighth Infantry, for personal property lost in the military service. The board of officers convened in the office of the Chief of Finance has recommended that the heir or heirs of Captain Pond's estate be reimbursed in the amount of $552.51 in full settlement for the loss of his personal belongings sustained as herein described.

"2. This claim is being sent you in accordance with the act of March 4, 1921, as interpreted by the decision of the Comptroller General dated September 29, 1921, providing for a determination of such claims by the Secretary of War, with the recommendation that it be returned to this office approved for payment in the amount of $552.51."

8. The Assistant Secretary of War approved and recommended payment March 2, 1923, as follows:

"It is hereby certified that the articles of property in the items and values as found by the board were reasonable, useful, necessary, and proper for this claimant in the public service in line of duty, in quarters, or in the field, that the loss occurred under the circumstances ascertained and determined by the board, and that none of the items should be replaced in kind from Government property on hand. The value is hereby under the provisions of the act of Congress of March 4, 1921, ascertained and determined in the amount of $552.51, which amount shall be paid by the proper authority and be in full settlement, release, and discharge.

"J. M. WAINWRIGHT,
"*Assistant Secretary of War.*"

9. The Comptroller General of the United States refused payment under date of May 21, 1923, as follows:

"Capt. CARL HALLA,

"*Finance Department, Through Office of the Chief of Finance, War Department.*

"SIR: There has been received by reference your letter dated March 19, 1923, with attached voucher, requesting decision whether you are authorized under the act of March 4, 1921 (41 Stat. 1436), to make a payment of $552.51 to Ezra S. Pond, administrator of the estate of Harry E. Pond, formerly captain of Company K, Fifty-eighth Infantry, as reimbursement of the value of personal property alleged to have been lost by the officer during May, 1918, in the sinking of the transport *Mondavia* while en route for duty with the American Expeditionary Forces.

"The act of March 4, 1921 (41 Stat. 1436), provides for the replacement or the recoupment to the owner of the value of private property lost, damaged, or destroyed belonging to officers of the Army, under conditions therein specified, and section 3 thereof reads, in part, as follows:

"'* * * The Secretary of War is authorized and directed to examine into, ascertain, and determine the value of such property lost, destroyed, captured, or abandoned as specified in the foregoing paragraphs, or the amount of damage thereto, as the case may be; and the amount of such value or damage so ascertained and determined shall be paid by disbursing officers of the Army * * *.'

"This enactment contemplates that—

'* * * the award made by a proper board and approved by the Secretary of War shall be the authority for the payment, and the question for the disbursing officer must be whether there has been furnished to him such an approval award accompanied by the evidence on which it is based. I do not consider it either incumbent on the officer or the accounting officers to examine the evidence for the purpose of weighing and determining whether in their judgment the same conclusion would be reached as that of the board and the Secretary of War, but only to see that the claim made and the evidence have relation to each other, and particularly so that there may be no collusion or fraud. The weight or effect to be given the evidence are for the board and the Secretary of War. * * *'

"See letter of September 29, 1921, to the Secretary of War.

"In the case now submitted a finding was made by a War Department board of officers that certain specified articles of a total value of $552.51 were lost by the officer in the sinking of the transport. The claimant had admitted, however, that he had no evidence his son actually lost any property in the sinking of the transport; or, if any was lost, what was its value.

"It is thus not a question of the weight and effect to be given evidence, but the submission to the disbursing officer is without the evidence which the quoted letter of September 29, 1921, shows to be at least a requirement before payment can be made.

"The voucher submitted is returned and you are advised that payment thereof is not authorized.

"Respectfully,

"J. S. MCCARL, *Comptroller General.*"

FINDING.

In the absence of a direct statement by the deceased son and soldier, the evidence submitted by the claimant seems to this committee to be the best evidence available, and sufficient, when coupled with knowledge of existing facts had by the War Department as to equipment required of officers, inspection and checking at time of embarkation, sinking of the transport, and loss of similar equipment by surviving officers, by every rule of evidence, to establish this claim.

ADDITIONAL CLERKS FOR SENATORS.

Mr. PEPPER. I ask unanimous consent that Senate Resolution 161, being Order of Business No. 221, may be taken from the calendar and recommitted to the Committee to Audit and Control the Contingent Expenses of the Senate.

Mr. WILLIS. What resolution is that?

Mr. PEPPER. It is the resolution providing additional clerks for Senators who are not chairmen of committees during the Sixty-eighth Congress.

The PRESIDING OFFICER. The Senator from Pennsylvania asks unanimous consent that Senate Resolution 161 may

be taken from the calendar and recommitted to the Committee to Audit and Control the Contingent Expenses of the Senate. Is there objection? The Chair hears none, and it is so ordered.

LEO P. QUINN.

The bill (S. 2764) authorizing the President to order Leo P. Quinn before a retiring board for a rehearing of his case, and upon the findings of such board either confirm his discharge or place him on the retired list with the rank and pay held by him at the time of his discharge, was considered as in Committee of the Whole. It authorizes the Secretary of War, under the direction of the President, in his discretion, to order Leo P. Quinn, late major, United States Army, again before a retiring board for the purpose of a new hearing of his case and to inquire into and determine the facts touching the nature and occasion of his disability, and to find and report the cause which, in its judgment, has produced his incapacity, and whether such cause is an incident of the service, according to the statute, and that upon the findings of such board the President is further authorized, in his discretion, either to confirm the order by which the said Leo P. Quinn was discharged, or, in his discretion, to nominate and, by and with the advice and consent of the Senate, to appoint said Leo P. Quinn a major, the grade which he had at the time of his discharge, and to place him on the retired list of the Army; but no pay, bounty, or other allowance during the period between the time that he was discharged and the time of the passage of this act shall become due and payable by virtue of this act.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

MICHAEL SWEENEY.

The bill (S. 1011) for the relief of Michael Sweeney was considered as in Committee of the Whole. It provides that in the administration of the pension laws and the laws conferring rights and privileges upon honorably discharged soldiers, their widows, and dependent relatives, Michael Sweeney, late of Battery C, First Missouri Light Artillery, shall be held and considered to have been honorably discharged from the military service of the United States as a member of that organization; but no pay, bounty, or other emolument shall accrue to the passage of this act.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

CHARLES B. STRECKER.

The bill (S. 47) to permit the correction of the general account of Charles B. Strecker, former Assistant Treasurer of the United States, was considered as in Committee of the Whole.

The bill had been reported from the Committee on Claims with an amendment to strike out all after the enacting clause and to insert:

That the Secretary of the Treasury and the Comptroller General be, and they are hereby, authorized and directed to credit in the accounts of the Treasurer of the United States the sum of $15,956, now carried in the account of the office of the Assistant Treasurer of the United States at Boston, Mass., and representing a balance due the United States when the subtreasury at Boston was discontinued, October 25, 1920, in the amount of money belonging to the United States while in the custody of said Assistant Treasurer, the loss of said money having occurred through no fault or negligence on the part of said Assistant Treasurer, as set forth in Senate Document No. 400, Sixty-sixth Congress, third session; and for this purpose the sum of $15,956 is hereby appropriated, out of any money in the Treasury not otherwise appropriated.

Mr. ROBINSON. Mr. President, this bill carries a considerable amount, more than $15,000. I think it ought to be explained how this loss occurred.

Mr. CAPPER. I will say to the Senator from Arkansas that the bill is intended really to straighten out the books of the Treasury Department, and the passage of the bill is suggested by that department. The explanation is found in the letter from the former Assistant Treasurer.

The subtreasury at Boston has been discontinued. During the war the business of that subtreasury was greatly increased and it became necessary to add to the force. It is not charged that any official of the Treasury Department was in any way negligent in his duties or profited in the slightest degree. In the letter of Mr. Strecker, on page 3, will be found a full explanation of the difficulties. I may say that the Senate has twice passed a similar bill without any controversy at all.

Mr. ROBINSON. I do not understand from the statement of the Senator from Kansas how the necessity for legislation arises. Is it claimed that there were mistakes in the account, or is it claimed that a defalcation or a loss occurred? How does it become necessary for the Congress to legislate with respect to the matter?

Mr. LODGE. Mr. President, when Mr. Strecker took office there was a deficiency in the account which the Senator from Kansas has just explained. When the office was closed and Mr. Strecker withdrew, the office, as has been stated, having been abolished, the same deficiency was there, and it was charged against him. He was not responsible for it in any way. There were, as a matter of fact, two shortages, one a shortage in currency which had been sent to Washington and the other was the deficit which existed when he took the office over. He was made responsible for it. As I recall the case—I have not looked at the papers since the bill was passed at a previous session—both shortages occurred in connection with the return of currency to the Treasury here.

Mr. ROBINSON. I see on page 2 a statement which appears to be something of an itemized statement of the matter:

Shortage in shipment of unfit currency April, 1918	$2,456
Shortage in gold certificates held in reserve fund found by Treasury's representatives in discontinuing this office Oct. 25, 1920	13,500

Mr. LODGE. That is the statement of Mr. Gilbert, the Acting Secretary, and the Treasury recommended it. One was missing owing to some fault among the subordinate clerks, and the other never was received. The amounts are carried against Mr. Strecker on the books, but he had nothing to do with either loss.

Mr. ROBINSON. I gather from the further reading of the letter which was just quoted—a letter from Mr. Gilbert, dated February 15, 1921—that there was a loss to the Government of this amount.

Mr. LODGE. Oh, yes.

Mr. ROBINSON. But that this officer is not shown or held to be responsible for it.

Mr. LODGE. No; he had no responsibility, really, for either of them. I acted on the matter on the recommendation of the Treasury Department. I drew it up for Mr. Strecker and presented it, and it was sent in by Mr. Gilbert, as the Senator will see, in 1921. He was in nowise responsible. It was a matter of bookkeeping.

Mr. CAPPER. Mr. President, I call the Senator's attention to this paragraph in the report from the Treasurer on page 4:

I am satisfied that the loss was not due to the dishonesty or negligence of the Assistant Treasurer. The investigation of the Secret Service seems to me to have been quite thorough, and every person connected with the subtreasury at that time who could possibly have been guilty was carefully investigated. All evidence secured was submitted to the United States attorney of that district and by him submitted to the Federal grand jury. This grand jury, after going into the case, did not find evidence sufficient to warrant an indictment.

Mr. ROBINSON. Then the summary of the evidence is that the agents of the Government never ascertained how the shortage arose?

Mr. LODGE. No.

Mr. ROBINSON. But they did find that this officer himself was not responsible for it?

Mr. LODGE. That was exactly it. It came from two administrations, as the Senator knows.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CHARLES S. FRIES.

The bill (S. 196) for the relief of Charles S. Fries was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Charles S. Fries the sum of $1,248, out of any money in the Treasury not otherwise appropriated, for injuries received while employed as a decorator in the United States Capitol on October 24, 1911.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

JAMES E. FITZGERALD.

The bill (S. 608) for the relief of James E. Fitzgerald was announced as next in order.

Mr. OVERMAN. Let that go over.

Mr. CARAWAY. Mr. President, may I ask the Senator what is the particular objection to the consideration of this bill?

Mr. OVERMAN. I see from the report of the Postmaster General to the committee that he thinks it ought not to pass. That is all I know about it.

Mr. CARAWAY. May I explain to the Senator what the case is?

Mr. OVERMAN. I shall be glad to have the Senator do so.

Mr. CARAWAY. Fitzgerald is a man living down in Cross County, Ark. He was a rural letter carrier. He transported the mail by means of a horse and buggy. Upon coming into the office on a rainy day he was requested by the postmaster to put up the horse and come back and help straighten out his accounts, the returns that he made at the end of his journey as a rural mail carrier. In doing so the horse became frightened at something and ran away and broke the man's leg, and he has been a cripple ever since.

The law with reference to compensating Government employees who are injured in the discharge of duty I think, without question, covered his case. However, the commission found that in putting up his horse he was not in the discharge of his duty, although it was necessary for him to do it, he was directed to do it, and he had to do it before he could finish his report. For that reason they denied to him any compensation.

Mr. OVERMAN. In the Senator's opinion, he was acting in the line of duty then, was he?

Mr. CARAWAY. Oh, absolutely. He was putting away the means of transporting the mail—the thing he had to do.

Mr. OVERMAN. The Postmaster General says:

Inasmuch as the employee was not on duty, I am of the opinion that the department would not be warranted in recommending favorable action by the Committee on Claims with regard to the bill.

Mr. CARAWAY. I do not know what he could have been doing. He carried the mail with a horse and buggy, and when he drove up to the post office it was raining—a bad day—and the postmaster said, "Put up your horse, and then let us straighten out your returns"; and in trying to put his horse in the barn the man was crippled, and the commission said that because he had passed the door of the post office he was not any longer in the discharge of his duty. Of course, there never was any question about it, but the commission having said it, it had to stay with it.

Mr. ROBINSON. Is that the sole ground upon which payment was denied?

Mr. CARAWAY. Absolutely, the only ground on earth.

Mr. FLETCHER. Mr. President, it seems that the House report was favorable and the Senate report was favorable.

Mr. CARAWAY. Anybody on earth except the commission would have known what he was doing; but some people, not knowing what a horse is, decided that he was not in the discharge of his duty.

Mr. OVERMAN. In view of the Senator's statement, I withdraw my objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Claims with an amendment, on page 1, line 5, before the word "Fitzgerald," to strike out "E." and insert "B.," so as to make the bill read:

Be it enacted, etc., That the United States Employees' Compensation Commission shall be, and it is hereby, authorized to extend to James B. Fitzgerald, a former employee in the Postal Service, the provisions of an act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, compensation hereunder to commence from and after the passage of this act.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of James B. Fitzgerald."

RECEIVER OF GULF, FLORIDA & ALABAMA RAILWAY CO.

The bill (S. 828) for the relief of the receiver of the Gulf, Florida & Alabama Railway Co. was announced as next in order.

Mr. ROBINSON. Mr. President, this is an important claim. The amount carried is nearly $30,000. I ask the Senator who introduced the bill to make a statement with reference to it.

Mr. FLETCHER. Mr. President, the claim arises out of these circumstances:

While the war was on this railroad company built a road from a point in Georgia down to Pensacola. Pensacola was the terminus of it. The naval air station is some 10 or 12 miles farther south, on the bay. This road was in the hands of a receiver. The Secretary of the Navy called on the receiver of this road to extend the road to the naval air station as a war measure. They wanted to get supplies, and so forth, to the naval air station. Complying with that order—the roads were all then in the hands of the Director of Railways, Mr. McAdoo, by the way—the road was extended, and this was the actual cost of the right of way and the construction, outside of and in addition to what they were able to salvage out of it in the way of rails and crossties afterwards. The payment of the claim has been recommended by the Secretary of the Navy and by the department over and over again.

As the report shows, the bill was reported at the last session and passed the Senate at the last session. The letter of the Acting Secretary of the Navy says:

In May, 1918, it was deemed advisable to obtain the extension of the tracks of the Gulf, Florida & Alabama Railway Co. to the naval air station at Pensacola, Fla., and an arrangement was made with the receiver of the road having that end in view.

The right of way was acquired by the receiver and the grading done and the material necessary purchased, but the road had not been finished at the signing of the armistice, with the consequent discontinuance of its construction.

The Acting Secretary of the Navy recites the circumstances, and recommends that the amount be paid.

Again, beginning on page 3 of the report, the Senator will find a statement of facts, going into detail about it. I quote from that statement:

On May 18, 1918, Hon. Franklin D. Roosevelt, Acting Secretary of the Navy, advised Hon. William G. McAdoo, Director General of Railroads, by letter that the Navy Department had requested the Gulf, Florida & Alabama Railway Co. to extend their tracks to the United States naval air station, this being a war necessity, and that in order to secure funds to make the extension it was necessary that the railway property be released from administration control, to the end that the capital issues committee might authorize the issuance of securities to provide for the construction of the extension and the improvement of the railway.

The capital issues committee made a loan on it which had to be returned to them, and the report says that "it was impossible to reclaim the right of way, grading, and certain materials and labor entering into bridge construction"—they had to build a bridge across a bayou—"and which aggregated $27,008.04."

Mr. ROBINSON. Very well.

Mr. FLETCHER. The building of the track was requested by the Navy Department, and an itemized statement of every expenditure in connection with it is attached.

Mr. ROBINSON. Very well.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That there is hereby appropriated, out of any money in the Treasury of the United States not otherwise appropriated, the sum of $27,008.04 for the relief of the receiver of the Gulf, Florida & Alabama Railway Co. as full compensation for amounts expended and unreclaimable in connection with the construction of an extension of tracks to the United States naval air station and yard at Pensacola, Fla.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

DAMAGES, ETC., INCIDENT TO TRAINING, PRACTICE, OPERATION, OR MAINTENANCE OF THE ARMY.

The bill (S. 2527) for the payment of claims for damages to and loss of private property incident to the training, practice, operation, or maintenance of the Army, was announced as next in order.

Mr. ROBINSON. I think that bill had better go over.

Mr. WARREN. Mr. President, I hope the Senator will withhold his objection for a moment.

Mr. ROBINSON. I will withhold it.

Mr. WARREN. These are claims which arose from the damage done to citizens by the military during the war, where they had troops in various foreign countries, and so forth.

They have all been adjusted by the War Department, but we passed a law requiring every claim above $500 to come through Congress. This bill covers those claims above $500 that have been passed upon and sent to us. We passed a bill on the subject at the last session. It went to the House, was properly indorsed, and reported favorably, but the session was too short to permit of its passage. I trust the Senator will withdraw his objection.

Mr. ROBINSON. In view of the Senator's statement, I have no objection to the consideration of the bill.

The Senate, as in Committee of the Whole, proceeded to consider the bill, which was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to claimants named in this act the several sums appropriated herein, for the payment of claims for damages to and loss of private property incident to the training, practice, operation, or maintenance of the Army, namely:

To Mary Bauman, Lancaster, Calif., $1,048.75; to R. W. Eubanks, Atlanta, Ga., $842.28; to William R. Midgley, Oceanport, N. J., $538; to Standard Shipbuilding Corporation, New York City, $3,921.59; to Lord Dry Dock Corporation, Weehawken, N. J., $1,034.55; to Fred E. Jones, New York City, $13,457.64; to Stephenson & Bills, Lakewood, N. J., $2,211.90; to B. F. Jones estate, Pittsburgh, Pa., $596.06; to W. S. Lloyds (Inc.), New York City, $890.33; to Firemen's Fund Insurance Co., New York City, $890.33; to St. Paul Fire and Marine Insurance Co., New York City, $890.33; to Mrs. W. D. Holman (estate of Moses Samuels), Lakewood, N. J., $13,368.18; to Dominion of Canada, Ottawa, Canada, $1,200; to James R. Sutton, Kempton, Ill., $850; to Arabella D. Huntington, New York City, $524.27; to Porto Rico Coal Co., San Juan, P. R., $1,000; to the New York State Fair Commission, Syracuse, N. Y., $12,098.25; to Riverside Contracting Co., Brooklyn, N. Y., $8,893.01; to Charles Jensen, Omaha, Nebr., $1,038.50; to Cornell Steamboat Co., New York City, $1,235; to Southern Transportation Co., Philadelphia, Pa., $651; to Joe A. Ottman, Mercedes, Tex., $512.20; to Silver Lake Park Co., Atlanta, Ga., $18,000; to Lee C. Davis, Wrightstown, N. J., $1,807.61.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER.

The bill (S. 1307) for the relief of Albert Andrews for loss of personal effects while serving with the military forces of the United States, was announced as next in order.

Mr. OVERMAN. I think that bill should go over unless some Senator can explain it.

The PRESIDING OFFICER. The bill will be passed over, under objection.

Mr. FRAZIER. Mr. President, do I understand that there is objection?

Mr. OVERMAN. I want to hear the bill explained. I see that the Secretary of War, Mr. Weeks, has really reported against the bill and says that if Congress passes the bill it will be a gift, as the Government is in no way liable for this loss.

Mr. FRAZIER. Mr. President, this young man went into the Army with the First Regiment band of North Dakota and was afterwards transferred to another organization. When he left with his company from the camp at Hempstead, N. Y., he sent back to his home at Mayville, N. Dak., a trunk which contained a couple of musical instruments and some of his civilian clothing. When he returned home he found that this trunk never had reached his home. The Adams Express Co., which had taken the trunk, was out of business when he came back. The railroad company would not pay anything, because they were under Government control, and he made application to the War Department, and there was nothing to be gotten there. The same bill was introduced by Senator McCumber at the last session, but for some reason or other it was not reported out of the committee. The young man at the present time is the instructor of the military band of the First Regiment of North Dakota, and I believe he is entitled to this little sum, which represents the personal belongings which were lost to him in this trunk which was shipped back from Hempstead, N. Y., to his home in North Dakota.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. OVERMAN. I object at present. I may look a little bit further into it. From the report it appears that it is not a valid claim.

Mr. FLETCHER. There is one thing about it which I suggest ought to be cleared up a little. The itemized statement seems to put a valuation of $237 on the property. Of course, ordinarily, the Government does not pay interest on these claims.

Mr. FRAZIER. An itemized statement was furnished.

Mr. FLETCHER. Yes; and it figures up $237, whereas the bill provides for the payment of $288.

Mr. CAPPER. Mr. President, on page 4 there is an itemized statement which figures up $288.

Mr. CURTIS. Mr. President, as objection has been made, can we not go to the next bill? We should like to go as far with the calendar as we can.

The PRESIDING OFFICER. Objection is made, and the bill will be passed over.

SAMUEL S. WEAVER.

The bill (S. 1573) for the relief of Samuel S. Weaver was considered as in Committee of the Whole.

The bill had been reported from the Committee on Claims with an amendment, on line 5, to strike out "$3,500," and to insert in lieu thereof "$2,000," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $2,000 to Samuel S. Weaver, as full compensation for wounds received by him on board the United States steam launch *Capron*, at Delaware, on or about January 17, 1900.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

PEARL RIVER BRIDGE, MISSISSIPPI.

The bill (H. R. 5633) granting the consent of Congress to the Board of Supervisors of Hinds County, Miss., to construct a bridge across the Pearl River in the State of Mississippi was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the Board of Supervisors of Hinds County, Miss., to construct, maintain, and operate a bridge and approaches thereto across the Pearl River, at a point suitable to the interests of navigation, at or near the city of Jackson, State of Mississippi, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

KANKAKEE RIVER BRIDGE, INDIANA.

The bill (H. R. 5737) granting the consent of Congress to the county of Kankakee, State of Illinois, and the counties of Lake and Newton, State of Indiana, to construct, maintain, and operate a bridge and approaches thereto across the Kankakee River at or near the State line between section 19, township 31 north, range 15 east of the third principal meridian, in the county of Kankakee, State of Illinois, and section 1, township 31 north, range 10 west of the second principal meridian, in the counties of Lake and Newton, State of Indiana, was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the county of Kankakee, State of Illinois, and the counties of Lake and Newton, State of Indiana, to construct, maintain, and operate a bridge and approaches thereto across the Kankakee River at a point suitable to the interests of navigation, at or near the State line between section 19, township 31 north, range 15 east of the third principal meridian, in the county of Kankakee, State of Illinois, and section 1, township 31 north, range 10 west of the second principal meridian, in the counties of Lake and Newton, State of Indiana, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

MISSISSIPPI RIVER BRIDGE, MINNESOTA.

The bill (H. R. 6420) to extend the time for the construction of a bridge across the Mississippi River in section 17, township 28 north, range 23 west of the fourth principal meridian, in the State of Minnesota, was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge across the Mississippi River at a point suitable to the interests of navigation in or near the northwest quarter of section 17, township 28 north, range 23 west of the fourth princi-

pal meridian, between the cities of Minneapolis and St. Paul, in the State of Minnesota, as provided for in Public Law 451, approved February 27, 1923, are hereby extended one and three years, respectively, from the date of approval hereof.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

CALUMET RIVER BRIDGE, ILLINOIS.

The bill (H. R. 6925) granting the consent of Congress to the city of Chicago to construct a bridge across the Calumet River at or near One hundred and thirtieth Street in the city of Chicago, county of Cook, State of Illinois, was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the city of Chicago, a corporation organized under the laws of the State of Illinois, and its successors and assigns, to construct, maintain, and operate a bridge and approaches thereto across the Calumet River at a point suitable to the interests of navigation, at or near One hundred and thirtieth Street in the city of Chicago, county of Cook, and State of Illinois, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

Mr. FLETCHER. Mr. President, we have been passing House bills, and there are Senate bills making the same provisions. I suppose the matter will be adjusted later.

The PRESIDING OFFICER. If the Senate passes a bill already passed by the House of Representatives, it will become a law when signed by the President.

Mr. CURTIS. Mr. President, I move that the Senate proceed to the consideration of executive business.

Mr. BROOKHART. Mr. President, I would like to get the next two bills acted upon.

Mr. CURTIS. I will withdraw the motion until they are acted upon, if there is no objection interposed to their consideration.

CLOTILDA FREUND.

The bill (S. 969) for the relief of Clotilda Freund was considered as in Committee of the Whole.

The bill had been reported from the Committee on Claims with amendments, on line 6 to strike out "$14,304" and to insert in lieu thereof "$7,152"; on line 9, after the word "Congress," to insert the words "It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum which in the aggregate exceeds 30 per cent of the amount appropriated by this act," so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Clotilda Freund, of Jersey City, N. J., out of any money in the Treasury not otherwise appropriated, the sum of $7,152 in compliance with the findings of the Court of Claims, Senate Document No. 51 of the first session of the Sixty-fifth Congress. It shall be unlawful for any agent or agents, attorney or attorneys, to exact, collect, withhold, or receive any sum which in the aggregate exceeds 30 per cent of the amount appropriated by this act.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RUSSIAN RAILWAY SERVICE CORPS.

The bill (S. 1557) to give military status and discharges to the members of the Russian Railway Service Corps, organized by the War Department under authority of the President of the United States for service during the war with Germany, was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the officers appointed by the President, and who served honorably during the war with Germany on and after April 6, 1917, in the Russian Railway Service Corps, organized by the War Department under authority of the President of the United States, shall have, as to such service, the status of commissioned officers in the United States Army with military rank corresponding to that designed in the President's appointment, and shall be entitled to a full and honorable discharge from the military service of the United States.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

HENRY P. COLLINS, ALIAS PATRICK COLLINS.

Mr. BRUCE. Mr. President, I have been waiting for some time to get the next on the calendar called up.

Mr. CURTIS. I yield to the Senator for that purpose.

The bill (S. 245) for the relief of Henry P. Collins, alias Patrick Collins, was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That in the administration of the pension laws Henry P. Collins, alias Patrick Collins, late of Company A, Sixty-seventh Regiment Pennsylvania Volunteer Infantry, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a member of Company A, Sixty-seventh Regiment Pennsylvania Volunteer Infantry, on the 14th day of July, 1865: *Provided*, That no pay, pension, bounty, or other emolument shall accrue prior to the passage of this act.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

MISSISSIPPI RIVER BRIDGE, MINNESOTA.

Mr. SHIPSTEAD. Mr. President——

Mr. CURTIS. Mr. President, the Senator from Minnesota has a bridge bill which he would like to have passed.

Mr. SHIPSTEAD. I ask unanimous consent for the immediate consideration of Senate bill 2488, to authorize the city of Minneapolis in the State of Minnesota to construct a bridge across the Mississippi River in said city.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

The bill had been reported from the Committee on Commerce with amendments, on page 1, line 7, after the word "river" to insert the words "at a point suitable to the interests of navigation"; and on line 8, after the word "from," to insert the words "a point at or near"; and on line 10, after the word "to," to insert the words "a point at or near," so as to make the bill read:

Be it enacted, etc., That the city of Minneapolis, in the county of Hennepin and State of Minnesota, a municipal corporation organized under the laws of the State of Minnesota, be, and it is hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Mississippi River, at a point suitable to the interests of navigation, extending from a point at or near the intersection of Cedar Avenue and Second Street south across the Mississippi River to a point at or near the intersection of Tenth Avenue and University Avenue SE., in the city of Minneapolis, in the State of Minnesota, in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CHICAGO, MILWAUKEE & ST. PAUL RAILWAY CO.

Mr. SHIPSTEAD. I also ask for the immediate consideration of Senate bill 1982, granting the consent of Congress to the construction, maintenance, and operation by the Chicago, Milwaukee & St. Paul Railway Co., its successors and assigns, of a line of railroad across the northwesterly portion of the Fort Snelling Military Reservation in the State of Minnesota.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Military Affairs with an amendment, on page 1, line 8, to strike out "northwesterly" and to insert in lieu thereof "northeasterly," so as to make the bill read:

Be it enacted, etc., That the Secretary of War is hereby authorized to grant to the Chicago, Milwaukee & St. Paul Railway Co., a corporation organized under the laws of the State of Wisconsin, its successors and assigns, a permit to locate, construct, maintain, and operate a line of railroad across the northeasterly portion of the Fort Snelling Military Reservation, in the State of Minnesota, upon such location and under such regulations and conditions as shall be approved by the Secretary of War.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill granting the consent of Congress to the construction, maintenance, and operation by the Chicago, Milwaukee & St. Paul Railway Co., its successors and assigns, of a line of railroad across the northeasterly portion of the Fort Snelling Military Reservation, in the State of Minnesota."

ARTHUR FROST.

Mr. HARRELD. Mr. President, I ask unanimous consent that we take up for consideration Order of Business No. 75, Senate bill 105.

Mr. CURTIS. I yield for that purpose.

There being no objection, the bill (S. 105) for the relief of Arthur Frost was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Arthur Frost, the sum of $960 in full for damages suffered by reason of being negligently shot and seriously injured by a regularly enlisted soldier of the United States, while in pursuit of a deserter and in the legal discharge of his duty as a military policeman.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

CONVEYANCE OF LAND BY UNITED STATES TO SUSSEX COUNTY, DEL.

Mr. CURTIS. I promised the Senator from Pennsylvania [Mr. REED] that if there was no objection to Senate bill 2431, I would yield that he might call it up. It was called up once, but consideration of the bill was not concluded.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole proceeded to consider the bill (S. 2431) to authorize the Secretary of War to convey to the Commissioners of Lewes certain land in the county of Sussex, State of Delaware, which had been reported from the Committee on Military Affairs, with amendments, on page 1, line 3, to strike out the words "Secretary of War is hereby authorized and directed to convey by quitclaim deed to the commissioners of Lewes" and to insert in lieu thereof the words "United States hereby grants, quitclaims, and reconveys to the State of Delaware"; on page 3, line 10, after the word "less," to strike out the semicolon and the words, "such piece or parcel of land having been conveyed by the United States for its use in the construction of an inland waterway improvement from Rehoboth Bay to the Delaware Bay shore, but having since been found unnecessary for such waterway improvement and abandoned by the United States," so as to make the bill read:

Be it enacted, etc., That the United States hereby grants, quitclaims, and reconveys to the State of Delaware all that certain piece or parcel of land situate in Lewes and Broadkill Hundred, Sussex County, and State of Delaware, bounded and described as follows: Beginning at a stone, marked "U. S. 1," on the beach opposite the town of Lewes, Del., and located as follows: Bearing to Henlopen Light south 80 degrees 40 minutes east; angle between Henlopen Light and St. Peter's spire 114 degrees 23 minutes and 15 seconds; angle between St. Peter's spire and Greenhill Light 80 degrees 33 minutes and 55 seconds; angle between Greenhill Light and Upper Breakwater Light 122 degrees 32 minutes and 13 seconds; angle between Upper and Lower Breakwater Lights 9 degrees 28 minutes and 17 seconds; angle between Lower Breakwater Light and Henlopen Light 83 degrees 2 minutes and 20 seconds. Thence southerly 1,630 feet, more or less, along the arc of a circle of 1,872.41 feet radius to the north side of South Street, the center of said circle, bearing south 59 degrees 13 minutes east from said stone; thence south 45 degrees west 230 feet, more or less, along said north side of South Street to lands of the United States of America; thence with said lands in a northwesterly direction 180 feet, more or less, to a point; thence, leaving said lands, northerly along the arc of a circle of 2,172.41 feet radius having the aforementioned center, 1,838 feet, more or less, to a point which is 300 feet distant from the place of beginning; thence north 30 degrees 47 minutes east 575 feet, more or less, to the low-water line of the Delaware Breakwater Harbor; thence easterly along said low-water line 320 feet, more or less; thence south 30 degrees 47 minutes west 650 feet, more or less, to the place of beginning; containing 16.7 acres, more or less.

SEC. 2. That the conveyance shall be made without expense to the United States.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill conveying to the State of Delaware certain land in the county of Sussex, in that State."

ESTATE OF ELY N. SONNENSTRAHL, DECEASED.

Mr. COPELAND. Mr. President, I would like to have Senate bill 1330, for the relief of the estate of Ely N. Sonnenstrahl, deceased, considered at this time.

Mr. CURTIS. If the bill was not passed over on objection, I do not object to the Senate taking it up.

Mr. COPELAND. There was no objection to it.

Mr. McKELLAR. Is this one of the bills for entering judgment? If it is, it ought to go over.

Mr. CURTIS. It is understood that all bills for entering judgment shall go over.

Mr. McKELLAR. Then let the bill go over.

The PRESIDING OFFICER. Objection is made to the request of the Senator from New York.

EXECUTIVE SESSION.

Mr. CURTIS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and the Senate (at 5 o'clock p. m.) took a recess until to-morrow, Saturday, March 15, 1924, at 12 o'clock meridian.

NOMINATIONS.

Executive nominations received by the Senate March 14, 1924.

SECRETARY OF THE NAVY.

Curtis D. Wilbur, of California, to be Secretary of the Navy, vice Edwin Denby, resigned.

ENVOY EXTRAORDINARY AND MINISTER PLENIPOTENTIARY.

Hugh S. Gibson, of California, now envoy extraordinary and minister plenipotentiary to Poland, to be envoy extraordinary and minister plenipotentiary of the United States of America to Switzerland.

UNITED STATES ATTORNEY.

John L. Gay, of Porto Rico, to be United States attorney, district of Porto Rico, vice Ira K. Wells, appointed Assistant Attorney General.

COAST AND GEODETIC SURVEY.

To be aid, with relative rank of ensign in the Navy, by promotion from junior engineer.

Robert Leo Anderson, of Mississippi, vice William G. Craib, promoted.

To be junior hydrographic and geodetic engineer, with relative rank of lieutenant (junior grade) in the Navy, by promotion from aid, with relative rank of ensign in the Navy.

William Gibson Craib, of New York, vice G. L. Bean, promoted.

John Alexander McCormick, of Pennsylvania, vice A. L. Shalowitz, promoted.

Edward Murtone Denbo, of Indiana, vice W. V. Hagar, died.

Bruce Edward Lancaster, of North Carolina, vice E. C. Bennett, resigned.

PROMOTIONS IN THE REGULAR ARMY.

To be captains.

First Lieut. John Joseph Murphy, Infantry, from March 8, 1924.

First Lieut. Murray Taylor Davenport, Infantry, from March 9, 1924.

To be first lieutenants.

Second Lieut. William Leighton McEnery, Cavalry, from March 8, 1924.

Second Lieut. Robert Montgomery Springer, Infantry, from March 9, 1924.

Second Lieut. Russell John Nelson, Infantry, from March 11, 1924.

MEDICAL ADMINISTRATIVE CORPS.

To be first lieutenant.

Second Lieut. Richard Ellsworth Humes, Medical Administrative Corps, from March 12, 1924.

CHAPLAINS.

Chaplain Herbert Adron Rinard to be chaplain, with the rank of captain, in United States Army, from March 10, 1924.

CONFIRMATIONS.

Executive nominations confirmed by the Senate March 14, 1924.

COAST AND GEODETIC SURVEY.

AIDS.

Lansing Grow Simmons. Charles William Nies.
Earl Mowbray Buckingham. Chester Lovering Nyman.
Philip Chester Doran. George Thomas Gilman.

POSTMASTERS.

ARIZONA.

Clarence J. Wilson, Casa Grande.

IDAHO.

John M. Butler, Burley.
Walter A. Shear, Filer.

MARYLAND.

John W. Brittingham, Pittsville.

MISSOURI.

Melvin J. Kelley, Annapolis.
Lawrence J. Caster, Blythedale.
Oliver P. Pettigrew, Bolckow.
Walter L. Hert, California.
John S. McCrory, Linn Creek.
John B. Wilson, Maysville.

OKLAHOMA.

Margaret E. Williamson, Wanette.

PENNSYLVANIA.

Marion C. Hemmig, Elverson.

WASHINGTON.

Mabel G. Lamm, Burlington.

HOUSE OF REPRESENTATIVES.

FRIDAY, *March 14, 1924.*

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Lord, our Lord, the blessing and the bounty of another day are with us. May every wholesome cheer make its duties less arduous. Show us how the humblest service becomes the loftiest when inspired by the purest motive. Speak peace to our souls and bid all discord cease. Bless them with the riches of pure thoughts and wholesome deeds. Forgive us when we are selfish; recall us when we go astray, and may we think no ill of others. Be with our President and bless him with the riches of Thy grace and give him great peace. Through Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

ORDER OF BUSINESS FOR MONDAY NEXT.

Mr. LONGWORTH. Mr. Speaker, I ask unanimous consent that the business in order on next Monday be made in order on Tuesday.

The SPEAKER. The gentleman from Ohio asks unanimous consent that the business in order for next Monday be made in order on next Tuesday. Is there objection?

Mr. CHINDBLOM. Mr. Speaker, reserving the right to object, that is such an important matter to the entire membership of the House that I feel it should be disposed of with more than a handful of Members present, and I feel constrained to make the point of order that there is no quorum present. I am willing the request should come up after we get an attendance of Members.

The SPEAKER. The gentleman from Illinois makes the point of order that there is no quorum present. It is clear that there is no quorum present.

Mr. LONGWORTH. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

Almon	Bowling	Carew	Cullen
Anderson	Boylan	Cole, Ohio	Curry
Anthony	Britten	Connolly, Pa.	Davis, Minn.
Black, N. Y.	Browne, N. J.	Corning	Deal
Dempsey	Hull, Iowa	Mooney	Sullivan
Denison	Hull, Wm. E.	Moore, Ill.	Sweet
Dickstein	Jacobstein	Morin	Taylor, Colo.
Dominick	Johnson, S. Dak.	Morrow	Tilson
Edmonds	Kahn	O'Brien	Treadway
Fish	Kent	O'Connor, N. Y.	Underhill
Fitzgerald	Knutson	Oliver, Ala.	Upshaw
Fredericks	Kvale	Oliver, N. Y.	Vare
Free	LaGuardia	Phillips	Ward, N. C.
French	Lindsay	Porter	Ward, N. Y.
Fulmer	Lineberger	Prall	Weaver
Funk	Linthicum	Quayle	Weller
Gallivan	Little	Rathbone	Welsh
Goldsborough	Logan	Reed, N. Y.	Werts
Graham, Pa.	McClintic	Reed, W. Va.	Williams, Ill.
Green, Iowa	McDuffie	Reid, Ill.	Wilson, Miss.
Greene, Mass.	McFadden	Richards	Winslow
Griest	McKenzie	Rogers, N. H.	Wright
Griffin	McLaughlin, Nebr.	Romjue	Zihlman
Haugen	Magee, Pa.	Sanders, N. Y.	
Hawley	Michaelson	Sears, Fla.	
Howard, Nebr.	Miller, Ill.	Steagall	

The SPEAKER. Three hundred and thirty Members have answered to their names. A quorum is present.

Mr. LONGWORTH. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The SPEAKER. The Doorkeeper will open the doors.

Mr. LONGWORTH. Mr. Speaker, I renew my request now for unanimous consent that the business in order on Monday be made in order on Tuesday.

The SPEAKER. The gentleman from Ohio asks unanimous consent that the business regularly in order on Monday next may be in order on Tuesday instead of Monday. Is there objection?

Mr. GARRETT of Tennessee. Mr. Speaker, reserving the right to object——

Mr. CHINDBLOM. I also reserve the right to object.

Mr. SNYDER. I desire to reserve the right to object.

Mr. GARRETT of Tennessee. Mr. Speaker, I would like to ask the gentleman from Ohio if it is the purpose on the next suspension day or the next Consent Calendar day to consider the report of the Ways and Means Committee upon the soldiers' adjusted compensation bill?

Mr. LONGWORTH. The gentleman from Iowa [Mr. GREEN] can answer that question.

Mr. GREEN of Iowa. Mr. Speaker, in answer to the question I will say it is my intention on next suspension day to move to suspend the rules and pass the bill which has been ordered reported, and it is my expectation that I will be recognized by the Speaker.

Mr. SNYDER. The question I want to ask is, What will be the business on Monday next?

Mr. LONGWORTH. Appropriation bills will be in order.

Mr. SNYDER. Then consent day will be set aside.

Mr. GARRETT of Tennessee. In other words, Mr. Speaker, to get directly to the point, this means if the request of the gentleman from Ohio be granted that on Tuesday the House will have under consideration the soldiers' adjusted compensation bill?

Mr. LONGWORTH. That is the understanding.

The SPEAKER. Is there objection?

Mr. CHINDBLOM. Mr. Speaker, further reserving the right to object, of course that is subject to recognition by the Speaker. I understand the gentleman proposes to make the motion?

The SPEAKER. May the Chair interpolate, the Chair thinks Members of the House have the right to be informed, so far as the Chair can, of the program, and unless something should occur to make the Chair change his mind in the interval, the Chair would expect to recognize the gentleman from Iowa for the purpose he desires.

Mr. CHINDBLOM. Mr. Speaker, further reserving the right to object, I want to say this: I understand that this unanimous-consent request is made on account of the fact some Members of the House expect to be absent on Monday. There are a number of gentlemen of this House, particularly from our State of Illinois, who are necessarily at home on account of their primary campaign. They could come here by Monday and use Sunday in traveling, and would have an extra day, which would not interfere with their other important work at home. If this is postponed until Tuesday or any other day they will lose valuable time in their primary campaigns. I want to say in addition that I understood this matter would come up on Monday, and it happens that I must be personally present in Chicago to register for my own primary on Tuesday, no other means of registration being afforded, and it will be impossible for me to be here on Tuesday. However, I shall not place any objection upon that personal consideration, but I do want to call attention to the fact that when we

undertake to change the regular order of the House, the regular procedure and the regular calendar of the House, while we may be accommodating some people we are doing some injustice to others who have the right to rely upon the rules and the calendar as fixing the procedure of the House.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. CHINDBLOM. Yes.

Mr. RANKIN. Does not the gentleman think that just as great an injustice is done to the ex-service men of the country by the Committee on Ways and Means bringing this bill out and asking for a suspension of the rules and passing it without any opportunity for debate or amendment?

Mr. CHINDBLOM. If I thought as the gentleman apparently does, I do not think I would facilitate the matter by consenting to any other procedure than that which is provided by the rules.

Mr. RANKIN. Oh, yes; we might object and move the slaughter up to Monday instead of Tuesday.

Mr. HUDDLESTON. Reserving the right to object, Mr. Speaker, may I ask the majority leader [Mr. LONGWORTH] why it is considered necessary to press this soldiers' bonus legislation under such circumstances as that it will not be open to amendment? What is there about that legislation that makes it improper that the House should have an opportunity to amend it?

Mr. LONGWORTH. I will say to the gentleman that at the last time that the soldiers' compensation was brought up in the House it was done under suspension of the rules.

Mr. GARRETT of Tennessee. Mr. Speaker, may I interpose in this long enough to say that the gentleman is not quite accurate about that? The first time it was before the House it was brought in under suspension of the rules. That was in the Sixty-sixth Congress. It was done in that way at that time, of course, for the same reasons that it is being done now, that it was not desirable to open it up to the House for amendment. The next time it came before the House, in the Sixty-seventh Congress, it came in under a special rule creating a new suspension day, which also cut off all possibility of amendment; and that, of course, was done in that way for the same reason that it is proposed to do it now, that it does not seem to the majority party to be desirable to open the bill up to amendment.

Mr. HUDDLESTON. Reserving the right to object, Mr. Speaker, I am sincerely in favor of a cash bonus. I want some opportunity to express my sentiments by a vote. Under the method by which it is proposed to present this measure, no sincere advocates of a cash bonus will be given an opportunity to express their sentiments, and all they get is either to have it rammed down their throats in an objectionable form or else to have to vote against it, and thereby put themselves in the attitude of opposing the bonus.

Mr. LONGWORTH. I do not yield further to the gentleman.

Mr. GARRETT of Tennessee. Mr. Speaker, will the gentleman yield for a moment there?

Mr. LONGWORTH. I shall be glad to.

Mr. GARRETT of Tennessee. I think I should say that at all times when this bill has come up I have opposed the manner in which it was brought up, both on the original occasion and subsequently, when it came under a special rule creating a new suspension day in order to cut off the possibility of offering amendments.

Mr. LONGWORTH. My recollection is that in the Sixty-seventh Congress it was considered under a motion to suspend, but I am not absolutely certain as to that.

Mr. GARRETT of Tennessee. It was considered under a special rule in the Sixty-seventh Congress, by which a new suspension day was created. In the Sixty-sixth Congress it was considered under a motion to suspend the rules. Both times it was so maneuvered as to prevent the offering of any amendment.

Mr. LONGWORTH. The gentleman may be correct.

Mr. GARRETT of Tennessee. At any rate it has never been considered under conditions that permitted of amendment.

Mr. LONGWORTH. It has not.

Mr. GARRETT of Tennessee. It ought to be considered this time, this one time, under conditions that will permit amendments. [Applause.] But if this request is objected to, and it does not go over until Tuesday, then it will be called up Monday, as I understand it, so that nothing can be gained, so far as I can see, by objection.

Mr. LONGWORTH. The only thing that will happen will be that the gentleman will be sorry on Tuesday instead of on Monday.

Mr. GARRETT of Tennessee. Will the gentleman share that grief with me?

Mr. LONGWORTH. I shall not grieve. [Laughter.]

Mr. JEFFERS. Reserving the right to object, Mr. Speaker, I shall not object, for the reason already stated, but I say that the fact that this has been brought up heretofore under the well-known gag rule is one of the reasons why this House changed the rule.

Mr. CHINDBLOM. Mr. Speaker, if I can have a moment under the reservation of the right to object, as a member of the Committee on Ways and Means I do not want to object to this unanimous-consent request, but I do want to say one further word. I have one of the most valid reasons for objecting, because I can not possibly be here on Tuesday; but if no other Member of the House cares to object, I shall subside and yield to the wish of the House.

The SPEAKER. Is there objection?

Mr. DAVEY. Reserving the right to object, Mr. Speaker, I would like to say that every sincere friend of the ex-service men——

The SPEAKER. The gentleman is out of order. Is there objection to the request of the gentleman from Ohio [Mr. LONGWORTH]?

There was no objection.

PENSIONS.

Mr. FULLER. Mr. Speaker, this being the day on which private pension bills are in order under the rules, I wish to call up the bill H. R. 6941, granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war.

The SPEAKER. The gentleman from Illinois calls up a bill, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 6941) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war.

Mr. FULLER. Mr. Speaker, I ask unanimous consent that the bill may be considered in the House as in Committee of the Whole.

The SPEAKER. The gentleman from Illinois asks unanimous consent that the bill may be considered in the House as in Committee of the Whole. Is there objection?

There was no objection.

Mr. FULLER. Mr. Speaker, I also ask unanimous consent that the formal amendments may be offered en bloc after the reading of the bill has been completed.

The SPEAKER. The gentleman from Illinois asks unanimous consent that the committee amendments may be offered en bloc after the reading of the bill. Is there objection? [After a pause.] The Chair hears none. The Clerk will read the bill.

The Clerk read the bill in extenso.

The bill is a substitute for the following House bills referred to said committee:

H. R. 768. Sarah M. Greene.
H. R. 772. Mary E. O'Reilly.
H. R. 775. Marietta Bishop.
H. R. 786. Mary B. Harsh.
H. R. 787. Amanda J. Fletcher.
H. R. 789. Charles M. Maffit.
H. R. 790. Mary J. Rinecker.
H. R. 791. Louisa Tupper.
H. R. 795. Mary Belair.
H. R. 796. Keziah Zink.
H. R. 797. Malinda Kinaston.
H. R. 798. Emily Malone.
H. R. 799. Martha F. Furlong.
H. R. 800. Anna Voss.
H. R. 801. Rebecca Pedrick.
H. R. 813. Margaret Blackman.
H. R. 814. Jennie Boyd.
H. R. 815. Mary L. Cory.
H. R. 816. Ruth E. Daniels.
H. R. 817. Mark Gilliam.
H. R. 818. Richard M. Johnson.
H. R. 821. Mary Savanack.
H. R. 822. Mary M. Singer.
H. R. 823. Anna E. Smith.
H. R. 824. Mary Spencer.
H. R. 835. Caroline E. Boggs.
H. R. 838. Frances E. Day.
H. R. 880. Margaret Palmer.
H. R. 886. Mary E. Hart.
H. R. 888. Annie Garner.
H. R. 922. Alice L. Byers.
H. R. 944. Elizabeth Vanalstine.
H. R. 946. Mary Mason.
H. R. 949. Virginia Miner.
H. R. 950. Eliphalet M. Shelley, alias Charles Cameron.
H. R. 951. Jennie Lambe.
H. R. 975. Jennie S. Bigelow.
H. R. 976. Clara A. Kinley.
H. R. 977. Minerva B. Reynolds.
H. R. 978. Ada G. Sherwood.
H. R. 980. Catharine Boardman.
H. R. 981. Lula Reeder.
H. R. 982. Susanna Durfey.
H. R. 983. Lucena Brown.
H. R. 985. Margaret J. De Witt.
H. R. 987. Angeline Insley.
H. R. 988. John Keller.
H. R. 989. Lulu Moore.
H. R. 990. Allie Powell.
H. R. 992. Sallie B. Stoll.
H. R. 1006. Emily J. Hormel.
H. R. 1007. Lottie Kyle.
H. R. 1012. Sarah A. Atherton.
H. R. 1017. Emma J. Campbell.
H. R. 1022. Elida G. Cusick.
H. R. 1037. Anna Lawton.
H. R. 1038. Isabella J. Johnson.
H. R. 1039. Amanda L. Hill.
H. R. 1041. Gregory Bird, alias William Galer.
H. R. 1042. Elmira Bauer.
H. R. 1051. L. Ethel Bolton.
H. R. 1083. Effie Edwards.
H. R. 1084. Cynthia Luttrell.
H. R. 1085. Harriet Wicks.
H. R. 1086. Lillian Ensminger.
H. R. 1087. Melissa A. Lane.
H. R. 1088. Laura I. Brown.
H. R. 1089. Hannah K. Hallowell.
H. R. 1090. Salina A. Julius.
H. R. 1091. Robert David Wiley.
H. R. 1092. Dora Coffman.
H. R. 1093. Orilla J. Hainline.
H. R. 1104. Lucinda C. Musgrove.
H. R. 1105. Katie Ferguson.
H. R. 1107. Eliza Hill.
H. R. 1135. Agnes Hess.
H. R. 1136. Susan V. Payne.
H. R. 1137. Mary Burdick.
H. R. 1145. Margaret A. Medley.

H. R. 1146. Charles M Cornelius.
H. R. 1147. Catherine Hogan.
H. R. 1148. Maria L. Fagan.
H. R. 1150. David Housel.
H. R. 1151. Emma Wilson.
H. R. 1152. Sarah E. Stephens.
H. R. 1153. Catherine S. Artlip.
H. R. 1154. Anna M. Alvord.
H. R. 1155. Susan A. Thompson.
H. R. 1156. Mary Ellen Thomas.
H. R. 1157. Martha E. Vermillion.
H. R. 1161. Sarah A. Fitzgerald.
H. R. 1162. Margaret Wellman.
H. R. 1163. Lucy Stevens Wilson.
H. R. 1164. Nancy J. Cooper.
H. R. 1165. Sarah J. Moody.
H. R. 1175. Phoebe Carroll.
H. R. 1176. Elia H. Candy.
H. R. 1178. Julia B. Cole.
H. R. 1182. Mary B. Elliott.
H. R. 1183. Sarah Ervin.
H. R. 1185. Abigail J. Gardner.
H. R. 1186. Naomi Garwood.
H. R. 1188. Anna Hagans.
H. R. 1191. Lana J. Harcourt.
H. R. 1193. Mary I. Hidy.
H. R. 1196. Louisa Logan.
H. R. 1201. Margaret E. McNair.
H. R. 1206. Susan Mote.
H. R. 1209. Ruben Riley.
H. R. 1214. Mary E. Swan.
H. R. 1218. Sarah E. Williams.
H. R. 1227. Cora Campbell.
H. R. 1228. M. Lovina Porter.
H. R. 1229. Ella Knowlton.
H. R. 1230. Martha E. Leach.
H. R. 1231. Susan R. Vititoe.
H. R. 1232. Margaret J. Essex.
H. R. 1233. Sarah F. Champlin.
H. R. 1234. Mary A. Morris.
H. R. 1235. Malinda Wilson.
H. R. 1243. Libbie M. Ryan.
H. R. 1246. Eliza A. LaRock.
H. R. 1262. Hester E. Aldrich.
H. R. 1266. Jennie A. Robinson.
H. R. 1268. Mary L. Talbott.
H. R. 1270. Ruth E. Vann.
H. R. 1308. Rosamond Barker.
H. R. 1309. Leona M. Ferguson.
H. R. 1310. Sarah Lighthart.
H. R. 1311. Cynthia M. Bowles.
H. R. 1320. Mabula E. Broadbent.
H. R. 1321. Jennie R. Darling.
H. R. 1325. Mary E. Grayson.
H. R. 1346. Julia Beckley.
H. R. 1348. Augusta Seubert.
H. R. 1349. Emilia Rueppel.
H. R. 1350. Mary Koch.
H. R. 1351. Lucy M. Raymond.
H. R. 1366. Elizabeth J. Wright.
H. R. 1367. Lilly Hudson.
H. R. 1371. Eliza M. Trayler.
H. R. 1376. Ida S. Ross.
H. R. 1377. Martha A. Greenough.
H. R. 1392. Sarah A. Radell.
H. R. 1408. Catherine Hand.
H. R. 1409. James N. Parker.
H. R. 1421. Carrie M. Allison.
H. R. 1426. Martha White.
H. R. 1427. Martha L. Harris.
H. R. 1429. Jennie Whitney.
H. R. 1457. Phillipa Drake.
H. R. 1458. Sally S. Cole.
H. R. 1459. Eva R. Hunt.
H. R. 1460. Sarah Parker.
H. R. 1461. Ella Clark Shoecraft.
H. R. 1462. Mary J. Marshall.
H. R. 1464. Emma Gwinn.
H. R. 1465. Elizabeth A. Hall.
H. R. 1489. Azubath Sroufe.
H. R. 1494. Martha A. Pitzer.
H. R. 1495. Martha J. Reed.
H. R. 1496. Clara B. Moore.
H. R. 1497. Harriett E. Kilgore.
H. R. 1498. Elizabeth Reed.
H. R. 1499. Martha M. Merchant.
H. R. 1500. Florence S. Bradbury.
H. R. 1503. Lide E. Stacy.
H. R. 1504. Lena Castor.
H. R. 1509. Martha A. Demaris.
H. R. 1510. Lewvina Hoffer.
H. R. 1512. David Bell.
H. R. 1514. Anna G. Clayton.
H. R. 1520. Joseph R. Berg.
H. R. 1522. Lydia Boyer.
H. R. 1525. Mary M. Lilley.
H. R. 1527. Eunice A. Myers.
H. R. 1531. Mary E. Sauer.
H. R. 1533. Carrie Tissue.
H. R. 1534. Jane L. Wagner.
H. R. 1538. Isabella O'Donnell.
H. R. 1560. Kate L. Littlepage.
H. R. 1570. Melvina Glidden.
H. R. 1572. Cora E. LaPage.
H. R. 1575. Adeline M. Shaub.
H. R. 1576. Joseph D. Thompson.
H. R. 1580. Mary J. Robinette.
H. R. 1593. Grace E. Ash.
H. R. 1594. Emelia Retzer.
H. R. 1600. Georgia M. Sabin.
H. R. 1601. Bridget Palmer.
H. R. 1602. Matilda J. Hatch.
H. R. 1620. Emiline Bader.
H. R. 1621. Isabel Sandlin.
H. R. 1628. Sallie Gillispie.
H. R. 1641. Emma W. Mitchell.
H. R. 1644. Melissa J. Thompson.
H. R. 1645. Angeline Preston.
H. R. 1646. Mary V. Scriven.
H. R. 1647. Rebecca V. Mogle.
H. R. 1648. Margaret J. Cuthbert.
H. R. 1649. Louisa Gilmore, now Louisa Smith.
H. R. 1650. Julia I. Stuart.
H. R. 1651. Herman F. E. Schroer.
H. R. 1652. Unity P. Spencer.
H. R. 1653. Belle Bair.
H. R. 1656. Charity I. Haskell.
H. R. 1657. Jane Oliver.
H. R. 1658. Frances Conner.
H. R. 1659. Mary J. Tosh.
H. R. 1664. Georgianna M. Burroughs.
H. R. 1668. William H. Stark.
H. R. 1672. Rhoda Mercer.
H. R. 1693. Mary J. Robbins.
H. R. 1694. Caroline Hazen.
H. R. 1695. Clarissa A. Grover.
H. R. 1696. Margaret Donahue.
H. R. 1704. Caroline W. Kinsloe.
H. R. 1705. Bridget Stapleton.
H. R. 1718. Elizabeth B. Payne.
H. R. 1719. Elizabeth Jodd.
H. R. 1723. Mary L. Harvey.
H. R. 1726. Julia Murphy.
H. R. 1727. Mary C. Woodward.
H. R. 1732. Mary J. Nichols.
H. R. 1746. John Bywater.
H. R. 1753. Sarah A. Covey.
H. R. 1754. Cornelia M. Diamond.
H. R. 1756. Cynthia Earnest.
H. R. 1758. Joseph D. Emerson.
H. R. 1759. Frederic E. Ferrand.
H. R. 1763. Julia E. Hammond.
H. R. 1767. Emma J. Palmeter.
H. R. 1772. Mathew H. Udell.
H. R. 1774. Sophia Wilson.
H. R. 1780. Josephine Walker.
H. R. 1781. Janett Goslin.
H. R. 1783. Martha A. Thompson.
H. R. 1785. Amanda T. Fuller.
H. R. 1789. Mary Barnett.
H. R. 1790. Jane N. Ashley.
H. R. 1800. Kate M. Henry.
H. R. 1805. Sarah B. Bevans.
H. R. 1816. Lucy A. Parker.
H. R. 1833. Theodore T. Bruce.
H. R. 1834. Sarah E. Gantz.
H. R. 1835. Mamie Watters.
H. R. 1836. Candace A. Kain.
H. R. 1837. Julia A. Brown.
H. R. 1839. Eliza C. Maher.
H. R. 1840. Nellie A. Farley.
H. R. 1841. John D. Hadley.
H. R. 1846. Katie M. Grein.
H. R. 1847. Mary A. Anderson.
H. R. 1849. Cynthia J. Leroy.
H. R. 1850. John M. Barrick.
H. R. 1851. Susan S. Boyd.
H. R. 1852. Anna Danison.
H. R. 1853. Rodia A. Dunifer.
H. R. 1854. James W. Beckwith.
H. R. 1870. Adelaide Thacker.
H. R. 1872. Emma Stites.
H. R. 1873. Amelia Mathena.
H. R. 1874. Nancy A. Felton.
H. R. 1875. Mary E. Pinkley.
H. R. 1876. Anna R. H. Beach.
H. R. 1877. Mary J. Belt.
H. R. 1878. Ida M. Pierson.
H. R. 1893. Georgieanna Shea.
H. R. 1894. Thomas C. Jones.
H. R. 1895. Annie L. Durham.
H. R. 1896. Sarah M. Hopkins.
H. R. 1922. Ardella M. Farnsworth.
H. R. 1924. William H. Turnbull.
H. R. 1949. Ellen Thompson.
H. R. 1951. Eugene S. Nash.
H. R. 1952. Nathan E. Hopkins.
H. R. 1963. Emma V. Wilkerson.
H. R. 1964. Mary A. Ramsey.
H. R. 1965. Nancy Veatch.
H. R. 1966. Permelia McDonald.
H. R. 1970. Ella Watts.
H. R. 1971. Lennie Whiteman.
H. R. 1973. Mary J. Lake.
H. R. 1974. Catharine McQuade.
H. R. 1978. Mary A. Hauk.
H. R. 1975. Cora M. Rogers.
H. R. 1982. Nancy J. Crum.
H. R. 1983. Celesta Lamme.
H. R. 1985. Margaret C. Miller.
H. R. 1987. Rachel E. Diehl.
H. R. 1988. Mary J. McLaughlin.
H. R. 1989. Charles F. Kuntz.
H. R. 1991. Nellie L. Atkins.
H. R. 1992. Elizabeth Fry.
H. R. 1993. Lettie Etnire.
H. R. 1994. Jesse Wilcox.
H. R. 1995. Samantha J. Hunt.
H. R. 1996. Martha E. Hall.
H. R. 1998. Florence Doherty.
H. R. 2070. Sarah E. Knight.
H. R. 2072. Ella Brodrick.
H. R. 2075. Elizabeth Fenner.
H. R. 2087. Elmira Colins.
H. R. 2091. Barsha Story.
H. R. 2092. Frances E. Griffin.
H. R. 2093. Mary Powell.
H. R. 2094. Martha Crawford.
H. R. 2095. Rachel M. Goin.
H. R. 2102. Isabella L. Williamson.
H. R. 2115. Jessie Laffin.
H. R. 2116. Mary A. Powell.
H. R. 2117. Sarah J. Kellison.
H. R. 2120. Joanna Mancar.
H. R. 2129. Abbie Hager.
H. R. 2136. Bertram B. Soper.
H. R. 2137. Mary A. Lavery.
H. R. 2138. Vina Hacker.
H. R. 2139. Lavina Craig.
H. R. 2140. Mary A. S. Campbell.
H. R. 2141. Nancy J. Grider.
H. R. 2142. Martha J. Starns.
H. R. 2146. Mary M. Harlan.
H. R. 2176. Nellie A. Hope.
H. R. 2186. Tempie Dyer.
H. R. 2190. Ruth V. Hutchens.
H. R. 2192. Annie Brewer.
H. R. 2198. Gertrude Meloy.
H. R. 2208. Rosalia M. Burroughs.
H. R. 2209. Sarah A. Parks.
H. R. 2210. Emma J. Philhower.
H. R. 2211. Arminda Russell.
H. R. 2216. Martin L. Stokesberry.
H. R. 2217. Jennie Alexander.
H. R. 2218. Oscar Okes.
H. R. 2219. William M. Kean.
H. R. 2220. Samira E. Cooprider.
H. R. 2237. Lena Campbell.
H. R. 2241. Clara S. Shuler.
H. R. 2242. Bertha Mann.
H. R. 2252. Ella Day.
H. R. 2253. Vesta M. Leet.
H. R. 2254. Jane Platner.
H. R. 2256. Sophia Hubbard.
H. R. 2268. Angie Scanks.
H. R. 2269. Eliza F. Andrews.
H. R. 2271. Mariah C. Kent.
H. R. 2272. Emma Page.
H. R. 2273. Ellen Cross.
H. R. 2274. Mary R. Hepburn.
H. R. 2277. Clarissa G. Antiss.
H. R. 2280. Elmira Pariseaux.
H. R. 2295. Rhoda E. Eiselman.
H. R. 2297. Maria C. Faloon.
H. R. 2299. Mary E. Higley.
H. R. 2300. William G. McElhaney.
H. R. 2301. Anna M. Miller.
H. R. 2302. Mabel Ortz.
H. R. 2303. Martha A. Shirley.
H. R. 2305. Elizabeth J. Thorn.
H. R. 2311. Rachel Murphy.
H. R. 2312. Roxanna Fleming.
H. R. 2324. Anna P. McCrosky.
H. R. 2337. Jennie G. Miller.
H. R. 2338. Rosamond C. Dailey.
H. R. 2339. Josephine C. Long.
H. R. 2345. Lydia S. Dunlap.
H. R. 2347. Margaret Dawson.
H. R. 2349. Elizabeth Wilson.
H. R. 2350. Martha R. Potts.
H. R. 2352. Eliza Haines.
H. R. 2356. Emma A. Carl.
H. R. 2357. Sarah Palmer.
H. R. 2358. Esther A. Deyo.
H. R. 2367. Kate E. Clear.
H. R. 2368. Lizzie C. Masters.
H. R. 2388. Nancy B. Raney.
H. R. 2389. William P. Raney.
H. R. 2394. Eugene Key.
H. R. 2398. Martha Flener.
H. R. 2406. Mary Ann Anderson.
H. R. 2409. Josephine Richards.
H. R. 2413. Arthur R. Blakeslee.
H. R. 2425. Victoria M. Ray.
H. R. 2426. Louis Weis.
H. R. 2434. Margaret F. Freeman.
H. R. 2435. Mary F. Jenkins.
H. R. 2437. Zula A. Springer.
H. R. 2438. Sophia Wilson.
H. R. 2478. Alice A. Sweet.
H. R. 2479. Carrie E. Sparks.
H. R. 2480. Fannie L. Potter.
H. R. 2481. Jennie E. Moore.
H. R. 2482. Margaret M. Luce.
H. R. 2483. Esther E. Green.
H. R. 2484. Roxana Deismarter.
H. R. 2485. Margaret Devlin.
H. R. 2486. Mary L. Dill.
H. R. 2487. Ellen Cranston.
H. R. 2488. Rose E. Cain.
H. R. 2489. Margaret A. Brynnt.
H. R. 2490. Emma Button.
H. R. 2491. Harriet C. Bristol.
H. R. 2492. Clara E. Brass.
H. R. 2511. Minnie E. Shipler.
H. R. 2542. Mary S. Bisco.
H. R. 2545. Elizabeth A. Limes.
H. R. 2546. Agatha M. Miller.
H. R. 2548. Sarah E. Ford.
H. R. 2549. Mary C. Brandyberry.
H. R. 2550. Sarah A. Gill.
H. R. 2560. Parthine Curtis.
H. R. 2566. Edward Carpenter.
H. R. 2567. Celynda W. Ford.
H. R. 2576. Rachel Hubbard.
H. R. 2577. Ellen J. Kramer.
H. R. 2578. Mary H. Pennypacker.
H. R. 2579. Anna D. Trace.
H. R. 2588. Fannie F. Lermond.
H. R. 2590. Alice E. Holland.
H. R. 2591. Clara J. Emerson.
H. R. 2593. Angie H. Skinner.
H. R. 2594. Lelia E. Bowley.
H. R. 2596. Alice Loree.
H. R. 2600. Dora A. Lee.
H. R. 2601. Mary Frank.
H. R. 2602. Mary A. McMillan.
H. R. 2603. Martha J. Dukate.
H. R. 2605. Annie M. Fay.
H. R. 2609. Mary C. Reeves.
H. R. 2614. Mary E. Clifford.
H. R. 2620. Stanley Hallman.
H. R. 2621. L. Anna Mavity.
H. R. 2622. Catherine Miller.
H. R. 2623. Annah A. Parsons.
H. R. 2625. Charlotte Thomas.
H. R. 2642. William F. Graham.
H. R. 2654. Mary S. Adams.
H. R. 2655. Mary J. Martin.
H. R. 2726. Virginia V. Deyo.
H. R. 2727. Elizabeth Sowers.
H. R. 2728. Lucy E. Cook.
H. R. 2731. Jessie O. Kramer.
H. R. 2733. Helen S. Blaisdell.
H. R. 2735. Mattie M. Wade.
H. R. 2736. Clara A. Fisk.
H. R. 2740. William Church.
H. R. 2741. George M. Howe.
H. R. 2742. Laura A. Hurd.
H. R. 2748. Alice Luth.
H. R. 2750. Melissa I. Ticknor.
H. R. 2766. Margaret Corr.
H. R. 2796. Edith M. Ball.
H. R. 2797. Lura A. Salling.
H. R. 2798. Bell Bradshaw.
H. R. 2800. Joseph Ham.
H. R. 2802. Martha V. Wade.
H. R. 2803. Anna E. Hughes.
H. R. 2924. Charlotte E. Lewman.
H. R. 2925. Corlissa R. McCleary.
H. R. 2948. Sarah J. Warren.
H. R. 2951. Sarah F. Murdock.
H. R. 2952. Barbara Beaver.
H. R. 2954. Marion D. Sweet.
H. R. 2972. Kate Caldwell.
H. R. 2974. Mary A. Shook.
H. R. 2991. Martha J. Russell.
H. R. 2993. Elizabeth Hawthorne.
H. R. 2997. Rebecca Hook.
H. R. 3000. Mary Jane Elson.
H. R. 3001. Kate Henry.
H. R. 3003. Bertha Williams.
H. R. 3010. Laura M. A. Jones.
H. R. 3011. Sarah J. Doll.
H. R. 3014. Charles H. Crim.
H. R. 3015. Martha A. Hall.
H. R. 3023. Susan E. Bennett.
H. R. 3025. Francis M. Lucus.
H. R. 3026. Arminta Shinn.
H. R. 3027. Anna C. Walquist.
H. R. 3032. Mary E. Todd.
H. R. 3035. Mary L. Pugh.
H. R. 3036. Ellen L. Stone.
H. R. 3038. Susan Ritter.
H. R. 3039. Harriett L. Sheets.
H. R. 3040. Mary A. Huffman.
H. R. 3041. Rosetta Alloway.
H. R. 3042. Elizabeth E. Lanam.
H. R. 3050. Theodore S. Steffy.
H. R. 3051. Emma A. Kline.
H. R. 3052. Catharine Crawford.
H. R. 3053. Jessie Parsons.
H. R. 3055. Hannah C. Seward.
H. R. 3057. William Karch.
H. R. 3059. Cora Wilhite.
H. R. 3060. Matilda D. Bell.
H. R. 3061. Melissa S. Omans.
H. R. 3065. Asa Daniel.
H. R. 3070. Joseph F. Walsh.
H. R. 3084. Anna W. Nixon.
H. R. 3085. Fannie M. O'Linn.
H. R. 3086. Barbara Schneider.
H. R. 3088. Henry C. Bagley.
H. R. 3092. Emma Tomlinson.
H. R. 3093. George J. Beam.
H. R. 3095. Fannie L. Ryan.
H. R. 3114. Adaline Peak.
H. R. 3115. Margaret C. Driskill.
H. R. 3118. Leona J. Luttrell.
H. R. 3119. Maggie L. Manley.
H. R. 3120. Nancy A. King.
H. R. 3124. James H. Arnold.
H. R. 3125. Barbara E. Rhea.
H. R. 3126. Elizabeth Sutton.
H. R. 3130. Mattie Dunn.
H. R. 3131. Polly Nelson.
H. R. 3138. Charles A. Rockenbach.
H. R. 3141. Mary R. Lewark.
H. R. 3142. Ella Lee.
H. R. 3163. Mary A. Cain.
H. R. 3169. Horace McGillem.
H. R. 3171. Caroline E. Nester.
H. R. 3176. Elias Tyle.
H. R. 3177. Alice A. Mangum.
H. R. 3178. William H. McIntosh.
H. R. 3179. Elizabeth E. Britton.
H. R. 3180. Nancy Harper.

H. R. 3326. Celestia Barnett.
H. R. 3328. Jacob Staley.
H. R. 3330. Elizabeth Hofer.
H. R. 3332. Minnie Hosier.
H. R. 3333. Charles Snyder.
H. R. 3356. Lizzie E. Miller.
H. R. 3357. Rebecca J. Stewart.
H. R. 3358. Sarah S. Taylor.
H. R. 3359. George D. Jones.
H. R. 3384. Edward Barr, jr.
H. R. 3406. Gertrude A. Robinson.
H. R. 3413. Carrie H. Preston.
H. R. 3418. Llewellyn Sawyer.
H. R. 3419. Edward Powell.
H. R. 3432. Mary A. Reece.
H. R. 3433. Mary A. Wilfong.
H. R. 3434. Julia McNichols.
H. R. 3445. Henrietta Richmond.
H. R. 3452. Lottie Wilmarth.
H. R. 3456. Isabella Wolford.
H. R. 3463. Lizzie B. Shriner.
H. R. 3465. John Usner.
H. R. 3480. Samuel C. Shattler.
H. R. 3484. Anna M. Billet.
H. R. 3491. Addie Peck.
H. R. 3492. Julia Metzger.
H. R. 3493. Lydia Bedortha.
H. R. 3494. Mary E. McGill.
H. R. 3495. Alice Hadsell.
H. R. 3496. Elizabeth Tice.
H. R. 3497 Esther T. Church.
H. R. 3547. Martha Kalley.
H. R. 3549. Mary A. Dyer.
H. R. 3560. Nancy J. O'Connor.
H. R. 3566. Annie R. Twaddle.
H. R. 3567. Mary C. Beavers.
H. R. 3571. Mary Wright.
H. R. 3574. Josephine Hoffman.
H. R. 3575. Helen Phillips.
H. R. 3577. Clara Collins.
H. R. 3578. Mabel Wingar.
H. R. 3585. Bettie Fields.
H. R. 3587. Mary Rebecca Sellars.
H. R. 3594. Alice F. Parrigin.
H. R. 3596. Lucinda M. Fuller.
H. R. 3597. Augusta A. Fiske.
H. R. 3600. Sarah E. Vandyke.
H. R. 3601. Amanda Monroe.
H. R. 3604. Grace Dunn.
H. R. 3616. Lucretia M. Prouty.
H. R. 3622. Huldah Brown.
H. R. 3625. Susan Clark.
H. R. 3628. Anna A. Randall.
H. R. 3637. Anna E. Best.
H. R. 3639. Eliza J. Dick.
H. R. 3641. William H. Linnabary.
H. R. 3643. Margaret I. Reider.
H. R. 3644. Addie Sour.
H. R. 3648. Elizabeth Brillhart.
H. R. 3652. Maud Morean.
H. R. 3658. Irene S. Slagle.
H. R. 3659. Elizabeth A. Morrow.
H. R. 3660. Mary Carlin.
H. R. 3661. Sarah H. White.
H. R. 3720. Margaret A. Addington.
H. R. 3721. Sarah Birch.
H. R. 3722. Agnes Green.
H. R. 3723. Josinah Brinson.
H. R. 3724. Ezra Pokett.
H. R. 3729. Malvina Cost.
H. R. 3730. Lovinia A. Griswold.
H. R. 3732. Elizabeth Cummings.
H. R. 3734. Susan Kiley.
H. R. 3740. Margaret Andrews.
H. R. 3744. Ann R. Keefer.
H. R. 3758. Rebecca J. Butler.
H. R. 3759. Elisha L. Bennett, jr.
H. R. 3774. Francis M. Meadows.
H. R. 3798. George Evans, alias George W. Sanderson.
H. R. 3802. S. Harriet Morris.
H. R. 3804. Leona Stealey.
H. R. 3805. Sylvester Condon.
H. R. 3836. Maggie R. Armstrong.
H. R. 3857. Elizabeth Kuhlenschmidt.
H. R. 3873. Nellie Qimby.
H. R. 3874. Anna E. Baker.
H. R. 3875. Kate J. Bapp.
H. R. 3876. Maria A. King.
H. R. 3877. Almira L. Boutelle.
H. R. 3879. Clara E. Manning.
H. R. 3890. Sarah E. Young.
H. R. 2893. Anna M. Bonner.
H. R. 3897. Sarah J. Silvey.
H. R. 3899. Mary Reynolds
H. R. 2902. Martha Williams.
H. R. 3904. Marilla R. Coleman.
H. R. 3972. Elizabeth Grover.
H. R. 3973. Sarah A. Starr.
H. R. 3977. Karoline Umlauft.
H. R. 4006. George W. Morgan.
H. R. 4019. Anna A. Pillsbury.
H. R. 4020. Harriet I. Ross.
H. R. 4032. Bessie B. Celley.
H. R. 4036. Julia M. Fletcher.
H. R. 4037. Addie J. Green.
H. R. 4038. Edna M. Johnson.
H. R. 4039. Harriet A. Bishop.
H. R. 4041. Emmet Nordyke.
H. R. 4043. Charles H. Phelps, alias William Phelps.
H. R. 4047. Livonia R. Chamberlin.
H. R. 4057. Euphamia Smith.
H. R. 4071. Addie E. Swegar.
H. R. 4074. Margaret Newell.
H. R. 4075. Rose Lamb.
H. R. 4077. Charles F. Ogden.
H. R. 4079. Celia Ann Shore.
H. R. 4203. Caroline Pulaski.
H. R. 4205. Sarah J. Boggs.
H. R. 4208. Rebecca McCollum.
H. R. 4209. Annie Carman.
H. R. 4211. Barbara Groesch.
H. R. 4228. Eliza A. Crumb.
H. R. 4263. Ruth James.
H. R. 4264. William T. Mills.
H. R. 4266. Elizabeth Inman.
H. R. 4274. Martha J. Goodell.
H. R. 4295. Etta Bush.
H. R. 4301. Margaret A. Moore.
H. R. 4324. Sarah Dobner.
H. R. 4330. Robert King.
H. R. 4336. Alexander Surrell.
H. R. 4337. Elizabeth Jones.
H. R. 4338. Mary E. Logan.
H. R. 4340. Mary E. Hampton.
H. R. 4341. Mary Jane Fonts.
H. R. 4364. Alma C. Walker.
H. R. 4375. Mary Sheedy.
H. R. 4383. Rachel Slaten.
H. R. 4385. Hattie E. Matthews.
H. R. 4386. Lissie J. Anderson.
H. R. 4387. Irena E. Bailey.
H. R. 4404. Sarah E. Leavitt.
H. R. 4414. Amelia C. Cox.
H. R. 4416. Nancy Sterrett.
H. R. 4426. Nancy L. Myers.
H. R. 4429. Cordelia Bench.
H. R. 4430. Nancy A. Gordon.
H. R. 4433. Mary Reilley.
H. R. 4593. Mary Roland.
H. R. 4608. Isabella Burke.
H. R. 4612. Lavenia A. Collett.
H. R. 4620. Anna Ballard.
H. R. 4625. Mary J. Miller.
H. R. 4629. Mary A. Mallory.
H. R. 4630. Pernina A. Morrison.
H. R. 4631. Sarah F. Barber.
H. R. 4639. Jennie G. Bourne.
H. R. 4669. Malinda Seamans.
H. R. 4672. Alice Quitzow.
H. R. 4700. Mary A. Brooks.
H. R. 4701. Reese Tunks.
H. R. 4711. Joyce Waits.
H. R. 4714. Mary O. Nutt.
H. R. 4734. Sarah E. Gillespie.
H. R. 4737. Frances D. Stewart.
H. R. 4741. Evaline Harris.
H. R. 4748. Frances Laport.
H. R. 4751. Ella C. Reynolds.
H. R. 4765. Kate Chitwood.
H. R. 4771. Louise F. Buchanan.
H. R. 4772. Catherine E. Whetstone.
H. R. 4780. Hannah M. Batt.
H. R. 4782. Emily C. Wilkey.
H. R. 4783. Mary L. Cornell.
H. R. 4784. Catherine Foster.
H. R. 4785. Orilla S. Spicer.
H. R. 4789. Cinthy Carter.
H. R. 4795. Ida Raines.
H. R. 4881. Sarah J. Hiatt.
H. R. 4883. Henry T. Sprinkle.
H. R. 4888. Luther L. Sloan.
H. R. 4892. Mary G. McKenney.
H. R. 4898. Hester A. Maust.
H. R. 4901. Harriett Allen.
H. R. 4911. Lucy Perkins.
H. R. 4914. Martha A. Worden.
H. R. 4920. William Cornick.
H. R. 4928. Susan Tutwiler.
H. R. 4929. Amanda W. Jordan.
H. R. 4937. Frances Gaskins.
H. R. 4938. Peter Boyd.
H. R. 4946. Julia Graves.
H. R. 4947. Rachel E. Kerby.
H. R. 4951. Anson A. Hungerford.
H. R. 4964. Mary Whalen.
H. R. 4989. Sophie P. Harris.
H. R. 4992. Nancy J. Akers.
H. R. 4995. Ella S. Robison.
H. R. 4996. Mary A. Gurney.
H. R. 5029. Amelia S. Scott.
H. R. 5039. Amanda Wishard.
H. R. 5042. Charlotte Pletcher.
H. R. 5045. Hannah Wetherel.
H. R. 5048. Anna E. Allen.
H. R. 5051. Alice McOmber.
H. R. 5056. Emily H. Read.
H. R. 5057. Thirza J. Blair.
H. R. 5117. Catharine L. Shoup.
H. R. 5118. Richard Hagan.
H. R. 5132. Josefa Martinez.
H. R. 5149. Elizabeth Monroe.
H. R. 5150. Eliza Sterling.
H. R. 5152. Jennie White.
H. R. 5174. Isabella Hunter.
H. R. 5184. Susan L. Shew.
H. R. 5185. Catharine M. Painter.
H. R. 5186. Annie M. Hartzell.
H. R. 5187. Amanda Kline.
H. R. 5188. Catharine Cowan.
H. R. 5189. Annie M. France.
H. R. 5238. Samantha Lee Draper.
H. R. 5240. Eliza A. Peterson.
H. R. 5241. Buiah M. Price.
H. R. 5242. Samuel Sterling.
H. R. 4066. Elizabeth T. Cousens.
H. R. 5251. Carrie Wolbert.
H. R. 5255. Minnie Emerson.
H. R. 5280. Margaret L. Fardette.
H. R. 5290. Mary Marley.
H. R. 5291. Evelina C. Gross.
H. R. 5296. Eliza A. Keech.
H. R. 5312. Lizzie Leasure.
H. R. 5356. Della E. Hudson.
H. R. 5368. Ellen Williams.
H. R. 5371. Jeptha Massie, jr.
H. R. 5375. Charles Robertson.
H. R. 5377. Lodema A. Prescott.
H. R. 5381. Kate D. Smith.
H. R. 5385. Minnie Brabazon.
H. R. 5394. Helena B. Holly.
H. R. 5396. Ellen L. Moore.
H. R. 5443. Catharine Strauser.
H. R. 5455. Sarah J. Berry.
H. R. 5473. Welthey A. Clement.
H. R. 5491. Bertha A. Yeager.
H. R. 5527. Patrick Howley.
H. R. 5528. Sarah E. Houghtaling.
H. R. 5543. Sarah E. Chatfield.
H. R. 5593. Jane Smith.
H. R. 5595. Elizabeth F. Swift.
H. R. 5596. Rosalia A. Tando.
H. R. 5669. Nellie Wells.
H. R. 5670. Adda Evans.
H. R. 5698. Ida V. Dilts.
H. R. 5703. Emily J. Thompson.
H. R. 5704. Anna B. Hurd.
H. R. 5706. Kate Evans.
H. R. 5750. Mary Holmes.
H. R. 5751. Mary J. Steele.
H. R. 5781. Elizabeth House.
H. R. 5804. Sarah C. Francis.
H. R. 5856. Margaret E. Dotson.
H. R. 5857. Belle Thompson Alter.
H. R. 5884. Laura Birkhimer.
H. R. 5888. Susan Brunaugh.
H. R. 5892. Nancy J. Lance.
H. R. 5893. Tabitha E. Isbell.
H. R. 5894. Frances S. Gooding.
H. R. 5895. Abram Jones.
H. R. 5897. Huldah E. Hall.
H. R. 5898. Rachel A. Kendall.
H. R. 5900. Mary M. Lewis.
H. R. 5907. Clara A. McCarty.
H. R. 5908. Sarah A. Smith.
H. R. 5909. Emily French.
H. R. 5910. Nancy E. Alward.
H. R. 5911. Mary E. Blanchard.
H. R. 5912. Mary Underwood.
H. R. 5913. Catherine Crow.
H. R. 5914. Sarah J. White.
H. R. 5915. Elenor J. Valen.
H. R. 5918. Mary Garno.
H. R. 5919. David Graff.
H. R. 5920. Nettie M. Howe.
H. R. 5921. Ella E. Johnson.
H. R. 5922. Jennie E. Nelson.
H. R. 5923. Elsie M. Pool.
H. R. 5924. Ann Starkey.
H. R. 5927. Sally Musick.
H. R. 5928. Hannah Bailey.
H. R. 5930. Amos E. Albritton.
H. R. 5931. Lottie Frailey.
H. R. 5932. Mary E. Sutton.
H. R. 5975. Lucy Jane McGrayel.
H. R. 5976. Lida O'Neal.
H. R. 5983. Amanda J. Alford.
H. R. 5984. Hulda J. Gilmore.
H. R. 5987. Caspar Runz.
H. R. 5989. Mary E. Davis.
H. R. 5990. Harriet E. Waterman.
H. R. 5997. Susan A. Wilsey.
H. R. 5998. Mary A. Harper.
H. R. 5999. Frances A. Harris.
H. R. 6002. Carrie M. Doucette.
H. R. 6006. Christopher C. Pratt.
H. R. 6007. Helen Calvert.
H. R. 6008. Emma Taylor.
H. R. 6009. Sarah J. McCulloh.
H. R. 6010. Mary Caudill.
H. R. 6018. Sarah Adams.
H. R. 6019. Maria L. Westgate.
H. R. 6020. Clarice Fly.
H. R. 6021. Angie O. Allen.
H. R. 6023. Margareta D. Wise.
H. R. 6024. Etta Vanzant.
H. R. 6025. Virginia J. Sawrey.
H. R. 6026. Alice Darr.
H. R. 6027. Eleanore C. Akers.
H. R. 6028. Angeline Lacey.
H. R. 6029. Melissa D. Ellis.
H. R. 6030. Mary J. Brown.
H. R. 6031. Amanda Baird.
H. R. 6032. Sophronia O. Hubble.
H. R. 6033. Jennie J. Dickey.
H. R. 6039. Syntha Black.
H. R. 6041. Elizabeth Sizemore.
H. R. 5247. Alice J. Stoddard.
H. R. 6042. Luraney R. Standley.
H. R. 6047. Mary J. Lawson.
H. R. 6051. Mary Myers.
H. R. 6093. Kate S. Bacon.
H. R. 6111. Susan A. Sims.
H. R. 6123. Catharine Anderson.
H. R. 6154. Mary E. Buckley.
H. R. 6155. Eliza J. Terry.
H. R. 6156. Mary P. Davis.
H. R. 6157. Elvessa A. Zwickel.
H. R. 6162. Sarah J. Heilman.
H. R. 6172. Emma C. Weinhold.
H. R. 6176. Margaret Kirkpatrick.
H. R. 6177. Anna R. McAdams.
H. R. 6180. Carrie M. Flandreau.
H. R. 6181. Penina A. Wright.
H. R. 6183. Geneva Beha.
H. R. 6185. Katherine Thompson.
H. R. 6193. Annie E. Thompson.
H. R. 6213. Lizzie C. Weiler.
H. R. 6215. Elizabeth Shaw.
H. R. 6226. Ava Pinkerton.
H. R. 6274. John Kinchlow.
H. R. 6309. Delilah J. Sprinkle.
H. R. 6310. Rachel Hagan.
H. R. 6313. Laura C. Wible.
H. R. 6314. Clara A. Bicknell.
H. R. 6315. Emily Stewart.
H. R. 6316. Nancy F. Ralston.
H. R. 6321. Minerva P. Pea.
H. R. 6322. Elma L. Holton.
H. R. 6323. Rosanna Henry.
H. R. 6325. Laura Morris.
H. R. 6326. Sallie Laswell.
H. R. 6332. Loretta F. Qualls.
H. R. 6333. Lucretia Bernard.
H. R. 6334. John Walt.
H. R. 6338. William B. Williams.
H. R. 6341. Emily White.
H. R. 6344. Sarah F. Harris.
H. R. 6347. Alwillda E. Williamson.
H. R. 6365. Minerva Douglas.
H. R. 6366. Caroline Candus Criswell.
H. R. 6367. John H. Smith, alias Henry H. Smith.
H. R. 6369. Amanda I. Heffleger.
H. R. 6370. Julia Adams.
H. R. 6379. Lucy S. Faser.
H. R. 6390. Ann K. Kindred.
H. R. 6391. Charlottie E. Rockhold.
H. R. 6395. Louisa Fields.
H. R. 6396. Annie Rheb.
H. R. 6398. Sarah Irene Brown.
H. R. 6399. Freeman A. Burris.
H. R. 6404. Hannah E. Cahey.
H. R. 6408. Eliza Burns.
H. R. 6414. Adaline Walker.
H. R. 6434. Annie H. Sines.
H. R. 6435. Louis Van Dyke Rousseau.
H. R. 6438. Rosie Lambert.
H. R. 6440. Margaret F. Roach.
H. R. 6441. Josephine Campbell.
H. R. 6448. Edith Bonter.
H. R. 6449. Eliza J. Hall.
H. R. 6460. Minerva J. Gardner.
H. R. 6468. Pricy Eveline Cook.
H. R. 6470. Jane Dyer.
H. R. 6475. Lindia Bentley.
H. R. 6476. Ada L. Kinsey.
H. R. 6477. Liberty E. Frank.
H. R. 6478. William E. Robinson.
H. R. 6479. Margaret E. Myers.
H. R. 6480. Catherine Hayden.
H. R. 6495. Lucretia Coffman.
H. R. 6499. Anna R. Jackson.
H. R. 6504. Florence C. Clark.
H. R. 6508. Wealthy Jackson.
H. R. 6512. John W. Genung.
H. R. 6520. Urzula Levisee.
H. R. 6525. Delia Loveless.
H. R. 6546. Mattie A. Tansil.
H. R. 6548. Eliza H. Lockwood.
H. R. 6555. Philena Briggs.
H. R. 6568. Catherine Meece.
H. R. 6569. Rachel M. Baxter.
H. R. 6570. Annie Ackerman.
H. R. 6571. Robert M. Mann.
H. R. 6574. Georgia A. Scarbrough.
H. R. 6594. Margaret Davis.
H. R. 6602. Amelia M. Hetherington.
H. R. 6621. Minerva Lane.
H. R. 6622. Robert Wiley.
H. R. 6636. Martha E. Butler.
H. R. 6697. Mary M. Kelly.
H. R. 6698. Genoa H. Scholz.
H. R. 6760. Isabella W. Williams.
H. R. 6795. Mary Jewett.

Mr. FULLER. Mr. Speaker, I offer the following committee amendments.

The SPEAKER. The gentleman from Illinois offers the following committee amendments, which the Clerk will report.

The Clerk read as follows:

Mr. FULLER offers the following amendments to H. R. 6941:

"On page 21 strike out the lines 1, 2 and 3, the proposed beneficiary having died.

"On page 50 strike out lines 8, 9, 10, 11, and 12, the proposed beneficiary having died.

"On page 51 strike out lines 14, 15, 16, and 17, the proposed beneficiary having died.

"On page 52, in line 8, between the word 'Fannie' and 'McQuade,' insert the letter 'M.' so that it shall read 'Fannie M. McQuade.'

"On page 56, line 12, strike out the word 'Batery' and insert in lieu thereof the word 'Battery.'

"On page 56 strike out lines 19, 20, 21, and 22, the proposed beneficiary having remarried.

"On page 66 strike out the lines 7, 8, 9, and 10, the proposed beneficiary having died.

"On page 83 strike out the lines 23 and 24, and on page 84 strike out the lines 1 and 2, the proposed beneficiary having died.

"On page 84 strike out lines 14, 15, 16, and 17, the proposed beneficiary having died.

"On page 123, lines 8 and 9, strike out the names Nancy A. Gordan and John Gordan and insert in lieu thereof the names Nancy A. Gordon and John Gordon.

"On page 133, line 17, strike out the word 'Cavalry' and insert in lieu thereof the word 'Infantry.'

"On page 142 strike out lines 18, 19, 20, and 21, the proposed beneficiary having died.

"On page 150 strike out lines 24 and 25, and on page 151 strike out lines 1 and 2, the proposed beneficiary having died.

"On page 168 strike out lines 8, 9, 10, and 11, the proposed beneficiary having died.

"On page 170 strike out the lines 16, 17, 18, and 19, the proposed beneficiary having died."

Mr. BLANTON. Mr. Speaker, I rise in opposition to the committee amendments. I do so merely for the purpose of calling attention to how important, after all, this particular committee is with reference to its legislation. We are placing a whole lot of confidence in the committee, and I am hopeful that it is not misplaced.

Here is a bill which has 176 pages in it, and every page embraces items to put a man or a woman on the pay roll of the Government to draw a pension for life, and these 176 pages have just been read in this House in exactly six minutes by the watch.

Of course, if the committee has been careful and has seen that every one of these cases toes the mark under the law and comes within the law, then we are perfectly safe in letting these bills be passed in that way. But sometimes I have seen committees of which I am a member take up bills of 150 pages in them and try to report them favorably without reading them in the committee, if you please. If that is the policy of this committee no wonder our pension pay roll has grown until it has reached nearly $300,000,000.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. CHINDBLOM. Of course, the gentleman will admit that there is nothing in the framework of this bill except the name of the pensioner and the amount of the pension.

Mr. BLANTON. Yes; but that is the main thing which involves the Treasury and means that an extra name has been put on the pay roll for life at so much per month.

Mr. CHINDBLOM. And that is all we need to know about the bill, is it not?

Mr. BLANTON. That is all we seem to need to know about it, but I want to say this: We are all depending upon the committee to see that the law has been tracked. If they make mistakes we are not in a position to rectify them, because we are depending entirely upon the committee to see that no mistakes are made.

I hope the committee has been careful in framing such bills, because we let them go through here every once in a while without ever reading them. I hope the committee is careful; I hope the committee has let nobody put anything over on it, and I hope they go into each individual case specifically before cases are put into these omnibus bills of 176 pages which the committee brings in and which we pass in five minutes' time.

Mr. CHINDBLOM. Will the gentleman yield further?

Mr. BLANTON. Yes.

Mr. CHINDBLOM. The gentleman is well informed about documents filed in the House, and he knows that the report contains a full statement as to every case.

Mr. BLANTON. I am using this time to let the committee know we are relying upon it in bringing in these bills and we are expecting them to know all about every individual case, and that each case is fully authorized by law, before they put them in these omnibus bills.

Mr. CHINDBLOM. And I want the country to know that every case has received thorough consideration.

Mr. FULLER. Mr. Speaker, in answer to what the gentleman says, I can assure him and the House that every one of these cases has been very carefully investigated and I think they are all meritorious. They are not all new cases, but most of them are cases of increase of pension for those already on the roll.

I have asked the clerk of the committee to prepare a general statement concerning this bill, which is a very large bill, with an estimate of the cost, and so forth, and I ask unanimous consent to incorporate that statement in the RECORD at this point.

The SPEAKER. The gentleman from Illinois asks unanimous consent to extend his remarks in the RECORD by inserting a statement. Is there objection?

There was no objection.

The statement referred to follows:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON INVALID PENSIONS,
Washington, February 16, 1924.

Hon. CHARLES E. FULLER,
Chairman Committee on Invalid Pensions,
House of Representatives.

MY DEAR CHAIRMAN: The following data is furnished in response to your request for certain information about H. R. 6941, the omnibus bill recently reported by you from the Committee on Invalid Pensions:

The bill contained, when reported, a total of 949 private or special bills, introduced by 229 different Members of the House.

The proposed beneficiaries in the bill are principally widows and helpless sons or daughters of Civil War soldiers. Widows who married soldiers after June 27, 1905, number 422; widows increased to $40 and $50 because of physical disabilities and indigent circumstances number 285; helpless sons or daughters of soldiers pensioned at $20 a month or increased from their present rate of $12 to $20 number 177. These three classes of claimants account for 884 of the 949 cases. Only 55 soldiers would be placed on the pension roll if the bill becomes a law. These soldiers have been denied pension because of some technicality in service record or because their service was a few days short of the required 90 days. In practically every case they are in destitute circumstances and handicapped by old age and other disabilities.

If all of the proposed beneficiaries should live one year from date of approval of bill, the total cost in pensions would be $292,104 for the 12-month period. But as a large majority of the claimants in the bill are very old, some even in the nineties, and most of them in a bad way physically, it is reasonable to presume that a high death rate may be expected. Probably 20 per cent will have passed away by the end of one year. Since the bill was introduced a few days ago word has been received of the death of four of the claimants. Based on a death rate of only 15 per cent, the cost for the next year would be $248,288.40.

As you know, the committee is functioning under very strict rules, and recommends favorable consideration only in cases of meritorious character. About 600 of the 949 bills were passed by the House and favorably reported by the Senate Committee on Pensions in the fourth session of the Sixty-seventh Congress, failing to pass in the Senate because of the jam of business at the close of the session. These 600 cases, it might be proper to add, represented the work of the entire session. Claimants in numerous other cases, which were passed at the same time last Congress, are now deceased.

The attached list, containing the names of 229 Members of the House who have special bills in O. B. H. R. 6941, shows that the proposed beneficiaries live in all parts of the United States—north, south, east, and west.

Cordially yours,

FRANK T. MORAN,
Clerk Committee on Invalid Pensions.

Total number of Members in bill	229
Total number of cases	949

NAMES OF MEMBERS HAVING SPECIAL BILLS IN OMNIBUS BILL, H. R. 6941, REPORTED FEBRUARY 18, 1924, BY MR. FULLER.

Aldrich, Allen, Anderson, Anthony, Arnold, Ayres, Bacharach, Bacon, Barkley, Beck, Beedy, Beers, Begg, Black of Texas, Bland, Bloom, Boylan, Brand of ———, Browne of New Jersey, Browne of Wisconsin, Brumm, Bulwinkle, Burdick, Burton, Butler, Byrns of Tennessee, Cable, Canfield, Cannon, Carter, Chindblom, Christopherson, Clague, Cole of Iowa, Cole of Ohio, Connery, Cook, Cooper of Ohio, Cooper of Wisconsin, Corning, Cramton, Croll, Crowther, Cummings, Curry, Dale, Darrow, Dempsey, Denison, Dickinson of Iowa, Dickinson of Missouri, Dowell, Doyle, Driver, Elliott, Fairchild, Fairfield, Faust, Fenn, Fish, Fitzgerald, Fleetwood, Foster, Fredericks, Free, Freeman, French, Frothingham, Fulbright, Fuller, Fields, Gallivan, Gardner of Indiana, Geran, Gibson, Gifford, Gilbert, Gillett, Glatfelter, Graham of ———, Green of Iowa, Greenwood, Griest, Hadley, Hardy, Hastings, Hawes, Hawley, Hayden, Hersey, Hickey, Hoch, Holaday, Howard of ———, Huddleston, Hudson, Hull of Tennessee, Hull, William E., Johnson of Washington, Johnson of West Virginia, Jones, Kearns, Kelly, Kendall, Kent,

Kerr, Ketcham, Kiess, Kincheloe, King, Knutson, Kopp, Kurtz, Lampert, Langley, Larson of Minnesota, Lea of California, Lehlbach, Lineberger, Linthicum, Little, Longworth, Lozier, McKenzie, McLaughlin of Michigan, McLaughlin of Nebraska, McReynolds, McSweeney, MacGregor, Magee of ————, Major of Illinois, Major of Missouri, Manlove, Mapes, Mead, Merritt, Michener, Miller of ———, Milligan, Minahan, Mooney, Moore of Illinois, Moore of Ohio, Moores of Indiana, Morgan, Morris, Murphy, Nelson of Maine, Nelson of Wisconsin, Newton of Minnesota, O'Connell of Rhode Island, O'Sullivan, Oldfield, Parker, Parks of Arkansas, Patterson, Peavey, Purnell, Ragon, Rainey, Ramseyer, Reece, Reed of West Virginia, Roach, Robinson of Iowa, Robsion of Kentucky, Rogers of Massachusetts, Rogers of New Hampshire, Romjue, Rouse, Salmon, Sanders of Indiana, Sanders of New York, Schafer, Schneider, Sears of Florida, Sears of Nebraska, Seger, Shallenberger, Sherwood, Shreve, Simmons, Sinnott, Sites, Smith, Smithwick, Snell, Snyder, Speaks, Stalker, Strong of Kansas, Strong of Pennsylvania, Swank, Sweet, Swing, Swoope, Taber, Taylor of Tennessee, Taylor of West Virginia, Temple, Thomas of Kentucky, Thomas of Oklahoma, Thompson, Tilson, Timberlake, Tincher, Treadway, Underwood, Valle, Vestal, Vincent of Michigan, Voigt, Ward of New York, Wason, Watson, Welsh, White of Maine, Williams of Illinois, Williams of Michigan, Williams of Texas, Wilson of Indiana, Wingo, Winslow, Winter, Wolff, Wood, Woodruff, Wurzbach, and Wyant.

Number of Members---------- 229
Number of pensions---------- 949

The SPEAKER. The question is on agreeing to the committee amendments.

The question was taken, and the committee amendments were agreed to.

The SPEAKER. The question is now on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. FULLER, a motion to reconsider the vote whereby the bill was passed was laid on the table.

Mr. FULLER. Mr. Speaker, I call up omnibus bill H. R. 7816.

The SPEAKER. The gentleman from Illinois calls up a bill, H. R. 7816, which the Clerk will report.

The Clerk read as follows:

A bill granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war.

Mr. FULLER. Mr. Speaker, I ask unanimous consent that this bill may be considered in the House as in Committee of the Whole.

The SPEAKER. The gentleman from Illinois asks unanimous consent that the bill may be considered in the House as in Committee of the Whole. Is there objection? [After a pause.] The Chair hears none. The Clerk will read the bill.

The Clerk read the bill in extenso.

The bill is a substitute for the following House bills referred to said committee:

H. R. 812. Clara I. Willis.
H. R. 927. Martha C. Roberts.
H. R. 947. Hattie L. Cantwell.
H. R. 1101. Clara D. Rehrer.
H. R. 1139. Catherine E. Stewart.
H. R. 1217. Emma Cora White.
H. R. 1338. Mary L. Thompson.
H. R. 1490. Mary E. Reeves
H. R. 1521. Lucinda Bittner.
H. R. 1559. Eliza J. Dunkerson.
H. R. 1595. Betsy A. Booth.
H. R. 1606. Anna E. Pierce.
H. R. 1637. Etta S. Barnes.
H. R. 1638. Richard H. Murch.
H. R. 1714. Amy Keele.
H. R. 1739. Henrietta C. Geiger.
H. R. 1751. Phebe Clark.
H. R. 1752. Michael Coveny, alias Michael Dowling.
H. R. 1757. May T. Edgeler.
H. R. 1812. Thirza C. Gifford.
H. R. 1814. Charles C. Miller.
H. R. 1817. Sarah J. Pettit.
H. R. 1818. Francie Simpson.
H. R. 1820. John Wilkinson.
H. R. 1821. Mabel A. Swarthout.
H. R. 1848. Ida M. Knox.
H. R. 1867. Margaret Gerber.
H. R. 1868. Clara Short, now known as Clara A. Short.
H. R. 2076. Martha J. Nickel.
H. R. 2077. Hettie J. Stephens
H. R. 2114. Sophia Mullennax.
H. R. 2119. Elcie Jenkins.
H. R. 2240. Edith L. Howland.
H. R. 2332. Emma J. Daugherty.
H. R. 2346. Priscilla Allison.
H. R. 2348. Priscilla A. Pinney.
H. R. 2366. Dorthula E. Smith.
H. R. 2428. William H. Petitt.
H. R. 2436. Ernestine Romeiser.
H. R. 2493. Ency A. H. Wheeler.
H. R. 2573. Alvira M. Stevens.
H. R. 2595. Lizzie J. Levensaler.
H. R. 2612. Cloe Jones.
H. R. 2613. Minnie Brisco.
H. R. 2755. Andrew Boyer.
H. R. 2926. Catharine A. Lunger.
H. R. 2967. Albert Jacobs.
H. R. 2969. Julia Lukenbill.
H. R. 2970. Indiana Grant.
H. R. 2971. Lottie B. Reid.
H. R. 3002. Rebecca Duty.
H. R. 3064. Guy W. Rowe.
H. R. 3103. Rachel A. Roden.
H. R. 3116. Julia Gregory.
H. R. 3175. Charles S. George.
H. R. 3412. Lucetta Beekman.
H. R. 3448. Sarah E. Parker.
H. R. 3449. Cora B. Remington.
H. R. 3523. Elizabeth Gibson.
H. R. 3546. Mary N. McCullough.
H. R. 3568. Rachel Everson.
H. R. 3583. Nancy Halcum.
H. R. 3593. Cynthia E. King.
H. R. 3646. Libbie Searing.
H. R. 3741. Elizabeth M. Laird.
H. R. 3828. Irwin E. Warner, alias John Shay.
H. R. 3872. Henry Marsh.
H. R. 3896. Nancy Blitz.
H. R. 4007. Charles Cooper.
H. R. 4029. Catharine Cellery.
H. R. 4055. Mary E. Bassett.
H. R. 4230. Sarah J. Stevens.
H. R. 4279. Mary J. Farlee.
H. R. 4305. Laura C. Granger.
H. R. 4323. Elizabeth Temple.
H. R. 4333. Mary C. S. Frank.
H. R. 4407. Martin Flint.
H. R. 4588. Clara J. Foss.
H. R. 4592. Susan A. Kuhn.
H. R. 4622. Angelina Shaw.
H. R. 4674. James Duffy, alias Henry L. Forbes.
H. R. 4680. Alice M. Gay.
H. R. 4702. Lany M. Brelsford.
H. R. 4710. Martha A. Howard.
H. R. 4736. Clifton E. Lime.
H. R. 4747. Sarah E. Coleman.
H. R. 4766. Alice C. Rea.
H. R. 4773. Jennie M. Bond.
H. R. 4774. William B. Kimbrel.
H. R. 4874. Mary L. Bender.
H. R. 4897. Anna Preston.
H. R. 4916. Julia E. Forbes.
H. R. 4969. May V. Humphrey.
H. R. 5040. Elizabeth J. Stetson.
H. R. 5164. Armelda Eversole.
H. R. 5173. Alice B. Hartshorne.
H. R. 5231. Susan Bentz.
H. R. 5232. Minnie L. Crowl.
H. R. 5294. Elizabeth Sharpp.
H. R. 5311. Mary C. Derby.
H. R. 5354. Martha A. Straight.
H. R. 5355. Stella Garnhart.
H. R. 5365. James Percival.
H. R. 5378. Anna Comstock.
H. R. 5438. Alexander Sweeney.
H. R. 5469. Lucy De Groff.
H. R. 5470. Philia R. Friesner.
H. R. 5500. Elizabeth Leivelsberger.
H. R. 5526. Louise Scott.
H. R. 5548. Daisy Johnson.
H. R. 5574. Jane Bradley.
H. R. 5602. Margaret M. Bratton.
H. R. 5641. Jane A. Banner.
H. R. 5642. Sarah A. Jones.
H. R. 5651. Catharine Pierce.
H. R. 5659. Tabitha T. Craven.
H. R. 5662. Nancy E. Taylor.
H. R. 5691. Sallie Miller.
H. R. 5692. Peter B. Pyatt.
H. R. 5699. Elizabeth Botimer.
H. R. 5708. Drusilla Fortner.
H. R. 5709. California Haysmer.
H. R. 5753. Alice M. Barnard.
H. R. 5780. Frances M. Boye.
H. R. 5784. Mary W. Noll.
H. R. 5815. Hattie M. Willard.
H. R. 5818. Lucinda J. Jay.
H. R. 5875. Charles Abbott.
H. R. 5876. Mary E. Lofton.
H. R. 5878. Josephine Gerard.
H. R. 5896. Harriet E. Larimore.
H. R. 5903. Emily J. Miller.
H. R. 5906. Esther Barton.
H. R. 5933. Nancy A. Cotterel.
H. R. 5981. Nancy C. Troupe.
H. R. 5986. Sarah E. Fetters.
H. R. 6015. Sallie Dewitt.
H. R. 6101. Julia C. Johnson.
H. R. 6105. Catharine J. Woodfield.
H. R. 6188. Elizabeth J. Waddell.
H. R. 6219. Melissa E. Dickinson.
H. R. 6224. Susanna Bulla.
H. R. 6225. Lucinda Geary.
H. R. 6246. Rose Jackson.
H. R. 6266. Hannah Bower.
H. R. 6269. Tenny A. Littlejohn.
H. R. 6270. Maranda N. Miller, now known as Maranda N. Small.
H. R. 6271. Olive R. Milton.
H. R. 6286. Barbara L. Houston.
H. R. 6287. Mary Robinson.
H. R. 6331. Deborah C. McNary.
H. R. 6380. Catherine Beigh.
H. R. 6407. Jane M. T. Porter.
H. R. 6409. Michael Bibus.
H. R. 6415. Adelia V. Myres.
H. R. 6416. Mary J. Robinson.
H. R. 6419. Priscilla Ridenour.
H. R. 6451. Augustus H. List.
H. R. 6453. Roena C. Caskey.
H. R. 6474. Anna E. Legg.
H. R. 6510. Catherine E. Soper.
H. R. 6514. Flora B. Benham.
H. R. 6521. Jessie M. Monroe.
H. R. 6530. Elizabeth Dossett.
H. R. 6556. Annie Greeger.
H. R. 6572. Helena Dearborn.
H. R. 6573. Oscar J. Dunn.
H. R. 6595. Hester A. Black.
H. R. 6606. Elizabeth A. Andrews.
H. R. 6609. Sarah Jane Ross.
H. R. 6613. Annie Kenny.
H. R. 6615. Mary A. Dehl.
H. R. 6620. Rosalie H. Webster.
H. R. 6638. Martin A. Jones.
H. R. 6657. Margaret A. Kerkendall.
H. R. 6658. Mary Kistler.
H. R. 6659. Mary C. Benson.
H. R. 6699. Cora F. Mariette.
H. R. 6702. Edmund J. Cain.
H. R. 6704. Margaret Lindsey.
H. R. 6734. Mary E. Nichols.
H. R. 6735. Mary J. Devlin.
H. R. 6741. Annie M. Owen.
H. R. 6748. Delia Riggin.
H. R. 6763. Louisa K. Johnson.
H. R. 6765. Livonia Nicholson.
H. R. 6774. Martin Guthrie.
H. R. 6776. Sarah Blakely.
H. R. 6829. Grace M. Lauter.
H. R. 6833. Margaret L. Routh.
H. R. 6834. Rachel Dunning.
H. R. 6835. Cassandra Jerrell.
H. R. 6877. Amanda Clemens.
H. R. 6878. Martha K. Grenewald.
H. R. 6882. Effie Lancaster.
H. R. 6921. Angeline G. Hunter.
H. R. 6926. Sarah Brudon.
H. R. 6938. Hulda Young.
H. R. 6961. Lydia J. Austin.
H. R. 6969. Flora L. Gammon.
H. R. 6974. Maggie Wilson.
H. R. 6977. Leona G. Howe.
H. R. 7006. Adella Chili.
H. R. 7007. Margaret B. Blunt.
H. R. 7008. Sarah B. Jewett.
H. R. 7017. John Watts.
H. R. 7023. Clara H. Johnson.
H. R. 7048. Robert H. Hendershot, alias Robert H. Henderson.
H. R. 7060. Carrie Baker.
H. R. 7061. Sarah W. Cameron.
H. R. 7087. Jacob G. Smuck.
H. R. 7088. Sarah Jane Henry.
H. R. 7101. Mable Andrews.
H. R. 7102. Joseph Greenwood.
H. R. 7126. Henrietta Stahl.
H. R. 7128. Harriet E. Thompson.
H. R. 7164. Charlotte A. Daily.
H. R. 7210. James P. Shewman.
H. R. 7211. Sarah O. Green.
H. R. 7226. Agnes Touchette.
H. R. 7253. John W. Stokesberry.
H. R. 7281. Sarah Branch.
H. R. 7283. Lucy A. Gates.
H. R. 7289. Washington Stram, alias John Gibson.
H. R. 7290. Charlotte L. Stinger.
H. R. 7325. Louisa Pennisten.
H. R. 7327. Elizabeth Couch.
H. R. 7328. Polly Garbison.
H. R. 7329. Edith Vore.
H. R. 7333. Lizzie Krebs.
H. R. 7418. Sarah E. Lovell.
H. R. 7476. John Abear.
H. R. 7477. David Abear.
H. R. 7516. Sophia Scarbo.
H. R. 7705. Mary Guy.

Mr. FULLER. Mr. Speaker, I ask unanimous consent to insert at this point a short statement as to the cost of this bill.

The SPEAKER. The gentleman from Illinois asks unanimous consent to extend his remarks in the RECORD by inserting a statement as to the cost of this bill. Is there objection?

There was no objection.

The statement referred to follows:

HOUSE OF REPRESENTATIVES,
COMMITTEE ON INVALID PENSIONS,
Washington, March 13, 1924.

Hon. CHARLES E. FULLER,
Chairman, Committee on Invalid Pensions,
House of Representatives.

MY DEAR CHAIRMAN: Complying with your request, I have completed figures showing the total amount in additional pensions provided by the committee omnibus bill, H. R. 7816, as follows:

Total yearly cost of additional pensions----------	$73,656.00
Less reduction on death rate of 15 per cent----------	11,048.40
Net additional cost for next year----------	62,607.60

As the great majority of proposed beneficiaries are extremely aged and practically helpless, the death rate may exceed 15 per cent.

Very truly yours,

FRANK T. MORAN, *Clerk.*

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. FULLER, a motion to reconsider the vote whereby the bill was passed, was laid on the table.

Mr. ROBSION of Kentucky. Mr. Speaker, I call up the bill (H. R. 6426) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors.

The SPEAKER. The gentleman from Kentucky calls up the bill H. R. 6426, which the Clerk will report by title.

The Clerk read the title of the bill.

Mr. ROBSION of Kentucky. Mr. Speaker, I ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

Mr. BLANTON. Mr. Speaker, I rise to a point of order. Has the gentleman been authorized by his committee to call up this bill?

Mr. ROBSION of Kentucky. Yes; I am the ranking member, and the gentleman from Minnesota [Mr. KNUTSON], the chairman, asked me to call it up.

Mr. BLANTON. Mr. Chairman, I make the point that only the chairman of the committee can call the bill up unless another member has been specially authorized by the committee; and until that special authorization is shown, I submit that only the chairman may call up the bill.

The SPEAKER. The Chair did not hear the answer of the gentleman from Kentucky. Was he authorized by the committee?

Mr. BLANTON. The gentleman is merely the ranking member.

Mr. ROBSION of Kentucky. The gentleman from Minnesota [Mr. KNUTSON] has not been able to be in charge of the committee and I have been the acting chairman, and he and the members of the committee have asked me to bring it up.

Mr. BLANTON. I make the point of order, Mr. Speaker, that until the ranking member has been specially authorized by his committee he has no authority to call up the bill.

Mr. DOWELL. Where does the gentleman find that rule?

The SPEAKER. The Chair overrules the point of order. Is there objection to considering the bill in the House as in Committee of the Whole? [After a pause.] The Chair hears none. The Clerk will report the bill.

The Clerk read the bill in extenso.

The bill is a substitute for the following House bills referred to said committee:

H. R. 792. Clarence L. Wimer.
H. R. 793. Reuben Waller.
H. R. 794. Walter Hughes.
H. R. 810. Jane Tilly.
H. R. 826. Jesse Angle.
H. R. 830. Andrew McLaughlin.
H. R. 834. Charles H. Heimlich.
H. R. 840. Clare D. Fielding.
H. R. 890. Margaret English.
H. R. 891. Xaver Becherer.
H. R. 892. Viola Butler.
H. R. 893. William P. Johnston.
H. R. 906. Banner Chandley.
H. R. 907. John R. Ligon.
H. R. 908. Marie F. Manns.
H. R. 924. Jane Ann Robinson.
H. R. 954. Charles Wilson.
H. R. 998. James Donnelly.
H. R. 1021. Jennie E. Buckley.
H. R. 1024. Tamar Ervin.
H. R. 1026. Silas H. Jackson.
H. R. 1032. Cornelia de C. Williams.
H. R. 1033. Hester W. Stoddart.
H. R. 1045. David C. Preston.
H. R. 1055. William W. Kinne.
H. R. 1142. Isabelle Barnett.
H. R. 1143. Malinda C. Garwood.
H. R. 1158. James A. Carver.
H. R. 1172. George A. Atkinson.
H. R. 1177. William J. Chester.
H. R. 1189. Edith Hampel.
H. R. 1192. Samuel J. Haslett.
H. R. 1197. John Long.
H. R. 1210. Charles H. Ritter.
H. R. 1215. Mary E. Tritten.
H. R. 1224. Albert C. Roach.
H. R. 1247. Clarence J. Johnson.
H. R. 1248. Henry Dilts.
H. R. 1255. Michael J. Haggerty.
H. R. 1256. Charles W. Crofoot.
H. R. 1257. Frank D. Yandes.
H. R. 1259. James B. Shannon.
H. R. 1273. Levi T. Miller.
H. R. 1288. Werner Snow.
H. R. 1324. Isaac C. Livingston.
H. R. 1337. Roger F. B. Edmunds.
H. R. 1362. Harriet M. Miller.
H. R. 1363. Edward Jackson.
H. R. 1365. Henry E. Kiste.
H. R. 1369. Jeremiah B. Thomson.
H. R. 1370. Minerva J. Smith.
H. R. 1385. Oh Wan, alias Katok.
H. R. 1386. Moh Ush Ak, alias Ush Mo, now known as Mosak.
H. R. 1388. Wanatt Shoma, alias Shoma Wanatt, known as Ramon White.
H. R. 1389. Machie Gulack, alias Gulack Machie, now known as Pantaloon.
H. R. 1390. Choor Aquise, alias Cheroquis.
H. R. 1403. Frank D. Blake.
H. R. 1410. Edward P. Wolfe.
H. R. 1422. William Lanier.
H. R. 1425. William Wells.
H. R. 1428. George H. Burton.
H. R. 1444. Alva C. Cooper.
H. R. 1480. Richard Burns.
H. R. 1487. John Dudley.
H. R. 1513. Mathew Baker.
H. R. 1517. John Oberschmid.
H. R. 1564. Helena Bunt.
H. R. 1565. Horace G. Butterfield.
H. R. 1566. Mary Ann Cross.
H. R. 1568. Levi Frost.
H. R. 1573. Elizabeth M. Sage.
H. R. 1577. Lambert Weiss.
H. R. 1578. George W. Hook.
H. R. 1613. Dennis B. Conley.
H. R. 1616. John S. Combs.
H. R. 1626. Henry E. Booth.
H. R. 1627. John P. Arnett.
H. R. 1643. Edmond L. Klamroth.
H. R. 1654. Margarett Davy.
H. R. 1655. Margaret A. Harris.
H. R. 1712. George H. Klein, jr.
H. R. 1725. Frank A. Klein.
H. R. 1761. Charles A. Halbert.
H. R. 1766. James E. Moran.
H. R. 1770. Walter S. Swanger.
H. R. 1775. Joseph Bauer.
H. R. 1786. Francis M. Collins.
H. R. 1802. Robert S. Kelley.
H. R. 1803. Henry M. Conlin.
H. R. 1804. John Lamson.
H. R. 1832. Henry T. Douglas.
H. R. 1844. Frank G. Himes.
H. R. 1871. James H. Laflin.
H. R. 1887. Etta W. Cass.
H. R. 1925. Sarah E. Fortier.
H. R. 1926. John Teraz.
H. R. 1946. Elizabeth F. Hampton.
H. R. 1977. Grover Colter.
H. R. 1979. Flora B. Warren.
H. R. 1980. Harry Elkins.
H. R. 1986. Elizabeth C. Grady.
H. R. 1997. Emil T. Johnson.
H. R. 2010. Mary A. Blair.
H. R. 2066. William E. Johnson.
H. R. 2103. William Estes.
H. R. 2112. William T. Marshall.
H. R. 2113. Rebecca T. Alexander.
H. R. 2145. Grant Combs.
H. R. 2147. Lee T. Philpot.
H. R. 2148. Robert L. McFarland.
H. R. 2149. John Johnson.
H. R. 2150. Benjamin F. Johnson.
H. R. 2151. Howard Hines.
H. R. 2152. Chester A. Herd.
H. R. 2153. Elijah Forman.
H. R. 2154. Charles N. Cannon.
H. R. 2155. Silas G. Burkett.
H. R. 2156. William S. Arnold.
H. R. 2157. Robert L. Abston.
H. R. 2159. Floyd Laxton.
H. R. 2163. Green A. Settle.
H. R. 2164. Mournin Scott.
H. R. 2166. David Turner.
H. R. 2167. Isaac Townsend.
H. R. 2168. Daniel W. Higginbotham.
H. R. 2170. Joseph Woods.
H. R. 2171. William H. Stanbery.
H. R. 2172. William G. Jones.
H. R. 2184. Lafayette R. Kincaid.
H. R. 2185. Ben B. Sell.
H. R. 2188. William Napier.
H. R. 2189. Mike Grubb.
H. R. 2191. William C. Knuckles.
H. R. 2196. Sarah A. Byam.
H. R. 2197. August J. MacDonald.
H. R. 2257. Alice Z. Sherwin.
H. R. 2267. Jerome B. Butler.
H. R. 2282. Marguerite B. Fitzgerald.
H. R. 2306. Clara J. Gillespie.
H. R. 2327. Edward Shaw.
H. R. 2340. Henry E. Rubendall.
H. R. 2363. Seth P. Eames.
H. R. 2364. John A. McNeil.
H. R. 2369. Russell Dewalt.
H. R. 2370. William Henry Bush.
H. R. 2385. Gillis W. Webb.
H. R. 2400. Benjamin Dockery.
H. R. 2404. Francis M. Coats.
H. R. 2408. Effa Jane Hancock.
H. R. 2423. Robert Longstaff.
H. R. 2432. Brother Buis.
H. R. 2516. Raymond A. Zehnder.
H. R. 2540. Watson S. Coburn.
H. R. 2557. Edward F. Reed.
H. R. 2558. David H. Whitehead.
H. R. 2559. Catherine Yelle.
H. R. 2561. Wilbur C. Gabret.
H. R. 2563. William Richey.
H. R. 2565. Armilda Burroughs.
H. R. 2575. James Mullen.
H. R. 2615. William G. Glasgow.
H. R. 2632. Gilbert J. Lalonde.
H. R. 2648. Thomas F. Bailey.
H. R. 2649. Joseph Hermann.
H. R. 2650. C. M. Middleton.
H. R. 2651. George L. Porter.
H. R. 2652. Lina Real.
H. R. 2653. Mary E. Trask.
H. R. 2757. Peter Lacher.
H. R. 2774. Annie E. B. Davidson.
H. R. 2922. Mary R. Philbrick.
H. R. 2964. Jacob Sash.
H. R. 2986. Mary Jane Lamb.
H. R. 2998. Tracey M. Halley.
H. R. 3006. Emme E. Howe.
H. R. 3013. Herschel Spainhour.
H. R. 3022. Freeman H. Johnson.
H. R. 3033. David Ebner.
H. R. 3034. Mary V. Webster.
H. R. 3037. Kate Garrity.
H. R. 3044. James McDonough.
H. R. 3056. Martha A. Brigance.
H. R. 3062. James Kuhns.
H. R. 3063. Albert S. Riddle.
H. R. 3090. Rufus W. Jones.
H. R. 3106. Bradford R. Sarton.
H. R. 3107. Grant Brown.
H. R. 3108. Agnes Allen.
H. R. 3109. David Akridge.
H. R. 3110. Frank McCoy.
H. R. 3111. Samuel E. Acuff.
H. R. 3113. Jasper O. Craig.
H. R. 3147. Thomas M. Benton.
H. R. 3148. Clark Brown.
H. R. 3182. Michael Halloran.
H. R. 3331. Charles L. Dewey.
H. R. 3362. Vance Perkins.
H. R. 3385. Harry E. Snyder.
H. R. 3460. Robert M. Daniels.
H. R. 3479. Annie McNamara.
H. R. 3488. Michael V. Murray.
H. R. 3506. Frances A. Brown.
H. R. 3599. Thomas Quirk.
H. R. 3638. Mary E. Brubaker.
H. R. 3645. Catharine Swigart.
H. R. 3653. Irene Sullivan Kehrmeyer.
H. R. 3662. Louisa H. Harter.
H. R. 3715. Richard Howe.
H. R. 3733. Sherwood H. Williams.
H. R. 3780. William R. Drain.
H. R. 3782. Orville Harvey.
H. R. 3783. Marcus C. Luttrell.
H. R. 3784. Joseph A. Lilliard.
H. R. 3785. John T. Hyder.
H. R. 3789. Dudley J. Howell.
H. R. 3790. Lucy C. Range.
H. R. 3791. Oscar Sheffield.
H. R. 3792. Robert J. Jones.
H. R. 3793. James R. Daniel.
H. R. 3807. Anna O'Neil.
H. R. 3833. John T. Brannon.
H. R. 3834. David C. McDonald.
H. R. 3835. Martin E. McMichael.
H. R. 3882. Martin V. Stanton.
H. R. 3883. Walter L. Hartman.
H. R. 3884. Mary T. Schmidt.
H. R. 3885. Rollin P. Ham.
H. R. 4002. Hannah Dougherty.
H. R. 4064. William J. Combs.
H. R. 4289. Ben C. Robinson.
H. R. 4322. George W. Lear.
H. R. 4342. Rhoda A. Savage.
H. R. 4354. Oscar A. Badder.
H. R. 4384. Sarah Pelham.
H. R. 4408. Henry Langley.
H. R. 4412. Charles F. Bobo.
H. R. 4428. William Garnett.
H. R. 4431. Daniel Grubb.
H. R. 4601. Edmond L. Smith.
H. R. 4659. Lizzie Johnson.
H. R. 4662. Ferdinand Heinen.
H. R. 4663. Mark Y. Judd.
H. R. 4725. Laura Hendrickson.
H. R. 4754. John W. Thompson.
H. R. 4756. Henry T. Bishop.
H. R. 4761. John L. Marshall.
H. R. 4762. Columbia A. Seaman.
H. R. 4915. Benjamin F. Durnell.
H. R. 4945. Elizabeth Jane Fee.
H. R. 4952. Harry D. Frasier.
H. R. 4962. Thomas Murphy.
H. R. 5012. Barbara Oglesby.
H. R. 5032. John E. Williams.
H. R. 5153. George Peyton Chambers.
H. R. 5154. William D. Hinkle.
H. R. 5386. Edward Chaney.
H. R. 5441. Ludwig Wertsch.
H. R. 5474. Lewis H. Tubbs, jr.
H. R. 5524. Orville H. Mills.
H. R. 5663. Shiloh Sally.
H. R. 5664. Robert McQueen.
H. R. 5811. James A. Childers.
H. R. 5834. Aaron N. Montgomery.
H. R. 6066. Harry L. Hoff.
H. R. 6115. William Coleman.
H. R. 6167. William Dotson.
H. R. 6168. Joseph Houser.

Mr. ROBSION of Kentucky. Mr. Speaker, I ask unanimous consent to return to page 29 of the bill.

The SPEAKER. The gentleman from Kentucky asks unanimous consent to return to page 29 of the bill. Is there objection? [After a pause.] The Chair hears none.

Mr. ROBSION of Kentucky. Mr. Speaker, I offer the following amendment:

Strike out lines 23 and 24 on page 29, and lines 1 and 2 on page 30, being the case of James Kuhns, late of Company D, Thirtieth Regiment United States Volunteer Infantry, war

with Spain. The person named has died since the bill was reported.

The SPEAKER. The gentleman from Kentucky offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. ROBSION of Kentucky: Page 29, strike out lines 23 and 24, and on page 30 strike out lines 1 and 2.

The SPEAKER. The question is on agreeing to the amendment.

The question was taken, and the amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. ROBSION of Kentucky, a motion to reconsider the vote by which the bill was passed was laid on the table.

Mr. ROBSION of Kentucky. Mr. Speaker, I call up the bill (H. R. 7783) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors.

The SPEAKER. The gentleman from Kentucky calls up the bill H. R. 7783, which the Clerk will report by title.

The Clerk read the title of the bill.

Mr. BLANTON. Mr. Speaker, I raise the point of order on this bill that unless the committee has specially authorized some other Member to call it up, only the chairman of the committee may call it up.

The SPEAKER. The Chair overrules the point of order.

Mr. ROBSION of Kentucky. Mr. Speaker, I ask unanimous consent that this bill be considered in the House as in Committee of the Whole.

The SPEAKER. The gentleman from Kentucky asks unanimous consent that the bill be considered in the House as in Committee of the Whole. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the bill.

The Clerk read the bill in extenso.

The bill is a substitute for the following House bills referred to said committee:

H. R. 984. Adam J. Sherman.
H. R. 1134. Frederick Antoni.
H. R. 1166. John H. Berard.
H. R. 1180. Christopher Dennis.
H. R. 1184. Samuel L. Fiste.
H. R. 1251. Remigia J. Buell (now known as Remigia J. Meacham).
H. R. 1254. Theresa Hess.
H. R. 1275. Milton F. Morgan.
H. R. 1281. George Pierce.
H. R. 1417. Mary A. Yeates.
H. R. 1483. Esta Abbott.
H. R. 1488. John S. Schooler.
H. R. 1526. Jacob L. Malsbery.
H. R. 1587. Francis Van Name.
H. R. 1589. La Barron T. Marshall.
H. R. 1591. Robert H. Walsh.
H. R. 1610. William N. Bamforth.
H. R. 1615. Waywood Smith.
H. R. 1623. Claude L. Bouta.
H. R. 1680. Robert H. Cowan.
H. R. 1721. Harry W. Feldman.
H. R. 1729. Laura Briggs.
H. R. 1749. Harry W. Clark.
H. R. 1779. William A. Williams.
H. R. 2143. Jasper N. Stanfill, alias Joseph N. Stanfill.
H. R. 2158. Edward Hall.
H. R. 2177. Edward Lee.
H. R. 2183. Mary A. Wray.
H. R. 2359. Ellen L. Curran.
H. R. 2383. Ellen Whalin.
H. R. 2422. Ludwig Zugner.
H. R. 2477. James M. Cline.
H. R. 2551. Mattie E. Prewitt.
H. R. 2570. August Getz.
H. R. 2571. James K. Harvey.
H. R. 2584. Mary L. Reese.
H. R. 2587. Patrick F. Dwyer.
H. R. 2617. Lawson Ellsworth.
H. R. 2619. Mary F. Lunau.
H. R. 2737. Ralph Lotz.
H. R. 3089. Alden T. Wathan.
H. R. 3181. Mathias Backes.
H. R. 3379. Ada M. Young.
H. R. 3436. Martha R. Biddle.
H. R. 3474. Charles D. Felter.
H. R. 3585. Gilbert E. Mayor.
H. R. 3598. Mary F. Conway.
H. R. 3650. Joseph Holtz.
H. R. 3719. Charles Fuhr.
H. R. 3749. Lenora Piper.
H. R. 3757. William F. Elfeldt.
H. R. 3795. Walter A. Bailey.
H. R. 3832. Alfred Barker.
H. R. 3868. Lester L. Coffee.
H. R. 4283. Ke-wuck-oo-lah-la shar (now known as Ruling his Sun).
H. R. 4291. Cicero Columbus Patton.
H. R. 4299. Charles E. Caplinger.
H. R. 4334. John J. McNally.
H. R. 4388. Edmund J. Gosselin.
H. R. 4424. Dennis J. Callahan.
H. R. 4427. Anna M. Carroll.
H. R. 4600. Fannie Fleischmann.
H. R. 4636. Bert Sabins.
H. R. 4656. Peter C. Jackson.
H. R. 4671. John Clarence Giles.
H. R. 4703. John T. Burriss.
H. R. 4705. David S. Hills.
H. R. 4709. Kate McGhehey.
H. R. 4724. Newton Gambrel.
H. R. 4726. Joe H. Ross.
H. R. 4727. Esther Meece.
H. R. 4728. Belle Kelley.
H. R. 4740. Adam Roth.
H. R. 4778. Charles Carl.
H. R. 4871. Charles B. Diemart.
H. R. 4873. Thomas Anderson.
H. R. 4876. Julietta Radloff.
H. R. 4882. William H. Finley.
H. R. 4899. John C. MacFarlane.
H. R. 4903. Fred B. Weaver.
H. R. 4905. Lee Begley.
H. R. 4965. Fred H. Helms.
H. R. 5026. Ruth E. Strickler.
H. R. 5054. William A. Holmes.
H. R. 5177. Katie Lewis.
H. R. 5223. William F. Rogers.
H. R. 5228. Edward F. O'Toole
H. R. 5281. Margaret Daley.
H. R. 5284. Milligan Comstock.
H. R. 5298. James P. Bradley.
H. R. 5300. Mary C. Allen.
H. R. 5303. Louis H. Blake.
H. R. 5353. William E. Lytle.
H. R. 5359. Martha F. Allen.
H. R. 5411. Albert C. Spurgeon.
H. R. 5440. Scott Fitzgerald.
H. R. 5447. Benjamin Ratliff.
H. R. 5492. Charles F. Cramer.
H. R. 5507. Stanislaus Zelazny.
H. R. 5605. George W. Cover.
H. R. 5689. Zadok Kemster Basden.
H. R. 5702. Oren O. Pound.
H. R. 5710. Danie E. Dresser.
H. R. 5711. Timothy F. Buckley.
H. R. 5761. Rose M. Connell.
H. R. 5770. Alexander McCready.
H. R. 5773. Mallie C. Fikes.
H. R. 5824. Judah L. Wormington.
H. R. 5863. Walter E. Tarver.
H. R. 5925. Lewis M. Stevenson.
H. R. 5973. Vance K. Stewart.
H. R. 5979. Daniel F. Stocker.
H. R. 6014. John Gearns.
H. R. 6016. Sallie Hager.
H. R. 6107. Charles A. Skaggs.
H. R. 6159. William A. Miller.
H. R. 6164. Albert B. Campbell.
H. R. 6272. Vivian L. Saunders.
H. R. 6373. Elizabeth M. Durand.
H. R. 6381. Fred A. Martin.
H. R. 6466. Elizabeth Peters.
H. R. 6523. John T. Wamsley.
H. R. 6566. Catherine Wilson.
H. R. 6607. James A. Butler.
H. R. 6619. Essie Bandhauer.
H. R. 6661. George Ayers.
H. R. 6666. Charles E. Keck.
H. R. 6685. Joshua C. Carney.
H. R. 6686. Emma McGowen.
H. R. 6707. James F. Lyons.
H. R. 6753. Alba B. Bean.
H. R. 6802. John Foster.
H. R. 6850. Lillie E. Trego.
H. R. 6876. Neil F. Hill.
H. R. 6881. Nannie Whitaker.
H. R. 6928. Lucian D. Copin.
H. R. 6957. John Feiereisen.
H. R. 6995. Mary J. Portley.
H. R. 7172. Joseph J. Nedd.
H. R. 7206. Samuel F. Shannon.
H. R. 7209. Frank T. Potter.
H. R. 7212. Walter Ruark.
H. R. 7339. Charles S. Kinman.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time and passed.

On motion of Mr. ROBSION of Kentucky, a motion to reconsider the vote by which the bill was passed was laid on the table.

FIRST DEFICIENCY APPROPRIATION BILL, FISCAL YEAR 1924.

Mr. MADDEN. Mr. Speaker, I ask unanimous consent, before we go into Committee of the Whole, that the general debate on H. R. 7449 be limited to three additional hours, to be controlled by the gentleman from Tennessee [Mr. BYRNS] and myself. I have used one hour more than the gentleman from Tennessee and out of the three hours, of course, the gentleman from Tennessee would be entitled to two hours.

The SPEAKER. The gentleman from Illinois asks unanimous consent that general debate on the pending appropriation bill be limited to three hours, two hours to be controlled by the gentleman from Tennessee [Mr. BYRNS] and one hour by himself. Is there objection?

Mr. BYRNS of Tennessee. Mr. Speaker, reserving the right to object, I am not going to object, because the gentleman has been exceedingly kind and generous, not only in connection with this bill but previous bills, as to distribution of time. I have requests that would probably take about three hours, but I know the gentleman is very anxious to get along with the bill and I want to help him.

Mr. MADDEN. As a matter of fact, what we ought to do is to move to close debate.

Mr. BYRNS of Tennessee. I want to ask the gentleman this question. I understand another appropriation bill will follow this one?

Mr. MADDEN. There will be another one on Monday, assuming we are going to finish this bill to-morrow or to-night. I would like to stay here and finish it to-night.

Mr. BYRNS of Tennessee. I hope we can get through to-night.

Mr. MADDEN. All right; there will be another one to-morrow in that case.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. MADDEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 7449) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1924, and for other purposes.

The SPEAKER. The question is on the motion of the gentleman from Illinois that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 7449.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 7449, with Mr. LEHLBACH in the chair.

The CHAIRMAN. The Clerk will report the title of the bill.

The Clerk reported the title of the bill.

Mr. BYRNS of Tennessee. Mr. Chairman, I yield one minute to the gentleman from Texas [Mr. BLANTON].

Mr. MADDEN. Mr. Chairman, I yield the gentleman five minutes.

Mr. BLANTON. Mr. Chairman and gentlemen, the brave ex-service men of this country are to have their rights in this House assassinated next Tuesday. Arrangements have already been made to hand them a lemon. I do not believe that there are 5 per cent of the ex-service men of this country who want the kind of bill that has been reported by the Committee on

Ways and Means. It is called an adjusted compensation bill, yet merely grants them an insurance policy, and they either have to live 20 years more or die to get it. These men in the trenches of France risked their lives once for the Government and now ought not to have to die to get their adjusted compensation.

I want to warn the new Members of this House just what it means to call a bill up in the House next Tuesday under suspension of the rules, as the Republican leaders have already arranged to do with the ex-service men's bill. In the first place, the reported bill provides only for an insurance policy; there will be only 40 minutes of debate in the second place, which affords no reasonable time for discussion, and in the third place, you can not amend it in any particular, you can not change the dotting of an "i" or the crossing of a "t," but you must vote for that insurance policy bill and nothing else, just as the bill is written now, for under a suspension of the rules you can not change the bill in any particular. That is not all. Those who are to call this bill up know that under that kind of an arrangement it takes a two-thirds vote to pass the bill. That bill could be voted for by an overwhelming majority of this House and yet lack one vote of having the necessary two-thirds and the bill would fail. The steering committee well knows that we know also that if we vote against that kind of an arrangement and vote against their bill for an insurance policy we will be placed in the attitude of voting against the soldiers' compensation bill. That is the worst feature about it.

I want to say this to my colleagues: Every true friend of the ex-service men in this House ought to stand up here shoulder to shoulder next Tuesday, like a solid phalanx, and vote against that insurance bill and vote it down, because the ex-service men do not want it. Then we will force the Committee on Ways and Means to bring in a proper adjusted compensation bill for the ex-service men, such as they want. But you say you do not want to be placed in the attitude of voting against the ex-service men. You say you do not want to be misconstrued, you do not want the newspapers to misinterpret your action. You need not be afraid. You can not fool the ex-service men.

They know what they want, and they know that insurance bill is not what they want, and if you will help vote down that proposition next Tuesday and not pass the insurance measure you will force the Ways and Means Committee to bring out a proper adjusted compensation bill for them.

Yesterday I stood here on this floor and voted against the so-called prohibition enforcement bill, for I considered it a waste of millions that will produce no results of value, and I am as strong a prohibitionist as there is in this House. I hated to have to stand up with such wet friends as our distinguished colleague from Maryland [Mr. HILL] and my friend from Massachusetts [Mr. GALLIVAN], but I do not believe that bill which we passed is going to stop the smuggling of liquor. It is a wasteful piecemeal kind of proposition that will amount to nothing. We had a chance to pass a proper measure and we did not do it.

Mr. WOLFF. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. WOLFF. Regarding the prohibition bill, the gentleman must acknowledge that most of them do not want the smuggling stopped.

Mr. BLANTON. Well, it looked that way, by bringing up that kind of a measure.

Mr. HILL of Maryland. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. I have only five minutes, but I yield.

Mr. HILL of Maryland. Just one word. I only want to say to the gentleman that if he can get the bill which he introduced before a committee I shall appear for it. I am with the gentleman for honest law enforcement.

Mr. BLANTON. Oh, the gentleman would make me suspicious of my own measure if he voted for it. [Laughter.]

Why is it that we will sit here like a bunch of mocking birds and let a committee continually cram something down our throats that we do not want? If we want a certain kind of measure why do we not stand up here like men and demand it and see that that kind of a measure is brought in here and passed? Why do we continually accept some subterfuge? I have been here seven years. I have seen this modus operandi carried on here for seven years. I have seen bills brought in here that did not embrace what the Members wanted, and I have had to vote for them, and other Members have had to accept them because we have not made a determined stand and demanded what we want, but I think the time has come when the membership ought to force committees to bring in the kind of bill the Members want and pass it. [Applause.]

Mr. BYRNS of Tennessee. Mr. Chairman, I yield 30 minutes to the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Chairman, I ask unanimous consent to extend and revise my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CELLER. Mr. Chairman and gentlemen of the committee, on March 1 last the distinguished gentleman from Ohio [Mr. CABLE] made a very serious charge in this House that there existed here what he called a foreign bloc, in opposition, as he stated, to the passage or the progress of the so-called restricted immigration bill, H. R. 6540. I have been interested in the subject of immigration and the subject matter of that bill ever since the hearings were conducted last Christmas week. I know, however, that there is no such thing in this House as a foreign bloc. To my mind that charge is just as unsubstantial as a mirage; it is just as false as a dicer's oath; and I think that the distinguished gentleman from Ohio was in error.

I had something to do with the authorship of a statement that was signed by all but two of the Democratic Members of the New York delegation, a statement which was in protest against certain provisions of that bill. I assure you, my good friends, that the gentlemen who signed that protest are not foreign and they have no foreign proclivities whatsoever. They are thoroughgoing Americans and to classify the men from my State who were signatory to that protest as members of a foreign bloc I think is going a little too far. Probably overwhelmed by protests coming from all over the country this form of attack is used as a pretense for argument.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. CELLER. I yield to the gentleman.

Mr. SNYDER. I just want to say in furtherance of the statement of what the gentleman's delegation did in signing the protest, that about two weeks before that the solid Republican New York delegation of this House in caucus or conference agreed upon the same thing.

Mr. CELLER. I congratulate the gentleman and I congratulate the gentleman's conferees.

Mr. SNYDER. One can hardly say that that was a foreign bloc.

Mr. CELLER. From his remarks, the gentleman from Ohio [Mr. CABLE] would probably include the gentlemen who were in that Republican conference as well as the gentlemen who were signatory to the statement to which I referred, as members of the foreign bloc. I wonder in what category the gentleman from Ohio would place the distinguished Secretary of State, Mr. Hughes, who has likewise voiced sentiments in opposition to the bill?

Where would he place former Attorney General Wickersham, and I wonder, indeed, where he would place the great number of churches which have been on record as opposed to the discriminatory features of this particular bill. I read a number of these great religious organizations which have put themselves in no uncertain fashion against the discriminatory terms of this bill:

The Federal Council of the Churches of Christ in America, the Methodist Church, the Presbyterian Board of Missions, the National Lutheran Council, the Home Missions Council, the Baptist Board of Home Missions, the National Congregational Council, the Presbyterian Board of Home Missions, the International Young Men's Christian Association, the Young Women's Christian Association, the Council of Women for Home Missions, the Travelers' Aid Society, the Immigrant Publication Society, the Near East Relief, the New York City Society of the Methodist Episcopal Church, the Committee of Reference and Counsel, the Foreign Mission Conference of North America, the National Council of the Protestant Episcopal Church, the World Alliance for International Friendship Through the Churches, the Catholic Welfare Conference, the American Jewish Conference, and the National Council of Jewish Women.

Many other prominent organizations have swelled the chorus of objection, among them are:

The National Industrial Conference Board, American Bankers' Association, and Association of Manufacturers of the United States.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. CELLER. Not at this time. I want to develop my thought.

Mr. JOHNSON of Washington. The gentleman does not want to make an incorrect statement.

Mr. CELLER. No, indeed; I do not.

Mr. JOHNSON of Washington. I just wanted to say the gentleman is incorrect.

Mr. CELLER. I decline to yield to the gentleman from Washington. These various denominational welfare, industrial, and mercantile societies and a great many men prominent not only in their own community, but throughout the country, have voiced sentiments against this bill. And why? If you will examine closely and carefully its terms, you will find that the quota from Austria is reduced by 84 per cent; that the quota from Czechoslovakia is reduced 85 per cent; that the quota from Greece is reduced 93 per cent; that the quota from Austria, 88 per cent; that the quota from Italy, 90 per cent; and from Lithuania, 93 per cent; Poland, 66 per cent; Russia, 90 per cent; and Yugoslavia 85 per cent.

Mr. WATKINS. Will the gentleman yield?

Mr. CELLER. Not at this time. It is quite natural that those of foreign origin in this country become aroused when they examine the quotas from their native countries and find they have been thus unjustly reduced. I would say they were spineless and unworthy of remaining here if they would not enter a protest against these discriminatory and un-American features. To accuse all those good Americans and true of this House, who in their wisdom sincerely see no merit whatsoever in the quota provisions of the bill, of being a foreign bloc is unworthy of the learned gentleman from Ohio. I call upon him in all candor and honor to withdraw the charge.

Mr. CABLE. Will the gentleman yield?

Mr. CELLER. For one question.

Mr. CABLE. I simply want to repeat and reiterate the statement that the foreign governments and nationals in this country have no right to dictate to the National Congress or our people what laws we should pass in respect to immigration.

Mr. CELLER. Correct. I agree most emphatically with the gentleman that they have no right to dictate our policies. We are the sole judges and arbiters of our policies, but I think they have a right—as Japan, for example, has a perfect right—to point out if it might, in its judgment and wisdom, where we might be in error in reference to a policy we seek to adopt, because, after all, we can not erect around this country a Chinese wall and endeavor to exclude nations from across the waters from discussing these matters. We might as well try to keep out the Atlantic Ocean with a groan. It can not be done, and you will find public opinion, even from foreign lands, seeping right into our midst. They should not dictate our policies, but you can not keep out books or magazines or keep out documents which might be effective even in this country for molding public opinion; and, vice versa, what we think of the policies of foreign countries will be also effective within the geographical areas of those countries.

Mr. CABLE. If the gentleman will yield for a question. Does the gentleman think that Japan should limit her protest in the diplomatic manner customary of countries on such questions and not threaten to cancel millions of dollars of contracts they have in the United States?

Mr. CELLER. I think the gentleman from Ohio is extravagant in his claims. I do not believe that Japan has threatened such action. I will say this, that in seeking to cancel the gentleman's agreement with Japan the Immigration Committee has set in motion processes that disturb our friendly relations and has already kindled in the hearts of the Japanese emotions that will threaten the breakdown of the disarmament treaty.

Mr. WATKINS. Will the gentleman yield?

Mr. CELLER. I can not yield. I do not want to be or appear to be rude or discourteous; my time is short.

It is the most vaunted purpose of the majority of the Immigration Committee to encourage assimilation, yet this bill has already done more than anything I know of to bring about discord among our resident aliens. Processes have been encouraged that make for the very antithesis of assimilation. The Italian is told he is not wanted; the Pole is confronted with the stigma of inferiority; the bar sinister is placed upon the Czech and the Russian. Fortunate is the one whose cradle was rocked in Germany or England. The "inferior complex" is now extended to all Europe, save Nordics. The Austrian rubbing elbows with the Norwegian in the subway or on the street is beset with emotions of inferiority. His pride surges within him. He resents the stigma placed upon him. Surely he does not view the favored one with complacency. Does he not rather view him with hatred? Thanks to the ill-considered and improvident Johnson bill; and so race is set against race, class against class.

So the very segregation and clannishness of races sought to be scotched is encouraged. It is passing strange that the Immigration Committee appointed in 1907, and which spent several years on the question, never in its many volumes of reports even suggested discriminatory quotas based upon the census of any year.

Furthermore, this bill and the pseudo-scientific propaganda for it has unleashed the dogs of religious and racial hatred. If proof were lacking as to this, one need only read the testimony of witnesses that appeared before the Immigration Committee.

The war and the present postwar period, both redolent with hysteria, offer the worst possible background for reasoning out the immigration problem. As a result of the ordeal of the war we are still hysterical about immigration. The ultra restrictionist and those behind the Johnson bill claim we are a disunited people. Nothing is further from the truth. The war proved that of all nations in the combat we were the most united. We were successful in welding our many peoples without the use of force or coercion. The methods embodied in the Johnson bill are the forceful methods used by Germany to assimilate her people. We know what ill success attended upon Germany's efforts. It is almost inconceivable that we should be adopting the futile German method.

I am indeed in favor of restriction but not restriction run riot. Let us retain the present law temporarily. Let us appoint an immigration commission (see my bill H. J. Res. 122) to determine and report concerning the complexities of this most intricate problem before we pass a law which shall embody our permanent policy. Then, after a reasonable time, with the hysteria of the war and its aftermath far behind us, we can deliberate this vexatious problem calmly and dispassionately.

I have here, gentlemen, for the information of the House in the short space of time allowed to me, some charts which I desire to exhibit and explain. I do not know whether the gentlemen can very well see the charts. They have been prepared after a great many months of care, and I very carefully and with infinite care myself compared the figures, which in the main have been taken from the records of the United States Census Bureau, with the figures on these charts, and I have found, so far as I could learn, no error.

Mr. HERSEY. Will the gentleman yield? Did the gentleman make these charts?

Mr. CELLER. No; they were made by the National Industrial Conference Board, under the supervision of one Mr. Lutz.

Mr. HERSEY. And is not the work of Government officials?

Mr. CELLER. They are not official charts; but, as I have said before, they are charts which, according to my knowledge, on examination, and having before me the immigration and census figures, I found correct, and that the figures on these charts and the plotted lines are substantially accurate. Now, if you will examine the trend of immigration through the history of immigration you will find that immigration moves in cycles; that it corresponds with business depression or business prosperity. In other words, the law of supply and demand obtains in immigration as it obtains in almost everything else, immigration being more or less an economic problem.

Chart 1 plots an immigration line from 1820 to the end of the fiscal year 1922; that is, July 1, 1923.

This chart shows the general increase in immigration as well as its cyclical movements, which correspond closely to the cyclical movement of business. The panic years—1837, 1873, 1884, 1893, 1907—were each followed by a marked decline in immigration. On the other hand, immigration has been greatly stimulated during periods of business prosperity in the United States. In response to the demand for labor in the period of canal development in the twenties and of railroad building in the thirties of the nineteenth century immigration increased from a level of about 10,000 to over 70,000 per year. The opening of the West with its accompanying opportunities attracted a large number of immigrants from Europe after 1880, when the intensive development of the manufacturing industries of the United States greatly increased the demand for labor and a further augmentation of the number of aliens arriving took place.

This movement of immigrants was further intensified in the first 10 years of the present century. The war period brought with it a sharp falling off in immigration, but by 1920-21 a tendency was shown to approach the pre-war volume. The per cent limit act of May, 1921, restricting immigration from European countries to 3 per cent of the total number of foreign born from each country resident in the United States, as shown by the census of 1910, and supplementing the restriction of previous laws, resulted in a decrease of the total immigration in the fiscal year ending June 30, 1922, to a number somewhat below the total immigration in 1850.

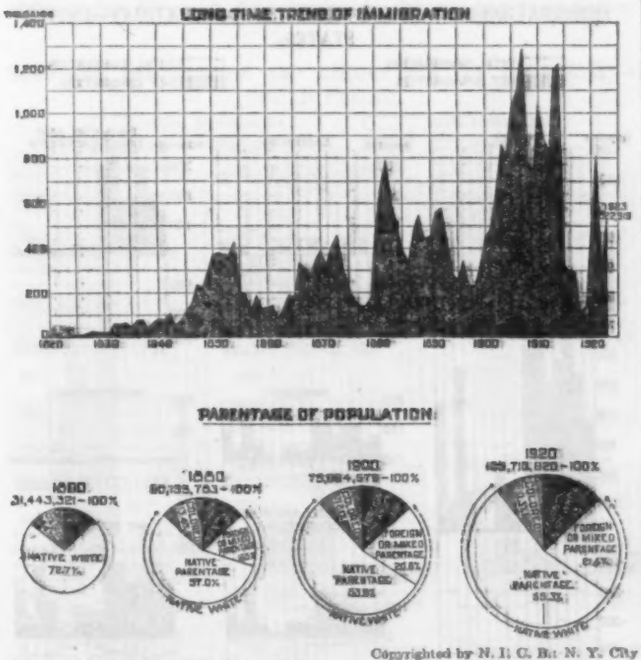
The lower diagram in this chart shows the assimilation of the immigrants into the population. It shows that in spite of the increasing and irregular flow of immigration the proportion of foreign born in the whole population has been practically constant, hovering around 13 per cent of the total population.

This is also true of the native born of foreign parentage. Thus if in 1860, 1880, 1900, and 1920 the proportion of our foreign-born whites was always around 13 per cent, where is the immigration peril we hear so much about?

Reverting to the upper part of the chart, I desire to point out more in detail the relationship between immigration and business conditions during the period from 1900 to 1923. It shows how immigration was checked by the depression in 1900 and 1901, rose rapidly during 1902 and 1903, decreased in 1904, rose again in 1905, 1906, and 1907, fell greatly in 1908, and did not recover in 1909; rose in 1910, fell in 1911–12; and rose again to a very high point in 1913–14. During the war period, of course, there was relatively little immigration, but in 1919–20 immigration was again approaching its pre-war level. The great falling off in immigration in 1921–22 was due to business depression as well as the operation of the per cent limit act, as is shown by the fact that in the next year more than 50 per cent more people entered, even though the same law was in operation.

CHART 1.

IMMIGRATION AND POPULATION—UNITED STATES.



N. I. C. B. Wall Chart Service; March, 1924.

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Sources:
United States Bureau of Immigration.
United States Census Bureau.

Emigration is not affected by business conditions as definitely as is immigration. This is probably due to two facts—(1) business conditions in Europe are liable to be the same as in this country so that nothing would be gained by returning there in the period of business depression, and (2) people probably do not leave this country for the same economic reasons that they came. They probably return largely for sentimental reasons, so that their time of going would not be so definitely affected by business conditions. It is interesting to note from this chart how emigration fell off during the war, contrary to the usual impression that many aliens went home to fight.

Mr. JOHNSON of Washington. Mr. Chairman, will the gentleman yield there?

Mr. CELLER. I regret I can not yield. I do not mean to be discourteous to the gentleman. I will yield after I have exhausted all but 10 minutes of my time.

Mr. JOHNSON of Washington. If the immigration has been 13 per cent, why do you complain when we propose to make it 16 per cent?

Mr. CELLER. There has never been a phantom of an immigration peril in this country at any time, because our foreign population, as I say, was never more than 13 per cent, either in 1860, or in 1880, or in 1900, or in 1910, or in 1920, and very likely it never will be, no matter what our immigration policy may be, above the percentage of 13.

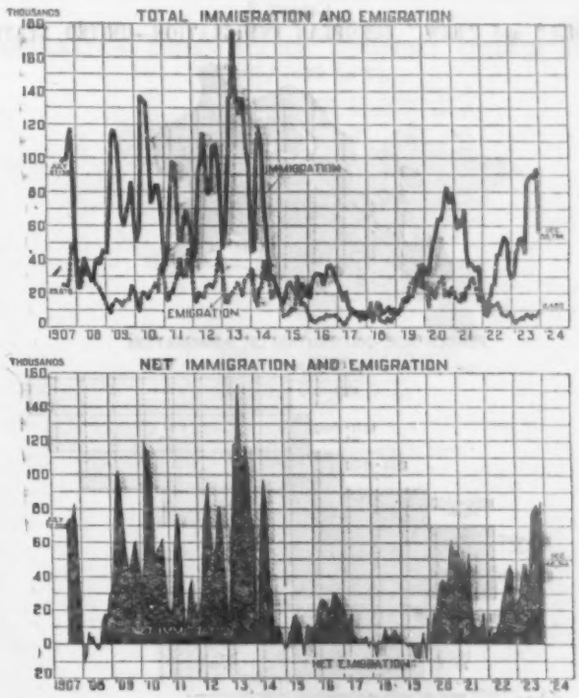
In addition to the cyclical movement, both immigration and emigration show a regular seasonal movement. Each year in the pre-war period, whether immigration is small or large, a high point was usually reached in the summer and a low point in December or January. The operation of the per cent limit act, under which immigration is at present regulated, appears to have slightly shifted the seasonal fluctuation. Since the fiscal year runs from July 1, a desire is created to get into the United States before the quotas have been exhausted, whereas normally immigration has been at its height in the spring and warmer weather.

We find upon a close examination of this chart that the emigrant always comes over here when the weather is most beneficial or agreeable to his natural instincts and habits. For example, the Italian comes over here in greatest numbers when the weather is warm.

This probably might show the inadequacy of the new provision of the new law which provides that the immigration period

CHART 2.

IMMIGRATION AND EMIGRATION (BY MONTHS)—UNITED STATES.



March, 1924.

Copyrighted by N. I. C. B.: N. Y. City.

Source: United States Bureau of Immigration.

shall be for 10 months instead of 5 months, as at the present time. If the immigrant has a tendency to come over to this country when the weather is warmest—that is, in the spring and summer or early part of the fall—I think we should make every effort to make our law consistent with that desire. However, for economic reasons I understand that the proposal provides that the period shall be extended for a period of 10 months instead of 5, as at present.

The commissioner at Ellis Island claims, for example, that his men are overworked if the inspections are condensed into five months, and for that reason contends that there should be a spreading out as much as possible of immigrants passing through the immigration station at Ellis Island. Now, I have purposely brought here the annual report of the Commissioner of Immigration for the last fiscal year with reference to the revenues obtained in the Immigration Service, and we find a very significant statement therein contained that there is a profit, for example, to the Government every year, through the head tax and fines, of $1,019,236.07.

In other words, of the many departments of our Government, at least there is one department that more than pays its way. I say, therefore, if the question is merely one of economy, if we have this surplus and if we take in more than we expend for immigration, we should not consider, with any degree of weight, the argument of the Commissioner of Immigration at

Ellis Island, that if you are going to confine the work to five months you overburden the men. I say that if we have this surplus from immigration we should extend the period over 10 months and employ more immigration inspectors and more immigration employees, because this chart, if anything, shows that the immigrants desire to come into this country only during times when the weather is not inclement.

It would be cruel to force people from warm climates to come into the country and through New York Harbor during the bitter winter weather. I therefore maintain that the period of ingress should not be extended over 10 months, but should be left at 5, as at present.

Figures showing the number of immigrants arriving do not indicate the net increase in population due to immigration, since during the time that large numbers of aliens were coming in there was also a steady exodus of emigrants. Because statistics of emigration were not kept before 1908, however, a yearly comparison of immigration and emigration is available only since that date.

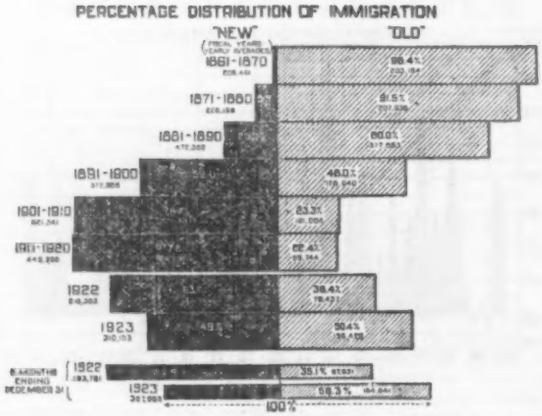
Emigration tends to move both cyclically and seasonally in an opposite direction from immigration. It shows a low rate

CHART 3.

"OLD" and "NEW" EUROPEAN IMMIGRATION—UNITED STATES.



PERCENTAGE DISTRIBUTION OF IMMIGRATION



Copyrighted by N. I. C. B.: N. Y. City

N. I. C. B. Wall Chart Service No. 47, revised to March, 1924.

Sources:

United States Bureau of Immigration
National Industrial Conference Board
Research Report No. 38.

in the spring and a high rate in the last quarter of the year. This seasonal exodus is due to economic influences and closely follows the seasonal fluctuations in industry. Employment in unskilled occupations is at a high level from late spring until early fall, during which period, in addition to factory employment, there are also numerous opportunities for outdoor work on the farms, on roads and public works, and in the building and construction industries. The laborers most affected are the unskilled who are engaged in outdoor work. Like "birds of passage" they leave in large numbers for their native countries on the approach of inclement weather, when they are faced with the prospect of unemployment. This seasonal movement is especially marked in the emigration from the United States to southern and eastern European countries, where winter is the time most favorable for outdoor work.

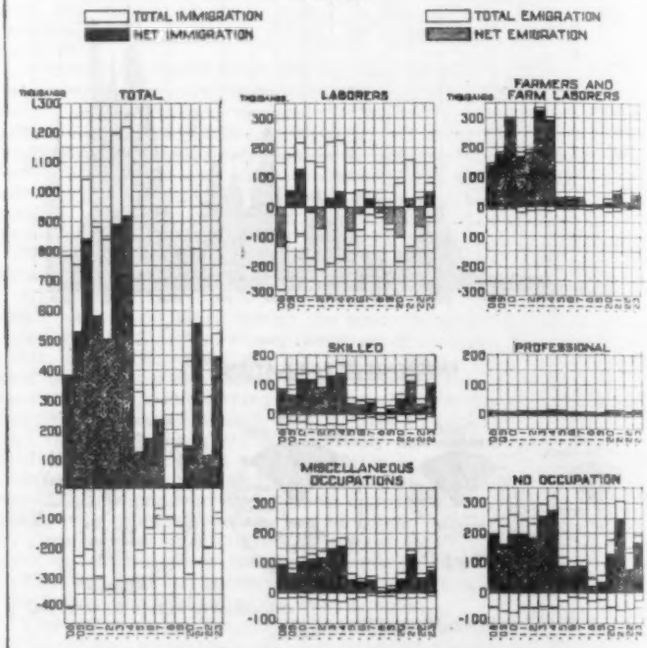
The diagram shows that in the first few months of this fiscal year immigration has for the first time since 1914 reached its pre-war average. Emigration, on the other hand, exceeded its pre-war average in the years 1919, 1920, and 1921.

The lower diagram shows that in only a few periods since both immigration and emigration statistics have been kept has there been an excess if immigration over emigration, and that these have been relatively slight.

The map in Chart 3 shows the countries of the so-called "old" and "new" immigration. The "old" immigration comprises the following countries of northern and western Europe: United Kingdom, Norway, Sweden, Denmark, France, Germany, Belgium, Holland, and Switzerland. "New" immigration comprises all other countries of Europe. The chart shows the percentage distribution of immigration on this basis. It shows that in the decade from 1860–1870 "new" immigration was only 1.6 per cent of the total, but that by the decade 1890–1900 it had increased to over one-half, and in the last decade, from 1911–1920, it was over three-fourths of our total immigration. The per cent limit act of May 19, 1921, so restricted immigration from these countries that in 1922 the proportion was reduced to about 64 per cent, when practically all of the "new" countries took advantage of their full quota and only part of the "old" countries took advantage of their full allotment. With the "old" countries taking more advantage of their full quota, the situation now has been practically reversed, so that in the six months ending December 31, 1923, the portion of

CHART 4.

IMMIGRATION AND EMIGRATION (BY OCCUPATION)—UNITED STATES.



Copyrighted by N. I. C. B.: N. Y. City

March, 1924.

Source: United States Bureau of Immigration.

"new" immigration is only about 44 per cent of the total and that of the "old" about 56 per cent of the total.

Chart 4 shows total immigration and emigration and net immigration by years since 1908. The occupational classification shown in this chart is based on the statements made by the immigrants themselves when arriving or by the emigrants when departing. It probably in the case of immigrants very fairly represents their previous occupation. Whether or not it represents their occupation after they enter this country is another matter. It is, however, very probable that many of the "farmers and farm laborers" do not become agricultural workers in this country, but go to industrial centers and become laborers in factories or mines, so that if they leave they report themselves as "laborers." This may account for the high net immigration of "laborers," as contrasted with the other occupation groups.

The chart on laborers, however, shows, to a very large degree, a tremendous net immigration which is not wholly explained by the above. It is common experience that our dearth of laborers and our intense need for them has not been remedied by the per cent act, and the condition will be made worse under the Johnson bill, which seeks to keep out in the main the Italians, the Poles, the Serbs, the Czechs, and all the others who do our "bull" work.

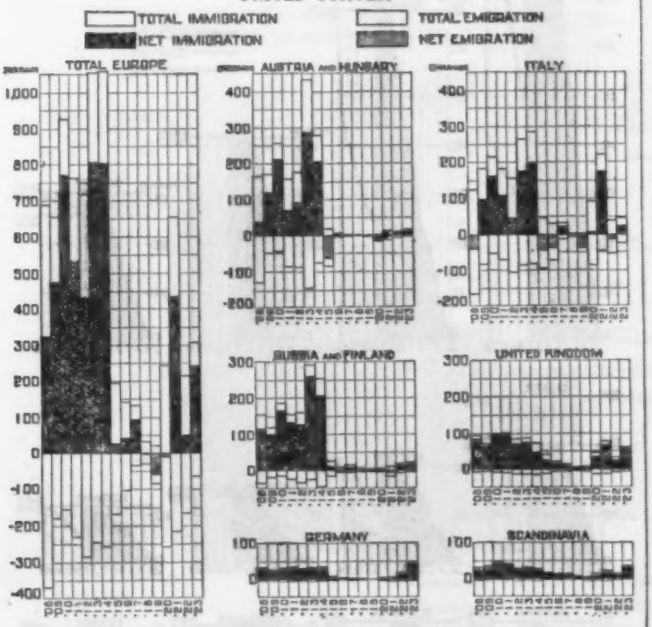
The "skilled" group represents only to a slight extent industrial workers. It is composed largely of clerical occupations

Chief industrial occupations represented are tailoring and dressmaking. "Miscellaneous occupations" represent mainly servants, but also include merchants and dealers, agents, teamsters, fishermen, and so forth. The "no occupation" group includes mainly women and children. Many of these, however, although they have no occupation when they arrive, go at once into some remunerative work in this country.

Chart 5 shows immigration and emigration, and net immigration and emigration for all European countries and separately for the main immigrating countries. It shows that there has been an excess of immigration over emigration from Europe as awhole except in three years, 1918, 1919, and 1920. One difficulty with any figures on immigration based on the country of origin of the immigrants is the change in the boundaries of many of these countries in the post-war settlement. In the chart, for those countries where boundaries have been changed, the post-war figures are based on the present territory and are, therefore, not comparable with the earlier figures. Austria and Hungary include only present Austrian and Hungarian territory. Considerable immigration from Yugoslavia Czechoslavia, and Rumania, which were formerly either in whole or in part included in Austria-Hungary, are now shown with "other Europe." The figures for Russia and Finland are

CHART 5.

EUROPEAN IMMIGRATION AND EMIGRATION (BY COUNTRIES)—UNITED STATES.



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March, 1924.

Source: United States Bureau of Immigration.

reduced chiefly by the exclusion of Poland, which is shown below separately. The chart shows that Italy has the greatest amount of net emigration. Other "new" countries—Austria-Hungary, Spain, Portugal, Greece, Poland, and "other Europe"—likewise show a net emigration in certain years. The "old" emigration countries, on the other hand—United Kingdom, Germany, Scandinavia, France, Belgium, Holland, and Switzerland—show very little emigration and no net immigration at all.

Reverting to the net immigration, for example, of Italy, it has been charged that the Italians come here, get their store of worldly goods, then go out of the country and spend their money, or rather our money, in Italy.

Now, I do not see anything very wrong in that, and why? They built the subways; they did the rough work; they erected our buildings; they did the things which no other races will do. When they go out they probably do take our money, but they do leave the subways and they do leave the buildings. Let us also recognize this fact: I was recently in conversation with New York Supreme Court Justice Cotillo, who made an extensive tour in Italy, and he tells me that the coming of Italians from this country to Italy has awakened a desire among the Italian population for all manner and sorts of American-made goods. There is a vast number of Singer sewing machines, for example, on the other side; phonographs, Ford cars, and all sorts and kinds of automobiles. There is a constant desire on the part of those who have returned to live there in the state and manner in which they lived in this country. If they had automobiles here and sewing machines and phonographs, they want the same mechanisms on the other side, thereby encouraging considerable trade relations between this country and Italy.

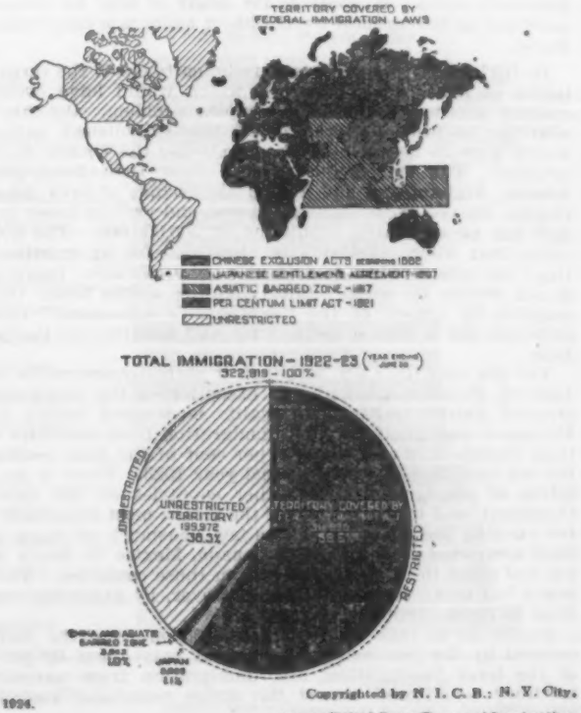
When the per centum limit act was passed on May 19, 1921, there already was legislation restricting immigration from certain Asiatic countries.

The following discussion of restriction of Asiatic immigration is from the National Industrial Conference Board Research Report No. 58, page 59.

From the early fifties up to the time of the Supreme Court decision of 1876 the State of California had attempted various methods for limiting Chinese immigration. Congress, however, was interested in suppressing the Chinese slave trade rather than in restricting Chinese immigration to the United States. In 1862 a law was passed to prevent American vessels from engaging in the coolie or slave trade. This was directed especially at such trade between China and the West Indies.

CHART 6.

IMMIGRATION—UNITED STATES. TERRITORY COVERED BY IMMIGRATION LAWS.



March, 1924.

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Source: United States Bureau of Immigration.

In 1868 the Burlingame treaty, destined for an important rôle in international relations, affirmed the right of voluntary migration of Chinese to the United States, but denied them the right of naturalization. A subsequent treaty with China in 1880 established the right to suspend immigration of Chinese laborers, with certain exceptions, for specified periods of time. The Chinese exclusion laws of 1882 and 1884 definitely fixed the period at 10 years. Their provisions were renewed in 1892 and again in 1904, to remain in force until replaced by other legislation.

By 1906 the question of Japanese immigration had become acute in the Western States, and in that year the demand was made for legislation similar to the Chinese exclusion acts in order to prevent the entrance of Japanese laborers. In the immigration law of 1907 a provision was inserted to the effect that the President might refuse admission to any aliens making use of passports to the insular possessions, the Canal Zone, or any country other than the United States in order to gain admission to continental United States. The President took advantage of this provision and by proclamation excluded—

Japanese or Korean laborers, skilled and unskilled, who have received passports to go to Mexico, Canada, or Hawaii and come therefrom.

By the so-called "gentlemen's agreement" of 1907 between the United States and Japan the two Governments were to cooperate to secure the effective enforcement of this regulation. Japan was to continue her existing policy of discouraging emigration of her nationals and was to issue passports only to nonlaborers or to laborers who were "former residents" of the United States, "parents, wives, or children of residents," and "settled agriculturists."

House bill 6540 seeks to abrogate the "gentlemen's agreement."

Permit me at this point to quote from a leading periodical:

It is certainly both unnecessary and mischievous to meddle with the existing status of Japanese immigration. What is known as the "Japanese question" is almost the most delicate in our entire field of foreign relations, and there is great danger to our peace through foolish jingoism in that regard. The "gentlemen's agreement" has been scrupulously observed by Japan and has admittedly been satisfactory to the United States. By it we actually control both the amount and the kind of Japanese immigration. The National Committee on American Japanese Relations points out that since the inauguration of this policy—from 1909 to 1923—22,737 more Japanese men left the United States (including Hawaii) than entered it; that the net increase by immigration of Japanese into the continental United States during those 15 years was 8,681, consisting of women and children. If there are minor defects in the "gentlemen's agreement," they can easily be remedied by diplomatic action. It would be the height of folly for Congress to overthrow an international treaty without notice to or consultation with Japan.

In 1917 effective measures were taken to check the threatened influx of East Indian laborers, which would have eventually created another serious and complex problem. On this occasion the so-called "barred zone" was established, natives of which were to be excluded from entering the United States as laborers. The zone includes India, Siam, Indo-China, parts of Siberia, Afghanistan, and Arabia, the islands of Java, Sumatra, Ceylon, Borneo, New Guinea, Celebes, and various lesser groups, and has an estimated population of 500,000,000. The act provides that where exclusion is "provided for by existing treaties" the geographical exclusion is not applicable; hence China is not within its scope. Japan likewise comes under this exemption by reason of the "gentlemen's agreement" of 1907, although she is within the latitude and longitude of the barred zone.

The per cent limit act, although it normally covers the entire Eastern Hemisphere, with the exception of the previously restricted Asiatic territory, in reality is directed mainly at the European immigration. The immigration from countries other than Europe was only about 2 per cent of the total covered by the per cent limit act in the fiscal year 1923. There is no regulation of immigration from other countries on the American Continent, and this gives one of the means most frequently used for evading the operation of the law, inasmuch as many aliens from restricted territory go to Canada, Mexico, or South America and enter the United States from those countries. The proposed bill seeks to remedy this, however, by extending restrictions to those countries.

In the fiscal year 1923 the immigration from the territory covered by the per cent limit act was only about 60 per cent of the total immigration, and immigration from unrestricted territory constituted almost the entire remaining amount, or about 38 per cent of the total.

Chart 7 shows the number of persons who have entered from each of the specified countries during the three years' operation of the per centum limit act. It shows the aggregate number from the first year up to any date. Thus in 1921–22 only 5 of the 12 countries shown filled their quotas. The United Kingdom filled a little more than half of her quota and Germany only about one-fourth of hers. In 1922–23, however, practically all of the countries filled their quotas except Germany, but many of them not until near the end of the year. In the present fiscal year, however, the quotas for all 12 countries shown have already, in a little more than six months, been completely filled.

Now, there again we find something which must be correlated with the economic and political conditions which obtain in the countries of those nationals. We know, for example, that England filled her quota this year and last year, but not the year before. Why? There exists in England at the present time and has for a considerable period a business depression. People are not satisfied with the conditions obtaining in England. There is a labor government there, and there was a tendency for the last two years to see the labor government coming, and there was fear that conditions would not remain constant in industry, with the result that there has been a constant coming over here of Englishmen.

During the first year of operation of the per centum act business and economic conditions were better and there was less unemployment, and that is why the English did not come over here that year. There was no need. There were plenty of jobs there. We know, for example, that at the present time Germany has filled her quota; and why? There has been an utter collapse of the mark, causing all sorts and manner of ramifications in industry to the detriment of industry in Germany, and therefore those who are dissatified in Germany come over here to better themselves.

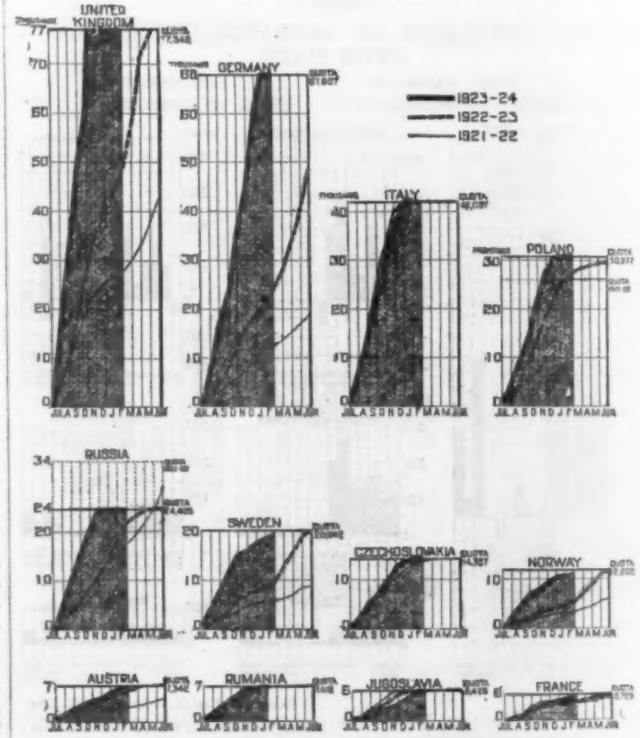
Now, it does not follow, as day follows night, for example, that there will be "bad times" for all time in England and in Germany during the operation of the per centum act. When better times come, for example, in Germany, nothing will induce the German immigrant to come here. Thus, despite the quota and the "benevolent neutrality" we assume toward Germany, his Nordic lordship may not be enticed to leave his domain on the Rhine.

As to Sweden, there is the same operation of economic law. That country is now suffering from financial troubles—hence

CHART 7.

IMMIGRATION UNDER PER CENTUM LIMIT ACT—UNITED STATES.

(To February 29, 1924.)



N. I. C. B. Wall Chart Service: March, 1924.

Copyrighted by N. I. C. B.: N. Y. City.

Source: United States Bureau of Immigration.

the exodus of Swedes to this country. They remained in Sweden during the first year of the per centum act when jobs were plentiful.

Chart 8 shows the foreign-born population of the United States at the various census periods, divided up according to country of birth. These countries have been grouped in the chart and shaded according to classification of "old" and "new" immigration. It shows a corresponding situation by that shown in the immigration figures in chart No. 3. It shows that in 1880 almost three-fourths of the entire foreign white population was from the United Kingdom and Germany, and that only a very small proportion was from the "new" immigration countries. As the immigration from the "new" countries, however, became greater and greater, the proportion of persons of these nationalities in the population steadily increased, until in 1920 this group made up about 46 per cent of the total as contrasted with the countries of "old" immigration which were represented by about only 40 per cent of the total foreign white population.

(While the main point of the chart has been discussed above, it is interesting to note that throughout this whole period the proportion of the foreign white population from countries out-

side of Europe has remained practically constant.) The function of the chart is to show the importance of the year chosen if the distribution of the foreign population at any period is to be chosen as the basis of immigration selection.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. CELLER. I ask for five minutes more.

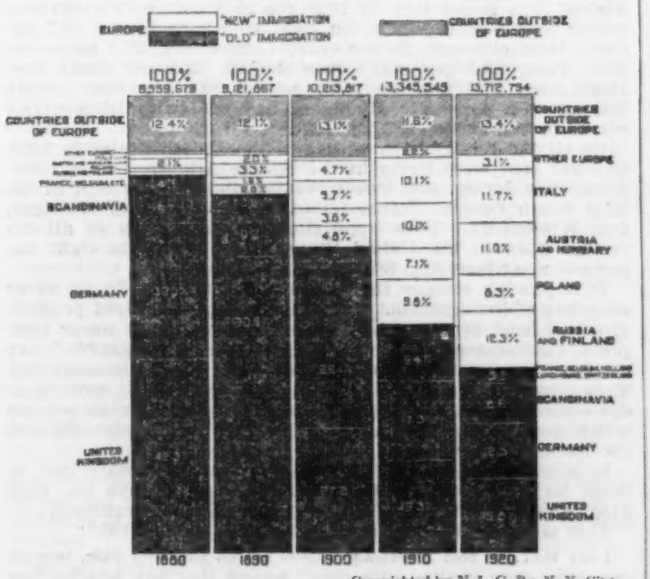
Mr. BYRNS of Tennessee. I yield the gentleman five additional minutes.

Mr. CELLER. This is a very interesting chart, showing the proportion of old and new immigration from 1880 to 1920. Let us center our attention on the column 1890. The black represents the proportion of "old" or Nordic immigration. The white represents the "new" or non-Nordic immigration. The portion hatched represents immigrants from countries outside of Europe. The Johnson bill harks back to the census of 1890. Measure with the eye the part of the column that is white. How does it compare with the part of the column that is black? Is it not like a pigmy unto a giant? This graphically discloses the utter discrimination between "old" and "new" immigrants contained in the Johnson bill.

I must remind the distinguished gentlemen of the Immigration Committee of what Bobby Burns once said: "The best-laid schemes o' mice an' men gang aft a-gley."

CHART 8.

NATIONALITY OF FOREIGN POPULATION—UNITED STATES.



Copyrighted by N. I. C. B.: N. Y. City.

March, 1924.

Source: United States Census Bureau: Census of Population

I see that my time is almost up, and I am very anxious to explain this chart, which is most significant.

It is difficult to lay down a standard of assimilation. When has an alien completely taken on the color of his surroundings? It is, indeed, difficult to say. The processes of so-called Americanization is necessarily imperceptible, like the blending of darkness into dawn or twilight into night. Most people may argue that a rough but clear test is the duration of the alien's residence prior to taking out final naturalization papers; his political renunciation and adoption of the new country is then completed.

John Palmer Gavit, author of Americans by Choice, of the Americanization series, in examining some 26,000 petitions for final naturalization in 28 Federal and State courts in cities scattered all over the country, has put forth some very illuminating statistics concerning naturalization. These statistics—embodied in Chart No. 9—have been approved by the Senate Committee on Immigration, Sixty-eighth Congress, first session. This chart shows that, contrary to the usual opinion, the greatest desire to become naturalized, and thus a great avidity to show civic and political interest is not shown by the nationalities of "old" European immigration—Nordics—but by those of "new" immigration—Alpines, Mediterraneans, and non-Nordics.

It would, indeed, repay one to correlate the above figures with the quotas contained in the Johnson bill. That bill bears most heavily against those nationals who most quickly naturalize, and is most benevolent to those nationals who naturalize least readily.

We find—for example, as to Greece—that the average stay of a Greek in this country before he takes out his final papers is 8.6 years. The average stay of a Russian is 9.6 years; Rumanian, 9.8 years; Hungarian, 9.9 years; Hollander, 10.1 years; Dane, 10.2 years; Austrian, 10.5 years; the Finlands, 10.5 years; Turkey in Europe, 8.1 years; and Turkey in Asia, 8.5 years.

Leaving out Turkey for reasons which I will explain later, we have nine countries whose nationals remain here a period less than the average period, and of those countries we find only three of the so-called older immigrants and six, or twice the number, of the so-called newer immigrants.

Now, what is the situation higher than the 10.6 years? We have nine countries whose nationals remain a longer period than the 10 years, and who are they? We find, for example, that the Scot remains here 10.6 years, the Norwegian 10.8 years, and that the Italian is the only one of the "new" immigration that remains longer than the average period, namely, 11.4 years. The English, German, French, Swiss, Swede, and Canadian remain here longer than 10 years before they take out their naturalization papers, and the Canadian remains here 16 years,

CHART 9.

APPLICATION FOR CITIZENSHIP (BY NATIONALITIES)—UNITED STATES.

(Year Ending June 30, 1914.)



Copyrighted by N. I. C. B.: N. Y. City.

March, 1924.

Source: Carnegie Corporation of New York: Americanization Studies

and yet we presume in this bill to bend in favor of those who stay here a longer period of time before they show a desire to become a part of our body politic, and bend most heavily against that type and class of immigrants who have been doing the "bull" work of this country and who remain in this country less than the period of 10 years before they take out their naturalization papers, and thus show a greater desire, therefore, and a greater avidity to interest themselves in our politics, in our economics, in our general weal and welfare.

There is a good test. If we want to make a test with reference to assimilation, there is a test which will stand all strain. It is an acid test. We say, for example, that we should take in only those who have a desire to become assimilated in our population. I say that those newer immigrants by taking out their naturalization papers sooner than the old immigrants deserve more beneficent treatment at the hands of the Immigration Committee than they have received in the bill proposed.

Mr. CABLE. Mr. Chairman, will the gentleman yield?

Mr. CELLER. The Secretary of Labor has stated that he was willing to restrict immigration in proportion to total naturalization; that is, he would take at a given time the total number of our naturalized citizens, discover what proportion of that total number were, for example, English, and

then permit that proportion of English nationals to enter the country.

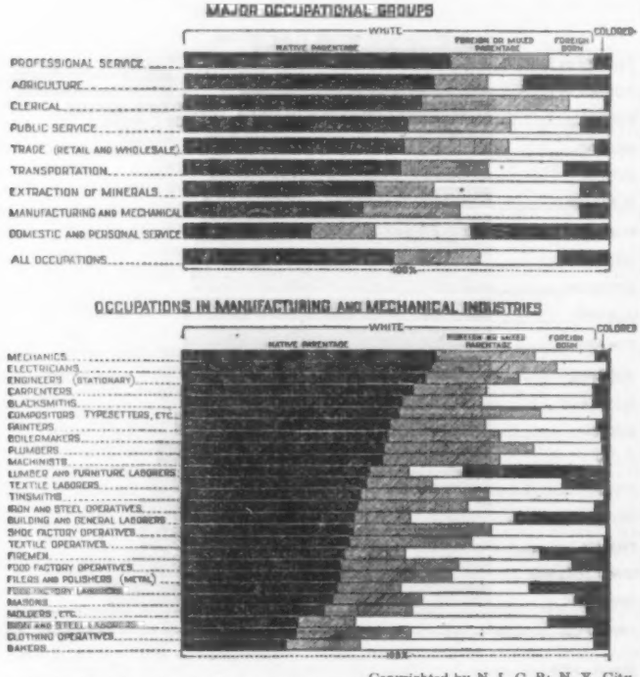
I, for one, would be satisfied to accept naturalization figures, but not naturalization figures based upon the proportionate number of nationals that have naturalized. That would be entirely unfair. For example, about 63 per cent of all the English in this country have become naturalized and almost 73 per cent of all the Germans. They have been here longest and should, indeed, have a larger percentage than that. The Greeks have a low percentage of about 17; the Poles about 28; the Italians little over 28; but they have been here only a short period of time and did not have the golden opportunities that were available to the old immigrants, that is, those from the western and northern parts of Europe, by virtue of their longer stay and their earlier immigration here. No, the only just naturalization test is the duration of their stay before they take out their final papers.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. CELLER. I should be very glad to yield to the gentleman from Ohio if I could get more time.

CHART 10.

PARENTAGE OF PERSONS GAINFULLY OCCUPIED (BY OCCUPATIONAL GROUPS)—UNITED STATES: 1920.



Copyrighted by N. I. C. B: N. Y. City

N. I. C. B. Wall Chart Service: March, 1924.

Source: United States Census Bureau: Census of Population.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. CELLER. Under leave granted to extend my remarks I present Chart 10.

The black portions of the bars, to the left, are those gainfully occupied of native parentage. The hatched portions of the bars are those of foreign or mixed parentage. The white portions of the bars are those foreign born. The black portitons of the bars to the right are those gainfully employed of the Negro race.

Run the eye along the hatched and white portions of the bars and see the industrial or occupational contribution of the foreign white stock in our midst.

The figures shown in Chart 10 are taken from the census of occupations. In some occupations the foreign born are more prominent in America than in others. If the major occupational groups alone are considered it is found that in 1920 white persons of foreign stock, including both foreign and native born of foreign or mixed parentage, outnumbered the native whites of native parentage in the manufacturing and mechanical industries in the ratio of about 5 to 4, in the mining and metalliferous industries in the ratio of about 12 to 11, and in domestic and personal service in the ratio of about 6 to 5. On the other hand, the native whites of native parentage in 1920 outnumbered the whites of foreign stock in the ratio of almost 3 to 1 in agriculture, 6 to 1 in professional occupations, 5 to 4 in clerical occupations, about 5 to 4 in transportation and in public service, and about 10 to 9 in wholesale and retail trade.

In the lower part of the diagram the proportion of the native and foreign born is shown for specified occupations in manufacturing or mechanical industries. It shows the rather obvious fact that the unskilled occupations have a higher proportion of foreign workers and that the more highly skilled occupations are made up chiefly of the native born of native or foreign-born parents.

Anyone familiar with the immigration problem knows that immigrants as a group are faced with the necessity of finding work immediately. They tend to settle in or be drawn to those sections in which the industries are concentrated and in which chances for employment are greatest. The natural preference of immigrants for living among their own kind or for certain occupations has also affected their distribution. The population census of the United States shows that, while in 1920 the foreign-born whites constituted 13 per cent of the total population, they comprised over one-fourth of the population of the New England States, over one-fifth of the population of the Middle Atlantic States, and about one-sixth of that in the East North Central States. Taking the more important industrial States, it is found that in 1920 the ratio of the foreign-born whites to the total population was: In Rhode Island, 28.7 per cent; Massachusetts, 28 per cent; Connecticut, 27.3 per cent; New York, 26.8 per cent; New Jersey, 23.4 per cent; New Hampshire, 20.6 per cent; Minnesota, 20.4 per cent; North Dakota, 20.3 per cent; Michigan, 19.8 per cent; Illinois, 18.6 per cent; Wisconsin, 17.5 per cent.

Of all the foreign-born whites in the United States in 1920, 35.8 per cent were living in the Middle Atlantic States (New York, New Jersey, and Pennsylvania) and 23.5 per cent in the East North Central States (Ohio, Indiana, Illinois, Michigan, and Wisconsin). Thus approximately three-fifths of all the foreign born in the United States were located in eight important manufacturing States.

It is passing strange that the above-mentioned States never complain of immigration. They are probably the most progressive and most prosperous of all our States. They never complain, furthermore, that the immigrant is "indigestible," nor do they discriminate between "old" and "new" immigration. They know only too well that the mighty leveler, upward or downward, as the case may be, are their splendid public schools which make thoroughgoing Americans of the immigrants and the immigrants' children.

It is quite fashionable, although erroneous, to state that in these large industrial and immigration centers like the East Side, New York City, for example, radicalism is rampant.

This is what Roosevelt said of the East Side in 1904:

> I say that the best American citizens are on the East Side, because they bring their idealism with them; because they love America they are willing to sacrifice everything for America.

Does not radicalism flourish as well among natives as aliens? Bill Hayward, Eugene V. Debs, and William Foster are Anglo-Saxons. Rhode Island, our most alien State, has the least socialistic vote. The I. W. W. organization is, primarily, a native organization. Nor is radicalism limited to non-Nordics. New Zealand probably has the highest form of State socialism and is peopled almost totally by Nordics. The spread of radicalism is due not to the coming of any particular class of aliens but to industrial discontent. Grinding the faces of workmen, be they native or alien, is the primary cause.

It is significant that Mr. Sherman Rogers, associate editor of the Outlook—the Outlook is ultraimmigration restrictionist—despite our vast alien population, has recently observed the wane of radicalism in this country. He had discovered this on his recent 19,000 mile trip through various sections of the country.

Speaking February 16, 1924, before the National Republican Club, he said:

> The change was marvelous. I don't believe that there has been a period in the last 25 years when there was as great a confidence and cool-headedness displayed by the vast majority of business men, farmers, and workmen as during 1923. Radicalism that was rampant not only among workers but among farmers in 1922 was strikingly lacking last fall. * * * So far as radicalism in America is concerned, the hysteria of a few years ago has practically disappeared.

Might I not observe that this pleasant change is due to our industrial prosperity? And that this prosperity is created, as

well as shared in, by all the peoples that make up our population, be they of the Nordic, Alpine, or Mediterranean races?

I fear these remarks have assumed undue length. You perhaps are exhausted by this time, although I assure you the subject is inexhaustible. Before concluding I must, however, let fly a shaft at Dr. Harry H. Laughlin and his "alleged" "Analysis of America's Melting Pot." Just as a drunkard's face is splotched with red stains, so Laughlin's report is splotched and soiled with wholesale inaccuracies and failure to consider factors that destroy the value of his conclusions. This report makes out a very bad case, indeed, for our immigrants, especially for the new immigrants, if it could be considered true. It purports to be a survey of our social inadequates in our custodial institutions. In the first place, it covered only 445, whereas there were 657 institutions in 1921, the date of his work. Secondly, its inclusion of the negro population in the figures, without due consideration and correction of the fact that there are comparatively few custodial institutions in the South that care for negroes except in criminal cases, has led him to silly conclusions. For example, he says that there is less tuberculosis among blacks than whites, less insane, feebleminded, epileptic, less blindness, deafness, deformity, dependency.

I ask my southern colleagues, "Does this square with your everyday experience?" The whole thing is absurd. The 1921 mortality statistics of the United States census shows a tuberculosis rate of negroes of 244 per 100,000, against a rate of approximately 86 per 100,000 for whites. The census figures are too accurate for Laughlin. He is the kind of pseudo-scientist who likes to force his conclusions, trusting to luck that no one will check him up. The Immigration Committee's chairman admitted to me that the facts concerning the negro had thrown askew all the figures contained in the report. Thousands upon thousands of copies of this report have been sent broadcast throughout the country. It purports to prove Nordic superiority. Now I ask the chairman of the committee what he did when he discovered these errors in the report. Did he send thousands upon thousands of copies of any statement of his admitting these errors throughout the country, or did he remain supine and fail to enlighten the country? No, indeed, the Nordic spell should not be exorcised. I earnestly and respectfully ask the chairman of the Immigration Committee to explain.

Mr. BYRNS of Tennessee. Mr. Chairman, I yield 20 minutes to the gentleman from South Carolina [Mr. BYRNES].

Mr. BYRNES of South Carolina. Mr. Chairman, on Monday last Mr. Charles M. Schwab, chairman of the board of directors of the Bethlehem Steel Co., which company controls the Bethlehem Shipbuilding Corporation, had a conference with President Coolidge, after which he announced that he had told the President among other things—

that business men are anxious to proceed with development, but development and extensions have been held up by the uncertainty due to this hysteria and the holding up of the administration's tax-reduction program.

He said further that—

he could say with certainty that the whole steel industry and those sections of Pennsylvania where they are situated are strong for the President for another term.

In determining whether Mr. Schwab's statements are the views of an unselfish political supporter or the views of a man who is seeking favors at the hands of the administration the President owes it to himself to read the story of the claim of Mr. Schwab's corporation against the Shipping Board as disclosed in official reports of the board. Of course, it may be only a coincidence that within a week after the appointment of a committee to investigate the Shipping Board Mr. Schwab confers with the President to advise him that the investigations are causing hysteria and are retarding business.

In common with all citizens of this country I hope for a continued improvement of business conditions, but if, in order to drive corruption out of government it is necessary to disturb business, then I am in favor of disturbing business. [Applause.]

But there may be an explanation of his conduct in the following facts:

During the war Mr. Schwab who controlled the Bethlehem Shipbuilding Corporation was made Director General of the Emergency Fleet Corporation. Necessarily he had to transact business with his own corporation. The relationship should have prompted him to be overscrupulous in seeing to it that the Government was protected in all dealings with the Bethlehem Corporation. I was one of those who believed he faithfully discharged that trust, but the Shipping Board reports have disillusioned me and will disillusion others.

After the war when Mr. Schwab had severed his connection with the Shipping Board the Bethlehem Shipbuilding Corporation filed with the board claims amounting to $13,377,403.28 on account of ships requisitioned or contracted for. Mr. Lasker, then chairman of the board, assigned to the investigation of the claims Mr. W. M. Bullitt, one of the attorneys of the board. Consideration of the matter makes it difficult to tell whether Mr. Bullitt was representing the Bethlehem Corporation or the Government. After investigating for nearly a year he filed a report recommending that the Government pay Bethlehem $5,982,874.83 instead of the $13,000,000 claimed by Bethlehem. The report concluded with the hope that action would be promptly taken in settlement.

Mr. Lasker and Mr. Bullitt presented the report to the Claims Committee composed of members of the board of which ex-Senator Chamberlain was chairman. Senator Chamberlain announced it would be investigated just like all other claims. It was, and the report of the Claims Committee was that instead of the Government owing Bethlehem either $13,377,403.28 as claimed by them, or $5,982,874.83 as recommended by Mr. Bullitt, that Bethlehem actually owed the Government $11,048,659.85. That was a difference of only $24,000,000 between the amount Mr. Schwab stated the Government owed him and the amount the Shipping Board determined Mr. Schwab owed the Government.

This report upon consideration was found to be so convincing and so just that every member of the board, including Mr. Lasker, voted to adopt it, and on June 12, 1923, instructed the legal department to proceed to collect from Bethlehem the $11,000,000 due to the Government.

Are you surprised at Schwab opposing investigations? He has had too much investigation of this one claim to suit him. Instead of getting away with $13,000,000 of the money of the people, he is being called upon to return $11,000,000 he has already gotten away with.

One hundred and nineteen ships were contracted for by Bethlehem under a contract providing for payment of the cost, plus a fixed fee for profits, and an additional provision for one-half of any savings below the amount estimated in the contract as the cost of the ship. Who suggested this form of contract I do not know. I sincerely hope that Schwab as director general did not suggest it for the contracts with his Bethlehem corporation. To illustrate: If the contract fixed the estimated price of the ship at $1,000,000, a fixed fee of, say, $100,000 was agreed upon, and then if the ship was completed for $900,000 instead of $1,000,000, that was regarded as a saving of $100,000, and the Bethlehem company would get one-half of that saving, or $50,000.

It is apparent that in such a contract the important thing was to fix the estimated cost of the ship very high so as to make savings possible.

And how well Mr. Schwab's corporation worked along this line can be gathered from the joint report of Admiral Bowles, manager of the steel-ship construction, and Captain Radford, manager of the contract division, filed at the time these contracts were made:

We wish to place on record the fact that the Bethlehem Shipbuilding Corporation's representatives have insisted on comparatively high prices for these vessels; that they have only with difficulty been persuaded to quote us on the types of ships referred to, and their attitude has been characterized by an arbitrary refusal to stand behind delivery dates. * * *

While the prices we have agreed to with representatives of the Bethlehem Shipbuilding Corporation are not satisfactory to us, nevertheless they represent a material reduction from the prices quoted by that corporation. Realizing the Nation will need these vessels, we have been actuated by the belief that further delay in placing the contracts should be eliminated, and we believe that we have made the best compromise possible under very difficult conditions.

In other words, taking advantage of the necessities of the Government in its hour of peril, the price fixed in the contracts as the estimated cost of the ships was fixed so high as to cause these two officials to file such a report with the Shipping Board.

With this understanding of how Bethlehem selfishly worked and succeeded in placing excessive amounts as the estimated cost, let us look at the profits. On a total cost, without profit, of $136,008,054 Bethlehem claims profits amounting to $29,159,782, or 21.44 per cent. It amounts to profit per deadweight ton of $45.15.

These profits are just four times as much as the profits paid to other shipbuilders. Taking 11 companies constructing ships for the Government, the average profit per deadweight ton was $10.82 as against the $45.15 claimed by Bethlehem. It must be

remembered that the other companies had no representative acting as Director General of the Shipping Board. Bethlehem did.

We have heard much complaint about the contracts providing cost plus 10 per cent. What about this Bethlehem corporation claiming cost plus 21 per cent? Of course, this excessive profit is arrived at through the provision allowing half savings, which amounted to $14,000,000. To allow Bethlehem cost plus 21 per cent would give encouragement to every Shylock in the Nation in time of war. When cost plus 10 per cent is allowed as recommended by the board, Bethlehem owes the Government $11,000,000.

Mr. Schwab asserted the justice of this position as to all other contractors. As director general he repudiated 134 contracts with the American Shipbuilding Co., because he thought the profits excessive and merged them into a single contract providing a cost plus 10 per cent profit. Writing Mr. Hurley of his achievement, he stated:

I think that this readjustment is a fair one and that it will prove an object lesson to any other contractors who think they can take advantage of us to obtain excessive prices for ships.

It was a lesson to all except himself. Director General Schwab could prevent others from taking advantage of the Government, but Director General Schwab apparently could not prevent President Schwab of the Bethlehem Co. from taking advantage of the Government.

Mr. Schwab then took the position that in time of war no contracts were binding where excess compensation was exacted. In his letter to Mr. Hurley he boasted:

I immediately sent for Mr. Farr and demanded that he consent at once to a reduction in the price of his contracts * * *. Mr. Farr demurred at making any reduction, so that, acting on Mr. Cuthell's advice, I told him we would amend all his contracts so as to limit his company to what we considered to be just compensation * * *. Mr. Farr then agreed that he would execute binding agreements modifying all his contracts so that in no event would his company make in excess of 10 per cent profits.

Now, the same Mr. Schwab objects to amending the contracts he made with his Bethlehem Corporation. Mr. Farr, of the American Shipbuilding Co., ought to be employed to handle the claim of the Government against the Bethlehem Co. in order to properly impress Mr. Schwab.

In a letter from Mr. Farr to Mr. Hurley in September, 1918, he stated "Mr. Schwab stated that he had advised President Wilson that he thought the shipbuilders should be entitled to 10 per cent profit."

The shipbuilders, he advised President Wilson, should receive only 10 per cent profit, and yet when he comes to his own corporation he demands not only 10 per cent but cost-plus 21 per cent profit.

There is another phase to this case. Mr. Schwab left the Fleet Corporation after the armistice. But just as soon as Mr. Lasker was made chairman he evidently concluded that the Fleet Corporation could not function without a representative of Bethlehem, so he made Mr. J. W. Powell, vice president of the Bethlehem Corporation, the president of the Fleet Corporation. Before the Appropriations Committee Mr. Powell stated that he had an interest in the claims pending against the Shipping Board by Bethlehem, but as an official of the board would have nothing to do with them. The hearings show the following:

Mr. DICKINSON. What are the claims for?

Mr. POWELL. I don't know; I have not even wanted to know that much about it. I have no idea.

Mr. LASKER. I doubt if they have any claim that the Shipping Board can allow, from what I have heard from some who claim to know.

Mr. POWELL. They had a valid claim all right at the time I left them.

Some might be disposed to believe that the stenographer had made a mistake, but we must recall that the manuscript is submitted to a witness before it is printed by the Committee on Appropriations.

One second he had no idea what the claim was about and the next second he was sure they had a valid claim when he left. Let us see if he was interested. The employee of the Shipping Board who was most familiar with the facts in connection with this Bethlehem claim was an examiner, Mr. Tilden Adamson. While working on the case he was suddenly notified that he was discharged. He reported the fact to a member of the board, and several members inquired of Mr. Lasker the cause of dismissal. They were informed that Mr. Powell wanted Adamson discharged because Adamson kept a diary of conversations had with members of the board. When informed of it Adamson denied it and demanded proof. It was not forthcoming, and as members of the board demanded fair play, Adamson was retained and is to-day in the employ of the board. He continued to work with the Claims Committee until the completion of the report.

In trying to discharge Adamson was Mr. Powell, the former vice president of Bethlehem, representing the Government or the Bethlehem Shipbuilding Corporation?

But there is another angle to this case. On June 12, 1923, the board unanimously called on the legal department to proceed to collect the $11,000,000 from Bethlehem. In September, 1923, the Department of Justice informally asked for more information about the claim. The report of the Claims Committee was exhaustive, but the Attorney General evidently wanted more information. Four months later this information had not been furnished by the Shipping Board, but a few weeks ago I was told that it would be furnished within a few days. One attorney was placed in charge of securing the information, and then was taken off the work to do so many other things that he could not prepare the information desired. When nine months after the board demanded action, nothing has been done toward bringing suit to recover the $11,000,000, one is forced to wonder as to the forces that are at work to delay action in recovering this money.

I know that this is campaign year. I know that with this $11,000,000 claim pending against Bethlehem Mr. Schwab and the directors and stockholders of Bethlehem will be disposed to be exceedingly generous; in fact, Mr. Schwab shows evidence of generosity in his statement pledging the whole steel industry to Mr. Coolidge for another term. But I do not want the Department of Justice and the Shipping Board to forget this little claim. Five years have elapsed since the armistice. The claim ought to be settled. If $100,000,000 is needed for the soldiers' bonus next year, you can get one-tenth of it out of this Bethlehem claim, and I know of no source from which the boys would rather have it come. If, as in the oil cases, any friends of Mr. Daugherty are in the Bethlehem Corporation, and he is embarrassed at all, let the President employ special attorneys and proceed to collect.

The Government has not hesitated to proceed against the individual who owed $100 on his income tax. It has not hesitated to force dependent mothers who during the war received overpayments, to reimburse the Government. Now, let the Government proceed, before the election, to bring suit to recover from Bethlehem the unconscionable profits extorted by them when the Nation was in peril.

Four years ago we heard the slogan, "Less government in business; more business in government." Little progress has been made in eliminating government from business, and too much progress has been made in putting into government the wrong kind of business. Instead of putting this kind of business into government, let us put a little old-fashioned honesty into government. [Applause.]

Mr. BYRNS of Tennessee. Mr. Chairman, I yield 15 minutes to the gentleman from Tennessee [Mr. BROWNING].

Mr. BROWNING. Mr. Chairman and gentlemen of the committee, some time ago the Democratic conference in the House named five Members of our ex-service men to confer with the Ways and Means Committee on the form and substance which we should have for an adjusted-compensation measure. I was one of those men. We went before that committee and each insisted on a twofold plan for an adjusted compensation, that the soldiers should have the option of either a paid-up insurance or cash, as they saw fit. When it came to the determination in that committee as to what the plan should be every one of the 11 Democratic Members on the committee voted for a cash option, together with 1 Republican Member, the gentleman from New York [Mr. CROWTHER]. That cash option was defeated in that committee 13 to 12, and this House is overwhelmingly for a cash option, and——

Mr. MADDEN. Mr. Chairman, I think I shall have to make a point of order against the gentleman's statement. I do not think it is permissible under the rules of the House to state how anybody voted in committee.

Mr. BROWNING. All right. I will say the newspaper reports gave it that way if that will be satisfactory to the gentleman, and I also have other reliable information to that effect.

Mr. RANKIN. Does the gentleman from Illinois [Mr. MADDEN] deny that to be a fact?

Mr. MADDEN. I say it is not permissible under the rules to make such a statement.

Mr. BROWNING. If it is not permissible under the rules to make such a statement, I will say that that is how the newspapers reported it.

Mr. DAVIS of Tennessee. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. DAVIS of Tennessee. I think that what the gentleman from Illinois said would be true in regard to members on a committee disclosing what transpired in the committee, but my colleague from Tennessee is not a member of that committee. He is speaking from information in reference to this matter.

Mr. MADDEN. I am perfectly satisfied with the statement he made as to its being a newspaper rumor.

Mr. BROWNING. I can say that is not the only source of my information——

Mr. MADDEN. I do not think the gentleman was in the committee——

Mr. BROWNING. I was not in the committee in executive session, but I was when they had the public hearings.

Mr. MADDEN. Then the gentleman does not know that to be the fact.

Mr. BROWNING. That is a matter of information.

Mr. MADDEN. That is all right, but the gentleman can not make the statement that he knows positively as to how they voted.

Mr. BROWNING. I do not intend to claim that I was in the executive session of the Ways and Means Committee, but I will state further to the gentleman from Illinois that I do not believe that statement will be denied by anyone on this floor, that it is a fact.

Mr. TINCHER. Will the gentleman yield?

Mr. BROWNING. I will.

Mr. TINCHER. Does the gentleman mean that he is authorized to state that all the Democratic members of the Ways and Means Committee are for a bonus, for a cash bonus?

Mr. BROWNING. I will state from information and belief that each Democratic member of the Ways and Means Committee voted for a cash option in a bill to be reported out.

Mr. TINCHER. For a bonus?

Mr. BROWNING. So far as their vote is concerned on that measure it received the unanimous——

Mr. TINCHER. There were some changes.

Mr. BROWNING. I will state to the gentleman that he can obtain the definite information on that if he will persuade the organization on his side of the House to take off the gag rule which, it has been indicated here this morning, would be placed on us.

Mr. TINCHER. Does the gentleman say the gag rule was placed on him by his consent this morning?

Mr. BROWNING. No, I do not say that, but I will say that the indications are that we will have to take it in the one way in which it is brought up or not at all. Mr. Chairman, I refuse to yield further. I have a speech in my system which I want to deliver.

Now, this morning we are informed this measure is to be brought in with no cash option in the bill. In other words the ex-service men of this Nation are still treated as pygmies and as babies, and should not be paid that which this Government so justly owes——

Mr. RANKIN. If the gentleman will permit, the gentleman from Kansas [Mr. TINCHER] said that the gentleman from Tennessee [Mr. BROWNING] had a right to object to this gag rule this morning. He did not have the right to do anything of the kind. If he had objected, it would have moved it up to Monday instead of Tuesday.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. BROWNING. I will.

Mr. CHINDBLOM. It is also true, of course, that there will be a larger attendance on Tuesday than on Monday, and anybody objecting to the passage of the proposed legislation under the suspension of the rules will have a better chance to defeat it with a smaller than a larger attendance.

Mr. BROWNING. Well, I will say to the gentleman from Illinois that if he will assure me that we will have a chance for this bill to be brought out at an early date, a special rule that will permit amendment and debate, I will vote against the suspension of the rules.

Mr. CHINDBLOM. I will tell the gentleman how he can get the consideration of that bill under the ordinary rules of the House, and that is to vote against the motion to suspend the rules and pass the bill, and if the bill fails to pass under suspension it will certainly come up under the general rules of the House.

Mr. BROWNING. How soon? We do not want to smother it, but want the bill passed.

Mr. CHINDBLOM. As one member of the Committee on Ways and Means, I would be in favor of bringing it in as soon as it can be brought up.

Mr. BROWNING. I thank the gentleman for that assurance. I will ask the gentleman if he is for a cash bonus?

Mr. CHINDBLOM. I am not for a cash bonus; I am for the present bill.

Mr. BYRNS of Tennessee. If I might be permitted to remark, the gentleman from Illinois is not in charge of the proceedings of the House. We are dependent upon a few gentlemen upon the other side who constitute, I suppose, the steering committee to say what shall come up and what shall not come up.

Mr. CHINDBLOM. I do not pretend to be in charge of this side of the House, but the gentleman [Mr. BROWNING] spoke to me, or rather asked me a question, and I answered it as best I could.

Mr. CARTER. Well, the gentleman who is speaking understands, certainly, that the only way the bill could come up in a regular manner would be by placing it on the calendar and letting it take its turn; and there would not be much opportunity afforded for its coming up.

Mr. BROWNING. If we vote against a suspension of the rules we are at a very far distance from getting this measure before the House unless the gentleman can assure me that it will be brought out under a special rule to permit amendments and debate.

Mr. CHINDBLOM. I can not say whether this bill, coming from the Committee on Ways and Means, is privileged or not. Revenue bills generally have a privileged status. Whether this particular bill will have a privileged status I do not know.

Mr. BROWNING. Of course, if the gentleman can not give me any information on the subject I should prefer to proceed in my own way.

Mr. POU. Mr. Chairman, will the gentleman yield?

Mr. BROWNING. Yes.

Mr. POU. Everybody understands that the ex-service men are going to be buncoed by this Congress, and what is the use of having any foolishness about it? [Applause.]

Mr. BROWNING. Yes. I wish to protest at this time against what I consider a gross injustice to the House. I know that on the Democratic side of the Chamber the vast majority of the Members want to do these men justice in the right way, and I believe the majority on the other side do; but I do not think it fair that the House shall be subjected to the criticism that will come to us if we undertake to give something that is an absolute abortion under the guise of adjusted compensation. [Applause.]

Mr. CHINDBLOM. Mr. Chairman, does the gentleman care to yield?

Mr. BROWNING. I would prefer not to.

The CHAIRMAN. The gentleman declines to yield.

Mr. BROWNING. The principle involved in adjusted compensation long since has been definitely established in the minds of a vast majority of the American people. They have decided the question in favor of a payment to the ex-service men part of the wages they would have commanded had they been free to seek employment at prevailing prices during the war. And the people are trusting Congress to carry out the solemn mandate of public opinion.

More than five years have elapsed since the crack of the last gun sounded the end of a gruesome and staggering conflict. More than five years the heroes of that struggle have known the overwhelming verdict of their Nation, but have seen the execution of this judgment delayed without justification. And they have witnessed for the past three months the most wicked and diabolical contrivances ever perpetrated on a nation flaunted brazenly to defeat what they consider a matter of eminent justice to them.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. BROWNING. Yes.

Mr. SNYDER. The gentleman calls this bill "an abortion." I agree with him. Will the gentleman vote for the bill?

Mr. BROWNING. If I can not get any better one I will.

Mr. SNYDER. Well, I will not.

Mr. BROWNING. With those who oppose adjusted compensation because they consider it a price placed on patriotism, and an attempt to value the personal sacrifices of these men, I have no quarrel. I just respectfully differ with them. We all agree that their unselfish and hazardous offering placed on the Nation's altar can not be measured in money. But I have yet to see the consistency of placing a financial penalty on a man who for the sake of duty placed his body in front of the spearpoint of danger in defending a cause common

to us all. I have yet to encounter one convincing argument that this man should arbitrarily be paid a pittance while others just as vitally interested in the outcome, and equally qualified for similar service, are having flattering wages lavished upon them. I confess I can not follow the logic of those who are insisting in substance that because his mission was fraught with dangers and untold hardships he must not expect a remuneration in any measure approaching his fellow countryman who sought unhampered the biggest wages ever known in our marts of trade.

There is no argument impugning the motives of the ex-service men who have insisted on some adjustment of this discriminatory result that would not brand every man who accepted a dollar a day while fighting as an unpatriotic ingrate because he had deigned to touch the dollar as a return for his service to his country. Those who refer to this as a "raid on the Treasury" are thereby pouring upon the head of every man who wore the uniform the unction of infamy because he was paid.

When we came out of the war with 23,000 more millionaires than we entered it we heard no loud denunciation of these shrewd individuals as being unpatriotic. On November 11, 1918, the War Department had uncompleted contracts outstanding of $6,700,000,000. It cost the Government approximately $3,400,000,000 to adjust these claims with contractors. Yet no one called them unpatriotic because they demanded and received this adjustment. One billion seven hundred million dollars has been paid by the Government to the railroads for adjustments and guaranties growing out of the war. Vast amounts were expended in adjustments by the Navy Department and the Shipping Board. These matters have aroused no wave of censure of those who benefited. Only the men who fought have been singled out and taken to task for even presuming they should recoup a part of their financial losses because of the war. They are being called mercenary, while all other elements without reflection are replete by adjustment.

I concede the right of our great Government to commandeer the services of a citizen to fight during a war. And I maintain that same right attaches to every citizen during a war for a necessary purpose, and also to every resource under our national jurisdiction. I concede the wisdom of the method used to select men for the fighting, since the job had to be done. Young men are preeminently fitted above all others for the rigors of war. But we should remember that at the time of their selection those of us who were under 21 and over 31 years of age were in a vast majority. We should remember further that these men had no voice in the fixing of their remuneration; and, be it said to their everlasting credit, they did not quibble over their scant allowance in the face of national peril.

Mr. HUDSPETH. Mr. Chairman, will the gentleman yield?

Mr. BROWNING. Yes.

Mr. HUDSPETH. The gentleman is a member of the American Legion, is he not?

Mr. BROWNING. Yes, sir.

Mr. HUDSPETH. Are they fooling the ex-service men by making them believe that they are giving them a real bonus? The American Legion boys do not believe that they are going to give them a real bonus?

Mr. BROWNING. I do not think so.

Mr. HUDSPETH. After the next election the Democratic Party will give the ex-service man a real bonus. [Applause.]

Mr. BROWNING. I will say to the gentleman that if the Congress expects to get rid of this question, since the men feel that they are entitled to a real adjustment, it had better realize now that 90 per cent of the men want cash and are entitled to it, and they will not let us rest until we give them the right kind of an adjustment.

Adjustment with others has been made on the ground of either contract or moral obligation on the part of the Government to protect the financial interest of those who employed their resources and efforts to further the cause of the war, either voluntarily or under compulsion. It can not be said that these men are bound by contract to what they have already received. A contract is always an expression of the will or the intent of the party to be bound.

So I rest my contention on what I verily believe to be the untainted collective judgment of the ex-service men of the Nation, as well as the overwhelming verdict of the American people, that the Government is under moral obligation to discharge a belated debt of justice and gratitude. As a Member of this House, with me that obligation has the binding power of a promise, a contract, an oath, or a vow. I make no distinction between legal and moral duty. Whether it be an obligation of conscience, of affection, or of law should make no difference. God grant that the time may never come when a burning sense of duty is too feeble to induce the Congress of the United States to comply with a national obligation!

Some men in the service actually received nothing for months at a time. I have known them to make compulsory allotments of a part of their salary, pay for insurance, and receive the startling sum of 50 cents to use as they saw fit for a month's service.

There is a large class of these men who entered the service in as robust condition as men ever grow. They performed almost superhuman tasks of endurance and exposure and physical exertion. Many the times they wondered if it were possible to carry their burden a step farther. They inhaled poisonous fumes; they underwent the nervous strain of battle's shock and roar. Naturally these ordeals wore away and undermined their constitutions. But they never cracked under the strain; they waived all opportunities to complain after the job was finished, through anxiety to get home. Since then the natural law of retribution has taken its toll out of their lives, and they are falling by the wayside. When in good faith they have applied for the benefits provided for the disabled they have heard the inflexible decree, "Not connected with the service." The payment of this debt would alleviate in part the unfortunate handicap of these men and cause them to think possibly the Government on whose altar they laid their health and their peace of mind is not ungrateful.

The good will of more than 4,000,000 men is a matter not to be scorned with indifference. These soldiers have a right to believe that under any fair comparison of relative values of service they have been discriminated against. They know now that there has been a deliberate conspiracy on the part of the Secretary of the Treasury, aided and abetted by a ruthless combine of financial buccaneers who have grown bold and arrogant on the wine of privilege. Figures are juggled in the Treasury to show in turn a deficit or a surplus to meet the exigencies of their designs.

In my judgment any Member of this House with a sense of fair play, with a decent respect for the truth, regardless of his convictions on the principles involved, can vote for adjusted compensation, and thereby do less violence to his conscience than if he should line up with these apostles of duplicity and falsehood to vote against it. The plans used to smother the measure through coercion and deception have been base and their execution unscrupulous. Their contention that no tax reduction can be had if this measure is passed has no relation to the truth. And the official responsible for the agitation to this effect has debased and subverted the Treasury Department to his greedy and selfish personal use.

We either owe this debt or we should disavow it. If we owe it, as I am insisting that we do, we should pay it just as we meet every national obligation, with money. This Government is not so weak or poverty stricken that it must offer chips and whetstones to those who have a claim for services rendered. A great part of the primary purpose of adjusted compensation has already been defeated by unwarranted delay, at the time above all others when they needed it most. Now we are asking them to accept assurance that their estates at their death will receive the money they have earned. Even if a man can borrow money on an insurance policy you are forcing him to pay interest for the use of money the Government owes him. This is a matter highly personal to these men. Ninety per cent of them want the cash to invest as they choose. A vast majority of them need it now to pay debts; to help bring comfort to a home, or to tide themselves over the rough places until they can get on their feet. What right has Congress to persist in acting as guardian and dictator for these men in relation to their property? They have proven themselves worthy of trust while holding the fate of the world in their hands. Can we not now intrust to their keeping that which belongs to them without hobbling it with infinite conditions?

I am for a cash option to those who desire it. One billion dollars will pay all who apply for cash. This will remove the necessity for the creation of a new bureau to become a hotbed of graft and scandal. This, with an option of paid-up insurance, will satisfy all the ex-service men of America. They will be satisfied with nothing less. They have a right to ask to be paid in money if they prefer it.

Mr. RAKER. Mr. Chairman, will the gentleman yield?

Mr. BROWNING. Yes.

Mr. RAKER. I have listened attentively to what the gentleman has said. Taking his view upon it, why should not those of us who are in favor of a bonus, defeat, on the motion to suspend the rules, the bill they are going to bring in here, and then compel them to come back and pass a proper bonus bill?

Mr. BROWNING. If I could have any assurance that we can compel them to come back and pass a decent bill, I will be with the gentleman.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. BROWNING. Yes.

Mr. SNYDER. Why do not you use this new rule that was adopted awhile ago, and see how it will work?

Mr. BROWNING. We have no assurance that we can get a special rule that will give us an opportunity.

Mr. RAKER. I hate to vote for a suspension of the rules when, under the gentleman's statement, I would stultify myself by trying to vote for what the ex-service men desire.

Mr. BROWNING. As to the men in this House who really favor adjusted compensation, I do not want to put them in the light, by my insistence, of going back to their constituents and telling them that they defeated the chance to get a vote on adjusted compensation when they claim that they see merit in this bill.

Mr. RAKER. You do not see any merit in it?

Mr. BROWNING. I think it is next to the best we can get, but I do not think it is adjusted compensation. I think that 90 per cent of the men want the money for their services that they are clearly entitled to. [Applause.]

It is absurd to say the burden would be oppressive. A few days ago this body voted to give back to the income-tax payers $232,000,000 of last year's taxes which by the argument broadcast to the Nation by the Mellonites had already been passed on to the consumer by the rich taxpayers; and I have no doubt such is largely the case, except as to earned incomes and salaries. Yet Congress makes them a straight gift of this fat sum without any visible sign of a seared conscience. This would be enough, with the $100,000,000 surplus left in the Treasury, already on hand, to pay one-third of the entire amount in cash, which some would have you believe will bankrupt the Nation.

Why not face this question under the light of truth? Why not be done with giving these men false assurances that next time their debt will be paid? Why not restore the good will and confidence of the flower of our manhood in this great Government? To make them feel that gratitude does not rest on their ability to do future service but springs from the deep sense of obligation for past sacrifices on their part will be worth far more to the Nation than the funds required to meet it. They feel that they have been ruthlessly attacked by those who have spoken disparagingly of this proposed adjustment. They believe they have witnessed the thing once known as lip proclamation of patriotic pride in them turned to the slanderous abuses of envy and selfishness. That is why they are now demanding what they conceive to be eminent justice.

I repeat that because patriotism can not be measured in money is no reason for penalizing those who have proven to be its embodiment. This obligation is fixed in the minds of an overwhelming majority of the American people. They will rightly denounce any plan or scheme to thwart its immediate payment in an honorable manner, namely, in money, as all debts are discharged.

This is a test of whether we still hold in our hearts a warm and friendly feeling toward a benefactor; whether we have kindness awakened in us by a favor received; whether we are willing to live the professions of gratitude that once fell from our lips. An Army more than 4,000,000 strong, together with the millions whose hearts are just where they stood on November 11, 1918, is waiting for your answer. If the enemies of a real adjusted compensation measure succeed in defeating the will of the people, these men have left to them the pledge of all faithful hearts that their unselfish devotion shall not be forgotten so long as men worship at freedom's shrine. [Applause.]

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. BARBOUR. Mr. Chairman, I yield myself 15 minutes.

The CHAIRMAN. The gentleman from California is recognized for 15 minutes.

Mr. BARBOUR. Mr. Chairman and gentlemen of the committee, I desire to take a little time of the committee to call attention to a situation that exists in the country to-day—a condition, gentlemen, which in my opinion strikes at the very foundation of our form of Government.

I am advised that on March 8 the Committee on the Census of the House of Representatives met and determined that it would not report out an apportionment bill at this session of Congress, in fact, decided that it would not consider an apportionment bill before the next session, which convenes in December, 1924. What reasons prompted the committee to adopt this course, I do not know; but, whatever the motives, the action of the committee should not have the approval of this House.

Article I, section 2, of the Constitution expressly provides that Representatives and direct taxes shall be apportioned among the several States which may be included within this Union according to their respective numbers; that the actual enumeration shall be made within three years after the first meeting of the Congress of the United States, and within every subsequent term of 10 years, in such manner as they shall by law direct. The actual enumeration was made as directed by law in 1920 and the population of the several States was determined. More than three years have elapsed since the count was completed, yet during that time Congress has failed to do its plain duty and to apportion Representatives in the manner directed by the Constitution.

This plain disregard of the direct mandate of the Constitution should not be permitted to continue further. It is the duty of this Congress to pass an apportionment bill with the least possible delay. The legislatures of most of the States will meet in January, 1925. If apportionment is postponed until the next session of Congress, it can hardly be expected that a bill can be passed in time for the legislatures to redistrict their States. Delayed action simply means that the situation will continue to grow worse.

Because of the failure of Congress to do its duty in this matter, a situation exists in the House of Representatives that is in direct violation of the Constitution and should not be tolerated by fair-minded Americans. No matter at what number the membership of the House might be fixed, there are States to-day enjoying a relative representation in this House to which they are not entitled, while other States are deprived of their just representation in this body. The census of 1920 gave to the State of Washington a population of 1,356,621; to the State of Connecticut, 1,380,631; and to the State of Nebraska, 1,296,372. Yet, by the failure of Congress to act, the States of Washington and Connecticut are represented in this House by 5 Members, while the State of Nebraska, with a smaller population, has 6. The last census showed that the population of California was 22,806 more than that of the State of Missouri, yet to-day Missouri has 16 Representatives in Congress while the State of California has but 11. The States of California, Iowa, and Kentucky each have at the present time 11 Representatives in Congress, yet according to the last census California's population was more than a million in excess of either Iowa or Kentucky. Michigan and Indiana each have 13 Representatives in the House, but under the census of 1920, the membership of the House remaining the same, Michigan would be entitled to 15 and Indiana to 12.

These are but a few of the inequalities that exist, but they are sufficient, nevertheless, to demonstrate the unfairness and injustice of the present situation.

The States of California, Connecticut, Michigan, New Jersey, North Carolina, Ohio, Texas, and Washington are to-day being denied the relative representation in the House of Representatives guaranteed to them under the Constitution, while the States of Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Mississippi, Missouri, Nebraska, Rhode Island, and Vermont are enjoying a relative representation to which they are not in any way entitled.

It is not my purpose to do any State an injustice or to deny to any State the representation to which it is entitled, but I do insist that it is the duty of this Congress to accord to all of the States the representation to which they are entitled and to prevent injustice being done to any of them. How long is this inequitable and unfair condition to be permitted to exist? Is the Congress to remain inactive while large portions of our population continue to be deprived of their just representation and other sections continue to be overrepresented? This situation can not go on indefinitely. It should have been corrected three years ago, but Congress has failed to act. Such failure is, to my mind, inexcusable and can not be condoned.

It has been argued that the number of Representatives of any State should not be reduced. Nevertheless that has been done many times heretofore. In 1830 Kentucky had 13 Representatives; to-day it has 11. In 1830 Maine had 8; to-day it has 4. In 1810 Vermont had 6, and it now has 2. Eighteen States have heretofore had their congressional representation reduced by various apportionment acts, several of them more than once. The total membership of the House was reduced in 1840. It was not until 1880 that the practice of apportionment so that no State would lose any of its Representatives became an apparent policy of Congress. Prior to that time it was common to reduce the number of Representatives in various States. The result of the policy of taking care of the States so that none of

them shall lose Representatives is that the House has reached, if not passed, its extreme limit in membership for proper functioning.

There can be but one reason for further delaying the passage of an apportionment bill, and that is local expediency, and local expediency should not be permitted to stand in the way of the general welfare or to prevent Congress from carrying out the express mandate of the Constitution.

It has been contended that the last census was taken under abnormal conditions; that there was at that time an unusual movement of population from the country districts to the cities; that the trend has since been back to the country, and a subsequent census would show a different condition as to population in some of the States. The movement of rural population to the cities has been going on for a considerable period of time. It was not peculiar to the year 1920. The last census fairly represents conditions at the time it was taken. It is the only basis upon which Congress can act; and even though an abnormal movement of population did exist, it can not be taken as an excuse for the failure by Congress to do its duty under the Constitution.

In the apportionment following the census of 1910 the membership of the House was increased from 391 to 435, the present number. If the membership had been retained at 391, the same States that would now lose Representatives in an apportionment, based on the present membership of the House, would have then lost Representatives, except Vermont, Mississippi, and Louisiana, and they would have about held their own. This to my mind clearly demonstrates that there was no greatly abnormal drift or movement of population from rural to urban in 1920.

I desire to call attention to another existing inequality due to the failure of Congress to pass an apportionment bill. In November of this year we shall hold a presidential election. Presidential electors will be chosen in each of the States, and by their votes the President and Vice President will be chosen in accordance with the Constitution. Article II, section 1, of the Constitution provides that—

> Each State shall appoint, in such manner as the legislature thereof may direct, a number of electors equal to the whole number of Senators and Representatives to which the State may be entitled in Congress.

One of the very purposes of this provision was that the Electoral College should be representative of the population of the various States, and to base the number of electors from each State as nearly as practicable upon the population of that State.

What is the situation that confronts us in the coming presidential election? Nebraska, with a population less than that of Connecticut or Washington, will have a greater voice in the election of the next President than either Connecticut or Washington. California, with a population larger than that of Missouri, will have about two-thirds as much to say about who shall be President as Missouri. California, with 3,426,000 population, will have no greater voice in the selection of a President than Iowa, with 2,404,000, or Kentucky, with 2,416,000. Michigan's 3,668,000 population will have no more to say in the next election than Indiana's 2,930,000, and so on down the line. Certain States will wield a greater influence in the next presidential election than other States having a larger population.

The Committee on the Census should report an apportionment bill, or the rules of the House should be invoked to discharge the committee. I realize that owing to the fact that primaries will soon be held in many of the States, an apportionment immediately effective would cause much confusion. For that reason the act should not become effective before March 4, 1927.

Mr. RANKIN. Mr. Chairman, will the gentleman yield?

Mr. BARBOUR. Yes.

Mr. RANKIN. The gentleman has just used as one of his arguments the statement that a reapportionment bill would readjust the vote in the Electoral College. Now he says it should not take effect until March 4, 1927.

Mr. BARBOUR. My friend from Mississippi misunderstood me. We understand each other on most questions, but in this instance the gentleman from Mississippi misunderstands me.

I pointed out that the situation as to the Electoral College exists because of the failure of Congress to apportion heretofore. I am not arguing that we should apportion now so that we can have an equality of representation, you might say, in the next presidential election. That, to my mind, is now impossible.

Mr. RANKIN. This reapportionment, then, if it should take place in December, would have the same effect as a bill passed now, would it not?

Mr. BARBOUR. But there is no assurance that we will have any bill, even next December. My friend from Mississippi knows as well as I do that for the past three years I, for one, have been working to force a bill out of the committee and the gentleman from Mississippi has stood at the bridgehead and blocked the way.

Mr. RANKIN. Will the gentleman yield for a personal question?

Mr. BARBOUR. Yes.

Mr. RANKIN. I understand the gentleman is in charge of the time. Will he yield me five minutes when he gets through?

Mr. BARBOUR. I am temporarily in charge of the time, but I am sure the gentleman can get time on his own side of the aisle.

Mr. RANKIN. No; the time has been exhausted, I will say to the gentleman.

Mr. BARBOUR. I will say to my friend from Mississippi that I do not know how the time has been allotted, but I am quite certain that if I have said anything that does not meet with his approval he will soon be able to get time to reply to the statements I have made.

Mr. RANKIN. The gentleman means before the bill comes up?

Mr. BARBOUR. Probably.

Mr. MACLAFFERTY. Will the gentleman yield?

Mr. BARBOUR. Yes.

Mr. MACLAFFERTY. I happen to be a member of the Committee on the Census and also to be a Representative from a State which is entitled, on the basis of the census of 1920, to three additional Congressmen. I am firmly of the belief that it is not the intention of the Census Committee that we shall be permitted to apportion at any time during this Congress. For that reason would it not be well for my friend to take notice of the fact that there is at the Speaker's desk a petition directing the discharge of this committee and the bringing of such a bill on the floor of the House, thus giving the people of the United States, as they may be located in different States to-day, representation where they have not that representation now?

Mr. BARBOUR. I will say to my friend from California that only to-day I received a California newspaper—and I have received others—severely condemning the action of the Committee on the Census. They feel that with the population they have in that State—and in other States which have grown in population—they are entitled to an increased number of Representatives in this body.

Mr. RANKIN. Will the gentleman yield further?

Mr. BARBOUR. Yes; for a question.

Mr. RANKIN. I wonder whether the gentleman knows that it has been suggested that what California lacks in quantity of Representatives is made up in quality, and that, therefore, California is pretty well on a par with other States. [Laughter.]

Mr. BARBOUR. I am willing to concede that the quality of California's representation is reasonably good.

Mr. MACLAFFERTY. Will the gentleman yield to me in order that I may make a statement to the gentleman from Mississippi?

Mr. BARBOUR. Yes.

Mr. MACLAFFERTY. I want to say, in response to the statement made by the gentleman from Mississippi, that he made the same statement in committee and that I, as a Representative from California, cheerfully agreed—as all California Representatives agree—that we do make up in quality what we lack in quantity, but unfortunately our constituents are unwilling to concede it.

Mr. BARBOUR. I did not assume for a moment that my friend from Mississippi was paying me a personal compliment.

Mr. RANKIN. I did not refer to the statement made in committee because I was afraid I might be divulging a secret and that the gentleman from Illinois [Mr. MADDEN] might make a point of order.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. BARBOUR. Mr. Chairman, may I have one more minute?

Mr. MADDEN. Mr. Chairman, I yield the gentleman one additional minute.

The CHAIRMAN. The gentleman from California is recognized for one additional minute.

Mr. HASTINGS. Does the proposed bill increase the membership of the House?

Mr. BARBOUR. No.

Mr. HASTINGS. It retains the same number?

Mr. BARBOUR. Yes. In conclusion, I contend that Congress can not in justice longer postpone an apportionment of Representatives under the census of 1920. We have a duty which we can not avoid. It is for the Congress to fix the number of Representatives, but whatever is done in that regard, we can no longer follow a do-nothing policy and avoid our plain duty under the Constitution without meriting the condemnation of all fair-minded persons. [Applause.]

Mr. HERSEY. Will the gentleman yield for a question?

Mr. BARBOUR. Yes.

Mr. HERSEY. Under the census of 1920 the House attempted to make an apportionment, did it not?

Mr. BARBOUR. Twice.

Mr. HERSEY. First by a bill making the membership 483, which would increase it as we have been doing for 100 years, and yet the gentleman now addressing the House opposed that measure with all his might, although that measure would have given California her increase, would it not?

Mr. BARBOUR. It would have given California five; but I took the position then, as I take it now, that this body is large enough. Four hundred and thirty-five Members are enough for the proper conduct of the business of the House.

Mr. HERSEY. But the gentleman opposed that bill, did he not?

Mr. BARBOUR. I did not oppose the bill, but I offered an amendment reducing the number from 483 to 435, and then I voted for 435.

Mr. HERSEY. Then we had a bill proposing to increase the membership to 460.

Mr. BARBOUR. Yes.

Mr. HERSEY. Which would have taken care of California.

Mr. BARBOUR. It would have taken care of California, but California is not looking for a large number of Representatives.

Mr. HERSEY. Did the gentleman oppose that bill?

Mr. BARBOUR. I voted to recommit that bill, because I am opposed to increasing the number of the House.

Mr. HERSEY. That bill was defeated, was it not?

Mr. BARBOUR. It was recommitted to the committee; but I stood then for 435 Members of the House and I now stand for 435 Members. That is an entirely different thing from refusing to pass any apportionment bill.

Mr. HERSEY. I do not think an apportionment should be made under a census taken four or five years ago, because the population has radically changed. Does not the gentleman think we ought to have another census of the population before we make an apportionment?

Mr. BARBOUR. We already have one, taken in 1920. Because Congress has failed to do its duty after a census is taken is no reason why the country should be put to the expense of now taking another census. We already have one which so far we have failed to act under.

Mr. HERSEY. But that can not be considered as reliable.

Mr. BARBOUR. Everybody who has looked into it knows that it is reliable.

Mr. MADDEN. Mr. Chairman, I yield two minutes to the gentleman from New York [Mr. MACGREGOR].

Mr. MACGREGOR. Mr. Chairman and gentlemen, it is not very often I get mad, but once in a while I can not quite restrain myself. I get the Wall Street Journal every day for the purpose of finding out what the plutocrats are doing and what they are saying. It is probably the worst Bolshevik paper in the United States. I do not take so much umbrage at its continually casting slurs and opprobrium upon Congress and Members of Congress, but when it goes outside of that and proceeds to make such remarks as are contained in the editorial column of last Wednesday I think then it is high time that somebody should say something with reference to this pernicious journal. In the fore part of this editorial there is this language:

> In the quest of a soldiers' bonus its advocates in Washington are making a last desperate offensive from their Hindenburg line. Congressman GARNER thinks that the matter should be "settled" in the interest of the country's business. But to grant these panhandlers their unearned and indefensible dole would settle nothing.

Such language as that with reference to our soldiers who went across to fight the battles of our country and to save the property and fortunes of these gentlemen who are interested in this particular kind of a newspaper is contemptible. It seems to me that any man who would write that stuff and put it in a newspaper should be immediately fired from the paper. I think he is worthy of all the censure that any people can place upon him, and I for one want to take exception to any such remarks being made in any publication in this country with reference to the boys who went to fight our fight. Anybody who makes a statement of that kind is a cur.

Mr. BYRNS of Tennessee. Mr. Chairman, I yield to the gentleman from New York.

Mr. STENGLE. Mr. Chairman, in a few days the House will be called upon to pass judgment upon the request of the postal employees of our country for a living wage, to decide whether or not loyalty and faithfulness to public duty shall receive its just reward, and to vote upon a measure which will have as its ultimate end the lifting of untold burdens which conditions and circumstances have placed upon the shoulders of thousands of efficient Government servants who uncomplainingly play a most important part in our daily life and activities.

Who is there among us that desires to crush faithful service? Who wants any servant, either in public or private employment, to labor without deserved compensation? Who, in this enlightened age, hopes to annul the scriptural injunction that "The laborer is worthy of his hire"?

It is conceded everywhere, throughout the vast reaches of the American Continent, by both rich and poor, high and low, that the greatest and most dependable beehive of public industry is the Post Office Department. Whether you think of its efficient clerks, its splendid letter carriers, its magnificent Railway Mail Service, or its accurate Rural Free Delivery system, your heart is bound to swell with pride and your soul to breathe expressions of gratefulness for service well rendered.

I hold no brief as the representative of this great army of public servants, but I yield to no man in my desire to grant unto its members the very best that the Public Treasury will afford, for every dollar thus invested is a dollar spent in the cause of justice and fair play.

I speak not as one who has just learned of the capabilities of our postal servants, nor as one who believes that favorable action at this time will make political capital for my particular party, but rather as one who has for 20 years past lived among and traveled with this body of exceedingly active and tremendously efficient employees, and by close contact learned of their splendid traits of character and their willingness and innate desire to serve their country to the very best of their ability.

Men of great ability to vision America in all its glory and portray its wonderful possibilities and expectations in the future have stood where I now stand and have well-nigh rocked the very foundations of the Capitol as they have told of our wonderful success as a Nation.

They have pictured, in language which has roused the world, our country's birth and marvelous growth from the famous Boston Tea Party to its present leadership of civilization, and we have applauded to the very echo every word they have uttered and have agreed with every thought which they have expressed, but, colleagues, did it ever occur to you that very much of this greatness which we have achieved, this leadership which we have attained, this wonderful success which has come to us in such large portion, was directly due to the faithfulness and efficiency of our postal servants? Did you ever stop to think how small this Nation would have been, how unimportant its business and social life, how separated we would have been one from the other, had our great Postal Service failed to function properly? Do you not realize that our great industries employing their millions of human souls, our great marts of trade and commerce moving with machine-like rhythm, all of our social and religious activities which have so much to do with our daily comfort and happiness, would cease and shrivel up were our postal servants to fail us? How, then, can we hesitate or falter when we are asked only to grant unto these who form so important a part in our daily life the wherewithal to keep soul and body together while they assist in our success?

Travel with me for a little while and view some of the conditions under which these faithful public servants labor. I will take you into some of our great cities where clerk and carrier find their daily toil.

Long, long before the break of day, the flickering light in yonder humble abode is the silent announcement of the beginning of another day's struggle for some clerk or letter carrier. While you and I, because of our good fortune, slumber on and dream of the good things of life, these poor fellows are stumbling forth in the very night, whether that night be clear or cloudy, rainy or snowy, bleak or blustery, in order to get to their posts of duty in time to place before us our daily mail when we reach our office or other places of busine . Indeed, they do even more than this. They bring to the door of our very home messages from far away relatives and friends be-

fore we have thought of leaving our inviting firesides. They begin our day for us and they still labor on even after you and I have returned to our domiciles to enjoy the comforts of home life and the companionship of our loved ones. Surely, ours would be a desolate existence were we to be shorn of the help and assistance of the postal employee.

Through storms of winter and the terrible heat of summer these public servants never fail us. True, blizzards may blast the operation of railroad trains and street cars, telegraph and telephone services may become greatly disordered by the sudden gusts of wind or heavy weight of ice and sleet, but whatever the weather we look for the letter carrier and are seldom if ever disappointed. Do you wonder, then, that master and servant, capitalist and capitalized, great and small, all sing the praises of men like these?

I have been particularly impressed during the last few weeks as I have read the letters coming in large number from my constituents urging me to lend a hand and raise my voice in behalf of these, the most poorly paid of our public servants. Great captains of industry, whose every moment is demanded in the management of the affairs over which they preside, have found time to write in praise and commendation and, notwithstanding their urgent desire for reduced taxation, have made an exception in the case of postal employees and asked me to vote for a proper recognition of the faithfulness which they daily display. Widows and orphans, whose homes have been made desolate by the departure of the breadwinner, are urging me to not forget the letter carrier who brings to their doors the only sunshine of the day. Civic bodies, organized and operating for the upbuilding and advancement of whole communities, have not forgotten to add to the almost momentary appeal to do justice by our postal servants. Ministers and memberships of large religious organizations have let me know in what high regard they hold these efficient carriers of the daily mail, and thus far I have not received one letter asking me to vote against giving a higher wage to these deserving men.

What I have said about our postal clerks and letter carriers is equally true about those who travel over the steel rails or flivver through the highways of our countryside in order that you and I, as well as the rest of mankind, may keep in daily touch with the rest of the world. The trials and tribulations and the "trimming" of daily expenditures to meet the demands of home and fireside and the welfare of loved ones is as evident here and just as necessary as in the case of postal employees in the large cities.

Let me emphasize another fact, gentlemen, which ought to impress you with the necessity for speedy and favorable action on our part: The value of a dollar to-day, when it has to compete with the high cost of living, is nowhere near 100 cents; and when we speak of paying a postal employee $1,800 per annum we are really only giving him that which will buy $1,080 worth of goods, as compared with a few years ago. So that a bill providing for a maximum of $2,400 per year is only giving the postal servant a spending certificate of $1,440 with which to buy uniforms, pay high rent, and to feed, clothe, and educate his children. Is that too much compensation for those who have so much to do with our daily welfare?

And right here, my colleagues, I want to call your attention to another thing which, because of somebody's neglect, is causing our postal employees to lose their health in addition to being compelled to live on starvation wages. Poor pay means poor food, poor clothing, and poor housing, and these in themselves are enough to destroy the ambition of any man and make him wonder whether it is worth while to struggle on in his efforts to do the right thing by his Government; but to be placed on inadequate wages and then be compelled to labor in an insanitary and unhealthy office is almost criminal—certainly a disgrace to this great Republic. Every human being must have a reasonable amount of breathing space in order to retain health and vigor, and every human being working for Uncle Sam has a perfect right to expect decent surroundings; but, gentlemen, I fear we have sadly neglected our duty in regard to this matter when we have considered our postal servants. Results—many sick and many others dying, simply because of a lack of proper air space in which to work. Let me show you the appalling situation in this respect to be found in many of our leading post offices. I submit for the RECORD the following statistics, which I beg that you read and digest, for surely after you have looked over this situation there can be no doubt of your desire to relieve our faithful servants of such deplorable working conditions.

Following is a list of buildings owned by the Federal Government showing abnormal congestion in post-office workrooms. These offices are arranged in the order of the number of square feet of space per employee at peak period, based on the number of square feet of space in the workroom proper. The space includes that occupied by furniture and equipment.

Buildings owned by Government, showing congestion in post-office workrooms.

Office.	Number of employees.	Workroom space (square feet).	Square feet per employee.
Lima, Ohio	54	1,024	19
Springfield, Ohio	103	2,125	21
Akron, Ohio	111	2,562	23
Canton, Ohio	102	3,054	27
Fort Wayne, Ind	96	2,700	28
Allentown, Pa	80	2,343	29
Fitchburg, Mass	40	1,200	30
Haverhill, Mass	55	1,636	30
Phoenix, Ariz	75	2,304	31
Worcester, Mass	96	3,000	31
New Castle, Pa	57	1,814	32
Kenosha, Wis	39	1,240	32
Brockton, Mass	38	1,338	35
Hartford, Conn	154	5,600	36
Roanoke, Va	74	2,630	36
Lowell, Mass	103	3,766	37
Jackson, Mich	86	3,208	37
Erie, Pa	78	2,880	37
Binghamton, N. Y	75	2,812	38
Rome, N. Y	35	1,338	38
Lawrence, Mass	67	2,628	39
Wilkes-Barre, Pa	71	2,800	39
Waterbury, Conn	85	3,384	40
Atlantic City, N. J	92	3,700	40
Kewanee, Ill	30	1,192	40
Pontiac, Mich	45	1,822	40
Lebanon, Pa	34	1,360	40
Janesville, Wis	34	1,380	40
Torrington, Conn	26	1,058	41
Stevens Point, Wis	25	1,032	41
Stockton, Calif	71	3,004	42
Hutchinson, Kans	41	1,728	42
Portland, Me	71	3,001	42
Battle Creek, Mich	73	3,076	42
Elmira, N. Y	80	3,322	42
Hazelton, Pa	37	1,544	42
Houston, Tex	204	8,494	42
Scranton, Pa	118	5,105	43
Beloit, Wis	34	1,480	43
Jacksonville, Ill	30	1,320	44
Kalamazoo, Mich	77	3,400	44
Saginaw, Mich	47	2,085	44
Williamsport, Pa	56	2,450	44
Oshkosh, Wis	44	1,936	44
Gloversville, N. Y	40	1,800	45
Washington, D. C. (Georgetown station)	33	1,495	45
Galesburg, Ill	41	1,855	45
Bridgeport, Conn	93	4,223	45
Iowa City, Iowa	33	1,470	45
Freeport, Ill	31	1,386	45
Syracuse, N. Y	112	5,000	45
Lawrence, Kans	35	1,600	46
Savannah, Ga	96	4,389	46
Mason City, Iowa	43	1,999	46
Rockford, Ill	52	2,932	47
Hamilton, Ohio	51	2,400	47
Marion, Ohio	40	1,882	47
Portsmouth, Va	60	2,808	47
Amsterdam, N. Y	39	1,839	47
Aberdeen, S. Dak	35	1,656	47
Hammond, Ind	49	2,360	48
Cumberland, Md	25	1,213	48
Pawtucket, R. I	50	2,400	48
Gloucester, Mass	16	760	48
Charleston, W. Va	74	3,526	48
New Britain, Conn	49	2,394	49
Montgomery, Ala	65	3,182	49
Ithaca, N. Y	39	1,920	49
Houlton, Me	20	980	49
McKeesport, Pa	44	2,165	49
Spartanburg, S. C	33	1,621	49
Alexandria, Va	31	1,564	50
Sacramento, Calif	105	5,294	50
Boulder, Colo	31	1,560	50
Columbia, Mo	38	1,885	50
Greensboro, N. C	53	2,661	50
Aurora, Ill	49	2,580	51
Logansport, Ind	37	1,904	51
Vincennes, Ind	27	1,372	51
Marshalltown, Iowa	31	1,566	51
Ann Arbor, Mich	53	2,704	51
Paterson, N. J	91	4,600	51
Zanesville, Ohio	56	2,878	51
Terre Haute, Ind	67	3,503	52
Reno, Nev	35	1,816	52
Belleville, Ill	27	1,399	52
Taunton, Mass	39	2,046	52
Washington, Pa	38	1,982	52
Kokomo, Ind	47	2,508	53
Muncie, Ind	47	2,504	53
Pittsburg, Kans	34	1,792	53
Lynn, Mass	57	3,041	53
Niagara Falls, N. Y	39	2,070	53
Lancaster, Pa	59	3,139	53
Shreveport, La	71	3,812	54
Albany, N. Y	145	7,900	54
Asheville, N. C	60	3,244	54
Chester, Pa	46	2,500	54
Camden, Ark	10	550	55
Anniston, Ala	22	1,215	55
Bloomington, Ill	39	2,135	55

Buildings owned by Government, showing congestion in post-office workrooms—Continued.

Office.	Number of employees.	Workroom space (square feet).	Square feet per employee.
South Bend, Ind	36	4,600	55
Hattiesburg, Miss	30	1,640	55
Eugene, Oreg	23	1,289	56
Pekin, Ill	17	949	56
Streater, Ill	24	1,344	56
Newburgh, N. Y	40	2,250	56
Newport News, Va	39	2,190	56
Clarksburg, W. Va	39	2,223	57
Oak Park, Ill	50	2,850	57
Pittsfield, Mass	42	2,406	57
Duluth, Minn	97	5,539	57
Appleton, Wis	30	1,708	57
Manitowoc, Wis	28	1,598	57
Racine, Wis	35	2,000	57
Wausau, Wis	29	1,666	57
Peekskill, N. Y	20	1,165	58
Sheboygan, Wis	32	1,860	58
Casper, Wyo	36	2,100	58
Sedalia, Mo	34	2,000	59
Camden, N. J	71	4,138	59
Astoria, Oreg	20	1,176	59
Watertown, S. Dak	22	1,300	59
Decatur, Ill	55	3,300	60
Ottawa, Ill	23	1,376	60
Butte, Mont	54	3,234	60
Waterloo, Iowa	37	2,244	61
Plattsburg, N. Y	20	1,218	61
Springfield, Mass	114	7,100	62
Lewiston, Me	22	1,361	62
Newport, Ky	32	1,980	62
Norfolk, Nebr	18	1,130	63
New London, Conn	34	2,126	63
Schenectady, N. Y	88	5,513	63
Fargo, N. Dak	41	2,584	63
Nashua, N. H	27	1,710	63
Perth Amboy, N. J	28	1,764	63
Champaign, Ill	33	2,106	64
Petersburg, Va	38	2,425	64
Fergus Falls, Minn	21	1,338	64
Trenton, N. J	88	5,650	64
Little Rock, Ark	93	6,282	68
Boston, Mass	530	16,074	30
Newark, N. J	321	14,477	45
Chicago, Ill	4,155	197,808	47
Detroit, Mich	542	28,734	53
Cincinnati, Ohio	389	23,000	59
Pittsburgh, Pa	380	24,511	65
Cleveland, Ohio	367	25,000	68
Minneapolis, Minn	400	28,212	71
Los Angeles, Calif	334	24,648	74
Brooklyn, N. Y	352	27,111	77
Louisville, Ky	213	16,235	80
St. Paul, Minn	100	8,056	81
Salt Lake City, Utah	147	12,210	83
Seattle, Wash	144	12,412	86
San Francisco, Calif	69	6,954	101

Mr. Chairman, the people of this country do not desire us to continue the deplorable financial status of our postal servants. On the contrary, they would sincerely applaud any efforts which we may undertake to do the right thing in this matter. All over America our citizens are making known their desire that we vote a living wage for postal employment, and we would be sadly neglectful of our public duty did we not heed this clarion call. I do not believe there is among us a single Member who has not heard from back home concerning this proposed legislation, and I venture to make the further statement, without fear of contradiction, that not one of us has been asked to vote against any proposed increase in the pay of our postal employees. On the contrary, from every direction has come the call that we make haste to grant financial relief and to improve working conditions for these faithful public servants. Editorially, all of our great newspapers are urging that we go forward in this movement to ameliorate deplorable conditions in our Postal Service. I herewith submit a few of these editorials for the edification of any doubting Thomases among us. They are but a fair sample of the hundreds which may be submitted. The first I read comes from that more-than-a-million-circulation New York Evening Journal:

Some idea of the injustice under which the men and women in the Postal Service have been laboring may be gleaned by reading what former Assemblyman Thomas E. Willmott has to say in a letter which he has written to the Evening Journal.

Willmott has been heart and soul in this fight for over a year and has spoken before various civic organizations, arousing their interest and securing the adoption of resolutions indorsing the fight. These, along with fat petitions, have been sent rolling on their way to Washington.

In his letter Willmott says:

"The point in this whole fight is this: Are the men and women of the Postal Service deserving of this increase in wages which they are now asking?

"This can be answered by looking at the facts—the wages which they are now receiving, the work they do, and the increased duties which they have had loaded on them within the last 10 years, during which their pay has remained the same, while the cost of living has doubled and trebled.

"The post office has been rightly described as the 'biggest single business in the world.' The growth of postal receipts, representing in a fair measure the increase in the volume of business, has been in a ratio far in excess of the increase in numbers of clerks and carriers.

"For the closed fiscal year the per cent of increase in receipts was 9.89, for the number of clerks 2.06, and the number of carriers 1.64.

"The lack of sufficient appropriations to appoint the additional clerks and carriers required by the growth of the service, the consequent shortage of experienced help, and the necessity for curtailing expenditures for overtime resulted in a delay in the movement of the mails other than first class.

"As a result the men in the service are required to work overtime in order to keep the service up to the standard. Because Congress will not heed their cry for help, many workers leave the service, and the department, in consequence, is always short of experienced men.

"Nine years ago the Government added the parcel post to the department, taking over the work of express companies, increasing the volume of work to be done, but not the revenue, proportionately. Meanwhile, the department operates, through postal savings, the biggest savings bank in the world. The total deposits for the year 1922 were $140,430,167.

"The figures are those furnished by authentic statements of the department officials themselves, and it is on these that the clerks and carriers have their claim for an increase in the wage scale.

"The truth boiled down is that the department has not kept pace with economic conditions, and the sooner the United States through its Congress realizes this fact the better it will be for the service all around.

"While other industries and trades have granted increases to their employees to meet the rising tide of the living cost, these faithful workers are being held down to old wage rates and they are striving to keep body and soul together under the unequal conditions.

"The postal clerk must memorize streets, routes, locations of buildings, steamship lines, in cities, towns, and villages scattered all over the land. It takes him as long to get this system perfected as for other men to study law or medicine. And the only reward is that he may, if he is lucky to live that long, retire on an inadequate pension when he reaches the age of 70.

"What is said of the clerk on the inside may be said with equal or greater force of the carrier who does his share on the outside.

"All that these faithful workers ask is a square deal—a chance to compete, on equal terms, with fellow workers in other trades and industries.

"Their fight for recognition has been a long and hard one. They are very much heartened just now by the announcement that the patrolmen and firemen have come to their aid.

"It may be the signal for victory.

"These new champions have just won their own fight for a decent living wage.

"Let us hope they will bring success to the postal workers."

That tells the story without any further comment from us.

The clerks and carriers are trying to get along on the same pay they got years ago, and in that time the value of the dollar has been cut in half by the rising cost of living.

In other words, it is as if their wages were reduced by half, while heavier burdens were imposed upon them and the revenue of the department has been increased.

It looks on the face of it as if the Congress has put Uncle Sam in the light of a thankless slave driver who is crushing the most faithful employees in his service.

There are others equally as strong and just as representative of the thought and desires of the communities they hail from. The Pittsburgh Gazette:

Cheap labor is, in the end, dear labor. This has been so thoroughly demonstrated that wide-awake business men have ceased to dispute about it. There always will be disagreements with respect to the adequacy of compensation for services in particular instances, but the principle stated is settled, at least where private enterprise is concerned. It should be settled definitely with respect to public employment.

Recognition of this truth makes the solid foundation for the movement become popular for increasing the salaries of postal employees. Organizations of business men throughout the land, national bodies, and the local organizations of which they are composed have given their unreserved approval to the Edge-Kelly bill pending in Congress which provides for a minimum of $2,000 and a maximum of $2,400 a year for post-office clerks and letter carriers. The Chamber of Commerce of Pittsburgh and of other cities, and the Chamber of Commerce of the United States are among the organizations well qualified to pronounce on the proposition which have adopted resolutions calling upon House and Senate to pass and the President to sign this act of justice to public servants whose fidelity and efficiency are proverbial.

The postal employees are not only inadequately paid; there is not offered to them opportunities for advancement, which are automatically provided in private business, and which there constitute an important incentive to faithful performance of duty and make a substantial basis of stability in organization. Postal employees are expected to carry on for sheer love of country, and they do. But they are entitled to the simple justice this bill provides.

There is before the present session of Congress an unusual number of subjects of first-rate importance. These rightly will claim a large share of the time of both House and Senate. But there can be no excuse acceptable to the country for failure to authorize higher pay and other just provisions for the postal employees. The bill should be passed without unnecessary delay.

[From the Wisconsin News.]

The question of adequate pay for our letter carriers and postal clerks is again before Congress.

It is the old question whether this great and wealthy Government, that can lose billions in war graft without turning a hair, is prepared to do justice to the hardest working and poorest paid of its employees.

Four years ago, when last this question was up, the postal commission recommended certain increases based on the rise in living cost. But Congress assured the men and women of the post office that the prices of necessities would shortly return to pre-war levels and granted them only a fraction of the requested raise.

Thus clerks and carriers had to be content with salaries of $1,400 for the first grade, $1,600 for the second, and $1,800 for the third; while two grades of special clerks received, respectively, $1,900 and $2,000.

But even this small compensation for arduous and specialized services is not paid in full. From each salary there is deducted 2½ per cent for the retirement fund. So the actual cash received by the rank and file of postal workers ranges from $1,365 to $1,755, or $26.25 and $33.75 per week.

And there is this further handicap: No matter how efficient a clerk may prove himself, there is no such thing as promotion to the better-paid special grades through service.

For four years now our postal employees have waited for the fulfillment of the assurance given them by Congress, and you know they have waited in vain.

There has been a slight decline in commodity prices, but nothing like a return to pre-war levels. In fact, the rise in living cost has been so much greater than their increase in compensation that their salaries, in point of buying power, have been reduced instead of raised.

The resultant economic loss to them and their families can never be made good. The least that can be done—and that must be done in honor and justice—is to increase the salaries of these men and women so that they will not be less, in real purchasing value, than they were in 1913.

That is what the appropriation bill now before Congress undertakes to do.

It would fix the salaries for the three grades of clerks and carriers at $2,000, $2,200, and $2,400, respectively, and that of the two grades of special clerks at $2,500 and $2,600. And it would also make possible promotion to these higher grades.

We believe that the American people emphatically approve of this bill. In 1920 their overwhelming demand on Congress for the increases then recommended was largely responsible for their partial grant at least.

Now, as then, the Wisconsin News urges every good citizen to write to his Representatives in Washington demanding this belated act of justice.

In sheer human obligation we owe that much to the man who calls twice daily at our door, be it storm or shine; whose memory, accuracy, and judgment are ever alert for our benefit; whose courtesy and helpfulness are unfailing.

And we owe it to those other postal employees within doors, 70 per cent of whom work at night, sacrificing both family and social life that our interests may be served; and all of whom exercise their multiform knowledge and expert training at high speed and tension throughout the weary hours.

It is a crying shame that these employees of a rich and even prodigal Government—employees upon whose honesty, loyalty, industry, efficiency, resourcefulness, special fitness, and expert equipment the success of a fundamental and essential business of that Government is dependent—it is, we say, a crying shame, and more than that, a rank injustice that such public servants should for so long have been grossly underpaid, should have had an increase of but $400 in maximum salary during the past half century.

It is for the people of Milwaukee and of Wisconsin to do their part in making good that far-reaching wrong, and we doubt not that they will.

Let them write to the Congressmen without fail, and tell them, in no uncertain terms, that the American people will no longer tolerate a Postal Service rendered at the expense of underpaid responsibility and toil.

[From the Milwaukee Sentinel.]

Wide sympathy and support have been enlisted for the post-office employees, who are asking Congress for a long-deferred salary revision in order to cope with the cost of living.

Whatever Congress may think of the merits of the Kelly bill, embodying the proposed salary increases for postal clerks and mail carriers, Congress can not refuse to take the question of an increase for these workers into immediate and favorable consideration.

Their plea is entitled to an early and respectful hearing, and it is our impression that the increases urged in the Kelly bill are by no means exaggerated.

The postal workers justly argue that they are not demanding charity, but simply equality of treatment with labor outside the Government service.

It is needless to dwell on humanitarian considerations. Everybody is familiar with the hard work and the relatively poor pay of the mail carrier. His case is readily appreciated by a friendly public, while the plight of the postal clerks and other office workers may be less familiar to patrons of the post office.

The point for Congress to consider is not merely justice for our postal servants but also the maintenance of the efficiency of the service. Postmaster Piasecki testifies that "the highest possible standard can not be reached as long as wages do not measure up to the requirements of the position."

This consideration applies particularly to postal office workers who have no hope of promotion. Experienced clerks, seeing their earning capacity drop below the level of wages in private business, will naturally be tempted out of the service, and the temptation is strongest with the most ambitious and valuable workers.

The country can not afford to see the Postal Service crippled by an inadequate rate of pay. As an employer of labor Uncle Sam would be practicing the wrong kind of economy by failure to adjust his pay roll so as to meet the competition of private employment. The importance of the postal department demands at least a scale of pay capable of insuring continued efficiency in this indispensable branch of Government service.

[From the Times-Herald, Dallas, Tex.]

Postal employees are receiving less pay to-day than in 1912, according to a comparison of wages and increased living costs prepared by workers in the Dallas post office. They, in common with others throughout the United States, have petitioned Congress for a readjustment of their salaries, with a reasonable and well-deserved increase in the present rate of compensation. A House resolution to this effect has been introduced and hearings on it are expected to begin soon.

In view of the fact that the present maximum for carriers and clerks, who begin work at $1,400 a year, is only $1,800, relief is obviously necessary. Considering the present cost of living in Dallas, and similar conditions existing elsewhere, it is difficult to conceive of properly trained men being attracted to or kept in the mail service by such financial remuneration.

Naturally the service suffers, and in like measure the public. * * *

The habits, standard of living, education, and environments of Government employees and those depending upon them must, of necessity, reflect credit or discredit upon the Government of which they are an intimate and responsible part. It is for these reasons that the Congress of the United States can not longer afford to ignore its just obligations to the Government employees. Ill-fed, shabbily clothed, poorly housed, and miserably underpaid Government employees can not and will not render efficient service. They can not add anything to the wealth or progress of the country. They can not properly equip their children for the battle of life, nor can they contribute the quality of children to insure and safeguard the future of this Republic in the generations to come.

The public never hesitates to complain when letters go astray or are delivered late; and perhaps in no other department of the Government is prompt, efficient service more necessary. In the case of the postal employees, the right kind of service, to say nothing of the much-used term "living wage," call for increased pay. Public opinion will approve favorable action on the House bill now pending.

[From the Fort Worth Star-Telegram.]

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The present wage scale is shameful, and in addition promotes inefficiency. As long as it remains, the best men in the service will have their eyes constantly turned toward more remunerative and less exacting jobs in other lines for which their training qualifies them.

Perhaps in no other industry is the labor "turnover" so high as in the larger post offices of the country. In the Chicago office, for instance, where the allotment is 6,010 clerks, more than 8,000 have resigned since 1920. This is a labor turnover of 133 per cent.

Private business couldn't run efficiently on that basis. Nor can a Government department.

[From the Oskaloosa (Iowa) Herald.]

It is a fact generally admitted by the higher authorities in the Postal Service, reiterated by employees in the service, and emphasized in the daily experience of persons using the service that a lack of sufficient high-grade help in the Post Office Department is a growing handicap. This lack of help is attributable almost entirely to one thing—insufficient pay. Capable men are not being attracted to the service as they were some years ago. Much of the work is being put upon the shoulders of temporary workers, untrained workers, substitutes, and other inefficient men. The necessary result is a deterioration of service.

Such a deterioration is a serious handicap to innumerable lines of business. Delay in delivery of letters, parcels, or other items of mail frequently may mean loss of contracts, business misunderstandings, and other damaging effects. The situation ought to be corrected in the general cause of business stimulation and prosperity.

It can be corrected to a large extent by the simple process of passing the Kelly bill, H. R. 4123, which is now before Congress. That bill is designed to raise the scale of salaries to a point which will give regular workers in the Postal Service a reasonable income, and thereby attract efficient and reliable men to the work. The salaries it suggests are still small, ranging from $2,000 to $2,600.

[From the Sentinel, Carlisle, Pa.]

A bill providing for pay increases in the Postal Service, including clerks and carriers, has been prepared for introduction in the lower House of Congress. An earnest effort is to be made to pass it, and as it is a proper measure it ought to be passed. General observation will show anyone that postal clerks and carriers have not much opportunity to take up side lines to aid them in meeting the cost of living, and their pay, while reasonably good, is not equal to the competence earned by men and women of like ability in other lines of employment. It is a notorious fact that the Government has been niggardly in its pay all through the civil-service list, in other branches as well as the Postal Department. The Postal Service offers those who engage in it steady work and security in their jobs, but these advantages do not make up for small pay.

[From the Home News, New Brunswick, N. J.]

Whether Uncle Sam's post office operates at a profit or at a loss is of little consequence to the public, since whichever way the balance swings the money comes ultimately from the public. The Postal Department is a public institution dependent upon public patronage. Its receipts come from the public, and if its expenditures exceed those receipts the public pays the deficit in taxes.

Yet the average American citizen is a good business man and is intolerant of deficits. To him the word "deficit" is a synonym for "failure," or at least "poor business." There are reasons to believe that the public should rather maintain the Postal Service on postage pennies as it goes along than in Federal taxes after the books are closed for the year. Not that it makes any difference in the end but just because deficits and living beyond one's means are antagonistic to certain typical American traits.

Recognizing these American sentiments, it is not surprising that the public was greatly gratified that the Post Office Department had a deficit at the end of the last year amounting to $30,000,000 less than that of the preceding year. The war taught Americans to talk glibly of millions and billions, but a reduction in operating expenses of $30,000,000 will always represent economy and efficiency in America as well as elsewhere.

Former Postmaster General Work and his successor, Postmaster General New, their staff at Washington, and their assistants in the post offices across the length and breadth of the land are deserving of and will receive the thanks of the public for the economy and efficiency represented in this reduction in the Postal Department's deficit.

But this gratification should not be taken as an indication that the public approves of the reduction of the deficit at the expense of the clerks and letter carriers who are receiving small compensation for the service rendered. These employees are entitled to higher salaries and the Post Office Department should decide upon some plan of operations whereby the present service can be maintained with better pay given the employees. That the department has been able to reduce the deficit is largely due to the efficient service rendered by the clerks and carriers, and recognition of that fact should be made in dollars and cents by the Government.

[From the Philadelphia Inquirer.]

MORE PAY FOR POST-OFFICE WORKERS.

Better pay for post-office employees is so obviously a matter of justice that Colonel Kemp's advice to his staff to press for it is timely. Unless something is done while the appropriations are pending, postponement will be inevitable. The Government is notoriously slow in doing justice to its servants in this respect, though it can be lavish enough in other directions. The time is one for economy, of course, and many things otherwise expedient must be postponed in consequence. But there is no economy in paying less than a living wage. Salaries in the post office have not begun to keep pace with the cost of living.

What gives the clerks and carriers a stronger claim upon consideration is the fact that they have not allowed their discontent to demoralize the service. It may be doubted if the increase in labor per man has been as great in any other department or in any private employment. The growth of the business has been so marked that the revenues have practically doubled in 15 years. Yet the working force is hardly 25 per cent larger. This means that the individual members have much more put upon them than formerly. It is surprising that the morale of the force has not suffered more. But there will be an inevitable loss of efficiency as the older employees retire, since the present salaries can not attract to the service the kind of men it needs.

The primary aim of the Post Office Department is to give service, not to make money. It does not appear, however, that higher pay for employees would mean a serious deficit. The employees themselves believe that a very slight readjustment of the parcel-post rates would make the department self-sustaining, even with higher salaries. If this could be done without imposing upon the business of the country a too-heavy burden there could be no great objection to it. But something must be done in the name of justice for a hard-working and faithful body of Government employees.

[From the Okmulgee Daily Times.]

While wages have been moving up and up during the past eight years, there is one class of public servants which has enjoyed only in the slightest measure the satisfaction that comes with wage increases.

That class is the postal employees.

Artisans who, in many instances, have forced wage scales up to an unreasonable point have not hesitated to use the weapons at hand to force wages still higher when they reasoned that higher wages were coming to them. But here is a class of public servants whose work is indispensable but who have been given only the scantiest recognition by the Government in return for faithful service. While costs have been mounting they have been forced to continue at work under increasingly trying living conditions without a commensurate advance in salaries.

A bill is now pending in Congress which is designed to relieve this unfair condition. The bill has been framed with an idea of more nearly equalizing the salaries in keeping with local conditions so that no particular class of postal employees shall have an advantage over another or so that no division of employees in one class shall have an advantage over employees of the same division or classification working in localities where the cost of living is proportionally lower.

If such a measure as that which is now pending could be submitted to the people for their approval, it would deserve unanimous support. For it is now and has been for a long time a matter of public concern that postal employees are underpaid. Civic organizations can well afford to indorse the bill and make known their action to their Congressman.

Mr. Chairman, letter carriers are skilled employees, skilled to a very high degree of efficiency due to the requirements of their everyday work.

These duties are hard and exacting and require men of exceptional physical and mental qualifications. In order to attain a position as letter carrier a man must take a competitive civil service examination and pass with such a percentage above

70 that he procures a high standing on the eligible register. In addition he is required to pass a physical examination certified to by a reputable physician which closely parallels those required for enlistment in the Army and Navy.

He is first appointed a "substitute" for which he is paid at the rate of 60 cents per hour, only for the time he is actually employed, which may range from only one hour per day to eight hours per day if he works at all. After serving on an average of three years as substitute "learning the business," he may finally be appointed as junior letter carrier at a salary of $1,400 a year and assigned to a regular route. He has to report on regular schedule time, as early as 6 o'clock a. m., and route his mail for delivery or collect the mail from street letter boxes, and after attending to multitudinous duties which his position requires he starts to make his deliveries, and if he fails to be on time the patrons on his route complain of the delay whether the mail be heavy or light or the weather be fair or foul. He must be an encyclopedia of postal information, as his patrons depend on him as he is the only member of the postal organization many of them ever see.

His work is constantly supervised, and he is required to perform a stated amount of work per minute in order to meet the requirements of the efficiency standard.

WAGES OF LETTER CARRIERS FAR BELOW WAGES PAID IN THE MECHANICAL TRADES.

I submit herewith a list of mechanical trades where wages paid to skilled and unskilled employees are in excess of those paid to post-office clerks and city letter carriers. This statement was prepared by the Labor Bureau (Inc.), New York City:

Wages paid in the mechanical trades.

HOURLY SCALES FOR KNIT-GOODS WORKERS (NEW YORK CITY).

Hand knitters	$1.25
Power-machine mechanics	1.36
Power-machine operators	1.00
Power-machine helpers	.68
Cutters	.68
Operators	.75
Menders	.80

PRINTING TRADES.

Occupation.	Weekly scale.	Hours per week.
Electrotype finishers and molders	$59.00	44
Lithographers	[1] 50.00	48
Photo-engravers	55.00	44
Pressmen, book and job	50.00	44
Pressmen, newspaper	51.00	48
Stereotypers, book and job	59.00	44
Stereotypers, newspaper	59.00	48

BAKERY TRADES.

First hands, hand bakeries	[1] $47.00	48
Second hands, hand bakeries	[1] 44.00	48
Oven men, spongers, machine	49.00	48
Hebrew bakers:		
First hands	[1] 60.00	48
Second hands	[1] 54.00	48
Polish bakers:		
First hands	57.00	48
Second hands	55.00	48

METAL TRADES.

Blacksmiths	$49.50	44
Boiler makers	55.13	49
Machinists:		
Jobbing	49.50	44
Shops	55.00	
Outside	49.50 / 55.00	44
Pattern makers—wood:		
Pattern manufacturing shops	44.00	44
Pattern jobbing shops	50.60	44
Pattern architectural shops	46.20	44
Pattern manufacturing shops (metal)	44.00	44

MILLWORK.

Millwork, carpenters	$44.00	44
Carpenters in cabinet shops	49.50	44

CLOTHING TRADES.

Women's clothing:		
Cloak cutters	$44.00	44
Cloak operators	50.00	44
Men's clothing cutters:		
Hand	51.00	44
Machine	51.00	44

[1] And up.

Wages paid in the mechanical trades—Continued.

OTHER TRADES.

Occupation.	Weekly scale.	Hours per week.
Stationary and operative engineers (inside)	$48.00	48
Steam shovel and dredge men:		
Engineers	63.60	48
Cranemen	51.84	48
Upholsterers	49.50	44
Carpet layers	50.88	44

Average earnings per hour in foundries and machine shops, by occupations, 1923.

FOUNDRIES.

Core makers	$0.690
Molders, hand, bench	.687
Molders, hand, floor	.729
Molders, machine	.678
Pattern makers	.751

MACHINE SHOPS.

Blacksmith	.678
Boring-mill hands and operators	.660
Fitters and bench hands	.616
Lathe hands and operators, engine	.633
Lathe hands and operators, turret	.610
Machinists	.683
Planer hands and operators	.663
Toolmakers	.693
Other skilled machine-shop occupations	.618

Wage scales prevailing May 15, 1922.

City.	Occupation.	Hourly scale.
Boston, Mass	Freighthandlers	$0.65
Portland, Oreg	do	.80
New York, N. Y	Stonecutters	1.125
Philadelphia, Pa	do	1.00
St. Louis, Mo	do	1.25
Seattle, Wash	do	1.125
Toledo, Ohio	do	1.04

[1] There have been no decreases, but there may have been increases since these rates were published.

Laundry workers.

City.	Occupation.	Hourly scale.
San Francisco, Calif	Head markers	$0.66
Do	Washermen	.625
Baltimore, Md	Linemen	1.00
Detroit, Mich	do	.96
Newark, N. J	do	1.125
Pittsburgh, Pa	do	1.25
Scranton, Pa	do	.84
Wichita, Kans	do	.80

Present scales dress industry—New York City.

Occupation:	Weekly rate.
Cutters	$44.00
Operators	40.00
Pressers	42.00

Transportation.

City.	Occupation.	Rate.
New York	Longshoremen	80 cents per hour.
Do	Coopers	Do.
Do	Checkers	$6 per 8-hour day.
New Orleans, La	Longshoremen	80 cents per hour.
New York	Teamsters	$34 per week for single team.
Detroit, Mich	Linemen	$1.06 per hour.
Boston, Mass	Street-car operators and conductors.	70 cents per hour plus 8 cents for one-man cars.
New York City	Bus drivers	62 to 68 cents per hour.
Do	Bus conductors	69 to 75 cents per hour.
Portland, Oreg	Grain handlers	65 cents per hour.
RAILROAD.		
Chesapeake & Ohio	Mechanics	72 cents per hour.
New York City Elevated Ry	Carmen	50 to 63 cents per hour.

It will be noted that each of the trades above printed are paid a higher rate than that paid to letter carriers. A mechanic in industry is paid the scale as soon as he is employed, while the letter carrier works on an average of eight years before he reaches the maximum grade.

The rates paid letter carriers in the different grades are as follows:

An average of more than three years as substitute at the rate of 60 cents an hour when actually employed. When ap-

pointed to a position as regular carrier the salaries paid to letter carriers are as follows:

	Per annum.	Per 30-day month.	Per day.	Per hour.
First grade	$1,400	$116.67	$3.89	$0.4862
Second grade	1,500	125.00	4.17	.5212
Third grade	1,600	133.33	4.44	.5555
Fourth grade	1,700	141.67	4.72	.59
Fifth grade	1,800	150.00	5.00	.625

Mr. BYRNS of Tennessee. Mr. Chairman, I yield to the gentleman from Georgia [Mr. LANKFORD].

Mr. LANKFORD. Mr. Chairman and gentlemen of the committee, I quote from to-day's issue of the Washington Herald the following extracts from an editorial:

The Teapot Dome scandal is bad enough in itself. But if it stood alone and without a likeness in our national life the evil scandal could be soon wiped out, with no lasting harm done.

The deplorable thing is that this instance of bribery and of profiteering at the cost of the people is not alone or singular. Bribery is everywhere at work. The virus has infected every part of the body politic.

Again I read from the same editorial as follows:

The political immorality which has forecast the decadence of nations throughout all history is beginning to rear its head in our own United States.

The vast wealth produced annually by the people is an inexhaustible source of plunder, and the plundering never ceases, day or night. We are all plundered, alike when we work or play, when we wake and when we sleep. No one escapes, and the poor and the hard working are robbed as ruthlessly as the well to do.

This constant profiteering, this constant plundering, is based upon bribery, direct or indirect, of accessible politicians.

Also the following from the same item:

The curtain behind which the profiteers and public plunderers do their unceasing rascally work has been lifted for one brief glimpse of one particular instance of the almost universal rascality and plundering.

It is to make these profiteers and public plunderers richer and richer; it is to sustain the whole vast fabric of bribery and plunder and corrupt politics that you people pay when your rents are raised, when the cost of food and clothing constantly increases, when your tax bills are higher and higher, when each year and each month calls for more money to meet the cost of doing business and the cost of decent living.

If we would save our country, preserve our liberties, we must go deeper than a mere surface examination of one scandalous job of public plundering.

We must start to make all public plundering difficult, if not impossible.

We must go to the root of this gigantic evil, and the root of it is the plain fact that government had drifted out of the hands of the citizenship and into the hands of powerful financial cliques.

Mr. Chairman and gentlemen of the committee, I indorse the sentiment of these extracts. The Teapot Dome investigation is all useless unless we learn a lesson from its shocking revelations, and unless a determined effort is made as a result of this investigation to "clean house" and have a better, cleaner, purer government in the future.

An awful experience is ofttimes turned to a blessing in disguise when a lesson is learned which starts an improvement of the awful conditions which brought about the experience.

Mr. Chairman, it may be that "To the victor belongs the spoils" but in "the land of the free and the home of the brave" there ought not to be so blamed much spoils. The spoilsmen of the past killed men, women, and children in order to rob, plunder, and carry away the spoils. If they were caught they were shot or hanged. To-day the spoilsmen without any excuse rob men, women, and children of their reputation, which they built up during a lifetime and which is their all. They kill innocent men, women, and children and drive them to suicide by depriving them of their rights and giving the spoils to the so-called victors, and yet the spoilsmen of to-day sit in high places and boast of their authority in this grand and glorious Government of ours. Many of the common people of our Nation are filling premature graves because of legislation which makes the rich richer and the poor poorer, and yet to-day the multimillionaires absolutely control the United States Treasury, and by their places on leading committees in Congress they control, or attempt to control, all legislation. Yet is is said "To the victor belongs the spoils."

Edicts are issued by the multimillionaire Secretary of the Treasury and readily indorsed by the powers that be. He says no cash bonus is to be paid by the big rich and there is a most determined effort for no cash bonus to be paid by the big rich. The profiteer is to be protected. The returned soldier is to be rejected. "To the victor belongs the spoils" it is urged. This administration of millionaires says maybe a bonus will be provided to be paid by a sales tax out of the pockets of the poor, or possibly some form of insurance will be permitted. They say if the soldiers get a bonus, let them and their fathers, mothers, brothers, and sisters pay it. The big rich must be let alone with theirs. For know ye not that "to the victor belongs the spoils."

The ex-service man neglected and rejected by the Government for which he fought takes a pistol and in a moment of despair ends it all. He thought he was a victor, but he found that a victor who makes or saves a nation is only one to be destroyed by the spoilsmen of the present who know no victors because of service to mankind, but only know as victors those who are political manipulators and who have campaign funds galore, whether rightfully obtained or not. Those who have profiteered most have most to keep, if possible. They are extremely anxious to be among the victors of a political party which recognizes wealth and political crookedness instead of honor and ability as tests of fitness to hold office. For they are firm believers in the theory that "to the victor belongs the spoils."

The multimillionaire Secretary of the Treasury Mellon said that he would like to be chairman of the select small committee to manipulate and shuffle the enormous foreign debt of billions of dollars so as to take care of the big banker, big rich, and men who have profiteered so as to be in the millionaire class. The Secretary gets what he wants, for now it is that "to the victor belongs the spoils." Of all funds ever raised the great common people are more interested in the money raised during the Great War than in any other. It came from people of every station of life. The widow, the orphan, and the poorest of the poor, all did their very best. A large part of the fund thus raised is now due us by foreign powers. That money is the common property of every American citizen. Yet it is being shuffled and manipulated as pleaseth a favored few who believe that "to the victor belongs the spoils."

A general tax bill was so drawn and passed by the last Republican Congress as to relieve the big rich of much of the burdens of taxation. The big rich either have contributed much campaign funds to the Republican Party or can do so when it will be much needed in future campaigns. The big rich are protected on the theory that "to the victor belongs the spoils." A tariff bill was enacted by the last Republican Congress to protect the profiteers and the concerns with big sacks of money who either did contribute heavily to past campaign funds of the Republican Party or are in position to contribute in the future when funds will be sorely needed to be used in convincing the consuming public that it was taxed for its own good. So it goes that "to the victor belongs the spoils." It is even provided in this tariff bill that the President have the power to increase or diminish duties as he sees proper. If men and women are deprived of offices because they do not subscribe to the Republican faith and do not contribute to Republican campaign funds, then why should not people who are not Republicans and do not help put up a slush fund be derived of the protection of a desired duty on goods in competition with goods they sell? If the President by Executive order and otherwise dishes out offices to Republicans because they are Republicans and leaves off others simply because they are not Republicans, then why not dish out the protective tariff soup to the Republicans who show their efficiency by a nice campaign contribution. "To the victor belongs the spoils" is being worked overtime.

Oh, it is said that men are being put out of office and Republicans are being put in "for the good of the service." It being known to all that he who serves the Republican Party is one who is "for the good of the service" and efficiency from a Republican standpoint is fully attained by the profiteer who puts up money for campaign purposes. The good of the service of the Republican Party must be maintained, regardless of the cost to the public. "To the victor belongs the spoils."

Mr. Chairman, this country is in a deplorable condition, with a party in power using the spoils system to the limit when the whole Nation is suffering the agonies of hell because of the lack of proper legislation and because those in power play politics while the Nation burns. Ah, Mr. Chairman, the party in power is worried more about the "good of the service" of

the Republican Party than they are about "the good of the service" of the American people. They are worried infinitely more about efficiency of a man as a campaign or boodle contributor, or political manipulator, than they are worried about the efficiency of a man as a public servant. The Bureau of Printing and Engraving was turned upside down in violation of law and contrary to established rights of honorable men and women "for the good of the service of the Republican Party. The civil service system established by wise men of the past has been strangled and mangled and its very death threatened "for the good of the service" of the Republican Party. It has been proposed to make spoils of hundreds, yea, thousands, even millions, of positions in this Nation in order to dish out those rights to Republicans "for the good of the service" of the party.

"To the victor belongs the spoils." My God, to what extent is the spoils system going? The Veterans' Bureau is a hotbed of the spoils system for the good of the service, not of ex-service men but of the Republican Party. Is our entire postal system a seething caldron of spoils to be stirred with the paddle of political hatred "for the good of the service" of the Republican Party and not for the people? It is understood generally that Attorney General Daugherty is the chief of spoilsmen. He wants no civil-service system. He wants no merit system; he wants everything controlled by the spoils system. He wants the Department of Justice to become the department of spoils and wants to become the chief keeper, preserver, and protector of the spoils, of the victors for the good of the service of the Republican Party. It is easily understood why Daugherty does not want the merit system used in the selection of public officials.

He prefers the spoils system. He likes a system under which he and others like him can qualify. He has made the Department of Justice the department of spoils. It is no longer the Department of Justice; it is now the department of "just is." It is now being operated for the glory of Daugherty, the ignominy of the Republican Party, and to the shame of the Nation. A statement was carried in the newspapers the other day that Daugherty wanted the prohibition-enforcement service put under the Daugherty spoils "just is" department. He would like to dish out the large amount of money allowed for prohibition enforcement. The enforcement service would soon be a pretty kettle of fish with Daugherty trying to play politics with the service. The whole enforcement service is about to break down now, because many men are being put in the service for political reasons only.

It is now said that President Harding was misled into dismissing the employees of the Bureau of Printing and Engraving. I do not doubt this suggestion. That good man was misled every time he followed men like Daugherty. The Attorney General ought to be satisfied with spoils, but yet he wants more. He has spoiled and flyblown his position as a Cabinet member; he has spoiled and flyblown the Republican administration; and, if permitted, would make spoils of every right of the American people.

Ah, Mr. Chairman, why say so much about the Teapot Dome scandal; know ye not that "to the victor belongs the spoils"? The Teapot Dome transaction is larger, but no more corrupt than the sale of public offices for cash or to pay political debts. It is no worse than a profiteers' tariff for the big Republican rich, to the undoing, destruction, and even death of millions of the great consuming public. I repeat, it is no more corrupt to be influenced by money to sacrifice the interests of the American people in these oil properties than it is either under the guise of law or without lawful authority to take the hard-earned money of the consuming public by a profiteers' tariff and give it to the big corporations either for cash or to pay political debts. There is no longer in this country a protective tariff. It is now the profiteers' tariff. The Republican Party is still the G. O. P.; it is now the Grand Old Profiteer.

If the Republican Party follows much longer the leadership of such spoilsmen as Daugherty and continues to sell her party virtue for money and for political purposes, she will soon be without a single virtue. The Teapot Dome controversy can not be any more corrupt than the dishing out of offices solely and only for political reasons. It can not be more corrupt than the sale of rural routes and postmasterships in the South by negroes, which has been practiced by the Republicans for years. What can be more corrupt than the sale of Federal judgeships? Can you wonder why there is so much disrespect for law in the country when a Republican Congress makes so many laws to enable the rich to oppress the poor? When a Republican Congress helps the manufacturer of North and East to rob and destroy the consuming public, is there not reason for the victims complaining and losing faith in the justice of laws made here? How are we to expect obedience to law when the judgeships whereby law is to be enforced are sold for money or to pay political debts?

Political rottenness evidenced by a negro selling postmasterships seems to have a good odor to Republican noses. Why now turn these same noses up so much at the odor of the Teapot Dome situation? For my part, I like the aroma of the Teapot quite as well, and in fact much better, than I like the odor of a Republican buck negro selling public offices during a Republican administration. A Republican, black, greasy, in the person of Link Johnson, generally sells Republican patronage in Georgia. The present administration has deprived Link of his "green peas" in this respect so far, and I commend the administration; but it is said that Link claims now to be a special and trusted friend of President Coolidge. It looks much like Link is to soon again be operating "for the good of the service."

Ah, Mr. Chairman, what are we coming to? Congress is stripping the States of all rights. All power is being centralized here in Washington, and the power of a few men, appointees under a spoils system, is being made tremendous.

The time is at hand when men who never saw my State, men whom my people did not vote for and had no chance to vote for, men not in sympathy with the traditions and American impulses of my people, yea, men who do not like my people, hold in the hollow of their hands the power to control almost every activity of my people. They can and are destroying the rights, liberties, and lives of my people. Talk about free representative government. Every centralization of power is a blow at liberty and is the undermining of our form of government. Every enlargement of the power of men who hold office by appointment is a weakening of representative government. The spoils system inevitably leads to corruption and anarchy.

Centralize enough power here, carry the spoils system to its fullest extent, and give the Executive sufficient power to enforce his decrees and you have the worst government since the beginning of the human race. If we are to save this wonderful Government which our forefathers gave us let us return to the old teachings of the fathers before we shall have lost all.

It is said that "experience is a dear school, but fools will learn in no other." It seems that many people are so wedded to the spoils system as to not even be willing to learn in the school of experience. The Tea Pot Dome scandal ought to cause an awakening of the public and a condemnation of everything that smells like "spoils."

Is Congress to eventually take from the States and the people in the States every vestige of authority to control local affairs? Is Congress then to abdicate its right to legislate and give to department heads, bureau chiefs, and other appointive officials all the right to legislate and then let these officials appointed under a spoils system dish out rules, regulations, and laws under a spoils system, thus controlling all rights of all the people under a system of spoils, rottenness, and corruption?

Is every official of the public soon to be appointed under the spoils system, and are those spoilsmen to control every activity of this once free people? Are freemen to be cast down and spoilsmen to be enthroned? Is liberty a thing of the past, and political corruption th present dominating force?

Is this Nation, which can never know defeat by the armies and navies of the world from the outside, to rot unto death of political corruption and of the awful poison of the spoilsmen on the inside? This Nation can not long endure unless it purges itself of every vestige of the corrupt spoils system. The American people to-day enjoy probably not over one-tenth of the liberty for which our forefathers fought. To what extent will Congress go? Will we turn back before it is too late?

We are working the destruction of our Nation when we concentrate too much power here to be exercised by people not elected by the people but by people holding office the very commission to which is tainted with the odor of spoils. We ought to leave the people to control their own affairs. We ought to mind our own business and let the people manage their business. We should fight for more freedom and greater human rights, not for less. We should legislate for people to control their own legitimate activities and not for spoilsmen to dominate their every move. There is no one thing that Congress or the President can do which will so vitally serve the people and so fully guarantee the future safety of this Nation as to end for all time the present deplorable and baneful spoils system. Will we act for the right? Will we save our Nation by

reestablishing not only in name but in fact every principle for which our forefathers fought and which are embodied in our Declaration of Independence and in our Constitution, and which are placed by the Almighty in the heart of every free man?

May an all-wise God grant unto us here in Congress the foresight to see the certain destruction toward which we are drifting and the power to turn aside and save all before the final hour of doom shall have come. [Applause.]

Mr. BYRNS of Tennessee. Mr. Chairman, I yield to the gentleman from West Virginia [Mr. LILLY].

Mr. LILLY. Mr. Chairman and gentlemen of the committee, we all regret and try as much as possible to refrain from thinking of the great World War and the troubles and tribulations connected with it, but we can not forget the time when our beloved Nation was threatened by a European monarch, when our demands and entreaties had been ignored by Germany and our American lives and property ruthlessly destroyed by the deadly submarine, when it was necessary for us to immediately raise, equip, and send to Europe an army to subdue the great army of Germans to set the world once more free from this danger, and that it was then, my friends, that we called forth the young manhood of our country from the farms, mines, shops, railroads, and lumber camps, and sent them across the dangerous, submarine-infested waters to a far off field of battle. Never can we forget the time when our boys were getting together at the railroad stations and the seaports to depart for the battle ground. It was then that our hearts went out in devotion to them for their patriotism; it was then that we bade them farewell and Godspeed and assured them that when the great conflict was over and they returned that nothing that this Nation possessed would be too good for them. They were taken from their employment, with wages ranging from $5 to $25 a day, and forced into the military service of the country at the pitiful sum of $30 a month. In addition to that, we required and urged them to take insurance to protect their lives; after the insurance premiums were deducted, the few toilet necessities and tobacco purchased, there was nothing left.

They made a record for themselves as gallant soldiers; some returned, but many fell on Flanders and other battle fields of Europe. Now, we are called upon by the few that were fortunate enough to return to give them an adjusted compensation; the amount is small—nothing commensurate with the services rendered. It is simply a token of our appreciation for their services. But, to my surprise, there are many of you that are opposing it. Can we call ourselves patriots; can we call ourselves Americans when we fail to show our appreciation for their services?

We are not establishing a precedent by doing this. Following every war in which this country has been engaged there has been given the soldiers an allotment of money, land, or something to show our appreciation. Now that the wealth of this country is greater than ever before; now that we hold ourselves out to the world as being a great democracy; now that we hold ourselves out as a Christian Nation, a Nation that wants to help those in distress, a Nation that boasts of entering the war largely for the purpose of "making the world safe for democracy," shall we be so selfish in the face of these boasting assertions as to deny compensation to our own soldiers? Gentlemen, it is ridiculous; it is dangerous. None of us is sufficiently prophetic to say that we will never have another war. Wars can be brought on rapidly and almost unexpectedly. This is a small, small favor that our soldiers are asking. If we turn a deaf ear to their appeal, could we go forth and appeal to them in another war for their services and patriotism? Could they not, and justly so, reply to us that they had fought one war for us and we did not appreciate it, and they did not feel disposed to fight another? What would be the result? It has been proven that the morale of the soldier is one of the strongest factors in winning battles, and if we deny them this adjusted compensation we can not deny but that it would have a great deal to do with the morale of any future soldiers.

You people that oppose it talk about the condition of the Nation's Treasury. In other words, you try to plead poverty. That, in my judgment, is a very poor excuse. Just the other day on the floor of this House you passed a bill by a majority of three to one to strengthen the Coast Guard by building and equipping new ships, hiring additional sailors, and making an appropriation for same, which carries with it a lump sum of about $14,000,000, with an additional $13,000,000 annually for its upkeep thereafter, when we have ships of all kinds now lying around the coasts and in docks with barnacles growing upon them from nonuse and gradually decaying and rotting away. This expenditure was unnecessary, and I am glad that I voted against it. You recently passed an appropriation bill of several hundred thousand dollars for the Howard University, a colored religious school, in which the Government has no interest whatever; and there are numerous other unnecessary expenditures that I have witnessed here in the last few days. Now, when a just appropriation and expenditure is asked to in part pay and show our appreciation for the services of our soldiers, you cry out that the Nation and the Nation's Treasury can not stand the expense.

This compensation should be a cash bonus. It is argued by some that this would be unwise and that it would hurt the financial condition of the country and that the soldiers would waste the money instead of making profitable investments. This is not a logical argument by any means. Perhaps some of the soldiers would not spend the money wisely, but I contend that the majority of them would spend this money for education, for a home, or for some necessity that would assist them in their trades or callings. But, however they might spend it, it would get back into circulation throughout the country and would have a tendency to revive, strengthen, and help business, which is very much needed in the present period of depression and deflation.

Gentlemen, in the name of humanity, is there anything that is more vital to us than the safety and preservation of our Nation and its institutions, and who knows but that we owe this to the soldiers of the World War? We can not gauge what the results would have been had we not entered the war. I appeal to you in the name of humanity and sane legislation to vote for this adjusted compensation. [Applause.]

Mr. BYRNS of Tennessee. Mr. Chairman, I yield 15 minutes to the gentleman from Indiana [Mr. COOK].

Mr. COOK. Mr. Chairman and gentlemen of the House, I desire to take the time of the House for a few moments to briefly present a question for consideration, which seems to me is more important to the country than all others combined. In saying this, I do not mean to disparage the importance of any other public question. This question is the condition of the farmers of the West and Northwest. I have in mind, especially, the great grain and stock raising portions of our country lying to the west and northwest. Having due regard for the other sections, in my opinion, this comes very near being the proverbial "garden spot" of the United States. Its soil can produce enough food to feed all of the people under the Stars and Stripes. While referring to this section alone, what is said as to its condition, could be to some extent applied to the other agricultural sections of the country. Far be it from my purpose to misstate the facts or unduly magnify the condition of these tillers of the soil. There has been doubt, unrest, and uncertainty in the minds of the farmers of this section for the past several years. These conditions, instead of growing better, are growing worse. It is time that Congress should take up and discuss the whole question, find out the facts, and apply such remedies as are within its power to relieve the condition and restore the farmer to his proper place as a part of our great system of production.

We have recently closed a long discussion of the question of reducing the income and excise taxes. After all of the flood of argument, the array of figures and tables running into the millions, all the theories as to the probable effect of the various provisions of the bill, and rates of the several plans, the simple question which overshadowed all others was whose taxes should be reduced—those with the large incomes or those with the small incomes. Every Member of this House was in favor of reducing taxes to the lowest possible limit consistent with the needs of the Treasury, but there was room for an honest difference of opinion as to the persons who should receive the benefits of this reduction. Although there was a strenuous effort in some quarters to make it appear that there were some other questions involved, yet the whole debate centered around that point. The result was a compromise measure. This is quite often the case in legislation, as well as in the other affairs of life. The bill has been sent to the Senate, and if it is ultimately approved and becomes a law the people will then have the opportunity of studying its final provisions and determining for themselves the merits of the bill as compared with the other plans and rates proposed. Common experience in the everyday affairs of life has long since demonstrated that it is wise to withhold final opinion on any given public question until the whole question can be presented, not only by those who are directly affected or interested but by those who are disinterested.

It seemed to be conceded in the debate that by the time the farmer paid his State and local taxes and his other necessary

expenses that very few would have anything left on which to pay income taxes, and that about the only benefit he would receive from the bill would be the reduction of the excise taxes on his automobile truck and the accessories for the repair of his automobile and truck and the repeal of the stamp tax on notes. These changes were made in the bill after it reached the House. This small reduction still depends on whether it remains in the bill. In other words, it was a bill primarily to reduce the taxes of those having incomes above the exemptions. The people can easily determine how many will come within that class.

I desire to call attention to the fact that there is another phase of the question of taxation which did not enter into the discussion. To my mind, it is a very important one to the farmer, and must not be overlooked in dealing with his condition and in considering measures for his relief. That question is the tribute which he is paying to the other industries of the country. The reduction of this tribute is one of the first steps which must be taken in bringing about any substantial or permanent reduction of his taxes. I am not speaking now of the burden of State and local taxation. That is paid into the county treasury, and the General Government does not receive any part of it. However, I am speaking of the taxes which are concealed in the price of nearly every article which the farmer buys. These exorbitant prices and the high transportation rates are a tax on his income far in excess of all of the other taxes which he pays. The transportation rates not only increase the price of everything which he buys but they decrease the price of everything he sells.

In considering the condition of the farmer we must also take into account his situation as compared with other industries. The great corporations which control the railroads and natural resources, such as coal, oil, iron, copper, and so forth, are all organized so as to control the prices of their products. This is also true of many other industries. They are so combined as to be able to control the prices and sale of their products and can act practically as one man. These monopolies can concentrate their power and influence at any given point very quickly. I shall give a few examples: The tariff enables the woolen and other trusts to make immense profits; recently it was proposed to grant a subsidy to the Shipping Trust; the railroads have been assured certain profits; patents have created great monopolies; the Steel Trust has its "Pittsburgh plus"; we have the Standard and other oil monopolies, the Wall Street Money Trust, the Insurance Trust, the Meat Packers' Trust, the Coal Trust, and I might name many others. Little progress can be made in a proper understanding and solution of the situation by those who refuse to recognize the existence and power of these industries in controlling the sale and prices of their products and their influence in shaping the policies and legislation of our State and National Governments. We must not be of those "who, having eyes, see not, and having ears, hear not."

What a contrast when we come to the farmer. He is practically unorganized, and is going it alone. He might be compared to a vessel, drifting without a rudder at the mercy of every passing current. I am gratified, however, to know that he is now making some headway in the direction of better organization. Until he is thus organized he will labor at a great disadvantage, and will be terribly handicapped in the race of production. In every move he now makes he encounters organization. He takes practically what is offered for what he has to sell, and pays what is asked of him when he buys. He has practically no voice in fixing the price of his services, and nothing to say in fixing the prices of the things he buys. This is an unsound basis, and something must be done to change it, to the end that he may have the same voice and influence in his business as other industries have in theirs. He must be placed on an equal footing with others. He must not be required to pay tribute to all other industries, and the latter must not receive exorbitant profits at his expense.

Mr. Jefferson, after summing up the functions of our Government in his first inaugural address, wisely said:

Still one thing more, fellow citizens—a wise and frugal government, which shall restrain men from injuring one another, which shall leave them otherwise free to regulate their own pursuits of industry and improvement, and shall not take from the mouth of labor the bread it has earned.

It seems to me that in these latter days we have overlooked this important duty of the Government. It must restrain one industry from injuring another. This is more important now than in the day it was uttered. Then production was more simple and there was not so much dependence on one another. Every step in the division of labor, in the growth of great industries has made each class more dependent on the others. One can readily see how dependent the farmer is on many of the other industries, and how helpless he is with his own strength to protect himself. Here is where the Government must step in. I am not discussing any special remedy, but a principle which should be applied in all legislation intended for the relief of the farmer. The selfish interests of the country are now advancing the doctrine that the Government can do nothing to protect the farmer from the encroachments of organized wealth. Those who advance it know better.

It is all right for their lobbyists to swarm about the legislative halls in the States and Nation to seek and often obtain favors at the expense of the farmers, but they want them to take a back seat and not even ask the Government to prevent others from injuring them. As I understand the farmer, he is not asking for subsidies or special favors, but is demanding that other industries shall not prey upon his income and reduce him to poverty.

There has been too much of a tendency to legislate for other selfish interests and classes at the expense of the farmer. The breaking point has been reached. That policy must be changed.

Why should the farmer's land and other property increase in value for 20 years, and then suddenly take a downward course and keep going down until he has suffered the most appalling loss in the history of our country? This question must not be evaded. It must be answered. According to the census returns in 1900, the farm property, including land in the United States, was valued at $20,000,000,000 in round numbers. In 1910 it had increased to forty billions. In 1920 it had increased to seventy-seven billions. In my opinion it was worth much more than these estimates. These figures, however, show that his land, buildings, and other farm property had steadily increased in value in times of peace as well as in times of war, until it reached its peak in 1920. The World War formally ended in November, 1918. There was no decline in the next succeeding two years. This value was not a bubble created by the war. It existed long before the war began. What has been the situation of the farmer for the past three years? Words can not describe it. His prosperity has disappeared; his land and other property have gone down, while nearly everything he bought kept up. The effect was that his dollar fell in purchasing power, and his local and State taxes, as well as his debts, have almost doubled. His freight rates have at times been equal to the price of his products, and he has been rapidly drifting into bankruptcy. I saw a recent statement that over 23 per cent of the farmers in 15 wheat and corn growing States are either bankrupt or saved from actual bankruptcy by the leniency of their creditors. Thousands of them have lost their farms and have either become tenants or have taken the last look at the old homestead and started with the little they had left for the towns and cities to begin life over again. What a flood of thoughts must have come into his mind as he and his family passed down the lane. You may argue with others that there is nothing wrong, but do not try to argue with him.

This is not all. In the last three years the farmer's land—his capital—has, in my opinion, decreased from one-third to one-half in value. It was stated on this floor in the recent debate on the tax bill that a person could take $10,000 to-day and go into any State in the Union and buy more land with it than could have been purchased three years ago for $25,000. That would mean a loss of three-fifths. I will not put it quite so strong as that, but assuming it has been only one-third, it would still mean a sum of more than half of our part of the cost of the World War. Can those charged with the duty of legislation turn away and pass by on the other side in the face of such facts as these? One of the strange things has been the attitude of writers, public men, and a large part of the daily press on this question. Many speeches have been made, many newspaper articles have appeared, and many special writers have presented their views. Many national and local conferences have been held and many resolutions have been adopted. One of the peculiar things about all of these speeches, resolutions, and articles has been the lack of harmony as to the condition of the farmer, the proper remedy for his relief, and in almost all of them the entire absence of any suggestion as to the cause of this condition. I have sometimes wondered whether some of these papers and speakers really wanted to find the cause of the decline, whether if they had found the cause it would have conflicted with some of the theories of cer-

tain public men. Interest sometimes warps the judgment and blinds the vision. In my opinion some of these writers and speakers did not want to admit the condition or find the cause. Some of them have talked all around the question and tried to make it appear that there was nothing wrong, that it would only be a short time until the farmer's condition would be all right. The billboards first told him he was prosperous. Then whole page advertisements in metropolitan newspapers gave him like information. Others vaguely hinted there might be something wrong, but urged that his better days were just around the corner and would soon be here. It was also urged that the tariff had been put on his products, and many favorable laws enacted that would soon restore him to industrial life. His implements were placed on the free list, but no reduction resulted therefrom. Farming has become so unprofitable that his boys and other help are leaving the farm and drifting into the towns and cities, there to struggle with the already overcrowded labor conditions.

There has been too much of a disposition of those discussing the question to look at it only in the light of giving relief to the farmer. That is the wrong viewpoint. The prosperity of all depends on him. If his prosperity is impaired, it will not be long until it reaches the whole industrial system. It has been charged that he has not used good judgment, that he is a poor business man, and that he is to blame for his present condition. Such opinions come from those who either do not understand the question or do not want to understand it. Some have urged that the distress is limited to the Wheat Belt and that the farmer has been raising too much wheat. Every farmer knows there is more to the question than merely the production and price of wheat. He knows that his land and property have fallen, while clothing, boots, shoes, coal, fencing, farm implements, fertilizer, building material, and about everything else he has to buy, as well as his freight rates, have not come down. The suggestion that the farmer must diversify his productions more is met with the fact that, as a general rule, such a thing is impossible. The farmers of Indiana and the Western States can not turn from wheat, oats, and corn to raising cotton, sugar cane, peanuts, and tropical fruits.

It is not my purpose at this time to try to locate or enumerate the causes for this condition. I know when we come to the question there will be a difference of opinion, such as there is on almost every public question, but I feel certain, however, that there can be no further difference of opinion as to the main point—that the farmer has lost billions of his capital and is drifting down the stream headed for the rocks.

Some gentlemen say that there is no remedy and that Congress can do nothing to change these conditions. If the Government can not restrain others from injuring him, then he is without remedy and is surrounded by forces and influences over which he has but little control. He must have the aid of the Government. I have more faith in the physician who tries to find out what is wrong with his patient and applies some remedy than the one who stands by and says, "Nothing can be done," and applies no remedy. It is not always possible to foresee all of the results of any given course of action. We must not give up. Our country has come nearer solving public questions and evils than any other in the world. We would be unworthy of the age in which we live if we should acknowledge our inability to cope with this great industrial problem. I like the American who has cut the word "fail" out of his dictionary. Though the way may seem dark and almost impassable, we must gather new strength and determination and push forward. Clouds will disappear and obstructions fade away. Remedies must go further than to afford only temporary relief. They must go to the root of the evil and remove the causes.

In speaking of the corporations, the aggregations of wealth, and other great industries of the country I do not mean that they must be impaired. They are a part of our great industrial system, and when acting in their proper sphere promote the general good. What I do mean is that they must not be allowed to control this Government nor to fix their charges so high as to impoverish the farmers and other classes. They must live and let others live.

I realize there have been a number of bills introduced on many phases of this question, that the Agricultural Committee of the House and Senate have been holding hearings and are going into this question and have been collecting much valuable information, which will be reported to each body in due time. At that time the whole question should be discussed. I feel very confident that much new light will be thrown on the causes and remedies. If it should appear that any legislation contributed to this condition, it should be pointed out. If it should further appear that the money power took any action or adopted any policy which contracted the currency and credits, and thus aided in starting this deflation of the farmer's property, such facts should be laid bare and the responsibility fixed. The causes of this condition must be located.

The majority of our people live upon the farm. They largely raise their own living and the food for others. They produce more than can be consumed in this country, and the surplus must be sold in the markets of the world. The movement of the farmers' crops must not be obstructed by exorbitant transportation rates. To the farmers of the Northwest, it seems to me, the improvement of the St. Lawrence River is very important. This would enable the great ocean-going vessels to anchor in every harbor of the Great Lakes. There they would be loaded with the farmers' surplus products and pass down that mighty stream to the markets of the world. This is not all. We are approaching the point in our development where we must soon take steps to provide for inland waterways, the improvement of our larger rivers for transportation, and water power for the generation of electricity for light, heat, and power.

Our whole system of production and distribution depends upon reasonable transportation rates. There can be no permanent solution of the present situation of the farmer without considering these questions.

There is another phase of this question which should not be overlooked. We appropriated over $69,000,000 for the Agricultural Department of the Government for the year ending June 30, 1924. This money was used to promote agriculture and increase the production of the soil. Besides this, the States also expended large sums for the same purposes. It seems to me that while we are expending such large sums to encourage the farmers to produce it would be a good thing to expend part of it in finding places throughout the world where they could sell their wheat, oats, corn, flour, meal, beef, pork, and other products. The farmer can not do this. The Government must. In my opinion, it is just as important as encouraging production. This question should be considered, and if further legislation is required, it should be enacted. There is something wrong with a system of distribution or marketing which permits the speculators, middlemen, and transportation companies to take a toll of over $15,000,000,000 on the farmer's products and leave him only $7,500,000,000 in the transaction. How much longer can he stand such a toll? He can not long produce if his profits are taken to pay such tribute to other industries.

I am inclined to believe that the present condition of the farmer will not be benefited by relaxing our immigration laws. We have so many young American boys and girls who must soon become the heads of homes and families and take our places in the task of perpetuating our Government and our institutions that I am in favor of giving them a chance first before looking elsewhere in other countries. It is important to the future of our country that the American boys and girls retain the ownership of our farms. Farm life must be made more profitable and attractive. Rather than lower the bars of foreign immigration at present, I would raise them higher, with careful selection before they embark, until we can better determine what would be best for our country. I would also prefer giving the American laboring man in the mill, factory, on the railroad, and all other lines of employment a trial before importing others from foreign lands. It should be noted that some of the big interests which have been profiteering off the farmers and other people are clamoring loudest for letting down the bars. Further consideration of the question might prove that a limited number of farm and domestic laborers would be a good thing.

Cooperative marketing is a necessity for the American farmer. The States should enact legislation for that purpose, and the farmers of the country must organize in order to carry it out. Organization is one of the first steps to be taken in any plan of permanent relief for them. Congress should carefully consider the question and encourage it in every way possible within its powers. Just to the extent that farming becomes unprofitable, too great a proportion of our population will drift from the farms to the towns and cities, and this will disturb the proper balancing of our industries.

The conditions are too grave for public servants to trifle with this question. I do not want to take up your time with idle words. I have no right to do so. But I do want to say with all of the force I can command that some reasonable reforms must be made to arrest the spread of these conditions. The duty of making this reformation does not rest on Congress alone, but on every class. The great industries, cor-

porations, and organizations of wealth of the country are a mighty power for good or evil. They must restrain their desires for making money within the bounds of reasonable profits. They must not try to dictate the policies or control the actions of our Government. That must remain within the hands of the people. The pulpit and the press, which have so much to do with the moulding of public opinion, must not close their eyes to these conditions and remain silent and indifferent. There can be no neutrals in this contest.

Why is it important to change this condition? It is apparent to everyone that there is a great deal of propaganda in Europe against our form of government, and that it has been drifting to our shores. It is abroad in the land. What are these enemies of our Government saying? They are trying to turn our people against the Government by asserting that it is a failure, and permits wealth to grind down the producing classes. Every failure of the Government to restrain wealth and power from injuring the producing classes only adds fuel to the flames of radicalism. Every citizen must feel that part of the duty rests upon him to aid in setting the house in order. We are all one great family and one member can not be injured without injury to all.

I hold with Emerson, when he said—

> That America is another name for opportunity. Our whole history appears like a last act of Divine Providence in behalf of the human race.

I earnestly believe that here in this land it was intended under our form of government that the divine right of men and women to govern themselves should be established and worked out. We must not fail.

Thus far, I have been considering this question solely as an economic question. It is much more than that. The more contented and prosperous the people are, the stronger our Government will be. The influence of the country home and country school has much to do with the development and moulding of the character and inspiring the ideals of the true American citizen. Its influence permeates every phase of our national life. Here in the quiet home, surrounded with the beauties of nature, the farmer and his good wife and family toil together from early morn until late at night. In tilling the soil they are dealing with the wonderful forces in the workshop of nature. Their surroundings and life incline them to sound thinking, and tend to give them the correct view of the great problems of life and government. Out of his home come the millions of young men and women who must soon take up the great conflict of life. The farms of America must never fall into the hands of speculators and landlords. The farmer must continue to own his own home. Around his fireside and under his candlelight, the future destiny of this Republic will be determined. [Applause.]

[Mr. COOK was given permission to revise and extend his remarks in the RECORD.]

Mr. MADDEN. I yield 10 minutes to the gentleman from Kansas [Mr. AYRES].

[Mr. AYRES was given permission to revise and extend his remarks in the RECORD.]

Mr. AYRES. Mr. Chairman, in view of the fact that prohibition was made an issue in the last campaign for Congress in my district, notwithstanding the fact I had voted for the submission of the eighteenth constitutional amendment and also voted for what is known as the Volstead Act and all other prohibition acts—good, bad, or indifferent—it made no difference, I met the acid test; yet the voters of my district were told that owing to the fact that my opponent was a member of the great Judiciary Committee of this House, his defeat would be considered a backward step for prohibition and would encourage the antiprohibitionists.

I took the position then and take it now that many bills introduced in Congress for light wines and beer and for the modification of the so-called Volstead Act, their authors knew good and well none of them would receive any consideration whatever. In the first place, I doubt whether the Judiciary Committee would give them any consideration, and even if it did, the authors of the measures knew the committee would not think of reporting them out; and further, if the committee could be persuaded to give any of these bill consideration, and to the extent of reporting them out for consideration of the whole Congress, they would be overwhelmingly beaten.

I am inclined to the belief the Members introducing such bills and making speeches about them do it solely for home consumption, to let a wet district or a wet constituency know their Representative is still sound in the faith. It has, however, another effect; that is, it causes the prohibitionists and law enforcement people everywhere to feel uneasy, and causes them to write their Congressman to be on the watch and see that nothing of the kind is put over.

Mr. Chairman, the introducing of these bills and the apparent effort made by wet Congressmen or Congressmen representing a wet constituency does not in the least jeopardize the prohibition cause, for prohibition is here to stay and no Congress within our time will repeal or modify the prohibitory laws.

I said in the campaign just referred to, and I say now, the real cause for alarm or anxiety, however, is the nonenforcement of the laws we now have. This may be due, first, to inefficient officers or corrupt officials whose duty it is to enforce the law, or, second, it may be due to the lack of sufficient funds to enable honest and efficient officers to do their duty. As to the first proposition, that is a question of administration over which Congress has no control. As to the second proposition, that is a Congressional matter.

It is a well-known fact that it is impossible to stamp out illicit traffic in intoxicating liquors unless we can stop the smuggling of it into this country from foreign countries. It is also a well-known fact that smuggling liquor into this country has become a well-established business and every device and method has been adopted to successfully carry on that business. We all know to destroy this business of smuggling successfully rests almost entirely with the activities of the Coast Guard Service. We further know that this service has been woefully handicapped because of the lack of sufficient force and speedier craft. With this inadequate equipment the Coast Guard has been in a manner helpless to prevent this traffic, and as Admiral Billard said, when before our committee urging this appropriation, the rum runners, realizing this helplessness of the Coast Guard, encouraged others to go into the business until it has grown by leaps and bounds, so to speak.

There is but one way to break it up or destroy it, and that is to make this appropriation for the full amount asked.

I thought I had some ideas how the rum runner performed, but after hearing the evidence of Admiral Billard and Commander Root I realized I knew nothing concerning it. They showed it was not only a well-organized business but well financed and advised. This organization has legal and technical advisers of the highest skill. They employ seagoing people, many of them the most daring and desperate characters. These men are armed with the best up-to-date firearms and will fight to kill.

They have a sea force at this time of 34 steamers and 132 sailing vessels, ranging in size from 35 tons to 3,000 tons. It is said some of these vessels are capable of making a speed of 19 knots, and most of them fly American flags. And right here I want to say I intend to see if it can be done; that is to say, if a law can be passed to make it piracy for an American citizen who uses the American flag for the purpose of shielding his business conducted in violation of law, such as is done in this instance. I intend to introduce such a measure and ask for its passage.

It was shown that this organization has an auxiliary craft for making shore contact; that is, bringing their wares and merchandise from these vessels anchored out of the limit to the shores. This auxiliary fleet consists of gasoline-driven craft, most of which can make a speed of about 25 knots. Sometimes they use aircraft.

They have a well-defined code whereby they can transmit intelligence between their forces out at sea to their forces on shore.

If this business was carried on in but one place, then, of course, it would be an easy matter to handle it, but such is not the case. It is not confined to New York City, but is carried on in places like Long Island Sound, Delaware and Chesapeake Bays, along the coast of Florida, and the coast of Maine; they do a thriving business along the coast of Charleston, S. C., at Galveston, and Jacksonville. There are large activities in smuggling narcotics and liquors in the Puget Sound country, as well as at San Francisco, Calif., clear up to Ketchikan, Alaska. As a matter of fact there is nowhere, apparently, on any coast or border, but what this well-organized business of smuggling liquor into this country is carried on.

There could be much more said, Mr. Chairman, but it is enough to convince any one who believes in upholding the dignity of the United States and its laws, we should at once make available the appropriation of $13,858,981, and thus enable them to build more and speedier boats with sufficient men and officers to operate them. When we have done this, which is our responsibility, it is then up to the enforcement forces, which is their responsibility. If we furnish them the

equipment, or means for equipment, and they do not do their duty, it is not the fault of Congress. Unless we do, however, it is our fault.

I hope there will not be a single vote cast against this particular item of the bill.

I want to call attention to just two or three items in the evidence of Commander Root and Admiral Billard given before the committee having in charge this deficiency appropriation bill. This is what Commander Root said:

With our present force, during the past 22 months we have been able to put out of business, by capture or otherwise, 153 vessels. Because of what I regard to be very serious defects in the laws and in the methods of procedure, a large percentage of these vessels have again fallen into the hands of their original owners and are now in active trade.

We have also captured the equivalent of 31,000 cases of liquor and caused to be jettisoned under fire an amount estimated at 20,000 cases, or a grand total of 51,000 cases. We have also to our credit a small quantity of narcotics.

* * * * * * *

Large as the amount captured may seem, it is but a drop in a bucket when compared with the actual quantities leaving foreign ports.

SHIPMENTS OF LIQUOR FROM EUROPEAN PORTS.

From reliable, but very incomplete, secret sources abroad I have information of the following shipments from northern European—mostly British—ports since January, 1922. The quantities are in round numbers: One hundred and thirty-six thousand six hundred equivalent cases of three gallons each, taken from manifests.

I say "equivalent cases" because where the quantities have been reported in gallons we have reduced it to the quantity usually contained in a case, so that the units will all be the same—1,110,000 equivalent cases, shipped in 37 ships. Total for 26 months, 1,246,600 cases, or practically 48,000 cases per month from northern Europe alone.

Of the above, during the last three months of last year—October, November, and December—63,000 cases were shipped from Scotland and 133,000 cases from Antwerp, or 196,000 cases in three months, which is about 63,000 cases a month.

In considering these last figures it should be remembered that they include only the known shipments, ascertained by our few scattered agents, and include but two countries. Mature consideration leads me to believe that the direct shipments from Europe alone to the United States amount to not less than 80,000 cases per month.

Since last May, or during the past nine months, 724,000 cases have arrived off New York entrance in the steamers *Bernard M., Bru, Butetown, Gerbervillier, Istar, Johnstown, L'Auroch, Lutzen, Lyuntown, Obernal, Papyrus, Strand Hill, Ulw, Wyke Regis*, and in the German schooner *Emmie Friedrich* and the Dutch schooner *Zeehond*. This amounts to 80,000 cases per month, and does not include the thousands of cases brought to our shores by British and French sailing vessels from the enemy advance bases.

So you can see, gentlemen, the difficulty that the Coast Guard has in running down these rum runners.

I want to read another portion of the evidence, where Commander Root says:

When captured, the enemy begins his defense by refusing to testify at the hearing held before the collector of customs. If he does not thus escape and is haled before a magistrate, he usually gets his own release and that of his vessel at this preliminary hearing in the face of the fact that it is unlawful to release on bond a vessel which has been seized for forfeiture. (See 166 U. S. 1, 68.)

When released on bond he invariably and at once enters the business again, charging to ordinary "overhead" the bond which he will forfeit.

If by chance he is held for trial, instead of being indicted for conspiracy, which is a felony, he is tried on an information for a misdemeanor, thus escaping the full penalty of the law and estopping appeal by the Government.

In view of what was said here yesterday, I think there is a way whereby the Coast Guard could effectively bring about suppression of this illicit traffic and not come to us every year for additional appropriations, for additional personnel, and for additional boats. There was a law passed in 1819. It is now a part of our statutes. It has met the test of the Supreme Court time and again. It was a law referring to slave traffic.

I intend to introduce a bill based upon those statutes. In fact, it is practically the same statute. I have substituted the words "intoxicating liquors" for the word "slaves." It reads as follows:

SECTION 1. Whoever, being of the crew or ship's company of any foreign vessel engaged in the trade of intoxicating liquors, or being of the crew or ship's company of any vessel owned wholly or in part, or navigated for or on behalf of any citizen of the United States, or flies the flag of the United States of America, has on board of such vessel any intoxicating liquors, or on board such vessel offers or attempts to sell such intoxicating liquors, or on the high seas, or anywhere on tidewater, transfers or delivers to any other vessel any such intoxicating liquors, or lands or delivers on shore from on board such vessel any intoxicating liquors, with intent to make sale of, or having previously sold such intoxicating liquors, is a pirate and shall be imprisoned for five years.

That section of the law has been upheld by the Supreme Court of the United States time and again. Let me now read section 2:

SEC. 2. Whoever builds, fits out, equips, loads, or otherwise prepares or sends away, either as master, factor, or owner, any vessel in any port or place within the jurisdiction of the United States, or causes such vessel to sail from any port or place whatsoever within such jurisdiction for the purpose of procuring intoxicating liquors from any foreign kingdom, or country, or from seas, to be transported to any port or place whatsoever to be held, sold, or otherwise disposed of, is a pirate and shall be imprisoned for five years.

I now read section 3:

SEC. 3. Whoever, within the jurisdiction of the United States, takes on board, receives, or transports from any foreign kingdom, country, or from sea any intoxicating liquors in any vessel, for the purpose of holding, selling, or otherwise disposing of such intoxicating liquors, is a pirate and shall be imprisoned for five years.

Section 4 is taken from the Kansas statute and is as follows:

SEC. 4. Any person who, having once been duly convicted of a violation of this act, and shall thereafter, directly or indirectly, violate any of the provisions of this act, shall be considered a persistent violator, and shall be deemed guilty of a felony, and upon conviction thereof shall be imprisoned in the penitentiary at hard labor for not more than 10 years.

If you will pass a law of that kind which makes a man who deals in the illicit traffic of intoxicating liquors a pirate and places him in the penitentiary for so doing, then we will not be called upon every year for a deficiency appropriation to help the Coast Guard enforce this law. [Applause.]

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. BYRNS of Tennessee. Mr. Chairman, I now yield to the gentlemen from Oklahoma [Mr. HASTINGS].

Mr. HASTINGS. Mr. Chairman, the bill under consideration, being a deficiency bill, carries appropriations to cover many deficiencies, and included among them are appropriations heretofore authorized to complete certain hospitals for use of the ex-service men.

I want to take this occasion to emphasize the necessity of providing adequate hospital facilities for all ex-service men and to urge action liberalizing legislation with reference to their hospitalization, and I believe that all of them who are suffering from tuberculosis, or any lingering disease, without requiring proof of the origin of the disease, whether it originated in the service or not, should be given hospital treatment at the expense of the Government.

Many of the soldiers, when the World War was over, were very anxious to return home, and I fear that the examinations made when they were discharged were made more or less in haste, and diseases in their incipient stages at the time, later developed seriously, which, perhaps, a more thorough examination at the time would have disclosed.

I also favor a liberalization of our laws with reference to claims for compensation. I think every presumption should be indulged in favor of the soldier and that action upon their claims should be expedited in every way possible consistent with safety to the Government.

Upon the question of claims and upon the question of admission to hospitals, I have always thought that there should be more contact officers placed in the field who would visit various points throughout the country and confer with the ex-soldiers, who could be advised as to the time of their visits through the Legion posts everywhere. These contact officers could be of great service to the ex-service men in taking either original or supplemental testimony with reference to their claims, either for compensation or for hospital treatment, and give them helpful and sympathetic advice.

I also favor an adjusted compensation bill now being considered by the Ways and Means Committee of the House, but I trust the bill will provide, when reported, for a cash payment.

I do not object to the option of paid-up insurance, and the other options, provided they are voluntary, but I favor adjusted compensation payable in cash, paid from proceeds of

long-term bonds to be issued, maturing at a time when they can be paid from the amounts to be repaid to us by foreign governments upon their indebtedness to us, and will vote for that if given an opportunity. I do not favor a sales tax to raise the necessary revenue.

I have enlarged these views in a letter to the chairman of the Ways and Means Committee of the House of Representatives under date of March 10, 1923, which is as follows:

UNITED STATES HOUSE OF REPRESENTATIVES,
Washington, D. C., March 10, 1923.

Hon. W. R. GREEN,
Chairman Ways and Means Committee,
House of Representatives, Washington, D. C.

DEAR MR. GREEN: With reference to the adjusted compensation bills pending before the Ways and Means Committee, permit me to say that I favor adjusted compensation for ex-service men, payable in cash. I do not object to the other options—paid-up insurance, vocational training, or the home-ownership provision; provided, of course, that these options are entirely voluntary. I think, however, that we should adjust the compensation for the ex-service men in cash.

During the World War I was privileged to represent the second congressional district of Oklahoma in Congress and during that time voted for all legislation and appropriations recommended for the successful carrying on of the World War, including additional compensation for soldiers, care for dependents at home, compensation for disabilities received, appropriations for munitions, food, and clothing, for vocational training, for hospital service, and, in fact, all appropriations recommended as necessary.

The overseas service men received $33 per month, or $1.10 per day; those who served in the Army but did not go overseas received $30 per month, or $1 per day, and part of this compensation was deducted for dependents at home; while those who were not called to the colors were receiving from $4 to $10 per day, and more.

If we adjust the compensation of those who saw service overseas by giving them $1.25 per day additional, they will have received $2.35 per day for leaving home, enduring all sorts of hardships, exposing themselves to the ravages of disease, and the dangers of war.

We made appropriations to compensate the railroads for the use of their properties, we paid contractors for damages incurred by reason of canceling contracts and paid large sums to the owners of mines for taking over their property.

We adjusted the claims of all of these and of other persons, and I think it fair, equitable, and right, that we adjust the loss of the ex-service men who went to the front, won the war, and kept the hands of civilization from being turned back for a thousand years.

Nor do I think that they could be subjected to the criticism that adjusting their compensation is commercializing their patriotism. We have recognized the services of our soldiers in all former wars, by land grants, pensions, hospital services, and the prior right to take homesteads upon the public domain.

We gave Gen. Phil Sheridan 160 acres of land as additional compensation for services in the Indian wars of 1853; we gave Gen. William T. Sherman 160 acres of land for services in the Seminole Indian and Mexican wars; we gave Gen. Winfield Scott a like recognition for his services in the Mexican War; Gen. Robert E. Lee received a grant of 160 acres of land under the act of 1850 in recognition of his services in the Mexican War; we gave a like bounty to Gen. U. S. Grant of 160 acres of land, and gave Abraham Lincoln 40 acres of land for his brief services in the Black Hawk Indian war.

I think no one can suggest that this recognition of a generous Republic commercialized their patriotism.

In this connection permit me to say that I favor the issuance of bonds to cover the cost of adjusted compensation, similar to the bonds issued during the World War, and with a sinking fund provided for, so that they can be paid out of the indebtedness due and owing us from foreign governments, which, according to the report of the Secretary of the Treasury of December 3, 1923, amounted to the sum of $9,636,828,204.50, and with the past due interest added will increase the amount to more than $10,000,000,000.

Adjusted compensation for the ex-service man is an obligation growing out of the war and should be provided for and financed as such.

In addition to this recognition of the services of our soldiers during the World War, I favor adequate hospital facilities for all ex-service men suffering with tuberculosis or any lingering disease, regardless of whether they can prove that it originated in the service or not, and I favor a liberalization and a sympathetic interpretation of the legislation heretofore enacted for the payment of claims for compensation and expeditious action upon the same.

Sincerely yours,
W. W. HASTINGS,
Second District of Oklahoma.

Mr. MADDEN. Mr. Chairman, I yield five minutes of my time to the gentleman from Tennessee [Mr. BYRNS].

Mr. BYRNS of Tennessee. Mr. Chairman, I yield five minutes to the gentleman from Massachusetts [Mr. CONNERY].

[By unanimous consent, Mr. CONNERY was granted leave to extend his remarks in the RECORD.]

Mr. CONNERY. Mr. Chairman, I take this opportunity to register my protest against the gag rule which is being foisted upon us by the Republican Party in respect to the soldiers' bonus bill and the way in which it is to be considered. I came down here from my district with the hope in my mind at least that when the bonus legislation came up both Democrats and Republicans would look upon the matter in a true, nonpartisan way, and that they would realize that the men who went over to France to fight for their country would be considered first and that partisanship should come second. I am a Democrat, and I laid my cards on the table before the Committee on Ways and Means the other day when I said I hoped that this would be considered in a nonpartisan way. They have not done so. I take this opportunity to protest in the name of my buddies and in the name of the ex-service men in my district and throughout the United States against this joke which is being sent out and called a bonus bill, to deceive the soldiers of the United States of America. [Applause on the Democratic side.]

Mr. Chairman, the vote of the Ways and Means Committee on the twofold plan was 13 to 12. Eleven of the Democrats and one Republican voted in favor of the twofold plan. We had asked that the matter be considered in a nonpartisan way. Five of us had been appointed by a Democratic conference, not a caucus, to go before the members of the Ways and Means Committee of both parties and tell them that in our minds, as five service men, we thought that the best interests of the soldiers of the United States would be served by giving them the choice of a twofold plan.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

Mr. CONNERY. I yield for a question.

Mr. MADDEN. Is this a nonpartisan committee that the gentleman served upon?

Mr. CONNERY. Yes.

Mr. MADDEN. Made up of Democrats?

Mr. CONNERY. Yes; they were Democrats but they were nonpartisan. They were instructed to get in touch with both sides of the Committee on Ways and Means.

Mr. MADDEN. The committee was appointed by a Democratic caucus, was it not?

Mr. CONNERY. No.

Mr. MADDEN. Then by a Democratic conference?

Mr. CONNERY. Yes. We would not be bound. The Democratic service men asked that a conference be called.

Mr. MADDEN. I am very glad to hear the gentleman making his nonpartisan protest against a bipartisan situation.

Mr. CONNERY. I am complaining about the partisanship of the Republican Party, and I want to assure you it is going to be very easy for me to sit up here and vote yea on the bill that is to come up. If I do vote yea, I shall go back to the service men and tell them that I voted yea because it was the only thing the gag rule allowed us to vote on, and I am going to put the responsibility where it belongs, and that is with the Republican Party, and I can assure you that up in Massachusetts the service men, many of them Republicans, who helped to send me down here as a service man, are going to do a lot of thinking about that, and I think you are going to see the results of that gag rule in the next election. I take this opportunity to protest, not as a Democrat but as an ex-service man in Congress, and, saying it without egotism, I served for 19 months in France, and I claim to know what my buddies in this country want. I think you are insulting them when the Ways and Means Committee comes before the ex-service men and says to them, "We do not think you are intelligent enough to know whether you can take your choice between a cash plan and a paid-up insurance plan." That is an insult to the intelligence of every service man in the United States. I protest, and if I have to vote in favor of this bill on next Tuesday, as the next best thing I shall vote for it, but I shall vote for it, I repeat, under protest, and I shall send out a statement to the newspapers in my district and to ex-service men in my district to let them know what the Republican Party is handing them in the form of this joke, which is called a bonus bill. [Applause on the Democratic side.]

Mr. BYRNS of Tennessee. Mr. Chairman, I yield four minutes to the gentleman from Georgia [Mr. BRAND]. [Applause.]

Mr. BRAND of Georgia. Mr. Chairman, in a speech delivered by me on the floor of the House on March 7, 1922, I raised the question as to the qualification of Hon. Andrew J. Mellon, Secretary of the Treasury, to act as a member of Refunding Commission, which was created for the purpose

of liquidating obligations due the United States by European countries.

I took the position if Mr. Mellon was interested as a stockholder in any of the business concerns therein referred to, or related by affinity or consanguinity within the prohibitive degree, he was disqualified to act as a member of this commission.

In this speech I made a statement of many of his business connections.

In the light of his well-known opposition to an adjusted compensation law for the ex-service men of the World War, I want to call attention to this statement, which included banking institutions, corporations, and other business enterprises in which he was engaged and interested at the time his commission was created:

The Mellon National Bank, the Pittsburgh Coal Co., the Union Trust Co.

The Aluminum Co. of America; capitalization, $20,000,000; controlling five companies with a combined capital of $20,000,000.

The American Locomotive Co.; capital, $50,000,000.

The American Metal Co., a holding company, $25,000,000 capital, which controls 12 companies with combined capitalization of $8,000,000.

The Baltimore Car & Foundry Co., $1,500,000.

The Carborundum Co., $2,500,000.

The Gulf Oil Corporation, $60,000,000, which controls nine companies with a combined capitalization of $24,000,000.

This makes a total capitalization of $210,000,000.

Banks and trust companies, $33,500,000. Total capitalization, $243,500,000.

National Bank of Commerce of New York; capitalization, $25,000,000; surplus, $25,000,000; deposits, $363,000,000. Mellon National Bank; capitalization, $6,000,000; surplus, $5,000,000; deposits, $102,000,000. Union Savings Bank; capitalization, $1,000,000; surplus, $1,000,000; deposits, $20,000,000. Union Trust Co.; capitalization, $1,500,000; surplus, $35,000,000; deposits, $100,000,000.

Pennsylvania Railroad Co., of which prior to January, 1921, he was a director, with a total capital of $440,000,000. Grand total capitalization, $683,500,000.

The record of the personal activities of Secretary Mellon includes 4 banks, of one of which he recently resigned the presidency to enter the Cabinet, 4 insurance companies, 7 educational and philanthropic institutions, and 62 other corporations. Their products—oil, aluminum, railway cars, locomotives, steel, plate glass, radiators, carborundum, bolts and rivets, motor trucks, and a hundred other things—go all over the world. The Mellon National Bank, of Pittsburgh, has resources of $132,000,000 and deposits aggregating $105,000,000. The concerns in which he was actively interested prior to March 4 have resources in excess of $800,000,000.

This list of Mr. Mellon's holdings is by no means exclusive, for it is now generally believed that he is the second richest man in the world.

Though I am mindful of the fact that self-interest during all the centuries past has influenced the hearts and minds of men in all the affairs of life, I desire to make no comment upon this statement.

Res ipsa loquitur. [Applause.]

Mr. BYRNS of Tennessee. Mr. Chairman, I yield the remainder of my time to the gentleman from New York [Mr. KINDRED].

The CHAIRMAN. The gentleman is recognized for four minutes.

Mr. KINDRED. Mr. Chairman and gentlemen, the moral obligation of the Government of the United States to pay adjusted compensation or an honorarium to our ex-service men is manifestly binding as a sacred obligation. I rejoice that our great Government recognized it as a binding and sacred obligation when it paid, as is shown by the official Government records, to the immortal George Washington a bonus, when it paid to the immortal Abraham Lincoln a bonus, and the illustrious Ulysses S. Grant a bonus, and to the illustrious Robert E. Lee a bonus for their services in the United States Army. [Applause.]

All of the first-class, and even of the second-class, nations of the world have recognized this obligation to the ex-service men by having long ago paid them a substantial bonus in an honorable, prompt way. The claims of our ex-service men and women, therefore, are absolutely just and proper. We should have long ago discharged this obligation in a proper and just way. I submit that we are not going to discharge this obligation on our part in an honest and just way when we are called upon next Tuesday, under a suspension of the rules, in a limited time for debate of 40 minutes, and without any opportunity whatever to change or amend the bill reported by the committee, to push through a bill which the ex-service men not only do not want but which is not fair to them. [Applause.] I submit that when we act thus, after all the disgraceful delay in settling their just claims, we should give to the ex-service men the option of a cash bonus as well as insurance. I am sure the House should use a more mature deliberation and judgment than that which is proposed in jamming through here next Tuesday this unjust measure.

When I am compelled to vote at that time for suspension of the rules, in order to have the opportunity to vote for any kind of a bonus measure, I shall do so with the distinct understanding that I favor a more just bonus bill, which would give, in addition to insurance, an option to every ex-service man to be paid in cash, if he desired to exercise such an option.

I have originally and consistently favored this double-option plan. [Applause.]

But I also gladly voted for the four-option plan (the Fordney-McCumber bill) in the last (Sixty-seventh) Congress.

The insurance feature is good as far as it goes, and appeals to many ex-service men.

In connection with this insurance plan carried in the committee's bill which will be reported to the House for a vote under the gag rule already referred to, the average insurance policy provided for each ex-service man, amounts to $—.

PRACTICALLY STEALING FROM THE EX-SERVICE MAN.

The United States Government agreed to pay the soldier the paltry sum of $30 to suffer hardships and death. We practically compelled him to insure his life—a life dedicated to his country—and deducted out of this $30 monthly salary the cost of his insurance, and thus reduced the pay of the soldier at the front and in the camps to that extent—and this loss has been estimated at $20 per month for each soldier. Their pay was, to this extent, unjustly diminished, this unjust deduction amounting on an average to $270 for each of the more than 4,000,000 men. We are therefore in this committee bill, not giving vindication and a just compensation to the ex-service men, but simply returning to them practically the same amount the Government unjustly took away from them in insurance premiums and costs.

I wish to emphasize that a great and grateful country like ours, with practically unlimited financial and other resources and with fine traditions in the matter of fair treatment of its soldiers and sailors, can and should, even though so long delayed, pass a measure that is decent and just to the ex-service men and women who so valiantly defended our country's honor and interests in its hour of peril, under unusual conditions of hardship, suffering, and sacrifice. To deny them the option of receiving a cash payment is an injustice for which there is no excuse, particularly as it is a fact that the most reliable, unbiased financial experts have shown that a cash payment and a full discharge of the United States Government's obligation at once to every ex-service man and woman entitled to adjusted compensation would prove most satisfactory to the ex-service men and much cheaper to the taxpayers of the country, because it would not involve the costly administrative bureaucratic features involved in the plan contained in the present bill.

HOSPITALIZATION OF ALL SICK AND DISABLED VETERANS.

The management or mismanagement in the matter of hospitalization and medical care of the sick and disabled veterans of the World War constitutes a sad and disgraceful blot on the fair name of our great country.

While I, as a physician and Representative in Congress, with facilities for ascertaining the real facts, believe that the present management of the United States Veterans' Bureau and of the agencies for the hospitalization and medical treatment of the sick and disabled veterans have been greatly improved as compared with the outrageous conditions that have been proven to exist in the past, as is shown by the investigation and indictment of the former Director of the Veterans' Bureau, C. R. Forbes, I am of the opinion that there is still room for improvement in the detailed administration and management of this most important branch of the Government service, than which there is none more sacred.

With the special knowledge and equipment of a physician of many years' experience, I unearthed many startling facts in the mismanagement and disgraceful conduct of the Veterans' Bureau under Forbes, as will be shown by the following remarks which I presented in a speech in the House of Representatives during the last (Sixty-seventh) Congress March 17,

1922, which was entitled "A crisis in the hospitalization of the sick and disabled veterans of the World War—a national disgrace under ex-Director Forbes."

The developments and overwhelming proof of the crookedness and wrongdoing, at the expense of the sick and disabled ex-service men, of the former head of the United States Veterans' Bureau, have fully borne out the facts contained in the speech which I then delivered and from which I quote in part as follows (I will first refer to that part of this speech which dealt with the stupidity and criminal negligence of that branch of the Veterans' Bureau which was charged with the responsibility of establishing new hospitals for the sick and disabled ex-service men, particularly those for tubercular and neuropsychiatric—insane or nervous—patients. I also will include that part of this speech in which I proved not only culpable neglect and incompetence in the matter of promptly establishing new hospitals, but also incontrovertible proof of the inadequate and unkind treatment of these unfortunate and disabled ex-service men):

A CRISIS IN THE HOSPITALIZATION OF THE SICK AND DISABLED VETERANS OF THE WORLD WAR—A NATIONAL DISGRACE.

(Speech of Hon. JOHN J. KINDRED, of New York, in the House of Representatives, March 17, 1922.)

Mr. SISSON. Mr. Chairman, I yield 25 minutes to the gentleman from New York, Doctor KINDRED.

The CHAIRMAN. The gentleman from New York is recognized for 25 minutes.

Mr. KINDRED. Mr. Chairman and gentlemen of the committee, in view of the crisis in the hospital needs of the sick ex-service men of this country, and in view of the many letters which I, among other Members of the House, have received, calling attention to this sad and disgraceful condition, and in view of the further fact that the so-called Langley bill was introduced into this House on Monday last, I believe, carrying appropriations for $17,000,000 for additional hospital facilities for the ex-service men who are disabled and sick, I, as a physician of over 30 years' practical experience in hospital management, desire to call the attention of the gentlemen of the committee to certain very sad and disgraceful facts connected with the crisis in our hospital needs for the disabled war veterans to which I have referred.

As a specialist with a practical experience in mental and nervous diseases, which has extended over 30 years in the study of these diseases in the hospitals of New York, Pennsylvania, and Europe, I have naturally the keenest interest, along with all the other Members of Congress, in the hospitalization and medical care of disabled ex-service men, and from this point of view and without bias or partisanship I intend to present to the Members of the House of Representatives some facts which they and the people of this country should know with relation to what has really been done and what has not been done for these disabled men, whose welfare we all wish to serve.

It is timely to present this whole subject now, in view of the fact that Congress will be called upon in a few days to vote upon the bill introduced by the gentleman from Kentucky [Mr. LANGLEY], chairman of the Committee on Buildings and Grounds, and which will carry an appropriation of $17,000,000 for new hospitals in addition to the $28,600,000 already appropriated for hospitals and hospital equipment for these disabled men.

Commencing with the need for hospitalization and medical treatment of the first group of ex-service men who were sent back home disabled, we find that the United States Government had very inadequate hospitals, both as to the number of beds and hospital construction and equipment, and that the demand for more hospitals grew very rapidly, and that this demand has not been met at the present time. In other words, the United States was totally unprepared at that time and is still unprepared to properly hospitalize and humanely care for the disabled ex-service men and women.

Congress discussed at some length the first appropriation to increase and provide additional hospital facilities, and early declared its policy, to which it still adheres, to provide at all times any amount of money really necessary for the proper hospitalization and humane treatment of ex-service men, and the Sixty-fifth Congress appropriated $10,00,000 and the Sixty-sixth Congress appropriated $18,600,000, totaling $28,000,000, for hospitals and hospital equipment, exclusive of the $17,000,000 to be appropriated by the Langley bill.

Congress has also passed a number of bills in the interest of the disabled veterans of the World War, including the Sweet bill, which consolidated all activities of the Government relating to ex-service men into the United States Veterans' Bureau, of which Col. C. R. Forbes is the director. This bureau has the large and grave responsibility of adjusting what will ultimately reach many millions of claims for insurance, allotments, and compensation, besides the work of providing vocational training and arranging for the immediate care of over 30,000 sick men and women who require to be hospitalized and provided with medical and surgical treatment and proper nursing and care.

Reference is here made to an official chart issued by the Director of the Veterans' Bureau in connection with claims for compensation for disability and allotments, and so forth, indicating the expenditure by this bureau of nearly $2,000,000,000. It is certain that many additional billions will be necessary for these purposes and for additional hospital facilities during the next 30 years. The problem of providing sufficient and proper hospital beds and medical treatment for these men and women is the one I mainly wish to discuss at present.

These more than 30,000 sick and disabled are classified into three main classes: The medical and surgical cases, the tubercular, and the neuropsychiatric cases.

There are approximately 9,800 medical and surgical cases, 11,698 tubercular cases, and 9,000 neuropsychiatric cases in hospitals and 3,000 outside of hospitals. The last-named group—the neuropsychiatric—include both the simplest and the most complex nervous cases, and also the so-called psychasthenic cases, meaning those with mild or serious nervous and mental symptoms, and also include the various forms of outright insanity.

The proper housing and treatment of this last-named group, and also the tubercular group, is the disgraceful weakness of the Government's hospital system, to which I will refer later. This situation is a serious and sad one, and I approach the whole subject of its solution in no other spirit than that of trying to be helpful and constructive in the interest of our sick ex-service men, as well as in the interest of humanity and the people of this country.

The Surgeon General of the United States Public Health Service and also the Surgeon General of the United States Army and the Surgeon General of the United States Navy, all preeminently able and experienced heads of their respective departments, have carefully studied the problem of hospitalization for the ex-service men, and particularly has the United States Public Health Service, which has had the full responsibility of the medical care and treatment of nearly all the war veterans since the close of the World War, made exhaustive studies of this whole subject, which studies, together with voluminous reports and data for additional hospitals, have been made public in the form of the reports of the Surgeon General of the Public Health Service made annually to the Secretary of the United States Treasury.

The United States Public Health Service has from the beginning, with inadequate hospital and other facilities and under great difficulties, coped with the serious problem of supplying proper and humane medical and surgical treatment and care and nursing for the rapidly increasing number of sick and disabled war veterans; and it must in all fairness be stated that the Public Health Service deserves and should receive full credit and commendation for its achievements under difficult conditions, this service having, in fact, laid the broad and deep foundations for the good work in the medical treatment of the ex-service men which it is hoped and believed will be creditably continued.

The Public Health Service, under the direction of the Director of the United States Veterans' Bureau, is still responsible for the medical care and treatment of the war veterans who are in hospitals owned and controlled by the United States Government.

The total number of men being hospitalized by the bureau February 23, 1922, according to a letter addressed to me by the Director of the United States Veterans' Bureau, was 30,879.

Approximately one-third of this total number, namely, 4,200 patients, suffering with nervous and mental diseases, the neuropsychiatric group, and over 6,000 tubercular and medical and surgical cases, are not in Government owned and controlled hospitals, but are "farmed out" in State and privately controlled hospitals and institutions at the rate of $3 per day paid by the Government for each patient.

I pause here a moment to repeat that approximately one-third of the total number have no facilities for humane and proper treatment. There are no hospitals owned and controlled by the United States Government for 6,000 and more tubercular and medical and surgical cases which can not be provided for in Government hospitals, making a total of 10,000 that have to be farmed out, about one-third of the total number of 30,000 patients, who are the wards of the Government at the present time.

Mr. LONDON. Mr. Chairman, will the gentleman yield?

Mr. KINDRED. Yes.

Mr. LONDON. In the case of the 4,200 neuropsychiatric patients, would it not be better for individuals to take care of these men rather than place them in hospitals?

Mr. KINDRED. I am aware of the fact that that used to be considered a desirable method of treatment in certain kinds of cases. That is a long question which involves the question of neuropsychiatrics and a definition of each particular case. But with respect to some of the ideas involved in that connection the treatment of this whole class and various forms of curable psychiatric cases should be provided for as speedily as possible in Government-owned and Government-controlled hospitals.

In this connection I desire to say also that if a nervous case, which may be developing in the direction of outright insanity, or if a tubercular case whose tendency is to advance rapidly into an incurable stage—if these two classes of cases are not treated under proper conditions, if proper and nutritious food and proper surroundings and proper nursing and every hospital facility are not provided in the early stages of these two classes of disease, constituting, as we have seen, nearly one-third of the total number of cases under treatment by the Government, then there is no hope of cure at all in this class of cases.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield there?

Mr. KINDRED. Yes.

Mr. GREEN of Iowa. Does the gentleman know of any tubercular cases in his district that are not receiving proper care?

Mr. KINDRED. I will call the gentleman's attention to the fact—which is a matter of record and not denied—that there are over 6,000 tubercular and medical and surgical cases that are not in Government-owned and Government-controlled hospitals, but are farmed out, and I call the attention of the gentleman in that connection to a report which I have as to the manner in which certain cases are treated in the State of Ohio.

Mr. GREEN of Iowa. There are no such soldiers in my district who are not getting proper treatment.

Mr. KINDRED. The gentleman is indeed very fortunate if he has no tubercular ex-service men in his district. The gentleman himself must be exceedingly fortunate, and his district must be exceedingly well located from a climatological standpoint.

Further reference will be made to the neglect by governmental agencies which have deprived approximately 4,200 neuropsychiatric patients—meaning those who are suffering from the mildest nervous diseases and those with the most violent forms of insanity—and over 6,000 tubercular and medical and surgical cases of proper and humane treatment in Government owned and controlled hospitals.

Notwithstanding the fact that the United States Public Health Service and other governmental agencies had worked efficiently in an effort to solve the problem of rapidly providing additional Government owned and controlled hospitals, and notwithstanding the fact that ample data had been provided over a year ago, as a basis for expediting the work of selecting additional hospital sites and completing additional hospital facilities, we find that after the lapse of more than one year since the $18,600,000 appropriation made by the Sixty-sixth Congress became available, and since the so-called medical consultants on hospitalization of the United States Treasury Department assumed the responsibility of locating and constructing the 6,000 additional hospital beds for which this appropriation was voted, that not a single hospital or a single hospital room had been completed February 13, 1922, according to a chart officially issued to me from the consultants on hospitalization, and which chart is entitled on the headlines thereof, "Progress Report of Consultants on Hospitalization," and which title is certainly a misnomer if the usual meaning is to be attached to the word "progress."

It is interesting to read from this chart, under the headlines "Remarks," the various explanations offered by the consultants on hospitalization for their absolute failure to provide a single additional hospital up to the date mentioned under this appropriation.

I desire in this connection in order to emphasize the unspeakably sad and disgraceful conditions which have resulted from this culpable delay and incompetency on the part of the consultants on hospitalization, as is evidenced by the bare facts in the case, to state that as a result of the failure of the consultants on hospitalization to grasp the great importance of their vast problem, and on account of their evident incompetence, that there is now a crisis in the hospitalization of ex-service men, as will be shown by the facts and figures, to be referred to later.

The fact is, according to the official report of the consultants on hospitalization of the Treasury Department, that not one single hospital bed is available under the $18,600,000 appropriation for which they were responsible for providing hospitals speedily.

I have here and hold in my hand an official chart issued by the consultants on hospitalization of the Treasury Department, which is, curiously enough, denominated "the progress chart." "The progress chart" will be interesting to analyze. The facts are that when "the progress chart" is analyzed it shows all sorts of flimsy excuses, all sorts of ridiculous explanations; explanations like this one, in the case of the metropolitan district of New York City, under the head of "Remarks"; on the progress of a hospital in that great metropolitan district there is a blank. The minds of the consultants on hospitals must have been much of the time a blank. Under the head of some other hospital projects, under the head of the hospital proposed at Marion, Ind., for example, occurs, "New bids were approved February 2, 1922." We find that they have made wonderful progress in the State of Ohio, in which State there has been a farming-out system which has been a disgrace to the community and to which I shall refer later. We find that in that State they have made wonderful progress with the proposed hospital there, which is indicated here in the words, "Excavation completed."

I charge them with incompetency, with culpable neglect.

In various other projects, of which there are many, I find similar excuses and flimsy explanations. Therefore their report, which is designated a "progress chart," is evidently a misnomer.

It is interesting to consider some further facts which I desire to emphasize in this serious situation.

In addition to my own personal investigations in this matter and to bring out the facts showing a condition constituting a national disgrace I here refer to letters addressed to me by Col. R. C. Forbes, Director of the United States Veterans' Bureau; to the letter of John Thomas Taylor, vice chairman of the legislative committee of the American Legion; and to a personal letter and telegram from Col. Cornelius W. Wickersham, chairman of the hospital committee of the American Legion, Department of New York, New Jersey, and Connecticut; and also to a public statement of Robert S. Marx, national commander of the Disabled American Veterans of the World War, which last-named statement, dated January 11, 1922, I quote in part as follows—and to this statement I refer for further details as to the shocking conditions connected with the "farming out" system:

"INADEQUATE TREATMENT IN OHIO.

"We represent that in the State of Ohio to-day—

"First. The Government of the United States has provided no hospital facilities of any kind to care for mentally disabled ex-service men.

"Second. That the United States has farmed out the insane ex-service men of Ohio to State asylums which are notoriously overcrowded, undermanned, and inadequately equipped to treat and care for them.

"Third. That, for example, in the Longview Asylum, of Hamilton County, Ohio, there are 42 gallant soldiers who broke down mentally under the stress of war, although Longview is so overcrowded that 240 of the inmates sleep on the floor like cattle every night.

"Fourth. That although approximately one-half of the 250 mentally disabled soldiers now in Ohio asylums could be restored to reason by proper medical treatment and hospital care for their mental diseases, these men are given no medical treatment of any kind for their mental diseases, and curable cases are being daily doomed to permanent insanity.

"Fifth. That the tubercular and nontubercular patients in these institutions are not separated, but are all mixed together.

"Sixth. Finally, we represent that the State of Ohio is making a profit averaging $300 a year for every ex-service man confined in Ohio asylum, which profit is made from the money paid by the United States Government to the State.

"The truth of these charges is frankly admitted by the officials of the State institutions.

"Dr. E. W. North, superintendent of Longview Asylum, in a public statement issued December 28, 1921, said, 'These statements are not exaggerated in any particular.'

"Dr. H. S. MacAyeal, director of the State welfare department, said in a public statement issued December 30, 1921, that the State of Ohio made the profit shown by the following table on each insane soldier in its institutions, namely:

Institutions.	Cost per man.	Received from United States.	Profit made by State per man per year.
Athens State Hospital	$277.86	$547.50	$376.66
Cleveland State Hospital	238.24	547.50	309.26
Dayton State Hospital	309.54	547.50	237.96
Lima State Hospital	310.75	547.50	236.75
Masillon State Hospital	234.20	547.50	304.30
Longview State Hospital	231.28	547.50	316.22
Toledo State Hospital	286.86	547.50	260.64
Ohio Hospital for Epileptics	332.69	547.50	214.81
Institution for Feeble Minded	220.57	547.50	329.93

"The State of Ohio makes a profit of more than $125,000 annually by reason of ex-service men in Ohio asylums.

"What is true in Ohio is true in practically every State in the Union, because of the failure of the United States to provide adequate facilities for the medical care and hospitalization of our mentally disabled comrades.

"The national magnitude of the problem may be grasped from the fact that almost one-third (27 per cent) of all sick soldiers now in hospitals are mental cases.

"Moreover, for every mentally afflicted soldier in any institution to-day there is another soldier who should be receiving treatment, but whose family will not consent to have him adjudged a 'pauper insane' and sent to one of these State asylums for the pauper or criminal insane, which are the only places now available. If the

Government had proper hospitals, these men who now form the unseen army of neglected insane would soon come forth, and half of them could be restored to useful citizenship. We charge that not only are these cases totally neglected but that in thousands of cases the United States Government has farmed out its responsibility to care for its own fighters who broke down mentally because of their service."

I desire to emphasize particularly some of the foregoing statements of Commander Marx, notably that "approximately one-half of the disabled soldiers now in Ohio asylums could be restored to reason and health by proper medical treatment and hospital care for their metal disease."

It is a well-known medical fact that active and proper treatment must be given to insane and neuropsychiatric cases as well as to tubercular cases during the first two years of the duration of their disease if they are to be prevented from becoming totally incurable and deteriorating into hopeless cases.

In this same connection I quote from a telegram to me from Col. C. W. Wickersham, dated March 7, 1922, chairman hospitalization committee of the second hospital district—New York, New Jersey, and Connecticut—as follows:

"Answering your telegram, situation in New York very bad. We have no tubercular hospital nor Government mental hospital here. Fox Hills Hospital is a miserable collection of war shack buildings wholly improper, particularly for tubercular and mental cases. Polyclinic hospital being abandoned. Catholic orphanage hospital not yet opened. Two thousand tubercular and mental cases in second district in contract hospitals, including 200 in State hospital for insane on Wards Island. Of 30,000 patients in the country at large 20,000 are mental and tubercular. Public Health Service has no mental hospital yet except St. Elizabeths in Washington, which is largely filled. Greatly lacking in tubercular beds. Am forwarding statement which will be of value.

"C. W. WICKERSHAM."

I also quote the concluding portion of a statement made by Colonel Wickersham March 4, 1922, as follows:

"The sufferings of our disabled and sick comrades in the past and the great delays in giving them proper hospitalization, prompt and just disability compensation, and timely and adequate vocational training demand that we devote our efforts to the future, with the experience gained since the armistice, to lighten and relieve the hardships they have suffered, rather than to endeavor to minimize facts and cover failure. Let us face a bad situation squarely and use our best endeavors to provide a remedy.

"C. W. WICKERSHAM,
"Chairman Hospital Committee, American Legion,
"Department of New York."

Some of the results of this crisis in hospitalization of ex-service men have been referred to frequently in the newspapers, but more specifically by responsible persons in position to know the full facts as to the wretched conditions among many of the sick ex-service men in State and privately owned hospitals, whose chief interest in these wards of the Government is a mercenary commercial interest.

I wish to be perfectly fair and to make acknowledgment to these State and privately owned hospitals which have provided efficient and proper treatment to the ex-service men, whom they have cared for with great inconvenience and difficulty because of the overcrowding in most of these hospitals.

How may we get the best results in hospitalizing and humanely caring for our ex-service men? We have a duty as Representatives in Congress that extends beyond the necessary appropriation of millions of dollars for hospitals and such facilities. Ours is also the sacred duty of safeguarding the expenditure of these millions so as to secure actual results and prevent the money appropriated from being foolishly or improperly expended, as it is proposed to expend a part of the available $18,600,000 appropriation.

Mr. HAYDEN. Will the gentleman yield?

Mr. KINDRED. I gladly yield to the gentleman from Arizona.

Mr. HAYDEN. Are any steps being taken to acquire new hospitals in New York for the treatment of tubercular patients?

Mr. KINDRED. There has been a very singular step taken in the State of New York to acquire a site for a hospital for the treatment of tubercular patients. As I am reliably and officially informed, the consultants on hospitalization of the Treasury Department are negotiating now for the acquiring as a site of a hospital for the care and treatment of tubercular patients the celebrated farm of Ex-Gov. Levi P. Morton, which was no doubt a fine show farm for blooded cattle, but which is located in the damp Hudson River Valley, where sore throats and colds and pneumonia and consequent tuberculosis are not uncommon, and which farm is practically at sea level. The price at which that farm is held is $400,000. It was a beautiful and delightful show place, and it will probably make a charming residence for some of the higher-up consultants in this vast scheme of hospitals which it is proposed to adopt. [Applause.]

Tubercular patients, according to all medical authority, and as is also well known to the lay mind, require an altitude of not less than 2,000 feet above sea level, and this required altitude may be gotten within 20 miles of the Ex-Governor Morton Farm in the beautiful Catskill Mountains, or within 75 miles in the dry, elevated climate of the Adirondack Mountains. Why locate a hospital for tuberculosis patients in a damp river valley, practically at sea level?

Another plan in which the consultants on hospitalization are about to embark is the establishment of a hospital at Tuskegee, Ala., at which medical and surgical cases and neuropsychiatric cases, including mild nervous diseases and raving insane patients—all in one hospital plant, within a small area, with the excuse of giving near-by clinical material to the students of the Mahary Medical College for negro students. This mistaken and incompetent policy on the part of the consultants on hospitalization is in line with the experience of the State of New York in having wasted a million of dollars because a large hospital was started in a location which had to be abandoned, on the order of the highest court, for the reason that it was found impossible to provide proper sewerage.

The consultants on hospitalization, inexperienced in hospital management and practical policy, would ignore every principle and all experience in medical science for the welfare and care of the sick World War veterans in order to play practical politics and supply the negro medical students with clinical material at the expense of the welfare of these veterans.

It has been suggested that such suggestions as these as to hospitalization and hospital management is the reason why the American Legion at a recent meeting recorded its opposition to Brig. Gen. Dr. Charles E. Sawyer, chairman of the Federal Hospitalization Advisory Committee, who is reported in officially planning the management and policy of the magnificent Federal hospital system which we have so liberally provided for, to have ignored the Surgeon General of the United States Public Health Service, the Surgeon General of the United States Army, and the Surgeon General of the United States Navy, all of whom are members of the Hospitalization Advisory Committee, who, as stated before, are experienced and profoundly learned in medicine and all the details of hospital management and policy.

If Congress wants to properly settle this all-important question as to the control of the policy of hospital management of the great hospital system which we intend to establish, it should safeguard that question and also safeguard the enormous appropriations we have made and intend to make by providing that the policy of hospital management should be in control of the Surgeon General of the United States Public Health Service or of a board consisting of that official and of the Surgeon General of the United States Army and the Surgeon General of the United States Navy, these distinguished medical officers of the United States Government having coped with this and similar problems before, during, and since the World War. In addition to these, Congress might well provide that if, in the discretion of the President of the United States, additional competent medical specialists, experienced in hospital management, were required, the President should appoint them from among the most distinguished physicians in this country.

In this connection it is interesting to read from the article referred to in the American Legion Weekly on "The hospital-program crisis," as follows:

"The American Legion has insisted at these hearings that the mistakes and delays experienced in the $18,600,000 program shall be avoided in the new program. Chairman Sprague, of the Legion's rehabilitation committee, has indorsed the proposal contained in the Langley bill, that Director Forbes, of the Veterans' Bureau, shall have sole charge of the whole new program. He has opposed the suggestion that the Federal Board of Hospitalization, headed by the President's personal representative, Brig. Gen. Charles E. Sawyer, shall have jurisdiction in the new program.

"Mr. Sprague has contended that the history of the $18,600,000 appropriation is eloquent testimony that divided authority is the father of the two bureaucratic twins—delay and red tape—and that only by giving Director Forbes full authority to select sites and design and build hospitals in the quickest time possible can the mistakes of the past be avoided. Director Forbes, speaking for himself, has told the congressional committee that he believes that inasmuch as the responsibility for making use of the new buildings rests upon him, he should have absolute authority in determining where those hospitals shall be and what they shall be like. The congressional committee has shown that it agrees with the main proposals of the $17,000,000 appropriation bill. At this writing, however, it is still uncertain whether the White committee will be authorized to assist Director Forbes or whether the committee will grant the request of Brigadier General Sawyer and give his committee advisory jurisdiction."

Relative to Chairman Sprague's testimony as to the bad results of the existing divided authority, it should be stated that the architects of the Treasury Department have also been insistently charged with

inexcusable delay and red tape, especially in connection with their system of purchasing materials and hiring labor—the so-called hiring and purchase system—which system, it is reasonably claimed by John Thomas Taylor, vice chairman of the hospitalization committee of the American Legion, in a personal letter to me, has not brought about the completion of hospital construction as rapidly as it would have been brought about if this construction work were placed under contract to responsible bidders by the architects of the Treasury Department, with a severe penalty for failure to complete the work on time.

The representatives of the architects of the Treasury Department, after their alleged failure to efficiently expedite hospital construction, appeared before the Committee on Buildings and Grounds and argued that the $17,000,000 appropriation to be authorized under the Langley bill should be placed under the sole direction of the Treasury Department instead of being appropriated to the Director of the Veterans' Bureau or to some other governmental agency than the Treasury Department.

All this, together with some other known and unknown facts, will explain that there has been recently quite a jealousy between certain governmental departments as to who should have the honor and privilege of expending the seventeen millions to be authorized by the Langley bill for additional hospitals.

It is not only of the utmost importance that these immense appropriations should be expended by the most efficient governmental departments, but it is also a matter of grave importance as to whether or not competent governmental medical officials are to control the management and policy of these hospitals after they are occupied by our disabled war veterans; and I wish to say, with a knowledge of hospital management and policy, that it would be indeed a calamity to the ex-service men and to our Nation if the management and general policy of these hospitals, after they are completed, are intrusted to incompetent and visionary physicians or other governmental officials who may have good intentions but who are merely inexperienced dreamers in the practical workings of the administration and policy of a great hospital system.

Congress should prepare now to meet the hospital needs which will be acute during the next several years. During this period approximately 11,000 hospital beds owned by the Government and which are old and unfit will have to be abandoned, and this number of new modern hospital beds provided. Besides this number, an additional number of hospitals will have to be provided to care for the increase in neuropsychiatric and tubercular patients, which increase during the next four to six years, based on the ratio of increase during the past two years, will be approximately 10,000 to 11,000 cases.

Still an additional number of hospital beds will have to be provided to meet the present program for the additional 6,000 hospital beds recommended by the Director of the Veterans' Bureau.

To sum up, in addition to this number and to the total number of hospital beds now owned and rented by the Government—30,000—approximately 20,000 additional hospital beds will be needed in the next several years in order to meet the needs of the approximately 56,000 patients who will require hospitalization at the end of that period, including the rapid increase in neuropsychiatric and tubercular cases during the next several years. I believe we should have them in mind and safeguard the appropriations which we shall be called upon very soon to make in addition to those already made for this purpose; to safeguard the appropriations and to protect the welfare of the ex-service men in some manner to be suggested by our most experienced legislators.

In connection with the shortage of hospitals and the abandonment of Fox Hills and other unfit Government hospitals, it is pointed out, to the personal knowledge of myself and many others, that the enforced transfers of many patients from one hospital to another has resulted in many avoidable deaths, this being particularly true in tubercular cases, where such transfers in all kinds of weather and other unfavorable conditions cause an exacerbation of their diseases from exposure and fatigue.

This fact is emphasized by the intention to abandon Fox Hills Hospital, New York, and the consequent necessity to find hospital accommodations for 400 tubercular patients, many of whom are bedridden and whom it is intended, according to reports, to remove from the vicinity of their old homes and families to California and North Carolina, although it appears vacant hospital beds for that number can be found in the salubrious climate of Saranac and Liberty, N. Y., places peculiarly adapted to the treatment of tuberculosis.

From these facts as to the inadequacy of the number of hospital beds and proper facilities for neuropsychiatric and also tubercular cases, which inadequacy at this time, three years and three months after the armistice which ended the World War, is due to the neglect and incompetency of the governmental agencies already referred to, it will be seen that these wards are not only denied the humanitarian treatment to which they are entitled as deserving wards of the Nation but that even from an economic standpoint the Government is failing to keep faith and do its duty toward its wards, our war veterans.

Let us, as the people's Representatives in Congress, continue our liberal policy toward the disabled ex-service men and provide them with the best possible hospital facilities and care, but after we have made liberal appropriations of millions of dollars let us see to it that additional modern hospitals are promptly completed and that the people's money for this noble purpose is not wasted in any foolish experiments. [Applause.]

In addition to the undeniable and disgraceful facts set forth in my speech delivered on March 17, 1922, I wish to emphasize that both the former and present Directors of the Veterans' Bureau seem to be inclined never to give the benefit of the doubt to those sick ex-service men whose illness—although undoubtedly due to their service—developed after the period during which they could under existing laws claim hospitalization and medical treatment. As an example: I have as a physician seen and had my attention called to many cases of insanity, spinal-cord disease, tuberculosis, and other diseases which developed their first discernible symptoms some time after the lapse of the period during which they could, under the existing law, claim hospitalization and medical treatment from the United States Government. Instead of looking upon these cases with a generous interpretation of the law, the officials of the Veterans' Bureau, and the whole policy of the United States Government, is seemingly in the direction of excluding these unfortunate cases from the benefits of hospitalization and medical treatment, so generously provided for them in many large appropriations made by Congress, and for which I have had the pleasure of voting. This class of patients have been denied hospitalization, even though there are now hundreds of vacant beds in Government hospitals, which have finally, after all of these years of delay, been completed and equipped and are running at great expense to benefit only, in some cases, very few inmates or patients.

It is my purpose at the present session of Congress to offer amendments to existing laws which will give to every ex-service man and woman who has been honorably discharged from any branch of the military or naval service of the United States the full benefits of hospitalization and medical treatment and good care at the expense of the Government, regardless of the diseases which they may have developed and also regardless of the time when the disease is developed. In other words, our ex-service men and women should have the privilege of hospital care and the best possible treatment when they are disabled by sickness or by any other cause, and in my opinion the Government will fall short of doing its plain duty until the present laws are so changed as to give the most liberal and fair treatment to our ex-soldiers and sailors of all branches of the service.

Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

Contingent expenses: For miscellaneous items and expenses of special and select committees, exclusive of salaries and labor, unless specifically ordered by the House of Representatives, fiscal year 1923, $13,086.98.

Mr. MADDEN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. MADDEN: Page 3, after line 6, insert as a new paragraph the following:

"For stationery for Representatives, Delegates, and Resident Commissioners, $750."

Mr. MADDEN. Mr. Chairman, I want to say in connection with this amendment that six Members of the House died and their stationery accounts were either drawn up to the limit or, according to law, paid to the widow of the deceased Member or the proper heir. This is to supply stationery to five Members who have been elected to fill vacancies and to provide the allowance where one vacancy exists and will probably soon be filled.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

AMERICAN BATTLE MONUMENTS COMMISSION.

For every expenditure requisite for and incident to the work of the American Battle Monuments Commission authorized by the act entitled "An act for the creation of an American Battle Monuments Commission to erect suitable memorials commemorating the services

of the American soldier in Europe, and for other purposes," approved March 4, 1923, including the acquisition of land or interest in land in foreign countries for carrying out the purposes of the said act without submission to the Attorney General of the United States under the provisions of section 355 of the Revised Statutes; employment of personal services in the District of Columbia and elsewhere; the transportation of mileage of, reimbursement of actual travel expenses or per diem in lieu thereof to the personnel engaged upon the work of the commission, as authorized by law; the establishment of offices and the rent of office space in foreign countries; printing, engraving, lithographing, binding, photographing, and typewriting; and the actual expenses of the members of the commission and its secretary, $95,750, to remain available until June 30, 1925: *Provided*, That not exceeding $1,600 of the amount herein appropriated shall be available to meet such expenses of the commission as may have been incurred since March 4, 1923, and prior to the passage of this act, as may be approved by the chairman of the commission: *Provided further*, That when traveling with the commission or on the business of the commission officers of the Army serving as members or as secretary of the commission shall be reimbursed for actual expenses as provided for other members of the commission.

Mr. MADDEN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

On page 6, line 11, after the word "commission," insert the following: "*Provided further*, That disbursements for expenditures outside of continental United States may be made by a special disbursing agent designated by the commission, and under such regulations as may be prescribed."

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

Hospital facilities and services: For further carrying out the provisions of the act entitled "An act to authorize an appropriation to enable the Director of the United States Veterans' Bureau to provide for the construction of additional hospital facilities and to provide medical, surgical, and hospital services and supplies for persons who served in the World War, the Spanish-American War, the Philippine insurrection, and the Boxer rebellion, and are patients of the United States Veterans' Bureau," approved April 20, 1922, $5,000,000, for which the Director of the United States Veterans' Bureau, subject to the approval of the President, was authorized to incur obligations by an act entitled "An act making an appropriation for additional hospital facilities for patients of the United States Veterans' Bureau," approved May 11, 1922.

Mr. WATKINS. I offer an amendment. Line 6, page 8, strike out "$5,000,000" and insert "$5,500,000."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 8, line 6, strike out the figures "$5,000,000" and insert in lieu thereof "$5,500,000."

Mr. MADDEN. Mr. Chairman, I reserve a point of order on that amendment. The amount of $17,000,000 was the limit of cost for these hospitals. Of that sum, $12,000,000 was appropriated and $5,000,000 was given as a contract authorization. We are here appropriating the $5,000,000 obligated under the contract authorization. We can not exceed the amount authorized by law. I make the point of order.

Mr. WATKINS. I simply desired to get more money for this purpose. I do not care to argue the point of order. I am ready for the Chair to rule.

The CHAIRMAN. The point of order is sustained.

The Clerk read as follows:

Administration of the United States warehouse act: To enable the Secretary of Agriculture to carry into effect the provisions of the United States warehouse act, approved August 11, 1916, as amended by the act of February 23, 1923, including the payment of such rent outside of the District of Columbia and the employment of such persons and means as the Secretary of Agriculture may deem necessary, in the city of Washington and elsewhere, $10,000.

Mr. SINNOTT. Mr. Chairman, I move to strike out the last word. I do that for the purpose of asking the chairman of the committee, recurring back to page 13, and I desire to ask how much of that appropriation is left and is being appropriated?

Mr. MADDEN. About $38,000, and we figure that will clean up these infestations up or down, whichever way you may use the term.

The CHAIRMAN. Without objection, the pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

COLLECTION OF SEED-GRAIN LOANS.

For an additional amount to enable the Secretary of Agriculture to collect moneys due the United States on account of loans made under the seed-grain loan provisions of the act of March 3, 1921, and the seed-grain loan act of March 20, 1922, including the employment of such persons and means in the city of Washington and elsewhere as may be necessary, $13,000.

Mr. MADDEN. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

On page 15, after line 17, insert:

"ERADICATION OF FOOT-AND-MOUTH DISEASE.

"For personal services and other expenditures in the District of Columbia and elsewhere in connection with the arrest and eradication of foot-and-mouth disease, rinderpest, contagious pleuropneumonia, or other contagious or infectious disease of animals, including the payment of claims growing out of past and future purchases and destruction, in cooperation with the States, of animals affected by or exposed to, or of materials contaminated by or exposed to, any such disease, wherever found and irrespective of ownership, under like or substantially similar circumstances, when such owner has complied with all lawful quarantine regulations, and including necessary investigations, to determine whether such diseases have been completely eradicated in districts where they previously existed, $1,000,000, to be expended by the Secretary of Agriculture when in his judgment an emergency exists which threatens the livestock industry of the country, and to remain available until June 30, 1925: *Provided*, That the payment for animals hereafter purchased may be made on an appraisement based on the meat, dairy, or breeding value; but in case of appraisement based on breeding value, no appraisement of any animal shall exceed three times its meat or dairy value; and except in case of an extraordinary emergency, to be determined by the Secretary of Agriculture, the payment by the United States Government for any animal shall not exceed one-half of any such appraisement."

Mr. MADDEN. Mr. Chairman, several years ago we had a serious epidemic of foot-and-mouth disease throughout the country among cattle, hogs, sheep, and goats. A large amount of money was appropriated—some $2,500,000—during the worst period. Three hundred thousand dollars of that $2,500,000 remained unexpended and was available to cope with existing conditions. It developed without much warning that in the counties of Alameda, Contra Costa, and Salano, Calif., there were 64 premises on which cattle numbering 2,742, hogs numbering 7,610, sheep 8, and goats 24 had become infected with the foot-and-mouth disease. The further spread of this disease would be serious and alarming.

The Department of Agriculture, in connection with the State of California and the counties that I have named, took immediate steps to prevent the spread and killed the cattle, hogs, sheep, and goats and buried them. The process through which they go in cases of this sort is to kill the animals affected, bury them in deep trenches, and cover them with quicklime, so there is no chance whatever for further infection from those animals. The disease spreads without respect to whether or not the cattle are moved from place to place. A man working on a farm can carry this disease in his clothing, and so it becomes necessary to quarantine those who are in close proximity to the places where the infected animals are located. Birds carry the disease from place to place, and sometimes this disease breaks out in a given place and a few days afterwards it will be found many miles away from there, without any apparent cause. Hay in stacks becomes infected, and cattle eating that hay later become afflicted with the disease. There have been cases known where cattle had been feeding on a field of alfalfa, where they have had a slight affliction. They have left the disease on the alfalfa field, and when the alfalfa was made into hay and fed to other cattle, later on those other cattle became afflicted. So it becomes very important that drastic measures be taken promptly to obviate the spread of the disease.

They have already killed more than 800 cattle and 2,000 hogs in the counties that I have named. They have done everything within their power to prevent the further spread of the disease. There has been no disease of this kind in the United States among cattle for some years past to speak of. In European countries they have this disease constantly among their cattle, and also in the Orient. But here it is found to be much cheaper to eradicate the disease by killing the cattle and paying for them than by attempting to cure them.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Illinois.

The amendment was agreed to.

Mr. LUCE. Mr. Chairman, I have taken my feet to move a pro forma amendment, to strike out the last word on line 17 of page 15; or is it too late?

Mr. MADDEN. That is all right.

Mr. LUCE. This is the item entitled, "Collection of seed grain loans." In view of the constant and growing pressure for the lending of the public funds to individual citizens of the country, I suggest that the chairman of the committee might throw some helpful light upon the situation if he would explain the purposes of this paragraph and perhaps spread upon the RECORD what are the actual results of the lending of the taxpayers' money to individual members of the community.

Mr. MADDEN. Briefly, the financial transactions under this appropriation are these: In 1921, $1,957,000 was loaned to 13,935 farmers, of which amount $1,441,000 has been collected up to December 31, 1923, together with $34,000 in interest.

In 1922 the sum of $1,480,000 was loaned to 12,142 farmers. Of the amount loaned, $1,033,218 has been collected to December 31, 1923, together with $42,000 interest. The total amount loaned in the two years was $3,437,000, of which $2,256,000, or 65.5 per cent, has been repaid. That includes the interest on both loans to December 31, 1923. The amount appropriated in this paragraph is intended to pay the cost of the effort to make further collections.

Mr. LUCE. Is it expected that any considerable amount can be further collected?

Mr. MADDEN. The only information we have is that about $140,000 will be collected as the result of the expenditure of this money during the next year.

Mr. LUCE. Then, would it be fair to say that the House may assume that whenever it lends the taxpayers' money to individuals it is likely to get back only two-thirds of it?

Mr. MADDEN. It is fair to say that the Government will not get back much more than we have received, except $140,000 in this case.

Mr. TINCHER. What was the character of that loan?

Mr. MADDEN. It was a bill passed by both Houses of Congress; a bill reported from the Committee on Agriculture of the House, to meet a very pressing and urgent demand for seeds to be supplied to farmers in some cases, and to loan the money to them, with which to buy cattle, as I recall, and seeds. They have had a number of years of serious drought and great difficulty, living in sections of the country where trouble has come from time to time; and in doing this I will say that North Dakota and Montana were the principal locations where the money was loaned. In doing this we have only done what we have frequently done in cases of trouble across the sea, where we have no personal interest in the people involved.

Mr. TINCHER. The gentleman will recall that it was freely predicted at the time the loan was made that it would be practically a gift, and there would be no collections?

Mr. MADDEN. Yes. I am amazed that so much has been collected as we have collected.

Mr. LUCE. If two-thirds only has been repaid and one-third remains to be collected, would it follow that in one-third of these cases we were unable to save afflicted persons from ruin?

Mr. MADDEN. I think their case was worse than they themselves foresaw. Drought followed, and hardship after hardship was endured by the farmers.

They thought they could recover from the difficulty and thought they were better off than they really were. When we loaned them money to buy more seed with which to grow other crops other failures came. They had no control over the situation, and it was impossible for them to meet the obligation. But they did wonderfully well. There was an effort made by all to do the best they could, and I think they did very well.

Mr. LUCE. The point which strikes me is that perhaps in this instance we did not follow the wisest course.

Mr. MADDEN. The Government still has mortgages on the crops of these people.

Mr. LUCE. But if it is not expected that more than two-thirds can be collected——

Mr. MADDEN. I judge that from the evidence I elicited in the examination of the witnesses.

Mr. LUCE. I wondered whether we were pursuing the wisest course in dispensing our charity in this fashion and whether some more efficient method could not have been found to help these people.

Mr. MADDEN. There has been some doubt in the minds of many as to whether this was the wisest course, but the wisdom of the House was expressed in its almost overwhelming vote on this proposition, so that there was nothing left for us to do but deal with the situation and appropriate the money.

Mr. McKEOWN. Mr. Chairman, I rise in opposition to the pro forma amendment. I want to say that I commend the House of Representatives for the passage of the law which permitted those loans to be made.

I will say for the benefit of the gentleman from Massachusetts [Mr. LUCE] that the general policy of lending the taxpayers' money to distressed citizens may not appeal on its face to the general taxpayer, but, as a matter of fact, the farmers in those localities have greater difficulties to overcome than you find in the ordinary agricultural community. That is to say, these conditions are not brought about by their own indiscretion; they are not brought about by their own conduct, as a rule. The conditions arise out of seasons over which they have no control.

This aid materially helped these people to go on with their farm business and carry on their occupations, so that they could exist and not become objects of charity and so they could still maintain their self-respect as citizens of a great country.

When a great calamity comes to some foreign country we pass legislation appropriating money to them without a word, and without question we appropriate it out of the Treasury of the United States. But when our own citizens, through misfortune and under circumstances over which they have no control, come to us we immediately become beggarly with them, and we withhold from them the help which we should give, on the ground that we are taking the taxpayers' money to lend to individuals of the country, which is not, as some say, a proper function of the Government. But very much good has been done in these cases. To-day, while I am talking to you, there are places in the United States where farmers are in most distressful situations.

They have had all of their machinery, their lands, and all of their foodstuffs sold under power of sales in mortgages, and they are without any means whatever to carry on their business.

Mr. BYRNS of Tennessee. Will the gentleman yield?

Mr. McKEOWN. Yes.

Mr. BYRNS of Tennessee. I could not hear the gentleman because he has been talking toward the other side; but do I understand the gentleman indorses the action taken in loaning this money to the farmers?

Mr. McKEOWN. Yes.

Mr. BYRNS of Tennessee. Does the gentleman think this Government has any constitutional right to take the money of the taxpayers and loan it to any set of individuals in any particular section of the country to the exclusion of others who need it, in the gentleman's own State as well as in mine?

Mr. McKEOWN. I think it is within the meaning of the Constitution and within the constitutional power of the Congress of the United States to make loans to its own needy citizens as much as it is within the power of the Congress to loan money to foreign citizens and contribute to foreign countries when they are in distress.

Mr. BYRNS of Tennessee. Would the gentleman say that because in one State the farmers need money with which to buy seed they should be favored with a loan and farmers in other States denied that money?

Mr. McKEOWN. I think the Government should take care of its needy citizens whenever it is practicable to do so.

The CHAIRMAN. The time of the gentleman has expired.

Mr. McKEOWN. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. The gentleman from Oklahoma asks unanimous consent to proceed for three additional minutes. Is there objection?

There was no objection.

Mr. McKEOWN. Now, let me show you what the situation is. You talk about giving money away. We loan money to the railroads with lavish hands. We loaned them money which we had in the Treasury and which we did not have in the Treasury, in order to help them out of their trials and their tribulations, and to-day, before the Committee on the Merchant Marine and Fisheries, they are asking us to make additional loans to the great commerce of the country. Why should we pick out these men and make them special beneficiaries and not make loans to farmers in some of the States where they need money and when they need help to put them on their feet and sustain the greatest industry we have in America, and upon which depends the final prosperity of all the country? It is not demagogic to say that difficulties will result if we do not do something by way of rendering financial assistance to these people who are absolutely in the throes of poverty and through

no fault of their own. Whenever the Government does not function and help that class of citizens, so necessary to the prosperity of the country and yet in such poverty, they are apt to feel they do not live in a free and generous country, especially when they can pick up the CONGRESSIONAL RECORD and read where we are lavish in our expenditures in the way of increasing salaries and in the creation of additional offices.

The CHAIRMAN. The time of the gentleman has expired. Without objection, the pro forma amendment will be withdrawn and the Clerk will read.

The Clerk read as follows:

DEPARTMENT OF THE INTERIOR.
OFFICE OF THE SECRETARY.

Care and custody of the insane of Alaska: For care and custody of persons legally adjudged insane in Alaska, including transportation and other expenses, fiscal year 1923, $500: *Provided*, That authority is granted to the Secretary of the Interior to pay from this appropriation to the Sanitarium Co., of Portland, Oreg., not to exceed $600 per capita per annum for the care and maintenance of Alaskan insane patients during the fiscal year 1923.

Mr. DYER. Mr. Chairman, I move to strike out the last word.

At my request, Mr. Chairman, for a constituent of mine, the Secretary of the Interior, Dr. Hubert Work, prepared and sent to me for transmission to my constituent a statement upon the leasing of the naval petroleum reserves. I think it is a very valuable addition to what has been said upon that subject, and I ask that I may have it printed in connection with my remarks.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent to extend his remarks in the manner indicated. Is there objection? [After a pause.] The Chair hears none.

The communication referred to follows:

THE SECRETARY OF THE INTERIOR,
Washington, March 12, 1924.

Hon. L. C. DYER,
House of Representatives.

MY DEAR MR. DYER: I have your note of March 1 asking me to furnish you the information requested by Mr. Schmid in his letter to you of February 28, which I return with this.

I am inclosing a memorandum which gives the facts as nearly as possible in a noncontroversial form. I trust it will serve your purpose.

Very truly yours,

HUBERT WORK.

Without entering into such disputed questions as to whether or not the naval petroleum reserves should have been leased, or if they were to be leased, whether it should have been done in the particular manner adopted, the following summary of what return the Navy received and is to receive for the leases has been prepared from the printed record of the Senate committee hearings:

1. Royalties ranging according to the average daily production of the wells from 12½ to 35 per cent in the case of the California naval lease and 12½ to 50 per cent in case of the Wyoming naval lease. Royalties on Government land generally range from 12½ to 25 per cent, and on leases growing out of prospecting permits 5 per cent flat on one-quarter of the area, as prescribed in the law, and from 12½ to 33⅓ per cent on the balance. A few special leases in the Salt Creek field, which belongs to the Government and is adjacent to the Teapot naval reserve in Wyoming, are at 33⅓ per cent. With the same average daily production per well the naval leases would yield more to the Navy than Government leases. In California the royalty actually accrued to date in reserve No. 1, nearly all of which was leased by contract, has been 32 per cent. From reserve No. 2, nearly all of which was leased at regulation royalties, the actual royalty received has been 18 per cent. In the Salt Creek field, under regular Government royalties except for the few premium leases already noted, the average actual royalty received has been to date 22 per cent in round figures. On the Teapot reserve, where the wells have so far come in with much smaller daily yields, the actual average has been just under 17 per cent. The Osage Indian lands are leased at 12½ per cent to 16⅔ per cent, and private lands generally pay 12½ per cent. Indian lands and private lands often bring, in addition to royalties, a lump-sum cash payment or bonus. In lieu of such bonus other considerations were obtained in the naval leases.

2. In lieu of cash bonus the Navy received a higher price for its oil from the Teapot reserve, amounting to 41 cents per barrel, which, on the estimated production when the lease was granted and the present royalty rate, would have been nearly $10,000,000, and even with the present expected production, which is about one-fifth that expected when the lease was made, will amount to more than all the cash bonus received from the whole of the Salt Creek leases.

3. In lieu of cash bonus for the California lease the Navy received from the Pan American Petroleum Co. many considerations, including in particular the agreement to furnish promptly fuel oil in storage constructed according to Navy designs and subject to Navy inspection to a value of approximately $20,000,000. The only repayment to be made is to be in the form of royalty oil if and as the reserves prove to contain oil and it is made available. If the reserves prove barren, the Navy gets the tanks and the fuel oil and the company has no claim on the Government.

4. Tanks and storage facilities are agreed to be furnished as directed by the Navy and filled with petroleum products without profit to the contractor to the full value of all royalty oils. Regardless of all technicalities, this work is in fact being done on contracts let under competitive bids approved in advance by the Navy, save for a few small pieces of special work being done as ordered by the Navy but without such bids.

5. Both contracts provide for building, without cost to the Government, of pipe lines to connect the lands with the sea. In the Mammoth contract right of transport of Government oil is secured even prior to that belonging to the owner of the pipe line. In the Pan American contract free transportation is given the Navy oils.

6. On the Atlantic coast the Navy gets, for 15 years, free storage of 3,000,000 barrels of fuel oil furnished by the contractor, and on the Pacific free storage of 1,000,000 barrels, with valuable free bunkering privileges.

7. The Navy may receive fuel oil for its royalty oil from the Teapot reserve at a ratio of exchange that is 5 per cent better than the average for the five years preceding the making of the lease. It also has a continuing option under which it may purchase other petroleum products at 10 per cent less than market prices.

8. It is not disputed that oil was being drained from each of the three reserves, the difference of opinion being merely as to how extensive the future drainage would be. Under a system of drilling on individual leases advertised and let on competitive bidding the Navy was always behind in the race, and the first and cheap production went to its neighbors, 22,000,000 barrels having been so abstracted from 25 border wells only. Under the contracts the lessees must drill instantly when the Navy directs in the western or larger part of the reserve.

9. Prior to making the contracts over $5,000,000 worth of royalty oil had been sold for cash from the reserves and the money turned into the Treasury, the Navy as such getting nothing. Under the contracts the value of all the royalty oil goes to the Navy, as would seem to be the intent of Congress in setting aside for the Navy such reserves as that of the Teapot, which does not produce any fuel oil as such. The Teapot oil could never be used by the Navy except as the equivalent of so much cash to exchange for fuel oil, petroleum products, or storage.

10. By the contracts the Navy got, in lieu of a reserve of crude oil in the ground, which was certainly being diminished by drainage, which could only be made available in emergency, at enormous expense and after a lapse of one or two years' time, an actual reserve of fuel oil in steel tanks at naval bases. The amount already provided at Pearl Harbor is, in the expressed opinion of naval experts, enough to double the efficiency of the Pacific Fleet and insure the coast States from invasion.

The Clerk read as follows:

Gila River Reservation, Ariz.: For completing the construction by the Indian Service of a dam with a bridge superstructure and the necessary controlling works for diverting water from the Gila River for the irrigation of Indian land and Indian allotments on the Gila River Indian Reservation, Ariz., as recommended by the Board of Engineers of the United States Army in paragraph 217 of its report to the Secretary of War of February 14, 1914, $300,000, to remain available until June 30, 1925, reimbursable as provided in section 2 of the act of August 24, 1912 (37 Stat. L. p. 522).

Mr. McKEOWN. Mr. Chairman, I move to strike out the last word. I would like to ask the chairman if this is a new project—the Gila River project?

Mr. MADDEN. No.

Mr. McKEOWN. Then what is the necessity for appropriating this amount of money, $300,000?

Mr. MADDEN. This is an old project, authorized a long while ago, in 1916. The limit of cost was $400,000. The river was about 1,400 feet wide when they began construction and it turned out to be about 2,600 feet wide a little later. I think there was a good deal of negligence in connection with the construction of the dam at this point or the work would not have been delayed as much as it was. Three hundred and eighty-five thousand dollars of the $400,000 originally appropriated has been expended on the dam, and the question now is whether we should go on and complete the dam or allow that which has already been expended to go to waste.

Mr. McKEOWN. I just wanted to know if there had been that much of a mistake made——

Mr. MADDEN. There has been that much of a mistake, but it was due largely to the cause I have indicated.

Mr. MORTON D. HULL. Why did not this appear in the regular appropriation bill for the Interior Department?

Mr. MADDEN. This is a deficiency bill and this was not presented to Congress at that time.

Mr. MORTON D. HULL. At the time the other bill was being made up?

Mr. MADDEN. No; it was not, and therefore they could not have considered it. It would have been put in if it had been presented.

The CHAIRMAN. Without objection, the pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

BUREAU OF EDUCATION.

Education of natives of Alaska: Of any unexpended balances of appropriation for specific objects included under the appropriation "Education of natives of Alaska, 1923 and 1924," a sum not exceeding $12,000 may be applied to the payment of "Freight, including operation of the U. S. S. *Boxer*," in addition to the $19,000 allotted for that purpose for that year.

Mr. MADDEN. Mr. Chairman, I ask unanimous consent to pass over the first two items on page 22, being lines 1 to 8. I would like to prepare a limitation on the expenditure of that money. We have some information which leads us to think we ought to have such a limitation.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to pass over the first two paragraphs on page 22, being lines 1 to 8, inclusive. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

Salaries and expenses of district attorneys: For salaries of United States district attorneys and expenses of United States district attorneys and their regular assistants, including the office expenses of United States district attorneys in Alaska, and for salaries of regularly appointed clerks to United States district attorneys for services rendered during vacancy in the office of the United States district attorney, fiscal year 1923, $18,754.28: *Provided*, That United States district attorneys and their regular assistants may be granted a per diem of not to exceed $4 in lieu of subsistence, instead of, but under the conditions prescribed for, the present allowance for actual expenses of subsistence.

Mr. McKEOWN. Mr. Chairman, I move to strike out the last word. I want to ask the chairman of the committee why it is there is only $4 per day allowed here to the United States district attorney while in the revenue bill which was passed a few days ago there was provided for traveling expenses not less than $7 a day. There ought to be some rule by which these different departments should have the same allowance.

Mr. BYRNS of Tennessee. The law provides for $4.

Mr. MADDEN. This is a deficiency bill for 1923. The year has already closed. The obligation was created and they did not have money enough to meet the obligation.

Mr. McKEOWN. I understand that so far as this bill is concerned they could only make it the amount the Government owed them?

Mr. MADDEN. Certainly.

Mr. McKEOWN. But I wanted to bring up the question of why there should not be a general level made for all the departments so there would be no discrimination.

Mr. MADDEN. I presume, quite likely, there should be a general level, but you know the job of our committee is not to invite extravagance but to prevent extravagance.

Mr. McKEOWN. I am simply calling the attention of the House to the fact that we do make a discrimination between the various departments.

Mr. MADDEN. It is very nice of the gentleman to call our attention to this, and we will try to keep them on a level, if we can; but keep them down to the lower level and not the higher one.

The CHAIRMAN. Without objection, the pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

Penitentiary, McNeil Island, Washington: For drilling wells and providing necessary storage facilities for water, $60,000, to remain available until June 30, 1925.

For the construction of a scow and gridiron for the same, $4,500.

Mr. McKEOWN. Mr. Chairman, I move to strike out the last word. Is that authorized for the penitentiary at McNeil Island?

Mr. MADDEN. The situation at McNeil Island Penitentiary is just like this: In the first place they have run out of water, and all the water they have to supply the needs of the institution is what they get from wells that are on land that has to be rented. These lands are rented only temporarily. Our wells have given out. This is a work in progress. It is a development of the institution that must be maintained.

Mr. McKEOWN. What depth are these wells to be?

Mr. MADDEN. Nobody knows how deep they will have to go. They have no water now.

Mr. McKEOWN. Has there been some estimate showing that $60,000 will be necessary for these wells?

Mr. MADDEN. Yes.

Mr. McKEOWN. It seems like a very large sum for that purpose.

Mr. MADDEN. They have to have storage tanks and a pipe line.

Mr. McKEOWN. Is the land limited where the penitentiary is located?

Mr. MADDEN. It is on an island, and they can drill for the wells only on that island. There are only two or three places where they can get any water at all now, and they do not know how deep they will have to go.

Mr. McKEOWN. I withdraw the pro forma amendment.

The Clerk read as follows:

Navy Department——

Mr. MADDEN. Mr. Chairman, I offer the following amendment which I sent to the desk.

The Clerk read as follows:

Mr. MADDEN offered the following amendment: On page 27, after line 19, insert as a new paragraph the following:

"The appropriation of $6,500,000 for making changes in the turret guns of certain battleships so as to increase the range of such guns, contained in the deficiency appropriation act, approved March 4, 1923, is hereby repealed."

Mr. MADDEN. Mr. Chairman, I call the attention of the committee to this situation. In the first place, the Navy Department came to the Committee on Appropriations and requested last year the sum of $6,500,000 with which to elevate the turret guns on battleships so as to increase their range. They came with the information that the turret guns on the English battleships had been elevated so as to give them a longer range, and that the $6,500,000 would enable them to place the turret guns on our battleships on an equality with the guns on the English battleships. The committee was rather doubtful about the wisdom of authorizing the appropriation. The Naval Affairs Committee had given some consideration to the question and they reported a bill favoring the appropriation, but the bill was not passed. We had some doubt, as I say, about the propriety of it under the treaty in respect to the limitation of armaments and we wrote in the appropriation a provision that the money would not be used if it was a violation of the treaty. I think it turned out that our fears were more than verified.

The information which the Navy Department had upon which the appropriation was based was erroneous. Secretary Hughes made the following statement:

In my speech at New Haven on December 29, 1922, I made the following statement with respect to alterations in the British capital ships:

"The result is that in a considerable number of British ships bulges have been fitted, elevations of turret guns increased, and turret loading arrangements modified to conform to the increased elevations.

"In making this statement I relied upon specific information which had been furnished by the Navy Department, and which, of course, the Navy Department believed to be entirely trustworthy.

"The Department of State has been advised by the British Government categorically 'that no alterations have been made in the elevation of the turret guns of any British capital ships since they were placed in commission,' and, further, 'that no additional deck protection has been provided since February 6, 1922, the date of the signing of the Washington treaty.'

"It gives me pleasure to make this correction, as it is desired that there should be no public misapprehension."

Acting Secretary Roosevelt assumed responsibility for the data used by Secretary Hughes, but declared it had been based "on information believed to be reliable by the department," and said:

"The Navy Department in the hearings before Congress stated that the elevation of the turret guns on the British capital ships had been and was being increased. This statement was based on information believed to be thoroughly reliable by the department.

"The British admiralty has informed the department that this is not the case, that the elevation of the turret guns on British capital ships is the same as when these ships were originally commissioned. This places the matter beyond further question, and the department takes pleasure in correcting its previous statement in consonance with the above."

Inasmuch as the money appropriated for the elevation of the turret guns was not used because of an order issued by the Secretary of the Navy and the President of the United States, and inasmuch as the Committee on Appropriations believed it should not be used until further action be taken by Congress, and believing further that the money was appropriated under a misapprehension, the committee now believes it ought to be repealed, and that is the purpose of this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois.

The amendment was agreed to.

The Clerk read as follows:

For fiscal year 1923, $192,571.20.

Mr. BRIGGS. Mr. Chairman, I move to strike out the last word in order to ask the chairman of the committee whether it is true that the service which the Post Office Department used to perform of supplying addresses in cities where the letters were inadequately addressed has been terminated. I have heard considerable about it, and not long ago some one advised me in connection with letters sent to different employees, even in the departments in Washington, that about 75 or more were returned on the ground that the addresses were insufficient, and they did not have time to look up the addresses. I do not know whether that came from departments other than the Post Office Department or whether it came through the Post Office Department itself. I have been informed that a service which used to be extremely valuable to the people of the United States of utilizing the directories in the various cities to supply inadequate addresses on letters has been discontinued. If that be true, I think steps should be taken to provide the Post Office Department with funds enough to restore the service.

Mr. MADDEN. I do not know whether that service has been discontinued, but it ought not to be discontinued.

Mr. BRIGGS. It ought not to be.

Mr. MADDEN. I would say further that there is no shortage of funds with which to perform the work. These large deficiency appropriations which are carried in this bill are due to this fact. We gave them practically every dollar that they asked in the Post Office Department for the years that these deficiencies existed; but last year, after we adjourned, the business of the Post Office Department, as did business generally throughout the country, increased very largely. They found themselves unable to conduct the business without putting on additional men.

They had to take the chances on doing that or stop the business, and while I think they may have violated the law, there was nothing else to do but violate the law or stop the business.

Mr. BRIGGS. I can appreciate the effort made to continue the service to the country and I think it was a very commendable one.

Mr. MADDEN. I will say to my friend from Texas, if there is any such practice that has been inaugurated to shut down the work of the directory service, which I think is invaluable, I would be very glad to cooperate with anybody to see that it is restored.

Mr. BRIGGS. I have understood it was so, and that unless the letter was addressed absolutely correctly in charge of the house, street, and number that an effort would not be made to deliver such letters, but they would be sent to the general delivery, and it has only recently come to my attention two different times——

Mr. MADDEN. I will be glad——

The CHAIRMAN. The time of the gentleman has expired.

Mr. BRIGGS. I ask for two additional minutes.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. MADDEN. I will take the question up at once and find out and I will get a reply to the gentleman.

Mr. BRIGGS. I wish the gentleman would, because I am very much interested in this, and if it has been discontinued I desire to see it restored without delay, because I think it is invaluable to the people. It is easy enough for the local authorities to look up these people through such a service and see that such letters are delivered. I also want to say in this connection that I am strongly in favor of sufficient appropriations for the Post Office Department to carry out their delivery service, and for it not to be curtailed or hampered, as I understand it has been for months past.

Mr. MADDEN. Let me tell the gentleman about that. I would like to get that correct in the RECORD. It appears that the average increase in the postal business annually is from 5½ to 7 per cent. The increase in the expenses of the Post Office Department for two successive years was about 1½ per cent in one year and 2½ per cent in another, and it seems in their effort to respond to the retrenchment desire they did not increase the force fast enough to meet the growing needs of the business, so they found themselves in an embarrassing situation after Congress adjourned last year and they had to put on 3,200 more clerks, 2,788 carriers and 500 laborers, and these deficiencies are mostly due to that cause.

Mr. BRIGGS. I have not any objection to appropriations for that purpose; I rather feel the Post Office Department owes that to the people and the appropriation ought to be made.

Mr. AYRES. Mr. Chairman, I move to strike out the last word for the purpose of asking the chairman a question. I would like to ask the chairman of the committee if there is any provision made for the Postal Service, or any appropriation made for the purpose of the various letter carriers in a city taking or making a record of all the citizens or voters, or whatever you might call it, on a particular route?

Mr. MADDEN. I do not think so.

Mr. AYRES. I know that was done in the city of Wichita last year.

Mr. MADDEN. I think that would be a violation of the civil-service regulations.

Mr. AYRES. That is just exactly what I think, and I wanted to know.

Mr. MADDEN. I think it would be and I am not in favor of it myself.

Mr. AYRES. It is done just the same.

Mr. MADDEN. I reprehend it, if that is the proper word.

Mr. AYRES. It is.

The pro forma amendment was withdrawn.

The Clerk read as follows:

For vehicle allowance, the hiring of drivers, the rental of vehicles, and the purchase and exchange and maintenance, including stable and garage facilities, of wagons or automobiles for, and the operation of, screen-wagon and city delivery and collection service, $400,000: *Provided*, That the Postmaster General may, in his disbursement of this appropriation, apply a part thereof to the leasing of quarters for the housing of Government-owned automobiles at a reasonable annual rental for a term not exceeding 10 years.

Mr. TAYLOR of West Virginia. Mr. Chairman, I move to strike out the last word for the purpose of asking a question of the gentleman from Illinois with respect to allowance for rural carriers for equipment. Is there anything in any of the bills which provides an allowance for these carriers for equipment?

Mr. MADDEN. There is no law authorizing any allowance except the annual compensation. The gentleman, I think, refers to equipment. There is no law authorizing it.

Mr. TAYLOR of West Virginia. Is there any law contemplating that?

Mr. MADDEN. The Post Office Committee has that jurisdiction, and I understand they are now considering the propriety or recommending some legislation on the subject.

Mr. CARTER. They have been holding hearings for a week or 10 days. I suggest to the gentleman from West Virginia that the gentleman from Illinois is so familiar with the Post Office Department he can probably give some information.

Mr. MADDEN. I think they are considering it, and I do not know what the attitude will be. I am sure they have been holding hearings, and now I understand they are holding executive sessions to ascertain what kind of a bill should be reported.

Mr. TAYLOR of West Virginia. The reason of my inquiry is that a number of constituents in my district have written me about that.

Mr. MADDEN. I get a lot of letters every day about it.

The Clerk read as follows:

OFFICE OF THIRD ASSISTANT POSTMASTER GENERAL.

For payment of limited indemnity for the loss of registered articles in the international mails, in accordance with convention stipulations (Universal Postal Convention, signed May 20, 1906), fiscal year 1921, $10,000.

Mr. MADDEN. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 31, lines 17 and 18, strike out "(Universal Postal Convention, signed May 29, 1906)."

Mr. MADDEN. Mr. Chairman, the reason for suggesting that these words be stricken out is that there are other conventions in addition to the one signed in 1906 and we do not want it to appear to be restricted to this one.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

FEDERAL FARM LOAN BUREAU.

For salaries of two additional members of the Federal Farm Loan Board, appointed under authority of the act of March 4, 1923, fiscal year 1923, $4,055.57.

Mr. McKEOWN. Mr. Chairman, I move to strike out the last word. I want to ask the chairman of the committee, Do we make appropriations to pay the salaries of the Farm Loan Board? Is there any provision made by which this money is refunded to the United States?

Mr. MADDEN. All.

Mr. McKEOWN. Comes out of the profits?

Mr. MADDEN. They make an assessment.

Mr. McKEOWN. I wanted to know——

Mr. MADDEN. They have not been doing it in the past, but they are doing it now.

Mr. McKEOWN. I am glad to know it, because they are now a paying proposition and independent of the Treasury.

Mr. MADDEN. And on their own basis.

Mr. McKEOWN. I withdraw the pro forma amendment.

The Clerk read as follows:

BUREAU OF INTERNAL REVENUE.

Refunding taxes illegally collected: For refunding taxes illegally collected under the provisions of sections 3220 and 3689, Revised Statutes, as amended by the acts of February 24, 1919, and November 23, 1921, including the payment of prior year claims, $105,467,000: *Provided*, That a report shall be made to Congress of the disbursements hereunder as required by the acts of February 24, 1919, and November 23, 1921.

Mr. DYER. Mr. Chairman, some days ago the gentleman from Michigan [Mr. CRAMTON] made a statement and extended his remarks in reference to certain bills which had been introduced, touching the modification of the prohibition enforcement act. The impression was made—not intentionally, of course—but in some respects at least it created the impression that those who favored that legislation were attacking the Constitution. I desire, if I may have permission, to extend my remarks and present an argument showing that such legislation as is called for in those bills, 2¾ per cent beer, is not attacking the Constitution.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

Mr. CRAMTON. Mr. Chairman, will the gentleman yield?

Mr. DYER. Yes.

Mr. CRAMTON. Perhaps it is not a fair request for me to make, because the gentleman's bill was confined to 2.75 per cent beer. There was at the same time another group of bills calling for 4 per cent beer and 10 per cent wine. The request I am making may not be fair for the reason I have indicated. Would the gentleman be willing to extend his constitutional discussion to a consideration of 10 per cent wine as well?

Mr. DYER. No. I will say to the gentleman that I have reference only to the bill I introduced at the beginning of the session, not wine or beer or anything except to change the alcoholic content.

Mr. CRAMTON. Then I will not press my point.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. DYER. This deficiency appropriation bill that we are now considering has an item to provide money to enlarge the Coast Guard for the purpose of having the Coast Guard assist in the enforcement of prohibition by preventing rum smugglers reaching the United States. The amount carried in this bill for that purpose is $13,850,622. Ever since the adoption of the prohibition amendment the Congress has been continually called upon to appropriate money in increasing amounts to enforce the law. Notwithstanding it has never failed to give all the money asked for this purpose, it is admitted that to-day the effort to enforce this law is the biggest problem that faces the United States Government. This is so as regards liquor smuggling from outside, as well as the illicit manufacture and sale inside, the United States. The courts, State and Federal, are clogged with these cases. The reason for all this difficulty in enforcing the prohibition law is because it is too drastic. Those who thought that it would be a help for temperance know otherwise now, if they will but see and admit the truth. Real temperance has been put back many years. There is no one denying this fact except the Anti-Saloon League. This organization is continually levying a tribute upon the churches. Of course, the Anti-Saloon League will continue to represent to the churches and the Christian publications that the law is being enforced and that the time will soon come when there will be no such thing as intoxicating liquors in America.

I trust that the Christian people of America, as well as their publications, will investigate this subject themselves and not rely upon the statements coming from the officials of the Anti-Saloon League. I am strongly in favor of temperance. However, I do not believe that real temperance will ever come under the present law. The prohibition enforcement act is too stringent and the American people do not approve of it. The enforcement act ought to be modified so as to permit the manufacture of a light beer. There is no harm in such a product and it would satisfy 65 to 75 per cent of the American people. This large portion of the people would then become aids to enforcing the law, so far as the eighteenth amendment is concerned. The demand for the liquors that are now being smuggled into the United States would be lessened. The expenses for trying to enforce the law would diminish. If a light beer were permitted to be manufactured and sold a tax could be collected from that that would furnish sufficient money to enforce the prohibition law. The American people would thus be relieved of the enormous burdens they now bear in the millions of dollars that are thus annually expended for this purpose. Every time, however, some one suggests this remedy the officials of the Anti-Saloon League, and those they control, cry out that he is trying to destroy the Constitution. They send that statement out to the churches and to its publications, and these people and newspapers, not taking the trouble to investigate the truth, will proclaim the information they get from the Anti-Saloon League. This organization includes me as one of those trying to destroy the Constitution of the United States, because I introduced, on December 5, 1923, a resolution (H. J. Res. 30) to amend the national prohibition act by providing that the alcoholic contents of beverages be changed from not more than one-half of 1 per cent by volume to not more than 2¾ per cent by weight. My resolution does not attack the eighteenth amendment. It only seeks to change the enforcement law so as to comply with the prohibition amendment.

The amendment prohibits the manufacture and sale of intoxicating liquors, and so forth. I claim, and there is abundant proof, that beverages containing 2¾ per cent alcohol by weight are not intoxicating. This question has been examined very carefully by physicians, scientists, and so forth, and the universal opinion is that this amount of alcohol in beverages is not intoxicating. My resolution simply says that the alcoholic content of beverages may be increased from the present percentage of not more than one-half of 1 per cent to not more than 2¾ per cent. There is no question but what the people want this change made in the present law. I mean by that the great majority of the people. All of the censuses taken by newspapers, organizations, and so forth, have shown this by the preponderance of the votes. Only a few days ago this question was tried out on the radio; and I call attention to a telegram that I received upon the subject, which is as follows:

CHICAGO, ILL., *March 10, 1924.*

Congressman L. C. DYER,
House of Representatives, Washington, D. C.:

Radio vote on modification of Volstead Act taken by Zenith Edgewater Beach Hotel broadcasting station. Biggest telegraphic vote in history. Up to time of sending this telegram there have been counted and sorted 47,190 telegrams. Of these, 33,786 voted for modification; 13,404 voted against modification. Public has spent over $30,000 in telegraphing us. The total vote will go well over 50,000. Telegraph offices all over United States crippled by avalanche of business. Had telegraph companies been able to properly handle the vote it would have gone between seventy-five and one hundred thousand. People stood in line waiting to get into telegraph branch offices to file their telegrams. Telegraph companies advise that this telegraphic response is four times greater than the number of telegrams ever received by any other institution, including White House, Congress, New York Stock Exchange, or political conventions. No one can fairly say this vote was padded by any organized group, because votes at the average cost of 75 cents each would make padding too expensive.

E. F. MCDONALD, JR.,
President National Association of Broadcasters.

I call attention to the affidavits of a number of leading physicians who have made a professional and scientific examination of this question. They all state, under oath, that beverages containing not more than 2¾ per cent alcohol, by weight, are not intoxicating. I do not wish to burden the RECORD with many of these affidavits and only include a few. They are as follows:

Hobart Amory Hare, being duly sworn, deposes and says:

"I. I reside at 1801 Spruce Street, in the city of Philadelphia, State of Pennsylvania.

"II. I am professor of therapeutics, materia medica, and diagnosis in the Jefferson Medical College, Philadelphia, and have been such for the last 28 years. Prior to that time I was demonstrator of experimental therapeutics in the University of Pennsylvania. During the last 28 years I have been visiting physician to the Jefferson Hospital and to other hospitals. I received the degree of doctor of medicine from the Medical School of the University of Pennsylvania in 1884, and bachelor of science in 1885. I am a member of the following societies: American Physiological Society, Association of American Physicians, American Medical Association, and the Pathological Society of Philadelphia.

"III. I am the author of the following works: Text Book of Practical Therapeutics With Special Reference to the Application of Remedial Measures in Disease and Their Employment Upon a Rational Basis, octavo of 1,023 pages, seventeenth edition, published in 1918 by Lea & Febiger, of Philadelphia and New York, which said work has been translated into the Chinese and Korean languages; Diagnosis in the Office and at the Bedside, the Use of Symptoms and Physical Signs in the Diagnosis of Disease, octavo of 548 pages, seventh edition, published in 1914 by Lea & Febiger; Text Book of the Practice of Medicine for Students and Practitioners, octavo of 969 pages, third edition, published in 1915 by Lea & Febiger; National Standard Dispensatory, Containing the Natural History, Chemistry, Pharmacy, Actions, and Uses of Medicines, in conjunction with Charles Caspari, jr., Phar. D., and Henry H. Rusby, M. D., octavo of 2,081 pages, third edition, published in 1916 by Lea & Febiger; and of various essays dealing with the action of drugs upon the human body.

"IV. It is not generally known that there is produced in the human body every day certain quantities of alcohol, not infinitesimal, but in very definite amount, and for this reason alcohol can not be considered a foreign substance, and therefore can be considered as being practically at all times present in the human body. This alcohol is produced principally, if not entirely, by fermentation processes in the intestinal tube; it is absorbed and is contained in the fluids and tissues of the body in general.

"It appears, therefore, that the body is accustomed daily to the utilization or oxidation of a certain percentage of alcohol which is utilized or oxidized in exactly the same manner as alcohol which is produced outside the body and then swallowed in ordinary quantity. For these reasons, alcohol can not be considered as a foreign substance to which the tissues are entirely unaccustomed, and the effects which it produces are governed entirely by the quantity ingested and by the ability of the body to deal with a substance with which it is qualified to deal. If taken in such quantities as to be beyond the power of the body to utilize it or oxidize it, it, like every other substance capable of being swallowed, is capable of producing evil effects. This is true, for example, of water and ordinary table salt. In other words, the question of the power or influence of a given substance introduced into the body is determined by the quantity and concentration of that substance. In general terms, the greater the quantity and the greater the concentration, the greater the effect, and conversely the smaller the quantity and the greater the dilution, the less the effect. Salt, if taken in strong solution, irritates the stomach and causes vomiting, or if not vomited causes such an outpouring of liquid from the tissues of the body into the stomach and intestines as to cause diarrhea. So, too, it is generally known that a considerable quantity of 50 per cent solution of alcohol when taken undiluted may, by its irritant action on the stomach, produce injury, or by its rapid absorption into the blood may produce a condition which is commonly called drunkenness. On the other hand, it is generally recognized that the same quantity of alcohol when diluted with water, so that the alcohol content by per cent is low, is absorbed so slowly as to be deprived of its power or influence in direct ratio with the degree of its dilution. This is due to the fact that the dilution results in a greater volume of fluid having to be absorbed with a consequent slow or delayed entrance of the alcohol into the blood, so that there is at no time a very large quantity in that fluid. During the time of this slow absorption the system is busily engaged in oxidizing or destroying the alcohol as it enters in comparatively small quantities, with the result that the total quantity of alcohol present in the blood at a given moment is comparatively small. In one instance the alcohol may be said to be toxic because it overwhelms the ability of the body to deal with it, just as water may be toxic when taken in such quantity that the body can not deal with it. On the other hand, if alcohol is taken so that the body can deal with and destroy it, minute by minute, there is never a time at which it can act as alcohol and therefore can not exercise any intoxicating properties.

"It follows from the foregoing that if a man drinks a considerable quantity of alcohol of such concentration as to equal 50 per cent, it will enter his blood more rapidly than if it is in dilute form and, therefore, more rapidly than he can deal with it, whereas if he drinks a liquid containing a comparatively small percentage of alcohol, or, in other words, alcohol in a highly diluted form, it may be delivered to those parts of the body which utilize or oxidize the alcohol so slowly that it will never be present in sufficient quantity to produce any of the definite effects caused by alcohol which has escaped oxidation. The rapidity with which an alcoholic fluid is swallowed and the degree of its dilution to a large extent determines its effects, or, in other words, a man in one or two swallows, or one drink, of a 50 per cent solution would take as much alcohol as would a man who ingested about 1 pint of beer. The dilution in the pint of beer results in so slow an absorption of the alcohol content present as to give the body an opportunity to deal with or oxidize it as it is absorbed.

"As illustrative of the delaying effect of dilution upon the absorption of alcohol, attention may be called to the well-known fact that all the strong alcoholic beverages commonly used produce their effect much more mildly if food is taken with them than if they are taken without food.

"These deductions are supported by the following practical observations:

"1. I have in times past taken as much as 1 quart of beer in one hour without any manifestations of intoxication, the said beer containing a higher percentage of alcohol than 2.75 per cent, by weight, although I am not an habitual user of beer of other alcoholic beverages.

"2. I have frequently observed many other persons do likewise.

"3. I have given whisky and brandy containing amounts of alcohol far in excess of the quantity of alcohol contained in 2.75 per cent beer in a quantity that a person can ordinarily drink several times a day without noticing symptoms of intoxication.

"4. A careful study of the report of the Central Control Board of Great Britain (liquor traffic), published in 1918, which board was composed, in part, of men recognized the world over as authorities upon the influence of drugs or medicines upon the living body, confirms the opinions reached by me from personal experience and observation.

"From these personal experiences and observations and considerations of the literature on the subject I am of the opinion that beer containing not to exceed 2.75 per cent of alcohol by weight is not intoxicating under the legal definition of that term.

"HOBART AMORY HARE."

John Marshall, being duly sworn, deposes and says:

"I. I reside at 1718 Pine Street, in the city of Philadelphia, State of Pennsylvania.

"II. I am professor of chemistry and toxicology in the medical school of the University of Pennsylvania, in the city of Philadelphia, and have been such for upward of 20 years past, and was dean of the faculty of medicine at the said university from 1892 to 1902. I studied chemistry at Pennsylvania College, Gettysburg, Pa., and medicine at the University of Pennsylvania, from which institution I was graduated with the degree of M. D. In 1878, and thereafter I pursued special studies in chemistry in Europe at the University of Goettingen and at the University of Tuebingen, from which latter institution I was graduated with the degree of Nat. Sc. D.

"III. I am coauthor with G. E. Abbot of a work entitled 'Course for systematic qualitative testing,' and coauthor with Edgar F. Smith of a work entitled 'Chemical analysis of the urine'; and I translated Medicus's Qualitative Analysis, and I have contributed articles to various chemical journals both in this country and abroad.

"IV. I am a member of the following scientific societies: American Chemical Society; American Society of Biological Chemists; American Physiological Society, and American Philosophical Society.

"V. In considering the intoxicating effects of an alcoholic beverage that may be ingested by man we must necessarily consider the effect of the alcohol which by process of absorption

passes into the blood. It then becomes important to consider the proportion which said alcohol in the blood bears to the total amount of blood in the body. It is the alcohol in the blood which by direct action on the brain manifests itself in certain disturbances of mental faculties and bodily functions that at a certain point may be regarded as intoxication.

"VI. Accompanying the process of the absorption of the alcohol so ingested from a beverage containing alcohol, there is the constant process of oxidation; that is, destruction of the alcohol in the body, which causes a constant diminution of the total content of the alcohol in the blood. If the process of oxidation of the alcohol in the blood is more rapid than the process of absorption, there never can be any question of intoxication, because there will never be at any one time sufficient alcohol in the blood to produce the effects known as intoxication. It is only when the process of oxidation does not keep pace with the process of absorption of the alcohol in the blood and the process of absorption continues by progressive degrees to exceed the diminution caused by the oxidation of the alcohol in the blood that intoxication can by any possibility result.

"VII. I have considered the published results of experiments that have been conducted by others on the intoxicating effects of alcohol. I likewise have observed to some extent the effects of the drinking of beer. These data have emphasized the fact that low percentages of alcohol in beverages materially reduce and in some instances make the same negligible as intoxicating agents, as alcoholic intoxication is generally understood and construed. In considering whether or not beer containing not to exceed 2.75 per cent by weight of alcohol produces the condition that is ordinarily recognized as intoxication or drunkenness, consideration must be given to the volume and dilution of such beverage ingested and the action of the same upon the process of absorption in the stomach and bowels resulting in the introduction of a given amount of alcohol into the blood. It has been shown that the presence of 0.134 per cent to 0.153 per cent of alcohol in the blood produces the condition generally recognized as intoxication or drunkenness. Based upon the above experiments, the quantity of beer containing 2.75 per cent by weight of alcohol that would be required to be ingested to furnish 0.153 per cent of alcohol in the blood at the time when the maximum quantity of alcohol is present in the blood of a man weighing 69 kilograms, would therefore be 3,185 cubic centimeters, or 3 quarts and 11.7 ounces of the beer, a quantity manifestly beyond the capacity of the human stomach, and a quantity in excess of the amount that is practically drunk by an ordinary man in 30 minutes.

"VIII. One of the experiments resulting in the deductions above referred to was made with wine containing 10.35 per cent by volume of alcohol and obviously the effects observed in that case were more rapid than would be the case in the more diluted beer containing 2.75 per cent by weight of alcohol.

"IX. In view of the foregoing I would not consider that beer with an alcoholic content of 2.75 per cent by weight should be regarded as an intoxicating beverage.

"JOHN MARSHALL."

Smith Ely Jelliffe, being duly sworn, deposes and says:

"I. I am a physician, duly registered and licensed to practice in the State of New York, and have been so licensed and registered since 1889.

"II. I am a graduate of Columbia University, with degrees of M. D., A. M., and Ph. D. I first served as interne in St. Mary's Hospital, Brooklyn, 1889–90, and in the hospitals of Vienna, Paris, and London in 1890, 1891, 1892. I engaged in general practice in 1890–1893. I was assistant pathologist, Methodist Episcopal Hospital, Brooklyn, for three years, and clinical assistant to the board of health, Brooklyn, and became instructor and later professor of toxicology and pharmacognosy in Columbia University, department of pharmacy, in 1894, and held such position for a period of about 15 years. I was clinical assistant in the department of neurology, Columbia University, for 10 years, from 1900 to about 1910; visiting neurologist in the City Hospital, an institution under the jurisdiction of the department of charities of the city of New York, having about 300 beds, for acute chronic nervous troubles; professor of psychiatry, Fordham University, for about five years, until about 1914; instructor in materia medica, College of Physicians and Surgeons of the city of New York, Columbia University, 1906 to 1910; associate professor of nervous and mental diseases, Post-Graduate Hospital and Medical School, New York City, 1913 to 1918; consulting neurologist, Manhattan State Hospital, Wards Island, for the past 15 years. I have been managing editor of a publication called Journal of Nervous and Mental Diseases since 1900. I am a member of the following scientific societies: American Neurological Association, a national society of specialists in neurology; American Medical Psychological Association, a national society of specialists in psychiatry; American Psycho-Pathological Society, a society of specialists in psychopathology (president of this society in 1917–18); American Psycho-Analytic Society; New York Neurological Society (president 1912 and 1913); New York Psychiatric Society, and member of local, State, and national general medical societies, including the New York Academy of Medicine. After graduation I spent approximately five years in post-graduate study in clinics and hospitals of France, Germany, Italy, England, and the United States, in the study of nervous and mental diseases at intervals of from three months to two years continuous residence. I was editor of the Medical News, a weekly medical journal from 1903 to 1908; associate editor of the New York Medical Journal 1908 to 1910 and 1917 to 1919; associate editor of the Psycho-Analytic Review and associate editor Nervous and Mental Monograph Series, a series of monographs devoted to diseases of the nervous system, 30 of which monographs have been issued since 1909; and author of 100 short articles on subjects devoted to the specialties mentioned. I have translated 8 to 10 works from the French, German, and Italian into English on nervous and mental diseases. I am coauthor and editor with Dr. William A. White, of Washington, D. C., of Modern Treatment of Nervous and Mental Diseases, octavo, 2 volumes, 1,600 pages, Lea & Febiger, of New York and Philadelphia, publisher, and coauthor with Dr. William A. White of Diseases of the Nervous System, octavo, 1 volume, 1,000 pages, 2 editions, Lea & Febiger, publisher, New York and Philadelphia.

"III. I first became interested in the action of alcohol while I was an instructor at Columbia University. I made special experimental studies for four or five years, psychological investigations, as well with students and animals, and made a number of extensive experimental studies with animals and men on changes in the nervous tissues due to acute and chronic poisoning, alcoholic and otherwise, some of the results of which have been incorporated in some of the articles referred to, especially studies on multiple neuritis and Korsakow psychosis, and the mentality of the alcoholic, morphine, heroin, alcohol, and other drug addicts. In addition I have seen thousands of acute and chronic alcoholic cases in the wards of the City Hospital, Bellevue, Bloomingdale Hospital, the Government Hospital for the Insane, Binghamton State Hospital, Hospital of La Salpetriere in Paris, and the Charity Hospital in Berlin, and to a great extent I have made psychological investigation in private practice of patients addicted to the various grades of alcoholism.

"IV. Practically all of the older data relative to the subject of alcoholism and the taking of beer or light wines pertain to solutions of from 4 to 12 per cent of alcohol, and there are practically no available data that can be said to be scientific or medically reliable on beers containing less than 4 or 5 per cent of alcohol by weight.

"V. A very wide investigation of the literature of the subject reveals that nearly all of the statistics concerning beer drinking dealt with beers of from 6 to 10 per cent in strength. The extensive psychological and neuro-muscular experiments of Kraepelin were conducted on beers and alcoholic beverages of far greater alcoholic strength than 2.75 per cent by weight. In some of these cases the alcohol percentage was not stated and the results of these experiments are thereby entirely vitiated.

"VI. From my personal experience and investigation and from observations made upon others, as well as from my study of the experiences, investigations, and experiments recorded by others in the scientific literature of many countries, I am of the opinion that beer or any beverage which contains not to exceed 2.75 per cent of alcohol by weight, when consumed by an ordinary man or woman, in such quantities as the human stomach can ordinarily hold, is not intoxicating.

"SMITH ELY JELLIFFE, M. D."

William John Gies, being duly sworn, deposes and says:

"I. I reside at No. 609 West One hundred and fifteenth Street, Borough of Manhattan, in the city of New York, and am professor of Biological Chemistry in the School of Medicine of Columbia University.

"II. I received the following degrees from Pennsylvania College: Bachelor of science in 1893, master of science in 1896, and doctor of science in 1914; and from Yale University the degree of bachelor of philosophy in 1894, and doctor of philosophy in 1897.

"III. I was assistant to Professor Chittenden of Yale from 1894 to 1898, at the Sheffield Scientific School of Yale University; and for five years more, that is, from 1898 to 1903, I assisted Professor Chittenden in the Laboratory of Physiological

Chemistry in the School of Medicine of Columbia University, of which Professor Chittenden, during that period, was the nonresident director. I have held the following university positions in relation to teaching and research in biological chemistry:

"Assistant in physiological chemistry, Yale University, from 1894 to 1898; instructor in physiology, Yale University, from 1895 to 1898; instructor in physiological chemistry, Columbia University, from 1898 to 1902; adjunct professor of physiological chemistry, Columbia University, from 1902 to 1905; professor of biological chemistry, Columbia University, from 1905 to date; professor of biological chemistry, New York College of Pharmacy, from 1904 to date; professor of biological chemistry, Teachers' College, Columbia University, from 1909 to date. I am a member of the following societies, admission to which is determined by experience and achievement in original investigation: American Philosophical Society; American Physiological Society; American Biochemical Society (secretary, 1906 to 1909); American Pharmacological Society; American Chemical Society; Society for Experimental Biology and Medicine (secretary, 1903 to 1906; president, 1917 to 1919).

"I have been secretary of the faculty of the School of Medicine of Columbia University since 1905, and a scientific director of the New York Botanical Garden since 1910.

"IV. I have had general experience in biological chemistry and have done original work in that field. I have been an investigator, since 1895, of the effects of foods, poisons, and other substances, including alcohol, on the bodies of plants, animals, and human beings. I have conducted many analyses of the parts of plants, animals, and human beings for the identification in them of normal and abnormal substances, including alcohol. I have published many papers on the results of my investigations since 1896 in leading American journals devoted to original research. I am at the present managing editor of two research journals, namely, the Biochemical Bulletin and the Journal of Dental Research; also editor of the Biological Department of Chemical Abstracts.

"V. It is well known that the main effect of alcohol on the human body is the effect that is registered on the brain and nervous system in general, and that the action is narcotic in character. Scientific knowledge on the mode of action of alcohol is summed up in the following conclusions in the report of the advisory committee to the British Central Control Board (Liquor Traffic), as stated on pages IX and 125 of the printed copy (1917):

"'Apart from the results of its continued excessive use, the main effects of alcohol that have any real significance are due to its action on the nervous system. * * * The result of scientific research concerning the action of alcohol on the respiration, the circulation, the digestion, the muscular system, is to show that, as far as direct action is concerned, alcohol, when administered in moderate doses, in dilute form and at sufficient intervals, has no effect of any serious and practical account. A further conclusion of capital importance which emerges with equal clearness is that the action of alcohol on the nervous system is essentially sedative, and * * * is not truly stimulant.'

"VI. After ingested alcohol passes from the stomach, through the walls of the stomach or intestines, or both, into the blood, it is distributed in the blood to all parts of the body, where a large proportion of the alcohol is consumed by the familiar process of oxidation. In this process of consumption, the affected alcohol entirely disappears. The effect that alcohol produces on the nervous system is the effect, in the main, that is induced by that portion of the circulated alcohol that is not yet thus oxidized or eliminated. The alcohol that is oxidized yields to the body, in this process, its full equivalent of heat energy. This fact explains why alcohol is, to this extent, regarded as a food. The amount of alcohol circulating in the blood of a human being that experiment has shown is required to induce mild intoxication, is an amount that is somewhat above 0.1 per cent of the blood in such subject.

"VII. Considering the fact well established that the amount of alcohol necessarily present in the blood to induce intoxication must be above one-tenth of 1 per cent (0.1), the question arises whether the accumulation of this minimum proportion is affected by any of the qualities of such a beverage as beer. It is obvious, of course, that the smaller the proportion of alcohol in the beer the greater must be the volume of the beverage taken in order to present a quantity of alcohol that would yield in the blood this minimum proportion. But the greater the volume of beer taken into the stomach the sooner the sense of satiety is attained and the weaker becomes the inclination to take a quantity of this beverage sufficient to yield this minimum proportion of alcohol to the blood.

"VIII. It is obvious, of course, that, when an alcoholic beverage is taken into a stomach that already contains food, or when such a beverage is taken into a stomach with food, the quantity of the beverage that can be ingested as a maximum is thus automatically reduced and the proportion of alcohol in the mixture in the stomach is correspondingly less than that in the beverage itself, so that the larger the quantity of food to be digested with an alcoholic beverage, all other things being equal, the smaller the maximum proportion of alcohol to be registered in the blood.

"On these matters the advisory committee of the British Central Board (Liquor Traffic) has reported (1917) as follows (p. 90):

"'As our practical conclusion, then, from the evidence at present available, we may say that any form of alcoholic liquor can cause drunkenness, if such a quantity of it is taken, at once or within a short time, as will lead to the presence of the drug in the blood above a certain proportion, which in the case of the average healthy adult may be put provisionally at from 0.15 to 0.2 per cent. From the point of view of the prevention of drunkenness, the superiority of the more dilute beverages, such as the lighter beers and natural wines, is therefore mainly due to the fact that the bulk of the fluid makes it difficult for the drinker to consume a very large dose of alcohol within a moderate period.'

"IX. Dilution (low percentage) of alcohol in the beverage, and diminution in the volume of the beverage in the stomach (by admixture with food), are mechanical factors that keep down the proportion of alcohol in the blood of the individual involved, and may wholly prevent the alcohol in the beverage from rising to an inebriating proportion in the blood. Beer also tends to retard somewhat the passage of the contents of the stomach into the intestine, by diminishing the number and force of the ordinary muscular movements of the stomach, thus slowing up also the general absorption of the contained alcohol. The contained food matter in beer has likewise a retarding action, indirectly at least, on the passage of the mixture into the intestine from the stomach and on the passage of the alcohol into the blood.

"X. Any influence, such as those mentioned above, that involves a lowered proportion of alcohol in the beverage taken, diminution in the volume of the beverage ingested, or delay in the transmission of the alcohol in the beverage from the stomach into the intestine reduces the amount that represents the maximum accumulation (proportion) of alcohol in the blood, in a particular individual under given circumstances, because the total quantity of alcohol that passes into the blood enters it more slowly, is relatively less in amount, and the oxidative processes for the physiological disposition of the alcohol that enters the blood and thence the tissues are correspondingly more completely and promptly effective.

"I have been asked for an opinion as to whether beer containing 2.75 per cent, by weight, is capable of causing intoxication. As intoxication or drunkenness is commonly understood and legally defined, I am of the opinion that beer with an alcohol content not to exceed 2.75 per cent, by weight, is not capable of causing intoxication and should not be considered an intoxicating beverage.

"My opinion is based on the following facts:

"I have frequently seen men take as much as 1 quart of beer within one hour without any manifestations of intoxication, said beer containing a higher percentage of alcohol than 2.75 per cent, by weight.

"As to the evidence of laboratory investigation: This evidence is too abundant to be quoted in its entirety, but the following facts are to the point:

"In November, 1916, the Central Control Board of Great Britain (Liquor Traffic) appointed an advisory committee to consider, among other things, the physiological effect of alcohol. That committee was composed of eminent scientific men.

"The committee prepared, 'as a provisional basis for further research,' a review of 'the existing state of scientific knowledge regarding the action of alcohol on the human organism. The conclusions represent the unanimous judgment of the committee.'

"According to the findings of this committee of the central control board, definite intoxication in man does not occur until the concentration of alcohol in the circulating blood of the body rises above one-tenth of 1 per cent, and fifteen-hundredths of 1 per cent of alcohol in the blood caused mild intoxication. The dose of alcohol required to yield this proportion of alcohol in the blood—one-tenth of 1 per cent—is approximately 1 part of alcohol per 1,000 of body weight. If a man weighing 70 kilograms takes alcohol to the amount of 1 to 1,000 of his weight, he will take 1 gram per kilo, or 70 grams.

"If such a man takes 2½ liters of beer having an alcoholic content of 2.75 per cent, by weight, he will take 68.75 grams of alcohol, and at its highest point of concentration he will have an amount of alcohol in his blood that bears the ratio to the total blood content of his body of about 1 to 1,000. The amount of blood in such a person's body is, according to Haldane, about 3,500 grams, so that he would have about 3.5 grams of alcohol in his blood at the highest point of concentration. As a matter of fact, our man, weighing 70 kilos, under the conditions specified, would

have this proportion of alcohol—one-tenth of 1 per cent—in his blood only for a very short period, and would have to take 3¾ liters of such 2.75 per cent beer practically at one time to get fifteen-hundredths of 1 per cent of alcohol into his blood. This would be approximately a gallon of such beer, a quantity far in excess of the capacity of the stomach.

"Chittenden and Mendel state that if 6 to 8 cubic centimeters of alcohol are swallowed in beer, it takes one-half hour for 80 to 90 per cent of the alcohol to be absorbed. Assuming that the rate of absorption of the alcohol is constant, then if it takes one-half hour to absorb 6 to 8 cubic centimeters in beer, it will take approximately four times as long, or two hours, to absorb the 34.3 cubic centimeters in 1 liter of such 2.75 per cent beer.

"In discussing the question of the quantity of absolute alcohol that can be completely oxidized in the body, so that there will be none remaining to exercise injurious influences upon the tissues, Hutchison, in his work entitled 'Food and the Principles of Dietetics,' states (p. 348) that '1 to 1½ fluid ounces'—that is, 29.6 to 44.4 cubic centimeters—'is about the amount that can be completely oxidized in the body in one day, and in such a way that none of its paralyzing or narcotic effects are manifested and none appears in the urine,' and further observes that this is equivalent to at least 20 ounces of 5 per cent beer. This would mean that the body could completely oxidize or destroy the total alcoholic content of about 1.1 liters (of the beer with alcoholic content of 2.75 per cent by weight).

"As a matter of fact, it is more than 1.1 liters, because 20 ounces imperial measure, which Hutchinson uses, is 1 imperial pint, and 1 imperial pint is equivalent to 19.2 fluid ounces in wine measure, the wine pint being 16 fluid ounces.

"To quote Hutchison again (p. 349):

"'A factor which must influence any calculation as to the amount of alcohol which can safely be consumed daily is the form and mode in which the alcohol is taken. It will be generally conceded that the same quantity of alcohol is less likely to be injurious if taken in a dilute than in a concentrated form. It must be evident also that an amount of alcohol which would be harmful if swallowed at one time may be free from risk if spread evenly over the day. The danger to be avoided is flooding the circulation at one time with an amount which it is beyond the power of the cells to oxidize.'

"The above-mentioned report (p. 88) puts mild intoxication at 8½ ounces of absolute alcohol or more than 4 pints of beer of average strength containing 4 per cent of alcohol for a man weighing 140 pounds.

"All this does not allow, however, for slowness of absorption due to dilution.

"To quote the British control board again (pp. 90–91):

"'The superiority of the more dilute beverages, such as the lighter beers and natural wines, is therefore mainly due to the fact that the bulk of the fluid makes it difficult for the drinker to consume a very large dose of alcohol within a moderate period.'

"And again, on page 131 of the report:

"'We deal here solely with the physiological aspect of the alcohol question, and our consideration of this aspect leads us to recognize that the agreeable effects which the majority of people experience from the use of alcoholic beverages can be produced by doses of alcohol moderate in quantity and taken in adequate dilution and at sufficient intervals, which will not in normally constituted persons be attended with appreciable risk to physical or mental health.'

"And again on page 133:

"'The temperate consumption of alcoholic liquors in accordance with these rules of practice may be considered to be physiologically harmless in the case of the large majority of normal adults; and this conclusion, it may be added, is fully borne out by the massive experience of mankind in wine-drinking and beer-drinking countries.'

"As the capacity of the human stomach of an adult even when moderately distended ranges from three to five pints, it is manifest that an intoxicating quantity of 2.75 per cent beer could not be taken under ordinary conditions, especially with food accompanying it or already in the stomach.

"I am therefore of the opinion that the beer of alcoholic content of 2.75 per cent by weight is not an intoxicating bevera

"WILLIAM J. GIBB."

Abraham A. Brill, being duly sworn, deposes and says as follows:

"I. I am a physician, duly registered and licensed to practice in the State of New York.

"II. I was graduated from New York University in 1901 with the degree of Ph. B. and graduated from the College of Physicians and Surgeons in New York City in 1903 with the degree of M. D.

"III. Since graduating from the College of Physicians and Surgeons of New York City I have devoted my time to the study and treatment of mental and nervous diseases and was for five years assistant physician at the Manhattan State Hospital for the Insane at Central Islip, N. Y.; during the years 1907 and 1908 I was resident physician at the Clinic of Psychiatry at Zurich, Switzerland; I was for several years chief at the Clinic of Psychiatry at Columbia University of New York, and assistant professor at the Post Graduate Hospital Medical School; I was also chief of the neurological department of Beth Israel Hospital and visiting physician of the Neurological Hospital of the city of New York and also visiting psychiatrist to the Department of Correction of New York City.

"IV. I am a fellow of the New York Academy of Medicine and a member of the American Medical Association, Medical Society of the State of New York, Medical Society of the County of New York, American Medico-Psychological Association, New York Neurological Association, American Psychoanalytic Association, and the American Psychopathological Society. For several years past I have made reviews for the Journal of Mental Diseases and the Journal of Abnormal Psychology. I am the author of 'Psychoanalysis, Its Theories and Application,' and have published over 50 monographs devoted to neuropsychiatrical subjects and have also translated a number of books dealing with neuropsychiatrical subjects, among which are 'The Psychopathology of Everyday Life,' 'The Interpretation of Dreams,' 'Wit and the Unconscious,' 'Three Contributions to the Theory of Sex,' 'Psychology of Dementia Precox,' 'Totem and Tahoo,' and 'Selected Papers on Hysteria and other Psychoneuroses.'

"V. I have for many years taken a keen interest in the subject of inebriety, especially in its psychological aspects, and have examined a great number of persons suffering from various manifestations of alcoholism.

"VI. I am acquainted with the substance now known and sold as 'war beer' both from my own consumption of the same and from being in company of others who have drunk it, which substance, I am informed and verily believe, has an alcoholic content not to exceed 2.75 per cent by weight, and from my experience and observation I am of the opinion that such beer which is now made and sold would not tend to cause inebriation or alcoholism in any average normal adult drinking the same, but on the contrary it exerts a very beneficial effect, and in my opinion it would be impossible for any such person to drink a sufficient quantity of this substance to cause drunkenness.

"ABRAHAM A. BRILL."

James J. Walsh, being duly sworn, deposes and says:

"I. I am a physician, duly registered and licensed to practice in the State of New York, and reside at No. 110 West Seventy-fourth Street, in the city of New York, of the State of New York.

"II. I was graduated from Fordham University, receiving the degree of bachelor of arts in 1884 and master of arts in 1885. During the years 1889 and 1890 I did research work in physics and chemistry at Woodstock College, Maryland, which is the ecclesiastical department of the Georgetown University, Washington. I graduated from the University of Pennsylvania in 1895, receiving the degree of doctor of medicine, and I was awarded the degree of doctor of philosophy by Fordham University in 1900. During 1895 and 1896 I did research work in hygiene and bacteriology at the University of Pennsylvania. I spent the next 27 months abroad, doing research work in pathology, mental and nervous diseases, and general medicine. I did research work at the Pasteur Institute, Paris, with Professor Roux for about six months, during which time I studied neurology at the Hospital Salpetriere. I spent five months studying at the Algemeine Krankenhaus at Vienna, and worked for one year and two months with Professor Virchow at his private laboratory in Berlin. For two years, from 1899 to 1900, I was assistant and instructor in general medicine at the New York Polyclinic Hospital and College for Graduates, and from 1901 to 1905 I was adjunct professor of general medicine at this institution. I am and have been for the past 20 years on the editorial staff of the New York Medical Journal, and for 15 years on the editorial staff of the Journal of the American Medical Association. I am and have been for about 15 years collaborating editor of the International Clinics, a quarterly of illustrated clinical lectures. For about seven years I was medical editor of the New York Herald. From 1905 to 1912 I was dean and professor of functional nervous diseases and of the history of medicine at Fordham University, school of medicine, and I am and have been for about 15 years professor of physiological psychology at the Cathedral College, New York. For the past two years I have been medical director of the sociological department of Fordham University. For the past 20 years I have been consulting physician to Gabriel's Sana-

torium, New York State, and for the past 10 years consulting neurologist to the United Hospitals of Port Chester, N. Y.; St. Agnes' Hospital for Crippled Children, White Plains, N. Y.; Champlain Valley Hospital at Plattsburg, N. Y.; and Mercy Hospital, Hempstead, Long Island, N. Y. I am and have been for seven years neurologist to the Central Neurological Hospital, New York City.

"III. I am a fellow of the New York Academy of Medicine and of the American Association for the Advancement of Science. I am a member of the American Medical Association, the Medical Society of the State of New York, the Medical Society of the County of New York, the French Society for the History of Medicine, the Italian Society for the History of Medicine, the German Society for the History of Medicine; honorary member of the Celtic Medical Society of New York, the New Orleans Parish Medical Society, St. Louis Medical History Club, and the Cuyahoga (Ohio) County Medical Society. I have published over 125 monographs upon medical, historical, and sociological subjects and am the author of a book entitled 'Psychotherapy,' including the history of the use of mental influence, directly and indirectly, in healing, and the principles for the application of energies derived from the mind to the treatment of disease, said book being published by D. Appleton & Co., 1912.

"IV. Alcoholism has been a subject of deep interest to me, and I feel that I know well the status of our information as to the action of alcohol upon the human body, both in its physical and psychical manifestations. I have been impressed with the theory which has been advanced by some authorities, that alcohol is produced within our bodies, as referred to by H. C. Woods, in his Therapeutics, 1901, pp. 284-290, as follows:

"'As Lieben also found that this substance exists in the urine of dogs, horses, and lions, and as A. Rajewski obtained it from healthy rabbits, it must be acknowledged that our present knowledge strongly indicates that alcohol is formed and exists in the normal organism.'

"This, in my opinion, explains the well-known fact that the human body tolerates alcohol well, and that while almost every adult takes alcohol in some form or other, comparatively few persons are adversely affected by it, and then only when it is used excessively and in highly concentrated form. It seems to me that this is accounted for by the fact that the power to rapidly burn up or oxidize alcohol is possessed to a remarkable degree by the cells of the body. As an earnest advocate of temperance, I have watched with great interest how the drinking of whisky has given place to the drinking of beer, and I attribute the well-known fact that alcoholism is a disappearing disease largely to this cause.

"V. I have personal experience with the 'war beer' now being sold and which I am told contains 2¾ (2.75) per cent of alcohol by weight, and I have noted its mildness, and though I rarely use alcoholic beverages personally, and am very susceptible to the action of alcohol, I have felt scarcely any effect from this beer other than that of a refreshing beverage. From my personal experience, and as a physician, I do not consider beer containing 2¾ (2.75) per cent by weight of alcohol an intoxicating beverage.

"JAMES J. WALSH, M. D."

George W. King, being duly sworn, deposes and says as follows:

"I. I am a practicing physician and reside in Jersey City, State of New Jersey. I was graduated from the medical school of the University of Michigan, in 1879, with the degree of doctor of medicine and was duly admitted to practice medicine in the State of New Jersey in the year 1880, and have since that time continued to be a duly licensed practitioner of medicine in that State.

"I took post-graduate course in New York University, and in June, 1881, I was appointed medical director of the Hudson County Hospital for Insane at Secaucus, N. J., and continued in that position until March, 1912, at which time I was made county physician of Hudson County, N. J. As medical director of the said hospital I devoted myself mainly to the study and treatment of nervous and mental diseases.

"II. As medical director of said hospital for the insane I had extensive experience in the study and treatment of the effects of the excessive use of alcohol upon the nervous and mental functions. It was the common practice in that community to send patients who were suffering from the effects of excessive indulgence in alcohol resulting in the derangement or impairment of such functions to the hospital for treatment.

"III. I was county physician from March, 1912, to December, 1916, and in that capacity I was required to examine persons who were committed to the county jail of Hudson County suffering from any form of mental or alcoholic disturbance for the purpose of having their mental status inquired into. In this capacity and during this time I observed a large number of cases of persons who suffered from excessive indulgence in alcohol. In December, 1916, I was again appointed medical director of the Hudson County Hospital for the Insane, which position I have continuously held since then.

"IV. During the long experience that I have had in the capacities mentioned above and in the treatment and care of persons suffering from alcoholic indulgence I have never known of a single case of alcoholism resulting from the drinking of beer, and this is true when the alcoholic content of beer was upward of 4 per cent by weight.

"In the treatment of alcoholism I have always considered both the kind and quantity of alcoholic liquor that a given subject had been indulging in, and in the study of the history of such cases and from my experience I have learned that material disturbance of mental functions or intoxication does not normally result from indulgence in beer drinking.

"V. A beer containing an alcoholic content of not to exceed 2.75 per cent by weight is a beverage of much lower alcoholic content than a beer that has been dispensed heretofore, and such beer, in my opinion, is not intoxicating.

"GEORGE W. KING."

Arthur Perry Hasking, being duly sworn, deposes and says, as follows:

"I. I am a practicing physician and reside at 318 Montgomery Street, Jersey City, Hudson County, N. J. I was graduated from the College of Physicians and Surgeons in the city of New York, the Medical School of Columbia University in 1903.

"I served as interne in 1903 and 1904 at the Jersey City Hospital, Jersey City, N. J., and was pathologist at St. Francis Hospital, Jersey City, N. J., from 1904 to 1910. In 1906 I became assistant attending surgeon at that hospital until 1912, when I was made attending neurologist and psychiatrist, a position I still hold. I have been neurologist and psychiatrist at the Jersey City Hospital since 1915, when that department was created. I have been attending neurologist and psychiatrist at Christ Hospital since 1917, and at the Greenville Hospital since 1917, both of which hospitals are in Jersey City, N. J., and at North Hudson Hospital, Weehawken, N. J., since the beginning of 1919, all of which positions I now hold.

"II. In 1910 I was appointed assistant to the county physician of Hudson County, in the State of New Jersey. I had previously been associated pathologically with the office of county physician in an unofficial capacity since 1902, and I have performed practically all the post mortem examinations which came to the office of the county physician since 1902. Since I have been practicing medicine I have personally performed upward of 2,800 autopsies.

"I am a member of the American Medical Association, the Medical Society of New Jersey, the Hudson County Medical Society, the Physicians and Surgeons Club of Jersey City, N. J., the Aesculapian Club of Jersey City, N. J., the Academy of Medicine of the State of New Jersey, the Essex County Pathological Society, the American Medico-Psychological Association, and the Society of Military Surgeons of the United States.

"III. As assistant to the county physician of Hudson County, N. J., the duties I was called upon to perform and did perform included, among other things, (1) the examination and commitment of insane persons, (2) examination for the advice of the court of all persons who were insane or alleged to be insane, and (3) medical treatment of all prisoners and witnesses in the county jail. The persons who are confined in the county jail are all persons awaiting trial or action by the grand jury and all persons sentenced by police magistrates for short terms of 90 days or less. In Hudson County a large proportion of cases of delirium tremens are sent to the county jail for treatment.

"Since my graduation from medical school my work has been in hospitals where alcoholism has been a continual factor, and my work in the main has been the care of these cases. The Jersey City Hospital is the only hospital in Jersey City which makes special provisions for the care of cases of alcoholism, and consequently nearly all cases of alcoholism in the city hospital requiring care have been treated in the alcoholic ward of this hospital, in which I had served as an interne, and of which, since my appointment to the attending staff, I have had full charge. Many thousands of cases of alcoholism have passed through my hands, and my work as assistant to the county physician has involved the examination and treatment of persons convicted of intoxication and other forms of disorderly conduct. As part of the diagnosis of patients I questioned them, and both from their statements and from my observation and experience of the beer which is being brewed and sold at the present time, which, I am informed and truly believe, contains 2¾ per cent alcohol by weight, I have studied the effects of such beer. The patients themselves refer to

the modern beer as 'crippled beer' because it has no 'kick.' From my study, investigation, and experience as a physician, and especially in the treatment of cases having to do with intoxication or alcoholism in various forms, I am of the opinion that the beer which is at present brewed and which, I am informed and verily believe, contains only 2¾ per cent alcohol by weight, is not intoxicating.

"ARTHUR PERRY HASKINS."

Moses Keschner, being duly sworn, deposes and says, as follows:

"1. I am a practicing physician and reside at No. 264 Seventh Street, in the Borough of Manhattan, city and State of New York.

"I graduated from the College of Physicians and Surgeons in the city of New York, in the class of 1899, and for one year after graduating served as interne at the hospitals of the health department of the city of New York. In 1901 I began the private practice of medicine, which I have continued to this date. In 1909 I was graduated from the New York Law School and admitted to the bar of New York State in 1910, and have made a study of medical jurisprudence. Since January of 1906 I have been at different times visiting physician to the institutions of the department of correction of the city of New York. I was at the Kings County Penitentiary for over one year, New York County Penitentiary for one year, Queens County City Prison and the Manhattan City Prison at frequent intervals, and the remainder of the time and at present at the city prison in Brooklyn, N. Y. During 1914 I was attending neurologist to Beth Israel Hospital, O. P. D. Since February, 1915, I have been adjunct attending neurologist to Montefiore Home and Hospital, New York, and since June, 1915, I have been adjunct attending neurologist to Central Neurological Hospital on Blackwells Island, an institution under the department of public charities of the city of New York.

"I am a fellow of the American Medical Association, a member of the Medical Society of the State of New York, Medical Society of the County of New York, Eastern Medical Society, New York Neurological Society, and Yorkville Medical Society. I am also one of the contributing editors on neurology to Tice's Practice of Medicine.

"2. In the city prison in Brooklyn I see about 2,000 patients a year suffering from some phase of alcoholism. It has been part of my duty to treat these cases, and as part of my diagnosis I have to ask and ascertain what the patient has been drinking. Since the advent of the beer which is now made and which contains, as I am informed and verily believe, 2.75 per cent of alcohol by weight, I have not found a single case of intoxication from such beer. From my study, investigation, and professional experience I am of the opinion that this beer is not intoxicating.

"MOSES KESCHNER."

George Elliot Flint, being duly sworn, deposes and says:

"1. I reside at No. 80 West One hundred and sixty-ninth Street, in the Borough of Manhattan, city of New York, and am 48 years of age.

"2. I am a graduate of the Woodbridge School of the city of New York, and spent two years in professional study in the school of mines of Columbia University.

"III. From the time I was about 17 years of age I became intensely interested in physical development and made from that time on a special study of that subject. I found from my experience in developing my own body, which at that time was not highly developed, that there are certain fundamental principles governing physical development which must be observed in order that a man should advance in physical well-being. It became apparent to me, from the observations of my own case as well as from the observation of many others that came to my attention during the long period in which I was engaged in the physical training of men, that physical development could be brought about and greatly aided by indulging in periods of intensive and progressive physical activity relieved by periods of rest, giving the body opportunity to recuperate and relax, and that relaxation was quite as important in physical development as is intensive physical activity.

"IV. I observed in this connection that there are classes of persons who are able by the exercise of volition alone to relax from intensive training at various periods in order to get the physical rest that is so requisite in my plan for proper physical improvement; whereas in other cases I found that the mental attitude of the subject is such that he seems unable to exercise such volition to relax and rest, and that it is necessary in such cases to provide some means by which such rest and relaxation can be induced. From my own experience I found that this rest and relaxation, so requisite to proper physical development, were aided by a moderate indulgence in the drinking of ale. I found in the cases of other subjects that came to my attention that beer would exercise the same function and accomplish the same results. I found that athletes, particularly after the age of 30 years, would go "stale," or, in other words, become overtrained by reason of the fact that they would not or did not sufficiently relax and rest between the periods of intensive training; that this was also due to the fact that such men after intensive training would because of their mature vigor feel that they were able to continue with intensity their physical training, unmindful of the fact that proper periods of rest and relaxation were as important to their ultimate physical development as were their periods of intensive training. In such instances it appeared that the will outdistanced the purely physical functions and overtaxed the physical functions without consciousness on the part of the subject that such operation was going on, with the ultimate result that athletes of this type find that at about middle age the peak of their physical and athletic activity has been reached, and that they are from that time declining in physical strength. This condition is not in accordance with the natural development of the human body and is not a necessary accompaniment or result of intensive physical training. In such cases, had the subjects indulged during the period of their training in sufficient periods of rest and relaxation, they would have found that they would have continued during many years to gain in strength and endurance. I have been convinced of the truth of this statement through my personal dealings with many subjects and have put this theory into practice during a period of many years with great benefit to those who have followed it.

"V. I found in many subjects who did not readily respond to my suggestion for alternating periods of intensive physical training with periods of relaxation that it was necessary and very helpful to have such subjects indulge in a moderate use of beer, ale, or other alcoholic beverages, avoiding always, of course, any excess, as excess in all things is injurious.

"This principle was applied particularly in the case of those who had an insufficient amount of tissue to resist the oxidation processes that go on with any intensive physical activity; in other words, the principle is particularly applicable to persons who are materially underweight for their height and age. As a result, I found that my system of physical training, carried out in this manner, resulted in bringing up those who were materially underweight and who, by reason thereof, were susceptible to diseases that readily attack those who are undernourished and who apparently do not assimilate adequately their food, and that it reduced those who were materially overweight.

"VI. I embodied some observations from my experience in a volume entitled 'Power and Health Through Progressive Exercise,' which was published in 1905 by Baker & Taylor, New York. The introduction to that book was written by my father, the late Austin Flint, M. D., in which introduction he approved the principles I had expressed.

"VII. By reason of my great interest in physical development and the human body I have been keen to observe the evidence of alcohol upon the human system when used either in its concentrated form, as in whisky, brandy, cordials, or the like, and in the more diluted forms of light wines, ales, and beers. I have particularly observed that while the habitual use in excess of liquors with high alcoholic content occasionally produced the alcohol habit or chronic inebriety, that effect was never produced by the lighter alcoholic drinks, such as the light wines, ales, and beers. It is well known that a large proportion of the population moderately indulge in the lighter alcoholic beverages containing not more than 8 or 10 per cent of alcohol, yet that few become, through that indulgence, addicted to the use of alcohol in such manner as to produce inebriety or drunkenness. If such indulgence in light alcoholic beverages were conducive to the forming of the alcohol habit, such persons naturally would in time indulge in the use of the more concentrated alcoholic beverages, such as brandy, whisky, and cordials, to an excessive degree, and that would develop in due time a large number of drunkards. As a matter of fact, that result has never been observed in human experience, but, on the contrary, drunkenness has steadily decreased in nearly all countries of the world.

"VIII. I have embodied in my recent work, 'The Whole Truth About Alcohol' (the Macmillan Co., of New York, 1919), my firm conviction that beer is not a strong stimulant, is not destructive nor habit forming, nor injurious, but is wholesome, tonic, and strenghtening. Also that there are no beer drunkards. I am convinced that the irreclaimable sots who assert that they drink only beer are, in fact, not truthful, but that they drink, in addition, other more concentrated solutions of alcoholic beverages.

"IX. I am convinced that should people be deprived of the benefits arising from the comfort and relaxation induced by proper indulgence in beverages of low alcoholic content they will seek pernicious and destructive substitutes in the form of narcotic

drugs, and that the error of the prohibition of such beverages of low alcoholic content will be realized when it will be too late to save from the slavery of such narcotic drugs thousands who would not have attempted their use. I am convinced of the wisdom and the necessity of permitting the manufacture and use of beer as a beverage, and particularly such beer as is now brewed, which, as I am informed and verily believe, contains an alcoholic content of 2.75 per cent by weight, and further, I am of the opinion that such beer is not intoxicating.

"GEORGE ELLIOT FLINT."

Charles A. Rosewater, being duly sworn, deposes and says:

"I am a practitioner of medicine, duly licensed to practice in the States of New York and New Jersey, and I reside at 47 South Street, Newark, N. J.

"II. I was graduated from the College of Physicians and Surgeons in the city of New York with the degree of M. D. in 1899. For one year following graduation I served upon the house staff of the Mount Sinai Hospital, New York, following which I spent about one year in post-graduate studies in Europe.

"For several years I served on the medical staffs of the Mount Sinai Hospital Dispensary, in New York City, and I have at various times been connected in a professional capacity with the St. James Hospital, Newark, N. J., and the Newark City Dispensary.

"I am a member of the following scientific societies: The Academy of Medicine of Northern New Jersey, American Medical Asociation, Essex County Medical Society, Medical Society of New Jersey, and American Society for the Study of Alcohol and Narcotics.

"By appointment of Gov. John Franklin Fort, of New Jersey, I served as vice president of the Dependency and Crime Commission of New Jersey, in which capacity I made a study of crime and poverty, with special reference to the relations of alcohol and drug using thereto.

"At the instance of the State Board of Health of Louisiana I drafted the present narcotic law of that State. I also made investigations with reference to the use of narcotics for the Governor of West Virginia, the State Board of Health of Georgia, the State Board of Health of Virginia, and the Food and Drug Commission of Tennessee.

"For the past 14 years practically all my professional activities have been devoted to the study and treatment of persons addicted to the use of alcohol and narcotic drugs.

"I have published in leading medical periodicals monographs upon the subject of inebriety, some of which are the following: 'Apomorphine in acute alcoholism,' 'The drink habit and its treatment,' 'What can we do for and with the inebriate?' 'A plea for the establishment of hospitals for the rational treatment of inebriates,' 'The obliteration of the craving for narcotics,' 'Some suggestions for the solution of the liquor problem,' and 'Report of a case of Korsakow's psychosis.'

"I was chairman of the mayor's committee for the investigation of the narcotic and habit-forming drugs of Newark, N. J., in 1918, and was organizer and chief of the narcotic clinic for the study and treatment of drug addicts of Newark, N. J.

"III. During the greater part of the year 1918, for the purpose of gathering material for a book upon inebriety I am now writing, I made a survey throughout various parts of this country of the extent and effects of the use of alcohol and narcotic drugs. During the course of my investigations I studied conditions existing in the neighborhood of 14 United States Army camps and cantonments, and became informed as to drinking customs among our soldiers and the effects upon them of various alcoholic beverages.

"IV. I have recently been honorably discharged from the United States Army, in which I served as a captain of the Medical Corps, being attached to the neuropsychiatrical service. In this capacity I came into contact with large numbers of soldiers and had the opportunity of making inquiries into the drinking customs of our soldiers in France and the effects of mild alcoholic beverages upon the health and morale of our Army.

"I have studied the subject of drunkenness with Abraham A. Brill, M. D., of New York, author and teacher; George E. Pettey, M. D., of Memphis, Tenn., author of 'The Narcotic Drug Diseases and Allied Ailment'; and L. V. Guthrie, M. D., medical superintendent of the Huntington (W. Va.) State hospital for the insane.

"V. I have studied the literature upon the subject of alcohol and have consulted the writings of about 75 medical authorities and have read numerous monographs upon the subject. I have read the book entitled 'The Whole Truth About Alcohol,' written by George Elliot Flint, published in 1919, the correctness of which is vouched for by Dr. Abraham Jacobi, the nestor of American medicine, who wrote the introduction to the said book and indorsed the author's statements of fact as scientific and his conclusions as sound. Flint says, 'There are no beer drunkards' (p. 15), and:

"'* * * In all my experience I can affirm that I have never seen an habitual drunkard or even a steady "tippler" who did not indulge mostly in strong drink, usually whisky. * * * Some irreclaimable "sots" assert that they drink "only beer," but careful watching will prove that they do not tell the truth' (p. 38). * * * 'I repeat that never does beer, ale, or any of the lighter wines make a drunkard' (p. 47).

"I have read the recently published book entitled 'Alcohol, Its Action on the Human Organism,' containing the report of the advisory committee of the Central Control Board (Liquor Traffic) of Great Britain, said advisory committee consisting of the following authorities:

"Lord D'Abernon, G. C. M. G. (chairman), chairman of the Central Control Board (Liquor Traffic).

"Sir George Newman, K. C. B., M. D. (vice chairman), principal medical officer to the board of education, member of the Central Control Board (Liquor Traffic).

"Prof. A. R. Cushny, M. D., F. R. S., professor of pharmacology at University College, London.

"H. H. Dale, M. D., F. R. S., head of the department of biochemistry and pharmacology under the medical research committee, National Health Insurance.

"M. Greenwood, M. R. C. S., statistician to the Lister Institute of Preventive Medicine and reader in medical statistics in the University of London.

"W. McDougall, M. R., F. R. S., reader in mental philosophy at the University of Oxford and fellow of Corpus Christi College, Oxford.

"F. W. Mott, M. D., F. R. S., pathologist to the London County Asylums, consulting physician to Charing Cross Hospital.

"Prof. C. S. Sherrington, M. D., F. R. S., Waymflete professor of physiology in the University of Oxford and fellow of Magdalene College, Oxford.

"W. C. Sullivan, M. D., medical superintendent of the Rampton State Asylum for Criminal Lunatics.

"I have noted in said report of the above-mentioned committee certain conclusions having an important bearing on the question as to whether beer with an alcoholic content of 2.75 per cent is intoxicating. I quote from same as follows:

"Page 18: 'The absorption of alcohol is therefore complete and in comparison with that of foodstuffs needing preliminary digestion, such as meat, it is conspicuously rapid. The actual speed absorption seems to vary with a number of conditions, such as the form in which the alcohol is taken, extent to which it is diluted, and the time in relation to meals.'

"Page 20: 'In from 15 to 24 hours after a dose of alcohol has been taken the whole of it has disappeared completely. The destruction of the alcohol, indeed, begins as soon as it reaches the blood. * * * In this way it has been found that for the first few hours the alcohol is passing into the blood more rapidly than it is destroyed. * * * After an interval, varying with the dose among other conditions, the concentration reaches a maximum and usually remains at about that level for some time. This maintenance of level concentration does not mean that the absorption has been completed, but that it has been overtaken by the destruction and that for the time being the two processes practically balance one another. Then the rate at which alcohol disappears becomes greater than that at which it is entering the circulation, so that the concentration in the blood declines until after about 24 hours no more alcohol can be discovered anywhere in the body.'

"Page 21: 'There being no evidence of its change into some other substance which the body can retain, the supposition is natural that it is completely "oxidized" or burnt, producing, as when burnt in air, carbon dioxide and water, which pass out in the breath and urine.'

"Page 24: 'There can be no doubt, therefore, that alcohol is a "food" in the sense of fuel that the body can use. We have seen that alcohol is not stored by the body.'

"Page 33: 'The successive stages or phases of intoxication can not be sharply distinguished and every case presents its peculiar combination and succession of features, varying with the temperament and disposition and character of the individual and his circumstances of the moment.'

"Page 61: 'Excessive doses of alcohol are liable to cause vomiting.'

"Page 85: 'In reference to alcohol, then, it will be sufficient if, without trying to be too precise, we take it that a drinker really begins to suffer from acute poisoning as soon as he shows such immediate effects of the drug as interfere with his normal capacity for taking care of himself.'

"Page 87: 'Similarly in cases of drunkenness in man, the blood has been found to contain in one observation 0.153 per cent of alcohol and in another instance when the intoxication was more pronounced, 0.227 per cent.'

"Page 88: 'The amount present in the blood soon reaches a maximum level bearing a pretty constant relation to the dose originally drunk. So that, knowing the quantity of absolute alcohol taken and the body weight of the drinker, we can at once give an approximate estimate of the maximum proportion of the drug which will be found in the circulation; and, conversely, we can say what amount of alcohol must be administered to give any particular percentage in the blood. Thus, taking the figures which we have quoted, the proportion of the 1.5 which was found in the blood in the less pronounced case of intoxication would correspond to an original dose of 1.5 cubic centimeters of absolute alcohol for each kilogram of body weight, and this amount, expressed in English measure, would be roughly equivalent, in the case of a man weighing 10 stone to a total dose of three and one-half ounces of absolute alcohol.' (Note.—Three and one-half ounces of absolute alcohol is the amount contained in about one gallon of 2.75 beer.)

"Page 90: 'As our practical conclusion, then, from the evidence at present available, we may say that any form of alcoholic liquor can cause drunkenness, if a sufficient quantity of it is taken, at once or within a short time, as will lead to the presence of the drug in the blood, above a certain proportion which in the case of the average healthy adult, may be put provisionally of from the 0.15 to 0.2 per cent. From the point of view of the prevention of drunkenness, the superiority of the more dilute beverages, such as the lighter beers and natural wines, is therefore mainly due to the fact that the bulk of the fluid makes it difficult for the drinker to consume a very large dose of alcohol within a moderate period.'

"Page 108: 'Food, when taken with alcohol, dilutes it, and so decreases the irritant action of strong alcoholic beverages upon the lining membrane of the stomach.'

"Page 132: '* * * (ii.) To avoid direct injury to the mucous membrane of the stomach, alcohol should not be taken in concentrated form and without food.'

"I have searched the literature upon the subject to learn whether or not the alcohol contained in certain beverages is rendered less intoxicating by the presence of other substances in such beverages, and I find that competent authorities state that the alcohol contained in certain beverages is rendered less intoxicating by the presence of other substances in such beverages. I quote from the 'Dispensatory of the United States of America,' by George B. Wood and Dr. Franklin Bache, copyright 1907, 19th edition, revised and rewritten by the following authorities:

"H. C. Wood, M. D., LL. D., professor on 'materia medica and therapeutics' in the University of Pennsylvania; Joseph P. Rennington, Ph. M. F. G. S., professor of 'theory and practice of pharmacy' in the Philadelphia College of Pharmacy; Samuel P. Satles, Ph. D., LL. D., professor of chemistry in the Philadelphia College of Pharmacy; Albert P. Lyons, M. D., member of committee of revision of the pharmacopea of the United States of America; Horatio C. Wood, jr., M. D., demonstrator of pharmacy and dynamics in the University of Pennsylvania. According to these authorities (p. 1343):

"'The intoxicating ingredient in all wines is the alcohol they contain, and hence their relative strength depends upon the quantity of that substance entering into their composition. The alcohol, however, naturally in wine is so blended with the other constituents as to be in a modified state which renders it less intoxicating and injurious than the same quantity of alcohol separated by distillation and diluted with water.'

"That an action similar to that referred to, with reference to the alcohol in wine, also occurs in beer is more than likely in view of the complex chemistry of beer. Beer, according to the said dispensatory (p. 1345) mentioned above, has the following composition:

"'All malt liquors contain, besides water and alcohol, solid substances which together constitute the so-called extract, i. e., that which is left behind when the water and alcohol are evaporated. The most important of these are dextrine, grape sugar, glycerine, succinic, acetic, lactic, propionic, and glucic acids, carbon dioxide, albumin, and albuminous principles, bitter and resinous matters and essential oil from the hop, alkaline and earthy salts.'

"VI. I have read in 'The nineteenth century and after,' July, 1915, the opinion of Sir Lauder Brunton, Bart., M. D., F. R. S., in reference to alcoholic intoxication, from which article I quote the following:

"'The action of alcohol varies very much, not only according to the quantity that is drunk, but according to the form and to the times when it is taken in order to produce its effects. Its chief action is on the brain, and it can only produce its full effect when it is present in a certain proportion in the blood circulating through that organ. But the amount in the blood depends upon the difference between the rate at which alcohol enters the blood and passes out of it. When alcohol is taken in a very dilute form it can only be absorbed slowly from the digestive canal, and all the time that absorption is going on excretion is likewise occurring, so that there is never enough alcohol present in the blood at one time to produce the full narcotic effects. It is almost impossible for a man to get dead drunk on small beer or thin wine, and, indeed, on these beverages he can hardly even reach the stages of excitement, or commencing narcosis; or, as a man is said to have complained, "he didn't get no forrarder with them." For a man to become dead drunk he must take a considerable quantity of alcohol and in a concentrated form.'

"I know that the medicinal dose of whisky for an infant of over 4 months is from 30 to 40 minims every four hours, which is the approximate amount of alcohol contained in 2 ounces of beer with an alcoholic content of two and three-quarters (2.75) per cent. I know this to be the dose as prescribed in the National Standard Dispensatory, edition 1908, edited by recognized authorities.

"VII. I am familiar with the experiments conducted by many observers with reference to the rapidity with which alcohol is absorbed after taking, and know that all authorities agree that alcohol is much more rapidly absorbed when the stomach is empty than when the stomach is filled with mixed foodstuffs. Thus Professor Cushny, in his work, Pharmacology and Therapeutics, says:

"Page 192: 'The alcohol of beer is comparatively slowly absorbed owing to the colloid constituents.' * * *

"Page 190: 'Oxidation of alcohol begins almost as soon as absorption.'

"VIII. I have made a calculation of the quantity of beer with an alcoholic content of two and three-quarters (2.75) per cent which an individual would have to drink in order to have 0.153 per cent of alcohol in his blood, and I find that it would require in excess of 1 gallon, which quantity would have to be within the body at one time. It would also be necessary for all the alcohol contained in such quantity of this beer to have been absorbed and be circulating within the blood in order to have 0.153 per cent of alcohol in the blood. That this is impossible is apparent from the fact that the adult stomach holds in the average less than 3 pints, and that a considerable portion of the capacity of the stomach would be taken up with the gaseous substances in the beer, especially the carbon dioxide, and, further, owing to the fact that the alcohol of beer is comparatively slowly absorbed because of its colloid constituents, as stated by Professor Cushny.

"I quote as my authority for the statement that the stomach usually holds less than 3 pints from Human Anatomy, by Thomas Dwight, M. D., LL. D., Parkman professor of anatomy in Harvard University; J. Playfair McMurrick, Ph. D., professor of anatomy in the University of Michigan; Carl Hammann, M. D., professor of anatomy in Western Reserve University; George A. Piersol, M. D., Sc. D., professor of anatomy in the University of Pennsylvania; J. William White, M. D., Ph. D., LL. D.; John Rhea Barton, professor of surgery in the University of Pennsylvania; John C. Heisler, M. D., professor of anatomy in the Medico-Chirurgical College; edited by George A. Piersol, volume 2, sixth edition, 1918, page 1619:

"'Average adult capacity (of the stomach) is said to range from 600 to 2,000 c. c. (1.25–4.25 pints). * * * average of 1,200 c. c. 2.50 pints.'

"I have learned that alcohol in the stomach is rapidly diluted by the entrance into the stomach of water from the blood, upon which point I quote from 'Food and Dietetics,' fourth edition, 1917, page 340, by Robert Hutchison, M. D., Edin. F. R. C. P. Physician to the London Hospital:

"'The passage of alcohol out of the stomach into the blood is counterbalanced by a flow of water from the blood into the stomach. The "endosmotic equivalent," as it is called, of absolute alcohol for animal membrane is 4.13, and thus means that for every gram of alcohol which passes in one direction 4.13 grams of water pass in the other. If, then, alcohol be administered to a patient with a dilated stomach, the result may be that the total amount of fluid in the organ is ultimately increased.'

"IX. I have read the book published by Dr. William Edward Fitch, M. D., major, Medical Reserve Corps, U. S. A., formerly lecturer on surgery at Fordham University School of Medicine, and 40 contributors, published by permission of the Surgeon General of the United States Army, 1918, entitled 'Dietotherapy,' and find the following:

"'Genuine malt liquors can be produced of low alcoholic strength (2 per cent alcohol), these are practically nonintoxicating.'

"Dr. W. Gilman Thompson, professor of clinical medicine in the Cornell University Medical College, New York City, who states on page 273 of his book entitled 'Practical Dietetics':

"'As a preventive of drunkenness and the evils of chronic alcoholism, the introduction of the milder malt liquors into this country to partially supersede the use of strong spirits has proved a decided advantage.'

"X. I am informed by George W. Whiteside, Esq., one of the counsel of the complainant herein, that the legal definition of intoxication which he submitted to the various experts he had made affidavits here, is as follows:

"'Intoxicating liquors are those liquors which are intended for use, as, or capable of being used as, a beverage, and which contain alcohol in such proportion or per cent that when consumed in any quantity that may practically be drunk by an ordinary man, or in any quantity that the human stomach can ordinarily hold, will produce a condition commonly known as intoxication or drunkenness. Drunkenness or intoxication is a materially abnormal mental or physical condition, manifesting itself in the loss of the ordinary control of the mental faculties or bodily functions to a substantial extent.'

"XI. I have treated, in the course of my professional work, a large number of patients suffering from alcoholism in various forms, and I have repeatedly observed that men who would get drunk from whisky would lead sober lives when they drank beer in its stead, and I have often advised the drinking of beer as a means of combating drunkenness.

"I am familiar with the substance known as 'war beer,' and I have made extensive inquiries as to its effects, especially with reference to intoxication, and I have failed to learn of a single instance in which the drinking of said substance was the cause of intoxication. As a result of my studies and observation and professional relations with persons addicted to the use of drink and drugs, I am of the opinion that beer containing 2¾ per cent by weight, of alcohol is a nonintoxicating beverage.

"CHARLES A. ROSEWATER."

While we are making ready to tap the till of the Treasury for more than $50,000,000 for the coming year, the national demand for reduction of taxes is asserting itself with intensified insistence every day.

Business, agriculture, wage earning and salaries, the professions, every branch of commercial, financial, and industrial activity, the population in its dual rôle of producer and consumer, are paying the toll of exorbitant taxes.

But not the bootleggers. The bootlegging traffic, which is the creature and consequence of prohibition, pays no taxes. Its profits are enormous and it gets them scot-free. (Buffalo Times.)

A Washington correspondent of the Post-Dispatch recalls a prophecy that the enforcement of the Volstead Act would eventualy cost the Government annually $200,000,000. We have not yet reached that tremendous tax, but we are speeding along toward it, as the figures show. From the modest $350,000 in 1920 to the 1925 assessment is a rate of progression that brings the predicted cost well within sight.

We believe it is a mistake to assume that the American taxpayer, like a patient beast of burden, will bear any yoke fanaticism may impose. It is a mistake, too, for the fanatics and politicians to pretend that prohibition enforced at such a price is constitutional prohibition or statutory prohibition, or any brand of legal prohibition. It is prohibition by sheer force. And force begets force. (St. Louis Post-Dispatch.)

There are many who doubt the ability of the Government to strictly enforce prohibition, no matter how much money it may spend in the effort. There are some things that are impossible of accomplishment. (Trenton (N. J.) Times.)

The question of greatest concern is, Why should there be such a persistent and continually increasing opposition to a law of the land? Is it because the law is so obnoxious that public sentiment does not sustain it? The illegal agencies of liquor traffic could not continue in business if they found the selling market closed against them. (Wilmington Every Evening.)

If the demand for the enforcement of the law is based on justice and a regard for orderly government, as of course it is, why should it be limited to one amendment? Why is the enforcement of the eighteenth amendment so much more important than the fifteenth amendment that a huge appropriation should be made to enforce the one and an appropriation to enforce the other withheld? If we are to have a spotted Constitution, in addition to the spots created by canal immunity and amendment by treaty, it is time we knew it and prepared ourselves to accept it. But why should we? (New Haven Journal-Courier.)

Violation of the Volstead Act is so widespread that the radical drys, in attempts to enforce this unreasonably drastic law, are not only calling for many more millions of dollars for enforcement agencies but are resorting to coercion that violates article 4 of the Bill of Rights.

The proposed chain of boats along the Atlantic coast could be made—though of course it will not be—absolutely smuggler proof; it could be continued across the country along the northern border, down the Pacific coast, and back to the Atlantic coast along the southern border and the Gulf coast, and there would still remain the "moonshine" and the home-brew. Even the "moonshine" could be dried up largely, but probably not wholly, by a great army of dry agents, the inland arm of the coast and border forces, and yet the home-brewers would remain to be reckoned with.

And what would the reckoning be? Would there be unrestricted search and seizure, such as the Louisiana prohibition chief is reported to have ordered his agents to resort to, and such as the dry agents of Pennsylvania were attempting until the courts in that State, awakening to the fact that the fourth amendment of the Constitution is threatened, recently called a halt?

There is no chance for betterment of the situation until the people themselves decide that the Volstead Act is unreasonable and demand that it be changed. Some time that demand will be made. Even the skilled maneuverings of the Wheelers and Andersons will not always deceive the people and prevent them from speaking their mind. In Canada the people have been speaking. Soon or late they will do likewise in the United States. (Buffalo Courier.)

The eighteenth amendment specifies "intoxicating" liquors. Congress, in the one-half of 1 per cent provision of the Volstead Act, gave a definition of intoxicating liquors which even the Anti-Saloon League attorney had to admit is false.

The duty of Congress to interpret the eighteenth amendment in accordance with truth is not set aside by the right of Congress to make any dishonest interpretation it sees fit.

Secretary Hughes might contend that if Congress can pervert the eighteenth amendment into a lying definition of intoxicating liquor, a treaty ought to be permitted to bend the same amendment enough to let foreign vessels bring their liquor supplies into American waters under seal. (New York Evening World.)

Federal trade statistics published in Chicago furnish a conclusive answer to the loose thinkers who deny the stimulating effect of prohibition on the Nation's economic life. The 1923 grape crop was the largest in the history of the country. Eighty thousand carloads of grapes were shipped this year, as against 37,000 in 1921. What is more impressive, as the output has more than doubled, the price has more than trebled. The wheat farmer and the cotton planter are struggling against the difficulty that the more they grow, the less they will get for it. No such prospect disturbs the grape grower. There is a demand for all he can raise and more at constantly rising prices. (New York Times.)

Mr. E. Clemens Horst, who farms 6,000 acres of land of a large variety of orchard and field crops in California, has published an article on "What it costs the farmer for prohibition of nonintoxicating beverages." Mr. Horst says that "in the last few years of prohibition the annual consumption of barley (or its equivalent in other grains and sugar) by brewers of admittedy nonintoxicating 2¾ per cent American beers amounted to 135,000,000 bushels, which required about 8,000 square miles of American farm lands for its production." He declares that the destruction of the home market for barley by the passage of the Volstead Act is largely responsible for the present depression of the grain farmers. There is no doubt that a good deal of wheat is being grown on land that was formerly used for barley.

Householders are the object of solicitous attention by enterprising vendors of new methods of turning out home beverages. One of the latest is a California grape brick, which is a dehydrated form of California grapes. Eighty per cent of the weight of grapes is said to be pure water, which is squeesed out in the drying process. The directions "are given to home owners to produce their legally allowed 200 gallons berry and fruit juices for home use or for medicinal or sacramental purposes," and the announcement says: "Protect yourselves against cheap, possibly poisonous, concoctions. Make your own home beverages and be sure of what you drink."

From Germany comes an offer of a "dry substance" for regenerating the original beverage—such, for example, as sherry, port,

Burgundy, Rhine wines, champagne, whisky, beers, and cordials. The manufacturer of them says: "I do not propose to send you alcohol but a substance from which you can prepare the various beverages with their regular, usual content of alcohol; my offer does, therefore, not interfere with the laws of your country."

Addressing the semiannual convention of the Archdiocesan Catholic Total Abstinence Union of Boston, the Rev. Dr. Maurice J. O'Connor said:

"Prohibition enforcement, as now exemplified, is a scandal to the Nation. Until public opinion has been captured in its behalf prohibition will never be a complete success. Just as sometimes a house of perfect structure is raised upon a temporary foundation, so the eighteenth amendment, a valid law, has been set over the American people before the foundation for it was solidly laid. Prohibition will not succeed until it becomes auto-prohibitive with each individual." (America.)

The National Security League publishes an address on "The spirit of America," by its president, S. Stanwood Menken. Discussing the effect of prohibition he says:

"The restrictions of the eighteenth amendment have created many lawbreakers who wrongly feel that their appetites justify violation of the statutes. A nation half lawful and half lawless can but fail of its ideals. This question is the greatest moral issue that confronts the country, and the act must either be obeyed, modified, or repealed. It has brought about a contempt for law and order which has struck at the soul of our people. If not changed, it will wreck our moral fiber, bringing far-reaching evils, greater than those it was intended to cure. Temperance, the abolition of the saloon, the protection of the weak from temptation, are essentials, but laws which restrict the lifelong habits of millions of self-contained men have no place on our statute books."

Israel Zangwill says:

"There are more cranks to the square mile in the United States than in any other country in the world.

"Prohibition? Is it that you are children in a land of make-believe and like this pretense of law keeping? Or is it a genuine sense of humor? I have not been in a private home in this country in which I was not offered a drink."

At a recent meeting of the Mutual Life Underwriters' National Association Dr. J. B. Jacks, of Chicago, stated that:

"Ninety-nine per cent of the whisky now being drunk is redistilled denatured alcohol, colored with caramel, flavored with synthetic ethers, and given a bead by fusel oil and soap bark."

This is apparently confirmed by a similar statement sponsored by a medical attaché of the prohibition enforcement bureau at Washington. The Springfield (Mass.) Union declares editorially that:

"Both statements, if correct, reveal that the liquor smuggled into the United States from Canada, from beyond the 3-mile limit along the Atlantic seaboard, from Mexico, and also along the Pacific seaboard, represents only 1 per cent of the liquor consumed in this country."

The editor says:

"If the total of the genuine liquor surreptitiously brought into the country is only 1 per cent of the quantity consumed, what comes in from the rum fleets must be considerably less than one-half of 1 per cent.

"The $28,500,000 Coast Guard program savors of hunting rabbits with a 16-inch naval gun, or utilising a train of elephants in a flea hunt."

The superintendent of Federal prisons reports that the number of United States prisoners continues rapidly to increase, and that the three Federal prisons were filled to capacity last year, and additional prison facilities are necessary.

The prohibition commissioner reports 82,912 arrests in the 14 months from July, 1922, to September, 1923.

The United States marshal for Minnesota reports that the county jails in that State are filled to overflowing with persons convicted of violating the prohibition laws, and he is seeking additional jail accommodations for bootleggers who are awaiting trial.

According to the Los Angeles Times:

"The Detroit News recently investigated the liquor situation in their city and unearthed some startling facts. They found that the courts were completely paralyzed, the bootleggers numbered thousands, and that the city was in the throes of a 'saturnalia of crime—murder, theft, and pillage.'

"In no other place in the United States has the collapse of prohibition been so complete. After a thorough study of the reports brought in, the newspaper announced that Detroit's bill for liquid refreshment averaged $2,000,000 a week.

"Ninety-seven men have been murdered by the rum runners, this number not taking into account the many who have died from consuming poisonous 'hooch.'

"Even the high-school children have fallen victims to the liquor, numbers having been arrested for carrying flasks to school, and whole families have been brought into court for staging riotous celebrations in their homes."

Police authorities in Reading, Pa., have been called upon to investigate the number of cases of drunkenness amongst schoolboys. According to press dispatches:

"It is believed that a regular 'moonshine speakeasy' is operated in one section of the city, with schoolboys as the principal patrons."

The Illinois papers report that recent arrests in Springfield and other cities in Illinois have revealed sources of liquor supply that has found its way to high-school students.

According to the New York Times:

"Ever since the Volstead Act defined the eighteenth amendment the college authorities have been in a quandary what to do about it. Naturally it is difficult to obtain precise data regarding the extent to which the act is violated in the colleges, but information from Harvard, Princeton, and Yale, together with reports from other seats of learning, indicates that the effect seems to have been to drive many students from the comparative moderation of the last decade.

"At Princeton, Harvard, and Yale, where drinking has perhaps declined, drunkenness has apparently increased. Yet what drinking is done is done under cover."

The forum department of the New Haven (Conn.) Journal-Courier publishes a letter from Mr. Horace D. Taft, "The gifted head master of Taft's school at Watertown," in which he says:

"The adoption of the eighteenth amendment and the passage of the Volstead Act have been followed over a considerable section of the country by an orgy of lawbreaking and corruption. The police and detective services of the Nation and the States have been corrupted and the rottenness has extended far and wide, reaching the officials of many grades and kinds, and evidently involving conspiracies on a great scale. Moreover, the steady and defiant flaunting of the law and amendment has had a dreadful demoralising effect on large classes of people, especially young people, and has greatly increased the already growing disregard of law and civic duty."

The Indianapolis News says:

"Indianapolis people who were shocked recently when they learned that liquor was being sold to high-school pupils in a northern Indiana city must have received a greater shock when they read that the same thing is being done in Indianapolis."

"Thirty Yale students 'on carpet' for making own hooch.—Put kick in grape juice is charge.—Drunken orgies at University of Wisconsin under probe." (Brooklyn Eagle.)

Mr. William Dudley Foulke, president of the National Civil Service League, is reported in the Baltimore Sun as having stated in a public address there, that—

"Enforcement at the present time is prostituted by the services of men who have sold themselves for base gold and become the allies of bootleggers and gunmen. * * * With few exceptions, directors and agents have been exposed as crooks with startling rapidity. In Pennsylvania, New York, Wisconsin, Montana, Chicago, and elsewhere, director after director has been replaced or sent to the penitentiary. * * * Instead of putting the plain facts before the people and making an open fight, the Anti-Saloon League has tried to hush up the scandals caused by the corruption of the officers who violate the laws they have sworn to enforce."

The prohibition enforcement act has corrupted the Federal service to an extent never before known in the history of the Republic. Many of them have become bootleggers of liquors that they have confiscated. It has so uprooted respect for all law that crimes of intense violence have swept the country from coast to coast to such an extent that no citizen knows today when he is secure in his life and his property.

The recent shooting of Senator GREEN in Washington is one evidence of this.

Where is the wrong for the people to urge a modification of the enforcement act? Only 2½ per cent of the American people ever voted for prohibition.

The records of the secretaries of the several States show that only 2½ per cent of the American people ever voted for prohibition as a state-wide proposition. On the matter of ratification of the eighteenth amendment the people were given no opportunity to express their sentiment at the polls.

There are 15 States in which prohibition had not been adopted as a state-wide program when the eighteenth amendment was ratified. These 15 States had a population in 1920 of 50,257,517.

There were 23 States that had adopted state-wide prohibition by act of the legislature—but which had not submitted the

question to a vote of the people of the States. These States had a population of 22,014,831.

There were 23 States that had adopted state-wide prohibition by a vote of the people. These 23 States had a population of 33,000,701.

The tables herein show clearly that the people of 25 States, having a population of 72,272,348, had not given their consent at the polls to state-wide prohibition, while States having a population of only 33,000,701 had adopted state-wide prohibition at the polls. In the 23 States, 2,666,408 votes were cast for prohibition and 2,104,906 against it. The majority was 561,502—just about equal to the majority that the State of Illinois cast in favor of beer and light wines in the referendum of November, 1922.

In the state-wide elections the saloon was the principal issue. The following table shows the States that had state-wide prohibition by popular vote, and the vote cast:

	Population.	Dry.	Wet.
Arizona	384,162	25,887	22,743
Colorado	939,629	129,589	118,017
Florida	968,470	21,851	13,609
Idaho	431,866	22,637	11,411
Kansas	1,769,257	92,302	84,304
Kentucky	2,416,630	208,755	198,058
Maine	768,014	70,630	23,658
Michigan	3,668,412	353,378	284,754
Montana	548,889	102,776	73,890
Nebraska	1,296,372	146,574	117,132
Nevada	77,407	13,228	9,060
New Mexico	360,350	28,735	12,147
North Carolina	2,559,123	113,612	69,416
North Dakota	646,872	18,552	17,393
Ohio	5,759,394	463,654	437,895
Oklahoma	2,028,283	130,361	112,258
Oregon	783,389	136,842	100,362
South Carolina	1,683,724	41,735	16,809
South Dakota	636,547	64,867	53,092
Virginia	2,309,187	94,251	63,886
Washington	1,356,621	189,840	171,208
West Virginia	1,463,701	164,945	72,603
Wyoming	194,402	31,407	21,201
Total	33,000,701	2,666,408	2,104,906

Dry majority, 561,502.

In the following 15 States, with a population of 50,257,517, state-wide prohibition either had not been submitted, or if it had been submitted it had been rejected by the people:

California	3,426,861
Connecticut	1,880,631
Delaware	223,003
Illinois	6,485,280
Louisiana	1,798,509
Massachusetts	3,852,356
Minnesota	2,387,125
Missouri	3,404,055
Maryland	1,449,661
New Jersey	3,155,900
New York	10,385,227
Pennsylvania	8,720,017
Rhode Island	604,397
Vermont	352,428
Wisconsin	2,632,067

In these 10 States, with a population of 22,014,831, the State legislatures, without submitting the question of state-wide prohibition to the electors, adopted prohibition:

Alabama	2,348,174
Arkansas	1,752,204
Georgia	2,895,832
Indiana	2,930,390
Iowa	2,404,021
Mississippi	1,790,618
New Hampshire	443,083
Tennessee	2,337,885
Texas	4,663,228
Utah	449,396

REFERENDUM OF WET AND DRY SENTIMENT.

EDGEWATER BEACH HOTEL,
Chicago, Ill., March 4, 1924.

Congressman L. C. DYER,
Washington, D. C.

DEAR SIR: There being just concluded from the Zenith-Edgewater Beach Hotel broadcasting station WJAZ a survey of the "wet" and "dry" sentiment of the country that in many ways is the most comprehensive ever undertaken. Believing you will be interested in a reflection of this survey, which was by means of a telegraphic referendum, we are inclosing herewith a sheet showing the tabulated returns according to the city of Chicago and the various States of the Union.

Nearly 48,000 men and women throughout the United States telegraphed station WJAZ between the hour 10 p. m. Saturday night, March 8, and 10 p. m. Sunday night, March 9. This tremendous volume of telegrams—more than four times as great a number as ever has been addressed to any one institution in any 24 hours heretofore—is in itself a startling commentary on the depth of feeling the people of the United States have on this issue.

These 48,000 people telegraphed their votes from every State in the Union, from homes on farms and in cities, from clubs and hotels, from mansions and from bungalows. No truer reflection of public opinion on the subject could be obtained, the writer believes.

A brief history of the manner in which this referendum came to be taken and the precautions taken to see that there could be no opportunity for "padding" by any group or interest may be of some value to you in arriving at a full understanding of its nature.

Several weeks ago the writer read to the audience of WJAZ a newspaper interview with Congressman SHERWOOD attacking the prohibition legislation. This reading was followed by a storm of protest from the "dry" element of our listeners and an equal volume of commendatory communications from the "wet" faction. I was requested to read a reply by the Hon. Wayne B. Wheeler, attorney for the Anti-Saloon League of America, and did so. Another deluge of telephone, telegraph, and mail communications followed.

The effect of these two announcements was so spontaneous and so startling that I decided to give the great public reached by our station an opportunity to express its views on the current proposals to modify the Volstead Act by votes, and to compensate them for the effort and expense entailed arranged to give away articles of value in excess of $4,800, including a Peerless automobile and five Zenith receiving sets.

For more than a week before the opening of the poll we announced the conditions and rules from station WJAZ, but in order to prevent any possibility of padding we told our audience that a "code word" would be given at the beginning of the contest and that only votes containing that word would be counted. This procedure was followed.

The writer then got in touch with leaders of the "wet" and "dry" factions in Chicago and invited them to send two speakers each to deliver 10-minute talks. These speakers were: For the "wets," Mr. Clarence S. Darrow, noted criminal attorney, author, and lecturer, and Mr. C. A. Windle, editor of the Iconoclast, and a writer and lecturer of note; for the "drys," Mr. O. G. Christgau, editor of The American Issue, organ of the prohibition forces, and Mr. John W. Langley, lecturer, organizer, and superintendent of the Chicago Anti-Saloon League.

On Saturday evening the four speakers were allowed to broadcast their views shortly after the announcement of the code word. Mr. Christgau and Mr. Darrow were the first speakers and an hour later we turned the microphone over to Mr. Windle and Mr. Langley. On Sunday afternoon Mr. Darrow and Mr. Langley debated, and on Sunday evening Mr. Christgau and Mr. Windle.

Before the first of the speakers had finished the telegrams began pouring in. A corps of twelve sorters and counters took charge of them and after dividing them into "wet" and "dry" groups, numbered them with automatic numbering machines so that the result of the voting was kept up to date at all times.

We specified that all votes must be telegraphed because of the means of awarding the automobile, receiving sets, etc. This was done by means of a drawing. But this specification precluded the probability of any "padding" for the reason that the average cost of the telegram was 75 cents each and at that figure "padding" would prove an expensive bit of strategy.

It seems to me that the fact that the American public paid nearly $35,000 to vote in this poll indicates more clearly than any other thing could the intensity with which it feels on this subject. But there is another striking feature in the report of the telegraph companies' officials that for hours at a time residents of many cities were unable to get telephone connection with the telegraph offices for the purpose of filing telegrams to us and that in Chicago and its suburbs patrons stood in line for hours waiting for an opportunity to file their votes.

The telegraph operator of the town of Ricketts, Iowa, reported that out of a population of 175, 35 had filed votes.

Many of the statistics and statements furnished herein are almost unbelievable, but in every case we are able to substantiate them either by the telegrams themselves or by the testimony of the telegraph officials.

Trusting you may find something of value to you in this communication, and with kindest regards, I am

Cordially yours,

E. F. MCDONALD, Jr.,
Zenith-Edgewater Beach Hotel Broadcasting Station.

Number of messages received at WJAZ, the Zenith Edgewater Beach Hotel radio station, in response to question on modification of the Volstead Act:

For the 24-hour period, March 8, 10 p. m.–March 9, 10 p. m.

State	Wet.	Dry.	Total.
Chicago, Ill	14,440	3,772	18,212
Alabama	56	47	103
Arkansas	111	90	201
Arizona	1		1
California	33	3	36
Colorado	108	43	151
Connecticut	59	4	63
Delaware	16	3	19
District of Columbia	20	8	28
Florida	17	4	21
Georgia	50	14	64
Idaho	7	1	8
Illinois	6,770	3,729	10,499
Indiana	1,530	821	2,351
Iowa	718	279	997
Kansas	291	121	412
Kentucky	204	69	273
Louisiana	49	24	73
Maine	19	4	23
Maryland	35	13	48
Massachusetts	119	40	159
Michigan	1,003	444	1,447
Minnesota	579	169	748
Mississippi	33	27	60
Missouri	378	155	533
Montana	69	23	92
Nebraska	341	157	498
Nevada	1		1
New Hampshire	13	4	17
New Jersey	92	23	115
New Mexico	16	5	21
New York	556	122	678
North Carolina	36	13	49
North Dakota	415	159	574
Ohio	745	407	1,152
Oklahoma	70	44	114
Oregon	9		9
Pennsylvania	549	218	767
Rhode Island	53	7	60
South Carolina	13	5	18
South Dakota	213	97	310
Tennessee	143	75	218
Texas	123	56	179
Utah	1		1
Vermont	19	3	22
Virginia	56	13	69
Washington	21	1	22
West Virginia	4	56	60
Wisconsin	3,970	1,096	5,066
Wyoming	17	10	27
Total	34,185	12,483	46,668

Canadian points not classified "wet" and "dry."

Alberta	21
British Columbia	6
Manitoba	112
New Brunswick	1
Nova Scotia	1
Ontario	184
Quebec	6
Saskatchewan	94
Total	425

Ships:	
Atlantic	3
Pacific	2
Gulf	2
Total	7
Cuba	1
Miscellaneous	92

RECAPITULATION.

United States wet	34,185
United States dry	12,483
Canada	425
Radio (from ships)	7
Foreign countries (Cuba)	1
Miscellaneous	92
Grand total	47,193

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

COAST GUARD.

For additional motor boats and their equipment for the use of the Coast Guard in enforcing the laws of the United States and in performing the duties with which the Coast Guard is charged, to be constructed or purchased in the discretion of the Secretary of the Treasury, and for repairs or alterations to or for equipping and placing in commission vessels or boats transferred from the Navy Department to the Treasury Department for the use of the Coast Guard, $12,194,900, to remain available until June 30, 1925.

Mr. HILL of Maryland. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Maryland moves to strike out the last word.

Mr. HILL of Maryland. Mr. Chairman and gentlemen, the paragraphs of the deficiency appropriation bill which you are now reading relate to the Coast Guard, and make total appropriations of $13,887,007.07. The first two paragraphs of these appropriations are as follows:

For additional motor boats and their equipment for the use of the Coast Guard in enforcing the laws of the United States and in performing the duties with which the Coast Guard is charged, to be constructed or purchased in the discretion of the Secretary of the Treasury, and for repairs or alterations to or for equipping and placing in commission vessels or boats transferred from the Navy Department to the Treasury Department for the use of the Coast Guard, $12,194,900, to remain available until June 30, 1925;

For pay and allowances prescribed by law for commissioned officers, cadets and cadet engineers, warrant officers, petty officers, and other enlisted men, active and retired, temporary cooks and surfmen, substitute surfmen, and one civilian instructor, $945,179;

Although perhaps subject to a point of order as to form, these appropriations were made in order yesterday by the passage of House bill 6815, a bill to authorize a "temporary increase of the Coast Guard for law enforcement." I doubt seriously that the proposed increase will be "temporary," because the words "law enforcement" refer to the attempted enforcement of the Volstead Act. A point of order as to form would be of no avail, since they could readily be put in proper form, because of House bill 6815, which will have passed the Senate by the time this bill arrives there.

I discussed House bill 6815 during its consideration and yesterday offered a substitute. I refer to page 4090 of the RECORD, which is as follows:

The SPEAKER. The Chair will recognize the gentleman from Maryland.

Mr. BLANTON. Mr. Speaker, may I suggest that the gentleman from Maryland is a member of the majority, from which side this bill comes, and I am on the minority side of the House.

The SPEAKER. The Chair will recognize the gentleman from Maryland. The Clerk will read the motion to recommit.

The Clerk read as follows:

"Mr. HILL of Maryland offers the following motion to recommit the bill to the Committee on Interstate and Foreign Commerce, with instructions to that committee to report the same back forthwith, with the following amendment: Strike out all after the enacting clause and insert:

"'That the Secretary of the Navy is authorized to lend to the Department of the Treasury, for the use of the Coast Guard, such vessels of the Navy, with their outfits and armaments, as can be spared by the Navy, and as are adapted to the use of the Coast Guard, with the necessary officers and enlisted men of the Navy to handle the same for temporary needs.'"

A point of order was made, and thereupon I explained the proposed substitute as follows:

Mr. HILL of Maryland. Mr. Speaker, this is a bill which, according to its terms, would temporarily place at the disposition of the Coast Guard certain naval vessels and provide for the construction of certain other vessels and the employment of officers and men by the Coast Guard temporarily in order that the national prohibition enforcement act may be enforced as against alleged smuggling. The bill provides for an ultimate expenditure of $13,000,000 additional to the $10,000,000 already appropriated for the Coast Guard. My substitute provides for the lending to the Coast Guard by the Navy of ships, with their officers, men, and equipment, for the period of the temporary need, which will accomplish that purpose without any additional expense to the American people, and I respectfully submit it is in order.

The pending bill, to which I offer this substitute, would make possible the appropriation of nearly $24,000,000 for the Coast Guard for the coming year, nearly $2,000,000 more than the total cost of the whole United States Navy in 1890. The question here raised has nothing to do with the merits or demerits of prohibition or of the Volstead Act, and should be so considered and voted upon. This is not a question of "wet" or "dry." It presents merely a question of efficient and economical prevention of smuggling. My substitute will save $13,887,007.07 and stop smuggling, if anything will. I submit that my substitute is in order. The Navy was used to prevent the importation of slaves and for various other purposes cited by the Attorney General in the opinion I read here yesterday. If it is true that the Coast Guard can not handle the smuggling situation, let them have the aid of the existing Navy without the waste of nearly $14,000,000 needlessly to create a new Navy. I again suggest my substitute is in order.

The Speaker held my motion to recommit not in order, and made a similar ruling on a more or less similar motion by the gentleman from Texas [Mr. BLANTON]. The House then passed

H. R. 6815 by a vote of yeas 304, nays 50, not voting 77, the gentleman from Texas [Mr. BLANTON] and I both voting nay.

In view of this vote I shall not move to strike out the pending appropriation, although I think it useless and wasteful. It will not prevent smuggling of liquor even if it should prevent a concentration at certain points. The Mexican and Canadian borders will still be "open." I want to call to your attention some statements before the Appropriations Committee in the recent Treasury Department appropriation bill, and also from the hearings on this bill.

At page 504 of the former occurs the following:

Mr. THATCHER. How are you protecting the international boundary lines between the United States and Mexico and the United States and Canada?

Mr. HAYNES. We have a force of agents working there. In Texas the Texas Rangers are helping us, but their numbers are inadequate for the job.

Mr. THATCHER. They patrol the border?

Mr. HAYNES. Yes; they patrol the border at the strategic points where the smuggling is likely to take place.

The CHAIRMAN. You could not protect every point on the border.

Mr. HAYNES. No; we could not.

It will be of interest for you to compare the estimate of Mr. Haynes, the Federal Prohibition Commissioner, of the smuggling situation with that of Admiral Billard, head of the Coast Guard.

At page 505 of the Treasury bill hearing Mr. Haynes thought the tendency toward bootlegging is decreasing. Here are the exact statements:

The CHAIRMAN. Can you give us any idea of the extent to which the liquor fleet is operating off the Atlantic coast outside the United States; that is, the illicit liquor fleet?

Mr. HAYNES. You mean as to the number of boats?

The CHAIRMAN. Yes.

Mr. HAYNES. I am very sorry I can not give you an accurate estimate on that. The only estimate I can give to you is the estimate brought to me, by rumor largely, by newspaper accounts, and, to a small extent, from personal actual observation.

There were at one time, I am quite satisfied, as many as 15 boats in the entire fleet off the New Jersey coast. But the number fluctuates. They dispose of their cargoes to the small motor boats that run out, and then they go away. They had a good many fatalities, I understand, and a great many accidents. Being pirates and brigands, as they are, they high-jack each other and rob each other, and the number is reduced somewhat in that way.

The CHAIRMAN. They are in the business of robbery?

Mr. HAYNES. Yes; it does not make any difference how they get the money, so long as they get it.

The CHAIRMAN. How does the present situation with regard to bootlegging compare with the same situation a year ago? Is the tendency toward bootlegging increasing or decreasing?

Mr. HAYNES. I do not think the tendency is increasing; I think it is decreasing.

Mr. Haynes thinks "the tendency is decreasing," and yet you are asked to provide for nearly $14,000,000 more of Coast Guard boats to prevent smuggling.

As long as the present Volstead Act remains law, if you sincerely try to enforce it, you will need yearly more and more Coast Guard boats, and the Mexican and Canadian borders are still open. Note what Admiral Billard says as to the permanence of the Coast Guard need. I read from page 693 of the hearings on the pending bill, as follows:

The CHAIRMAN. In order to keep it effectively controlled, you would have to continue it, wouldn't you?

Admiral BILLARD. I should think so.

Mr. GALLIVAN. All of this amount of money?

Mr. BUCHANAN. Oh, no.

Admiral BILLARD. It is just like a police force of a city that prevents crime. If you withdraw the police force, when crime would revive sufficiently to make it necessary to reestablish that force we do not know.

Mr. BUCHANAN. If you once broke it up, perhaps half the force or two-thirds the force maintained would be all that would be necessary.

Mr. GALLIVAN. That is what I mean.

Admiral BILLARD. That, in my judgment, would depend upon conditions as they arose. Certainly I can not forecast or prophesy anything about it.

Mr. BUCHANAN. You would certainly have to keep the organization up, or they would come back.

The CHAIRMAN. I think it is just as well to be frank about it. It looks to me that if you establish a police force to enforce a law or to prevent the commission of a crime, you would have to keep up the police force.

We are therefore making the first appropriation for a naval prohibition police force, which will be needed as long as the Volstead Act is to be enforced. We are providing for such a force more this year than the Navy cost in 1890. Mr. Haynes says that enforcement of the Volstead Act daily grows more effective. The picture that the Coast Guard draws, however, would seem to require the full Navy of the United States, not merely an augmented Coast Guard. Note again the hearings on the present bill at page 655:

From what has just been said it should be apparent that:

(a) The enemy is engaged in open and organized warfare on the Constitution.

(b) He is practically unhampered in his operations by this or any other Government.

(c) He is introducing into this country at least 100,000 cases per month by way of the Atlantic and Gulf coasts.

In considering this matter, the prohibition feature or liquor question should be eliminated from the mind. Were the traffic confined to diamonds, for example, its bad effect would be the same.

Nonenforcement of the law is bringing the National Government and the very Constitution itself into contempt, and, what is almost equally bad, is causing an ever-increasing flow of money into the coffers of the underworld. This money is being used to finance all sorts of criminal ventures, and is, I believe, one of the prime causes of the increase of crime.

Mr. GALLIVAN. Who is saying this?

Commander ROOT. I am saying this.

However, it seems to me, that in preparing to arrive at a decision, that we should divest our minds of even the latter consideration and reduce the question to its most simple terms, those involving only the support of the Constitution.

As this statement and further investigation can lead to but one conclusion, it is expected that the full force, for which we have asked, will be provided without delay. This force, by itself alone, will not be sufficient. Old laws must be strengthened and new laws written.

The treaty with Great Britain, ratified by the Senate yesterday, will not help much in the above-described condition. Note what Commander Root says on this at page 657 of the hearings:

The CHAIRMAN. Those are vessels trying to get in with liquor cargoes?

Commander ROOT. Yes, sir; that is where the liquor fleet is now.

The CHAIRMAN. How far out are they from shore?

Commander ROOT. They are probably not more than 7 or 8 miles from Montauk Point.

The CHAIRMAN. If the 12-mile treaty were made effective, that could not happen, could it?

Commander ROOT. They would simply have to move out 2 or 3 miles farther.

The conditions at sea as reported by the Coast Guard demand more than you are here asked to provide, if you really take seriously the reports made. But note: The Coast Guard officers have not deemed it necessary to consult with the Federal prohibition commissioner. I quote to you from page 646 of the hearings:

Mr. GALLIVAN. Have you conferred with the prohibition-enforcement officers as to the extent of this so-called smuggling and illegal operation?

Commander ROOT. No, sir; I have had no communication with them whatever.

Admiral BILLARD. May I interject, Mr. Chairman, because I see no reason why this committee should not have the information, that, as I understand it, part of Commander Root's information is obtained from the State Department with respect to exportations——

Mr. GALLIVAN (interposing). I am speaking of importations.

Admiral BILLARD. Well, the reports of the State Department's foreign officers would be on exportations to the West Indies and the like. And I will say to you, Mr. GALLIVAN, that to my knowledge he has not conferred with the prohibition-enforcement people on this matter. He may have one or two of their routine reports.

Commander Root went into detail on the difficulties with which the Coast Guard must cope and I regret that there seems to be a lack of coordination between his branch of the service and that of Mr. Haynes. One can not share Mr. Haynes's optimism after reading in full what Commander Root says, and I confess I must agree with the closing remarks of one of the secret agents he quotes on page 650.

Commander Root says, at that point of his statement before the Appropriations Committee, as follows:

For your further information relative to these islands I will now quote in full and verbatim three reports from another United States secret agent stationed at Nassau. The reports are dated January 26 and 28, 1924.

"Since my last favor to you, beg to advise that the liquor business of exporting to the States from Nassau has fallen off at least 75 per cent, but at West End, Grand Bahama, and at Gun Key Lighthouse Anchorage business has increased 100 per cent. At Gun Key there are now at least 30 vessels owned by Nassau dealers selling booze. At West End, Grand Bahama, business has increased so much that this Government has erected several large bonded warehouses. Being only 60 miles from Palm Beach, all the boats go there for booze that used to come to Nassau. There is on an average of 10 to 20 boats daily calling at West End, carrying from 200 to 1,000 cases each. So you can see what is doing. This booze is flowing into Jacksonville, via Mayport (Mosquito Inlet), Palm Beach, West Palm Beach, Stuart, Fort Pierce, St. Augustine, Fernandina, main ports in Florida.

"From West End also quite a few large boats are running booze to Charleston, S. C. From West End sub-marine chasers, etc., are being used. Lots of this booze is shipped by automobiles to eastern and western points from the above places. Quite a lot goes to Fernandina and St. Augustine. There must be something radically wrong with the agents you have in the above sections, as it is being distributed wide open, and you can get all the drinks you want in any of the hotels in Florida. There are some big rings working. At Fernandina there is one Jim Paxton, who is a big handler of liquors from West End and Cuba, who has been operating since the prohibition law has been in effect. Also at water front, and one Cracker Johnson has been running booze into West Palm Beach since prohibition inception, and still at it. The 'pull' at this place is great. I have seen graft money handed over to some of your agents. Also the sheriff and undersheriffs are in the game of making easy money. You want to get a clean sweep up like you had done at Savannah with that gang, but they are still operating."

The secret agent says: "You can get all the drinks you want in any of the hotels in Florida." He also says he has "seen graft money handed over to some of your agents," and that "the sheriff and undersheriffs are in the game of making easy money."

Gentlemen, we are all for honest enforcement of the laws of the United States, but will this further expenditure of nearly $14,000,000 help? It is either too much to waste or too little to be effective. You can spend your time better by passing House Resolution 153, which is as follows:

House Resolution 153.

Whereas on May 15, 1922, and again on August 22, 1922, Representative HILL, of Maryland, requested from the Secretary of the Treasury the removal of the Federal prohibition commissioner because of nonfeasance and malfeasance in office; and

Whereas on the 16th day of January, 1924, in the city of Washington, before the convention of the Anti-Saloon League, Governor Pinchot, of Pennsylvania, charged that the enforcement of the national prohibition act under the said Federal prohibition commissioner was an entire failure, using the following words, to wit: "I know of no scandal in our national history to compare with it. A scandal of half these proportions in any other branch of the Government's work would lead at once to a congressional investigation. I demand one."

Resolved, That a committee consisting of five Representatives of the Sixty-eighth Congress, to be appointed by the Speaker of the House, is authorized and directed to investigate the office of the Federal prohibition commissioner in the Bureau of Internal Revenue of the Treasury Department, and the whole matter of the failure of enforcement of the national prohibition act by the Federal Government, and all other matters and conditions in the premises set forth, and to report their findings, together with recommendations for the improvement of such conditions, forthwith to this session of Congress. Such committee is authorized to send for persons and papers, to administer oaths to witnesses, and to incur necessary expenses for clerical and other services not exceeding $20,000, which shall be paid out of the contingent fund of the House.

The apparent lack of coordination between Mr. Haynes and the Coast Guard and the disclosures of Commander Root's secret agents are worthy of your consideration.

Mr. Chairman, the legislative policy for this appropriation for the Coast Guard is provided for in the bill H. R. 6815, which was the subject of lengthy discussion a few days ago and which passed the House yesterday. However, the hearings before the Committee on Appropriations on this subject are so very interesting and important that I have made the above extracts for your benefit. [Applause.]

Mr. McKEOWN. Mr. Chairman, I wish to ask the chairman of the committee whether this is not an additional amount? Or is this just an authorization?

Mr. MADDEN. Yes.

Mr. TAGUE. Is there any appropriation for the Coast Guard other than this one item in this bill?

Mr. MADDEN. No; not in this bill. There may be something for unpaid bills, or something of that kind.

Mr. TAGUE. Is there anything for the building of new craft?

Mr. MADDEN. That is all included in this, except for ships from the Navy Department. This provides for additional motor boats and their equipment.

Now, I will tell the gentleman what is proposed in the item. There are 223 cabin cruiser motor boats, to cost $37,500 apiece, and 100 dory-type motor boats, fast boats, about 30 feet long, costing about $8,000 apiece. These are to have very high speed. Then, in addition to that, the 20 torpedo destroyers authorized under the bill we had up yesterday are to be taken over from the Navy Department and rehabilitated at a cost of $100,000 apiece, and put into this service, and two mine sweepers from the Navy, so that when the program is carried out there will be 2 mine sweepers, 20 torpedo-boat destroyers with a speed of 30 knots manned with guns, and there will be 223 cabin cruisers about 75 feet long, very rapid, with first-class motor machinery, and the other 100 dory boats with motor machinery, all very speedy, the idea being to prevent smuggling. For instance, a Coast Guard cutter to-day has a speed of only 10 knots. She may go out and see a ship lying off on the horizon. She may want to discover whether that ship is loaded with contraband liquor. As the condition exists to-day, after she has discovered that the ship is loaded with contraband liquor she has to leave, and while she is gone, looking for some other law violator, the speed boats owned by the smugglers come out from shore and unload this contraband cargo from the ships onto their boats, speed boats, and bring it in and deliver it to those who may want to purchase it.

Now the plan is under this scheme to have picket boats consisting of these cabin cruisers and dory boats, that are just as fast as anybody else's boats, to lie by beside the ship carrying the contraband cargo, and when her speed boats go out to shore to aid in any attempt to capture them or to prevent them from taking their cargo off the ship, and in that way prevent smuggling entirely.

Mr. TAGUE. My reason for asking the question is not that I am interested in the smuggling of liquor at all.

Mr. MADDEN. I thought so, but I thought the gentleman would like to have the information.

Mr. TAGUE. Yes. My purpose was merely to ascertain whether or not we were going to have ships of the *Androscoggin* type, ships of that kind to be sent up into the district to look after the life and property of men engaged in operations on the high seas.

Mr. MADDEN. All these ships will be able to do that.

Mr. TAGUE. The information I had is that none of these ships can go out and do that kind of work. That was demonstrated off the coast of Maryland a month or two ago, when they sent one of these torpedo boats out to bring in the *Indiana*. If a revenue-cutter boat had not come along they would have lost all hands on board. I do not care whether they get a smuggler there or not, but I would like to see some protection given to those men and ships.

Mr. BYRNS of Tennessee. The gentleman will understand that there is an appropriation for the operation of the revenue-cutter boats from year to year.

Mr. BLANTON. Mr. Chairman, I rise in opposition to the pro forma amendment.

The CHAIRMAN. The gentleman from Texas is recognized.

Mr. BLANTON. Mr. Chairman and gentlemen, this item could have been knocked out of the bill if anybody had made a point of order against it, because it is legislation on an appropriation bill not authorized by law.

Mr. MADDEN. I do not agree to that.

Mr. BLANTON. Well, the gentleman would have agreed to it after the Chairman had sustained the point of order. But I did not make it and my friend from Maryland [Mr. HILL] did not know it was subject to a point of order or probably he would have made it.

Mr. HILL of Maryland. I will say to the gentleman from Texas that after the passage of the bill yesterday I considered it was in order.

Mr. BLANTON. I am glad the gentleman thinks that; but that bill does not yet constitute legislation; that would make this item in order, for it is not yet the law. But nobody made the point of order.

Mr. CRAMTON. It would have been the easiest thing in the world to have so shaped it so as to make it clearly not subject to a point of order and yet carry the same amount of money.

Mr. BLANTON. The gentleman from Michigan knows it was subject to a point of order, but be that as it may, nobody made it. I did not make it and no one else made it. I did

not make it for one reason alone. There was a way to stop this smuggling on our coasts, and that would have been to give the President the Navy, and that is the only way. You are not going to stop it with this little added Coast Guard force. It is just like a drop in the bucket, a start on the way, but you can not guard these coasts with that limited force. There are too many hundreds of miles of inlets. You need the Navy and you are going to have to have the Navy before you do guard the coasts properly and before you stop this smuggling.

Yesterday I did everything one Member could do in an attempt to have the Navy used. I made a fight on the floor and tried to get a provision in the bill authorizing the President to use the Navy.

The President wanted to use it. The President went to the Attorney General and asked him for the use of the Navy, but the Attorney General told him he could not have it because he did not have authority of law. We could have given him that authority, so that the Attorney General could no longer claim that, but we did not do it. There were not enough Members here who were in favor of stopping that smuggling in that way.

Mr. CRAMTON. Will the gentleman yield?

Mr. BLANTON. If the gentleman will answer a question for me, I will yield. I want the gentleman to answer me this question: Will he or any other man on this floor deny that the present Secretary of the Treasury is financially interested in distilleries? Will he answer me that?

Mr. CRAMTON. I have no personal knowledge.

Mr. BLANTON. Will the gentleman deny it?

Mr. CRAMTON. I have no personal knowledge.

Mr. BLANTON. Well, we all know that to be the fact, and yet we leave this big question of prohibition enforcement in the hands of the Secretary of the Treasury, who is not a law enforcer as to prohibition.

Mr. CRAMTON. May I now ask my question?

Mr. MADDEN. There is this about the Coast Guard——

Mr. BLANTON. If the gentleman from Illinois [Mr. MADDEN] knows better than that about Secretary Mellon, I will yield.

Mr. MADDEN. I will say this: There is one thing about the Coast Guard. It is made up of men who are in the military service.

Mr. BLANTON. I am talking now about the present Secretary of the Treasury. Can the gentleman from Illinois answer my question as to the present Secretary of the Treasury?

Mr. MADDEN. I do not know anything about that, but I do know that these men, when they go to sea, will do the thing that should be done regardless of the Secretary of the Treasury or anybody else, and they will do their duty.

Mr. BLANTON. I have found that men acting under the orders of a superior officer usually do what they think their superior officer would like to have them do.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CRAMTON. Mr. Chairman, I move to strike out the last two words in order that I may ask a question of the gentleman from Texas and also answer his question. I have recently had considerable contact with the Secretary of the Treasury, Mr. Mellon, and have taken up with him an important problem relating to the enforcement of the eighteenth amendment.

Mr. BLANTON. Does the gentleman feel satisfied about it?

Mr. CRAMTON. I feel perfectly satisfied with the cooperation which I have had and the contact I have had, as well as the point of view which the Secretary of the Treasury has maintained throughout all of my interviews with him.

Now, I want to ask a question of the gentleman from Texas, whose views I know are just as positive as mine in favor of the enforcement of the law, but who supported the chimera of enforcement by the Navy instead of by the Coast Guard. Has the gentleman from Texas ever heard the old saying that "a bird in the hand is worth two in the bush"?

Mr. BLANTON. That is the only reason why I did not make a point of order against this item. It is a bird in the hand and is the only thing we have left.

Mr. CRAMTON. I wish the gentleman had discovered that 24 hours earlier.

The CHAIRMAN. Without objection the pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

For furnishing and erecting headstones for the graves of American soldiers in Europe, $548,550, to remain available until expended.

Mr. HILL of Maryland. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Maryland offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HILL of Maryland: Page 49, line 11, after the word "expended," insert:

"*Provided*, That none of the money so appropriated shall be expended except for headstones or markers to be placed upon the graves in the American military cemeteries overseas, which shall be of the same general form and design and having the same general effect as the existing wooden markers."

Mr. MADDEN. Mr. Chairman, I reserve a point of order, if the gentleman wants to be heard on it.

Mr. HILL of Maryland. Mr. Chairman and gentlemen of the committee, this amendment is based on the resolution of the gentleman from Massachusetts [Mr. ANDREW], which is as follows:

House Concurrent Resolution 16.

Whereas wooden crosses have marked the graves on the battle fields of Europe of American soldiers, sailors, and marines who died in the World War from the first burials in war time until the present day, or markers of like proportion and design bearing the Star of David (instead of the transverse bar) have marked the graves of those of Jewish faith; and

Whereas these wooden symbols have, during and since the World War, been regarded as emblematic of the great sacrifices which that war entailed, have been so treated by poets and artists and have become peculiarly and inseparably associated in the thought of surviving relatives and comrades and of the Nation with these World War graves: Therefore be it

Resolved by the House of Representatives (the Senate concurring), That the permanent markers to be placed upon the graves in the American military cemeteries overseas shall be of the same general form and design and have the same general effect as the existing wooden markers.

There are at the present time wooden crosses in the cemeteries in France marking the graves of those American soldiers of the Christian faith who died in France. There are wooden Stars of David, the six-point star, marking the graves of those American soldiers that were of the Jewish faith who died in France. These stars and crosses were placed there when these men died and are of the same general, uniform type. There was yesterday a hearing held before the Committee on Military Affairs of the House on the resolution of the gentleman from Massachusetts [Mr. ANDREW]. There was a slight change made by him afterwards in the wording of his resolution, and the one I have read is the resolution, slightly changed to conform to the general views expressed at that hearing.

There appeared before the Military Affairs Committee of the House representatives of the American Legion, the representatives of the Gold Star Mothers, and the representatives of the Veterans of Foreign Wars, and of all the service organizations. There also appeared before the Military Affairs Committee of the House the secretary of the American Battle Monuments Commission, to which this House committed the matter of cemeteries and monuments in France. The Military Affairs Committee has not yet made a report on the resolution. The matter of the amount of money here appropriated has been very carefully and fully gone into by the Appropriations Committee in the hearings. The present project of the officers of the Quartermaster General's Department who appeared before the committee is to make oblong tombstones or headstones in the United States and send them to France to replace the crosses that stand there at the present time. The men who served in the war, the American Battle Monuments Commission, the Gold Star Mothers, the American Legion, the Veterans of Foreign Wars Association, all of them, are against putting up in France the solid headstone in place of the crosses and the stars which were placed there when these men were buried.

The Battle Monuments Commission objects to it, and I am told that General Pershing, who is now on his way home from France, now objects to it, and everybody who appeared before the Military Affairs Committee yesterday objects to it, and I can see by reading the testimony before the committee that the chairman of the committee himself in his own mind was not in favor of it but left it to the War Department.

Gentlemen, I submit this amendment is in order. It is a limitation on an expenditure, and I ask that it be held in order and voted on in order that the present situation in the cemeteries of France may remain.

Mr. McKEOWN. Will the gentleman yield?

Mr. HILL of Maryland. Yes.

Mr. McKEOWN. Is it the idea of the gentleman to maintain the crosses as they are now? What suggestions have these organizations made as to how the graves should be marked?

Mr. HILL of Maryland. Their representation was and their suggestion was that there should be put up in the place of the wooden cross, when it is removed, a cross made either of French stone or of American stone or of bronze or of some durable material, and that there should be put up in place of the wooden Star of David a similar marker, so that the cemeteries would maintain the same appearance they do now.

Mr. McKEOWN. And not have these little markers like they have in this country?

Mr. HILL of Maryland. And not make them look like stoneyards instead of battle graveyards, as they are now.

The CHAIRMAN. The time of the gentleman from Maryland has expired.

Mr. MADDEN. Mr. Chairman, before I insist on the point of order I want to read the law:

In the arrangement of the national cemeteries established for the burial of deceased soldiers and sailors, the Secretary of War is hereby directed to have the same inclosed with a good and substantial stone or iron fence, and to cause each grave to be marked with a small headstone or block, which shall be of durable stone and of such design and weight as shall keep it in place when set, and shall bear the name of the soldier and the name of his State inscribed thereon, when the same are known, and also the number of the grave inscribed thereon, corresponding with the number opposite to the name of the party in a register of burials to be kept at each cemetery and at the office of the Quartermaster General, which shall set forth the name, rank, company, regiment, and date of death of the officer or soldier; or, if these are unknown, it shall be so recorded.

This is the law to-day. This $540,000 is being appropriated under the authority of that law.

Mr. McKEOWN. Will the gentleman yield for a question?

Mr. MADDEN. In just a moment. Let me finish this statement, please. Now, the War Department has adopted a design, but the law itself provides that the headstone shall be of stone. I understand the Battle Monuments Commission, or some of them, think there ought to be a different design, and that they ought not to be of stone but should be of bronze.

I am not interested in the difference of opinion between the Quartermaster Department of the Army and the Battle Monuments Commission, but this bill is not the place to legislate on a subject which has not been given any attention or consideration by the House. There was a War Department board which functioned on this question. Let us see who they are, and what happened. One of our distinguished colleagues, sitting here now, was a member of that board when the design proposed under this act was adopted. I read from page 732 of the hearings:

PROCEEDINGS OF BOARD OF OFFICERS TO CONSIDER HEADSTONE FOR WORLD WAR VETERANS.

WASHINGTON, D. C., *April 26, 1922.*

Pursuant to instructions contained in letter from the Secretary of War, dated July 22, 1921, the board reconvened this date to consider the question of the headstone for the World War veterans, and the following recommendations were made:

"That the headstone be 24 inches high, 13 inches wide, and 4 inches thick, extending into the ground 18 inches, or making a total stone of 42 inches long, 13 inches wide by 4 inches thick.

"That the full name of the soldier, with the State from which he came, his rank, regiment, and division, with date of death, appear on the face of the stone.

"That the rosette at the top carry with it the device of religious faith—a Latin cross for the Christian and the double triangle for the Hebrew faith."

That the relatives be permitted—

"at their own expense, to have placed any inscription in the nature of a text or other suitable quotation or term of endearment that they may desire, providing the number of letters does not exceed 60 letters."

That on the reverse side of the stone will appear the grave number corresponding with the number in the register book of burials in the cemetery.

J. M. WAINWRIGHT,
The Assistant Secretary of War.
JOHN J. PERSHING,
General of the Armies, Chief of Staff.
H. L. ROGERS,
Quartermaster General.

Approved:

JOHN W. WEEKS,
Secretary of War.

The CHAIRMAN. That does not have reference to any particular place?

Major FOSTER. No, sir. This is a World War veteran's headstone.

The CHAIRMAN. No matter where the grave is?

Major FOSTER. Yes, sir; those are our orders.

The CHAIRMAN. General Pershing is the chairman of the Battle Monuments Commission.

Major FOSTER. He was on this commission, too. That shows you how the design of the stone was picked. We were merely ordered to get it.

The CHAIRMAN. What is the cost of this design?

Major FOSTER. That is, the one I am talking about?

The CHAIRMAN. Yes. It is $9.04, is it not?

Major FOSTER. Yes, sir.

The CHAIRMAN. What is the cost in France?

Major FOSTER. Delivered?

The CHAIRMAN. Yes.

Major FOSTER. It is a little over $17.

The CHAIRMAN. You buy this monument here?

Major FOSTER. Yes, sir. The cost is $17.90 set up in Europe.

The CHAIRMAN. Could you buy it any cheaper in France?

Major FOSTER. I do not believe so. They can do it if they wish to.

The CHAIRMAN. There is no objection to that?

Major FOSTER. No, sir. But there is very little of that white marble in France, and it is very expensive.

The total cost of the stones, including those that will be destroyed in transit, is $548,550.

I make the point of order against the amendment, because I believe it is contrary to the law.

Mr. HILL of Maryland. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. Yes.

Mr. HILL of Maryland. I want to say to the committee that the chairman of the Committee on Appropriations, as always, in dealing with matters relating to the war, has taken a most generous and broad point of view; and I am glad that he read to you that portion of the hearings, because the question as to these stones seemed always apparent in the chairman's mind. As I said, the American Battle Monuments Commission, at the time the board of officers' report, to be found on page 732 of the hearings, was made, was not in existence, but, fortunately, the former Assistant Secretary of War, our colleague from New York [Mr. WAINWRIGHT], is here, and I know that you would like to hear him on this subject. He, together with General Pershing, was a member of the board of officers which recommended the headstones, in April, 1922, but he now, like General Pershing, favors the crosses and stars as at present existing and as provided for in the pending amendment.

The CHAIRMAN. The Chair would be very glad to hear from the gentleman from Illinois upon the point of order.

Mr. MADDEN. My point of order is that it is new legislation, and a violation of existing law.

Mr. WAINWRIGHT. Mr. Chairman, I rise to discuss the point of order, but I trust the Chair will not hold me down to too strict a discussion of it at first. This amendment embodies and expresses the very deep sentiment of everyone who is interested in the graves in France. The appearance of the markers at present has been described by the gentleman from Maryland [Mr. HILL]. I am not at all embarrassed by the fact that my name appears in connection with the resolution which has been read from the hearings before the committee. The War Department cemetery commission approached the consideration of this subject with a strong disposition in favor of the retention of the present form of markers—namely, the crosses—upon the graves. The question was referred to the Quartermaster General's Department, and we were advised that there were practical difficulties both as to cost and as to the durability of a marker in the form of a cross made out of marble, because the white appearance, the color, is just as important as is the form of the cross. I have no hesitation in saying to the committee that General Pershing, who was General of the Armies and who would naturally have a deep interest in this subject, was very much in favor of the preservation of the crosses; and I was, too, and I still feel that it is most desirable that they should be preserved in permanent form. I believe it can be worked out satisfactorily, and with little, if any, increase in cost.

Mr. Chairman, the gentleman from Illinois [Mr. MADDEN] has referred to a law which seems in its terms to regulate the form and design of the markers on the soldiers' graves. If I am not mistaken, that law has application only to the graves of soldiers in the United States, and in no way applies to the graves of soldiers overseas.

The CHAIRMAN. Can the gentleman refer the Chair to the authority under which the cemeteries were established and maintained in France?

Mr. MADDEN. The law applies to national cemeteries, and the question here is as to whether a cemetery in France is a national cemetery.

Mr. WAINWRIGHT. These cemeteries were established by the exigencies of the situation on the other side. Each one of those cemeteries was established right after the battles in which these men lost their lives, and I do not know that there is any law applying to the subject. They were established as a result of the stern necessities of warfare.

Mr. McKEOWN. Will the gentleman yield to me for a moment to say that this statute on which the gentleman from Illinois relies was passed prior to the establishment of the cemeteries in France and has no relation to them?

Mr. WAINWRIGHT. That is my understanding.

The CHAIRMAN. Can the gentleman inform the Chair whether the cemeteries in France were established pursuant to provisions of the national cemetery act?

Mr. WAINWRIGHT. They were not, I may state with a great deal of confidence.

Mr. MADDEN. Can the gentleman state that of his own knowledge?

Mr. WAINWRIGHT. Yes; I think I can. These cemeteries were not established through any authority of law, I may say for the benefit of the gentleman from Illinois.

Mr. MADDEN. Oh, yes; we authorized the purchase of land for them.

Mr. WAINWRIGHT. These cemeteries were established long before there was any purchase of land.

Mr. MADDEN. That is true.

Mr. WAINWRIGHT. Nor have any of these cemeteries been paid for by any of the money of the United States, except certain additions that have been made to them. My understanding of the situation is that the land in which the bodies of our soldiers lie was ceded to us by the French Government.

Mr. McKEOWN. I would like to say this to the gentleman from Illinois, that the question of the law applying markers to the graves of the World War veterans was enacted in the House by amendment.

Mr. MADDEN. Mr. Chairman, let me read the law that did authorize the purchase of the land:

Resolved, etc., That the Secretary of War be, and he is hereby, authorized to expend not to exceed $856,680 of the appropriation, disposition of remains of officers, soldiers, and civilian employees, in the act making appropriations for the sundry civil expenses of the Government for the fiscal year ending June 30, 1922, and for other purposes, approved March 4, 1921, for the purchase of such real estate as is necessary to establish suitable burial places in Europe for American military dead and for suitable and necessary improvements thereon, of which not to exceed $111,000 may be applied to the purchase of land as follows: Aisne-Marne, $20,000; Suresnes, $9,000; Somme, $11,000; Brookwood, $31,000; St. Mihiel, $15,000; Oise-Aisne, $20,000; Flanders Field, $5,000; total, $111,000.

So it will be seen that there is authority for the purchase of land and the money has been paid out for that purpose.

Mr. WAINWRIGHT. Mr. Chairman, my impression—and I feel confident it is correct—is that the appropriation referred to by the gentleman from Illinois was to purchase additional land. The land which originally constituted these cemeteries was provided by the French Government through some arrangement between our military authorities and theirs, by which they ceded to us the necessary land for our cemeteries. The appropriations were to round out and extend the area of the original cemetery tracts.

The CHAIRMAN. The Chair is ready to rule. The Chair has examined the amendment submitted by the gentleman from Maryland and finds it is a limitation. There is an appropriation here in this item of $548,550 for erecting headstones upon the graves of American soldiers in Europe. Now, this amendment limits the expenditure of this appropriation to headstones of a certain general description, and consequently it is only a limitation upon the appropriation, provided if with the limitation added it does not alter existing law. The national cemetery act is not the act under which cemeteries in Europe are established, and its provisions do not pertain to these cemeteries, but the act which is chapter 120, second session, Sixty-seventh Congress, the act read by the chairman of the committee, is the act that applies. That act contains no provision whatsoever on the character of headstones or markers to be used. Consequently the point of order is overruled.

Mr. MADDEN. Mr. Chairman, I hope the committee will not adopt the amendment. In the first place, I think it is an administrative proposition, the question of whether the headstones shall be of one type or another, and this committee ought not to be involved in the quarrel between the Quartermaster's Department and the American Monument Commission with reference to this matter. It is purely administrative, and I hope the committee will join with our committee in voting down the amendment.

Mr. HILL of Maryland. Mr. Chairman, may I have a moment, since the amendment has been held in order? Mr. Chairman and gentlemen of the committee, I can well appreciate the attitude of the chairman of this committee. It is entirely proper that there should not be legislation on an appropriation bill, and the Appropriation Committee is a committee which should not permit legislation on such bills. But this amendment is in order, and it has been ruled in order. It is a perfectly definite limitation, and I want to explain just this one thing to the committee:

You created the American Battle Monuments Commission. This action of the War Department board was taken before that commission began to function and before General Pershing went to France on the inspection of the cemeteries which he has been making. Now, the Battle Monuments Commission has unanimously agreed. With the exception of one lady, a gold-star mother, they are all service men on that commission—your representative on the commission, the representative of the Senate on the commission. Its members are all men who were in France, and they were all unanimously agreed that what is expressed in the Andrew bill, on which this amendment is based——

Mr. MADDEN. Why does not the gentleman get the Andrew bill passed and let us put an appropriation in, but not until the Andrew bill or some other bill is passed? That will fix a definite policy, and to that there can be no serious objection.

Mr. GRIFFIN. Will the gentleman yield?

Mr. HILL of Maryland. I will.

Mr. GRIFFIN. May I ask whether the gentleman's amendment will entail an increase in the appropriation?

Mr. HILL of Maryland. My impression is that the amendment will make the appropriation much less, because I doubt if the American Battle Monuments Commission will be in favor of making marble monuments in the United States and incurring all the extra expense of transporting them over there. It will, I expect, be in favor of getting the monuments at much less cost in France when the time comes, if they are to be of stone. If they are to be bronze, the cost will be less here and the transportation less, if they are made here. I hope the committee will vote for this amendment.

Mr. GRIFFIN. The gentleman from Illinois says that the monument proposed to be put up or set up would cost $17. Has the gentleman accurate information as to what it will cost under the proposed amendment?

Mr. MADDEN. Seventeen dollars, transported from the United States and erected in France.

Mr. GRIFFIN. I heard that.

Mr. HILL of Maryland. The chairman of the committee very clearly brought that out. Under the present plan it will cost about $9.04 in the United States; $17.90 after transportation of the headstones to France and set up in France. Now, the American Battle Monuments Commission has informally made a plan of a cross or a star either of bronze or stone. The bronze will cost $6.30 in the United States. This amendment will make a great reduction in cost of the needed markers or stones in our American cemeteries in France, and will comply with the wishes of the men who served in France and of the mothers and widows of the men who died and are buried in France.

Yesterday before the Military Affairs Committee some of those mothers and widows showed us the photographs of the crosses or stars that now mark the graves of their soldiers, and plead that there should not be substituted for these crosses and stars the usual headstone, which is proposed by the officers who appeared before the Appropriations Committee.

There are very few members of the Committee of the Whole House now present and it is so late in the day that I shall not make a point of order on the absence of a quorum. I hope you will pass this amendment, but if you do not we have placed before the Congress the wishes of the ex-service men and women and of the war widows and mothers, and I feel sure that ultimately, as the chairman of the Appropriations Committee suggests, the views expressed in the resolution of the gentleman from Massachusetts [Mr. ANDREW],

which I have incorporated in the pending amendment, will prevail.

I would rather see this whole appropriation dropped for the present than have the crosses and the stars replaced with marble slabs. We who saw some of those crosses erected over the fresh graves of men who had just fallen, like the families of those men, have a feeling of sacred reverence for those crosses and stars.

We do not want to see them replaced with marble headstones. We want, in the words of the pending amendment—"that the permanent markers to be placed upon the graves in American military cemeteries overseas shall be of the same general form and design and have the same general effect as the existing wooden markers."

The crosses, "row on row," mean much to the American people. They should be perpetuated. [Applause.]

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Maryland.

The question was taken, and the Chair announced the noes appeared to have it.

Mr. HILL of Maryland. I ask for a division.

The committee again divided; and there were—ayes 6, noes 17.

The CHAIRMAN. The Clerk will read.

Mr. GRIFFIN. Mr. Chairman, I ask for a division.

The CHAIRMAN. The committe just divided.

Mr. GRIFFIN. I ask for tellers.

Mr. MADDEN. I trust the gentleman will not do that. Let us finish this bill. We have worked night and day trying to get this bill out of the way. I do not very often ask anybody with reference to such a matter, but there is nothing to be gained.

Mr. GRIFFIN. There are some important——

Mr. MADDEN. There is nothing in the bill except judgments and audited claims and we can finish it. There is nothing of any importance to be considered.

Mr. GRIFFIN. I will withdraw the demand.

So the amendment was rejected.

The Clerk read as follows:

For salaries and expenses, Federal Board for Vocational Education, $293.81.

Mr. HILL of Maryland. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN (Mr. BEEDY). The gentleman from Maryland [Mr. HILL] moves to strike out the last word.

Mr. HILL of Maryland. Mr. Chairman, I ask unanimous consent to extend my remarks on the subject I last discussed.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. WAINWRIGHT. Mr. Chairman, I make the same request.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

For education of natives of Alaska, $19.27.

Mr. BLANTON. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BLANTON. Would it be possible, under the circumstances, for the Clerk to read this bill scientifically?

Mr. MADDEN. It had better be read.

Mr. BYRNS of Tennessee. Would it not be better to move to rise?

Mr. BLANTON. If the Clerk could read it scientifically it would be better.

Mr. MADDEN. Let us read on.

Mr. BYRNS of Tennessee. I am not objecting.

Mr. BLANTON. I just wanted to know if the Clerk could read it scientifically.

The CHAIRMAN. The Clerk will read.

The Clerk resumed and concluded the reading of the bill.

Mr. MADDEN. Mr. Chairman, I ask unanimous consent to go back to page 22, relating to the Alaskan Railroad.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to return to page 22. Is there objection?

There was no objection.

The CHAIRMAN. The clerk will report the paragraph referred to.

The Clerk read as follows:

THE ALASKA RAILROAD.

For expenses of maintenance and operation of railroads in the Territory of Alaska (in excess of revenues) during the fiscal year 1924, $245,000.

Mr. MADDEN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. MADDEN: Page 22, line 4, after the figures "$245,000" insert the following: "*Provided*, That no part of this sum shall be expended for the construction of hotels."

The CHAIRMAN (Mr. LEHLBACH). The question is on agreeing to the amendment offered by the gentleman from Illinois.

The amendment was agreed to.

Mr. MADDEN. I have an amendment also to the next paragraph.

The CHAIRMAN. The Clerk will report the next paragraph.

The Clerk read as follows:

For expenses of replacements and betterments of roadway and structures of railroads in the Territory of Alaska, and for providing additional equipment for said railroads, $865,000, to remain available until December 31, 1924.

Mr. MADDEN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Illinois.

The Clerk read as follows:

Amendment offered by Mr. MADDEN: Page 22, lines 5 to 8, inclusive, strike out and insert "For bridge renewals, including filling old trestles, renewal of ballasting, bank widening, riprapping, reconstruction of telegraph lines, and for additional rolling stock, $865,000, to remain available until December 31, 1924."

Mr. MADDEN. This is the program for improving the railroad in Alaska, aggregating $5,250,000, $865,000 of which is carried in this bill. Information came to the committee which led us to believe that it would be better for us to put this restriction on the expenditure than to have it go as it appears in the bill.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. BLANTON. Is there any other restriction that the gentleman can think of to put around the other items in the bill, to safeguard them?

Mr. MADDEN. No; but I wish there were.

I wish to say, Mr. Chairman, before we close the consideration of the bill, that I am very much obliged to the Members of the House for the consideration which they have given to the Committee on Appropriations to-day in order to expedite the passage of this bill.

I move, Mr. Chairman, that the committee do now rise and report the bill back to the House with the amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. LEHLBACH, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (H. R. 7449) making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1924, and prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1924, and for other purposes, had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to, and that the bill as amended do pass.

Mr. MADDEN. Mr. Speaker, I move the previous question on the bill and amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gross. The question is on agreeing to the amendments.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill as amended.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. MADDEN, a motion to reconsider the vote whereby the bill was passed was laid on the table.

LONGFELLOW'S HOME.

Mr. BEEDY. Mr. Speaker, under leave granted to extend my remarks I insert an article from the Washington Evening Star respecting Longfellow's birthplace, which is as follows:

SEEK TO PRESERVE LONGFELLOW'S BIRTHPLACE—AUTOGRAPHED ENGRAVINGS TO BE DISTRIBUTED IN EFFORT TO RAISE NEEDED FUNDS—WILL GO TO CAPITALS—PICTURES TO BE PRESENTED WITH NAMES OF ALL SUBSCRIBERS.

In order to provide for the permanent preservation of the birthplace of Henry W. Longfellow, the great American poet, in Portland, Me., The International Longfellow Society is making plans to present the White House, the capital of every State, and the capital of every country in the world with an engraving of the world's best-loved poet. Each engraving was autographed by the artist and poet a few months before his death.

Approved by such men as Theodore Roosevelt and William H. Taft, the aims and ideals of the society are as follows:

"To secure and preserve the birthplace of America's greatest poet, Henry W. Longfellow; to collect and exhibit and preserve printed and other matter and material relating to him; to encourage a world-wide observance of each succeeding anniversary of his birth; to promote the study of his writings and other literature; to honor him and other writers in such ways and by such means as the society may be able."

This endeavor will be accomplished through subscriptions from individuals, colleges, schools, clubs, and other organizations, and these engravings will be distributed when the society has received subscriptions amounting to $500. At that time one of the engravings, appropriately framed, will be presented to the White House as a gift of the subscribers, accompanied by a list of them.

Each contributor will receive an attractive life-membership certificate in the society, free from further fees or dues of any kind.

Following the same method, another of these engravings will be immediately presented to the executive of each country, State, city, institution, or organization from which contributions aggregating $500 are received.

These engravings were published in 1881 and have been held by the publishers for more than 40 years, with the certainty that, being autographed by the poet, they must eventually become of great value. The society now controls all of them and feels that their disposition as now planned will bring joy to millions of lovers of Longfellow.

The Washington office of the society is room 420, Bond Building, and subscriptions should be mailed to that address in care of The International Longfellow Society.

ENROLLED BILL SIGNED.

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

H. R. 7039. An act to amend section 72 of chapter 23, printing act approved January 12, 1895, relative to the allotment of public documents.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. ROSENBLOOM, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States for his approval the following bills:

H. R. 5624. An act authorizing the construction of a bridge across the Ohio River to connect the city of Benwood, W. Va., and the city of Bellaire, Ohio;

H. R. 5348. An act granting the consent of Congress for the construction of a bridge across the St. John River between Fort Kent, Me., and Clairs, Province of New Brunswick, Canada;

H. R. 5337. An act granting the consent of Congress to construct a bridge over the St. Croix River between Vanceboro, Me., and St. Croix, New Brunswick;

H. R. 4984. An act to authorize the Clay County bridge district, in the State of Arkansas, to construct a bridge over Current River;

H. R. 4457. An act conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Cherokee Indians may have against the United States, and for other purposes;

H. R. 4187. An act to legalize a bridge across the St. Louis River, in Carlton County, State of Minnesota;

H. R. 4182. An act authorizing the city of Ludington, Mason County, Mich., to construct a brdge across an arm of Pere Marquette Lake;

H. R. 4120. An act granting the consent of Congress to the Greater Wenatchee irrigation district to construct, maintain, and operate a bridge across the Columbia River;

H. R. 3845. An act to authorize the construction of a bridge across the Little Calumet River at Riverdale, Ill.; and

H. R. 2818. An act to grant the consent of Congress to construct, maintain, and operate a dam and spillway across the Waccamaw River, in North Carolina.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. TUCKER, for three days, on account of sickness in his family; and

To Mr. WEAVER, for to-day, on account of sickness.

ORDER OF BUSINESS.

Mr. GARRETT of Tennessee. Mr. Speaker, may I inquire of the gentleman from Illinois what the program for to-morrow is?

Mr. MADDEN. To take up the naval appropriation bill to-morrow morning.

ADJOURNMENT.

Mr. MADDEN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 12 minutes p. m.) the House adjourned until to-morrow, Saturday, March 15, 1924, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

401. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the Treasury Department for the fiscal year 1924, pertaining to mints and assay offices, amounting to $300 (H. Doc. No. 221); to the Committee on Appropriations and ordered to be printed.

402. A letter from the Secretary of War, transmitting a draft of proposed legislation "to fix the salaries of officers and members of the United States park police force, District of Columbia, and for other purposes"; to the Committee on Public Buildings and Grounds.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. LAMPERT: Committee on the District of Columbia. H. R. 6721. A bill to amend the act entitled "An act to fix and regulate the salaries of teachers, school officers, and other employees of the Board of Education of the District of Columbia," approved June 20, 1906, as amended, and for other purposes; with amendments (Report No. 302). Referred to the Committee of the Whole House on the state of the Union.

Mr. VESTAL: Committee on Coinage, Weights, and Measures. H. R. 3241. A bill to establish the standard of weights and measures for the following wheat-mill, rye-mill, and corn-mill products, namely, flours, hominy, grits, and meals, and all commercial feeding stuffs, and for other purposes; with amendments (Report No. 309). Referred to the Committee of the Whole House on the state of the Union.

Mr. HUDDLESTON: Committee on Interstate and Foreign Commerce. H. R. 6903. A bill granting the consent of Congress to the Board of Supervisors of Leake County, Miss., to construct a bridge across the Pearl River in the State of Mississippi; without amendment (Rept. No. 303). Referred to the House Calendar.

Mr. RAYBURN: Committee on Interstate and Foreign Commerce. H. R. 6902. A bill granting the consent of Congress to the Board of Supervisors of Leake County, Miss., to construct a bridge across the Pearl River in the State of Mississippi; without amendment (Rept. No. 308). Referred to the House Calendar.

Mr. MOORES of Indiana: Committee on Disposition of Useless Executive Papers. Report on useless papers in Department of Commerce (Rept. No. 306). Ordered to be printed.

Mr. MOORES of Indiana: Committee on Disposition of Useless Executive Papers. Report on useless papers in United States Civil Service Commission (Rept. No. 307). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. ROACH: Committee on War Claims. H. R. 2335. A bill for the relief of J. Jessop and sons; without amendment (Rept. No. 304). Referred to the Committee of the Whole House.

Mr. ROACH: Committee on War Claims. S. 130. A bill for the relief of George T. Tobin & Son; without amendment (Rept. No. 305). Referred to the Committee of the Whole House.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. BURDICK: A bill (H. R. 7911) to authorize the Secretary of the Treasury to sell the appraisers stores property in Providence, R. I.; to the Committee on Ways and Means.

By Mr. DALLINGER: A bill (H. R. 7912) to amend section 2 of the act relative to naturalization and citizenship of married women, approved September 22, 1922; to the Committee on Immigration and Naturalization.

By Mr. HASTINGS: A bill (H. R. 7913) conferring jurisdiction upon the Court of Claims to hear, examine, adjudicate, and enter judgment in any claims which the Creek Indians may have against the United States, and for other purposes; to the Committee on Indian Affairs.

By Mr. FROTHINGHAM: A bill (H. R. 7914) to provide for the erection of a Federal building at Brockton, Mass., and for other purposes; to the Committee on Public Buildings and Grounds.

By Mr. WELLER: A bill (H. R. 7915) to establish a national conservatory of music for the education of pupils in music in all its branches, vocal and instrumental, and for other purposes; to the Committee on Education.

By Mr. EDMONDS: A bill (H. R. 7916) to amend the act of September 4, 1890, in regard to collisions at sea, that went into effect December 15, 1890; to the Committee on the Merchant Marine and Fisheries.

Also, a bill (H. R. 7917) to amend article 3 and section (e), article 15, of the pilot rules for certain inland waters of the Atlantic and Pacific coasts, and of the coast of the Gulf of Mexico; to the Committee on the Merchant Marine and Fisheries.

By Mr. HILL of Maryland: A bill (H. R. 7918) to diminish the number of appraisers at the port of Baltimore, and for other purposes; to the Committee on Ways and Means.

By Mr. KUNZ: A bill (H. R. 7919) to limit the immigration of aliens into the United States, and to provide a system of selection in connection therewith, and for other purposes; to the Committee on Immigration and Naturalization.

By Mr. WINSLOW: A bill (H. R. 7920) to authorize the transfer of a portion of the Brewerton Channel Range Rear Lighthouse Reservation, Md., from the Department of Commerce to the Treasury Department; to the Committee on Interstate and Foreign Commerce.

By Mr. RAINEY: A bill (H. R. 7921) providing for the erection of a public building at Carrollton, Ill.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 7922) increasing the limit of cost for a post-office building at Jerseyville, Ill.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 7923) providing for the erection of a public building at Havana, Ill., on a site heretofore provided for the same; to the Committee on Public Buildings and Grounds.

By Mr. CRAMTON: A bill (H. R. 7924) to amend section 20 of an act entitled "An act to prevent the manufacture and sale of alcoholic liquors in the District of Columbia, and for other purposes," approved March 3, 1917, as amended; to the Committee on the District of Columbia.

By Mr. AYRES: A bill (H. R. 7925) to protect the commerce of the United States and to punish the crime of piracy; to the Committee on the Judiciary.

By Mr. BEEDY: A bill (H. R. 7926) to provide for the purchase of a site and the erection of a new public building at Portland, Me.; and also for the sale of the present post-office building and site; to the Committee on Public Buildings and Grounds.

By Mr. BURTON: Resolution (H. Res. 221) authorizing the select committee appointed under House Resolution 217 to employ stenographic and other assistance, and for other purposes; to the Committee on Accounts.

By Mr. GRAHAM of Pennsylvania: Resolution (H. Res. 222) for the consideration of the bill, H. R. 646, entitled "A bill to make valid and enforceable written provisions or agreements for arbitration of disputes arising out of contracts, maritime transactions, or commerce among the States or Territories or with foreign nations"; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CRAMTON: A bill (H. R. 7927) granting a pension to Donald McDonald; to the Committee on Pensions.

By Mr. GARDNER of Indiana: A bill (H. R. 7928) granting a pension to Alonzo Plummer; to the Committee on Invalid Pensions.

By Mr. GIBSON: A bill (H. R. 7929) for the relief of Harold D. Kent; to the Committee on Naval Affairs.

By Mr. GILBERT: A bill (H. R. 7930) for the relief of John H. Gattis; to the Committee on Claims.

By Mr. KNUTSON: A bill (H. R. 7931) granting an increase of pension to August J. Griesbach; to the Committee on Pensions.

Also, a bill (H. R. 7932) granting a pension to Eliza A. Winters; to the Committee on Invalid Pensions.

By Mr. LINDSAY: A bill (H. R. 7933) to authorize the appointment of Sergt. Edward F. Ryan, retired, to the grade of first sergeant, retired, in the United States Army; to the Committee on Military Affairs.

By Mr. LINEBERGER: A bill (H. R. 7934) for the relief of Benjamin F. Youngs; to the Committee on Military Affairs.

By Mr. McKEOWN: A bill (H. R. 7935) granting a pension to Benjamin L. Greer; to the Committee on Invalid Pensions.

By Mr. MONTAGUE: A bill (H. R. 7936) granting a pension to James F. Buchanan; to the Committee on Pensions.

By Mr. PEERY: A bill (H. R. 7937) granting a pension to Alice Poteet; to the Committee on Pensions.

By Mr. RAINEY: A bill (H. R. 7938) granting an honorable discharge to Ignatius C. Burbridge; to the Committee on Military Affairs.

Also, a bill (H. R. 7939) granting an increase of pension to Rementha H. Means; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7940) granting a pension to John Sanders; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7941) granting a pension to Elizabeth Tysinger; to the Committee on Invalid Pensions.

By Mr. ROGERS of New Hampshire: A bill (H. R. 7942) granting a pension to Mable Farnham; to the Committee on Invalid Pensions.

By Mr. ROMJUE: A bill (H. R. 7943) granting a pension to Pearl Falkinburg; to the Committee on Invalid Pensions.

By Mr. SPROUL of Illinois: A bill (H. R. 7944) granting a pension to Anna E. Smith; to the Committee on Pensions.

By Mr. TINKHAM: A bill (H. R. 7945) for the relief of Mary E. Whitney; to the Committee on Claims.

By Mr. TYDINGS: A bill (H. R. 7946) for the relief of John H. Emmord; Emma W. Bay and Harry C. Holloway, copartners trading as John W. Bay & Co.; Samuel L. Fyle; W. Carl Hollaway; Sylvester A. McGuigan; Elmer J. Johnson; Oscar M. Johnson; William B. Tildon; F. O'Neill Mitchell and Parker Mitchell, copartners trading as F. O. Mitchell & Bro.; Charles H. Rigney; Herman W. Hanson and Walter J. Lantz, copartners trading under the firm name and style of Hanson & Lantz; Isaac S. Lee; Raymond W. Price; Harry P. Strasbaugh, Otho N. Johnson and William W. Johnson, copartners trading as Johnson Bros.; J. Edmund Michael; Jay F. Towner, trading as J. F. Towner & Sons; Julian C. Smith, Chapman S. Clark, and Frederick von Kapff, trustees, Chapman S. Clark, Nannie M. Clark; Annie C. Vandiver, Dorothy C. Vandiver, and Robert M. Vandiver; Martha J. Hensen; Charles H. Gerbig and John H. Kuhn; Daniel McFaul; Frank O. Stromberg; to the Committee on War Claims.

Also, a bill (H. R. 7947) granting a pension to Julia Ford; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7948) granting a pension to Agnes Tawney; to the Committee on Invalid Pensions.

By Mr. WATKINS: A bill (H. R. 7949) granting a pension to Mary J. Baldwin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7950) granting a pension to Kate Bantz; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7951) granting an increase of pension to Charles A. Bushey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7952) granting a pension to Catherine Barger; to the Committee on Pensions.

Also, a bill (H. R. 7953) granting a pension to Rebecca P. Baston; to the Committee on Invalid Pensions.

Also, a bill (H. R. 7954) granting an increase of pension to Fred S. Drew; to the Committee on Pensions.

Also, a bill (H. R. 7955) granting an increase of pension to William A. Duckworth; to the Committee on Pensions.

Also, a bill (H. R. 7956) granting an increase of pension to George A. Durette; to the Committee on Pensions.

Also, a bill (H. R. 7957) for the relief of Andrew C. Smith; to the Committee on Claims.

By Mr. WATSON: A bill (H. R. 7958) granting an increase of pension to Carrie M. Althouse; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

1732. By the SPEAKER (by request): Petition of the city council of the city of Chicago, requesting the Federal authorities to take the necessary action to provide for the erection of a post office in Chicago; also urging Congress to enact legislation increasing the salaries of postal employees; to the Committee on the Post Office and Post Roads.

1733. By Mr. ARNOLD: Petition of the directors of the Lawrence County, Ill., Farm Bureau, indorsing the McNary-Haugen bill and asking for its passage by Congress; to the Committee on Agriculture.

1734. By Mr. EVANS of Montana: Petition of Cristoforo Colombo Lodge No. 1, of Butte, Mont., protesting against the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1735. By Mr. GALLIVAN: Petition of grain board, Boston Chamber of Commerce, Boston, Mass., protesting against the McNary-Haugen bill; to the Committee on Agriculture.

1736. Also, petition of Massachusetts Child Labor Committee, recommending an amendment to the Constitution of the United States to give the Congress the power to pass child-labor legislation, as provided for in House Joint Resolution 184; to the Committee on the Judiciary.

1737. Also, petition of Brotherhood Temple Ohabei Shalom, Boston, Mass., protesting against the Johnson immigration bill; to the Committee on Immigration and Naturalization.

1738. By Mr. GARBER: Petition of Arthur L. Malherbe Post, No. 220, American Legion, Kaw City, Okla., urging the passage of the adjusted compensation measure in Congress; to the Committee on Ways and Means.

1739. By Mr. GARNER of Texas: Petition of Orange Chamber of Commerce, of Orange, Tex., indorsing increase of postage on second-class matter and reduction of 1 cent on drop and rural route letters; to the Committee on the Post Office and Post Roads.

1740. By Mr. KINDRED: Petition of the New York State Forestry Association, urging the speedy enactment into law of House bill 4830, regarding reforestation of arid land; to the Committee on Agriculture.

1741. By Mr. MOORE of Illinois: Petition of residents of Rantoul, Ill., and vicinity, favoring adjusted compensation bill; to the Committee on Ways and Means.

1742. By Mr. RAINEY: Petition of citizens of Easton, Ill., favoring the enactment into law of the game refuge bill; to the Committee on Agriculture.

1743. By Mr. SCHALL: Petition of North Branch Commercial Club, sent by August Nordstrom, secretary, indorsing McNary-Haugen bill; to the Committee on Agriculture.

1744. By Mr. TEMPLE: Petition of members of Edwin Scott Linton Post, No. 175, American Legion, and ex-soldiers of Washington, Pa., in support of the adjusted compensation bill; to the Committee on Ways and Means.

1745. By Mr. THOMPSON: Petition of 11 citizens of Wauseon and Napoleon, Ohio, protesting against the passage of the McNary-Haugen bill (H. R. 5563); to the Committee on Agriculture.